

Regulatory Circular 2.14.3A.3

**ACCOUNT IDENTITY**

<b>Issue Date</b>	<b>Cross Reference</b>	<b>Enquiries</b>
dd/mm/yy	Clearing Rules Rule 2.14.3A.3	Please contact Risk Management : Ms Elaine Tang                      6236 8142 Mr Peh Kok Heng                      6236 8118

**1. General**

- 1.1 Members are required to submit Account Identity Form (Form BC4A) for each account (including sub – account/s of a disclosed omnibus account), which is used for trading and / or carrying of trades done on the Exchange, other exchanges and Over – The – Counter. As Form BC4A serves as identification for the holder of the account, account number registered through Form BC4A should only be used once, i.e. no single account number should be assigned to more than one customer, even when the account has been closed. For Members, all accounts submitted via Form BC4A (i.e. BC4A account) will automatically be created in STAR system. Although Members are not required to submit Form BC4A for trading account that is created in the STAR system, Members are reminded that such trading account created must be linked to a BC4A account. **Please note that any account number used in position reporting must correspond exactly to that account number as reported in Form BC4A.**
- 1.2 If an account used to register trades in the STAR system is not a BC4A account or trading account, it will be considered as an invalid account. Trades belonging to an invalid account will automatically be held in the Member’s Holding Account of the same origin in STAR system. Holding Accounts bear the account numbers “S999C” and “S999H”, where “S999” denotes the Member’s firm code, “C” denotes customer origin and “H” denotes house origin. Members are **not allowed** to close / delete the Holding Accounts.

- 1.3 Submission of BC4A accounts, except those for Trading Member (Individual) and Trading Representatives<sup>1</sup>, must be done within three business days after the new account has commenced trading. Submission of BC4A accounts for Trading Member (Individual) and Trading Representatives must be submitted **at least one business day before they start trading**. This is to ensure that accurate processing of clearing fee rebates. Please note that this requirement also applies for Trading Member (Individual) and Trading Representatives who are changing their qualifying Clearing Members.
- 1.4 BC4A submission must be submitted through SGX Data Submission Website (<https://esub.sgx.com>), which includes the following features:
- a. Creation of new BC4A account
  - b. Closure of BC4A account
  - c. BC4A account amendment
  - d. Reinstatement of BC4A account
  - e. Deletion of BC4A account
- 1.5 Members should notify the Clearing House as soon as practicable, when an account is closed in their system, to prevent unauthorized trading in the account.
- 1.6 Changes to the information of a BC4A account that has been submitted previously must be notified to the Clearing House as soon as practicable, within the next business day.
- 1.7 Members are required to put in place internal controls to ensure that Form BC4A have been properly approved by the CEO or authorized senior executives (Deputy CEO, General Manager or Operations Manager) before their submission. However, as in all delegations, Members are reminded that the primary responsibility for ensuring the accuracy of the Form BC4A submitted would still fall on the CEOs of the respective Member firms.

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<sup>1</sup> Trading Representatives are Dealer's Representatives who are trading for their own account on SGX Quest via the SESOPS Link.

- 1.8 **Members are required to ensure all information reported under Form BC4A are complete and accurate** as the Clearing House relies on these records for its risk management and market surveillance programmes, and that due care should be exercised in completing the form.

**2. Detailed Description of the Form BC4A Submission**

a. Firm Id

A member is issued a unique Firm Id by SGX for the purpose of electronic submission via SGX Data Submission System.

b. Submission Period

Date of the submission. (Format : dd/mm/yyyy)

c. Name of the Preparer

Full name of the person who prepare the Form BC4A submission.

d. Action Type

Type of action for the submission.

Members can select the following options:

- a. N – New (For creation of new account)
- b. A – Amend (For amendment of existing BC4A account)
- c. C – Closed (For closure of existing BC4A account)
- d. R – Reopen (For reinstatement of closed BC4A account)
- e. D – Delete (For deletion of BC4A account)

e. Account Number

A unique “Account Number” must be assigned to each new account reported in Form BC4A. The account number may be up to 10 alphanumeric characters long. **Only alphabets, numbers, and hyphens are acceptable. (Spaces and other characters are not acceptable).** Please ensure that account numbers reported must be in uppercase. Account numbers used must be the same as the account numbers used for trade matching and clearing in the STAR system and PCS reporting.

**Members are reminded that account numbers cannot be recycled.** This means that no single account number should be assigned to more than one customer, even when the account has been closed.

f. Account Name

The name of the account must be the same as that used in the Customer's Agreement form signed by the account holder. **Account name should be stated in the full legal name of the entity / person(s).** Any amendment to the Account Name must be supported by documentary evidence.

g. Contact Name

The contact person stated here should be a representative of the account holder, or the account holder himself.

h. Address

The address of the account holder should be the same as the address stated in the Customer Agreement form signed by the account holder. The city and country should be included for non – Singapore address.

i. Telephone

The direct telephone number of the contact person should be provided. If the contact person is not a resident in Singapore, the country code should be included.

j. Fax

The direct facsimile number of the contact person should be provided. If the contact person is not a resident in Singapore, the country code should be included.

k. Principal Business

This field specifies the type of business the account holder is specializing in. The principal business of the account holder must be provided in this field. In the event that the account holder does not belong to any of these broad classes of businesses, the user can choose "Other". User can choose up to 10 different categories as follows:

- ✓ Banks
- ✓ Funds
- ✓ Securities Firms
- ✓ Insurance Companies
- ✓ Government Firms / Agencies
- ✓ Non – Financial / Agencies
- ✓ Energy / Commodity Firms
- ✓ Individuals

- ✓ Omnibus Accounts
- ✓ Financial
- ✓ Others

l. Occupation

This field allows users to specify the type of the business or occupation the account holder is involved in, which does not belong to any of the broad classes of principal business.

m. Country Name

This field identifies the account holder’s country of incorporation, or the country in which the account holder is residing. Please refer to the following Master Table for Country Code Listing. If the user wants to select a country that is not provided in the list, the user can choose the “Others”.

<b>Country Master Table</b>			
<b>Code</b>	<b>Description</b>	<b>Code</b>	<b>Description</b>
AUS	AUSTRALIA (GP A)	LIB	LIBERIA
ATR	AUSTRIA (GP A)	LIE	LIECHTENSTEIN
BAM	BAHAMAS	LUX	LUXEMBURG (GP B)
BAH	BAHRAIN	MAL	MALAYSIA EXCEPT LABUAN (GP A)
BAN	BANGLADESH	MAU	MAURITIUS
BEL	BELGIUM (GP A)	MEX	MEXICO
BER	BERMUDA	MON	MONACO
BVI	BRITISH VIRGIN ISLAND	MYN	MYANMAR
BRU	BRUNEI	HOL	NETHERLANDS (GP A)
CAM	CAMBODIA	NEA	NETHERLANDS,ANTILLES
CAN	CANADA (GP A)	NZN	NEW ZEALAND (GP A)
CAY	CAYMAN ISLAND	NOI	NORFOLK ISLAND
CNL	CHANNEL ISLAND	NOR	NORWAY (GP B)
PRC	CHINA (GP B)	OMA	OMAN
DEN	DENMARK	OTH	OTHERS
XXX	DUMMY COUNTRY	PHI	PHILIPPINES (GP B)
FIN	FINLAND (GP B)	POR	PORTUGAL (GP B)
FRA	FRANCE (GP A)	RUS	RUSSIA
GER	GERMANY (GP A)	SAR	SAUDI ARABIA
GIB	GIBRALTAR	SIN	SINGAPORE
GRE	GREECE (GP B)	SLO	SLOVENIA
HKG	HONG KONG (GP A)	SAF	SOUTH AFRICA
INA	INDIA (GP B)	SPA	SPAIN (GP A)
IND	INDONESIA (GP B)	SRI	SRI LANKA
IRE	IRELAND (GP B)	SWE	SWEDEN (GP A)
IOM	ISLE OF MAN	SWZ	SWITZERLAND (GP A)
ISR	ISRAEL	TAH	TAHITI
ITA	ITALY (GP A)	ROC	TAIWAN (GP A)
IVC	IVORY COAST	THA	THAILAND (GP A)
JPN	JAPAN (GP A)	UAE	UNITED ARAB EMIRATES
NKR	KOREA - NORTH	UK	UNITED KINGDOM (GP A)

SKR	KOREA - SOUTH (GP A)	USA	UNITED STATES OF AMERICA (GP A)
KUW	KUWAIT	URU	URUGUAY
LAT	LATVIA		

n. Account Category

An account should be reported as a “Main” account unless it is a sub – account of an omnibus account. If the account is a sub – account, then the omnibus account number (which must be the same as the account number previously reported to the Clearing House) must be stated. Please note that an omnibus account must be reported before the sub – accounts, so that the sub – accounts will be correctly linked to the omnibus account.

If the account is a disclosed omnibus account, Form BC4A must be submitted for each sub – account. However, if it is an undisclosed omnibus account and the sub – accounts are not used for position reporting and trades clearing, Form BC4A is not required for the sub – account(s). **Members should also note that for trading accounts, which are to be linked to a “Main” BC4A account using the STAR system, need not submit a Form BC4A to the Clearing House.**

o. Omnibus Account No.

When the account is reported as a “Sub” account, users must provide the omnibus account, which the sub account is linked to. Please note that an omnibus account must be reported before the sub – accounts, so that the sub – accounts will be correctly linked to the omnibus account. Please ensure that omnibus account number reported must be in uppercase.

p. Origin

A “House” origin account refers to the proprietary account of a Member or the proprietary account of its related corporation. It also includes the accounts opened for a director, officer, employee, Associated Person, Associated Person (Trading Floor), or Registered Representative of the Member.

All other accounts are considered as “Customer” origin accounts.

q. Nature of Account

A “Proprietary” account is one where the positions carried in the account are for the proprietary trading of the account holder, or the proprietary trading of the account holder’s related corporations.

A “Non – Proprietary” account is one where the positions carried in the account belong to the customers of the account holder.

r. Type of Account

This field specifies the type of account. Currently, the Clearing House has classified the various types of trades into 9 categories. The following definition for the account type may be used as a reference:

✓ Approved Arbitrageur or Options Market – Maker

Where the account holder is an arbitrageur or options market – maker approved by the Clearing House to conduct such business on the trading floor. Long positions are automatically offset against short positions.

✓ Arbitrage<sup>2</sup>

Positions in account are maintained for the purposes of arbitraging against other markets. Long positions are not automatically offset against short positions. Instructions must be provided to close out an existing position.

✓ Error

This account type allows for booking trades that are executed wrongly. Such an account should have a “zero” balance at the end of the business day.

✓ Hedge<sup>2</sup>

The positions in account are maintained for hedging cash market or other types of exposures. Long positions are not automatically offset against short positions. Instructions must be provided to close out an existing position.

✓ MOS / Execution

The MOS account opened for booking trades to be transferred to another member on a Participating Exchange via the Mutual Offset

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<sup>2</sup> The Clearing House may require documentary evidence for accounts which are designated as “hedge”, “arbitrage”, or “omnibus”.

linkage at the end of the business day. The Execution account is for booking trades that are purely for execution and give – up only.

✓ *Omnibus<sup>2</sup>*

This account type is used when there are a number of underlying customers, whose positions are carried in sub – accounts. Long positions are not automatically offset against short positions. Instructions must be provided to close out an existing position in any sub – account.

✓ *Order – Filling*

Order – Filling accounts are used for booking the trades executed by local order – fillers, or trades executed by Trading Members (or by Clearing Members themselves) on instruction of other corporate members for give – up to those members, until the trades are given up to the accepting corporate member. This type of account should have a “zero” balance at the end of each business day as the trades booked are given up to the carrying broker by that time.

✓ *Speculative*

Account opened for the purpose of taking speculative positions in the market, i.e. where the account holder does not hold concurrent long and short positions. For this type of account, long and short positions are automatically offset against each other.

s. Ownership

The Clearing House has classified the various types of ownership into 7 categories. The following description for the ownership may be used as a reference:

✓ *Your Company*

Where the account holder is the Member itself.

✓ *Another SGX Corporate Member*

Where the account holder is a Clearing Member, Trading Member and Trading Member (Proprietary).

✓ *Your Related Corporation*

Where the account holder is a related corporation of the Member.

✓ *Non – Related Corporation*

Where the account holder is a corporation, but is not a related corporation of the Member.

✓ Individual Person

Where the account holder is an individual. This includes directors, officers, employees and Registered Representatives.

✓ Trading Member (Individual)

Where the account holder is a Trading Member (Individual).

✓ Trading Representatives

Where the account holder is a Trading Representatives.

t. Fee Type

The appropriate clearing fee type for the account should be indicated. The STAR system will automatically use the clearing fee type reported here as the fee type for the account number when it is used in STAR system for trading. For amendment of fee type, Members would not be able to change the fee type through the STAR terminals; it had to be done via Form BC4A amendment. The Clearing House has classified the various fee types into 9 categories. The following description for the fee type may be used as a reference:

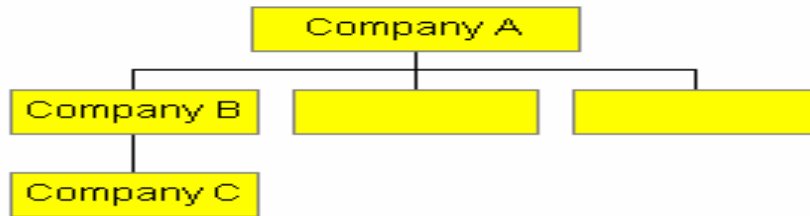
- ✓ 1 – Trading Member (Individual)'s own trades
- ✓ 2 – Clearing Member's House (or proprietary) account
- ✓ 3 – Trading Member's House (or proprietary) account
- ✓ 5 – Clearing Member's Customer account
- ✓ 6 – Trading Member's Customer account
- ✓ 7 – Trading Member (Proprietary)'s account
- ✓ 8 – Clearing Member's Related Company's House (or proprietary) account
- ✓ E – Trading Representative who is a Registered Representative [RR] / Futures Brokers' Representative [FBR]
- ✓ F – Trading Representatives who is not a Registered Representative [RR] / Futures Brokers' Representative [FBR]

u. Broker Code

Clearing Members are required to provide the broker symbol when the account is opened for a Trading Member (Individual). Otherwise, this item should be left blank.

v. Ultimate Parent Company of this account holder

If the account holder is a corporation, Members are required to inform the Clearing House the ultimate parent company of the account holder. As an example below, if Company C is the reporting BC4A account, then the ultimate parent company reported should be Company A.



- w. Is this account used for position reporting?  
Please indicate Y (Yes) if the account number is used for PCS Reporting or N (No) if this is an omnibus account and the sub accounts are used for PCS reporting. As this field is not applicable for Trading Members, please indicate N (No) for all accounts.
- x. Does this account control trading of or has a 10% or more financial interest in any other accounts?  
If the account has a 10% or more financial interest and / or controls the trading of other accounts carried with the Member, the account names and account numbers of these accounts must be provided.
- y. Does any other persons / account owners control trading of or have a 10% or more financial interest in this account?  
If other persons / account owners control the trading of or has a 10% or more financial interest in this account, the account names and account numbers of these persons or accounts must be provided.

All BC4A accounts submitted by Clearing Member will automatically be created in STAR system so as to ensure that there would not be duplicate records in the BC4A database and STAR system.

**VALIDATION MATRIX**

Members are required to look up the validation matrix for the correct combination of ownership type, fee type, account type, nature of account or broker code. Please refer to following table of validation matrix.

## Appendix C2

<b>Validation Matrix for Clearing Member</b>					
<b>Ownership</b>	<b>Origin</b>	<b>Account Type</b>	<b>Fee Type</b>	<b>Nature of Account</b>	<b>Broker Code</b>
Non - Related Corporation	Customer	All Types except order-filling	5	Non-Proprietary	Should be empty
Non - Related Corporation	Customer	All Types except order-filling	6	Non-Proprietary	Should be empty
Non - Related Corporation	Customer	All Types except order-filling	3	Proprietary	Should be empty
Non - Related Corporation	Customer	All Types except order-filling	5	Proprietary	Should be empty
Non - Related Corporation	Customer	All Types except order-filling	6	Proprietary	Should be empty
Another SGX Corporate Member	Customer	All Types except order-filling	3	Proprietary	Should be empty
Another SGX Corporate Member	Customer	All Types except order-filling	5	Proprietary	Should be empty
Another SGX Corporate Member	Customer	All Types	5	Non-Proprietary	Should be empty
Another SGX Corporate Member	Customer	All Types	6	Non-Proprietary	Should be empty
Another SGX Corporate Member	Customer	All Types except Order-filling	7	Proprietary	Should be empty
Your Related Corporation	Customer	All Types except Order-filling	5	Non-Proprietary	Should be empty
Your Related Corporation	House	All Types except Order-filling	8	Proprietary	Should be empty
Trading Member (Individual)	Customer	Speculative or Error	1	Proprietary	Mandatory
Trading Member (Individual)	Customer	Order-filling	5	Non-Proprietary	Mandatory
Your Company	House	All types except order-filling	2	Proprietary	Should be empty
Your Company	Customer	Order-filling	5	Non-Proprietary	Should be empty
Individual	Customer	All types except Order-filling, Omnibus & Error	5	Proprietary	Should be empty
Individual	House	All types except Order-filling, Omnibus & Error	8	Proprietary	Should be empty
Trading Representatives <sup>3</sup>	House	Speculative	E	Proprietary	Mandatory
Trading Representatives <sup>4</sup>	Customer	Speculative	F	Proprietary	Mandatory
<b>Validation Matrix for Trading Member</b>					
Non - Related Corporation	Customer	All Types except order-filling	6	Non-Proprietary	Should be empty
Non - Related Corporation	Customer	All Types except order-filling	6	Proprietary	Should be empty
Another SGX Corporate	Customer	All Types	6	Non-Proprietary	Should be

<sup>3</sup> Account opened by Trading Representatives who is a Registered Representative [RR] / Futures Broker's Representative [FBR]. The classification and reporting of the accounts of Trading Representatives under "house origin" is in accordance with Section XX of the Securities Futures Act.

<sup>4</sup> Account opened by Trading Representatives who is not a RR / FBR.

## Appendix C2

Member					empty
Another SGX Corporate Member	Customer	All Types except Order-filling	6	Proprietary	Should be empty
Your Related Corporation	Customer	All Types except Order-filling	6	Non-Proprietary	Should be empty
Your Related Corporation	House	All Types except Order-filling	3	Proprietary	Should be empty
Your Company	Customer	Order-filling	6	Non-Proprietary	Should be empty
Your Company	House	All types except order-fill	3	Proprietary	Should be empty
Individual	Customer	All types except Order-filling, Omnibus & Error	6	Proprietary	Should be empty
Individual	House	All types except Order-filling, Omnibus & Error	3	Proprietary	Should be empty
Trading Representatives <sup>5</sup>	House	Speculative	E	Proprietary	Mandatory
Trading Representatives <sup>6</sup>	Customer	Speculative	F	Proprietary	Mandatory

### **PRINTING AND FILING**

The XML file enables members to print hardcopies of the Form BC4A for filing, if required.

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<sup>5</sup> See Footnote 2.

<sup>6</sup> See Footnote 3.