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SGX MEMBER FIRMS IMPLEMENT ROBUST BUSINESS CONTINUITY ARRANGEMENTS BY 2010



21 January 2009 – Singapore Exchange Limited (“SGX”) today introduces new rules requiring SGX member firms to develop robust “Business Continuity Management (BCM)” arrangements. This follows a public consultation in May 2008, on proposed BCM requirements.

In the event of any operational disruptions or major disaster, the marketplace will be more assured of member firms’ ability to resume critical business functions in the shortest time possible with these BCM arrangements.

The new BCM Rules will be in effect from 22 January 2009, and SGX Members have a period of 12 months to comply with these Rules. The Rules cover the following key points :

- a Member must assess its business and operational risks and maintain adequate business continuity arrangements.
- a Member must document its business continuity arrangements in a business continuity plan.
- a Member’s senior management shall be responsible for the Member’s business continuity plan. Sufficient awareness of the risks, mitigating measures and state of readiness must be demonstrated by way of an attestation to the Member’s Board of Directors.
- a Member must review and test its business continuity plan regularly.

In addition, SGX Members have to appoint “Emergency Contact” persons and provide the Exchange with the contact details within three weeks of the effective date (by 12 February 2009).

The BCM requirements are implemented under the SGX-Securities Trading Rules, Futures Trading rules, CDP Clearing Rules and the SGX-Derivatives Clearing Rules.

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