

GUIDELINES ON RECOGNIZED MARKETS
SUMMARY OF KEY AMENDMENTS ISSUED ON 31 JANUARY 2019

The Guidelines on Recognized Markets is amended by revising and amending the requirements for the general chapters and introducing a new chapter for Digital Asset Exchanges. The following table provides a summary of key amendments to the Guidelines on Recognized Markets made in relation thereof, which was issued on 31 January 2019:

General amendments
<ol style="list-style-type: none"> 1. Amendments to the general requirements for all RMO by introducing requirements for outsourcing, submission of rules, directors and clarifying the ongoing obligations of the RMO. 2. Introducing a new chapter on the additional requirements to be complied by a person who wish to operate a Digital Asset Exchange. 3. Editorial amendments including streamlining requirements to enhance clarity and ensure consistency throughout the Guidelines, and rephrasing and renumbering of certain requirements.

Key amendments to specific paragraphs		
Prior to 31 January 2019	Revision dated 31 January 2019	Comments
Chapter 1: Introduction	Chapter 1: Introduction	
Paragraph 1.03	Paragraph 1.03	<ul style="list-style-type: none"> • Amended to clarify that an RMO must be structured as a body corporate unless otherwise specified by the SC

Key amendments to specific paragraphs		
Prior to 31 January 2019	Issued on 31 January 2019	Comments
Chapter 3: Criteria for Registration	Chapter 3: Criteria for Registration	
Subparagraph 3.01(f)	Subparagraph 3.01(f)	<ul style="list-style-type: none"> Amended to provide that an applicant must satisfy the SC that the applicant, applicant's directors, chief executive, controller, and any person who is primarily responsible for its operations or financial management are fit and proper, and that they are: <ol style="list-style-type: none"> are suitably qualified to assume the position including having the relevant experience and track record in managing a market; or have not been charged or had any civil action initiated against them in any court of law.
Subparagraph 3.01(h)	Subparagraph 3.01(h)	<ul style="list-style-type: none"> New paragraph inserted requiring an applicant to satisfy the SC that it has a clear or unique value proposition or will contribute to the overall development of the capital market.
-	Subparagraph 3.01(n)	<ul style="list-style-type: none"> New paragraph inserted to require applicant to have appropriate security arrangements which include maintaining a secured environment pursuant to the Guidelines on Management of Cyber Risk and other relevant guidelines.
Chapter 4: Appointment of Responsible Person	Chapter 4: Appointment of Directors and Responsible Person	<ul style="list-style-type: none"> Existing chapter 4 amended by inserting requirements relating to directors such as requiring the director to be fit and proper, and to notify the SC of any appointment or reappointment of any disqualification of a director.

Key amendments to specific paragraphs		
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Chapter 6: Continuous Obligations	Chapter 6: Obligations	<ul style="list-style-type: none"> • Amendment to the existing requirements relating to continuous obligations of a RMO to provide clarity. • Has been amended by merging the existing continuous obligations applicable to all RMO's i.e. ECF and P2P into this chapter. • This chapter also sets out RMO obligations in relation to its outsourced functions.
-	Chapter 7 Submission of Rules	<ul style="list-style-type: none"> • Inserted a new chapter 7 that sets out the requirement for submission to SC, any proposed rules or any proposed amendments to existing rules of a RMO.
Chapter 12: Obligations of ECF Operator	Chapter 12: Obligations of ECF Operator	<ul style="list-style-type: none"> • Amendments to streamline current obligations of ECF operators taking into account amendments to chapter 6. • Existing paragraphs have been renumbered.
Chapter 12: Managing conflict of Interest	Chapter 12: Managing conflict of Interest	
Paragraph 12.12	-	<ul style="list-style-type: none"> • The existing paragraph 12.12 is deleted since it is now incorporated under the new Chapter 6
Chapter 12: Disclosure Requirements	Chapter 13: Disclosure Requirements	
Paragraph 12.23	Paragraph 13.21	<ul style="list-style-type: none"> • Existing paragraph amended since some of the disclosure

Key amendments to specific paragraphs		
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		<p>requirements are now provided for under Chapter 6.</p> <ul style="list-style-type: none"> Existing paragraph renumbered.
Chapter 13: Peer-to-peer financing (P2P) platform	Chapter 14: Peer-to-peer financing (P2P) platform	
-	Paragraph 14.03	<ul style="list-style-type: none"> New paragraph inserted to provide clarity that any person who wish to operate invoice financing on a platform must apply to be registered as a P2P operator under these guidelines
Paragraph 13.05	Paragraph 14.05	<ul style="list-style-type: none"> Amendments to streamline current obligations of P2P operators taking into account amendments to chapter 6. Existing paragraph renumbered.
Paragraph 13.16	-	<ul style="list-style-type: none"> The existing paragraph 13.16 is deleted since it is now incorporated under the new Chapter 6.
Paragraph 13.31	Paragraph 14.31	<ul style="list-style-type: none"> Existing paragraph amended since some of the disclosure requirements are now provided for under Chapter 6. Existing paragraph renumbered.
-	Chapter 15: Digital Asset Exchange	<ul style="list-style-type: none"> New chapter inserted that sets out the additional requirements for digital asset exchange operators.