

**ANNEXURE 3**  
**AMENDMENTS TO THE BMS DIRECTIVES**  
**In relation to review of the (1) Guidelines for Compliance Function and (2) Compliance Reporting for Participating Organisation, Trading Participants and Clearing Participants**

**DIRECTIVES ON COMPLIANCE FUNCTIONS FOR DEALING IN DERIVATIVES OF PARTICIPATING ORGANISATION**

No. 6.07(1)-001

Relevant to : Rule 6.07  
Introduced with effect from : 2 May 2013  
Amended : 21 August 2020 vide R/R 11 of 2020 and 30 November 2021 vide R/R 6 of 2021  
POs' Circular No(s). : N/A  
Refer also to Directive No(s). : N/A

**1. Rule 6.07**

- (1) Rule 6.07 requires a Participating Organisation to carry out the compliance function to monitor compliance with these Rules, Directives and the Securities Laws and to provide advice on all the relevant requirements that a Participating Organisation must comply with, in carrying out the Participating Organisation's business.
- (2) In discharging the obligations in the said Rule, a Participating Organisation must, amongst others, comply with the requirements set out below.

**1.1 Compliance Functions for Dealing in Derivatives**

- (1) If a Participating Organisation wants to undertake compliance functions for dealing in derivatives conducted at the Participating Organisation's Principal Office or Branch Office by its Related Corporation, the Participating Organisation must ensure that:
  - (a) the carrying out of the compliance functions for the Participating Organisation's business in dealing in securities is not compromised or affected; and
  - (b) all compliance reports pertaining to dealing in derivatives is submitted to the compliance officer of the Trading Participant.
- (2) The compliance officer of the Trading Participant and the Trading Participant are ultimately responsible for the compliance functions in relation to dealing in derivatives.

[End of Directive]