



**Shenzhen-Hong Kong Stock Connect
Exchange Participant Information Package on
Pre-launch System Readiness Test
on
3 December 2016**

25 November 2016

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Amendment Log

Issue Date	Amendment
25 November 2016	1. First version release

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1. Introduction

Shenzhen-Hong Kong Stock Connect (“Shenzhen Connect”), an extension of the successful mutual market access programme with Shanghai-Hong Kong Stock Connect (“Shanghai Connect”), which investors in Hong Kong and Mainland China can trade and settle shares listed on the other market respectively via the exchange and clearing house in their local market. It provides enhanced mutual market access through which investors have access to more A-share stocks and more sectors.

A series of connectivity test and Market Rehearsals (“MRs”) for Shenzhen Connect were successfully completed in October and November 2016. To ensure the systems of the Exchange and the Exchange Participants (“EPs”) in production environment are ready and satisfactory, a Pre-launch System Readiness Test (“PSRT”) will be conducted on 3 December 2016, prior to the launch of the Shenzhen Connect on 5 December 2016.

This document will provide details on the trading activities of the PSRT on the China Stock Connect System (“CSC”) for Shenzhen Northbound Trading (“SZ NB”) and Shanghai Northbound (“SH NB”) trading (collectively “NB”). Relevant details on clearing and settlement activities will be provided in Shenzhen-Hong Kong Stock Connect Pre-launch System Readiness Test CCASS Participant Information Package (“CCASS Participant Information Package”).

2. Objective and Scope

PSRT is to ensure a smooth launch of the enhanced CSC for Shenzhen Connect and final verification of system readiness by EPs:

Test	Date	Time (Trading)	Objectives
PSRT	3 December 2016	09:10 –11:30	<ol style="list-style-type: none"> 1. HKEX to perform final readiness checks on CSC setup enhanced for Shenzhen Connect 2. EPs to perform final readiness checks on the setup from their side for connecting to CC OG and CSC in the production environment at HKEX primary site via SDNet/2 and/or HSN circuits, to perform normal trading activities via their CC OG and Broker Supplied System (BSS) before the rollout 3. EPs who are also CCASS participants to perform their final verification on clearing and settlement arrangement, to perform normal clearing and settlement functions. For details, please refer to CCASS Participant Information Package

Hong Kong securities market will be opened from 9:00 – 12:10. EPs participating in the PSRT of NB, all their production OCG sessions connecting to BSS or NSTD for trading and Drop-Copy sessions connecting to BSS or NSTD for receiving order & trade or trade only will be turned on during PSRT. However, EPs need to separately

arrange with their BSS vendor and NSTD provider (ET Trade Ltd) to make pre-arrangement to turn on their BSS and NSTD.

Trading Hall will not open on 3 December 2016.

3. Guidelines for Pre-launch System Readiness Test

All EPs are requested to take note of the following important points when they take part in PSRT:

Before PSRT

- EPs should have completed the CC OG mandatory market rehearsals to verify the readiness of their BSS software for participation in PSRT.
- EPs are required to designate a co-ordinator for the PSRT in Appendix B and return to HKEX on or before **30 November 2016**.
- The Activity Rundown for the PSRT is enclosed in Appendix A. **All participating EPs are required to follow strictly the activity rundown of PSRT.**
- Participating EPs are advised to download the latest version of this information package prior to participating PSRT.

Securities for the PSRT

Security Databases to be used in the PSRT for testing purpose are detailed in Appendix C.

Real-time price data of NB test securities will be available from the Market Data Portal after market open till market close during PSRT. URL of the portal is: <http://203.78.5.160/MDP>

During / After PSRT

- EPs must ensure that the correct version of BSS software be activated before connecting to CSC and AMS/3.8 (if applicable).
- EPs participating in Shenzhen Connect and Shanghai Connect are required to input orders for SZSE & SSE securities via their CC OG(s). Kindly note that market group “MG01” will be assigned to your CC OG(s).
- EPs participating only in Shanghai-Hong Kong Stock Connect are required to input orders for SSE securities via their CC OG(s). Kindly note that market group “MG02” will be assigned to your CC OG(s).
- Trade and other files applicable for NB will be available for download from the nominated folder, through the Electronic Communication Platform (“ECP”).
- For those BSS which are not going to participate in PSRT, please ensure the BSS not connecting to CC OG or OCG session to avoid receiving the testing data.
- There is no feedback form for the PSRT. If participating EPs encounter any problem, please report to HKEX Hotline at 2840-3351 for technical enquiry or at 2840-3626 for general enquiry immediately.

4. Typhoon and /or Rainstorm Arrangements

EPs are requested to note the following arrangement should typhoon or rainstorm is encountered on the day of PSRT.

- a. In case Typhoon Signal No. 8 or above and / or Black Rainstorm Warning is issued or continues to be issued anytime from 7:00am to 9:00am, the activity of the day will be cancelled and will not be resumed for the rest of the day.
- b. In case Typhoon Signal No. 8 or above is issued after 9:00am, the activity of the day will be terminated 15 minutes thereafter.
- c. In case Black Rainstorm Warning is issued after 9:00am, the activity of the day will continue until completion.

In any case, all participating EPs should complete the appropriate day-end works including file/database backup and restoration, system restoration/fallback and so on to ensure there will be no interruption on the next trading day.

5. Enquiries

For queries and/or further clarification on the Shenzhen Connect PSRT, please contact us by e-mail to trd@hkex.com.hk.

Alternately, you may contact HKEX by phone at the following numbers:

- For general enquiry : 2840-3626
- For technical enquiry : 2840-3351

Appendices

Appendix A	Activity Rundown for Pre-launch System Readiness Test
Appendix B	Nomination for Co-ordinator of Shenzhen-Hong Kong Stock Connect – Pre-launch System Readiness Test
Appendix C	Securities for Pre-launch System Readiness Test
Appendix D	Notes on Order Input

Activity Rundown for Pre-launch System Readiness Test (PSRT) on 3 December 2016

Overall Trading Timetables

3 December

Date & Time	CSC accept Northbound order	AMS/3.8 (Hong Kong stock market) ^{Note 1}
09:00 – 09:30		Pre-Opening Session
09:10 ^{Note2} – 09:25	Opening Call Auction	
09:25 ^{Note2} – 10:01	Morning Continuous Auction	
09:30 – 10:10		Morning Continuous Trading Session
10:15 ^{Note2} – 11:31	Afternoon Continuous Auction	
10:20 – 12:00		Afternoon Continuous Trading Session
11:35	Day Close	
12:00 – 12:10		Closing Auction Session
12:08 – 12:10		Day Close (upon completion of matching)

Notes

- EPs participating in the PSRT of NB, all their production OCG sessions connecting to BSS or NSTD for trading and Drop-Copy sessions connecting to BSS or NSTD for receiving order & trade or trade only will be activated during PSRT.
- CSC will start to accept China Connect orders few minute(s) before the commencement of trading session(s) of SSE and SZSE. However, the CSC, SSE and SZSE will only process China Connect orders input when the Opening Call Auction Session commences at 9:15 or Morning Continuous Auction Session commences at 9:30 or when the Afternoon Continuous Auction Session commences at 10:20 according to SSE/ SZSE timetable.

If applicable, please refer to CCASS Participant Information Package for clearing and settlement related activities and relevant timetable.

Activity Rundown
3 December

Time	Activities	
	CSC (Northbound trading)	AMS/3.8 (Hong Kong stock market)
Friday (2 December 2016)		
After 17:00	<ul style="list-style-type: none"> <input type="checkbox"/> Ensure all CCOG/ BSS components (including network routers, OG servers and workstations) are powered-on after trading hours <input type="checkbox"/> Ensure the production database of in-house / back-office systems are properly backed-up <input type="checkbox"/> For those BSS which are not going to participate in the test, ensure that each of these BSS is not connected to the CCOG, to avoid receiving the testing data <input type="checkbox"/> For all existing production BSS, please do not input any next day requests after trading hours on Friday (i.e., requests intended for submission to CSC on the following trading day, since next day requests will be submitted to CSC during the PSRT and will not be available on the following trading day) 	<ul style="list-style-type: none"> <input type="checkbox"/> Ensure all OCG/BSS/NSTD components (including network routers and workstations) are powered-on after trading hours <input type="checkbox"/> Ensure the production database of in-house / back-office systems are properly backed-up <input type="checkbox"/> For those BSS which are not going to participate in the test, ensure that each of these BSS is not connected to the OCG, to avoid receiving the testing data <input type="checkbox"/> For all existing production BSS, please do not input any next day requests after trading hours on Friday (i.e., requests intended for submission to AMS/3.8 on the following trading day, since next day requests will be submitted to AMS/3.8 during the PSRT and will not be available on the following trading day) <input type="checkbox"/> For BSS, please save/cancel all next day requests, if applicable
Saturday (3 December 2016)		
Before 09:00	<p><u>Logon to CSC</u> For CCOG BSS:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Perform trading system logon by using production CSC trader ID and production password <p><u>Download Stock Code Mapping File & Sellable Position Result Message</u> Download the following file/message by using production user ID with "TO" user group (i.e. user ID of MXXXXXTXXXX) and production password through Electronic Communication Platform (ECP)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Stock Code Mapping File <input type="checkbox"/> Sellable positions for SSE result message <input type="checkbox"/> Sellable positions for SZSE result message <p>Note: The message will contain only one</p>	<p><u>Logon to AMS/3.8 Host</u> For OCG Session (Order Flow and Drop-Copy):</p> <ul style="list-style-type: none"> <input type="checkbox"/> Connect to OCG and perform logon for all OCG sessions using the production Comp ID and production password.

Time	Activities	
	CSC (Northbound trading)	AMS/3.8 (Hong Kong stock market)
	<p>sentence to indicate whether sellable SSE/SZSE securities positions have been successfully updated in CSC or not. There is No detail shareholding position of the EP.</p>	
Opening Call Auction / Pre-opening Session		
09:00 -	<ul style="list-style-type: none"> <input type="checkbox"/> The call auction session of SSE/SZSE will run from 09:15 – 09:25 <input type="checkbox"/> Simulate real-life trading activities (in terms of order input, pattern and volume) and refer to Appendix D for Notes on Order Input <p>Note: CSC will start to accept China Connect orders from 9:10. However, these orders will only be processed according to the timetable of SSE/SZSE.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> The pre-opening session consists of <ul style="list-style-type: none"> - Order Input period (09:00 – 09:15) - Pre-order Matching period (09:15 – 09:20) - Order Matching period (09:20 – 09:28) - Blocking period (09:28 – 09:30) <input type="checkbox"/> Simulate real-life trading activities (in terms of transaction types, pattern and volume) during the pre-opening session
Morning Session (Continuous Auction / Continuous Trading)		
09:30 -	<ul style="list-style-type: none"> <input type="checkbox"/> The continuous auction session of SSE/SZSE will run from 9:30 – 10:00 <input type="checkbox"/> Simulate real-life trading activities (in terms of order input, pattern and volume) and refer to Appendix D for Notes on Order Input <p>Note: CSC will start to accept China Connect orders from 9:25 to 10:01. However, these orders will only be processed according to the timetable of SSE/SZSE</p>	<ul style="list-style-type: none"> <input type="checkbox"/> The continuous trading session consists of <ul style="list-style-type: none"> - Without VCM monitoring (09:30 – 09:45) - With VCM monitoring (09:45 – 10:10) <input type="checkbox"/> Simulate real-life trading activities (in terms of transaction types, pattern and volume) during the morning session <p>Note : EPs are required to strictly adhere to following order input requirement during PSRT:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Order quantity MUST NOT be greater than 20 board lots. <input type="checkbox"/> Order price MUST NOT be more than +/- 20 spreads deviated from the opening price.
Exchange Intervention	10:01 – 10:05	10:10 – 10:12
Close	10:05 – 10:15	10:12 – 10:15
Download Mid-day Trade File		

Time	Activities	
	CSC (Northbound trading)	AMS/3.8 (Hong Kong stock market)
10:30 – 23:59	<input type="checkbox"/> Download the trade file by using production user ID with “TO” user group (i.e. user ID of MXXXXXTOXXX) and production password through Electronic Communication Platform (ECP) and check the accuracy of trade details.	
Order Cancel		10:15 – 10:20
Afternoon Session (Continuous Auction / Continuous Trading)		
10:20 -	<p><u>SSE:</u></p> <input type="checkbox"/> The continuous auction session of SSE will run from 10:20 – 11:30	<input type="checkbox"/> The continuous trading session consists of <ul style="list-style-type: none"> - Without VCM monitoring (10:20 – 10:35; 11:40 – 12:00) - With VCM monitoring (10:35 – 11:40)
	<p><u>SZSE:</u></p> <input type="checkbox"/> The continuous auction session of SZSE will run from 10:20 – 11:27	<input type="checkbox"/> Simulate real-life trading activities (in terms of transaction types, pattern and volume) during the afternoon session
	<input type="checkbox"/> Closing Call Auction will run from 11:27 – 11:30	<p>Note :</p> <p>EPs are required to strictly adhere to following order input requirement during PSRT:</p> <input type="checkbox"/> Order quantity MUST NOT be greater than 20 board lots.
	<p><u>SSE/SZSE:</u></p> <input type="checkbox"/> Simulate real-life trading activities (in terms of order input, pattern and volume) and refer to Appendix D for Notes on Order Input	<input type="checkbox"/> Order price MUST NOT be more than +/- 20 spreads deviated from the opening price.
	<p>Note:</p> <p>CSC will start to accept China Connect orders from 10:15 to 11:31. However, these orders will only be processed according to the timetable of SSE/ SZSE</p>	
Exchange Intervention	11:31 – 11:35	
Close	11:35	
11:35	<p>For CCOG BSS:</p> <input type="checkbox"/> Perform any day-end processes to ensure database integrity	
	<input type="checkbox"/> Clean up the transaction data (e.g. orders and trades) entered during this test from BSS (if applicable)	
	<input type="checkbox"/> Perform trader permanent sign off	

Time	Activities	
	CSC (Northbound trading)	AMS/3.8 (Hong Kong stock market)
Download Day-end Trade File and Closing Price File		
12:00 – 23:59	<p>Download the trade file by using production user ID with “TO” user group (i.e. user ID of MXXXXXTOXXX) and production password through Electronic Communication Platform (ECP) and check the accuracy of trade details.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Trade file for SSE/SZSE (from 12:00) and check the accuracy of trade details <input type="checkbox"/> Closing price file for SSE securities (from 13:00) <input type="checkbox"/> Closing price file for SZSE securities (from 13:00) 	
Closing Auction Session		
12:00 - 12:10		<ul style="list-style-type: none"> <input type="checkbox"/> The closing auction session consists of <ul style="list-style-type: none"> - Reference Price Fixing Period (12:00 – 12:01) <ul style="list-style-type: none"> ➢ Acceptable order types to input: Nil ➢ Order amendment and cancellation : No - Order Input Period (12:01 – 12:06) <ul style="list-style-type: none"> ➢ Acceptable order types to input : at-auction and at-auction limit ➢ Order amendment and cancellation : Yes - No Cancellation Period (12:06 – 12:08) <ul style="list-style-type: none"> ➢ Acceptable order types to input : at-auction and at-auction limit ➢ Order amendment and cancellation : No - Random Closing Period (12:08 – 12:10 [random close time]) <ul style="list-style-type: none"> ➢ Acceptable order types to input : at-auction and at-auction limit ➢ Order amendment and cancellation : No - Order matching Period (12:08 – completion of matching)

Time	Activities	
	CSC (Northbound trading)	AMS/3.8 (Hong Kong stock market)
		<p>[variable end time])</p> <p>- Day Close (upon completion of matching)</p> <p><input type="checkbox"/> Simulate real-life trading activities (in terms of transaction types, pattern and volume) during the closing auction session.</p>
Day Close – Upon completion of matching		
12:10		<p><u>Log off from AMS/3.8 host and perform end-of-day procedures</u></p> <p>For OCG Session (Order Flow and Drop-Copy)</p> <p><input type="checkbox"/> Logout and terminate OCG session.</p> <p><input type="checkbox"/> Perform end-of-trading procedures, if any, to ensure database integrity.</p> <p><input type="checkbox"/> Clean up the transaction data (e.g. orders and trades) entered during this test from BSS (if applicable)</p> <p>Keep all production off-floor trading devices components powered-on throughout the weekend after PSRT</p>
Download Day-end Trade File and Closing Price File		
12:30 – 23:59		<p>Download the trade file and closing price file by using production user ID with “TO” user group (i.e. user ID of MXXXXXTOXXX) and production password through Electronic Communication Platform (ECP)</p> <p><input type="checkbox"/> Trade file (from 12:30)</p> <p><input type="checkbox"/> Closing price file (from 12:30)</p>
Monday (5 December 2016)		
Before 8:30	<p><u>Logon to CSC</u></p> <p>For CCOG BSS:</p> <p><input type="checkbox"/> Perform trading system logon by using production CSC trader ID and production password</p> <p>Note: CSC will start to accept China Connect orders from 9:10. However, these orders will only be processed according to the timetable of SSE/SZSE.</p>	<p><u>Logon to AMS/3.8 Host</u></p> <p>For OCG Session (Order Flow and Drop Copy):</p> <p><input type="checkbox"/> Connect to OCG and perform logon for all OCG sessions using the production Comp ID and production password.</p> <p><input type="checkbox"/> Prepare for trading under AMS/3.8 production environment from 9:00</p>

Note: EPs who do not follow the testing guidelines or conduct frivolous activities during the PSRT will be suspended from further participation in the PSRT without prior notice.

Nomination For Co-ordinator of Shenzhen-Hong Kong Stock Connect – Pre-launch System Readiness Test

Notes:

1. Please complete both Sections I and II of this form.
2. **EPs are required to complete and return this Nomination form to HKEX by Fax at 2521 7899 or 2868-5223, or by email to ams3info@hkex.com.hk on or before **30 November 2016**.**
3. HKEX will contact or send email to the co-ordinator provided below during the PSRT if necessary.
4. After completion of PSRT and around 2pm on 3 December 2016, the PSRT test result will be sent via email to the co-ordinator provided below.
5. For enquiry, please contact our Participant General Enquiry Hotline 2840-3626.

Section I Exchange Participant Information

Participant Name	Participant ID
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Section II Contact Details of Co-ordinator

Primary Contact Person	
Name	Office Telephone
Email Address (Compulsory field)	Mobile (Compulsory field)
Secondary Contact Person	
Name	Office Telephone
Email Address (Compulsory field)	Mobile (Compulsory field)

Signature of Responsible Officer with Company Chop : _____ Date : _____

Name of Responsible Officer : _____

Personal Information Collection Statement

“Personal Data” in this statement has the same meaning as “personal data” in the Personal Data (Privacy) Ordinance, Cap 486 of the Laws of Hong Kong (“PDPO”). The personal data collected on this form will be used solely for the purpose of the Pre-launch System Readiness Test and be retained for such period as may be necessary for our verification and record purposes. Please refer to the HKEX’s Privacy Policy Statement which is available on the HKEX website (www.hkex.com.hk) for further details.

Securities for the Pre-launch System Readiness Test

Security Database for the PSRT

CSC : [Eligible stocks](#) for NB is available on [HKEX mutual market](#) web corner

AMS/3.8 : Security database as at market open on 5 December 2016.

On PSRT, EPs will not be allocated with stock balance in SZ NB stocks to simulate first day launch of Shenzhen Connect. For SH NB stocks, stock balance as of day-end image of 2 December 2016.

To facilitate orders execution for:

(a) Northbound Trading (order input into CSC via CC OG)

Members of SZSE are requested to input sell orders on the SZ stocks as specified in the following stock code range. EPs can input the buy orders of eligible stocks for the SZ NB in the following range, at prices close to the prevailing market price:

Shenzhen Securities
Stock Code Range
000001 - 000039
002001 - 002030
300001 - 300027

For SH NB stocks, EPs can input sell orders if they have stock balances / input buy orders of eligible stocks.

(b) Hong Kong Stock Market (order input into AMS via OCG/BSS session)

EPs are requested to input sell orders on the stocks with stock code range from 1 to 604, at prices close to the prevailing market price.

Real-time price data of NB test securities will be available from the Market Data Portal after market open till market close during PSRT. URL of the portal is: <http://203.78.5.160/MDP>

Notes on Order Input for PSRT

The following notes on order input are applicable for Opening Call Auction and Continuous Auction Sessions of Northbound Trading

General

1. Orders to be input should be at prices within +/- 10% from previous closing price.
2. Buy orders should not be below the current best bid price/ the latest trade price / the previous closing price (as the case may be) by more than 3%.
3. Cancel outstanding orders as far as possible.
4. Only buy orders should be input for SZ NB as there is no stock balance in SZ NB stocks.

Short Selling Order

5. A Short Selling order for a Short Selling Security shall not be input into the CSC at a price lower than the most recent execution price for that Short Selling Security or, if there have been no executed trades for that Short Selling Security on the relevant CSC trading day, the previous closing price for that Short Selling Security.
6. Short Selling order must be in multiples of 100 shares.
7. Any Short Selling order of a Short Selling Security that, if executed, will cause the 1% daily limit to be exceeded during the course of a CSC trading day will be rejected by the CSC.

Sell Order and Buy Order for Pre-Trade Checking Function for Institutional Investors

8. For those supporting pre-trade checking function for institutional investors, input Institutional Investor ID (IIID) for sell orders and, if applicable, buy orders.