

香港中央結算有限公司  
(香港交易及結算所有限公司全資附屬公司)

**HONG KONG SECURITIES CLEARING COMPANY LIMITED**  
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

## 通告 CIRCULAR

Subject: **Further CCASS Service Enhancements (the Second Batch)**

Enquiry: **China Connect Hotline at 2979 7123**

Following the launch of the first batch of Further CCASS service enhancements relating to Shanghai – Hong Kong Stock Connect on 7 December 2015 (See circular ref: [CD/CCO/CCASS/294/2015](#)), HKSCC is pleased to announce the second batch of Further CCASS service enhancements is scheduled to be launched on 18 April 2016, subject to the Securities and Futures Commission's approval.

Details of the second batch of Further CCASS service enhancements are set out in Attachment 1 to this Circular, including:

1. Enhancement to RMB Money Settlement of the enhancement for introducing of an additional RMB interbank bulk settlement run at night for same-day payments relating to China Connect Settlement Instructions ("SI") settled on a DvP basis (***Applicable to Participants and Designated Banks***)
2. The introduction of a new Cash Prepayment Instructions Maintenance function for China Connect Securities (***Applicable to Participants***); and
3. Several enhancements to General Meeting Arrangements for China Connect and Hong Kong Securities (***Applicable to Participants***).

HKSCC has also published the information packages with relevant report/ file specifications and sample files on the HKEX website today ([Please click here](#)).

Participants are advised to confirm with their Designated Banks if there are any operational changes due to the introduction of the additional interbank bulk settlement run. Participants and Designated Banks who are currently using or will use these existing or new reports are advised to consult their

internal IT support units or system vendors and assess whether changes need to be made to their back office systems to implement the second batch of Further CCASS Enhancements.

Should you have any enquiries, please contact China Connect hotline at 2979-7123.

**Vicky Chan**  
**Senior Vice President**  
**Cash and Derivatives Clearing Operations**

**List of CCASS Service Enhancements to be implemented in April 2016**

1. Launch of an additional RMB interbank bulk settlement run to facilitate payments relating to China Connect Settlement Instructions (“SI”) settled on a DvP basis (**Applicable to Participants and Designated Banks**)

- HKSCC will arrange an “additional interbank settlement run” for RMB with HKICL at night as an infrastructure to support same day settlement finality for China Connect SI
- To achieve same day settlement finality in China Connect SI via RMB DvP, the Designated Banks of both the China Connect Clearing Participant and its SI counterparty have to support the additional RMB interbank bulk settlement run. Otherwise, the RMB money settlement will be effected at 09:30 the next day per current practice
- A List of Designated Banks that supports the additional RMB interbank bulk settlement run is posted to HKEX website ([Please click here](#))
- To facilitate the operation of Participants and Designated Banks, the following CCASS functions and reports will be enhanced:

**Enhancements for Designated Banks:**

**Enhanced Functions:**

CCASS Functions	Enhancements
DDI/DCI/EPI Rejection Maintenance (function for Designated Banks)	Additional session for input/delete/authorize at around 20:20 to 21:20  Enquiry function end time is extended from 20:00 to 21:20
Report Download	Function end time is extended from 20:30 to 21:30
Enquire Broadcast Message	Function end time is extended from 20:30 to 21:30

**Enhanced Reports and Data File:**

Report ID	Report Name	Enhancements (New Runs)
CSEMS03	DDI/DCI/EPI Listing Report for Designated Bank	07:15, 16:05, <b>20:20</b>
CSEMX01	DDI/DCI/EPI Exception Report	16:20, <b>20:30</b>
CSEMS05	DDI/DCI/EPI Rejection Listing	09:30, 17:45, 20:00, <b>21:20</b>

**New Reports and Data file:**

Report ID	Report Name	Market	Generation time
CSEMP03	CCASS Funding Projection Report (Night Settlement) for Designated Bank	GLOB	~17:45, ~19:15, ~20:00

**Enhancements for Participants:**

**Enhanced Functions:**

CCASS Functions	Enhancements
Enquire Money Position/ Instruction	New sections to display same day CCASS night settlement run information
Input SI/Change SI	New alert message “Designated bank of counterparty does not support same day DvP SI”
Enquire Broadcast Message	Function end time is extended from 20:30 to 21:30
Report Download	Function end time is extended from 20:30 to 21:30

**Enhanced Reports and Data File:**

Report ID	Report Name	Enhancements
CSESI02	Intra-day ISI/SI Full List	New column “Same day DvP SI” in SI section
CCLTA01 (Data file only)	Trade File of SPSA	New indicator “N” will be shown if the designated bank of the counterparty do not support same day night settlement

**New Reports and Data file:**

Report ID	Report Name	Market	Generation time
CSEMP04 (Report only)	CCASS Funding Projection Report (Night Settlement) for Participant	GLOB	~17:45, ~19:15, ~20:00
CSEMN28 (Report only)	DDI/DCI/EPI Summary for Participant (Note: Report format is the same as CSEMA28/CSEMS28)	GLOB	~20:15
CSEMN29	Settlement Related EPI Listing (Note: Report format is the same as CSEMA29/CSEMS29)	GLOB	~20:15

2. Introduce a new Cash Prepayment Maintenance function to replace the current manual procedure of cash prepayments for China Connect Securities (**Applicable to Participants**)

- The new function, “Cash Prepayment Maintenance for China Connect Markets”, will be available from 16:00 – 18:00 for Participants to release allocated shares and from 16:00 – 20:00 for enquiry

- At the initial stage, only payment method “OTHERS” will be available
- A new column “Market” will be added into existing report “Cash Prepayment/TSF Payment/Intraday Payment Instruction A/T Report (Participant)” (CSECP03) to identify the related market to the cash prepayment.

3. Enhancement to General Meeting Arrangements for China Connect and Hong Kong Securities  
**(Applicable to Participants)**

- Currently, written instruction is required from Participants who wish to cast “Abstain/Withhold” and “Cumulative vote” for China Connect Securities, H-shares and a few foreign shares. In future, Participants are able to submit an electronic instruction via CCASS Terminal
  - In Cumulative Vote, the total votes are represented by the shares held by the shareholders multiplied by the number of directors/supervisors to be elected, and the total votes can be cast partially to several directors/supervisors or fully to one director/supervisor. Participants should refer to the relevant Proxy Form, Circular and the Notice of Meeting for the details of cumulative vote for each meeting
  - For the Meeting without “Resolution” and for “Attending” only, Participants are able to submit an electronic instruction via CCASS Terminal in future
  - CCASS will be enhanced to cater various combinations of voting preferences for the resolutions as set out in proxy form. New indicators will be added in “Enquire Resolution Description Detail” screen for the availability of “Voting Preferences” for each resolution:
    - New indicators for Voting Preferences: “Allow For”, “Allow Against” and “Allow Abstain/Withhold”
  - For the Meeting subject to book-close or record date (i.e. Shareholding Date < CCASS stated deadline), currently HKSCC performs reconciliation only on “Shareholding Date” and “CCASS stated deadline”. In future, HKSCC will perform reconciliation on a daily basis from “Shareholding Date” to “CCASS stated deadline”. Participants should refer to the following exception reports for necessary action:
    - Participant Voted Quantity Exception Report before Voting Deadline (CCNPT04)
    - Participant Voted Quantity Exception Report on Voting Deadline (CCNPT03)
- The following reports and data file will be enhanced for these enhancements:

**Enhanced Reports:**

Report ID	Report Name	Enhancements
CCNPT01	Nominee Functions Input Activities Report	“Abstain/Withhold” and “Non Voted” will be added and the layout will be changed
CCNPT03	Participant Voted Quantity Exception Report on Voting Deadline	“Abstain/Withhold” and “Non Voted” will be added and the layout will be changed
CCNVT08	Corporate Representative/Proxy Input Control Report	“Abstain/Withhold” and “Non Voted” will be added and the layout will be changed

**Enhanced Download Data File:**

<b>Report ID</b>	<b>Report Name</b>	<b>Enhancements</b>
CCNAN05	Corporate Announcement Master Data File	File layout will be changed and the following indicators will be added: <ul style="list-style-type: none"> <li>• “Resolution Group Indicator”</li> <li>• “Group Resolution Number”</li> <li>• “Multiplier”</li> <li>• “Allow For”</li> <li>• “Allow Against”</li> <li>• “Allow Abstain/Withhold”</li> </ul>

**Enhanced Upload Data File:**

<b>File Name</b>	<b>Enhancements</b>
Corporate Representative/Proxy Batch File	“Abstain/Withhold” and “Non Voted” will be added and the file layout will be changed