HKEx 香港交易所

HKATS Trading Procedures

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CHAPTER 1   OPERATIONS OF HKATS

1.1   *HKATS*

HKATS is a trading system operated by the Exchange, with the host configuration provided by the Exchange and trading workstations located at Exchange Participants' premises. Exchange Participants' trading is conducted through use of a software known as "CLICK Trading". Alternatively, Exchange Participants may, with the consent of the Exchange, develop their own application software to connect to HKATS. The functionality of HKATS is set out in the HKATS User's Guide provided by the Exchange to all Exchange Participants which trade through HKATS.

CHAPTER 2   ACCESS TO HKATS

2.1   *Technical Requirements for Access*

The hardware, software, network configuration and cost requirements for Exchange Participants to gain access to HKATS are specified in the HKFE-HKATS Subscription and Licence Agreement (as defined in section 2.3.1 below). Such requirements may be changed by the Exchange from time to time by giving advance notice to Exchange Participants. A description of the HKATS access requirements is also been posted on the website of Hong Kong Exchanges and Clearing Limited ("HKEx") for Exchange Participants' information.

To gain access to HKATS, Exchange Participants are also required to subscribe to data communications network services from such telecommunications vendors as may be approved by the Exchange. Telecommunications lines should be data lines capable of supporting multiple trading connections to HKATS. Their bandwidth requirement and the maximum number of connections which may be made to HKATS shall be specified by the Exchange from time to time.

2.2　*Access Eligibility*

All Exchange Participants are eligible to trade through HKATS, subject to obtaining the prior approval of the Exchange in the form of a registration. Exchange Participants registered to trade through HKATS can either conduct trading through Click Trading or participate in automatic trading via the HKATS Application Programming Interface ("API"). They are in fact the exclusive means of access to HKATS by Exchange Participants. Each Exchange Participant must subscribe for and execute the HKFE-HKATS Subscription and Licence Agreement in the manner specified hereinafter in section 2.3 for each CLICK workstation or API connection before it will be permitted to gain access to HKATS.

2.3.8 *Cancellation of Exchange Participant Connection / Username(s) /Exchange Participant Node(s)*

Exchange Participants which would like to terminate HKATS trading may do so by submitting a Click Workstation Installation/Termination Request Form to the Exchange.

2.4　*Security Measures*

There are three levels of security control, via hardware level, application level and user level.

At the hardware level, registered Exchange Participant nodes can only be connected to the network through the authorization procedures prescribed by the Exchange. When a user attempts to log on to the HKATS host computer via an Exchange Participant node, HKATS will automatically verify the node address to check if it is an authorized one. Without appropriate connection authority, the access will be denied.

At the application level, Exchange Participants may gain access to the HKATS host computer via the API. The API is the exclusive means of access to HKATS to ensure high system integrity.

At the user level, the application is protected from unauthorized access by means of username-password control. All valid users are granted a unique username, password as well as a signum. When a user attempts to log on, HKATS will check to see if that username is registered by looking into the central database of the host system. The username must also match with the password. Failure to comply with any one of the above conditions will result in access being denied.

It is the duty of every Exchange Participant and its registered HKATS users to keep confidential the password or passwords allocated to it or them.

For security purpose and also to ensure the uniqueness of each user type, their authority and accessibility will be confined to different sets of legal transaction type and menu access type respectively.

2.5　[Repealed]

CHAPTER 7 　　　CONTINGENCY PROCEDURES

7.1　System Failure

The Exchange has installed a parallel set of production and back up computer facilities, either of which can support the operation of HKATS.

In the event of a disaster or other event affecting the production facilities which results in the failure in whole or in part of HKATS and system recovery fails, the Exchange may temporarily suspend trading on HKATS until failover of the system to the backup facilities has been completed and the operation of HKATS can be resumed.　Exchange Participants should refer to the HKATS User's Guide for further particulars and procedures regarding system malfunction or failure.

7.2 **[Repealed]**

7.3　Equipment Failure

In case of a failure, error or defect in any of the equipment relating to the trading of an Exchange Participant on HKATS (including but not limited to terminals, network equipment and communication lines), whether installed at the Exchange Participant's office premises or any other location, the Exchange Participant shall report the incident to the HKATS hotline immediately. Exchange Participants are requested to follow the procedures stipulated in the HKATS User's Guide regarding equipment failure.

An Exchange Participant can apply to the Exchange to rent an HKATS terminal at its SOS Centre temporarily in case of lost connectivity.　The Exchange has the absolute discretion to determine whether or not to approve such application and allow the Exchange Participant to use any such HKATS terminal.

An Exchange Participant experiencing a temporary loss of connectivity to HKATS may also request the Exchange to delete orders from or conduct other processes on HKATS on its behalf ("On-Behalf-Of Processing").　On-Behalf-Of Processing is principally intended for real contingency situations to reduce the financial risk of an Exchange Participant when there is an unexpected temporary failure in system access.　It is not intended to be a long-term alternative for the Exchange Participant.　The Exchange Participant is expected to restore its access to HKATS in the shortest time practicable.　On-Behalf-Of Processing is subject to the availability of the resources of the Exchange at the time of an Exchange Participant's request.　The Exchange will appraise each request for On-Behalf-Of Processing on a case-by-case basis and shall have the absolute discretion to turn down any request which it deems inappropriate. The Exchange shall not be liable to any Exchange Participant for any On-Behalf-Of Processing conducted on its behalf.

A fee shall be payable by an Exchange Participant for renting an SOS HKATS terminal and for any On-Behalf-Of Processing executed by the Exchange on its behalf.

7.4 **[Repealed]**

7.5 **[Repealed]**