

Part A General Information of the Respondent

All fields are mandatory, except the fields with an asterisk (*) if you are an individual respondent.

Name/ Company Name*	:	BOCI Securities Limited
Contact Person*	:	
Title*	:	
Phone Number	:	
E-mail Address	:	

If you **do not wish** to disclose the above information to the public, please check the box here:

I do not wish to disclose the information above.

Part B Consultation Questions

Please indicate your preference by providing comments as appropriate. Where there is insufficient space, please attach additional pages as necessary.

Question 1: Do you support the implementation of the proposed T+2 Finality arrangement?
If not, what are the reasons?

Support.

Question 2: Do you envisage any problems or concerns for you or your company to operate under the proposed T+2 Finality arrangement? If yes, what are the problems and how can the arrangement be refined to help address your problems?

No.

Question 3: What is the estimated lead time required by you or your company to prepare for the implementation of the proposed T+2 Finality arrangement? What are the major preparations required?

6 Months.

Question 4: Do you have any other comments in relation to the introduction of a T+2 Finality arrangement for CCASS money settlement?

T+2 Finality arrangement will provide an efficient platform for liquidity management, intra-day funding and credit risk management. In terms of liquidity and intra-day funding, financial intermediaries could obtain intra-day liquidity from banks with ease under the proposed arrangement where banks as lender would have supporting evidence to show the actual intra-day funding needs of securities brokers with respect to settlement obligations. This helps facilitate credit assessments and provision of intra-day liquidity.

On the front of liquidity management, the proposed arrangement will eliminate funding gap over night. This not only helps intermediaries to manage its liquidity but also helps investors to obtain liquidity on the day of settlement. Liquidity of the market as a whole will be enhanced.

Investors, financial intermediaries and banks could manage their own credit risk (including both settlement risk and counterparty risk). It could allow them to minimise exposure to counterparties by settling transaction proceeds by day end, if this is preferred.

- End -