

**Submitted via Qualtrics**  
**Company/Entity View**

**Question 1(i)**

**Do you have any comments or concerns on the proposed trading arrangements?**

No

**If the answer is "Yes", please specify your comments or concern:**

N/A

**Question 1(ii)**

**Do you have any comments or concerns on the proposed clearing arrangements?**

Yes

**If the answer is "Yes", please specify your comments or concern:**

We understand that DCASS will publish a list of Holiday Participants on their website. However, on DCASS GUI, there should be Exchange controls in place to disallow giving up of the contract (on DCASS Online) to non Trading Participant (instead of waiting for clearing participant to reject give-in)

**Question 1(iii)**

**Do you have any comments or concerns on the proposed risk management arrangements?**

Yes

**If the answer is "Yes", please specify your comments or concern:**

Point 1: We see a preferential treatment for non-HP:

- Different margin requirements for identical positions in domestic products.
- Funding HKD obligations in USD entails an unnecessary (read expensive) FX risk for HP clients.
- HKD shortfall is misleading since you do not return USD excess any case.
- Double-dipping on HPs with holiday margin as well as margin on holidays.

Point 2: We don't understand how HP settlement bank can, while CCP settlement bank cannot handle holiday funding:

- CCP must have reciprocal margin settlement obligations to HP. Anything otherwise increases systemic risk – no?
- Is HKEX suggesting we rely on incidental client excess collateral to fund mandatory margins?
- Suggesting moving House balances -> Client account is tantamount to funding clients. Is this prudent?

**Question 1(iv)**

**Do you have any comments or concerns on the proposed market data arrangements?**

No

**If the answer is "Yes", please specify your comments or concern:**

N/A

**Question 1(v)**

**Do you have any comments or concerns on the proposed large open position reporting arrangements?**

No

**If the answer is "Yes", please specify your comments or concern:**

N/A

**Question 2**

**Are there any other issues regarding the Proposal that HKEX should consider?**

Yes

**If the answer is "Yes", please specify your comments or concern:**

We need at least 3-4 months heads up before exchange official go live to ensure our internal systems are ready.

We need to know the dates of exchange market rehearsals in advance too.