

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: Admission of the units of CSOP US Dollar Money Market ETF (“CSOP ETF”) to CCASS as Multi-counter Eligible Securities

- HKD traded units (Stock Code: 3096)
- USD traded units (Stock Code: 9096)

Enquiry: Hotline : 2979 7111/ E-mail : clearingps@hkex.com.hk

HKD traded units and USD traded units of CSOP ETF (collectively the “Units”) will be admitted into CCASS as Multi-counter Eligible Securities (as defined in the General Rules of CCASS) with effect from the commencement date of listing and dealing of the Units on The Stock Exchange of Hong Kong Limited (“Exchange”), which is expected to be on 25 January 2019.

Units will be traded on the Exchange under multiple counters as follows:

Counter	Stock Code	Stock Short Name	Trading Currency	Board Lot Size
HKD	3096	CSOP USD MM	HKD	1,000 units
USD	9096	CSOP USD MM-U	USD	1,000 units

Units under the HKD counter and the USD counter will be treated as two separate Eligible Securities in CCASS. CCASS Participants are advised to note the following arrangements in CCASS:

1. Inter-counter Transfer of Multi-counter Eligible Securities within CCASS

CCASS Participants will be able to effect inter-counter transfer of the Units between the HKD counter and the USD counter on a one to one basis within CCASS by either inputting a "Multi-counter Transfer Instruction" before 3:45 p.m. or uploading the transfer instruction to CCASS before 2:30 p.m. through CCASS Terminals. The instruction will be effected immediately if the relevant number of the Units to be transferred is available in the CCASS Participant's delivering stock account in CCASS. Otherwise, the instruction will be processed in the next batch transfer run (five batch transfer runs available daily at around 9:15 a.m., 10:15 a.m., 12:30 p.m., 2:30 p.m. and 3:30 p.m.). If the relevant number of the Units to be transferred is subsequently available at or before the commencement of batch transfer run, the instruction will be effected during the batch transfer run. Any outstanding instruction will be automatically cancelled by the system after the last batch transfer run at 3:30 p.m. on the same day. In such case, CCASS Participants are required to re-submit a

“Multi-counter Transfer Instruction” should the relevant Units be subsequently available in their delivering stock accounts between 3:30 p.m. and 3:45 p.m.

CCASS Participants are also requested to note that there must be sufficient number of Units to be transferred in their specified delivering stock account for any instruction input between 3:30 p.m. and 3:45 p.m. in order for the instruction to be accepted by CCASS. Otherwise, such instruction will be rejected immediately.

HKSCC will charge HKD5 for each effected Multi-counter Transfer Instruction.

For detailed operational procedures, please refer to sections 5.17 and 8.2.13 of CCASS Terminal User Guide for Participants at <http://www.hkex.com.hk/eng/market/clr/secclr/ccass3/parttug/parttugii.htm>.

2. Custodian Services in relation to the Units

All Units are issued in uncertificated form. Accordingly, no physical deposit or withdrawal services will be provided for the Units and any CCASS Rules relating to physical deposit and withdrawal of securities will not be applicable.

Units may be credited to and debited from a CCASS Participant's Stock Account as a result of (a) creation and redemption application for Units accepted by the Manager, (b) clearing and settlement of transactions in Units effected on the Exchange, and (c) the provision of any other CCASS services in relation to the Units to CCASS Participants.

3. Legal Title of the Units

Units held in CCASS will be registered in the name of HKSCC Nominees Limited on the register of the CSOP ETF. The register of the CSOP ETF is the evidence of ownership of Units.

HKSCC Nominees Limited shall have the legal title of all the Units held in CCASS. Save as otherwise provided in the CCASS Rules, HKSCC has no proprietary interests in the Units to the extent that they are credited to the Stock Accounts of CCASS Participants.

4. Clearing and Settlement of the Units

Same as other CCASS Eligible Securities, the Exchange Trades of the Units will be cleared inside CCASS and settled on T+2 under Continuous Net Settlement ("CNS") system unless they are isolated from the CNS system by both trading counterparties or by HKSCC and settled on a trade-for-trade ("TFT") basis.

Exchange trades executed under the respective counters will be cleared and settled in CCASS as two individual stocks. After netting under the CNS system, there will be one CNS stock position for the HKD counter and one CNS stock position for the USD counter.

There is no inter-counter position netting. CCASS Participants should ensure sufficient Units are available in their stock accounts to settle their CNS short positions on T+2 under respective counters.

5. Applications for the creation and redemption of Units

The procedures for the creation and redemption of the Units, and the rights and obligations of Participating Dealers in respect of such creation and redemption, will be governed by the trust deed and the prospectus constituting the CSOP ETF in which the application for the creation and redemption of Units shall be made by or through Participating Dealers directly to the Manager or Trustee. Applications for the creation and redemption of Units through HKSCC are not available.

6. Nominee Services in relation to the Units

HKSCC will provide nominee services for the Units as two individual stocks.

7. CCASS Fees and Charges

Fees and charges for the Units under multiple counters will be payable by CCASS Participants in accordance with the General Rules of CCASS and CCASS Operational Procedures. For the avoidance of doubt, the maximum dividend collection fee of HKD10,000 (or its equivalent in USD) will apply to the aggregate dividend amount of the two counters per currency.

8. Arrangement for transfer of Units out of CCASS when the Units cease to be CCASS Eligible Securities

In the event that the Units cease to be Eligible Securities of CCASS, HKSCC shall give notice to its CCASS Participants specifying the date on which the Units shall become or cease to be Eligible Securities. HKSCC may cease to render services in respect of the Units and may require CCASS Participants to transfer the Units out of CCASS.

For CCASS Participants who have records of the Units in CCASS as of the date the Units become CCASS non-eligible, HKSCC will arrange with the CCASS Participants, the Trustee and the Registrar of the CSOP ETF to register the names of such CCASS Participants as holders of the relevant Units on the Register. HKSCC will on the same day debit the respective Unit holdings from the relevant CCASS Participants' stock accounts under advice to the CCASS Participants concerned. The Trustee will give confirmations in writing to each of the CCASS Participants to whom the Units are transferred confirming the date of transfer, the number of Units transferred, the due registration of the name of the CCASS Participant as holder of the relevant number of Units upon completion of transfer. Any expenses or charges incurred in respect of such transferring of the Units out of CCASS and registering the names of CCASS Participants as holders of the relevant Units on the Register shall be borne by the CSOP ETF.

For further information about the Multi-Counter Arrangement, CCASS Participants may refer to the prospectus of CSOP ETF available at (<http://www3.hkexnews.hk/listedco/listconews/SEHK/2019/0118/LTN20190118183.pdf>).

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Veron Chan
Vice President
Depository and Nominee Services