

Terminal Operations

FUNCTION NAME: CASH COMPENSATION INDICATOR MAINTENANCE

WHEN TO USE:

- To change the cash compensation indicator from 'No' to 'Yes' for a recalled lending position if there is no stock return by 5 business days (except Saturday) following the notification date.

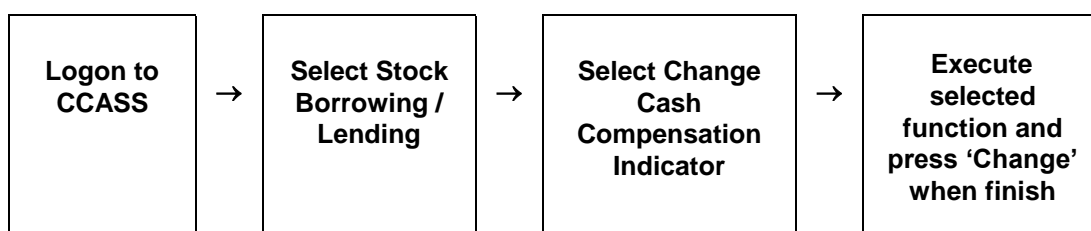
AVAILABLE FUNCTION TIME:

- The available function time is between 9:30 a.m. to 3:45 p.m.

FUNCTIONAL DESCRIPTIONS:

- This function is used for recalled lending positions which are recalled for more than 5 business days following the notification date and their cash compensation indicators were set to 'No' in the recall request.
- The cash compensation indicator can be changed from 'No' to 'Yes' only, and not vice versa.
- A cash compensation indicator of 'Yes' means cash will be paid in lieu of stock if there is no stock return.
- Cash will be paid in lieu of stock at end of the business day if there is still no stock return and the cash compensation indicator is changed from 'No' to 'Yes' before 12:00 noon on any business day.
- Cash will be paid in lieu of stock at end of next business day if there is still no stock return and the cash compensation indicator is changed from 'No' to 'Yes' after 12:00 noon.
- Cash will be paid in lieu of stock by crediting the settlement money ledger account.
- If the market value of the outstanding quantity of stock of a lending position exceeds the input transaction limit of the authorised user, CCASS will reject the input. An authorised user with higher and sufficient transaction limit has to change the cash compensation indicator instead.

The access path for Change Cash Compensation Indicator function is:



Section 8.1.12

Cash Compensation Indicator Maintenance

CHANGE CASH COMPENSATION INDICATOR – Sample Screen:

<ul style="list-style-type: none"> General Enquiries Enq Settlement Act / Status Delivery Instruction (DI) A/C Transfer Instr (ATI) Settlement Instruction (SI) Investor Strm Instr (ISI) ISI Counterparty List Payment Instruction Cash Prepayment Stock Borrowing / Lending SBL Bulletin Board General Stock Collateral Login Withdrawal Order Election Instruction Subscription Instruction Corp Voting Instruction EIPO Application Tender Instruction Corp Communication Upload Batch File Report Profile Maintenance View Circular 	<div style="background-color: #0056b3; color: white; padding: 5px; margin-bottom: 10px;"> Stock Borrowing / Lending </div> <div style="display: flex; justify-content: space-between; font-size: small;"> Site Map Broadcast Message Report Download </div> <div style="display: flex; justify-content: space-between; font-size: x-small;"> Announcement Information Change Password Print Logout </div>	<p>B0561101 YCCC 03 26-Apr-02 14:34</p>																				
Change Cash Compensation Indicator Detail																						
<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">LP Number :</td> <td>LP 0000236</td> </tr> <tr> <td>Stock :</td> <td>5805 5805</td> </tr> <tr> <td>ISIN :</td> <td>CY-HKD005805</td> </tr> <tr> <td>Loan Type :</td> <td>O - OPEN-ENDED LOAN</td> </tr> <tr> <td>Original Quantity :</td> <td>900</td> </tr> <tr> <td>Outstanding Quantity :</td> <td>900</td> </tr> <tr> <td>Maturity Date :</td> <td></td> </tr> <tr> <td>Recall Date :</td> <td>31-DEC-01</td> </tr> <tr> <td>Expected Return Date</td> <td>03-JAN-02</td> </tr> <tr> <td>Cash Compensation Indicator:</td> <td><input checked="" type="radio"/> YES</td> </tr> </table>			LP Number :	LP 0000236	Stock :	5805 5805	ISIN :	CY-HKD005805	Loan Type :	O - OPEN-ENDED LOAN	Original Quantity :	900	Outstanding Quantity :	900	Maturity Date :		Recall Date :	31-DEC-01	Expected Return Date	03-JAN-02	Cash Compensation Indicator:	<input checked="" type="radio"/> YES
LP Number :	LP 0000236																					
Stock :	5805 5805																					
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Recall Date :	31-DEC-01																					
Expected Return Date	03-JAN-02																					
Cash Compensation Indicator:	<input checked="" type="radio"/> YES																					
<input type="button" value="Change"/>																						
Change Another Record Go To List Help																						

DESCRIPTION OF FIELDS:

<u>Field</u>	<u>Description/Format</u>
LP NUMBER	<ul style="list-style-type: none"> - the unique reference number assigned by CCASS when the lending position is created of the lending position to change the relevant cash compensation indicator in the prompt screen. - type the LP number (obtain the LP number from the Enquire Lending Position function or Stock Borrowing/Lending Position Status Report). - LP number is a 9-character code beginning with 'LP'. The system automatically displays the 'LP'. Type the remaining seven digits. E.g. for LP number 'LP4000375', only enter '4000375'. - for the entry to be valid, <ol style="list-style-type: none"> (1) the lending position must be <u>recalled for more than 5 business day (except Saturday) following the notification date; and</u> (2) the cash compensation indicator of the lending position is 'N'.

<u>Field</u>	<u>Description/Format</u>
ISIN OR STOCK CODE	<ul style="list-style-type: none"> - input the ISIN / stock code of the lending position in which change of cash compensation indicator will be applied as a selection criterion in the prompt screen. - leave blank if not used as a selection criterion. - can obtain the ISIN or stock code from the hyperlink of 'Enquire Stock List'. - must not be a delisted stock. - CCASS overlooks leading zero(s); i.e. '17', '017', '0017' and '00017' are treated as the same.
STOCK	<ul style="list-style-type: none"> - display the stock code and short name of the stock.
ISIN	<ul style="list-style-type: none"> - display the International Securities Identification Number of the stock.
LOAN TYPE	<ul style="list-style-type: none"> - display the loan type. - either 'O - Open-ended loan' or 'T - Term loan'.
ORIGINAL QUANTITY	<ul style="list-style-type: none"> - display the original number of shares of the lending position.
OUTSTANDING QUANTITY	<ul style="list-style-type: none"> - display the outstanding number of shares of the lending position.
MATURITY DATE	<ul style="list-style-type: none"> - display the maturity date of the lending position. - display as blank if loan type is 'O - Open-ended loan'.
RECALL DATE	<ul style="list-style-type: none"> - display the recall date of the lending position.
EXPECTED RETURN DATE	<ul style="list-style-type: none"> - display the date the outstanding shares are expected to be received upon the recall request is served by HKSCC. i.e. 2 business days following the date of recall if the recall request is made before 12:00 noon of a business day, or 3 business days following the date of recall if the recall request is made after 12:00 noon of a business day.
CASH COMPENSATION INDICATOR	<ul style="list-style-type: none"> - cash compensation indicator can be changed from 'No' to 'Yes' only, and not vice versa. - once the function is selected, system will automatically change the cash compensation indicator to 'Yes'. The previous cash compensation indicator will not be displayed. - confirm the change by pressing the 'Change' button.