HKEx 香港交易所

Amendments to the HKATS Trading Procedures

(Additions underlined and deletions struck through)

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CHAPTER 2

ACCESS TO HKATS

2.6   *~~HKATS Network Problem~~[Repealed]*
~~Exchange Participants which are affected by the network, system or other malfunction can apply to use the CLICK workstations in the Exchange SOS Centres for trading. All of the HKFE Rules, Regulations and Procedures in relation to the entry of instructions into HKATS shall apply and the Exchange Participant shall be responsible for all such resulting F/O Contracts.~~

CHAPTER 3

DEALING FUNCTIONALITY

3.2   *Orderbook*

The "Orderbook Window" displays open Orders that are stored in the relevant Central Orderbook. This Window will show the bid and ask price, quantity and validity time of each Order and the HKATS Username inputting the Order. This Window also enables Authorized Persons to perform the following functions:

3.2.1 Cancel ---	this function can cancel both activated and inactivated Orders.
3.2.2 Inactivate ---	this function can inactivate one or more Orders at one time.
3.2.3 Activate ---	this function can activate previously inactivated Orders. Where an Order stored in the Central Orderbook is inactivated and subsequently activated, it will lose its previous queue priority and will be treated as a new Order and its queue position will be determined at that time.
3.2.4 Change ---	this function can change the details of an Order (e.g. price, quantity and validity time etc.). Certain changes may be made without losing queue priority. A reduction of quantity, change of the validity time and modifications of free text information, will preserve the Order's original queue position. Increasing the quantity of an Order or an amendment in price during the trading hours or during the Pre-Market Opening Period will result in the loss of time priority of the original Order. To preserve the queue priority of the original Order, an Authorized Person should enter a new Order for the added quantity and leave the quantity of the original Order unchanged. Increasing the quantity of an Order or an amendment in price during the 30 minute period before a trading session (where the Pre-Market Opening Period is not applicable) ~~will result in the inactivation of the Order~~is not allowed.

3.15   ~~*Bulletin Board*~~[Repealed]

~~The Bulletin Board shall apply to such Exchange Contracts as the Exchange may from time to time notify to Exchange Participants. Where the Bulletin Board is applicable to any Exchange Contracts, an Exchange Participant may define and place Orders for strategy trades involving such Exchange Contracts in the Bulletin Board Orderbook window for execution by other Exchange Participants.~~

~~Details of the Bulletin Board procedures can be found in the respective trading procedures of each individual Market contained in the HKFE Rules, Regulations and Procedures.~~

CHAPTER 7

CONTINGENCY PROCEDURES

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~~ for a temporary connection to the contingency gateway in case of ~~lost~~ any connectivity failure experienced by the Exchange Participant using network gateway. In case the connectivity failure happens during the after-hours trading session, the Exchange Participant can apply to rent an HKATS terminal at the SOS Centre temporarily. The Exchange has the absolute discretion to determine whether or not to approve ~~such~~ these application~~s~~. ~~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~~ connecting to ~~an~~ the ~~SOS HKATS terminal~~contingency gateway, renting an SOS HKATS terminal and for any On-Behalf-Of Processing executed by the Exchange on its behalf.