Shanghai-Hong Kong Stock Connect
Enhanced Pre-Trade Checking Model

Briefing to Participants
January 2015
### Amendment Log of the Presentation Material

This presentation material is further revised after the briefing sessions to Participants in January 2015:

<table>
<thead>
<tr>
<th>Date</th>
<th>Reason for Revision</th>
<th>Slide (All changes are marked in Red)</th>
</tr>
</thead>
</table>
| 6 Feb 2015 | - Revised the time for 2\textsuperscript{nd} STI Batch Transfer (SPSA only) from 19:00 to 18:30  
  - The receiving account of STI for 1\textsuperscript{st} and 2\textsuperscript{nd} STI Batch Transfers (SPSA only) at 17:30 and 18:30 can be any account other than SPSA, instead of only Stock Clearing Account  
  - STI Batch Transfer(SPSA only) will be processed before STI Batch Transfer(exclude SPSA) at 17:30 and 20:00 | 14, 15, 16, 30 |
| 11 Feb 2015| - Revised the function start time of “Change DI Requirement” from 19:15 to 07:15 | 17 |
| 3 Mar 2015 | - Revised to indicate the new STI batch runs should be applicable to MAMK only | 15, 16, 30 |
| 19 Mar 2015| - Mention the waiver of the Special Segregated Account Maintenance Fee  
  - Revised description for STI Batch Transfer Runs to match the wording in Rules and Procedures  
  - Morning SI BSR will not settle SIs involving SPSA | 12, 15, 16 |
| 25 Mar 2015| - Revised the generation time for “Unmatched SI Report” (CCLUS01) and “Intra-day ISI / SI Full List” (CSES02) | 30 |
Agenda

1. Existing Pre-trade Checking Model
2. Enhanced Pre-trade Checking Model
3. Modified Risk Management Measures for Enhanced Model
4. Implementation Schedule
5. Appendix
Agenda

1. Existing Pre-trade Checking Model
2. Enhanced Pre-trade Checking Model
3. Modified Risk Management Measures for Enhanced Model
4. Implementation Schedule
5. Appendix
What is Pre-trade checking?

- A mechanism to ensure EPs will have sufficient sellable quantity when placing sell orders

How is it done?

1. Investors who use custodians must transfer shares from their custodians to the selling EPs before market open
2. CCASS will take snapshot of each DCP & GCP's SSE Securities holdings each business day and replicate to CSC to facilitate Pre-trade Checking
3. Sell orders by an EP will be rejected by CSC if the EP's cumulative sell quantity in that stock for the day is higher than its stockholdings during market open

Who to ensure investors will not oversell?

- EPs' responsibility to ensure they have in place procedures and systems to prevent their clients from day trading and overselling of SSE Securities

Under current model, investors who use custodians need to pre-deliver SSE Securities to the selling EPs
Limitations of Existing Pre-trade Checking Model

- Pre-trade delivery of shares by investors from custodians to broker
- Frequent movement of shares between custodians and brokers may cause operational burden and costs
- Inconvenient for investors to trade via multiple brokers
- The design is not in line with the practice of institutional investors where they move shares to brokers for settlement only after their orders are executed

Solution: Develop an enhanced Pre-trade Checking Model to address the above limitations. The Enhanced Model is optional and will run alongside the Existing Model.
Agenda

1. Existing Pre-trade Checking Model
2. Enhanced Pre-trade Checking Model
3. Modified Risk Management Measures for Enhanced Model
4. Implementation Schedule
5. Appendix
Enhanced Pre-trade Checking Model
- Special Segregated Accounts of Custodians

How does it work?

As an add-on to existing model:

1. Custodians* upon investors’ requests to open Special Segregated Accounts (SPSA) and CCASS will generate a unique Investor ID. The SPSAs are for keeping shareholding of investors separately.

2. CCASS will snapshot SSE Securities holdings under custodians’ SPSAs and replicate to CSC to facilitate Pre-trade Checking.

3. Investors should inform its designated EPs the assigned Investor IDs for Pre-trade Checking when placing sell orders.

4. Custodians transfer shares from the SPSA to the relevant Clearing Participants for settlement (based on investors’ instructions).

Under enhanced model, investors who use custodians only transfer SSE Securities to Clearing Participants after sell order execution (Post-trade Delivery)

* Including GCPs who are non-EPs and Custodian Participants of CCASS
SPSAs Leverage on Existing SSA Account Structure

Non-EP GCPs & Custodian Participants of CCASS can set up an SPSA via existing “Add Stock Segregated Account” function in CCASS. Any SSA set up by Custodian within the specific range “800XXXXX” will be classified as SPSA. CCASS will generate a unique Investor ID for each SPSA.

<table>
<thead>
<tr>
<th>Institutional Investor</th>
<th>SPSA of Custodian A</th>
<th>SPSA of Custodian B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SSA No.</td>
<td>Investor ID</td>
</tr>
<tr>
<td>1</td>
<td>80000001</td>
<td>611682</td>
</tr>
<tr>
<td></td>
<td>80000002</td>
<td>720462</td>
</tr>
<tr>
<td>2</td>
<td>80000003</td>
<td>701234</td>
</tr>
<tr>
<td>3</td>
<td>80000004</td>
<td>220462</td>
</tr>
<tr>
<td>:</td>
<td>:</td>
<td>:</td>
</tr>
</tbody>
</table>

**Institutional Investor 1:**
2 SPSAs at Custodian A, 1 SPSA at Custodian B

**Institutional Investor 2:**
1 SPSA at Custodian A

**Institutional Investor 3:**
1 SPSA at Custodian A, 1 SPSA at Custodian B

*The new model allows Institutional investors to open multiple SPSAs at multiple Custodians*
Creation of SPSA at CCASS

Sample CCASS Screen showing creation of SPSA

CCASS will generate Investor ID upon successful creation of SPSA by Custodians / non-EP GCPs

Must be in “800XXXXX” format
SPSA Setup Procedure

1. Each investor can request its custodian(s) to open SPSA(s) for holding SSE securities.
2. Custodian opens SPSAs in CCASS online. CCASS will assign an unique Investor ID for each SPSA opened.
3. Custodian will complete and return the SPSA Form to HKSCC (with the authorized signatures from both Custodian and the designated EP).
4. HKSCC will inform SEHK to set up the unique Investor ID of the SPSA and the list of designated EP(s) in CSC.
5. Upon notification, custodian can start transferring the investor's shareholdings to the SPSA so that EP can start selling SSE securities for Investor from SPSA.

*Custodians shall give prior notice of not less than five business days to HKEx for adding or updating SPSA and list of designated EPs*
Custodians or non-EP GCPs are required to fill in the SPSA number and Investor ID on the Special Segregated Account and Designated Executing Broker Maintenance Form (“SPSA Form”), which will be available on HKEx website.

To add or delete a designated Executing Broker (EP) for the investor, Custodian Participant or GCP shall give prior notice of not less than five business days.

Custodian Participant or GCP will be notified and the newly designated Executing Broker (EP) can start using the Investor ID on and after the effective date specified in the form. For delete request, the originally designated Executing Broker (EP) will not be able to use the Investor ID to place sell order on and after the effective date specified in the form.

Separate form should be submitted for each designated Executing Broker (EP) of the SPSA.

Note: The Special Segregated Account Maintenance Fee (HKD 50 per SPSA account per month) will be waived until further notice.
Sell Order Input and Pre-trade Checking at CSC

Investor 1 (Investor ID: 611682)

Exchange Participant A (“EP A”)

Sell order

Input Investor ID (611682) at CSC for sell orders from Investor with SPSA

CSC will verify:
- EP A is a designated broker for the investor 1
- Investor 1 has sufficient holding in its account

If both checking pass -> Accept order
If either checking fails -> Reject order

Notes:
1. Investor can appoint at most 20 EPs as brokers for each Investor ID
2. Investor ID is not applicable to buy orders
How to settle CNS Sell obligation from SPSA?
Before CNS Batch Settlement Run (BSR) on T day,

For non-EP GCPs:
Transfer the CNS sell quantity from SPSA to Clearing Account via STI, via two new STI transfer runs for SPSA

For Custodian Participants:
Transfer the CNS sell quantity from SPSA to Clearing Participant via SI, via two new SI BSR

Notes:
1) No intra-day transfer of shares with SPSA before Final CNS BSR (19:00), except via the two new STI batch transfer runs (at around 17:30 and 18:30) which only settle STIs with SPSA as delivering account and Stock Account other than SPSA as receiving account. All STIs involving SPSA will be in “Pending for Transfer” status before the new STI batch transfer run.
2) Two New SI Batch Settlement Run (BSR)
   - At around 17:30 and 19:00 (right before the revised 1st and 2nd CNS BSR)
   - Only settle SIs with SPSA as delivering account
Other changes to facilitate Pre-trade Checking(1) - Change of CCASS Processing Schedule

- Revise the CNS batch settlement run schedule for SSE Securities
  - 1st run: 16:30 → 17:30
  - 2nd run: 18:00 → 19:00

- Additional SI matching runs
  - 13:45
  - 17:30
  - 19:00

- Additional SI batch settlement runs (for SPSA as delivering account only)
  - 17:30
  - 19:00

- Additional ATI / STI validation
  - 17:30

- Additional STI batch transfer runs and special arrangement for SPSA
  - Two new STI batch transfer runs (17:30 and 18:30)
  - Arrangement for SPSA:
    - 1st to 5th runs (09:15, 10:00, 12:45, 15:30 & 17:00) will process transfers related to non-SPSA accounts
    - 6th run (17:30) will process also transfers out from SPSA to non-SPSA accounts
    - 7th run (18:30) will process only transfers out from SPSA to non-SPSA accounts
    - 8th run (20:00) will process all transfers

Refer to Appendix 1 for CCASS Report Enhancement
Enhanced CCASS Processing Schedule for A-share Market

- **CNS BSR Schedule (1st: 16:30 → 17:30; 2nd: 18:00 → 19:00)**
- **Two more SI Batch Settlement Runs for settling SI with SPSA as delivering account (17:30 & 19:00)**
- **Three more SI Matching Runs to facilitate stock transfer (13:45, 17:30 & 19:00)**
- **One more ATI & STI validation runs (17:30)**
- **Two more STI Batch Transfer runs for MAMK and special arrangement for SPSA related transfers**

**STI Batch Transfer**

* 1st to 5th will exclude SPSA
^ 6th will also process transfers out from SPSA to non-SPSA accounts
# 7th is only for transfers out from SPSA to non-SPSA accounts
& 8th will process all transfer
Other changes to facilitate Pre-trade Checking(2) - Change of CCASS Function Times and Reports

1) CCASS function time changes

<table>
<thead>
<tr>
<th></th>
<th>Market</th>
<th>Original Function Time</th>
<th>New Function Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input DI</td>
<td>MAMK</td>
<td>18:15 to 19:30</td>
<td>19:15 to 19:30</td>
</tr>
<tr>
<td>Change DI Requirement</td>
<td>MAMK</td>
<td>18:15 to 19:30</td>
<td>07:15 to 19:30</td>
</tr>
<tr>
<td>Change Hold Matched SI</td>
<td>MAMK</td>
<td>07:15 to 18:00</td>
<td>07:15 to 19:00</td>
</tr>
<tr>
<td>Subscription Instruction Maintenance</td>
<td>MAMK</td>
<td>18:00 to 19:00</td>
<td>08:00 to 19:45 (for rights issue subscription) 19:00 to 19:45 (for takeover offer)</td>
</tr>
<tr>
<td>Upload of ATI / STI batch file</td>
<td>GLOB*</td>
<td>08:00 to 19:15</td>
<td>08:00 to 19:45</td>
</tr>
</tbody>
</table>

* Impact to all CCASS Participants

2) New value in reports to indicate Sell Trades from SPSA

<table>
<thead>
<tr>
<th>Report ID</th>
<th>Report Name</th>
<th>Market</th>
<th>New Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCLTN05</td>
<td>Final Clearing Statement</td>
<td>MAMK</td>
<td>“I” will be shown in the “Origin Indicator” for sell trades from SPSA</td>
</tr>
<tr>
<td>CCLID01</td>
<td>Intra-day Trade File</td>
<td>MAMK</td>
<td>“I” will be shown in the “Origin Indicator” for sell trades from SPSA</td>
</tr>
</tbody>
</table>

3) New CCASS Data File – Trade File of SPSA (available to Custodians / non-EP GCPs only):

<table>
<thead>
<tr>
<th>Report ID</th>
<th>Report Name</th>
<th>Time</th>
<th>File Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCLTA01</td>
<td>Trade File of SPSA</td>
<td>Daily at around 16:15</td>
<td>Showing detail of the sell trades from SPSA, including trade time, counterparty participant ID, execution broker firm ID, SPSA account number, to facilitate the preparation of STI / SI by Custodians / non-EP GCPs for CNS settlement</td>
</tr>
</tbody>
</table>
Other changes to facilitate Pre-trade Checking(3) - SI DVP

- Currently, only Free of Payment (FOP) SI is allowed for SSE Securities
- Delivery versus Payment (DVP) SI for USD, HKD and RMB will be added to enhance the settlement process of SSE Securities, settlement amount detail will be displayed in the “Enquire Money Position” function of CCASS

Time of EPI Generation for DVP SI:

<table>
<thead>
<tr>
<th>Time of SI Settlement</th>
<th>EPI Generation</th>
<th>Payment Confirmation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morning SI BSR at around 07:45</td>
<td>After 16:00</td>
<td>17:45</td>
</tr>
<tr>
<td>After morning SI BSR</td>
<td>After 20:00</td>
<td>Next Day 09:30</td>
</tr>
</tbody>
</table>

Relevant PG template, Report and Terminal User Guide* are available at Stock Connect Webcorner of HKEx website for reference

Refer to Appendix 2 for CCASS enhancement due to SI DVP of SSE Securities
* Will be available by mid-January 2015
Agenda

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2. Enhanced Pre-trade Checking Model
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Modification to Existing Risk Management Measures on Northbound Trades

Existing
- Pre-trade checking of holdings under CP
- Pre-trade stock delivery to CP

New
- Pre-trade checking of holdings under registered custodian’s SPSA account
- For SPSA trades, pre-trade delivery of stocks to CP is NOT required

Risk Implications
- Low risk of settlement failure for short positions
- Risk of settlement failure
  - Investors/custodian may choose not to deliver stocks in SPSA to CP in certain circumstances

Additional risk arising from the Modified Model – Need to modify existing risk management measures on Northbound Trades

Note 1: For example, default of broker executing the trade, erroneous trade execution by brokers, etc
Modification to Daily Mainland Settlement Deposit Requirement

**Daily Mainland Settlement Deposit Requirement:**

**Current:**

Settlement deposit rate

\[ \times \]

(CP’s daily buy turnover in SSE Securities

+ Overdue short positions in SSE Securities)

**New:**

Settlement deposit rate

\[ \times \]

(CP’s daily buy turnover in SSE Securities

+ Overdue short positions in SSE Securities

+ Daily sell turnover from SPSA in SSE Securities)

*Note 1: Settlement deposit rate is currently at 20%*

*CPs who do not have SPSA sell trade will not be affected*
### Monthly Mainland Settlement Deposit Requirement:

<table>
<thead>
<tr>
<th>Current</th>
<th>New</th>
<th>Current</th>
</tr>
</thead>
</table>
| \[
\left( \frac{\text{Sum of CP's daily buy turnover} + \text{overdue short positions in the previous month} \times \text{Number of days having buy turnover by the CP in the previous month}}{\text{Number of days having buy turnover by the CP in the previous month}} \right) + \frac{\text{Sum of SPSA's daily sell turnover in the previous month} \times \text{Number of days having sell turnover by the SPSA in the previous month}}{\text{Settlement Deposit Rate}}
\] | | \[
\text{CPs who do not have SPSA sell trade will not be affected}
\]

**Note:**
* For the day without buy turnover in SSE Securities, overdue short positions will be excluded from the “sum of CP’s daily buy turnover in SSE Securities + overdue short positions in SSE Securities in the previous month” in calculating the Monthly Mainland Settlement Deposit requirement.
Calculation of Mainland Settlement Deposit Requirement – *Same as Today*

1. Mainland Settlement Deposit Requirement:
   Higher of
   - Daily Mainland Settlement Deposit Requirement
   And
   - Monthly Mainland Settlement Deposit Requirement

2. Amount to be collected from CP:
   - Mainland Settlement Deposit Requirement – Mainland Settlement Deposit on hand

*Collection frequency: Intra-day (by 3:30pm) and day-end*
## Calculation of Mainland Settlement Deposit – An Example

### Business day of the month

<table>
<thead>
<tr>
<th>Business day of the month</th>
<th>Buy Turnover in SSE Securities (A)</th>
<th>Overdue Short Position in SSE Securities (B)</th>
<th>Sell Turnover in SPSA (C)</th>
<th>Settlement Deposit Rate (%) (D)</th>
<th>Daily MSTD(^{\text{Note 1}}) Requirement [E=(A+B+C) \times D]</th>
<th>Monthly MSTD Requirement per last monthly review (F)</th>
<th>MSTD Requirement (G=higher of E &amp; F)</th>
<th>MSTD on hand (H)</th>
<th>Amount to be (collected) / refund(^{\text{Note 2}}) = G-H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day 1</td>
<td>100,000</td>
<td>20,000</td>
<td>30,000</td>
<td>20</td>
<td>30,000</td>
<td>10,000</td>
<td>30,000</td>
<td>10,000</td>
<td>(20,000)</td>
</tr>
<tr>
<td><strong>No buy turnover</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Day 2</td>
<td>0</td>
<td>50,000</td>
<td>30,000</td>
<td>20</td>
<td>16,000</td>
<td>10,000</td>
<td>16,000</td>
<td>30,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>No overdue short position</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Day 3</td>
<td>500,000</td>
<td>0</td>
<td>40,000</td>
<td>20</td>
<td>108,000</td>
<td>10,000</td>
<td>108,000</td>
<td>30,000</td>
<td>(78,000)</td>
</tr>
<tr>
<td><strong>No buy turnover and overdue short position</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Day 4</td>
<td>0</td>
<td>0</td>
<td>10,000</td>
<td>20</td>
<td>2,000</td>
<td>10,000</td>
<td>10,000</td>
<td>108,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>No Special Segregated Account's sell turnover</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Day 10</td>
<td>300,000</td>
<td>30,000</td>
<td>0</td>
<td>20</td>
<td>66,000</td>
<td>10,000</td>
<td>66,000</td>
<td>108,000</td>
<td>42,000</td>
</tr>
</tbody>
</table>

### Notes:
1. MSTD = Mainland Settlement Deposit
2. Refund (if any) will only be made on the 10\(^{\text{th}}\) business day of the month. If the 10\(^{\text{th}}\) business day of the month is not a trading day in A-share market, refund will be made on next business day which is a trading day in A-share market.
Modification to Mainland Settlement Deposit Payable Report (CRMSD01)

Additional field “SPSA SELL TURNOVER IN A SHARES” will be added to cater the change of:

- Daily Mainland Settlement Deposit Requirement
- Monthly Mainland Settlement Deposit Requirement

<table>
<thead>
<tr>
<th>CRMS01</th>
<th>B03456</th>
<th>HKSCC - CCASS</th>
<th>RUN DATE : 31DEC14</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCASS COMPANY</td>
<td></td>
<td>MAINLAND SETTLEMENT DEPOSIT PAYABLE REPORT</td>
<td>RUN TIME : 19:30:00</td>
</tr>
<tr>
<td>DATE :</td>
<td>31DEC14</td>
<td></td>
<td>PAGE : 1</td>
</tr>
</tbody>
</table>

BUY TURNOVER IN A SHARES : CNY 100,000.00
OVERDUE SHORT POSITION IN A SHARES : CNY 20,000.00
**SPSA SELL TURNOVER IN A SHARES** : CNY 30,000.00

SETTLEMENT DEPOSIT RATE(%) : 20.00
MINIMUM AMOUNT : CNY 0.00
MONTHLY MSTD REQUIREMENT PER LAST MONTHLY REVIEW : CNY 10,000.00
MSTD REQUIREMENT : CNY 30,000.00
MSTD ON HAND : CNY 10,000.00
AMOUNT TO BE (COLLECTED)/REFUNDED VIA DAY-END MSI* : CNY 20,000.00-

* FOR -VE VALUE, TO BE COLLECTED VIA DAY-END DDI
   FOR +VE VALUE, CALCULATED ON THE 10TH BANK DAY OF EACH MONTH OR THE NEXT BANK DAY WHICH IS A TRADING DAY IN A-SHARE MARKET IF THE 10TH BANK DAY OF THE MONTH IS NOT A TRADING DAY IN A-SHARE MARKET, TO BE REFUNDED VIA DAY-END DCI

*** END OF REPORT ***
Agenda

1. Existing Pre-trade Checking Model
2. Enhanced Pre-trade Checking Model
3. Modified Risk Management Measures for Enhanced Model
4. Implementation Schedule
5. Appendix
Implementation Schedule (Tentative)

- Expect enhanced service launches in 1Q 2015*

- December 2014 - Technical Specification
- Early January 2015 - Briefing Session
- End of February / Early March 2015 - Rollout Test
- March 2015 - System Launch

* Subject to SFC’s approval and the final schedule will be further announced via circular
Questions and Answers
Agenda

1. Existing Pre-trade Checking Model
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Appendix 1
CCASS Report Enhancement

1) Revised report generation time / frequency

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CSEBA01</td>
<td>ATI Batch Input Control Report</td>
<td>GLOB</td>
<td>09:15, 10:00, 11:30, 12:45, 15:15, 17:00, 17:30, 20:00</td>
<td>Additional ATI batch validation run</td>
</tr>
<tr>
<td>CSEAT01</td>
<td>STI Batch Input Control Report</td>
<td>GLOB</td>
<td>09:15, 10:00, 12:45, 15:30, 17:00, 17:30, 20:00</td>
<td>Additional STI batch validation run</td>
</tr>
<tr>
<td>CSEAT02</td>
<td>STI Activity Report</td>
<td>HKMK/</td>
<td>09:15, 10:00, 12:45, 15:30, 17:00, 17:30, 18:30, 20:00</td>
<td>Additional STI batch transfer runs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MAMK</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CCLUS01</td>
<td>Unmatched SI Report</td>
<td>MAMK</td>
<td>08:00, 12:00, 14:00, 15:15, 17:15, 17:45, 19:15, 19:45</td>
<td>Additional SI matching runs</td>
</tr>
<tr>
<td>CSES01</td>
<td>Intra-day ISI / SI Full List</td>
<td>MAMK</td>
<td>08:00, 12:00, 14:00, 15:15, 17:15, 17:45, 19:15, 19:45</td>
<td>Additional SI matching runs and SI BSR</td>
</tr>
<tr>
<td>CSESP04</td>
<td>Intra-day Settled Position Report</td>
<td>MAMK</td>
<td>08:15, 18:00, 19:30</td>
<td>Revise of CNS BSR</td>
</tr>
<tr>
<td>CFIBI01</td>
<td>Buy-in Notification Report</td>
<td>MAMK</td>
<td>19:15</td>
<td>Revise of CNS BSR</td>
</tr>
</tbody>
</table>

2) New field value to indicate sell trades originated from SPSA

<table>
<thead>
<tr>
<th>Report ID</th>
<th>Report Name</th>
<th>Market</th>
<th>New Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCLTN05</td>
<td>Final Clearing Statement</td>
<td>MAMK</td>
<td>“I” will be shown in the “Origin Indicator” for sell trades from SPSA</td>
</tr>
<tr>
<td>CCLID01</td>
<td>Intra-day Trade File</td>
<td>MAMK</td>
<td>“I” will be shown in the “Origin Indicator” for sell trades from SPSA</td>
</tr>
</tbody>
</table>

3) New CCASS Report – Trade File of SPSA
(available to Custodians / GCP who are non-EP only):

<table>
<thead>
<tr>
<th>Report ID</th>
<th>Report Name</th>
<th>Market</th>
<th>Time</th>
<th>File Content</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCLTA01</td>
<td>Trade File of SPSA</td>
<td>MAMK</td>
<td>Daily at around 16:15</td>
<td>Showing detail of the sell trades from SPSA, including trade time, counterparty participant ID, execution broker firm ID, SPSA account number, to facilitate the preparation of STI / SI by Custodian for CNS settlement</td>
</tr>
</tbody>
</table>
Appendix 2
CCASS Enhancement for SI DVP

DVP SI information will be displayed in different sections in “Enquire Money Position” function.

- Shows settlement amount from SI settled on previous business day (except those SI settled at 1st BSR)
- Shows settlement amount from SI settled at 1st BSR (i.e. 07:45) of current day
- Shows settlement amount from SI which EPIs are not yet delivered to HKICL
- Shows settlement amount from SI with settlement date ≤ current CCASS date

### Money Obligation for A-share Market

<table>
<thead>
<tr>
<th>Settlement Description</th>
<th>Receivable/Received Amount</th>
<th>Payable/Paid Amount</th>
<th>Net Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>SI (A-share Market) - Dayend</td>
<td>5,000.00</td>
<td>3,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>SI (A-share Market) - Evening</td>
<td>5,000.00</td>
<td>3,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>CNS (A-share Market)</td>
<td>5,000.00</td>
<td>3,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>SI (A-share Market)</td>
<td>5,000.00</td>
<td>3,000.00</td>
<td>2,000.00</td>
</tr>
<tr>
<td>CNS (A-share Market)</td>
<td>2,000.00</td>
<td>4,000.00</td>
<td>4,000.00</td>
</tr>
<tr>
<td>SI (A-share Market)</td>
<td>2,000.00</td>
<td>6,000.00</td>
<td>4,000.00</td>
</tr>
<tr>
<td>Total :</td>
<td>2,000.00</td>
<td>12,000.00</td>
<td>8,000.00</td>
</tr>
</tbody>
</table>

Detail of SSE Securities SI with DVP as settlement method will be included in the following reports:
- DDI / DCI / EPI Summary for Participant (CSEMA28 / CSEMS28)
- Settlement Related EPI Listing (CSEMA29 / CSEMS29)
- CCASS Funding Projection Report for Participant (CSEMP02)
## Appendix 3
### Other Features of SPSA

| Nominee Services | Voting Delegation  
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SPSA holders delegate the input of voting instructions to CP and are not allowed to input voting instructions themselves</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Subscription for SMS / Email Alerts</th>
<th>Not available to SPSA</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Hard Copy Statement Services</th>
<th>Not available to SPSA</th>
</tr>
</thead>
</table>