

香港聯合交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: **SUBMISSION OF SPECIAL SEGREGATED ACCOUNT AND DESIGNATED EXECUTING BROKER MAINTENANCE FORM**

Enquiry: **Participant General Enquiry Hotline (Tel : 2840 3626 E-mail : trd@hkex.com.hk)**

Currently, HKSCC's Custodian Participants and General Clearing Participants which are not Exchange Participants (collectively named as "Clearing Participants" or "CPs" thereafter) can open Special Segregated Accounts ("SPSAs") on CCASS on behalf of their clients for holding China Connect Securities. SPSAs allow pre-trade checking control without the need for CPs' clients to deliver China Connect Securities to their designated brokers (i.e. Exchange Participants ("EPs")) before executing sell orders in such China Connect Securities. CP of each SPSA and its executing EP should register such designation by completing the "[Special Segregated Account and Designated Executing Broker Maintenance Form](#)" ("Maintenance Form") and returning it to HKEX for processing before a designated EP can input sell order(s) for stocks held in the SPSA on or after effective date (as subsequently confirmed by HKEX).

Reference is made to MSCI Inc.'s announcement on 20 June 2017 ([press release](#)) regarding the proposed inclusion of China A shares in the MSCI Emerging Markets Index beginning June 2018. To prepare for trading of China A shares via Stock Connect, it is foreseen that a significant number of additional SPSAs will need to be opened with executing EPs designated, before the end of May 2018. To ensure smooth operations, CPs and EPs are requested to complete Maintenance Forms and submit them to HKEX **no later than 11 May 2018 (Friday)** should they wish to complete SPSA set up and register executing EP designations on or before 31 May 2018.

HKEX will continue to handle the set up on a first come first served basis and confirm the effective date with each of the CPs and EPs which have made the submission(s) as per current practice. In this regard, CPs and EPs are strongly encouraged to submit Maintenance Forms as early as possible, as the effective date can be well before the index inclusion date.

Thank you in advance for your co-operation.

Jacqueline Ting
Vice President
Cash Trading
Markets Division