

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: Reminder for Error Trade Claims in the Derivatives Market

Enquiry: HKATS Hotline¹ Tel: 2211-6360

Reference is made to the circular (Ref: [MO/DT/104/17](#)) dated 14th July 2017. Pursuant to Options Trading Rule 540 of the Options Trading Rules of The Stock Exchange of Hong Kong Limited (“the Exchange”), Exchange Participants (“EPs”) may claim that a trade took place at a level which deviated from the price parameters established by the Exchange (i.e., that is an error trade) **no later than** the prescribed time limit, 30 minutes after the time of the trade.

The following information in the format indicated is either submitted to the Exchange together with the claim or separately but in any event **no later than** the prescribed time for making a claim:

Claim Detail	Remark
Time	In the format of hh:mm:ss
Series	In accordance with HKATS series naming standard. For details please refer to Appendix I of the HKATS User's Guide
Match ID	Identifier of the trade provided by HKATS
Trade number	Identifier of the trade provided by DCASS
Buy/Sell	Specify whether the trade is a buy or sell trade
Price	Executed price of the trade
Quantity	Executed quantity of the trade

¹ All calls to the HKATS hotline would be recorded. Please refer to the following link for HKEX privacy policy statement:
http://www.hkex.com.hk/Global/Exchange/Privacy-Policy?sc_lang=en

Claim Detail	Remark
The indicative reference price used by the Exchange Participant on which claim is based	Price value ²

EPs must take all reasonable efforts to remind their operation staff **NOT** to perform any trade and position adjustments on any error trades that has been published by HKEX.

EPs may submit Error Trade claims via the HKATS Hotline at (+852) 2211-6360 and supplement the claim details that are filled in spreadsheet format. Upon receiving all the claim details from the claimant, the Exchange will handle the claim in accordance with the relevant procedures set out in Options Trading Rule 540.

The decisions of the special HKATS Error Trade Review Panel shall be binding on all parties to the Error Trade. EPs should not expect that all Error Trade claims submitted to the Exchange will be cancelled.

For details of Error Trade Handling Procedures, please refer to our dedicated Web Corner:

https://www.hkex.com.hk/Services/Trading/Derivatives/Overview/Trading-Mechanism/Error-Trades?sc_lang=en

Reference is made also to the circular (Ref: [MO/DT/267/21](#)). To mitigate the risk on input errors, EPs are requested to review and determine the maximum allowable order price deviation and volume parameters with "Restriction" as the action type according to their own trading patterns, practice and risk management requirements. The parameter setting is to be set at HKATS user and HKATS Online. EPs using OMnet Application Programming Interface ("OAPI") are also requested to review and determine similar price and quantity limits in their systems to minimize Error Trades resulted from orders entered erroneously.

² The Exchange may, in its sole discretion, require the Exchange Participant to indicate how the price value is determined and the basis of using that price value for the claim as the Exchange considers appropriate in the circumstance.

Sanly Ho
Co-Head
Trading Department
Operations Division

This circular has been issued in the English language with a separate Chinese language translation. If there is any conflict in the circulars between the meaning of Chinese words or terms in the Chinese language version and English words in the English language version, the meaning of the English words shall prevail.