

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: Introduction of Annual Attestation and Inspection Programme

Enquiry: [surveillance@hkex.com.hk](mailto:surveillance@hkex.com.hk)

As part of the Exchange's continuing efforts to enhance its surveillance and monitoring work of Exchange Participants, the Exchange will introduce an **Annual Attestation and Inspection Programme** starting from this year. The programme will comprise: (1) Self-attestation of compliance by Exchange Participants and (2) on-site inspection of selected Exchange Participants. The programme will further enhance the Exchange's monitoring and surveillance efforts to ensure Exchange Participants maintain their strict adherence to the Trading Rules.

### 1. Self-Attestation of Compliance

Each Exchange Participant will be required, on an annual basis, to complete and return a questionnaire in the form prescribed by the Exchange, in which the Exchange Participant is required to attest its compliance with the Trading Rules (or a specific section of the Trading Rules) during the relevant period. The Exchange Participant's response to the questionnaire as well as its compliance history will, among other factors, form the basis of the Exchange's assessment of the Exchange Participant's risk profile. The Exchange may conduct follow-up enquiries with Exchange Participants based on their risk profiles and may conduct investigations or on-site inspections at the Exchange Participants' premises.

### 2. On-site Inspection

The Exchange will conduct risk-based on-site inspections at selected Exchange Participants' premises in relation to one or more priority areas as the Exchange may determine from time-to-time in consultation with the SFC. The Exchange will take into consideration the overall levels of activity of Exchange Participants in the priority areas in determining the Exchange Participants that will be subject to on-site inspections. The Exchange Participants subject to

on-site inspections will be evaluated on their compliance with the relevant Trading Rules and the Exchange may conduct further investigations based on such evaluation.

**PRIORITY AREAS IN 2017**

The following three priority areas have been identified for the Annual Attestation and Inspection Programme in 2017:

1. flagging of short selling orders;
2. reporting of manual trades; and
3. compliance with China Connect Rules.

Exchange Participants are cordially invited to an information session on the Annual Attestation and Inspection Programme for 2017. Enrolment details can be found in the attached Appendix.

**Garbo Cheung**  
**Head**  
**Market Surveillance and Monitoring**  
**Markets Division**