

HKEx Information Services Limited

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

17 April 2013
Our Ref: MDD/13/864

By Email

To: Derivatives Market Data Vendors and End-Users (Collectively “IVs”)

Dear Sirs,

Forthcoming Derivatives Market Initiatives

We would like to inform you of the upcoming initiatives of the HKEx Derivatives Market and their tentative implementation schedule for your early preparation.

- 1) **Genium Upgrade** - Upgrade of the Hong Kong Futures Automated Trading System (“HKATS”) and the Derivatives Clearing and Settlement System (“DCASS”) to Genium INET Platform

Please find attached the revised PRS and PRS Plus Transmission Specifications with the changes due to Genium Upgrade tracked in the documents for your easy reference. The changes are also summarised below:

- a) Change of Instrument Codes for calendar spread combination series

A new set of codes (201 to 223) will be used as the Instrument Codes for the calendar spread combination series.

- b) Introduction of Tailor Made Combo (TMC)

PRS and PRS Plus will carry information on TMC which will replace Bulletin Board (BB) as non standard combination trade facility. BB information is not currently available in PRS and PRS Plus. You can view the materials of Genium Upgrade via the links below for more information about TMC.

- i) Information Paper (section III)
http://www.hkex.com.hk/eng/market/dv_tradinfra/Documents/Genium%20Information%20Paper.pdf
- ii) Overview Briefing Presentation (slide 21-26)
http://www.hkex.com.hk/eng/market/dv_tradinfra/Documents/Genium%20briefing.pdf

Tentative implementation schedule

Activity	Tentative Schedule
Provision of canned data	June 2013
Market rehearsal	3 rd Quarter 2013
Rollout	4 th Quarter 2013

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- 2 -

2) **Stock Options Revamp**

Reference is made to our notice of 22 March 2013 (Our Ref: MDD/13/681) regarding the following micro-structure enhancements to be implemented as part of the Stock Options Revamp. Please see below the respective implementation schedule:

i. Introduction of the Fourth Calendar Month Contract

Implementation schedule

Activity	Tentative Schedule
Rollout	2 May 2013

ii. Reduction of Minimum Trading Spread in Selected Option Classes upon its implementation the minimum spread of stock options can be HK\$0.01 or HK\$0.001

Implementation schedule

Activity	Tentative Schedule
Provision of canned data	June 2013
Market rehearsal	November 2013 (tentatively two weeks after rollout of Genium Upgrade)
Rollout	Early December 2013 (tentatively four weeks after rollout of Genium Upgrade)

Please refer to the enclosed Exchange Participant Circular "Reduction of Minimum Trading Spread in Selected Stock Option Classes" for more details.

Should you have any queries, please do not hesitate to contact our Vendor Support Team at (852) 2211 6558 or via email to IVSupport@hkex.com.hk.

Yours sincerely,

Karen Lam
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Enclosure: HKFE Participant Circular (English and Chinese)