



NOTICE OF AUTHORIZATION TO PROVIDE AUTOMATED TRADING SERVICES

Pursuant to section 95(2) of the Securities and Futures Ordinance (**SFO**), the Securities and Futures Commission (**Commission**) hereby authorizes Singapore Exchange Derivatives Trading Limited (**SGX-DT**) to provide automated trading services (**ATS**) in Hong Kong via the SGX-DT trading system subject to the following conditions –

1. SGX-DT shall ensure that it admits as members only corporations licensed by the Commission under Part V of the SFO unless the Commission agrees otherwise and SGX-DT has proactively notified the Commission of the registration status of prospective members in Hong Kong.
2. Upon prior written notice, SGX-DT shall provide the Commission with information relating to transactions conducted via the SGX-DT trading system by SGX-DT members in Hong Kong for the purposes of any inquiry or investigation by the Commission under the SFO into transactions originating from Hong Kong and/or the conduct of SGX-DT members in Hong Kong. Such information disclosure can be facilitated by (i) the Multilateral Memorandum of Understanding of the International Organization of Securities Commissions (**IOSCO MMOU**) for the purposes of cross-border cooperation, exchange of information and investigatory assistance, to which the regulatory authorities of Hong Kong and Singapore are signatories; and (ii) the Memorandum of Understanding between the Commission and the Monetary Authority of Singapore, signed on 16 January 1997.
3. SGX-DT shall notify the Commission of any material changes to the matters set out in paragraphs 52 and 62 of the Guidelines for the Regulation of ATS (dated March 2003) and particularly to the matters specified below, prior to the changes taking effect –
 - 3.1. Company structure;
 - 3.2. Business plan and marketing plan for Hong Kong;
 - 3.3. The SGX-DT trading system (including changes in hardware, software, and other technology);
 - 3.4. Contractual documentation if there are direct or indirect changes to the contractual responsibilities for members of SGX-DT in Hong Kong; and
 - 3.5. Criteria for approval or disapproval of members of SGX-DT in Hong Kong.



4. For each new futures contract that SGX-DT intends to offer to SGX-DT members in Hong Kong for trading through the SGX-DT trading system, SGX-DT shall provide to the Commission –
 - 4.1 Prior written notice of the new futures contract that it intends to offer; and
 - 4.2 The contract specifications of the new futures contract that it intends to offer.
5. SGX-DT shall put in place appropriate business continuity plans and disaster recovery programmes for SGX-DT's operation in Hong Kong and notify the Commission of any material changes to the plans or programs.
6. SGX-DT shall provide the Commission with the following **monthly** statistics:
 - 6.1. The volume of trades (by each member of SGX-DT in Hong Kong) conducted on the markets over the SGX-DT trading system resulting from orders originating from Hong Kong; and
 - 6.2. The aggregate volume of trades conducted on the markets over the SGX-DT trading system;

Such statistics are to be provided within two weeks after the end of each month. A nil return is required if there is no trading in the relevant month.
7. SGX-DT shall notify the Commission of the identity and location of all SGX-DT members in Hong Kong (by providing a **monthly** status report within two weeks after the end of each month).

DATED: 24 SEPTEMBER 2013