



## NOTICE OF AUTHORIZATION TO PROVIDE AUTOMATED TRADING SERVICES

### ISSUED TO CHINA FOREIGN EXCHANGE TRADE SYSTEM (NATIONAL INTERBANK FUNDING CENTER)

《中國外匯交易中心(全國銀行間同業拆借中心)》

### UNDER SECTION 95 OF THE SECURITIES AND FUTURES ORDINANCE

#### AUTHORIZATION

1. Pursuant to section 95(2) of the Securities and Futures Ordinance (**SFO**), the Securities and Futures Commission (the **Commission**) hereby authorizes China Foreign Exchange Trade System (National Interbank Funding Center) (**CFETS**) to provide automated trading services (**ATS**) in Hong Kong for the purposes of facilitating the conduct of trading under CIBM Direct (直接入市渠道/直投模式). The authorization is subject to the following conditions:-

#### CONDITIONS

##### *General*

2. In providing ATS, CFETS must conduct its business, operations and affairs in a manner that is honest, fair and consistent with the principles, procedures and standards reflected in the SFC's Guidelines on the Regulation of Automated Trading Services.

##### *Operations*

3. CFETS shall only provide ATS for the purposes of facilitating the conduct of trading under CIBM Direct.
4. CFETS shall not enter into any agreement with a platform operator to provide services to Hong Kong Participants as an Access Platform or a participant in Hong Kong (**Hong Kong Participant**) must not be accepted as a participant unless CFETS has given sufficient prior notification or (if it is not reasonably practicable to give prior notification) as soon as practicable, in writing, to the SFC of its intention to do so.



*Reporting and disclosure requirements*

5. CFETS must inform the SFC of the following as soon as practicable after becoming aware of the same –
  - (1) any material change to information provided in connection with its ATS application,
  - (2) any material change to the status or access rights of any Access Platform providing services to Hong Kong Participants under CIBM Direct,
  - (3) any failures or defects arising in connection with the provision of trading services or facilities under CIBM Direct, and remedial steps taken, and
  - (4) any breach, or potential breach, of any of the conditions of CFETS's authorization to provide ATS.
6. CFETS must provide to the SFC quarterly reports relating to its business and operations, and to any trading conducted through CIBM Direct. Such reports should be provided within three weeks after the end of the relevant quarter, and should include such information as the SFC may from time to time specify.
7. CFETS must provide to the SFC, within the time and in the manner specified, such information and documents relating to its business and operations, or to any trading conducted through CIBM Direct, as the SFC may at any time, and from time to time, reasonably request.

*Service*

8. Any notice or other document issued or served by the SFC on CFETS in connection with this authorization shall be regarded as duly served in any of the following ways –
  - (1) delivered by hand to, and sent by post to, CFETS's last known address as notified to the SFC in writing,
  - (2) sent by facsimile transmissions to its last known facsimile number as notified to the SFC in writing, or
  - (3) sent by electronic mail transmission to its last known electronic mail address as notified to the SFC in writing.

**SECURITIES AND FUTURES COMMISSION**

**DATED: 7 DECEMBER 2021**