



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 Cboe Australia Pty Ltd (**Cboe Australia**) to provide automated trading services (**ATS**) in Hong Kong via the Cboe Technology System subject to the following conditions-

1. Cboe Australia may only provide ATS in Hong Kong to those of its participants that are corporations licensed by the Commission under Part V of the SFO (unless the Commission agrees in writing otherwise). Additionally, such corporations must not be admitted as participants unless Cboe Australia has first proactively notified the Commission of its intention to admit them.
2. With a view to limiting the ability of Cboe Australia's participants in Hong Kong (**Hong Kong Participants**) to use the Cboe Technology System to conduct trades in breach of Part IV of the SFO, Cboe Australia must put in place such controls and safeguards as the Commission may from time to time agree in writing.
3. With a view to limiting the ability of Cboe Australia's Hong Kong Participants to use the primary orderbook and BIDS orderbook in the Cboe Technology System to conduct trades in breach of the Commission's code on alternative liquidity pool trading, Cboe Australia must put in place such controls and safeguards as the Commission may from time to time agree in writing.
4. For the purposes of any inquiry or investigation by the Commission into the conduct of any of Cboe Australia's Hong Kong Participants, Cboe Australia must provide the Commission with information relating to trades conducted by that participant via the Cboe Technology System. Such information disclosure can be facilitated by (i) the Enhanced Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information of the International Organization of Securities Commissions (EMMoU), to which the regulatory authorities of Hong Kong and Australia are signatories; and (ii) the "Memorandum of Understanding between the Australian Securities & Investment Commission and the Securities and Futures Commission" for the exchange of information and investigatory assistance between the authorities, signed on 8 October 2001.
5. Cboe Australia must notify the Commission of any material change to the matters set out in paragraph 55 of the Guidelines for the Regulation of ATS issued by the Commission, and particularly to the matters specified below, prior to the changes taking effect -

- 5.1. Cboe Australia's company structure, any substantial shareholders, and where a substantial shareholder is a corporation, the directors and substantial shareholders of that corporation;
 - 5.2. the Cboe Technology System (including changes in hardware, software, and other technology);
 - 5.3. contractual documentation, if these result, or may result, in direct or indirect changes to the contractual responsibilities of Cboe Australia's Hong Kong Participants;
 - 5.4. criteria for admitting persons as Hong Kong Participants of Cboe Australia, or for revoking such participation; and
 - 5.5. product types that may be traded via the Cboe Technology System by Cboe Australia's Hong Kong Participants.
6. Cboe Australia must put in appropriate business continuity plans and disaster recovery programs for Cboe Australia's provision of ATS in Hong Kong and notify the Commission of any material change to the plans or programs.
 7. Cboe Australia must provide the Commission with the following **monthly** statistics on a **quarterly** basis:-
 - 7.1. The volume of trades conducted during that month via the Cboe Technology System, by each of Cboe Australia's Hong Kong Participants, with a breakdown in respect of each product or product type (as agreed by the Commission in writing), and each order book, traded by that Participant via the Cboe Technology System; and
 - 7.2. The aggregate volume of trades, in respect of each product or product type (as agreed by the Commission in writing), and each order book, conducted during that month via the Cboe Technology System.

Such statistics must be provided within two weeks after the end of the relevant calendar quarter or within such other period as the Commission may agree in writing. A nil return is required if no trade was conducted in the relevant month.

8. Cboe Australia must provide **monthly** reports of the identity and location of its Hong Kong Participants as at the end of the relevant month, and such reports must be provided

to the Commission within two weeks after the end of the relevant month or within such other period as the Commission may agree in writing.

9. Cboe Australia must provide its **annual** audited financial statements to the Commission within four months after the end of each financial year or within such other period as the Commission may agree in writing.

DATED: 26 March 2024