

NOTICE OF AUTHORIZATION TO PROVIDE AUTOMATED TRADING SERVICES

Securities and Futures Commission (**Commission**) hereby authorizes Japan Securities Clearing Corporation (**JSCC**) to provide automated trading services (**ATS**) in Hong Kong via the OTC IRS Clearing System for the purposes of providing clearing and settlement services in respect of transactions in OTC derivative products. The authorization is subject to the following conditions.

1. JSCC may only provide ATS in Hong Kong to the following persons –

- 1.1. Those of its clearing members that: (i) are licensed or registered by the Commission under Part V of the SFO; (ii) are authorized institutions as defined in the ~~Banking Ordinance (Cap. 155); or (iii) have been agreed to in writing by the~~



- 3.1. JSCC's company structure, any substantial shareholders and, where a substantial shareholder is a corporation, the directors and substantial shareholders of that corporation;

3.2. the OTC ISD Clearing System (including changes or failures in hardware, software

[REDACTED]

and other technology);

3.3. the contractual documentation (including clearing rules) relating to the use of

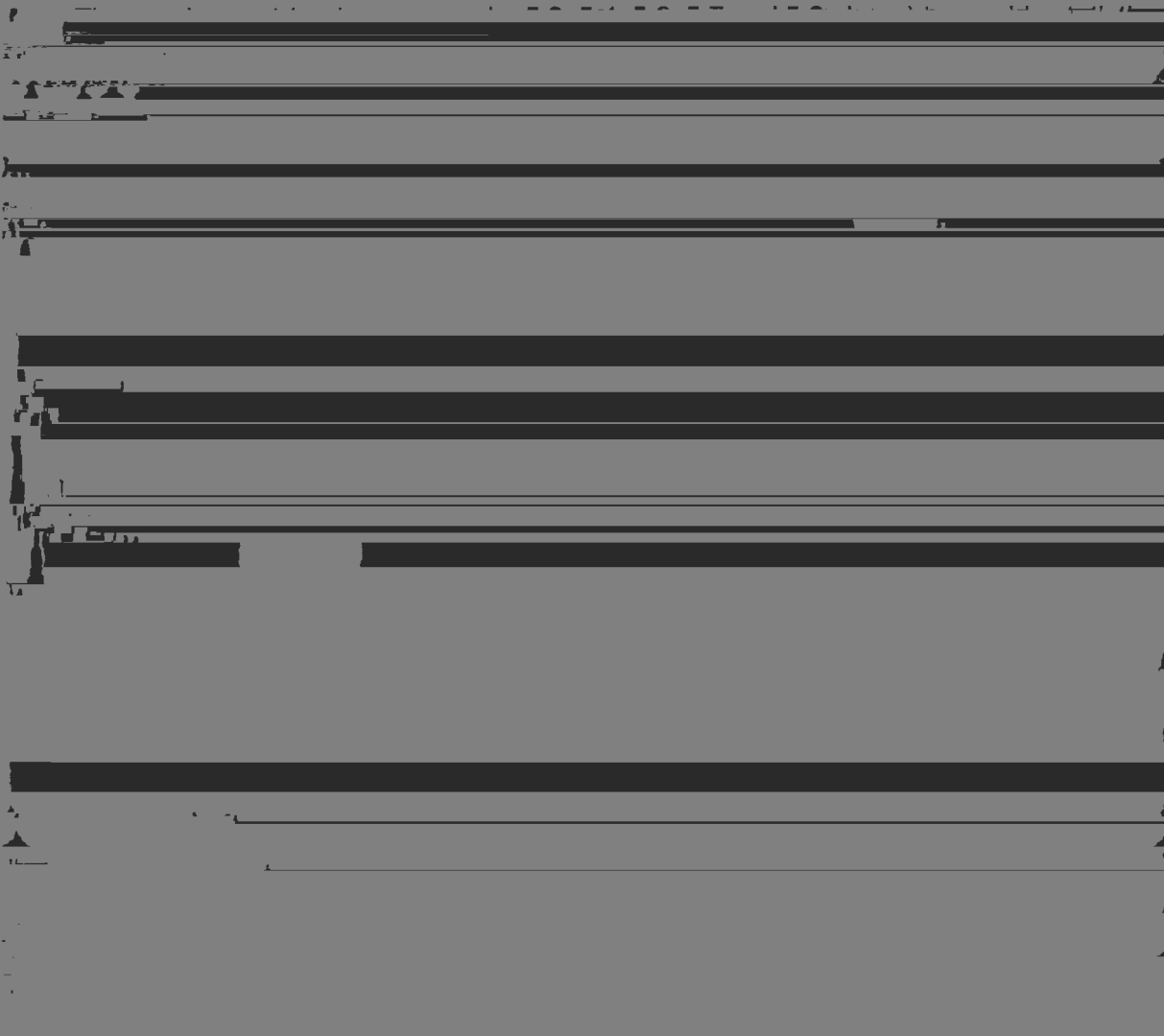
[REDACTED]

It is the responsibility of JSCC for JSCC's provider of ATS in Hong Kong and notify the

Commission of any material change to such plans or programmes.

It is the responsibility of JSCC for JSCC's provider of ATS in Hong Kong and notify the

subject to paragraph 6 below, JSCC must provide the following **monthly** statistics to the



7 JSCC must disclose to the Commission, within the time and in the manner specified, such information and documents relating to its provision of ATS in Hong Kong (including statistical and other information relating to trades cleared through the CTO IDS Clearing