



INSIDE CLEAR TALK

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ClearTalk

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HONGKONG CLEARING IS READY TO ADMIT MORE DEBT SECURITIES TO CCASS

The infrastructure necessary to provide clearing and settlement services for debt security transactions on the Stock Exchange has been developed.

Kelvin Lee, director of Planning and Development, told *Clear Talk* that more debt securities were expected to be admitted to CCASS in December. The first debt security, a zero coupon note, was admitted to CCASS in June 1995.

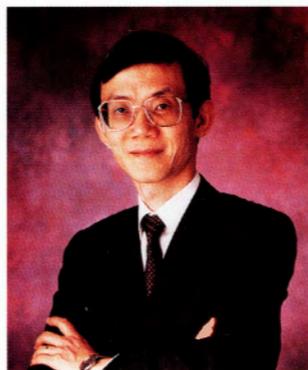
"Clearing and settlement will be under the isolated trade system, although we plan to progress to continuous net settlement next year. Initially, only Hong Kong dollar denominated debt securities will be admitted, but we hope to be able to admit foreign currency securities in 1997," Mr Lee said.

The Stock Exchange included the development of a secondary market for debt securities as one of its objectives in its strategic plan.

In addition, the region will need a substantial amount of capital to fund its infrastructural development. Debt issues are ideal for funding infrastructure projects as they usually require large amounts of capital with long maturities.

In recent years, Hong Kong has become a preferred market for listing debt securities by major national, international and supra-national organisations.

HONGKONG CLEARING APPOINTS NEW CHIEF EXECUTIVE



Stewart Shing

Hongkong Clearing has appointed Stewart Shing to succeed Richard Heckinger as chief executive of the company.

Mr Shing previously served Hongkong Clearing as director, Planning and Development from April to November 1991; and as deputy chief executive from November 1991 to October 1994. He also served as acting chief executive from November 1991 to May 1992.

John Chan, chairman of Hongkong Clearing, said the company was very pleased to regain the services of Mr Shing.

"Mr Shing has more than 25 years' experience in audit, systems development and securities operations, gained with leading professional accounting firms and securities industry leaders. He was also involved in the development and implementation of our Central Clearing and Settlement System (CCASS)," Mr Chan said.

Mr Shing is 48 years old. He holds a Master of Business Administration degree from the University of New South Wales and is a fellow of the Hong Kong Society of Accountants.

He will rejoin Hongkong Clearing on 14 October 1996 and succeed Mr Heckinger when the latter leaves the company on 31 October 1996.

There were 12 new debt securities valued at \$52.5 billion listed in Hong Kong during the five years to 1992. In the three years to 1995, there were 176 new issues valued at \$581 billion.

Trading in debt securities is dominated by professional institutional investors. However, retail interest in debt securities will gradually develop over the next few years, following the listing of two debt securities -- HKR 6% and The Peregrine Zero Coupon Bond -- targeted at retail investors.

Mr Lee said admitting debt securities to CCASS would fulfil Hongkong Clearing's mandate to clear and settle all trades concluded on the Stock Exchange.

"It will also support the development of debt securities and the secondary market; and help develop Hongkong Clearing into a fuller service clearing house," he said.

QUICK
QUIZ

Competition

JOIN
THE QUICK QUIZ
COMPETITION

AND WIN
HK\$3,000!

SEE PAGE 11-12
FOR DETAILS.



Development phase of CCASS terminal

The development phase of the enhanced CCASS terminal (ECT) project will be completed by the end of the year and the implementation phase will begin in the new year.

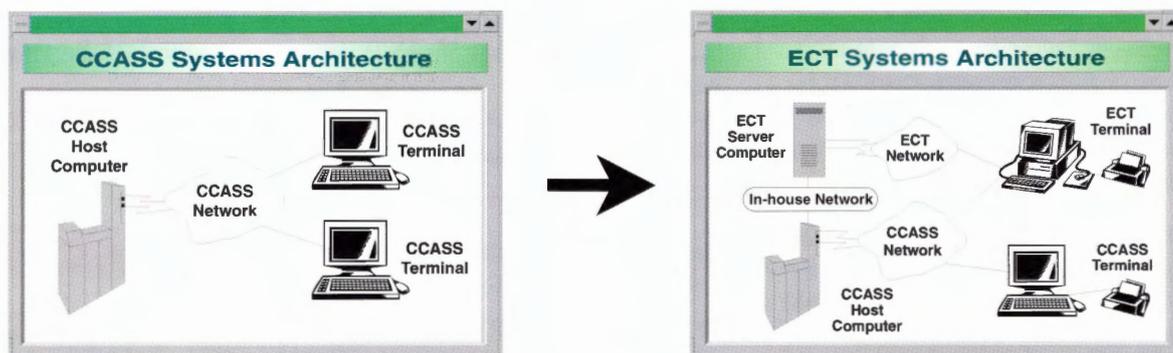
Henry Chan, executive director of Information Technology, told *Clear Talk* that the enhancement project had become necessary to facilitate Hongkong Clearing to add new functionalities to the system.

"Since the introduction of CCASS in 1992, both Hongkong Clearing and CCASS participants have identified new requirements. Some of these requirements, like overnight report distribution and improving upload facilities, had been implemented by re-commissioning all CCASS terminals.

device and the software package. The minimum PC configuration required is an Intel 386/486 based machine, with 486 or above recommended. Most CCASS participants already use 386 machines, which are probably acceptable if they have a memory of 16 megabytes. The smart card device replaces the current key diskette to control access to CCASS," Mr Chan said.



Henry Chan, executive director of Information Technology.



"Other requirements, however, cannot be retrofitted into the existing CCASS terminal architecture. These include the need for host to host connections, electronic software distribution, enhanced security and information sharing. These services and others, including the ability to support overseas connections, and allow future connections to other public information networks, make it necessary for an architectural change in the terminal set up," Mr Chan said.

Following detailed evaluation of proposals from four vendors, the development contract was awarded to IBM as it offered the best price and features.

"The enhanced CCASS terminal runs on a PC supplied by the participant, and consists of two components -- the smart card

Mr Chan said CCASS participants could choose to use the new terminal, or continue to use the existing one, which would still be supported. Hongkong Clearing would try to keep the upgrade cost to participants to a minimum. "The estimated one-time cost to participants of the enhanced terminal is about \$6,000 for the smart card device and \$4,000 for the software," he said.

Mr Chan said that the new terminals would be available in the first half of 1997. "It is expected that it will take two to three years for all participants to convert to the new terminal, depending on participants' acceptance," he said.

The enhanced terminal software will support all current CCASS functions as well as offer the following new functions:-

al enhancement nearing completion



NEW ECT FUNCTIONS

Enhancement on Report Distribution

- Automatic alert when reports arrive
- Automatic retry facilities for link failure
- Faster printing



NEW ECT FUNCTIONS

Circular Distribution

- Online browsing of circulars using standard Web browser software
- Access information published on the CCASS home page (for ECT use only)



NEW ECT FUNCTIONS

Enhanced Security Control

- Participants can control access within their organisation by using smart cards



NEW ECT FUNCTIONS

Alert Function

- Information alert
 - When reports are ready
 - When a CCASS activity is completed e.g. settlement run
- Emergency alert



NEW ECT FUNCTIONS

Electronic Software Distribution

- Electronic distribution of new versions of software to participants instead of site visits by engineers
- Availability of the latest terminal software updates within hours
- Minimise interruption to CCASS participants



NEW ECT FUNCTIONS

Host to Host Connection

- Allow data to be transmitted directly between a participant's host computer to CCASS host computer via the enhanced terminal
- Provide standard interface to support different types of participant host computer



NEW ECT FUNCTIONS

Electronic Help Desk

- Electronically report diagnostic information to CCASS participants instead of site visits by engineers
- Allow Hongkong Clearing to manage configuration of enhanced CCASS terminals remotely



Philip Cheng, senior manager, Data Communications Department, briefing Hongkong Clearing's senior management on progress of the enhanced CCASS terminal project.

CHANGING ENVIRONMENT FOR THE GLOBAL CUSTODY BUSINESS

Global custodians have to possess a number of characteristics in order to survive. This was suggested by Vivian Banta-Eversole, executive vice president, Chase Manhattan Bank, who was one of the keynote speakers at the 8th international symposium of ISSA, newly renamed the International Securities Services Association.

Ms Banta-Eversole foresaw few of the current global custodian surviving and had similar doubts about many local custodians. She said survivors would need clear vision, capital to meet investment and risk needs, an ability to provide processing economies of scale, as well as technological and people prowess over a broad range of services on a global basis.

The symposium in Switzerland in May was attended by executives from commercial and investment banks, central depositories and regulatory organisations in 34 countries. Hongkong Clearing was represented by chief executive, Richard Heckinger.

The theme of the symposium was, Global Custody at a Turning Point. All agreed that consolidation of the global custody industry would continue. The symposium called on central securities depositories to create guidelines for best practise. Representatives of the depositories

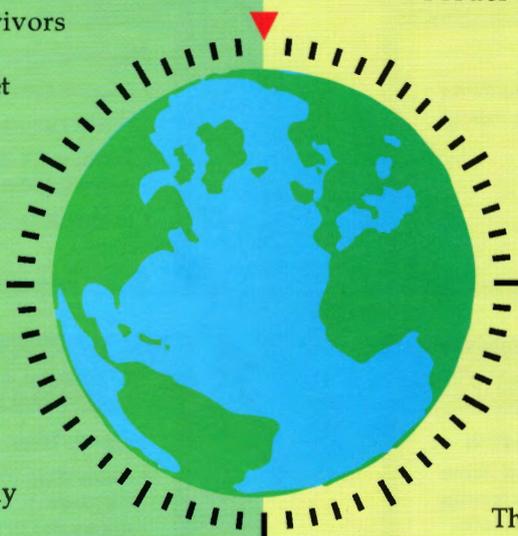
agreed to initiate this work at their annual meeting in Copenhagen.

Another keynote speaker, Arthur Decurtins, executive vice president of Union Bank of Switzerland, noted that US\$35,000 billion of private banking assets were held by nationals of the 18 wealthiest nations. He said ten per cent of these assets were represented by cross border investments.

Mr Decurtins said there was a need for leaner production costs in this market sector. He called for the simplification and re-engineering of market structures and increased standardisation of IT processes.

The third keynote speaker, Klaus Friedrich, chief economist of Dresdner Bank, focused on European monetary union and said European unity was irreversible. Dr Friedrich said the convergence criteria for a single currency were sufficiently vague to allow for flexibility in their interpretation.

The symposium called on ISSA to help ensure more consistency in the approach by securities markets towards the migration to a single (European) currency.



LONDON INTRODUCES NEW SETTLEMENT SYSTEM

CREST, a new paperless settlement system, was inaugurated in London on 15 July 1996. Following a transitional period, it will replace the existing paper-based settlement system for UK and Irish securities, Talisman, in April 1997. Developed by the Bank of England, the system is financed and operated by CRESTCo Limited, a company owned by 70 market institutions, including the London and Irish Stock Exchanges.

Operation characteristics

CREST is an electronic book-entry system. Legal title will continue to be represented by entries in a company's register, which must be updated in response to instructions from CREST. Within CREST all holdings and transfers are electronic, with the result that there is no depository, as there are no share certificates for holdings in the system.

Use of CREST is voluntary. While all the market firms and the majority of institutions have chosen to become members of CREST, individual investors have three options:

- they can continue to hold share certificates, as now; CREST has established a network of five centres in the UK and Ireland where certificates can be deposited to be dematerialised for settlement in CREST;
- they can use the services of a broker's nominee company, which may become a CREST member;

- they can become a 'sponsored member', in which case they remain the legal owner of the shares, but the shares are held electronically and the sponsoring bank or broker enters the electronic instructions into CREST on their behalf.

The key benefits of moving to CREST - improved settlement efficiency and risk reduction as a result of the introduction of effective delivery-versus-payment - are most advantageous to investors who trade regularly and in large amounts. Smaller investors have expressed concern that by comparison they are disadvantaged, since the cost of settling in paper is higher than settling electronically. CREST spokesmen point out, however, that, except for the smallest trades, paper settlement in CREST is no higher than it is in Talisman.

The next steps

The introduction of CREST is an important step in modernising the UK's settlement infrastructure. When settlement has fully transferred to CREST, it will be possible to shorten the settlement cycle, from T+5 probably to T+3 (though as CREST is real-time system, T+0 settlement is technically feasible). Further ahead, CRESTCo is considering the possibilities for linking to the UK's Real-Time Gross Settlement System for payments, for merging with the settlement system for Gilts (UK Government bonds) and the changes made necessary by European Monetary Union.

CCASS STATISTICS

The market was steady in June 1996, but trading figures rose slightly in July 1996.

Exchange Trades

In June, an average of 30,610 trades were processed daily in CCASS, involving 1.27 billion shares valuing \$3.8 billion. The daily average of Exchange trades rose by 27 per cent in July, amounting to 38,923, involving 1.72 billion shares valued at \$4.2 billion. During these two months, CCASS processed 99.92 per cent of Exchange trades daily.

Netting Efficiency of CNS Trades

A daily average of 29,847 trades with a total value of \$3.3 billion went through CCASS for continuous net settlement (CNS) in June. An average of 59,694 novated contracts was created daily and netted to 15,376 CNS positions, leaving 25.81 per cent of novated contracts for settlement.

In July, the daily average number of trades went through CCASS for CNS rose to 38,144 at a value of \$3.9 billion. An average of 76,288 novated contracts was created daily and netted to 18,513 CNS positions, leaving 24.64 per cent for settlement.

In June, novated contracts generated a daily average of \$7 billion in money obligations which were netted to \$2.1 billion. The daily money obligations generated from novated contracts in July was \$8 billion and were netted to \$2.5 billion. The daily average funds netting efficiency for June and July were 68.57 and 68.19 per cent respectively.

Settlement Efficiency of CNS Stock Positions

The daily average settlement efficiency rate of CNS stock positions for June was 95.59 per cent on the

due day and 99.77 per cent on the settlement day following the due day. The figures for July were 94.98 per cent and 99.78 per cent.

Settlement Instructions (SIs)

In June, an average of 11,107 SIs were settled daily in CCASS, involving 2.09 billion shares with a market value of \$14.5 billion.

The average number of SIs settled daily in CCASS in July was increased to 12,491 which involve 2.49 billion shares valued at \$13.5 billion.

Depository Transactions

In June, the CCASS Depository handled an average of 1,122 deposit/withdrawal transactions per business day, and processed 46,000 share certificates a day. The corresponding figures were 1,295 transactions involving 38,000 share certificates per business day in July.

As at the end of July, 804 stocks had been admitted into CCASS for clearing and settlement. About 180 billion shares were under the custody of the CCASS Depository, representing 40.21 per cent of the total issued share capital of the admitted stocks. The total market value of the shares was \$775 billion, representing 27.09 per cent of the total market capitalisation of the admitted shares.

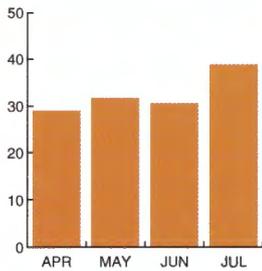
Participants

At the end of July, there were 554 CCASS participants including 486 broker participants, 63 custodian participants, four stock pledge participants, and one clearing agency participant.

OPERATIONS HIGHLIGHTS (APR - JUL 1996)

Average daily Stock Exchange trades processed in CCASS
(including CNS trades, isolated trades and cross trades)

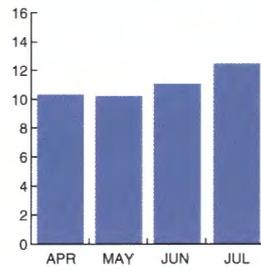
Quantity in thousands



	Number of trades	% of total number of Exchange trades
Apr	29,063	99.93
May	31,835	99.93
Jun	30,610	99.89
Jul	38,923	99.94

Average daily settlement instructions (SIs) settled in CCASS
(both receiving and delivering SIs are counted)

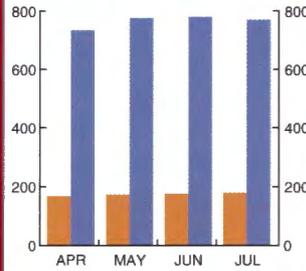
Quantity in thousands



	Number of SIs	SIs by shares (billion)	SIs by value (\$ billion)
Apr	10,383	2.5	14.5
May	10,265	2.1	11.8
Jun	11,107	2.1	14.5
Jul	12,491	2.5	13.5

Securities under CCASS custody
(balances at the end of each month)

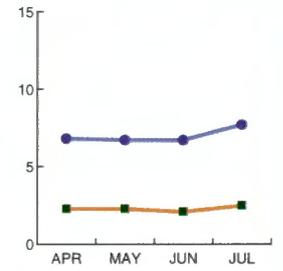
Quantity in billions



	Number of shares (billion)	Market value (\$ billion)
Apr	168.7	738.7
May	173.9	780.8
Jun	177.0	785.2
Jul	180.4	775.0

Average daily funds netting efficiency under CNS

\$ billion



	Money obligations arising from novated contracts (\$ billion)	Money obligations after netting (\$ billion)	Funds netting efficiency (%)
Apr	6.8	2.3	65.96
May	6.7	2.3	66.29
Jun	6.7	2.1	68.57
Jul	7.7	2.5	68.19

Quick Quiz

1. There were 804 securities admitted into CCASS at the end of July 1996. What percentage of the total number of securities listed on the Stock Exchange did these represent?

2. Dividends of H share companies are usually announced in Renminbi and distributed in HK dollars. What exchange rate is used in the calculation of dividends and where can a participant find the exchange rate?

3. What is the composition of Hongkong Clearing's Board of Directors?

Answers on page 10.

COMMON NOMINEE SERVICE ENHANCEMENTS MEET MARKET NEEDS

Hongkong Clearing introduced a number of CCASS common nominee service enhancements in August as a result of regular internal review and feedback from the Hong Kong Stockbrokers Association.

The Association provided some suggestions on the common nominee service to Hongkong Clearing a few months after the Depository and Common Nominee System was implemented in January.

Since August, the input time for Maintain Subscription Instruction functions has been extended; new information has been added to the Entitlement Statement and a new schedule for covered warrant conversion is arranged.

EXTENDED TIME FOR INPUTTING MAINTAIN SUBSCRIPTION INSTRUCTION

The input time for Maintain Subscription Instruction functions has been extended to allow participants to use settled shares from the final batch settlement run to effect subscription, particularly on the last day for accepting subscriptions for particular securities.

All subscription functions which were previously disabled after 3:45 pm are resumed for a further 15 minutes at about 4:00 pm, or after the final batch settlement run. A broadcast message is displayed at about 4:00 pm advising participants of the re-opening of the subscription functions.

In addition, the daily cut off time for covered warrant conversion has been extended from 11:00 am to 4:15 pm. This means that the daily cut off time for accepting all types of subscription instructions has been unified at 4:15 pm.

ADDITIONAL INFORMATION ON ENTITLEMENT STATEMENT

The new information included on the statement is:

- Payable Date
- 2nd Ex-date
- Book Close Period
- Event Summary (which contains the dividend/bonus ratio)

Payable Date is printed under all receivable sections of the report. The 2nd Ex-date, Book Close Period and Event Summary apply only to the Benefit Entitlement section.

COVERED WARRANT CONVERSION SCHEDULE

A new schedule for covered warrant conversion has been arranged to provide flexibility for determining the exercise date of covered warrants subscription instructions.

Participants have to input subscription instructions by 4:15 pm on the subscription day. Participants can choose their covered warrant to be delivered to registrars for subscription either before 10:00 am or after 10:00 am on the following subscription day.

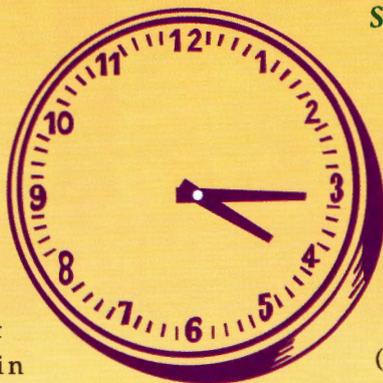
Previously, subscription instructions had to be authorised by participants before 11:00 am in order to enable CCASS to process instructions and

deliver the related covered warrant certificates to registrars before 10:00 am on the following subscription day.

Since 10:00 am of each subscription day is normally the cutoff time for determining the exercise date, the previous schedule of delivering subscription to registrars before 10:00 am on the next subscription day had restricted the due entitlement of such instructions to be calculated based on the same day closing price of the underlying share.

Under the new arrangement, participants are able to choose their warrants to be delivered to registrars for subscription either before 10:00 am or after 10:00 am on the following subscription day.

Details of the above enhancements please refer to Hongkong Clearing's circular dated 18 July 1996, circular number 149/96.



Alan Lee (left), executive director of Operations Services presented with souvenirs by Cheung Tin Sang, Chairman of the Hong Kong Stockbrokers Association after a luncheon presentation on the operations of CCASS organised by the Association in September.

NEW FUNCTION ADDED

Hongkong Clearing implemented a new service, Mass ATI, in August to help participants meet the regulatory requirements for safe custody of clients' securities.

"Broker participants must not use one client's shares, without his approval, to meet the other client's short position. Clients' free (i.e. unallocated) shares must be transferred from the stock clearing accounts to the segregated accounts to prevent wrongful application of the shares, which violates the regulatory requirements for safe custody of clients' securities," said Kim Mok, director of Compliance.

Stock clearing accounts in CCASS are only used for holding shares pending next settlement. Participants are required

to transfer shares, which are not pending next settlement, from stock clearing to stock segregated accounts.

"The Mass ATI service helps participants to transfer all free shares from the stock clearing account to a designated segregated account with one instruction. This saves the time required for inputting multiple instructions for transferring the stocks. However, selection of particular stocks or quantities of shares is not allowed under Mass ATI," said Kelvin Lee, director of Planning and Development.

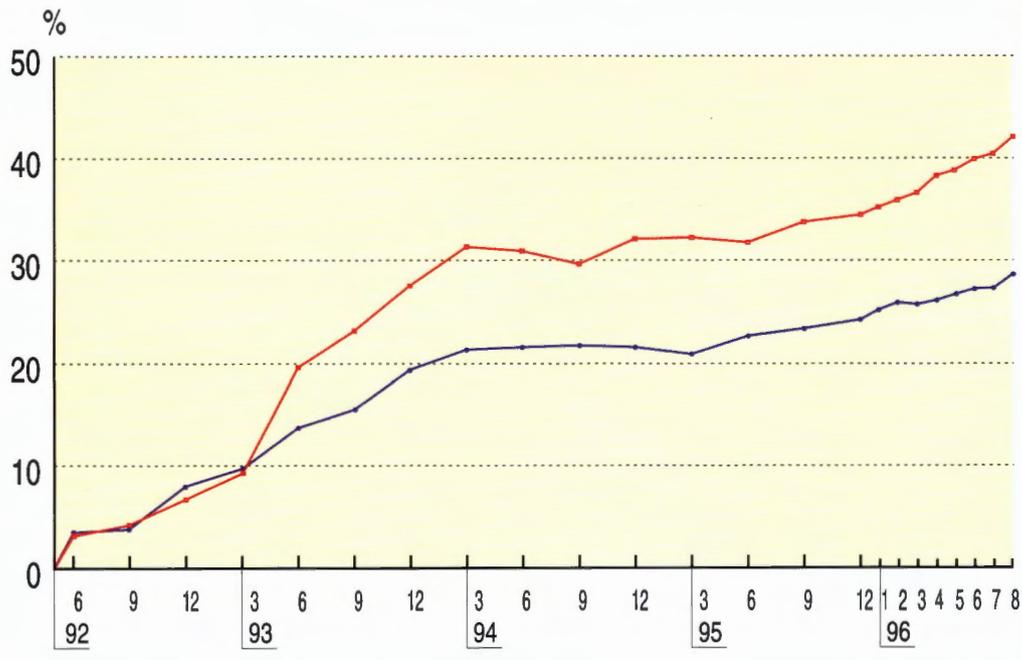
Mass ATI service is provided to all participants free of charge. So far, about 120 participants have been using this service. It is available between 10:00 am and 7:00 pm. Processing takes place after 7:00 pm but before the processing of ATI Batch File Transfer.

TERMINATION OF CHEUNG WOON SECURITIES COMPANY'S PARTICIPATION IN CCASS

Cheung Woon Securities Company's participation in CCASS was terminated by Hongkong Clearing on 25 July 1996 following the Supreme Court's appointment of the Official Receiver as the trustee in bankruptcy to deal with the financial affairs of the participant's sole proprietor.

Earlier, on 13 May 1996, Cheung Woon Securities Company's access to all CCASS functions was suppressed following a request from the Commercial Crimes Bureau of the Royal Hong Kong Police on notification of a reported misappropriation of clients' securities.

RECORD LEVEL OF SHARES IN DEPOSITORY



■ % of issued shares of admitted securities
■ % of market capitalisation of admitted securities

As at 31 August 1996, 186.2 billion shares valued at \$814.8 billion representing 42 per cent of the shares admitted into CCASS has been deposited into the CCASS Depository, a record level since the depository started operation in 1992.

CCASS NOTICE BOARD

Participants can easily check the details of corporate announcements, including information on deadlines (e.g. book-close dates, subscriptions, voting and election periods, payable dates) and other announcement details (e.g. dividend ratios, warrant exercise prices and conversion ratios), through the ENQUIRE ANNOUNCEMENT INFORMATION function on CCASS terminals.

OPERATION STEPS

1. On the Participant Menu Screen, type NBRE (i.e. the Enquire Announcement Information function's Conversation ID) in the Menu/Conv ID Field.
2. Press <ENTER>.
3. The Enquire Announcement Information Prompt Screen appears.
4. Type the selection criteria (ENQUIRY TYPE, with or without STOCK CODE or ANNOUNCEMENT TYPE) for retrieving announcement information required.
 - ENQUIRY TYPE A lists announcement information according to the action dates in chronological order. TYPE P displays announcement information according to the payable dates. TYPE I lists announcements entered into CCASS on the current day. TYPE T lists announcement information according to the action deadlines in chronological order.
 - There are 15 ANNOUNCEMENT TYPES on which enquiries can be made, such as BE (Benefit Entitlement), RS (Rights Subscription), CW (Covered Warrant Subscription), VT (Corporate Voting), OO (Open Offer) and TC (Takeover Offer).
5. Press <F2>.
6. A list of announcement information which satisfies the selection criteria (Step 4) is displayed on the Enquire Announcement Information List Screen.

Details of the Enquire Announcement Information function and its operations can be found in Section 5.14 of the CCASS Terminal User Guide for Participants.

VISIT BY TAIWAN SECURITIES CENTRAL DEPOSITORY

A delegation comprising eight representatives from the Taiwan Securities Central Depository Co., Ltd. visited Hongkong Clearing in early August. Led by Depository Dep. Manager, Sun Chien-chang, the delegation had a detailed discussion with Hongkong Clearing executives on the operation of the CCASS Depository and our share registration services. Picture shows the delegation at the discussion session chaired by Peter Tsang (centre), senior manager, Depository Services Department.



DIRECT STOCK ADMISSIONS

During the two months of July and August 1996, a total of 45 eligible new issues were admitted to CCASS of which 8 issues adopted Jumbo Certificate arrangement.

	Ordinary Shares	Registered Warrants	Rights	Total
Eligible new issues listed on the Stock Exchange and admitted to CCASS	7	36	2	45
Issues adopted Jumbo Certificate arrangement	7	1	N/A	8



Quick Quiz

1. At the end of July 1996, there were 1,110 securities listed on the Exchange. Over 72 per cent of them have been admitted into CCASS. The remaining 306 securities were mostly debt securities and unit trusts.
2. The average exchange rate of a particular day or period as determined by the H share company is usually used to calculate

the dividends of the company. The date used to calculate the exchange rate is announced in newspapers and through CCASS Broadcast Messages. The exchange rate used for calculation can also be found in the event summary in the Entitlement Statements which list dividends in both Renminbi and HK dollars.

3. There are 22 directors in Hongkong Clearing's Board of Directors. The Stock Exchange appoints 10 directors. Each of the five member banks appoints a director and five directors are appointed by the Financial Secretary. The chief executives of Hongkong Clearing and the Stock Exchange are ex officio directors.

HONGKONG CLEARING SEVENTH ANNIVERSARY

QUICK QUIZ

Competition

Hongkong Clearing will hold its Seventh Anniversary Reception on 29 October 1996. A new feature of this year's celebrations will be a Quick Quiz Competition open to all CCASS participants. The questions relate to Hongkong Clearing's operations and prizes will be presented to the winners at the reception.

ENTRY METHOD

Win HK\$3,000 and a trophy!

Enter Hongkong Clearing's Quick Quiz Competition. The top 5 winning entries will each receive a HK\$3,000 cash coupon and a trophy.

Answer the 5 questions on the next page either in English or in Chinese, and drop the completed answer sheet into the collection box at the Service Counters Hall, Hongkong Clearing, 2/F., Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong.

All answer sheets should reach Hongkong Clearing on or before 15 October 1996. For enquiries, please contact the Corporate Communications Department at Tel. no. 2597 0877.

RULES & REGULATIONS

- 1 Only CCASS participants are eligible to enter the competition.
- 2 Each participant can only submit one answer sheet through the CCASS Designated Officer. If more than one answer sheet is received from a participant, the participant will be disqualified.
- 3 We accept ORIGINAL answer sheets ONLY.
- 4 Participants should fill in all the information required below, including the participant ID, the name and signature of the Designated Officer and company chop. Answer sheets with incomplete information will not be eligible for the competition.
- 5 If there are more than 5 entries with the highest score, a ballot will be drawn to select the 5 winners.
- 6 Hongkong Clearing will notify the winners by fax and by mail on or before 23 October 1996.
- 7 A prize presentation ceremony will be held at Hongkong Clearing's Seventh Anniversary Reception on 29 October 1996 at the Grand Ballroom, Lower Lobby, Conrad Hotel, Pacific Place, Queensway, Hong Kong.
- 8 The answers to the Quiz will be displayed at the Seventh Anniversary Reception.
- 9 Hongkong Clearing has the final authority on determining the winners.

INFORMATION ON CCASS PARTICIPANT (Please complete in block letters)

Name of CCASS participant	Participant ID
---------------------------	----------------

Address

Tel	Fax	Name of Designated Officer
-----	-----	----------------------------

Company chop	Signature of Designated Officer
--------------	---------------------------------

QUICK QUIZ

Competition ANSWER SHEET

1.

What is the mission of Hongkong Clearing



ANSWER: _____

2.

What is the settlement period of the Exchange trades



ANSWER: _____

3.

When a black rainstorm warning is issued on a business day, under what situation will that day be treated as a 'non-trading settlement day'



ANSWER: _____

4.

What is the stock deposit fee for a deposit of 100 board lots of Hong Kong and China Gas Co. Ltd. stocks (stock code: 003) into the CCASS Depository



ANSWER: _____

5.

A client has instructed custodian participant ABC to transfer 100 board lots of Cheung Kong Holdings Ltd. stocks (stock code: 001) to broker participant XYZ.

This transaction was done by inputting Settlement Instructions (SIs). The SIs matched and the stock was transferred. If the stock price was \$55 at the time of transaction, how much should Hongkong Clearing charge per side for this transaction



ANSWER: _____

Note: Remember to complete the Information On CCASS Participant on the previous page.

