



5 April 2013

Conditions of Authorization for Eurex Deutschland to provide Automated Trading Services (“ATS”) in Hong Kong in respect of the New Trading Architecture under Part III of the Securities and Futures Ordinance (the “SFO”)

Pursuant to section 95(2) of the SFO, the Commission hereby authorizes Eurex Deutschland for providing ATS in Hong Kong in respect of the New Trading Architecture with effect from 5 April 2013. The authorization will be subject to annual renewal thereafter and with the following conditions.

Eurex Deutschland shall undertake to:

1. Ensure that Eurex Deutschland admits as participants only corporations licensed by the Commission under Part V of the SFO unless the Commission agrees otherwise and Eurex Deutschland has proactively notified the Commission of the registration status of prospective participants in Hong Kong;
2. Upon prior written notice, provide the Commission with information relating to transactions (authorised by the Commission under section 95(2) of the SFO) conducted via the New Trading Architecture by Eurex Deutschland participants 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 Eurex Deutschland participants 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 Germany are signatories; and (ii) the Memoranda of Understanding between the regulatory authorities of Hong Kong and Germany (“Memorandum of Understanding between the Federal Securities Supervisory Office (now the Federal Financial Supervisory Authority (BaFin)) and the Securities and Futures Commission”) for the exchange of information and investigatory assistance between the authorities, signed on 1 March 1998;
3. Notify the Commission on 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. The New Trading Architecture (including changes in hardware, software, and other technology);
 - 3.3. Contractual documentation if there are direct or indirect changes to the contractual responsibilities for participants of Eurex Deutschland in Hong Kong;



- 3.4. Criteria for approval or disapproval of participants of Eurex Deutschland in Hong Kong; and
 - 3.5. Markets and products to be traded through the New Trading Architecture by participants of Eurex Deutschland in Hong Kong;
 4. Put in place appropriate business continuity plans and disaster recovery programmes for Eurex Deutschland's operation in Hong Kong and notify the Commission of any material changes to the plans or programmes;
 5. Provide the Commission with the following **monthly** statistics:
 - 5.1. The volume of trades (by each participant of Eurex Deutschland in Hong Kong) conducted on the markets over the New Trading Architecture resulting from orders originating from Hong Kong; and
 - 5.2. The aggregate volume of trades conducted on the markets over the New Trading Architecture;
- Such statistics are to be provided at such intervals as the Commission may specify and, in the absence of any such specification, on a quarterly basis within two weeks after the end of March, June, September and December. A nil return is required if there is no trading in the relevant interval; and
6. Notify the Commission of the identity and location of Eurex Deutschland participants in Hong Kong (by providing a **monthly** status report within two weeks after the end of each month).

The Commission may, by notice in writing, amend or revoke the above conditions or impose new regulatory conditions where it is satisfied that it is appropriate to do so, pursuant to section 97 of the SFO.