

Markit Counterparty Manager: Electronic Trading Regulations

Providing simple and efficient information exchange to support the due diligence requirements of the Hong Kong Securities and Futures Commission's (SFC's) electronic trading rules

Markit Counterparty Manager provides an electronic questionnaire designed by industry associations, including AIMA, ASIFMA, ATF, FPL and HKIFA, to help buy-side firms and brokers comply with due diligence requirements around electronic trading.

SFC rules under the Code of Conduct (Paragraph 18 and Schedule 7) require Hong Kong-licensed brokers to attest that their electronic trading systems are properly supervised, tested and risk managed. Their buy-side customers must acknowledge that they understand the algorithms and other technologies used by their brokers. Without a technology solution, exchanging the necessary information would be a manual, bilateral process that involves managing large volumes of documentation.

As a centralised environment for managing and sharing documentation, Markit Counterparty Manager streamlines the process of gathering and sharing information between brokers and their buy-side counterparties to help meet SFC due diligence requirements. Using Markit Counterparty Manager, broker-dealers can upload their answers as required in the industry-designed questionnaire and disseminate them to their buy-side counterparties. Buy-side firms can then review the answers and electronically acknowledge that they have completed the review. This acknowledgement is transmitted directly to their brokers, who can see which customers have fulfilled their compliance requirements. The service is sponsored by the sell-side and complimentary for the buy-side.

Ease of use

Simplified due diligence through easy to use online platform for uploading, updating and disseminating counterparty documentation

Regulatory compliance

Helps customers comply with increased due diligence obligations as outlined in SFC electronic trading rules

Operational efficiency

Replaces manual, bilateral processes with standardised, centralised information collection and exchange to streamline back office document management processes

Cost effective

A single platform supporting compliance with multiple regulatory requirements across regions, resulting in reduced costs

Clients

Hong Kong-licensed brokers
Fund managers
Asset managers
Hedge funds

More information

For more information on the products and services from Markit, please contact us at sales@markit.com or call one of our regional offices:

London	+44 20 7260 2000
New York	+1 212 931 4900
Amsterdam	+31 20 50 25 800
Boulder	+1 303 417 9999
Dallas	+1 972 560 4420
Frankfurt	+49 69 299 868 100
Hong Kong	+852 3478 3948
Tokyo	+81 3 6402 0130
Toronto	+1 416 777 4485
Singapore	+65 6922 4200
Sydney	+61 2 8076 1122

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Views of the Markit Counterparty Manager module for electronic trading regulations

Acknowledge your questionnaire

SFC Questionnaire
SS Company Jan14 : SS Company Jan14 Acknowledged

Responsibility for orders

1 **P18_3** Pending Acknowledgement [Acknowledge](#)
Licensed or registered person who is responsible for the settlement and financial obligations of orders sent to the market, and for implementing policies procedures and controls [View/Add Comments](#)
[View Answer History](#)
[Compare Answers](#)
[View Version History](#)

Management and Supervision

2 **P18_4_S1_1_1_1c** Pending Acknowledgement [Acknowledge](#)
Clearly identified reporting lines with supervisory and reporting responsibilities assigned [View/Add Comments](#)
[View Answer History](#)
[Compare Answers](#)
[View Version History](#)

3 **P18_4_S1_1_1_1a** Pending Acknowledgement [Acknowledge](#)
Responsible officer for the overall management and supervision [View/Add Comments](#)
[View Answer History](#)
[Compare Answers](#)
[View Version History](#)

4 **P18_4_S1_1_1_1b** Pending Acknowledgement [Acknowledge](#)
Formalised governance process with input from dealing, risk and compliance [View/Add Comments](#)
[View Answer History](#)
[Compare Answers](#)
[View Version History](#)

Manage your comments with clients

SFC

Relationship | **Manage Comments**

Counterparty Name : uat sellside Comment Threads :

My True Legal Name : Test 2.3.0's Company

P18_3 : Licensed or registered person who is responsible for the settlement and financial obligations of orders sent to the market, and for implementing policies procedures and controls

Status : **Not Responded** [Close Comment Thread](#) [Add Comment](#)

uatbs@markit.com from Test 2.3.0's Company bs 1111	18-Dec-2013
uatbs@markit.com from Test 2.3.0's Company bs 2222	18-Dec-2013
uatss2@markit.com from uat sellside ss 1111	18-Dec-2013
uatbs@markit.com from Test 2.3.0's Company bs 1111	18-Dec-2013

Establish your relationships with clients

SFC

Relationship | **Manage Comments**

My True Name:

Institution:

True Legal Name:

MEI:

Ack Complete:

Questionnaire Availability:

My True Legal Name	Institution	Counterparty True Legal Name	MEI	Ack % Complete	Questions Ac	Questionnaire Available	Not Responded C	Relationship
<input type="checkbox"/> Test 2.3.0's Company	SS Company Jan14	SS Company Jan14		0	0/7	<input checked="" type="checkbox"/>	0	16-Jan-2013
<input type="checkbox"/> Test 2.3.0's Company	uat sellside	uat sellside	4694586	50	2/4	<input checked="" type="checkbox"/>	1	18-Dec-2013

Request Counterparty Relationship

Click on a value to add

- Test 2.4.0 Company
- TEST UAT Company
- 28 Jan's SS Company
- Ming Sell Side Company

>>> <<<<

Click on a value to remove

1 - 4 of 4 [Save](#) [Cancel](#)