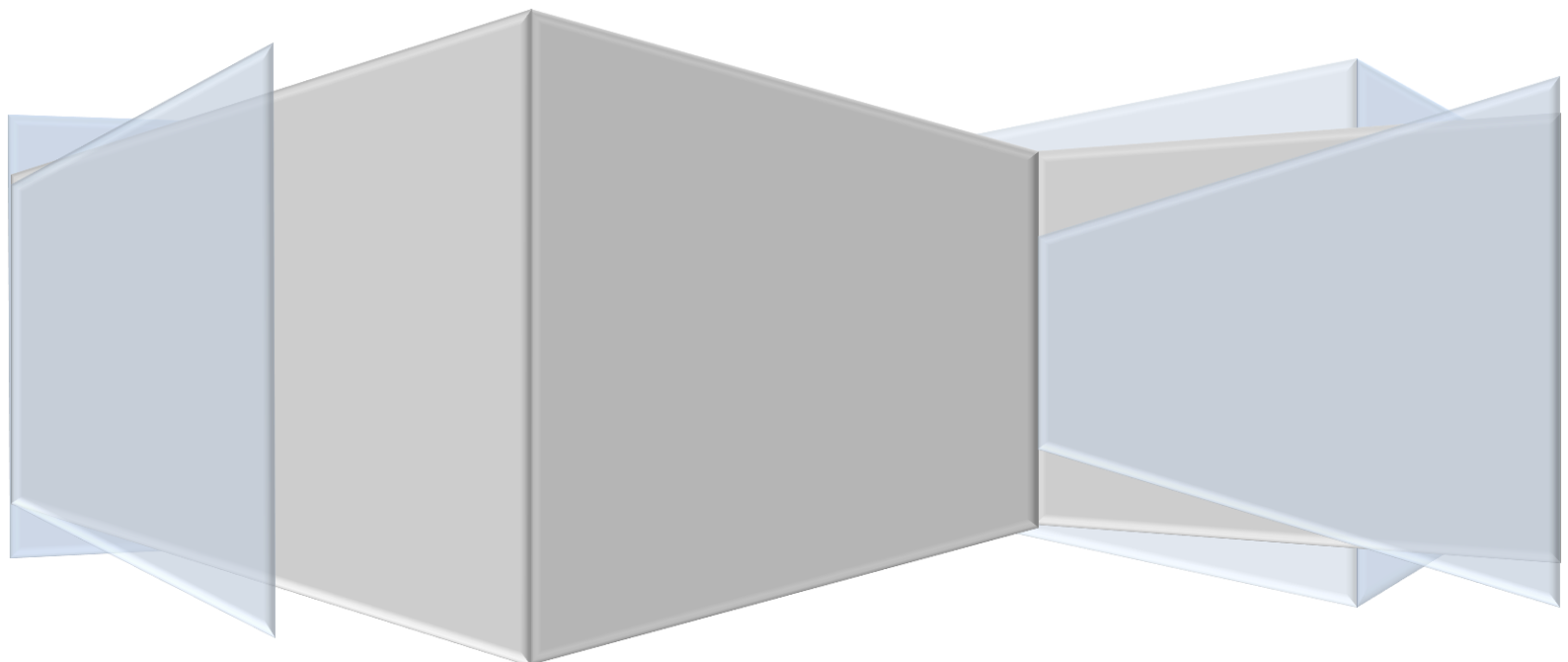




SEE link
Connecting markets

Q&A

SEE Link most frequently asked questions





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Q&A

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ABOUT THE SEE LINK

SEE link is a project started by Bulgaria, Macedonia and Zagreb stock exchanges with the objective of creating a regional infrastructure for trading of securities listed on those three markets.

The idea behind this cross border initiative is to integrate regional equities markets without merger or corporate integration, using only technology that will enable participating stock exchanges to remain independent yet complement and to allow investors an easier and more efficient approach to those markets through a local broker.

In order to give the whole project a formal framework necessary for successful realization, Bulgaria, Macedonia and Zagreb stock exchanges have established the SEE LINK company in May 2104, a joint stock company seated in Macedonia with three exchanges holding an equal share of ownership.

SEE LINK project is supported by EBRD providing a €540,000 grant to establish electronic system for order-routing. In parallel, participating stock exchanges extended €80,000 in capital strengthening of the SEE LINK.

The next step in the project is to create a technical solution for order-routing, which is planned to be realized in 2016.

GENERAL QUESTIONS – FUNCTIONALITY, MEMBERSHIP, SYSTEM CHARACTERISTICS

Q1: WHAT DOES SEE LINK'S ORDER ROUTING SYSTEM DO?

A: SEE Link's Order Routing System is a Financial Information eXchange (FIX) protocol based software solution that provides a single point of entry functionality for routing messages between users with various profiles, information admissions and rights. The System's main objective is to facilitate order-routing between brokerage firms /investment intermediaries/ from different countries in connection with the buying and selling of financial instruments.

Q2: WHO CAN USE SEE LINK'S ORDER ROUTING SYSTEM?

The System is designed to connect:

- Members - brokerage firms (investment intermediaries) that have signed contracts with SEE-Link to use the System.
- Participating Exchanges – exchanges that use the System to disseminate market data and other information. Initially those exchanges are the three main shareholders of SEE-Link, Skopje doo – Macedonia Stock Exchange, Bulgaria Stock Exchange and Zagreb Stock Exchange.

Q3: CAN A NON-BROKERAGE FIRM BECOME A MEMBER OF SEE LINK?

A: Initially only brokerage firms are accepted as SEE Link members. However it is planned that later the System will be opened for other non-brokerage institutional investors.

Q4: WHAT KIND OF MEMBERSHIPS ARE THERE IN SEE LINK?

An Applying Member may conclude a Membership Agreement as an Executing Broker or as an Originating Broker, or both

- Originating Brokers - brokerage firms that use the System for placing orders (for buying or selling securities) to their contracted Executing Brokers partners.
- Executing Brokers – brokerage firms that use the System to receive orders (for buying or selling securities) from their contracted Originating Broker partners and to send them execution reports and other information.

Q5: HOW CAN AN INVESTMENT INTERMEDIARY BECOME A MEMBER OF SEE LINK?

The procedure of becoming a SEE Link member is the following:

- An Applying Member must first submit an application to SEE Link signed by a person vested with representative authority.
- Based on the Member Application, SEE Link's Manager establishes whether the requirements of these Rules for admission to SEE Link membership have been met.
- Finally the newly admitted Member must conclude a Membership Agreement with SEE Link.
- The Applying Member becomes a Member under the terms and conditions of Membership Agreement and the Rules of Operation of SEE Link.
- A Member's status as Member becomes effective after the successful connection with SEE Link's system.

Q6: HOW CAN A MEMBER CONNECT TO SEE LINK'S ORDER ROUTING SYSTEM?

A: Each member can connect to SEE Link's System either by directly connecting its order management system or using a specially designed Front End Application.

Q7: WHAT IS THE FRONT END APPLICATION (FEA)

A: SEE Link's Front End Application is a desktop application which provides order management functionalities to SEE Link members. For the originating brokers who do not have their own API interface the FEA provides a possibility to connect to the SEE-Link's system and facilitates sending various orders and requests to their contracted execution brokers and receiving confirmations and reports. The application is also able to receive (from the System) and visualize reference and market data from several markets (participating exchanges) according to the user's profile.

For the execution brokers the FEA provides possibility to receive orders routed through the System and facilitates sending reports for those orders to their clients.

The application also provides the brokers with statistical and reporting tools for their usage of the SEE-Link's System.

Q8: IS IT POSSIBLE FOR ONE MEMBER TO USE DIRECT CONNECTION TO THE SEE LINK'S SYSTEM AND THE FRONT END APPLICATION SIMULTANEOUSLY?

A: Yes, it is an acceptable option.

Q9: WHAT IS THE PROCEDURE FOR SYSTEM CONNECTING AND TESTING FOR THE MEMBERS?

A: Within ten (10) Business Days as of conclusion of the Membership Agreement SEE Link provides to the Member the API, as well as access to a test environment for the implementation of the API within its order management system, or a Front-end Application, along with any related documentation for their use, through SEE Link's website or as otherwise determined by SEE Link's Manager.

The Member implements the API within its order management system and/or installs the Front-end Application at its own risk and at its own cost.

If the Member is unable to successfully complete the implementation of the API or the installation of the Front-end Application within a period of forty-five (60) Business Days as of the Member obtaining access to the API and/or the Front-end Application the Member notifies SEE Link for this. In such case the Membership Agreement concluded by SEE Link with such Member automatically terminates and the Member is required to remove the API or the Front-end Application from its Devices, and erase any related documentation with the same from its Devices.

Upon completing the implementation of the API within its order management system and/or upon installing the Front-end Application on its Devices, the Member conducts tests for the connectivity of the System with the Member's Devices and the functionality of the Member's order management system, or the Front-end Application installed on the Member's Devices with the System. Once the Member successfully completes such testing, the Member furnish SEE Link with a written confirmation thereof (using the "Member Confirmation of Successful Testing" document). If such testing cannot be successfully completed within a period of forty-five (45) Business Days as of the Member obtaining access to the API and/or the Front-end Application, in such case the Membership Agreement concluded by SEE Link with such Member automatically terminates and the Member is required to remove the API or the Front-end Application from its Devices, and erase any related documentation with the same from its Devices.

Q10: WHERE CAN BE FOUND INFORMATION ABOUT THE INVESTMENT INTERMEDIARIES CONNECTED TO THE SEE LIN'S SYSTEM.

A: Information about each SEE Link members can be found on SEE Link's web-site.

Q11: DOES THE SEE LINK MEMBERSHIP AUTOMATICALLY ENSURE A CONTRACTUAL COUNTERPARTY FOR EACH OF THE MEMBERS FOR EACH OF THE MARKETS?

A: No. After becoming a member each brokerage house must sign an inter-broker agreement with a foreign counterparty intermediary which is also a SEE Link member.

Q 12: IS IT POSSIBLE TO SIGN INTER-BROKER AGREEMENTS WITH MORE THAN ONE FOREIGN INTERMEDIARY WHO ARE MEMBERS OF ONE EXCHANGE?

A: No, each member can sign an inter-broker agreement with only one foreign SEE Link member.

Q13: IS IT POSSIBLE TWO MEMBERS TO BE SIMULTANEOUSLY EXECUTION AND ORIGINATING BROKERS FOR EACH OTHER?

A: Yes, it is possible.

Q14: DOES THE SYSTEM PROVIDE A CONNECTION BETWEEN THE MEMBERS AND THE PARTICIPATING EXCHANGES FOR DIRECT SUBMISSION OF ORDERS?

A: No, See Link's System does not provide a direct connection between the Members (Investment Intermediaries) and the Participating Exchanges. The System facilitates order-routing between investment intermediaries from different countries in connection with the buying and selling of financial instruments.

Q15: DOES THE SYSTEM ENSURE CONCLUDING AND SETTLEMENT OF TRANSACTIONS BETWEEN ITS MEMBERS?

A: No, See Link's System does not ensure concluding and settlement of Transactions between its Members. Settlement and clearing (whenever applicable) must be arranged between the Members based on the inter-broker contracts they sign with one another.

Q16: DO ALL MEMBERS GET THE RIGHT TO OBTAIN MARKET INFORMATION FOR ALL THE MARKETS WHICH ARE CONNECTED TO THE SYSTEM?

A: No, only the Originating Brokers is be entitled to obtain market information through See Link's System. The dissemination is be based on specific rights, rules and requirements connected with the status of the Originating Broker and the connectivity to the System of its contracted Executing Broker(s). The Originating Brokers are able only to see those Exchanges with whose members they had an inter-broker agreement signed.

Q17: IS THERE ANY RESTRICTIONS CONCERNING THE TYPES OF THE ORDERS OR THEIR VALIDITY CONSTRAINS THAT CAN BE ROUTED THROUGH THE SYSTEM?

A: Yes, there are restrictions. Initially the System allows "market", "limit" and "iceberg orders".

Q18: WOULD IT BE POSSIBLE TO PLACE AN ORDER FOR EACH OF THE INSTRUMENTS LISTED ON A PARTICIPATION EXCHANGE?

A: No, only selected instruments are available to be ordered through the System. The following types of securities are admitted in the System:

- Common shares
- Preferred shares
- Subscription rights
- Government Bonds

The instruments that can be object of order routing through SEE Link were selected by each of the participating Exchanges. The complete securities list can be found on SEE Link's web-site.

Q19: WOULD THE SYSTEM BE OPERATIONAL DURING THE NATIONAL HOLIDAYS OF THE PARTICIPATING EXCHANGES?

A: The system is operational whenever there is at least one operational participating exchange. However, whether it is possible to send messages and orders through it depends on whether the opposite contractual broker is logged into the System.

SEE LINK FIX INTERFACE IMPLEMENTATION

FIX CONNECTIVITY	
QC1	Who initiate FIX connection? Member or SEE Link?
AC1	FIX connection is initiated by the member.
QC2	How many FIX connections are expected to be established for one member to SEE Link?
AC2	It is expected that one member establishes one connection, but this is not a rule.
BUSINESS WORKFLOW FOR ORDERS THAT ARE ROUTED THRU SEE LINK	
QBW1	Is approval of local executing broker required? What are the FIX order statuses for issued order during the approval procedure on Executing broker side?
ABW1	For executing broker it is expected that when the new order is received, it will apply the rule of the local market where the order is executed. SEE Link does not implement new order statuses while order is in the process of approval. This is done to simplify the workflow. It is expected that member executed the approval/rejection of the order as soon as possible and place it on the local market. After this FIX Execution Report must be send back to Originating Broker.
QBW2	Can identification of the trader on Originating broker side be executed or all order should be issued by “dummy broker”?
ABW2	According to FIX standards, the FIX messages can be exchanged only by companies (market participants) and no personal identification can be provided.
QBW3	What if more members from one market have agreement with one member from some other market? How can we identify order sender?
ABW3	In accordance by SEE Link Rules one Originating Broker can enter into agreement with only one Executing Broker per market. Also, FIX tags OnBehalfOfCompID and DeliverToCompID are being used.
QBW4	Having in mind that there are no order statuses while waiting order approval, can Originating broker after sending new order send Test request, just to check the Executing brokers connectivity.
ABW4	Test request can be sent to the SEE Link system, but this only can confirm SEE Link’s system status, not the status of the system implemented on Executing Broker side. Also, SEE Link sends Technical News message to Originating Brokers containing connectivity status of its Executing Brokers.



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**THREE COUNTRIES.
ONE MARKET.
ONE GOAL.**

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