

## Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please make your comments by replying to questions below against proposed changes discussed in the Consultation Paper at the hyperlink: [http://www.hkex.com.hk/consul/paper/cp200907\\_e.pdf](http://www.hkex.com.hk/consul/paper/cp200907_e.pdf).

Where there is insufficient space provided for your comments, please attach additional pages.

### *Consultation Questions on Notice Period for Book Closure*

1. Do you agree to our proposal to shorten the notice period for book closure for a rights issue or an open offer from 14 calendar days to five business days?

Yes

No

Please provide reasons to support your view.

Under the proposal, a listed company can make a rights issue in Monday late evening before 11 pm, allowing two full days for cum rights trading in the cash market, and sets the ex-date on Thursday of the same week.

For the index tracking portfolios under our management, if the portfolios hold such companies, the last day to rebalance them is the last trading day cum rights. That is the Announcement Day +2 under the proposal. Currently the fund administrator sends the corporate action notifications to us on Announcement Day +2. Even though the fund administrator may send these notification to us on Announcement Day +1, the operational risk will inevitably be increased, especially the company announcing rights issue is an index constituent of several major indexes.

2. In the case of a rights issue or an open offer, do you agree to our proposal to require extension of the notice period by postponing the book closure date, if necessary, to provide the market with a minimum of two uninterrupted trading days for trading in cum-rights securities during the notice period if, for examples, trading on the Exchange is interrupted due to typhoon and/or a black rainstorm warning or trading of the issuer's securities is suspended?

Yes

No

Please provide reasons to support your view.

3. If your answer to question 2 is “Yes”, do you agree that the proposed draft rule amendments in Appendix II will implement our proposal(s)?

Yes

No

Please provide reasons to support your view.

4. Do you agree to our proposal to amend the notice period for book closure (in cases other than a rights issue or an open offer) from 14 calendar days to 10 business days?

Yes

No

Please provide reasons to support your view.

5. Do you agree to our proposal to amend the notice period for alteration of book closure date from six calendar days to five business days?

Yes

No

Please provide reasons to support your view.

6. Do you agree to our proposal to clarify the rule that if an issuer changes the book closure date, it must give notice at least five business days before the originally announced closure or the newly proposed closure, whichever is earlier?

Yes

No

Please provide reasons to support your views.

7. Are there any other comments you would like to make?

Yes

No

If your answer is "Yes", please state below.

***Consultation Questions on Subscription Period***

8. Do you agree to our proposal to amend the minimum subscription period for rights issues and open offers from 14 calendar days to 10 business days?

Yes

No

Please provide reasons to support your view.

9. Do you agree to our proposal to amend the maximum subscription period for rights issues and open offers (over which the issuer must consult the Exchange) from 21 calendar days to 15 business days?

Yes

No

Please provide reasons to support your view.

10. Are there any other comments you would like to make?

Yes

No

If your answer is "Yes", please state below.

- End -