

PART B: DETAILED QUESTIONS FOR RESPONSE

Please indicate your preference by providing comments as appropriate. Where there is insufficient space, please attach additional pages as necessary.

- (1) Do you support Approach 1, Approach 2, Approach 3 or suspending the CAS as a whole? Please state.
We support Approach 3. Approach 3 is the most preferred one, followed by Approach 1 and then Approach 2

- (2) If Approach 1 is adopted,
 - (i) Do you prefer the price limit to be set at 5%, 10% or other percentages?
5%

 - (ii) How much lead time would your firm require for its implementation?
Immediate implementation

- (3) If Approach 2 is adopted,
 - (i) Do you prefer the price limit to be set at 10 spreads, 24 spreads or other spreads?
24 spreads

 - (ii) How much lead time would your firm require for its implementation?
Immediate implementation

- (4) If Approach 3 is adopted,
 - (i) Do you prefer the outstanding orders priced outside the pre-set range to be cancelled instead of carrying forward to the CAS?
To be cancelled

(ii) For securities without the day high and day low prices at 4 pm, do you prefer disallowing order input during the CAS for these securities or not imposing a price control limit at all?

5% from previous close

(iii) Do you prefer the price control limit to be set at 0 spreads (i.e. simply using the day high and day low prices as limit), 10 spreads or other spreads above the day high and below the day low prices?

The maximum of 24 spreads or 5%

(iv) How much lead time would your firm require for its implementation?

Immediate implemenetation.

(5) If suspension of the CAS is adopted, how much lead time would your firm require for its implementation?

1 Year

(6) Do you have other proposed measures to reduce price volatility during the CAS or other comments or suggestions regarding the CAS? Please state.

Short selling to be allowed in CAS, with price above the price level at 4pm

- End -