

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 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?
1 month
- (3) If Approach 2 is adopted,
- (i) Do you prefer the price limit to be set at 10 spreads, 24 spreads or other spreads?
We prefer the price limit to be set at 24 spreads.
- (ii) How much lead time would your firm require for its implementation?
One month for our 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?
Yes

- (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?

Disallowing order input during the CAS

- (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?

24 spreads

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

1 month

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

2 weeks

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

No

16 DEC 2008

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