

Chapter I

INTERPRETATION ADMINISTRATION
AND AMENDMENT OF THE RULES

Definitions and Interpretation

101. In these Rules, unless the context otherwise requires, the following expressions shall bear the following meanings:-

“associated company” means any company which is directly or indirectly interested in the issued shares ~~capital~~ of an Exchange Participant or a company in which the Exchange Participant is directly or indirectly interested in the issued shares ~~capital~~ of such company so as to exercise or control the amount of 35% (or such lower amount as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) or more of the voting power at general meetings, or to control the composition of a majority of the board of directors and any subsidiary or holding company of the Exchange Participant as defined in the Companies Ordinance;

~~“Memorandum” means the Memorandum of Association of the Exchange in force from time to time;~~

102. ~~Unless the context otherwise requires, A~~ reference to any Ordinance includes a reference to that Ordinance as from time to time modified or re-enacted and to any repealed Ordinance which it re-enacts (with or without modification).

CHAPTER VII

DISCIPLINARY MATTERS

Disciplinary Action against an Exchange Participant

708. Subject to the provisions of Rule 706, allegations of Rule violations shall be adjudicated, and disciplinary powers herein shall be exercised, in accordance with the Rules set out in this Chapter VII and such other rules and procedures as may from time to time be prescribed by the Board ~~pursuant to the Memorandum.~~