

CCASS OPERATIONAL PROCEDURES

Definitions

- (a) For the convenience of readers, the definitions contained in the Rules are repeated below.

“Eligible U.S. Securities”

means any U.S. securities that are regularly traded on (i) a national securities exchange which is registered under section 6 of the Securities Exchange Act of 1934 or (ii) the NASDAQ, provided that no such securities are (x) U.S. real property interests as defined in section 897 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), (y) partnerships, trusts, or real estate investment trusts subject to withholding pursuant to Code section 1445(e), or (z) partnerships subject to withholding pursuant to Code section 1446;

- (b) When used in the Operational Procedures, the following expressions shall have the following meanings unless the context otherwise requires :

"ATI Batch Input Control Report"

means, in relation to each Participant which is provided by HKSCC with facilities for ATI batch file transfer, a report provided by HKSCC to it (after each scheduled ATI batch validation run) showing the processing results of its ATI batch file transfers, as referred to in Section 16.6 (refer to the CCASS Terminal User Guide for Participants for details);

"Intra-day Payment"

means, in relation to an Intra-day Payment Standing Instruction of a Participant other than an Investor Participant, (i) the amount of cash payment in an Eligible Currency arising out of nominee services on a Business Day, as referred to in Section 8.25 and/or (ii) the amount of intra-day settlement of money obligations due to the Participant from HKSCC under the CNS System on a Settlement Day, as referred to in Section 10.5.8 and/or (iii) the amount of surplus cash arising from overpaid cash prepayment on a Settlement Day, as referred to in Section 10.12.8 (as the case may be) determined by HKSCC to be paid to the Participant via IPI pursuant to that Intra-day Payment Standing Instruction;

"SI Batch Input Control Report"

means, in relation to a Participant (other than an Investor Participant) which is provided by HKSCC with facilities for SI batch file transfer, a report provided by HKSCC to it (after each individual SI batch validation run) showing the processing results of its SI batch file transfers, as referred to in Section 16.6 (refer to the CCASS Terminal User Guide for Participants for details);

Section 6

Operational and Service Schedule

6.2 DAILY PROCESSING AND SERVICE SCHEDULE

The daily processing and service schedule in CCASS below only sets out the available time of some CCASS events. For more details on service schedule and function availability in CCASS, please refer to CCASS Terminal User Guide for Participants.

Time	CCASS events
1:15 p.m.	Deadline for inputting Intra-day Payment Standing Instructions in order to have such instructions effected on the same day.
1:30 p.m.	Third SI matching. Third batch of scrip entitlement distribution.
2:00 p.m.	Third Batch-settlement-run. Deadline for submitting Transfer Instructions to HKSCC. Deadline for inputting Cash Prepayment Instructions with “CHATS” selected as the payment method.
3:30 p.m. (after)	Fifth batch of Intra-day Trade File in respect of trades effected on or reported to the Exchange on current day by their NCPs available to GCPs. Second batch of Corporate Announcement Master Data File and Corporate Announcement Maintenance Activities Report available.
4:15 p.m.	Deadline for inputting voting instructions and Corporate Representative/Proxy instructions where the deadline prescribed by HKSCC for inputting such instructions falls on such day. Fifth batch of scrip entitlement distribution.
4:15 p.m. (after)	Sixth batch of Intra-day Trade File in respect of trades effected on or reported to the Exchange on current day by their NCPs available to GCPs.
4:25 p.m.	Unit Creation / Redemption Orders maintenance functions close.
6:00 p.m. (after)	Settled Position Report and third batch of Corporate Announcement Master Data File and Corporate Announcement Maintenance Activities Report available.

6.3 DAILY SERVICE SCHEDULE FOR DESIGNATED BANKS

The daily service schedule of CCASS applicable to Designated Banks is set out in brief below.

Time	CCASS events
8:30 a.m.	Enquiry and report retrieval function available. DDI/DCI Listing for Participants' Bank and DDI/DCI/EPI Listing for IP-Related Transactions. DDI payment confirmation commences.

Section 8 Nominee Services

8.3 CORPORATE ANNOUNCEMENT INFORMATION

8.3.1A Reports and Data Files through CCASS Terminals or Participant Gateways

In relation to the corporate announcement information available via the "Enquire Announcement Information" function (for corporate actions or activities affecting Eligible Securities), HKSCC will also provide such information in the form of i) a Corporate Announcement Master Data File; and ii) a Corporate Announcement Maintenance Activities Report to Participants other than Investor Participants via CCASS Terminals and Participant Gateways, three times daily on each Business Day (around 1:00 p.m., 3:30 p.m. and 6:00 p.m.). The Corporate Announcement Master Data File is only available in data file format, which carries the details of all active corporate announcements (e.g. those with their election, voting and subscription end dates not yet reached). The Corporate Announcement Maintenance Activities Report is available both in report format and data file format. All current day created or updated corporate announcement records will be included in the report/data file. Detailed explanations of the report/data files are set out in the CCASS Terminal User Guide for Participants.

8.14 SUB-DIVISIONS, CONSOLIDATIONS ETC.

8.14.1 General

This Section is concerned with how sub-divisions, consolidations, stock conversions and changes in trading currency of Eligible Securities will normally be handled by HKSCC. There may be special handling procedures applicable to Foreign Securities which will be notified to Participants by circular from time to time. In most cases, the "new" securities will also be accepted as Eligible Securities by HKSCC.

For convenience, the existing Eligible Securities prior to a sub-division, a consolidation or a stock conversion will be referred to in this Section as "Old Shares". The new Eligible Securities as a result of a sub-division, a consolidation or a stock conversion will be referred to as "New Shares". As explained later, where the Eligible Securities are subject to parallel trading arrangements, the certificates originally for the Old Shares will be deemed to represent the New Shares temporarily for the purposes of facilitating trading in the New Shares. For convenience, such original certificates are referred to as "Temporary Shares".

The aim of HKSCC is to minimize the need for Participants with holdings in Eligible Securities subject to sub-divisions, consolidations or stock conversions, to have to exchange original certificates representing Old Shares, for new certificates representing New Shares at the registrars concerned, and also to minimize the inconvenience to such Participants with respect to parallel trading arrangements that may be in place.

Sections 8.14.2 to 8.14.4 and 8.14.8 describe the position where parallel trading arrangements are in place for sub-divisions, consolidations and stock conversions. Sections 8.14.6 and 8.14.9 describe the position where there are no parallel trading arrangements.

8.14.3 Procedures for automatic conversions under parallel trading

Typically, automatic conversions (where there is no change in trading currency) will be carried out in CCASS as follows :

- (i) at the end of the first Settlement Day following the effective date of the sub-division, consolidation or stock conversion (if the effective time of such corporate action is upon market open on the effective date) or the second Settlement Day following the effective date (if the effective time is upon market close), (a) actual holdings of Old Shares of Participants will be automatically converted in CCASS into holdings of Temporary Shares and (b) unsettled Settlement Instructions and Investor Settlement Instructions will be automatically converted in CCASS into corresponding instructions relating to Temporary Shares, in each case based on the relevant ratio of the sub-division, consolidation, or stock conversion;

8.14.4 Conversions by application under parallel trading

Participants other than Investor Participants that wish to settle short positions will have the flexibility of not relying on the automatic conversions referred to in Section 8.14.3 or to override such automatic conversions, by applying to HKSCC to effect the relevant conversions of their actual holdings (but not their unsettled stock positions). Approval will be at HKSCC's discretion.

Such an application will have to be made by a Participant other than Investor Participant by completing and returning a "Conversion Voucher" (see Appendix 3.8) to HKSCC at the CCASS Depository.

8.14.5 Deposits and withdrawals

Unless otherwise approved by HKSCC, the deposits and withdrawals of original certificates representing Old Shares into or out of CCASS by Participants will not normally be accepted by HKSCC from two Settlement Days after the end of the relevant parallel trading period (where the Eligible Securities are subject to parallel trading arrangements) or the date from which the certificates of Old Shares will cease to be valid for delivery, trading and settlement purpose or otherwise as set forth in the issuer's circular, as the case may be. Participants will then have to submit such original certificates to the registrars of issuers of Eligible Securities to exchange for them for certificates for the New Shares.

8.14.6 Sub-division, consolidation or stock conversion not subject to parallel trading

Where sub-divisions, consolidations or stock conversions affecting Eligible Securities are not subject to parallel trading arrangements (and where there is no change in trading currency), HKSCC will, at the end of the Business Day prior to the effective date of the sub-division, consolidation or stock conversion (if the effective time of such corporate action is upon market open on the effective date) or at the end of the effective date (if the effective time is upon market close), automatically convert (i) all actual holdings of Old Shares into New Shares, (ii) all unsettled CNS and IT stock positions of Old Shares into corresponding stock positions in New Shares and (iii) all outstanding Settlement Instructions and Investor Settlement Instructions relating to Old Shares into corresponding instructions relating to New Shares, in each case based on the relevant ratio of the sub-division, consolidation or stock conversion.

8.14.8 Change in the trading currency of Eligible Securities subject to parallel trading

Where there is a change in the trading currency of Eligible Securities and the Eligible Securities are subject to parallel trading on the Exchange, typically automatic conversions will be carried out in CCASS as follows:

- (i) at the end of the first Settlement Day following the effective date of the change in trading currency (if the effective time of the corporate action is upon market open on the effective date) or the second Settlement Day following the effective date (if the effective time is upon market close), the actual holdings of Participants in shares valued in the original trading currency will be automatically converted in CCASS into holdings in a temporary counter valued in the new trading currency applying the relevant conversion ratio;

8.14.9 Change in the trading currency of Eligible Securities not subject to parallel trading

Where there is a change in the trading currency of Eligible Securities and the Eligible Securities are not subject to parallel trading arrangements, HKSCC will, at the end of the Business Day prior to the effective date of the change in trading currency (if the effective time of the corporate action is upon market open on the effective date) or at the end of the effective date (if the effective time is upon market close), automatically convert the actual holdings and stock lending positions of shares valued in the original trading currency into holdings or positions held under a temporary stock code valued in the original trading currency applying the relevant conversion ratio.

All unsettled CNS and IT stock positions and all outstanding Settlement Instructions and Investor Settlement Instructions will, from the end of the Business Day prior to the effective date or from the end of the effective date of the change in trading currency, as the case may be, be held under a temporary stock code (being one which is not a listed stock code). This will enable them to be settled in their original trading currency. In effect, this is only a change of stock codes. No withdrawal of shares held under the temporary stock code will be allowed by HKSCC.

At the end of the first or second Settlement Day following the effective date of the change in trading currency, as the case may be, actual holdings and stock lending positions under the temporary stock code valued in the original trading currency will be automatically converted in CCASS into shares or positions valued in the new trading currency on a one to one basis.

8.18 ELECTRONIC APPLICATION INSTRUCTIONS FOR NEW ISSUE SHARES**8.18.1 General**

A Participant may electronically instruct HKSCC (a) to cause the Nominee to apply for New Issue Shares on its behalf and (b) to arrange payment and, in the case of wholly or partly unsuccessful applications, refund of the money due on application. Where such an Electronic Application Instruction for New Issue Shares is given, the Participant is deemed to have agreed to the following:-

- (iv) HKSCC is authorized to debit the Participant's Designated Bank Account and to credit the account of the receiving bank appointed by the Issuer with payment in full for the New Issue Shares (and all other amounts due on the application, including brokerage, transaction levy and the Exchange's trading fee) in respect of which it has given Electronic Application Instructions for New Issue Shares;
- (ix) the Participant agrees that, if (a) it has made a multiple application or is suspected of having made a multiple application or if more than one application is made for its benefit, (b) the account of the Issuer's receiving bank is not credited with the full payment required to be made by the Participant for the New Issue Shares (including brokerage, transaction levy and the Exchange's trading fee) or (c) the amount of its application money for each instruction exceeds eleven digits (including cents), its application may be rejected and the number of New Issue Shares applied for by the Nominee shall be automatically reduced by the number of New Issue Shares in respect of which the Participant's application has been rejected;
- (xii) in the case of a refund of application money, brokerage, transaction levy and the Exchange's trading fee to the Participant, no interest will be paid and the Participant authorizes the Issuer and HKSCC to make payment to effect the refund on the same Business Day that refund cheques are despatched to or available for collection by applicants as described in the Prospectus;

8.18.2 Procedures

- (i) Information on New Issue Shares available for electronic application is made available to Investor Participants through the EIPO Enquiry function of the CCASS Phone System and the "Enquire EIPO Announcement" function of the CCASS Internet System. Similar information is made available to Participants other than Investor Participants through the EIPO Announcement Enquiry function of CCASS Terminals and Participant Gateways.
- (iii) The quantity of New Issue Shares applied for by a Participant must be one of the acceptable quantities specified by the relevant Issuer in the Prospectus. HKSCC reserves the right to reject instructions to apply for any other quantities of New Issue Shares. The information as to the names, addresses, identification document numbers and number of New Issue Shares in respect of which electronic application instructions for New Issue Shares are given will be transmitted to the registrar for balloting and processing of the application.
- (v) On the last application day, HKSCC will arrange payment of the application monies by debits to the Designated Bank Accounts of Participants and corresponding credits to the Issuer's account with its receiving bank(s). An application in respect of which the EPI is rejected is liable to be rejected by the Issuer or its registrar.
- (vi) Upon receipt of securities and file(s) containing information as to the identity of Participants to whom New Issue Shares have been allocated and the number of New Issue Shares allocated to each of them, HKSCC will cause such securities to be credited to the Stock Accounts of the CCASS applicants. Upon distribution of securities by HKSCC to them, the Statement of Stock Movement Reports of the relevant Participants other than Investor Participants and activity statements of the relevant Investor Participants will be updated.
- (vii) Upon receipt of file(s) containing information as to the identity of Participants whose applications have been unsuccessful in whole or in part or who are entitled to refunds due to application price adjustment and the amounts of the refunds due to each of them, HKSCC will generate EPIs to arrange for payment of refunds. A single EPI will be generated for each Participant other than Investor Participants in respect of refund application monies. The

amount of refund money in respect of a Participant other than an Investor Participant will be recorded in its New Issues Entitlement Report. Investor Participants who have elected to receive the activity statement will be informed of the same by mail. Investor Participants can enquire the details of such statements via the CCASS Internet System.

- (viii) Investor Participants can enquire details of their Electronic Application Instructions for New Issue Shares via the EIPO Instruction Done Enquiry function of the CCASS Phone System or the “Enquire EIPO Application Instruction” function of the CCASS Internet System. Participants other than Investor Participants can enquire about authorized and pending application instructions through the Enquire EIPO Application function of CCASS Terminals or Participant Gateways. Electronic Application Instructions received from Investor Participants will be recorded in the activity statements of such Participants. All application maintenance activities performed by Participants other than Investor Participants will be recorded in the New Issues Application Input Activities Report.

8.19 TENDER INSTRUCTIONS FOR EXCHANGE FUND NOTES, SPECIFIED INSTRUMENTS AND CMU INSTRUMENTS

8.19.1 Where Tender Instructions for Exchange Fund Notes or Specified Instruments are given, the Participant is deemed to have agreed to the following:-

- (ii) HKSCC is authorized to debit the appropriate tender money, including brokerage (if applicable), transaction levy (if applicable) and the Exchange's trading fee (if applicable), to cause these amounts to be paid from the Participant's Designated Bank Account by DDI;

Where Tender Instructions for CMU Instruments are given, the Participant is deemed to have agreed with and confirmed to HKSCC the following:

- (ii) the Participants authorizes HKSCC to debit the appropriate application money, including brokerage (if applicable), transaction levy (if applicable) and the Exchange's trading fee (if applicable), to cause these amounts to be paid from the Participant's Designated Bank Account by DDI and the Participant undertakes to ensure that the full amount of the application money is available in its Designated Bank Account;

8.19.2 Procedures

The following procedures will usually apply in relation to Tender Instructions for Exchange Fund Notes or Specified Instruments:

- (v) debit entries for the appropriate tender moneys, including brokerage (if applicable), transaction levy (if applicable) and the Exchange's trading fee (if applicable), will be automatically paid from Participants' Designated Bank Accounts by DDI on the Business Day which is two Business Days before the tender day. Where the bids are non-competitive, the amounts so paid will be based on the initial bid price specified by the issuer. Once the final accepted price is announced, HKSCC will make adjustments in respect of the tender moneys in the manner described below;

The following procedures will usually apply in relation to Tender Instructions for CMU Instruments: -

- (iv) debit entries for the appropriate application moneys, including brokerage (if applicable), transaction levy (if applicable) and the Exchange's trading fee (if applicable), will be automatically paid from Participants' Designated Bank Accounts by DDI on the closing date of the subscription period. The amounts so paid will be based on the application price

specified by the issuer. Once the subscription price is announced, HKSCC will make adjustments in respect of the application moneys in the manner described below;

8.20 ELECTRONIC APPLICATIONS FOR THE ISSUE AND REDEMPTION OF UNITS

8.20.2 Issue of Units

The following procedures will usually apply provided that where the underlying securities of Units are non-Eligible Securities, HKSCC may not be responsible for the transfer of such underlying securities for the issue of Units and the following procedures relating to the debiting of underlying securities by CCASS may not apply:

- (i) Participants (other than Investor Participants) that wish to apply for Units must input Cash Creation Orders (if the Units are to be issued for cash) and/or In Kind Creation Orders (if the Units are to be issued for Eligible Securities, with a cash component, if any), in each case via their CCASS Terminals or Participant Gateways. Orders (which expression includes Cash Creation Orders and In Kind Creation Orders) must be in whatever minimum amounts and multiples thereof as specified. Normally, the times for input of such Orders will be 9:15 a.m. to 4:25 p.m. on any Business Day. However, the exact times and days will be determined by the manager or trustee of the relevant Unit Trust. The trust deeds constituting the Unit Trusts may limit the number of Units which may be issued within a period or certain periods of time, for example, the trust deed constituting the Tracker Fund of Hong Kong limits the number of Units which may be issued in any quarter. For such Unit Trusts, Participants may enquire via CCASS Terminals and Participant Gateways as to the number of the Units available for creation. When the limit of the Units available for creation has been reached, no Cash Creation Orders in respect of the Units of the relevant Unit Trust will be accepted. Orders which are at the accepted status shown on the CCASS screen will be deemed to have been accepted by the relevant manager or trustee provided that such an accepted order may still be unsuccessful or rejected in accordance with the relevant trust deed.

8.20.3 Redemption of Units

The following procedures will usually apply provided that where the underlying securities of Units are non-Eligible Securities, HKSCC may not be responsible for the transfer of such underlying securities for the redemption of Units and the following procedures relating to crediting of underlying securities by CCASS may not apply :

- (i) Participants other than Investor Participants that wish to redeem Units must input their Unit Redemption Orders via their CCASS Terminals or Participant Gateways. Orders must be in whatever minimum amounts or multiples thereof as specified. Normally, the times for input of such Orders will be 9:15 a.m. to 4:25 p.m. on any Business Day. However, the exact times and days will be determined by the manager or trustee of the relevant unit trust. Orders which are at the accepted status shown on the CCASS screen will be deemed to have been accepted by the relevant manager or trustee provided that such an accepted order may still be unsuccessful or rejected in accordance with the relevant trust deed.

8.25 INTRA-DAY PAYMENT IN AN ELIGIBLE CURRENCY

8.25.2 Procedures

The following is a brief description of the procedures relating to the intra-day payment of cash payments arising out of nominee services on a Business Day:

- (i) Participants other than Investor Participants that wish to request HKSCC to effect intra-day payment to the Participants of cash payments in an Eligible Currency arising out of

nominee services on each Business Day shall input Intra-day Payment Standing Instructions via the “Intra-day Payment Standing Instruction” maintenance functions to instruct HKSCC to issue Intra-day Payment Instructions covering such cash payments on each Business Day. Acceptance of such Intra-day Payment Standing Instructions by HKSCC will be at the discretion of HKSCC and subject to the requirements as HKSCC may from time to time specify. Where the Intra-day Payment Standing Instruction of a Participant other than an Investor Participant also covers intra-day settlement of money obligations due to the Participant from HKSCC under the CNS System and/or intra-day refund to the Participant of surplus cash arising from overpaid cash prepayment on each Settlement Day, the amount of Intra-day Payment in this Section 8.25.2 on a Business Day which is also a Settlement Day shall include the amount of intra-day settlement of money obligations due to the Participant from HKSCC under the CNS System as referred to in and determined by HKSCC under 10.5.8 and/or surplus cash arising from overpaid cash prepayment, as referred to in and determined by HKSCC under Section 10.12.8;

- (ii) Participants other than Investor Participants shall define a pre-set threshold in their Intra-day Payment Standing Instructions. No Intra-day Payment Instruction will be issued by HKSCC to a Participant on a Settlement Day and/or a Business Day if the total amount of Intra-day Payment as determined by HKSCC to be paid to the Participant on that day via IPI is smaller than its pre-set threshold;
- (iii) in case an Intra-day Payment Standing Instruction covering cash payments arising out of nominee services is accepted by HKSCC on a Business Day at or before 1:15 p.m., an Intra-day Payment Instruction will be issued starting from that Business Day. Otherwise, the Intra-day Payment Instruction will only be issued from the next Business Day;
- (iv) following the acceptance by HKSCC of an Intra-day Payment Standing Instruction covering intra-day payment to the Participant of cash payments arising out of nominee services, HKSCC will normally determine the amount of cash payments in an Eligible Currency arising out of nominee services to be included in the Intra-day Payment at around 2:00 p.m. on a Business Day based on the cash payments in an Eligible Currency actually received by HKSCC of which cleared funds are made available to HKSCC by the relevant paying banks and distributed to the Entitlement Account of the Money Ledger of the Participant before 1:45 p.m. on that Business Day or such other time as specified from time to time by HKSCC. If the total amount of Intra-day Payment determined by HKSCC is equal to or greater than the pre-set threshold defined by the Participant, an Intra-day Payment Instruction will be issued by HKSCC;
- (v) HKSCC will issue Intra-day Payment Instructions to the Designated Banks of Participants other than Investor Participants at around 2:30 p.m. on a Business Day, or such other time as specified by HKSCC from time to time, to cause credits to be made to the Designated Bank Accounts of the Participants;
- (vi) Participants other than Investor Participants that have input Intra-day Payment Standing Instructions may enquire the amount of cash payments arising out of nominee services under Intra-day Payment Instructions issued after 2:30 p.m. on a Business Day via the “Enquire Intra-day Payment Summary” function in CCASS Terminal or Participant Gateway;
- (vii) the intra-day payment to Participants other than Investor Participants of any cash payments arising out of nominee services will be at the full discretion of HKSCC irrespective of whether their Intra-day Payment Standing Instructions are accepted under Section 8.25.2(iii). If a Participant fails to follow the specified procedures, its Intra-day Payment Standing Instruction is subsequently turned down by HKSCC for any other reason or if any cash payments arising out of nominee services are not paid to the Participant intra-day under an Intra-day Payment Instruction for any reason, then the cash payments arising out

of nominee services on a Business Day will only be paid to the Participant at day-end via DCI.

Section 9

Overview of Clearing and Settlement in CCASS

9.8 MONEY SETTLEMENT

For Exchange Trades and Clearing Agency Transactions to be settled under the CNS System, settlement between Participants and HKSCC will always be on a DVP basis. Following delivery of Eligible Securities in CCASS, HKSCC will issue IPAs, DDIs and DCIs to the Designated Banks of the Participants concerned to effect payment for value on the same day.

Section 10

Exchange Trades - CNS System

10.5 MONEY SETTLEMENT UNDER THE CNS SYSTEM

10.5.8 Intra-day settlement of money obligations due to Clearing Participants under the CNS System

Clearing Participants that wish to receive intra-day settlement of money obligations due to Clearing Participants from HKSCC under the CNS System on a Settlement Day may input Intra-day Payment Standing Instructions via the “Intra-day Payment Standing Instruction” maintenance functions. Such intra-day settlement of money obligations due from HKSCC to Clearing Participants shall be at the full discretion of HKSCC and may be subject to such conditions and limits as HKSCC may consider appropriate, including limiting the intra-day settlement amount to the amount of cash prepayments received from Clearing Participants under Section 10.12.4 and overpaid cash prepayments not refunded to Clearing Participants under Section 10.12.7 or such other amount as HKSCC may from time to time determine.

If for whatever reason, the money obligations due to Clearing Participants that have requested to receive intra-day settlement of money obligations from HKSCC under the CNS System exceed any limit determined by HKSCC, HKSCC shall have the right to allocate the intra-day settlement amounts among Clearing Participants in such manner as it shall consider fair and appropriate in the circumstances. Priority will be given to Clearing Participants that have maintained authorised Cash Prepayment Standing Instructions at the beginning of the Settlement Day. Upon determination of the actual intra-day settlement amounts of money obligations that will be paid to Clearing Participants, HKSCC will generate Intra-day Payment Instructions to the Clearing Participants in accordance with Section 14.8.

The following is a brief description of the procedures relating to intra-day settlement of money obligations due to Clearing Participants from HKSCC under the CNS System:

- (i) Clearing Participants that wish to request HKSCC to effect intra-day settlement of money obligations due to Clearing Participants from HKSCC under the CNS System shall input Intra-day Payment Standing Instructions via the “Intra-day Payment Standing Instruction” maintenance functions to instruct HKSCC to issue Intra-day Payment Instructions covering such intra-day settlement of money obligations. Acceptance of such Intra-day Payment Standing Instructions by HKSCC will be at the discretion of HKSCC and subject to such conditions and limits as HKSCC may from time to time specify. Where the Intra-day Payment Standing Instruction of a Clearing Participant also covers intra-day payment to the Clearing Participant of cash payments arising out of nominee services on each Business Day and/or surplus cash arising from overpaid cash prepayment on each Settlement Day,

the amount of Intra-day Payment in this Section 10.5.8 on a Settlement Day shall include the amount of cash payments arising out of nominee services as referred to in and determined by HKSCC under Section 8.25.2 and/or surplus cash arising from overpaid cash prepayment as referred to in and determined by HKSCC under Section 10.12.8;

- (ii) Clearing Participants shall define a pre-set threshold in their Intra-day Payment Standing Instructions. No Intra-day Payment Instruction will be issued by HKSCC to a Clearing Participant on a Settlement Day and/or a Business Day if the total amount of Intra-day Payment as determined by HKSCC to be paid to the Clearing Participant on that day via IPI is smaller than its pre-set threshold;
- (iii) in case an Intra-day Payment Standing Instruction covering intra-day settlement of money obligations due to a Clearing Participant from HKSCC under the CNS System is accepted by HKSCC on a Settlement Day at or before 1:15 p.m., an Intra-day Payment Instruction will be issued starting from that day if applicable. Otherwise, the Intra-day Payment Instruction will only be issued from the next Settlement Day/Business Day;
- (iv) following the acceptance by HKSCC of an Intra-day Payment Standing Instruction to effect intra-day settlement of money obligations due to a Clearing Participant from HKSCC under the CNS System, HKSCC will normally determine the amount of such money obligations that is due to the Clearing Participant upon completion of the third Batch-settlement-run shortly after 2:00 p.m. on each Settlement Day, or such other time as specified by HKSCC from time to time;
- (v) in determining the intra-day settlement amount of money obligations that is due to a Clearing Participant from HKSCC under the CNS System, HKSCC will consider:
 - (a) whether the Clearing Participant has maintained an authorised Cash Prepayment Standing Instruction at the beginning of the Settlement Day;
 - (b) the money obligations due to the Clearing Participant from HKSCC under the CNS System for all settled CNS short positions upon completion of the third Batch-settlement-run shortly after 2:00 p.m. and any immediate settlement by DIs;
 - (c) the money obligations due from the Clearing Participant to HKSCC under the CNS System for all settled and unsettled CNS long positions; and
 - (d) other types of money obligations in the Clearing Participant's Settlement Account and Miscellaneous Account of Money Ledger as HKSCC may from time to time specify;
- (vi) if the aggregate amount of intra-day settlement of money obligations exceeds any limit set by HKSCC, HKSCC shall have the right to allocate the intra-day settlement amounts among Clearing Participants in such manner as it shall consider fair and appropriate in the circumstances. Upon determination of the actual intra-day settlement amount of money obligations that will be paid to a Clearing Participant, an Intra-day Payment Instruction will be issued by HKSCC if the total amount of Intra-day Payment of the Clearing Participant is equal to or greater than the pre-set threshold defined by the Clearing Participant;
- (vii) HKSCC will issue Intra-day Payment Instructions to the Designated Banks of Clearing Participants on a Settlement Day or Business Day at around 2:30 p.m., or such other time as specified by HKSCC from time to time, to cause credits to be made to the Designated Bank Accounts of Clearing Participants;
- (viii) details of Intra-day Payment Instructions issued by HKSCC including the amount of the Intra-day Payment will be available for enquiry after 2:30 p.m. on a Settlement Day via the "Enquire Intra-day Payment Summary" function in CCASS Terminal or Participant Gateway; and

- (ix) the Intra-day Payment to Clearing Participants of any intra-day settlement of money obligations due to Clearing Participants from HKSCC under the CNS System will be at the full discretion of HKSCC irrespective of whether their Intra-day Payment Standing Instructions are accepted under Section 10.5.8(iii). If a Clearing Participant fails to follow the specified procedures, its Intra-day Payment Standing Instruction is subsequently turned down by HKSCC for any other reason or if the settlement of any money obligations due to the Clearing Participant from HKSCC under the CNS System is not effected under an Intra-day Payment Instruction for any reason, then any money obligations due to the Clearing Participant from HKSCC under the CNS System will only be paid to the Clearing Participant at day-end via DCI.

10.12 RISK MANAGEMENT: SECURITIES-ON-HOLD

10.12.8 Procedures

The following is a brief description of the procedures relating to intra-day refund of surplus cash arising from overpaid cash prepayment on a Settlement Day:

- (a) Clearing Participants that wish to request HKSCC to effect intra-day refund to the Clearing Participants of surplus cash arising from overpaid cash prepayment on each Settlement Day shall input Intra-day Payment Standing Instructions via the “Intra-day Payment Standing Instruction” maintenance functions to instruct HKSCC to issue Intra-day Payment Instructions covering such surplus cash on each Settlement Day. Acceptance of such Intra-day Payment Standing Instructions by HKSCC will be at the discretion of HKSCC and subject to the requirements as HKSCC may from time to time specify. Where the Intra-day Payment Standing Instruction of a Clearing Participant also covers intra-day payment to the Clearing Participant of cash payments arising out of nominee services on each Business Day and/or intra-day settlement of money obligations due to the Clearing Participant from HKSCC under the CNS System on each Settlement Day, the amount of Intra-day Payment in this Section 10.12.8 on a Settlement Day shall include the amount of cash payments arising out of nominee services, as referred to in and determined by HKSCC under Section 8.25.2 and/or the intra-day settlement amount of money obligations due to the Clearing Participant from HKSCC under the CNS System, as referred to in and determined by HKSCC under Section 10.5.8;
- (b) Clearing Participants shall define a pre-set threshold in their Intra-day Payment Standing Instructions. No Intra-day Payment Instruction will be issued by HKSCC to a Clearing Participant on a Settlement Day and/or a Business Day if the total amount of Intra-day Payment as determined by HKSCC to be paid to the Clearing Participant on that day via IPI is smaller than its pre-set threshold;
- (c) in case an Intra-day Payment Standing Instruction covering surplus cash arising from overpaid cash prepayment is accepted by HKSCC on a Business Day at or before 1:15 p.m., an Intra-day Payment Instruction will be issued starting from that day if applicable. Otherwise, the Intra-day Payment Instruction will only be issued from the next Settlement Day/Business Day;
- (d) following the acceptance by HKSCC of an Intra-day Payment Standing Instruction to effect intra-day refund of surplus cash arising from overpaid cash prepayment to the Clearing Participant, HKSCC will normally determine the amount of surplus cash arising from overpaid cash prepayment to be included in the Intra-day Payment upon completion of the third Batch-settlement-run shortly after 2:00 p.m. on each Settlement Day, or such other time as specified by HKSCC from time to time;
- (e) in determining the amount of surplus cash arising from cash prepayment to be refunded intra-day, HKSCC will consider:

- (ii) the CNS money obligations upon completion of the third Batch-settlement-run shortly after 2:00 p.m. and any immediate settlement by DIs; and
 - (iii) other types of money obligations in the Clearing Participant's Settlement Account and Miscellaneous Account of Money Ledger as HKSCC may from time to time specify;
- (f) if the total amount of Intra-day Payment of the Clearing Participant including the amount of surplus cash arising from overpaid cash prepayment determined by HKSCC under Section 10.12.8(e) is equal to or greater than the pre-set threshold defined by the Clearing Participant, an Intra-day Payment Instruction will be issued by HKSCC;
- (g) HKSCC will issue Intra-day Payment Instructions to the Designated Banks of Clearing Participants on a Settlement Day or Business Day at around 2:30 p.m., or such other time as specified by HKSCC from time to time, to cause credits to be made to the Designated Bank Accounts of Clearing Participants;
- (h) Clearing Participants that have input Intra-day Payment Standing Instructions may enquire the estimated amount of surplus cash arising from overpaid cash prepayment to be refunded before 2:30 p.m. on a Settlement Day via the "Enquire Intra-day Payment Summary" function in CCASS Terminal or Participant Gateway. Details of Intra-day Payment Instructions issued by HKSCC including the amount of the Intra-day Payment will be available for enquiry after 2:30 p.m. on a Settlement Day via the "Enquire Intra-day Payment Summary" function in CCASS Terminal or Participant Gateway;
- (i) the intra-day refund to Clearing Participants of any surplus cash arising from overpaid cash prepayment will be at the full discretion of HKSCC irrespective of whether their Intra-day Payment Standing Instructions are accepted under Section 10.12.8(c). If a Clearing Participant fails to follow the specified procedures, its Intra-day Payment Standing Instruction is subsequently turned down by HKSCC for any other reason or if any surplus cash arising from overpaid cash prepayment is not refunded intra-day to the Clearing Participant for any reason, HKSCC shall have full discretion to make use of such surplus cash for any purpose it deems appropriate, including but not limited to the intra-day settlement of money obligations due to other Clearing Participants from HKSCC under the CNS System, and any surplus cash arising from overpaid cash prepayment on a Settlement Day will only be returned to the Clearing Participant at day-end via DCI.

Section 13

Securities Settlement

13.1 GENERAL

13.1.1 DIs or Batch-settlement-runs or on-line delivery to effect delivery in CCASS

Further, in relation to Isolated Trades (including Clearing Agency Transactions), ISI Transactions and SI Transactions, a delivering Participant can also exclude such transactions from Batch-settlement-runs. In the case of an Isolated Trade (including a Clearing Agency Transaction), the delivering Participant can always make use of the "Change DI Requirement" function available through its CCASS Terminals or Participant Gateways to specify that a DI will be required to effect settlement of that Isolated Trade. In the case of an ISI or SI Transaction, the delivering Participant can either specify at the time of input of an ISI or SI or subsequently by the use of the "Change DI Requirement" function, that a DI will be required to effect settlement.

On-line delivery will be effected by HKSCC in accordance with section 12.3.6(ii) upon input of an ISI (without affirmation) or affirmation of an ISI (with affirmation) by the Investor Participant concerned where there are sufficient Eligible Securities in the Stock Account of the delivering Participant concerned. However, if an ISI Transaction is to be settled in CCASS on a DVP basis and the delivering Participant requires the on hold mechanism to be operated, delivery will be

effected upon obtaining Negative Confirmation of Payment from the Designated Bank of the receiving Participant on the next Business Day; and in the case of an ISI Transaction or SI Transaction to be settled in CCASS on a RDP basis, delivery will be effected upon receipt of confirmation of payment from the Clearing House of HKAB.

Section 14

Money Settlement

14.3 INSTRUCTIONS BY HKSCC TO DESIGNATED BANKS

14.3.3 Amounts arising out of transactions settled in CCASS

For any accepted Intra-day Payment Standing Instruction covering intra-day refund to a Clearing Participant of surplus cash arising from overpaid cash prepayment and/or intra-day settlement of money obligations due to Clearing Participants from HKSCC under the CNS System on a Settlement Day, HKSCC will issue an Intra-day Payment Instruction covering the amount (as stated in the “Enquire Intra-Day Payment Summary” in CCASS Terminal or Participant Gateway) of the surplus cash refund and/or intra-day settlement of money obligations due to the Clearing Participant from HKSCC under the CNS System included in the Intra-day Payment to the Designated Bank of the Clearing Participant to effect intra-day payment on each Settlement Day (See Section 14.8).

14.3.4 Amounts arising out of nominee services

The amounts to be debited or credited to Designated Bank Accounts of Participants in relation to nominee and similar transactions effected by HKSCC have been explained elsewhere (see Sections 8.7 to 8.21 and Section 8.25). In brief, they arise from the following types of corporate actions:

- (x) for payment or refund of application money in an Eligible Currency in respect of Electronic Application Instructions for New Issue Shares, HKSCC will effect debit payments from the Participants' Designated Bank Accounts on the last application day for New Issue Shares and will effect credit payments to the Participants' Designated Bank Accounts on the refund date as specified in the Prospectus and/or any subsequent refund date;
- (xi) for payment of tender monies or application monies in an Eligible Currency in respect of Tender Instructions, HKSCC will effect debit payments from the Participants' Designated Bank Accounts on the day which is two Business Days before the tender day of the relevant Exchange Fund Notes or Specified Instruments or on the closing date of the subscription period of relevant CMU Instruments. Where the bids for Exchange Fund Notes or Specified Instruments are non-competitive and the initial bid price is lower than the final accepted price, HKSCC will effect debit payments for any shortfall of tender moneys from the relevant Participants' Designated Bank Accounts on the tender day. Where the application price is lower than the subscription price, HKSCC will effect debit payments for any shortfall of application moneys from the relevant Participants' Designated Bank Accounts on the date upon receipt of the allotment results. For refund of tender monies in respect of Tender Instructions for Exchange Fund Notes or Specified Instruments, HKSCC will effect credit payments to the Participants' Designated Bank Accounts on the day which is either one Business Day before the tender day if the HKMA or the relevant Issuer withdraws the tender invitation or if excess monies are to be refunded in respect of cancelled Tender Instructions and, in other cases, on the tender day or as soon as practicable. For refund of application monies in respect of Tender Instructions for CMU Instruments, HKSCC will effect credit payments to the Participants' Designated Bank Accounts on the day the allotment result is

received from the Issuer or its agent or arranger or one Business Day before the closing date if the relevant Issuer withdraws the offer or as soon as practicable;

The debit or credit entries, except payments in respect of Electronic Application Instructions for New Issue Shares and Tender Instructions referred to in Sections 14.3.4(x) and (xi) above, are posted to the Entitlements Accounts of the Participants' Money Ledgers. For any accepted Intra-day Payment Standing Instruction covering intra-day payment to a Participant other than Investor Participant of cash payments arising out of nominee services on a Business Day, HKSCC will issue an Intra-day Payment Instruction covering the amount (as stated in the "Enquire Intra-Day Payment Summary" in CCASS Terminal or Participant Gateway) of the cash payments included in the Intra-day Payment to the Designated Bank of the Participant to effect intra-day payment of the amount to the Designated Bank Account of the Participant on each Business Day (See Section 14.8). Subject as aforesaid, HKSCC will, on each Business Day, on the basis of the account balance, generate DDIs/DCIs/EPIs for settlement via Participants' Designated Bank Accounts (see Sections 14.4 and 14.5). For subscription instructions which involve the collection of subscription monies via CPIs, HKSCC will, on the basis of such instructions, generate CPIs for settlement via Participants' Designated Bank Accounts during the day (see Section 14.7).

14.5 ELECTRONIC PAYMENT INSTRUCTIONS

14.5.2 Procedures

The following is a brief description of the procedures relating to EPIs issued by HKSCC:

- (ii) in relation to Electronic Application Instructions for New Issue Shares, (a) at the close of business of the last application day for New Issue Shares, HKSCC will, in respect of each set of application instructions, cause, via the clearing house for the relevant Eligible Currency, a debit EPI for the application monies to be issued to the Designated Bank of the Participant that has inputted that set of application instructions; and corresponding credits to be made to the Issuer's bank account with its receiving bank(s); and (b) on the refund date and/or each subsequent refund date (if any) as specified by the Issuer, a credit payment will be effected to the Designated Bank of each Participant that is to receive refund monies;
- (iv) special arrangements have been made by HKSCC with the clearing house for each relevant Eligible Currency pursuant to which an extra clearing run will be conducted by that clearing house and files and/or reports will then be provided to Designated Banks of Participants by that clearing house on the same day; and
- (v) from the commencement of CCASS services through CCASS Terminal and Participant Gateway on the following Business Day (including Saturdays unless it is a public holiday), Participants other than Investor Participants can access via their CCASS Terminals or Participant Gateways, their Settlement Reports (in respect of trade for trade transactions settled in CCASS on a DVP basis) and New Issues Entitlement Reports (in respect of Electronic Application Instructions for New Issue Shares) (see Section 16.6.1) to obtain details of EPIs for debits and credits to their Designated Bank Accounts. In the case of Investor Participants, activity statements will be posted on the CCASS Internet System and activity statements will also be mailed to Investor Participants who have elected to receive their activity statements by mail on the Business Day following the activities to which the activity statement relates (see Section 16.6.2). In the case of SSA Statement Recipients receiving EPI payment, activity statements including the payment details will be posted on the CCASS Internet System and activity statements will also be mailed to SSA Statement Recipients who have elected to receive their activity statements by mail on the Business Day following the payment to which the activity statement relates (see Section 16.6.8). Activity statements will not be mailed to Investor Participants who have not elected to receive their activity statements by mail and such Investor Participants should enquire the details of their activity statements through the CCASS Internet System.

14.8 INTRA-DAY PAYMENT INSTRUCTIONS

14.8.1 Usage

Intra-day Payment Instructions are used to effect (i) intra-day payment by HKSCC to Participants other than Investor Participants on a Business Day of cash payments arising out of nominee services at the requests of the Participants, (ii) intra-day settlement of money obligations due to Clearing Participants from HKSCC under the CNS System, at the requests of the Clearing Participants and (iii) intra-day refund by HKSCC to Clearing Participants on a Settlement Day of surplus cash arising from overpaid cash prepayment, at the requests of the Clearing Participants.

14.8.2 Procedures

The following is a brief description of the procedures relating to Intra-day Payment Instructions issued by HKSCC on a Business Day and/or a Settlement Day:

- (i) shortly after 2:00 p.m. on each Business Day and after completion of the third Batch-settlement-run if the Business Day is also a Settlement Day, HKSCC will, based on an Intra-day Payment Standing Instruction accepted by HKSCC at or before 1:15 p.m. on the Business Day, take into account any or all of the following items (as the case may be) in determining the amount of Intra-day Payment to be paid to a Participant other than Investor Participant via IPI:
 - (a) (where the Intra-day Payment Standing Instruction covers intra-day refund of surplus cash arising from overpaid cash prepayment on a Settlement Day) the total cash prepayments received, confirmed and updated to the Participant's Settlement Account of Money Ledger at or before 1:15 p.m. or such other time as specified by HKSCC from time to time, the CNS money obligation upon the completion of the third Batch-settlement-run shortly after 2:00 p.m. and any immediate settlement by DIs, and other types of money obligations in the Participant's Settlement Account and Miscellaneous Account of Money Ledger as HKSCC may from time to time specify;
 - (b) (where the Intra-day Payment Standing Instruction covers intra-day payment of cash payments arising out of nominee services on a Business Day) the cash payments in an Eligible Currency arising out of nominee services actually received by HKSCC of which cleared funds are made available to HKSCC by the relevant paying banks and distributed to the Entitlements Account of the Money Ledger of the Participant before 1:45 p.m. or such other time as specified from time to time by HKSCC; and
 - (c) (where the Intra-day Payment Standing Instruction covers intra-day settlement of money obligations due to the Participant from HKSCC under the CNS System for all settled short CNS positions upon completion of the third Batch-settlement-run shortly after 2:00 p.m. and any immediate settlement by DIs) the money obligations due from the Participant to HKSCC under the CNS System for all settled and unsettled long CNS positions and other types of money obligations in the Participant's Settlement Account and Miscellaneous Account of Money Ledger as HKSCC may from time to time specify;
- (ii) if the total amount of Intra-day Payment determined by HKSCC is equal to or greater than the pre-set threshold defined by the Participant in the accepted Intra-day Payment Standing Instruction, HKSCC will issue an Intra-day Payment Instruction on such Business Day and/or Settlement Day to the Designated Bank of the Participant via HKSCC's banker at around 2:30 p.m. or such other time as specified by HKSCC from time to time to effect payments on the same day;
- (iv) if any Intra-day Payment is not paid to the Participants concerned intra-day due to any contingent situations and/or at the full discretion of HKSCC, HKSCC will, subject to its right in Section 10.12.8(i) to make use of surplus cash arising from overpaid cash prepayment for any other purpose, pay the relevant payments to them at day-end via DCI.

Section 16

Statements and Reports

16.6 REPORTS AND STATEMENTS FOR PARTICIPANTS

16.6.1 Reports and Statements for Participants other than Investor Participants

Report ID	Report name	Frequency	Time available
CCNAN05	Corporate Announcement Master Data File (available in data format file only)	Three times a day	around 1:00 p.m., 3:30 p.m. and 6:00 p.m. (for active Corporate Announcements as of the file generation time)
CCNAN06	Corporate Announcement Maintenance Activities Report	Three times a day	around 1:00 p.m., 3:30 p.m. and 6:00 p.m. (for current day's Corporate Announcements' update activities as of the report / file generation time)
CRMNP01	NCP Marks Projection Report	Daily / Ad hoc	upon completion of intra-day Marks processing
CRMNP02	NCP Marks Projection Report	Daily	upon completion of day-end Marks processing
CEPBE01	New Issues Entitlement Report	Daily (including Saturday)	from the time when the report retrieval function is available (for previous day's entitlement updates of EIPO application instructions and Tender Instructions)
CEPSA01	Yellow Form Share Allotment Report	Daily (including Saturday)	from the time when the report retrieval function is available (for allotment results of applications for New Issue Shares using yellow application forms)
CSECP03	Cash Prepayment / Intra-day Payment Instruction Maintenance A/T Report	Daily	from the time when the report retrieval function is available (for previous day's maintenance activities of Cash Prepayment Instructions and Intra-day Payment Standing Instruction)
CSEAT02	STI Activity Report	Twice daily	around 4:30 p.m., after completion of final settlement run and from the time when the report retrieval function is available (for previous day's and current day's STI activities)

The allotment results in the Yellow Form Share Allotment Report and the allotment results of EIPO application instructions in the New Issues Entitlement Report are based on the relevant allotment information provided by the Issuer or its agent. Where the relevant allotment information is not provided to or received by HKSCC soon enough, HKSCC shall not be required to make the Yellow Form Share Allotment Report and/or the allotment results of EIPO application instructions in the New Issues Entitlement Report available to the Participants as stated in this Section 16.6.1 and the Participants may receive the allotment results of applications for New Issue Shares using yellow application forms and/or EIPO application instructions from the Issuer or its agent.

Section 17

Suspension of Services

17.3 "BLACK" RAINSTORM

17.3.10 Money settlement services

For the avoidance of doubt, if a "black" rainstorm warning is discontinued at or before 12:00 noon on any Business Day, CCASS services will normally resume two hours after the discontinuance of the warning announced by the Hong Kong Observatory. Broadcast Messages will also be issued by HKSCC via CCASS Terminals to inform Designated Banks to re-issue payment confirmations.

Section 21

Costs and Expenses

21.5 DEPOSITORY SERVICES

- Stock custody fee for the custody of securities representing registered securities held in CCASS. HK\$0.012 per Board Lot subject to a maximum of HK\$100,000 per month per Participant. Odd lots also charged at HK\$0.012 each.

Notes:

Fee calculated on aggregate month-end stock quantity balances in Stock Accounts of each Participant.

For securities that have undergone automatic conversion (for share sub-divisions or consolidations and stock conversions) in CCASS on the last Business Day of a month, the stock quantity balance and board lot before such automatic conversion will be used for calculation of the stock custody fee for that month.

Fee debited at end of each calendar month.

- Fee not applicable to Foreign Securities.
Stock maintenance fee for Foreign Securities. HK\$0.25 per 100 shares. Odd lots also charged at HK\$0.25.

Notes:

Fee calculated on daily average stock quantity balance of Foreign Securities in Stock Accounts of each Participant on a monthly basis.

For Foreign Securities that have undergone automatic conversion (for share sub-divisions or consolidations and stock conversions) in CCASS on any Business Day of a month, the stock quantity balance before such automatic conversion will be used for calculation of the daily average stock quantity balance for that month.

Fee debited at end of each calendar month.

Section 22 Tariff for Investor Participants

22.2 DEPOSITORY SERVICES

- Stock custody fee for the custody of securities representing registered securities held in CCASS payable by Investor Participant. HK\$0.012 per Board Lot subject to a minimum fee of HK\$20 per month and a maximum fee of HK\$3,000 per month per investor account. Odd lots also charged at HK\$0.012 each.

Notes:

Fee debited on the first day of the following calendar month.

For securities that have undergone automatic conversion (for share sub-divisions or consolidations and stock conversions) in CCASS on the last Business Day of a month, the stock quantity balance and board lot before such automatic conversion will be used for calculation of the stock custody fee for that month.

Fee not applicable to Foreign Securities.

- Stock maintenance fee for Foreign Securities. HK\$0.25 per 100 shares. Odd lots also charged at HK\$0.25.

Notes:

Fee calculated on daily average stock quantity balance of Foreign Securities in Stock Accounts of each Investor Participant on a monthly basis.

For Foreign Securities that have undergone automatic conversion (for share sub-divisions or consolidations and stock conversions) in CCASS on any Business Day of a month, the stock quantity balance before such automatic conversion will be used for calculation of the daily average stock quantity balance for that month.

Fee debited at end of each calendar month.