

Disciplinary Procedures

PART I

RESPONSIBILITIES, POWERS AND FUNCTIONS OF COMMITTEES, DIVISIONS, DEPARTMENTS, SECTIONS, UNITS AND SECH CONCERNING DISCIPLINARY MATTERS

1. Disciplinary Section

The responsibilities and functions of the Disciplinary Section include the following:-

- 1.5.1 to notify the Hong Kong Securities Clearing Company Limited ("HKSCC") whenever the Exchange considers taking disciplinary action against an Exchange Participant in relation to any breaches of Rules 401 to 429, 501 to 545, 552 to 563D, 723 or the CCASS Rules and to notify HKSCC of the result of such consideration and the disciplinary action taken, if any; in the event of an Exchange Participant being called upon to resign pursuant to Rule 702(2), to notify HKSCC of such fact [Rule 709A(1)];

PART II

DISCIPLINARY PROCEDURES

1. Offences to be Dealt with under the Standard Penalty Procedures and Offences to be Dealt with by Hearings

- 1.1 The following are classified as "offences to be dealt with under the Standard Penalty Procedures":-

- 1.1.1 [Repealed]

SCHEDULE OF PENALTIES

1. [Repealed]