

Rules of the Exchange

CHAPTER 1

INTERPRETATION

101. In these Rules, unless the context otherwise requires:-

<u>“institutional professional investor”</u>	<u>means a “professional investor” within the meaning of paragraph (a), (b), (c), (d), (e), (f), (g), (h) or (i) of the definition of “professional investor” in section 1 of Part 1 of Schedule 1 to the Ordinance;</u>
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CHAPTER 14A

CHINA CONNECT SERVICE - SHANGHAI

Interpretation

14A02. (2) In this Chapter, unless the context otherwise requires:

<u>“STAR shares”</u>	<u>means A shares accepted for listing and admitted to trading on the SSE STAR Market from time to time;</u>
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SSE-listed Securities as Special China Connect Securities

14A05. (3) In addition to Rule 14A05(2), where, as a result of any distribution of rights (including the right to subscribe for rights issues or open offers) or entitlements, conversion, takeover, other corporate actions or special circumstances arising from China Connect Securities, any China Connect Exchange Participant receives (whether as principal or agent through their or their China Connect CCASS Participant’s account with HKSCC) any securities (including STAR shares) which are not already accepted as China Connect Securities, provided that such securities are listed on SSE and traded in RMB, the Exchange will accept or designate such securities as Special China Connect Securities.

Trading of STAR shares

14A06. (13) The Exchange may from time to time, as it may determine or as directed by the Commission, prescribe, change, supplement or remove any requirements, conditions, restrictions and arrangements in relation to the use of the China Connect Service for trading STAR shares through publication on the HKEX website or such other means as the Exchange considers appropriate. China

Connect Exchange Participants shall comply with the requirements, conditions, restrictions and arrangements in all respects.

- (14) (a) Except as provided in Rule 14A06(14)(b), only institutional professional investors are allowed to buy or sell STAR shares which are accepted as China Connect Securities (other than Special China Connect Securities which are eligible for sell orders only) through the China Connect Service.
- (b) Where, as a result of any distribution of rights (including the right to subscribe for rights issues open offers) or entitlements, conversion, takeover, other corporate actions or special circumstances arising from China Connect Securities, China Connect Exchange Participants receive (whether as principal or agent for their client and whether or not such client is an institutional professional investor) through their or their China Connect CCASS Participant's account with HKSCC any STAR shares, China Connect Exchange Participants may sell such STAR shares which are accepted or designated by the Exchange as China Connect Securities under Rule 14A04(1) or Special China Connect Securities under Rule 14A05(3) through the China Connect Service.
- (15) Each China Connect Exchange Participant shall implement appropriate and effective measures and take reasonable steps to ensure compliance with Rules 14A06(13) and (14), including but not limited to (a) not accepting any instruction to buy STAR shares or inputting any China Connect buy order for STAR shares for any direct client of the China Connect Exchange Participant unless it is reasonably satisfied that the client is an institutional professional investor; and (b) where such client is (i) an intermediary (as defined in the Ordinance); or (ii) a person which carries on business outside Hong Kong in an activity in respect of which it is regulated overseas and which, if carried on in Hong Kong, would constitute a regulated activity under the Ordinance, requiring such client to ensure that only institutional professional investors are allowed to buy STAR shares which are accepted as China Connect Securities through the China Connect Service.

Compliance with applicable laws in Mainland China

14A10. As required by SSE, China Connect Exchange Participants shall:

- (4) acknowledge, and make appropriate arrangements to require their clients to acknowledge, that if the SSE Rules are breached, or if the disclosure and other obligations referred to in the listing rules of the SSE (including the rules of the SSE for stock listing on the SSE STAR Market) or the SSE Rules are breached, SSE has the power to carry out investigations, and may, through the Exchange or the SEHK Subsidiary, require China Connect Exchange Participants to provide relevant information and materials (including the information and personal data of their clients and other persons referred to in Rules 537 and 1437) to assist in its investigation;

CHAPTER 14B

CHINA CONNECT SERVICE - SHENZHEN

Interpretation

14B02. (2) In this Chapter, unless the context otherwise requires:

~~“institutional professional
investors”~~

~~means a “professional investor” within the
meaning of paragraph (a), (b), (c), (d), (e),
(f), (g), (h) or (i) of the definition of
“professional investor” in section 1 of Part
1 of Schedule 1 to the Ordinance;~~