Rules of the Exchange

CHAPTER 1

INTERPRETATION

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

"enhanced limit order"   means a buy order or a sell order with a specified price input into the System during the Continuous Trading Session for automatic order matching during that session as follows:-

(a)   in relation to a buy order -

   (i)   (as soon as the order is accepted by the System for automatic order matching) within the range and in the sequence of first at the current ask price and thereafter at the next higher price up to nine spreads above the current ask price or the specified price whichever is lower;

   (ii) (if matching does not take place or if any part of the order remains unmatched under (a)(i) above) the order or the remaining part of the order will be treated as a limit order with the specified price;

(b)   in relation to a sell order-

   (i)   (as soon as the order is accepted by the System for automatic order matching) within the range and in the sequence of first at the current bid price and thereafter at the next lower price down to nine spreads below the current bid price or the specified price whichever is higher;

   (ii) (if matching does not take place or if any part of the order remains unmatched under (b)(i) above) the order or the remaining part of the order will be treated as a limit order with the specified price;

"special limit order"   means a buy order or a sell order with a specified price input into the System during the Continuous Trading Session for automatic order matching during that session as follows:-

(a)   in relation to a buy order –

   (i)   (as soon as the order is accepted by the System for automatic order matching) within the range and in the sequence of first at the current ask price and thereafter at the next higher price up to nine spreads above the current ask price or the specified price whichever is lower;

   (ii) (if matching does not take place or if any part of the order remains unmatched under (a)(i) above) the order or the remaining part of the order will be cancelled automatically;

(b) in relation to a sell order –

    (i) (as soon as the order is accepted by the System for automatic order matching) within the range and in the sequence of first at the current bid price and thereafter at the next lower price down to nine spreads below the current bid price or the specified price whichever is higher;

    (ii) (if matching does not take place or if any part of the order remains unmatched under (b)(i) above) the order or the remaining part of the order will be cancelled automatically;

The definitions of "basket order" has been repealed.

CHAPTER 5

TRADING

Operational Trading Rules

502C.   [Repealed]

506A.   For quotations of any automatch stocks other than the opening quotation, a buy order (other than a buy auction order) may be made during the Continuous Trading Session as follows:-

(1)   (where there are existing buy orders and sell orders on the respective primary queues)-

    (a) a limit order may be made at a price within the range of twenty-four spreads below the current bid price and the current ask price;

    (b) an enhanced limit order may be made at a price within the range of twenty-four spreads below the current bid price and nine spreads above the current ask price; and

    (c) a special limit order may be made at a price higher than or equal to the current ask price.

(2)   (where there is no existing buy order on the primary queue)-

    (a) a limit order may be made at a price within the range of the current ask price and twenty-four spreads or, in the case of Market Making Securities, the number of spreads prescribed by the Exchange from time to time, below whichever is the lowest of the current ask price, the previous closing price and the lowest transacted price of the day;

    (b) an enhanced limit order may be made at a price within the range of nine spreads above the current ask price and twenty-four spreads or, in the case of Market Making Securities, the number of spreads prescribed by the Exchange from time to time, below whichever is the lowest of the current ask price, the previous closing price and the lowest transacted price of the day; and

    (c) a special limit order may be made at a price higher than or equal to the current ask price.

507A. For quotations of any automatch stocks other than the opening quotation, a sell order (other than a sell auction order) may be made during the Continuous Trading Session as follows:-

(1) (where there are existing buy orders and sell orders on the respective primary queues)-

(a) a limit order may be made at a price within the range of twenty-four spreads above the current ask price and the current bid price;

(b) an enhanced limit order may be made at a price within the range of twenty-four spreads above the current ask price and nine spreads below the current bid price; and

(c) a special limit order may be made at a price lower than or equal to the current bid price.

(2) (where there is no existing sell order on the primary queue)-

(a) a limit order may be made at a price within the range of the current bid price and twenty-four spreads or, in the case of Market Making Securities, the number of spreads prescribed by the Exchange from time to time, above whichever is the highest of the current bid price, the previous closing price and the highest transacted price of the day;

(b) an enhanced limit order may be made at a price within the range of nine spreads below the current bid price and twenty-four spreads or, in the case of Market Making Securities, the number of spreads prescribed by the Exchange from time to time, above whichever is the highest of the current bid price, the previous closing price and the highest transacted price of the day; and

(c) a special limit order may be made at a price lower than or equal to the current bid price.

CHAPTER 8

PAYMENT OF FEES AND CHARGES

802. Without limitation to the generality of Rule 801 above, the Board may impose fees and charges in respect of:-

Fee Type	Amount (HK$)
(16) monthly user fee for:	
(a) an additional AMS terminal;	4,535 for second terminal and 4,055 for third terminal
(b) an Open Gateway assigned with single Stock Exchange Trading Right;	8,910
(c) an Open Gateway assigned with multiple Stock Exchange Trading Rights;	8,910 for the first Stock Exchange Trading Right and 480 for each additional Stock Exchange Trading Right

(e)	a Standby Terminal with a separate communication line;	4,055
(g)	a new Open Gateway under Rule 364B(3)(b);	8,910 for the first standard throttle rate, and 480 for an increase in the throughput rate of an order into the System through the new Open Gateway up to or below the standard throttle rate
(h)	the use of a Market Making Open Gateway;	8,910 for the first standard throttle rate, and 480 for each additional standard throttle rate
(i)	a Backup Open Gateway for backup of an Open Gateway under Rule 364A(1)(a) and assigned with either Stock Exchange Trading Right(s) or standard throttle rate(s);	8,910 for the first Stock Exchange Trading Right or first standard throttle rate (as the case may be) and 480 for each additional Stock Exchange Trading Right or each additional standard throttle rate (as the case may be)
(j)	a Backup Open Gateway for backup of an Open Gateway under Rule 364A(1)(a) and assigned with Stock Exchange Trading Right(s) and standard throttle rate(s);	8,910 for the first Stock Exchange Trading Right or first standard throttle rate and 480 for each additional Stock Exchange Trading Right and 480 for each additional standard throttle rate
(k)	a Backup Open Gateway for backup of a Market Making Open Gateway assigned with a single throttle rate;	8,910
(l)	a Backup Open Gateway for backup of a Market Making Open Gateway assigned with multiple throttle rates;	8,910 for the first standard throttle rate, and 480 for each additional standard throttle rate
(n)	a new Open Gateway under Rule 365B;	8,910 for the first standard throttle rate and 960 for each additional standard throttle rate
(16A)	the use of a Market Making AMS Terminal;	4,055 monthly
(16J)	application for an increase of Open Gateway throughput rate pursuant to Rule 365B(1);	50,000 for each standard throttle