

**Rules of the Exchange**

**CHAPTER 1**

**INTERPRETATION**

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

“at-auction limit order” means –

- (a) a buy order or a sell order with a specified price input into the System during the order input period of the Pre-opening Session for automatic order matching during the order matching period of the Pre-opening Session at the IEP calculated at the end of the pre-order matching period of the Pre-opening Session when the specified price is (in the case of a buy order) equal to or higher than such IEP, or (in the case of a sell order) equal to or lower than such IEP which, if wholly or partly unmatched at the end of the order matching period of the Pre-opening Session, would be converted to a limit order and carried forward to the Continuous Trading Session according to Rule 501I; or
- (b) a buy order or a sell order with a specified price input into the System during the order input period, no-cancellation period or random closing period of the Closing Auction Session, or an outstanding limit order treated as at-auction limit order and carried forward to the Closing Auction Session according to Rule 501L(4), for automatic order matching at the end of the random closing period of the Closing Auction Session at the IEP calculated at the end of the random closing period of the Closing Auction Session when the specified price is (in the case of a buy order) equal to or higher than such IEP, or (in the case of a sell order) equal to or lower than such IEP;

“at-auction order” means –

- (a) a buy order or a sell order with no specified price input into the System during the order input period or pre-order matching period of the Pre-opening Session for automatic order matching during the order matching period of the Pre-opening Session at the IEP calculated at the end of the pre-order matching period of the Pre-opening Session; or

- (b) a buy order or a sell order with no specified price input into the System during the order input period, no-cancellation period or random closing period of the Closing Auction Session for automatic order matching at the end of the random closing period of the Closing Auction Session at the IEP calculated at the end of the random closing period of the Closing Auction Session;

“automatic order matching”	means the automatic conclusion of transactions by the System based on the methodology or methodologies as determined by the Board from time to time, including:- <ul style="list-style-type: none"><li>(a) the methodology specified in Rule 517(1)(a) for automatic conclusion of transactions during the order matching period of the Pre-opening Session or at the end of the random closing period of the Closing Auction Session at the IEP calculated at the end of the pre-order matching period of the Pre-opening Session or at the end of the random closing period of the Closing Auction Session, as the case may be;</li><li>(b) the methodology specified in Rule 517(1)(b) for automatic conclusion of transactions during the Continuous Trading Session when the specified prices of buy orders and sell orders match;</li></ul>
“CAS reference price”	of an issue of securities on a trading day means, unless otherwise determined by the Exchange, the price which is the median of several nominal prices taken by the System prior to and at the close of the Continuous Trading Session on that trading day. Such nominal prices shall be taken during such period, at such interval and in such manner as the Exchange may from time to time determine;
“CAS security”	means an issue of security prescribed by the Exchange as eligible for trading in the Closing Auction Session;
“Closing Auction Session” or “CAS”	means, unless otherwise prescribed by the Board from time to time, the trading hours from the close of the Afternoon Session at 4:00 p.m. (as specified in Rule 501(1)) to the end of the random closing period of the Closing Auction Session at a time no later than 4:10 p.m. or, when there is no Afternoon Session on the eves of Christmas, New Year and Lunar New Year, the trading hours from the close of the Morning Session at 12:00 noon (as specified in Rule 501(1)) to the end of the random closing period of the Closing Auction Session at a time no later than 12:10 p.m.;
“closing price”	of an issue of securities on a trading day means, unless otherwise determined by the Exchange, the price which is

the median of several nominal prices taken by the System prior to and at the end of the Continuous Trading Session on that trading day and such nominal prices shall be taken during such period, at such interval and in such manner as the Exchange may from time to time determine, provided that where the Closing Auction Session is conducted, the closing price of an issue of CAS securities means, unless otherwise determined by the Exchange, the IEP calculated at the end of the random closing period of the Closing Auction Session on that trading day according to Rule 501M, or if no such IEP can be calculated, the CAS reference price;

“current ask price”

means -

- (a) during the Pre-opening Session or the Closing Auction Session:-
  - (i) (when the IEP can be determined in accordance with Rule 501H or Rule 501M) the IEP at any specific moment; otherwise
  - (ii) the lowest ask price at any specific moment;
- (b) during the Continuous Trading Session, the lowest ask price at any specific moment;

“current bid price”

means -

- (a) during the Pre-opening Session or the Closing Auction Session:-
  - (i) (when the IEP can be determined in accordance with Rule 501H or Rule 501M) the IEP at any specific moment; otherwise
  - (ii) the highest bid price at any specific moment;
- (b) during the Continuous Trading Session, the highest bid price at any specific moment;

“IEP”

means the Indicative Equilibrium Price, if any, determined by the System according to Rule 501H during the Pre-opening Session or Rule 501M during the Closing Auction Session;

“limit order”

means –

- (a) 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 at the specified price when the current ask price or current bid price (as the case may be) matches the specified price, which if wholly or partly unmatched at the close of the Continuous Trading Session, would be treated as an at-auction limit order and carried forward to the Closing Auction Session according to Rule 501L(4); or
  - (b) a limit order converted from an at-auction limit order as specified in Rule 501I;
- “nominal price”
- (a) in respect of any issue of securities at any one time during or at the close of the Pre-opening Session means:-
    - (i) (when the IEP can be determined in accordance with Rule 501H) the IEP; otherwise
    - (ii) the previous closing price;
  - (b) in respect of an issue of securities at any one time during or at the close of the Continuous Trading Session on a trading day means:-
    - (i) if the issue has been traded up to that time on the day
      - (A) (when the current bid price is greater than the last recorded price), the current bid price; otherwise
      - (B) (when the current ask price is less than the last recorded price), the current ask price; otherwise
      - (C) where both (b)(i)(A) and (b)(i)(B) above do not apply, then the last recorded price; or
    - (ii) if the issue has not been traded up to that time on the day:-
      - (A) (when the current bid price is greater than the previous closing price), the current bid price; otherwise
      - (B) (when the current ask price is less than the previous closing price), the current

ask price; otherwise

(C) where both (b)(ii)(A) and (b)(ii)(B) above do not apply, then the previous closing price;

(c) in respect of an issue of securities at any one time during or at the close of the Closing Auction Session means:-

(i) (when it is an issue of CAS securities and the IEP can be determined in accordance with Rule 501M) the IEP; otherwise

(ii) the CAS reference price;

“primary queue”

means -

(a) during the Pre-opening Session or the Closing Auction Session:-

(i) (when the IEP can be determined in accordance with Rule 501H or Rule 501M) the queue of at-auction orders and at-auction limit orders with a specified price at or more competitive than the IEP, i.e. in case of buying, the specified price is equal to or higher than the IEP, or in case of selling, the specified price is equal to or lower than the IEP; otherwise

(ii) the queue of at-auction limit orders with the most competitive specified price, i.e. in case of buying, the current bid price, or in case of selling, the current ask price;

(b) during the Continuous Trading Session, the queue of orders with the most competitive specified price, i.e. in case of buying, the current bid price, or in case of selling, the current ask price;

## CHAPTER 5

### TRADING

#### Operational Trading Rules

##### Trading Hours

501. (1) Trading on the Exchange is conducted on every weekday, unless otherwise determined by the Board (excluding Saturdays and public holidays) at the times specified below or at such other times as may be determined by the Chief Executive in consultation with the Chairman and the Commission:-
- (a) The Morning Session shall commence at 9:30 a.m. and end at 12:00 noon; and
  - (b) The Afternoon Session shall commence at 1:00 p.m. and end at 4:00 p.m..

There is no Afternoon Session on the eves of Christmas, New Year and Lunar New Year.

- (2) In addition to the trading hours specified in Rule 501(1), trading on the Exchange is also conducted during the Pre-opening Session and the Closing Auction Session unless otherwise determined by the Board from time to time.

##### Extended Trading Securities

- 501D. For the avoidance of doubt, the trading hours for the Extended Trading Securities shall comprise the Pre-opening Session, the Continuous Trading Session and the Closing Auction Session.

- 501F. (1) It is the duty of every Exchange Participant conducting direct business transactions in respect of the Extended Trading Securities within the Pre-opening Session, the trading hours stipulated in Rule 501(1), the Extended Morning Session and the Closing Auction Session to input details of such transactions into the System within the following time limits (or other time limits as the Exchange may from time to time determine):
- (i) in respect of direct business transactions which are ATS transactions, immediately and in any case, within 1 minute after the conclusion of the transactions; and
  - (ii) in respect of all other direct business transactions, within 15 minutes after the conclusion of the transactions,

and in any event before the close of trading for the Extended Trading Securities on a trading day for transactions concluded on that trading day provided that no such duty exists for transactions concluded by automatic order matching. Any transactions in respect of the Extended Trading Securities not recorded in the System before the close of trading for the Extended Trading Securities as aforesaid

shall be reported to the Exchange within the order input period and the pre-order matching period of the Pre-opening Session or the first 15 minutes of the commencement of the Continuous Trading Session on the next trading day as transactions concluded on that trading day on which the reporting has been made provided that if there is no Continuous Trading Session on the next trading day for whatever reason, any such transactions not reported to the Exchange as aforesaid shall be reported to the Exchange not later than the first 15 minutes of the commencement of the first trading session of the next Continuous Trading Session as transactions concluded during the trading session on which the reporting has been made.

- (3) The price of every direct business transaction in respect of the Extended Trading Securities concluded during the Continuous Trading Session must be within the range of the lowest of twenty-four spreads below the previous closing price, the lowest bid and the lowest ask price up to the time of the transaction on the day and the highest of twenty-four spreads above the previous closing price, the highest bid and the highest ask price up to the time of the transaction on the day. This Rule 501F(3) shall not apply to direct business transactions concluded during the Pre-opening Session or the Closing Auction Session.

### **Closing Auction Session**

- 501L.
- (1) The Exchange may prescribe from time to time in its absolute discretion a list of CAS securities as eligible for trading in the Closing Auction Session. For the avoidance of doubt, the Exchange may from time to time include any securities in or exclude any securities from the list of CAS securities.
  - (2) The Closing Auction Session shall comprise four periods in the following sequence: (i) the reference price fixing period; (ii) the order input period; (iii) the no-cancellation period and (iv) the random closing period. The duration of each of the four periods may be prescribed by the Exchange from time to time.
  - (3)
    - (a) During the reference price fixing period, the CAS reference price of the CAS securities on that trading day will be calculated and no order shall be input into the System, amended or cancelled.
    - (b) For the purpose of Rule 501L(4), unless otherwise determined by the Exchange,
      - (i) the upper price limit means a price which is 5% (or such other percentage as the Exchange may from time to time determine) higher than the CAS reference price, rounded down to the nearest spread; and
      - (ii) the lower price limit means a price which is 5% (or such other percentage as the Exchange may from time to time determine) lower than the CAS reference price, rounded up to the nearest spread.
  - (4) All outstanding buy limit orders for a CAS security each with a specified price of not higher than the upper price limit and all outstanding sell limit orders for a CAS

security each with a specified price of not lower than the lower price limit which remain wholly or partly unmatched at the close of the Continuous Trading Session immediately preceding the Closing Auction Session shall be treated as at-auction limit orders at the input specified price and carried forward to the Closing Auction Session of the same trading day for automatic order matching. The order entry time of such converted at-auction limit orders shall be the time the limit orders were originally entered into the System. All other outstanding buy limit orders and sell limit orders for a CAS security which remain wholly or partly unmatched at the close of the Continuous Trading Session shall be cancelled and deleted from the System automatically.

- (5) (a) During the order input period, at-auction orders and at-auction limit orders each with a specified price that does not deviate more than 5% from the CAS reference price may be input into the System and except as provided in paragraph (b) below, all orders may be amended or cancelled. An auction order that is amended in connection with a reduction in size shall not affect the time priority of the original auction order. An auction order that is amended in connection with the specified price or an increase in size will result in the loss of time priority of the original auction order.
- (b) An outstanding short selling order or market making order carried forward to the Closing Auction Session pursuant to Rule 501L(4) may be amended in connection with a reduction in size or cancelled. For the avoidance of doubt, such order shall not be amended in connection with the specified price or an increase in size during the order input period.
- (6) During the no-cancellation period and the random closing period up to the close of the Closing Auction Session, at-auction orders and at-auction limit orders each with a specified price (a) that does not deviate more than 5% from the CAS reference price; and (b) (if available) within the range of the lowest ask price and the highest bid price of the orders recorded in the System at the end of the order input period may be input into the System but no order shall be amended or cancelled.
- (7) The random closing period may end at any time, as determined automatically and randomly by the System, no later than 4:10 p.m. or 12:10 p.m., as the case may be. For the avoidance of doubt, the random closing period in relation to all CAS securities will end at the same time and the Closing Auction Session will close at the end of the random closing period.
- (8) Commencing at the end of the random closing period, automatic order matching of the auction orders shall be conducted in accordance with Rule 517(1)(a) and no order shall be input into the System, amended or cancelled. All transactions so concluded based on the methodology specified in Rule 517(1)(a) shall be deemed to have been concluded at the end of the random closing period.
- (9) For the avoidance of doubt, if no CAS reference price in respect of an issue of CAS securities is available, the price limits or restrictions which are made with reference to CAS reference price, as referred to in Rules 501L(4), 501L(5) and 501L(6), shall not apply to the orders for the CAS securities, unless the Exchange otherwise determines.



- 501M. (1) An IEP will be calculated according to the following rules only if the highest bid price of the buy at-auction limit orders is equal to or higher than the lowest ask price of the sell at-auction limit orders:
- (a) the IEP shall be one of the bid prices or ask prices which falls within the range of the highest bid price of the buy at-auction limit orders and the lowest ask price of the sell at-auction limit orders (inclusive of both prices) at which the aggregate size of the trades to be concluded based on the methodology specified in Rule 517(1)(a) is maximised;
  - (b) if more than one price satisfies Rule 501M(1)(a), the IEP shall be the price at which the normal order imbalance is the lowest. For the purposes hereof, normal order imbalance, in relation to a price, means the difference between the aggregate size of the buy at-auction orders and the buy at-auction limit orders with bid prices at or better than that price and the aggregate size of the sell at-auction orders and the sell at-auction limit orders with ask prices at or better than that price;
  - (c) if more than one price satisfies Rule 501M(1)(b), the IEP shall be-
    - (i) the highest of such prices if in relation to each and every of such prices, the aggregate size of the buy at-auction orders and the buy at-auction limit orders with bid prices at or better than that price is greater than the aggregate size of the sell at-auction orders and the sell at-auction limit orders with ask prices at or better than that price; or
    - (ii) the lowest of such prices if in relation to each and every of such prices, the aggregate size of the buy at-auction orders and the buy at-auction limit orders with bid prices at or better than that price is smaller than the aggregate size of the sell at-auction orders and the sell at-auction limit orders with ask prices at or better than that price;
  - (d) if more than one price satisfies Rule 501M(1)(b) and 501M(1)(c) does not apply, the IEP shall be the price which is the closest to the CAS reference price. If two prices are of equidistant from the CAS reference price, the IEP shall be the higher of the two prices. However, if the CAS reference price is not available, the IEP shall be the highest of such prices.
- (2) If an IEP is calculated in accordance with Rule 501M(1) at the end of the random closing period of the Closing Auction Session, at-auction orders and at-auction limit orders with specified prices at or better than such IEP shall be matched by automatic order matching at such IEP commencing from the end of the random closing period of the Closing Auction Session based on the methodology specified in Rule 517(1)(a). All auction orders which remain wholly or partly unmatched shall be cancelled and deleted from the System automatically at the end of that trading day.
- (3) If no IEP is calculated at the end of the random closing period of the Closing Auction Session in accordance with Rule 501M(1), the CAS reference price shall be treated as IEP, at-auction orders and at-auction limit orders with specified prices at or better than the CAS reference price shall be matched by automatic order

matching at the CAS reference price commencing from the end of the random closing period of the Closing Auction Session. All auction orders which remain wholly or partly unmatched shall be cancelled and deleted from the System automatically at the end of that trading day.

- (4) If no IEP is calculated at the end of the random closing period of the Closing Auction Session in accordance with Rule 501M(1) and if no CAS reference price is available and treated as IEP pursuant to Rule 501M(3), there will be no automatic order matching at the end of the random closing period of the Closing Auction Session and the auction orders (if any) shall be cancelled and deleted from the System automatically at the end of that trading day.

#### **Termination of terminal activities**

502. All terminal activities (except enquiries) shall, unless otherwise determined by the Board, be terminated:
- (a) at the commencement of the order matching period for the Pre-opening Session;
  - (b) at the end of the Morning Session for the Morning Session if it is not followed immediately by the Closing Auction Session;
  - (c) at the end of the Closing Auction Session; and
  - (d) at such time or times as may be determined by the Chief Executive in consultation with the Chairman and the Commission.

#### **Trading of automatch stocks during the Pre-opening Session and the Closing Auction Session**

- 502D. All automatch stocks shall be eligible for trading during the Pre-opening Session and all automatch stocks which are CAS securities shall be eligible for trading during the Closing Auction Session unless otherwise determined by the Board. The Board has absolute discretion at any time to determine the eligibility of any issue of securities for trading during the Pre-opening Session and the Closing Auction Session. Notwithstanding any other provisions contained in these Rules, in the event that any issue of securities is determined by the Board to be not eligible for trading during the Pre-opening Session or the Closing Auction Session, there shall be no terminal activities relating to such issue of securities during the Pre-opening Session or the Closing Auction Session.

#### **Quotations**

505. Rules 506, 506A, 507 and 507A do not apply to auction orders and such orders can only be input into the System during the Pre-opening Session subject to Rule 501G or the Closing Auction Session subject to Rule 501L. Limit orders, enhanced limit orders and special limit orders can only be input into the System during the trading hours prescribed in Rule 501(1) provided that, if applicable, such orders in respect of the Extended Trading Securities can also be input into the System during the Extended Morning Session. For the avoidance of doubt,

- (1) if an order is input into the System through the Open Gateway of an Exchange Participant or the Central Gateway session designated to an Exchange Participant, the order is taken for all purposes under these Rules to have been input into the System by and with the knowledge of the Exchange Participant; and
- (2) if an order is input into the System through the Special Participant Open Gateway or Backup Special Participant Open Gateway of a Special Participant, the order is taken for all purposes under these Rules to have been input into the System by and with the knowledge of the Special Participant.

### **Transactions**

517. (1) (a) During the Pre-opening Session and the Closing Auction Session, one or more transactions are struck upon completion of matching by the System based on the application of a strict order type, price and time priority methodology. For the purposes hereof, the strict order type, price and time priority methodology to be applied by the System in effecting automatic order matching during the Pre-opening Session and the Closing Auction Session is as follows: at-auction orders shall carry a higher matching priority than at-auction limit orders; the priority of matching at-auction orders shall be determined by order entry time; the priority of matching of at-auction limit orders shall be determined by the specified price; and the priority of matching at-auction limit orders with the same specified price shall be determined by order entry time.
518. The price of every transaction concluded during the Continuous Trading Session must be within the range of the current bid price and the current ask price as displayed in the System at the moment of the transaction. In case there is no current bid price, then the price of a transaction shall be at the current ask price and vice versa. This Rule shall not apply to transactions concluded during the Pre-opening Session or the Closing Auction Session.
- 520(1). Each selling Exchange Participant shall input into the System details of a sale transaction within 15 minutes after the conclusion of the transaction, but not later than:
- (a) 15 minutes after the commencement of the Morning Session in respect of transactions concluded in the Pre-opening Session;
  - (b) the end of the Morning Session in respect of transactions concluded in the Morning Session and (where the Morning Session is immediately followed by the Closing Auction Session) the end of the Closing Auction Session in respect of transactions in CAS securities concluded in the Morning Session;
  - (c) the end of the Afternoon Session in respect of transactions concluded in the Afternoon Session and (where the Afternoon Session is immediately followed by the Closing Auction Session) the end of the Closing Auction Session in respect of transactions in CAS securities concluded in the Afternoon Session; and
  - (d) the end of the Closing Auction Session in respect of transactions in CAS securities concluded in the Closing Auction Session.

### **Review and Rejection**

523. Each buying Exchange Participant shall review details of the transactions as recorded in its favour in the System and reject any erroneous input as soon as it discovers an error but not later than:
- (a) the commencement of the order matching period in respect of transactions inputted into the System during the Pre-opening Session;
  - (b) the end of the Morning Session in respect of transactions inputted into the System during the Morning Session;
  - (c) the end of the Afternoon Session in respect of transactions inputted into the System during the Afternoon Session; and
  - (d) the end of the Closing Auction Session in respect of transactions inputted into the System during the Closing Auction Session.

### **Direct Business**

526. (1) (a) It is the duty of every Exchange Participant conducting direct business transactions within the Pre-opening Session, the trading hours stipulated in Rule 501(1) and the Closing Auction Session to input details of such transactions into the System within the following time limits (or other time limits as the Exchange may from time to time determine):
- (i) in respect of direct business transactions which are ATS transactions, immediately and in any case, within 1 minute after the conclusion of the transactions; and
  - (ii) in respect of all other direct business transactions, within 15 minutes after the conclusion of the transactions,
- and in any event not later than
- (i) 15 minutes from the commencement of the Morning Session in respect of transactions concluded during the Pre-opening Session,
  - (ii) the end of the Morning Session in respect of transactions concluded during the Morning Session and (where the Morning Session is immediately followed by the Closing Auction Session) the end of the Closing Auction Session in respect of transactions in CAS securities concluded in the Morning Session;
  - (iii) the end of the Afternoon Session in respect of transactions concluded during the Afternoon Session and (where the Afternoon Session is immediately followed by the Closing Auction Session) the end of the Closing Auction Session in respect of transactions in CAS securities concluded in the Afternoon Session; and
  - (iv) the end of the Closing Auction Session in respect of transactions in CAS securities concluded in the Closing Auction Session.
- provided that no such duty exists for transactions concluded through automatic order matching.
- (b) Any transactions not recorded in the System before the end of trading of the relevant securities on a trading day shall be reported to the Exchange within the

order input period and the pre-order matching period of the Pre-opening Session, or within the first 15 minutes of the commencement of the Continuous Trading Session on the next trading day as transactions concluded on that trading day on which the reporting is made provided that if there is no Continuous Trading Session on the next trading day for whatever reason, any such transactions not reported to the Exchange as aforesaid shall be reported to the Exchange not later than the first 15 minutes of the commencement of the first trading session of the next Continuous Trading Session as transactions concluded during the trading session in which the reporting is made.

- (2) Direct business transactions conducted outside the Pre-opening Session, the trading hours stipulated in Rule 501(1) and the Closing Auction Session shall be reported within the first 15 minutes of the commencement of trading on the next trading session as transactions concluded during that trading session on which the reporting has been made provided that if the next trading session is a Pre-opening Session, such direct business transactions shall be reported within the order input period and the pre-order matching period of that Pre-opening Session or the first 15 minutes of the commencement of trading on the first trading session of the next Continuous Trading Session as transactions concluded during the trading session on which the reporting has been made.
- (3) The price of every direct business transaction concluded during the Continuous Trading Session must be within the range of the lowest of twenty-four spreads below the previous closing price, the lowest bid and the lowest ask price up to the time of the transaction on the day and the highest of twenty-four spreads above the previous closing price, the highest bid and the highest ask price up to the time of the transaction on the day. This Rule 526(3) shall not apply to direct business transactions concluded during the Pre-opening Session or the Closing Auction Session.

**Typhoons and Rainstorms**

571. Unless otherwise decided by the Board, the trading and settlement arrangements relating to the hoisting and lowering of Typhoon Signals and the issuance and cancellation of Black Rainstorm Warnings shall be as follows:

(1)	(a) Trading arrangement for all trading days except the eves of Christmas, New Year and Lunar New Year where the Hong Kong Observatory has hoisted or lowered a Typhoon Signal No. 8 or above	
(i)	If a Typhoon Signal No. 8 or above is hoisted at any time prior to 9:00 a.m.:	<p>The position will be as follows:</p> <ul style="list-style-type: none"> <li>- Commencement of trading in the Pre-opening Session will take place at 9:00 a.m. as usual if the Signal is lowered at or before 7:00 a.m..</li> <li>- There will be no trading in the Pre-opening Session if the Signal is lowered after 7:00 a.m..</li> <li>- Commencement of trading in the Morning Session will take place:</li> </ul>

		<ul style="list-style-type: none"> <li>- at 9:30 a.m. as usual if the Signal is lowered at or before 7:30 a.m.;</li> <li>- at 10:00 a.m. if the Signal is lowered at or before 8:00 a.m.;</li> <li>- at 10:30 a.m. if the Signal is lowered at or before 8:30 a.m.; or</li> <li>- at 11:00 a.m. if the Signal is lowered at or before 9:00 a.m..</li> <li>- There will be no trading in the Morning Session if the Signal is lowered after 9:00 a.m..</li> <li>- Commencement of trading in the Afternoon Session will take place:             <ul style="list-style-type: none"> <li>- at 1:00 p.m. if the Signal is lowered at or before 11:00 a.m.;</li> <li>- at 1:30 p.m. if the Signal is lowered at or before 11:30 a.m.; or</li> <li>- at 2:00 p.m. if the Signal is lowered at or before 12:00 noon.</li> </ul> </li> <li>- There will be no trading for the day if the Signal is lowered after 12:00 noon.</li> </ul>
(ii)	If a Typhoon Signal No. 8 or above is hoisted during the Pre-opening Session:	<p>The position will be as follows:</p> <ul style="list-style-type: none"> <li>- Trading in the Pre-opening Session will continue until the end of the Session but there will be no trading in the Morning Session and the Extended Morning Session.</li> <li>- Commencement of trading in the Afternoon Session will take place:             <ul style="list-style-type: none"> <li>- at 1:00 p.m. if the Signal is lowered at or before 11:00 a.m.;</li> <li>- at 1:30 p.m. if the Signal is lowered at or before 11:30 a.m.; or</li> <li>- at 2:00 p.m. if the Signal is lowered at or before 12:00 noon.</li> </ul> </li> <li>- There will be no trading in the Morning Session, the Extended Morning Session, the Afternoon Session and the Closing Auction Session if the Signal is lowered after 12:00</li> </ul>

		noon.
(iii)	If a Typhoon Signal No. 8 or above is hoisted during the Morning Session:	<p>The position will be as follows:</p> <ul style="list-style-type: none"> <li>- Trading will be terminated 15 minutes after the hoisting of the Signal and there will be no trading in the Extended Morning Session.</li> <li>- Commencement of trading in the Afternoon Session will take place: <ul style="list-style-type: none"> <li>- at 1:00 p.m. if the Signal is lowered at or before 11:00 a.m.;</li> <li>- at 1:30 p.m. if the Signal is lowered at or before 11:30 a.m.; or</li> <li>- at 2:00 p.m. if the Signal is lowered at or before 12:00 noon.</li> </ul> </li> <li>- There will be no trading in the Extended Morning Session, the Afternoon Session and the Closing Auction Session if the Signal is lowered after 12:00 noon.</li> </ul>
(iv)	If a Typhoon Signal No. 8 or above is hoisted after the end of the Morning Session but before the commencement of the Afternoon Session (i.e. during the Extended Morning Session):	<p>The position will be as follows:</p> <ul style="list-style-type: none"> <li>- If there was trading in the Morning Session, trading in the Extended Morning Session will be terminated 15 minutes after the hoisting of the Signal and there will be no trading in the Afternoon Session and the Closing Auction Session.</li> <li>- If there was no trading in the Morning Session and pursuant to Rule 501B, no trading in the Extended Morning Session, there will also be no trading in the Afternoon Session and the Closing Auction Session.</li> </ul>
(v)	If a Typhoon Signal No. 8 or above is hoisted before 3:45 p.m. during the Afternoon Session:	<p>The position will be as follows:</p> <ul style="list-style-type: none"> <li>- Trading will be terminated 15 minutes after the hoisting of the Signal and there will be no trading for the rest of the day.</li> </ul>
(vi)	If a Typhoon Signal No. 8 or above is hoisted at or after 3:45 p.m. during the Afternoon Session or the Closing Auction Session:	<p>The position will be as follows:</p> <ul style="list-style-type: none"> <li>- Trading will continue until the end of the Closing Auction Session.</li> </ul>

(1)	(aa) Trading arrangement for the eves of Christmas, New Year and Lunar New Year where the Hong Kong Observatory has hoisted or lowered a Typhoon Signal No. 8 or above	
(ii)	If a Typhoon Signal No. 8 or above is hoisted during the Pre-opening Session:	The position will be as follows: - Trading in the Pre-opening Session will continue until the end of the Session but there will be no trading in the Morning Session and the Closing Auction Session.
(iii)	If a Typhoon Signal No. 8 or above is hoisted before 11:45 a.m. during the Morning Session:	The position will be as follows: - Trading will be terminated 15 minutes after the hoisting of the Signal and there will be no trading for the rest of the day.
(iv)	If a Typhoon Signal No. 8 or above is hoisted at or after 11:45 a.m. during the Morning Session or the Closing Auction Session:	The position will be as follows: - Trading will continue until the end of the Closing Auction Session.

(1)	(b) Trading arrangement for all trading days where the Hong Kong Observatory has issued or cancelled a Black Rainstorm Warning	
(i)	If a Black Rainstorm Warning is issued at any time prior to 9:00 a.m.:	The position will be as follows: - Commencement of trading in the Pre-opening Session will take place at 9:00 a.m. as usual if the Warning is cancelled at or before 7:00 a.m.. - There will be no trading in the Pre-opening Session if the Warning is cancelled after 7:00 a.m.. - Commencement of trading in the Morning Session will take place: - at 9:30 a.m. as usual if the Warning is cancelled at or before 7:30 a.m.; - at 10:00 a.m. if the Warning is cancelled at or before 8:00 a.m.; - at 10:30 a.m. if the Warning is cancelled at or before 8:30 a.m.; or - at 11:00 a.m. if the Warning is cancelled at or before 9:00 a.m.. - There will be no trading in the Morning Session



		<p>if the Warning is cancelled after 9:00 a.m.</p> <ul style="list-style-type: none"> <li>- Commencement of trading in the Afternoon Session will take place: <ul style="list-style-type: none"> <li>- at 1:00 p.m. if the Warning is cancelled at or before 11:00 a.m.;</li> <li>- at 1:30 p.m. if the Warning is cancelled at or before 11:30 a.m.; or</li> <li>- at 2:00 p.m. if the Warning is cancelled at or before 12:00 noon.</li> </ul> </li> <li>- There will be no trading for the day if the Warning is cancelled after 12:00 noon.</li> </ul>
(ii)	If a Black Rainstorm Warning is issued during the Pre-opening Session, the Morning Session, the Afternoon Session or the Closing Auction Session:	<p>The position will be as follows:</p> <ul style="list-style-type: none"> <li>- If there was trading before the issuance of the Warning, trading will continue as usual.</li> <li>- If there was no trading before the issuance of the Warning, there will be no trading provided that if the Warning was issued during the Pre-opening Session or the Morning Session, commencement of trading in the Afternoon Session will take place: <ul style="list-style-type: none"> <li>- at 1:00 p.m. if the Warning is cancelled at or before 11:00 a.m.;</li> <li>- at 1:30 p.m. if the Warning is cancelled at or before 11:30 a.m.; or</li> <li>- at 2:00 p.m. if the Warning is cancelled at or before 12:00 noon.</li> </ul> </li> <li>- There will be no trading for the day if the Warning is cancelled after 12:00 noon.</li> </ul>
(iii)	If a Black Rainstorm Warning is issued after the end of the Morning Session but before the commencement of the Afternoon Session (i.e. during the Extended Morning Session):	<p>The position will be as follows:</p> <ul style="list-style-type: none"> <li>- If there was trading in the Morning Session, trading in the Extended Morning Session, the Afternoon Session and the Closing Auction Session will take place as usual.</li> <li>- If there was no trading in the Morning Session and pursuant to Rule 501B, no trading in the Extended Morning Session, there will also be no trading in the Afternoon Session and the Closing Auction Session.</li> </ul>

**CHAPTER 15**

**SPECIAL PARTICIPANTS**

**Trading**

1528. (1) Unless otherwise determined by the Exchange, the following Rules in Chapter 5 apply to a Special Participant, orders placed by it and trades executed by it:
- 501 (Trading Hours)
  - 501G, 501H and 501I (Pre-opening Session)
  - 501L and 501M (Closing Auction Session)
  - 502A (Cancellation of orders)
  - 502B (Designation and re-designation of automatch or non-automatch stock)
  - 502D (Trading of automatch stocks during the Pre-opening Session and the Closing Auction Session)
  - 503 and 504 (Opening Quotations)
  - 505, 505A, 506A, 507A, 508, 511 and 512 (Quotations) and Second Schedule (Spread Table)
  - 514, 516 and 516A (Odd Lot and Special Lot Quotations)
  - 517(1), 517(4), 517(6), 518, 519, 522 (Transactions)
  - 528 (Day-end Review of Sales/Purchases)
  - 544(1), 544(3), 544(4) (Transactions not Recognized)
  - 545 (Market Misconduct, etc.)
  - 551 (Equipment Failure)
  - 564, 566 and 567 (Disputes)
  - 569 (Power of the Board to Investigate and Demand Documents)
  - 569A, 569B (Disclosure of Information)
  - 571 (Typhoons and Rainstorms)
  - 572 and 573 (Emergency)
  - 574 (Settlement under CCASS)