

Dated: March 2017

**THE STOCK EXCHANGE OF HONG KONG LIMITED**

**EXCHANGE PARTICIPANT ADMISSION  
APPEALS PROCEDURES**

**1. Interpretation**

1.1. Unless the context otherwise requires, the terms used in these “Exchange Participant Admission Appeals Procedures” shall have the same meanings as contained in the Rules of the Exchange.

1.2. In these Exchange Participant Admission Appeals Procedures, unless the context otherwise requires:

“**Admission Application**” means an application made by an appellant to become an Exchange Participant or an application made by an Exchange Participant to become an Options Exchange Participant;

“**appellant**” means an applicant who has applied for an appeal against the decisions by the Board on any Admission Application;

“**Chairman**” means the chairman to the Exchange Participant Admission Appeals Committee;

“**Exchange Participant Admission Appeals Committee**” means the committee convened to hear any appeal against the decisions by the Board on any Admission Application; and

“**Secretary**” means the Secretary to the Exchange Participant Admission Appeals Committee.

**2. Introduction**

2.1. The purpose of these Exchange Participant Admission Appeals Procedures is to prescribe the procedures for appeals against decisions of the Board on any Admission Application that an appellant shall follow pursuant to the Rules of the Exchange.

2.2. The procedures shall be read in conjunction with and shall form part of the Rules of the Exchange.

2.3. These Exchange Participant Admission Appeals Procedures are intended to enable the Exchange Participant Admission Appeals Committee to deal with appeals requests by an appellant against decisions of the Board on any Admission Application expeditiously. To this end, these Exchange Participant Admission Appeals Procedures are flexible and the Exchange Participant Admission Appeals Committee may, subject to the Board's approval, vary any of these procedures to adapt the circumstances of any particular case.

**3. Application for Appeals against Decisions of the Board on any Admission Application**

3.1. If the Board rejects an Admission Application, the applicant may apply for an appeal against the Board's decisions.

3.2. Appeals must be commenced by service of a notice in writing to the Secretary within 14 business days of being notified of the Board's decision, setting out the name of the appellant, the decision appealed against, the grounds of appeal, all material facts and attaching copies of all documents relevant to the appeal.

3.3. The appellant shall provide the Exchange with all information for the Admission Application before seeking to appeal against the Board's decisions.

3.4. The appellant shall not seek to present to the Exchange Participant Admission Appeals Committee new information or evidence that was not previously submitted with its Admission Application.

3.5. If the Secretary upon receipt of the appeal application under Clause 3.2 discovers that the appellant seeks to adduce any new information, the Secretary may request the appellant to withdraw its appeal application and re-submit an Admission Application.

#### **4. Exchange Participant Admission Appeals Committee**

##### **Membership**

4.1. The Exchange Participant Admission Appeals Committee shall have 3 members, and all 3 members must attend the hearing to form a quorum. The three members shall be:

- (a) the Chairman shall be an independent non-executive director of HKEX who is also the chairman of the Cash Market Consultative Panel (CMCP); If he cannot attend a hearing, the deputy chairman of the CMCP or an independent non-executive director of HKEX to be appointed by the Chairman can act as his proxy;
- (b) a director of the Exchange who is not involved in the day to day operations of the Cash Market to be appointed by the Chairman; and
- (c) an independent non-executive director of HKEX to be appointed by the Chairman.

#### **5. Admission Appeals Proceedings by the Exchange Participant Admission Appeals Committee**

5.1. The Exchange Participant Admission Appeals Committee shall fix a date for the hearing within 30 business days after receipt of the appellant's written application together with the information required under Clause 3.2 and the Secretary shall notify the appellant of the date of hearing.

5.2. A notice under Clause 5.1 shall set out the time, date and place of the hearing and shall be delivered to the business address of the appellant by hand or by registered mail no later than 14 business days before the hearing.

5.3. The hearing will be held in private.

5.4. The appellant can attend the hearing by the personal attendance of an appropriate and authorised representative.

- 5.5. The appellant shall have the right to be represented by a solicitor and/or counsel at the hearing before the Exchange Participant Admission Appeals Committee.
- 5.6. If the appellant wishes to be represented by a solicitor and/or counsel at the hearing before the Exchange Participant Admission Appeals Committee, it shall notify the Secretary of the name of the solicitor and/or counsel representing it at least 7 business days before the hearing takes place.
- 5.7. The Exchange Participant Admission Appeals Committee may seek external legal representation at the hearing.
- 5.8. At least 3 business days before the hearing, the appellant shall provide the Secretary with a list of all persons attending the hearing and the respective capacity in which such persons will attend the hearing.
- 5.9. If the appellant fails to attend the hearing before the Exchange Participant Admission Appeals Committee, the Exchange Participant Admission Appeals Committee hearing may proceed in the absence of the appellant and dispose of the matter in whatever manner as it sees fit.
- 5.10. The appellant and/or its legal representatives may make an oral presentation or submission before the Exchange Participant Admission Appeals Committee in the hearing. The Exchange Participant Admission Appeals Committee may ask any persons attending the hearing any questions relevant to the Admission Application.
- 5.11. At any hearing, the Exchange Participant Admission Appeals Committee may, at its full discretion, admit or reject any evidence adduced, whether oral or written, and attach such weight to the evidence as the Exchange Participant Admission Appeals Committee considers appropriate in its discretion.
- 5.12. The Exchange Participant Admission Appeals Committee will consider the evidence, written and oral, presented to it in coming to its decision.
- 5.13. The Secretary shall notify the appellant in writing of the decision of the Exchange Participant Admission Appeals Committee as soon as practicable and in any event no later than 30 business days after the hearing.

5.14. The decision of the Exchange Participant Admission Appeals Committee shall be final and conclusive.