

香港聯合交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: ENHANCEMENT TO THE THROTTLE-ON-DEMAND SCHEME

Enquiry: Participant General Enquiry Hotline (Tel : 2840 3626 E-mail : trd@hkex.com.hk)

Under Rule 365D of the Rules of the Exchange, Exchange Participants (“EPs”) may apply to the Exchange for temporary increase in the throughput rate into the Trading System of Hong Kong securities market on a daily or monthly basis (the “Throttle-on-Demand Scheme” or “TOD Scheme”) and such applications shall be subject to the approvals of the Exchange.

To facilitate on-boarding of potential EPs (“prospective EPs”) who are already trading through existing EPs, the Exchange is pleased to announce **an enhanced TOD subscription arrangement** which would allow existing EPs to apply for transitional TOD throttle rates for their prospective EP clients.

Currently, the total number of temporary throttle rates via the TOD Scheme subscribed for by an EP must not exceed 100% of its Additional Throttles or 10 throttle rates, whichever is higher (the “TOD throttle rates cap”). Under the enhanced TOD subscription arrangement, EPs may submit application to the Exchange for transitional TOD throttle rates in excess of their TOD throttle rates cap (“transitional TOD throttle rates”) to facilitate trading of their prospective EP clients during the interim period before such prospective EP clients become EPs. EP applying for transitional TOD throttle rates must satisfy such terms and conditions prescribed by the Exchange including without limitation:

- application should only be made by an EP who has reached its TOD throttle rates cap;
- the prospective EP client (or an affiliate of the prospective EP client) of the EP is in the process of applying to become an EP;
- the transitional TOD throttle rates must be subscribed for a period of 6 months (“subscription period”) unless earlier terminated in accordance with the terms and conditions prescribed by the Exchange;
- the transitional TOD throttle rates should be assigned to Orion Central Gateway (“OCG”) session(s) designated for the exclusive use by the prospective EP client;

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- both the prospective EP client and the EP should provide written confirmation to the Exchange that the OCG session(s) and the transitional TOD throttle rates will be used solely for the proprietary trading of the prospective EP client, during each of the subscription period on each subscription renewal; and
- The maximum number of TOD throttle rates that can be assigned is subject to the Exchange's discretion and availability of TOD throttle rates.

The enhanced TOD subscription arrangement shall take effect immediately. The Exchange expects that such enhancement would provide more trading flexibility to eligible EPs and their prospective EP clients. The explanatory notes for the application forms in relationship to the TOD Scheme have been updated accordingly to reflect the enhanced TOD subscription arrangement. For application of transitional TOD throttle rates in relation to prospective EP client, EP should complete a new "*Application for Transitional Throttle-On-Demand (TOD) Throttle Rates*" form. These application forms are available on HKEX website at http://www.hkex.com.hk/eng/market/sec_tradinfra/ocg/orioncg.htm. EPs are reminded to read the explanatory notes to these application forms carefully before subscription.

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