

Proposed Amendments to CDP Rules 6.7.3 and 6.7.4

Rule No.	Current Rule	New Rule
CDP Clearing Rule 6.7.3(2)	Buying-in against the short Clearing Member may proceed according to this report at 11.15 am of the same Market Day or such other day as may be prescribed by CDP.	Buying-in against the short Clearing Member may proceed according to this report <u>and in accordance with Rule 6.7.4, on</u> the same Market Day or such other day as may be prescribed by CDP.
CDP Clearing Rule 6.7.4(1)	On the day of buying-in, CDP shall by 11.15 am enter into CLOB a list of securities to be bought-in, naming the security, the number to be bought, the short Clearing Member and the proposed price.	<u>CDP shall schedule a time for commencement of buying-in and inform Clearing Members of the scheduled time via circular.</u> On the day of buying-in, CDP shall, <u>as far as practicable, by the scheduled time for commencement of buying-in,</u> enter into CLOB a list of securities to be bought-in, naming the security, the number to be bought, the short Clearing Member and the proposed price. <u>CDP shall, at least 3 working days before changing the scheduled time for commencement of buying-in, inform Clearing Members of the details of such change via circular.</u>
CDP Clearing Rule 6.7.4(1A)	Nil	<p><u>If CDP is of the opinion that, due to an emergency on a particular day, buying-in is unlikely to commence at the scheduled time, CDP shall, via circular and the electronic trading platform provided by the Exchange, inform Clearing Members of the following matters:</u></p> <p><u>(a) that buying-in will not commence at the scheduled time; and</u></p> <p><u>(b) after assessing the impact of the emergency, the estimated time at which the delayed buying-in will commence.</u></p> <p><u>In any case where the commencement of buying-in is delayed, the delayed buying-in shall only commence at least 30 minutes after the original scheduled time.</u></p>

<p>CDP Clearing Rule 6.7.4(5)</p>	<p>The buying-in bid price, as determined by CDP, will be 2 minimum bids above the highest of the closing price of the previous day, the reference transacted price or the reference bid price.</p> <p>For the purpose of this Rule, the reference transacted price and the reference bid price will be any of the last transacted prices and bid prices between 10.45 am and 11.15 am, as determined by CDP.</p>	<p>The buying-in bid price, as determined by CDP, will be 2 minimum bids above the highest of the closing price of the previous day, the reference transacted price or the reference bid price.</p> <p>For the purpose of this Rule, the reference transacted price and the reference bid price will be any of the last transacted prices and bid prices <u>in the 1 hour preceding the commencement of buying-in</u>, as determined by CDP.</p>
<p>CDP Clearing Rule 6.7.4(6)</p>	<p>The buying-in shall commence at 11.15 am on any Market Day and sellers may offer for immediate delivery any securities shown in the list, the first offer at the price bid to be matched by CLOB. Offers may be in whole or in part of any particular security to be bought-in, provided that where only part is being offered, such part shall be in board lots.</p>	<p><u>Subject to paragraph (1A)</u>, buying-in shall commence at <u>the time scheduled by CDP</u> on any Market Day and sellers may offer for immediate delivery any securities shown in the list, the first offer at the price bid to be matched by CLOB. Offers may be in whole or in part of any particular security to be bought-in, provided that where only part is being offered, such part shall be in board lots.</p>