

SECTION 2I**CONTENTS**

| | | |
|-------|---|----|
| 2I. | HKMEx Service | 3 |
| 21.1 | INTRODUCTION..... | 3 |
| 21.2 | GENERAL..... | 4 |
| 21.3 | HKMEx TRANSACTIONS | 4 |
| 21.4 | CLEARING FOR HKMEx NON-CLEARING MEMBERS | 5 |
| 21.5 | REGISTRATION OF HKMEx TRANSACTIONS..... | 5 |
| 21.6 | POSITION AND FINANCIAL ACCOUNTS | 6 |
| 21.7 | FEES | 8 |
| 21.8 | MARGIN..... | 9 |
| 21.9 | TAX..... | 11 |
| 21.10 | SETTLEMENT OF HKMEx CONTRACTS..... | 11 |
| 21.11 | POSITION TRANSFERS | 11 |
| 21.12 | HKMEx Gold Deliveries..... | 12 |
| 21.13 | HKMEx Silver Deliveries | 19 |
| | APPENDIX A | 26 |
| | BUYER ALLOCATION NOTICE FOR GOLD..... | 26 |
| | APPENDIX B | 27 |
| | SELLER ALLOCATION NOTICE FOR GOLD | 27 |
| | APPENDIX C | 28 |
| | ADP CONFIRMATION FOR GOLD | 28 |
| | APPENDIX D..... | 29 |
| | BUYER ALLOCATION NOTICE FOR SILVER | 29 |
| | APPENDIX E | 30 |
| | SELLER ALLOCATION NOTICE FOR SILVER..... | 30 |
| | LCH.CLEARNET LTD..... | 30 |
| | ALDGATE HOUSE, 33 ALDGATE HIGH ST, LONDON EC3N 1EA..... | 30 |

HKMEx Silver SELLERS NOTICE OF ALLOCATION 30

LCH.CLEARNET LTD hereby directs you as seller under an open contract to deliver the lots detailed on this notice to the buying clearing member(s). 30

APPENDIX F 31

 ADP CONFIRMATION FOR SILVER 31

APPENDIX G 32

 SELLER ACCOUNT SALES - EXAMPLE ACCOUNT SALE: 32

APPENDIX H 33

 BUYERS INVOICE - EXAMPLE INVOICE:..... 33

APPENDIX I..... 34

 ECS & CLEARING HOUSE SYSTEM REQUIREMENTS..... 34

2I. HKMEx Service

2I.1 INTRODUCTION

2I.1.1 Background

These HKMEx Service Procedures apply to the clearing of the Hong Kong Mercantile Exchange (HKMEx) Gold & Silver Futures Contract, which is being cleared by LCH.Clearnet Ltd (LCH.C).

HKMEx Service Clearing Members (“CM”) must inform themselves fully of their obligations under LCH.Clearnet Ltd Rulebook (the “Rulebook”) and other relevant documentation, including the Clearing Membership Agreement between LCH.Clearnet Ltd and the Clearing Member and the terms of any approval required by LCH.C.

CMs should also familiarise themselves with HKMEx’s Rules.

Please note that both the Rulebook (including these Procedures) and HKMEx’s Rules are subject to change from time to time.

Enquiries regarding these Procedures or any other aspects of the operation of the HKMEx Service should be directed to LCH.Clearnet Ltd Business Operations Department on +44 (0)20 7426 7689.

Enquiries regarding margining should be directed to LCH.Clearnet Ltd Risk Operations +44 (0)20 7426 7520

Enquiries on CM status should be directed to the LCH.Clearnet Ltd Membership Department on +44 (0)20 7426 7949 or membershipofficers@lchclearnet.com

Enquiries relating to HKMEx’s Rules should be directed to HKMEx.

Full details of contact points may be found on LCH.Clearnet Ltd website (<http://www.lchclearnet.com>) and HKMEx’s website (<http://www.hkmerc.com/hkmex/>).

2I.1.2 Interpretation

Capitalised terms used in these Procedures have the meaning set out in the HKMEx Regulations unless otherwise specified.

Except where otherwise stated, all times shown are London time (BST/GMT) and the twenty four hour clock is used.

2I.1.3 MEMBERSHIP

A CM must comply with all LCH.Clearnet Ltd requirements and with any HKMEx requirements relating to participation in the HKMEx Trading System.

Details of how to be approved as a CM can be obtained from LCH.Clearnet Ltd Membership Department on +44 (0)20 7426 7949 or membershipofficers@lchclearnet.com

2I.1.4 Submission of HKMEx Transactions for registration

CMs submit HKMEx Transactions for registration by LCH.Clearnet Ltd via the HKMEx Trading System. Transactions will be matched via the HKMEx Trading System and HKMEx will submit matched transactions to the LCH.Clearnet Ltd Extensible Clearing System (ECS). All transactions will be registered in the name of the relevant CM.

2I.2 GENERAL

2I.2.1 Operating Times

2I.2.1.1 Opening Days

Details of the days on which the HKMEx Service is operational will be published by LCH.Clearnet Ltd by Clearing Member Circular. Details of the HKMEx operational days (“HKMEx Business Days”) are available from HKMEx.

2I.2.1.2 Opening Hours

The HKMEx Service will be operational from 08:00 to 23:00 hours HK time (the “Opening Hours”) (00:00/01:00 to 15:00/16:00 UK time in GMT/BST respectively)

Certain facilities provided by the ECS system will remain open until 24:00 HK time to allow for HKMEx to complete activities such as position transfers, block trades, contra trades and the “position adjustments” functionality will be available to CMs directly via ECS.

CMs must familiarise themselves with those facilities that remain available between 23:00 and 24:00 HK time:

- the Position screens; and
- the Position adjustment screens.

CMs should note that where an HKMEx Transaction is submitted for clearing outside the Opening Hours, the particulars of that HKMEx Transaction will be rejected.

If valid still, the CM should submit a new transaction the following business day.

LCH.Clearnet Ltd will be operating the clearing of the HKMEx service in London hours. However, LCH.Clearnet Ltd will be providing “On-Call” support outside of UK working hours.

LCH.Clearnet Ltd Operations teams will provide on call support between midnight and 0730 UK time for business critical issues only.

2I.3 HKMEx TRANSACTIONS

2I.3.1 Eligible Transactions

Trades (including EFPs/EFSSs, Position Transfers, Give Ups, Contrats and Block trades) executed or registered through the HKMEx Trading System between

CMs which satisfy all LCH.Clearnet Ltd requirements will be designated as HKMEx Transactions eligible for registration by the LCH.Clearnet Ltd.

2I.4 CLEARING FOR HKMEx NON-CLEARING MEMBERS

2I.4.1 HKMEx NCMs

All CMs may clear for one or more HKMEx NCMs. In order to do so, the following conditions must be satisfied at all times:

- (i) the HKMEx NCM is a participant of the HKMEx and;
- (ii) the CM and the HKMEx NCM are party to a valid and enforceable agreement under which the CM agrees to clear HKMEx Transactions on behalf of such person.

Such agreement must confer the right on the CM, and the CM must lawfully be entitled at all times to pass to LCH.Clearnet Ltd, in accordance with Regulation 30, such information and data relating to the HKMEx NCM as LCH.Clearnet Ltd may in its sole discretion deem appropriate.

The static data form executed by both the HKMEx NCM and the CM shall be definitive proof of the CM clearing for an HKMEx NCM.

The LCH.Clearnet Ltd contracts with the CM alone and, to the fullest extent permitted by law, disclaims any duties or obligations to an HKMEx NCM.

Clearing Members should contact the LCH.Clearnet Membership department for further information on +44 (0)20 74267949.

2I.4.2 Termination

The CM may terminate its agreement with an HKMEx NCM at any time but must provide written notice to both HKMEx and LCH.Clearnet Ltd no less than 21 days in advance of the termination date.

For the avoidance of doubt, termination by the CM of its agreement with an HKMEx NCM will be without prejudice to the CM's obligations arising from or in relation to any HKMEx Transaction or HKMEx Contacts arising prior to such termination.

2I.5 REGISTRATION OF HKMEx TRANSACTIONS

2I.5.1 General

LCH.Clearnet Ltd requires the CMs in whose name a HKMEx Transaction is to be registered to provide it with cover for initial and variation margin as a condition of registration as a HKMEx Contract.

2I.5.2 Novation and Registration

LCH will register trades upon its receipt of the trade details from the HKMEx platform.

For trades matched on the platform, dispatch to LCH is immediate.

For all trades matched away from the platform (including but not limited to Block trades) HKMEx staff will enter the trade details into the HKMEx platform after carrying out validation checks to ensure that size and price are within the acceptable parameters set by LCH. The trade details of trades that fail the validation checks will be passed to LCH for further analysis. If necessary, LCH may call further margin before allowing HKMEx staff to enter trade details into the platform.

Registration by LCH is effective provided that trades meet LCH's eligibility criteria for registration of a HKMEx contract, as provided by Regulation 89(i). LCH carries out checks to ensure the criteria are met following receipt of trade details from the HKMEX platform.

At registration, novation replaces each HKMEx Trade with two separate HKMEx Contracts: one between the selling CM and LCH.Clearnet Ltd and the other between the buying CM and LCH.Clearnet Ltd.

2I.5.3 Notification

All HKMEx Contracts arising from registered HKMEx Transactions are listed on the CM Member Position and Trade reports available through the LCH.C members extranet.

2I.5.4 Fungibility

Clearing Members are informed that there is no fungibility between HKMEx Gold, Silver and similar contracts cleared at LCH.Clearnet Ltd.

2I.6 POSITION AND FINANCIAL ACCOUNTS

2I.6.1 Position-Keeping Accounts

2I.6.1.1 Types of Account

Positions with regard to HKMEx Contracts are recorded within ECS in position-keeping accounts.

The position accounts can be organised into these core groups:

H House [excluding Clients]¹

N Non-segregated client

S Segregated client

¹ The "house position-keeping account" represents a Member's principal business.

All Clearing Members are provided with a House account. A Clearing Member may establish additional position-keeping accounts by specifying these in the HKMEx Static Data forms. The static data form provides the mechanism for a Clearing Member to designate the account into which a position is to be registered.

2I.6.2 Basis of Position Keeping

Typically Position accounts are setup to be either held Net or Gross.

The following describes the typical setup:

2I.6.2.1 Net Accounts

Normally the following position-keeping account is held net, e.g. a position of bought one lot and sold two lots will be reported as sold one:

H House

Netting takes place before delivery allocation.

2I.6.2.2 Gross Accounts

Normally the following position-keeping accounts are held gross e.g. a position of bought one lot and sold two lots will show both bought and sold positions:

N Non-segregated client

S Segregated client

Where an account is a gross account, the CM may closeout open positions by the input of manual settlement of positions using the ECS position adjustment functionality.

If members require any LCH.Clearent Ltd support for position adjustments, this will only be carried out during UK working hours via ECS

It is the responsibility of the CM to closeout correctly within ECS, if they do not and require any assistance this may incur having to input new trades at the CM cost.

2I.6.3 Financial Accounts

CM position-keeping accounts have financial accounts associated with them. These are, amongst other things, used to record cash balances, securities/documentary credits and non-realised margin.

Where appropriate, a CM's financial accounts are identified by a single character code:

C for segregated client business;

H for house and non-segregated business. This financial account is obligatory.

Information contained within position-keeping accounts is consolidated into financial accounts, as follows:

2I.6.3.1 Relationship with Position-keeping accounts

Typically the following mapping exists between position and financial accounts:

| Position-keeping accounts | | Financial account |
|---------------------------|-----------------------|-------------------|
| H | House | H |
| N | Non-segregated client | H |
| S | Segregated client | C |

By instructing a transaction to be allocated to a position-keeping account, a CM is also deemed to be designating that transaction for the associated financial account.

Positions in Non-segregated client accounts are held separately from positions in the House account. However, the financial obligations of the House position account and the Non-segregated client position account are mapped to, and netted in, the financial House account.

2I.6.3.2 Other Financial Accounts

Subject to approval by the LCH.Clearnet Ltd, further financial accounts, used only to record financial balances, may be opened as follows:

| | Code |
|---|------|
| Buyers' and Sellers' security account (client business) used for certain delivery contracts | X |
| Buyers' and Sellers' security account (house business) used for certain delivery contracts. | Z |

2I.6.3.3 Default Fund (DF) Account

Each CM's Default Fund Contribution is held on a separate financial account. In accordance with the Default Fund Rules this account attracts a rate of interest at 3 month LIBOR +1%. The Default Fund account code is F.

2I.7 FEES

2I.7.1 General

Fees arising for the provision of HKMEx Services will be collected monthly from the CMs' financial accounts.

Details of tariffs and any changes thereto will be notified to CMs by means of Clearing Member circular.

2I.7.2 Execution Fees

Members are asked to note that, in respect of HKMEx Contracts, fees charged to CMs by LCH.Clearnet Ltd will include execution fees which LCH.Clearnet Ltd will collect on behalf of HKMEx in respect of the underlying trades executed through the HKMEx Trading System.

Details of execution fees and any changes thereto will be notified to CMs by HKMEx.

21.8 MARGIN

For the purposes of the HKMEx Service, a “Reference Price” includes daily Settlement Price and final Settlement Price as used in the HKMEx Rules.

21.8.1 Variation Margin

In terms of Regulation 91 HKMEx Contracts are settled to market daily (for position keeping accounts held net) or marked to market daily (for position keeping accounts held gross) by LCH.Clearnet Ltd in accordance with the relevant HKMEx Contract Terms. Profits or losses are either credited to or debited from CMs’ relevant financial accounts (realised margin))or they form non-realised contingent liabilities or credits in the event that the contracts are margined in this way).

21.8.1.1 Realised Margin

Realised margin is the calculated profit or loss arising from a comparison between the value of open positions at the relevant daily Settlement Price with the value of positions recorded i.e. the Traded Price for new trades and the previous day’s daily Settlement Price for other positions. The currency of this margin amount will be the same as the currency denomination of the contract’s reference price.

21.8.1.2 Non-Realised Variation Margin (Delivery Margin)

Non-realised variation margin is calculated as the difference between the next month’s daily settlement price and the final Settlement Price of the expired contract for all positions in delivery.

Non-realised variation margin is applicable to HKMEx Gold and Silver during the delivery period and has an offset against Initial Margin of 100%.

21.8.1.3 Buyer’s Security

During the delivery period, HKMEx Gold and Silver contracts require that buyer’s security is lodged with LCH.Clearnet Ltd. LCH.Clearnet Ltd will call buyer’s security from the end of day clearing run on LTD+2, which is confirmed with LCH.Clearnet Ltd Treasury Operations by 09:00 UK time (16:00/17:00 HK time) on LTD+3.

21.8.2 Initial Margin

Separate initial margin calculations are performed for a CM’s house “H” and client “C” accounts; no offset between these accounts is allowed.

Accounts are margined net, meaning that if long and short positions are held in the same delivery month Initial Margin is charged on the net position.

Initial Margin need not be in the same currency as the contracts traded.

A list of acceptable collateral can be found at the following location:

http://www.lchclearnet.com/risk_management/ltd/acceptable_collateral.asp

2I.8.2.1 Initial Margin Parameters

Initial margin parameters are set by LCH.Clearnet Ltd.

However, in accordance with the HKMEx Regulations, LCH.Clearnet Ltd retains the discretion to vary the rates for the whole market or for a CM's house and/or client accounts.

CMs will be notified by LCH.Clearnet Ltd of alterations to initial margin parameters no later than the day before calls are made based on the new rates.

2I.8.2.2 Intra-day Margin Calls

In accordance with the Regulations, LCH.Clearnet Ltd is entitled to make additional margin calls for payment the same day (intra-day margin calls) where it considers it necessary.

In addition, LCH.Clearnet Ltd may call intra-day on a specific CM should it feel the need to do so or upon any advice or instruction from HKMEx.

Intra-day margin calls will be made through the protected payments system ("PPS") in London ("UK PPS") or the USA ("US PPS").

In case of exceptional price movements after the close of US PPS and before the opening of UK PPS, LCH.Clearnet Ltd may make an ad-hoc intra-day margin call to the HKMEx Clearing Member's US Dollar account in Hong Kong.

HKMEx Clearing Members will be mandated to maintain a USD account at a bank in Hong Kong with which LCH, Clearnet Ltd also maintains an account. LCH.Clearnet will contact the Clearing Member during Hong Kong hours and request that a payment be made to LCH.Clearnet's account with the same bank. The payment should credit the account of LCH.Clearnet within 1 hour of the request being issued to the Clearing Member.

2I.8.2.3 Calculation of Initial Margin

London SPAN:

Initial margins are re-calculated at the close of each business day using the London SPAN algorithm which is an adaptation of the SPAN method developed by the Chicago Mercantile Exchange.

The Chicago Mercantile Exchange (CME) permitted LCH.Clearnet Ltd to adapt the CME specifications for SPAN to produce London SPAN, which meets the particular requirements of the London futures and options markets. 'SPAN [TM] ®' is a registered trademark of the CME. The CME assumes no liability in connection with the use of SPAN or London SPAN by any person or entity.

For full details of how London SPAN calculates margins, reference should be made to the SPAN technical information package (available from LCH.Clearnet Ltd Service Desk).

Technical questions should be directed to LCH.Clearnet Ltd Risk Management Department on +44 (0) 20 7426 7520.

21.9 TAX

CMs should take their own advice regarding any taxation liabilities in any country in which a liability to pay tax may arise.

In the event that LCH.Clearnet Ltd incurs any liability to pay any tax in respect of or in connection with any HKMEx Contract, it shall have the right to require reimbursement of such tax liability, together with any costs and expenses incurred by LCH.Clearnet Ltd in connection with the administration and processing of such tax liability, from the CM who is or was party to that HKMEx Contract, and whom, in the Clearing House's opinion should be responsible for meeting such tax liability, costs and expenses. LCH.Clearnet Ltd will collect such payments through PPS.

21.10 SETTLEMENT OF HKMEx CONTRACTS

HKMEx Contracts are physically delivered contracts.

21.10.1 Physical Delivery

See Section 21.13.0 of these Procedures for full provisions applicable to physical delivery.

21.10.2 Reference Prices for daily settlement to market

HKMEx will determine all the reference prices in respect to any HKMEx contract.

Should HKMEx fail to determine Reference Prices, LCH.Clearnet Ltd will itself determine these as necessary. This will be done at the Clearing House's discretion and be announced as soon as possible following such determination.

21.10.3 Cash Settlement

Cash settlement is a final settlement derived by HKMEx in the case of a physical default. HKMEx will determine the price as specified in the HKMEx Rules.

This is debited from or credited to the CMs' financial accounts.

21.11 POSITION TRANSFERS

CMs wishing to effect a position transfer to another CM or within their own accounts should submit a request to HKMEx via the process defined in the HKMEx Rules by 23:00 HKT on any HKMEx Business Day.

Position transfers can only be executed on HKMEx Business Days and within HKMEx business hours.

In the case of position transfers, LCH.Clearnet Limited pre-approval may be required depending on the Clearing Member accounts involved and the size of the transfer. LCH.Clearnet Ltd Risk will review the transfer and check cover. The time taken to review the transfer will depend on the volumes and number of transfers.

21.12 **HKMEx Gold Deliveries**

Precious metal commodities must be physically stored by depositories approved by HKMEx (Approved Depositories) for the purpose of delivery against the HKMEx futures contracts. Clearing Members must hold an account with the Approved Depositories, or must have appointed a settlement agent who holds an account at the relevant Approved Depositories, to enable each Clearing Member to fulfil its obligations to make or take delivery under the HKMEx Contract. HKMEx will maintain and publish a list of Approved Depositories for Members' reference.

HKMEx Service Clearing Members with open positions at cessation of trading are obliged to make/take delivery.

When making or taking delivery, Clearing Members must be fully conversant with these Procedures, the contents of Clearing Member circulars and the HKMEx Rules (including without limitation Contract Terms, Administrative Procedures and HKMEx notices).

Terms used in these Procedures which are not defined in LCH.Clearnet Ltd General Regulations shall bear the meaning set out in the HKMEx Rules.

In relation to deliveries only, in the event of any conflict between these Procedures and the HKMEx Rules, the latter shall take precedence.

A selling CM with an open sale contract has the obligation to make delivery during the times and in the manner stipulated in the HKMEx Rules

Throughout these delivery Procedures, the term "Buyer" is used to refer to the buying CM and "Seller" to the selling CM and not to any other person unless otherwise stipulated.

A Seller must arrange for delivery of the gold underlying the contract to the account of the Buyer within HKMEx Approved Depository and the Buyer must pay LCH.Clearnet Ltd against receipt of the gold.

LCH.Clearnet Ltd will direct CMs who are Buyers or Sellers under open contracts to perform delivery and payment obligations. In such correspondence LCH.Clearnet Ltd may refer to Buyer and/or Seller using Clearing Member mnemonics as specified on the LCH website at <http://www.lchclearnet.com/commodities/hkmex/>.

HKMEx will manage all relationships and commitments of their Approved Depository in relation to all activities where the Depository is required.

This includes if there are any problems or disputes with the CM and the Depository, it will manage such issues if required.

There will be no recourse to LCH.Clearnet Ltd should the Depository be unable to carry out any of its commitments during the Delivery period.

2I.12.1 Delivery Specification**2I.12.1.1 Quality**

The delivery unit of Gold is 1 kilogram (32.151 troy oz) exact, no less than 0.995 fineness, cast in one-kilogram bar, and bearing a serial number and identifying stamp of a refiner approved and listed by the Exchange.

2I.12.1.2 Price

The final settlement price shall be determined on the Last Trading Day of the contract. The final settlement price shall be based on the contract trading data, other relevant market indicator, or the decision by the President of the HKMEx, in accordance with the HKMEx Rules.

2I.12.1.3 Scope

HKMEx Gold contracts are for the sale and delivery by the Seller to the Buyer, out of a HKMEx approved depository. This takes place on the delivery day in accordance with the HKMEx Rules.

2I.12.2 Days and Times

Unless otherwise stated, “day” means a “Hong Kong business day”.

All “timings” or “times of day” are reflected as GMT/BST time (minus 8/7hrs respectively) against HK times. Where there is a fixed time the prevailing time is shown first.

2I.12.2.1 Delivery Timetable

| DAY | UKT TIME | HKT TIME | ACTION | |
|---------------------|-----------------|-----------------|---|---|
| | | | SELLERS | BUYERS |
| Last Trading Day | At 15:00 /16:00 | At 23:00 | Trading in spot month contracts ceases. | Trading in spot month contracts ceases. |
| | | | | |
| Last Trading Day +1 | By 12:00 | By 20:00 /19:00 | HIT report available on Member Reporting extranet site. | HIT report available on Member Reporting extranet site. |
| | By 15:00 | By 23:00 /22:00 | LCH.Clearnet Ltd allocates Sellers to Buyers. | LCH.Clearnet Ltd allocates Sellers to Buyers. |
| Last Trading Day +2 | By 08:00 /09:00 | By 16:00 | Submit any agreed ADPs. | Submit any agreed ADPs. |
| | By 08:00 | By 16:00 | Submit Authorisation form for Book Transfer | |

| DAY | UKT TIME | HKT TIME | ACTION | |
|---------------------|---|---|---|--|
| | /09:00 By 08:00 /09:00 | By 16:00 | to the Approved Depository and LCH.Clearnet Ltd. Inform LCH.Clearnet Ltd of being unable to deliver. | LCH.Clearnet Ltd informs buyer(s) of any delivery failures as soon as possible. |
| Last Trading Day +3 | By 00:00/ 01:00 By 09:00 | By 08:00 By 17:00/ 16:00 | Informed of Account Sale amount from LCH.Clearnet Ltd via Member Reporting. | Informed of Invoice amount from LCH.Clearnet Ltd via Member Reporting. Buyer provides Buyer's security to the Clearing House. |
| Last Trading Day +4 | By 11:00/ 12:00 From 09:00 After 19:00 | By 19:00 17:00/ 16:00 After 03:00/ 02:00 | Receipt of confirmation from Depository that Book Transfer to buyer has been completed and gold holdings have been updated. Seller receives Account Sale value from the Clearing House. Delivery Positions removed. | Receipt of confirmation from Depository that Book Transfer from seller has been completed and gold holdings have been updated. Receipt Positions removed. |

2I.12.2.2 Delivery Procedure

HKMEx sets the last trading date for HKMEx Gold Futures. Trading for a contract month will normally cease on the second Monday of the contract month. The Last Trading Day may be postponed to the next Business Day if the second Monday is not a Business Day.

2I.12.2.3 Last Trading Day (LTD)

At 23:00 HKT (15:00/ 16:00 UKT)

Trading in the spot month contracts ceases.

2I.12.2.4 Open Positions subject to Physical Delivery

Members must ensure that the open spot month positions are closed out on or before 24:00 HKT if physical delivery is not intended.

At 24:00 HKT, open contracts in the expiring contract month become open delivery contracts - HKMEx Service Clearing Members are obliged to make or take delivery.

2I.12.2.5 First Business Day after LTD (LTD+1)**Open Positions subject to Physical Delivery****HIT Report**

By 12:00 UKT (20:00/ 19:00 HKT)

Members must ensure that the open spot month positions are closed out via ECS by 12:00 UKT if physical delivery is not intended.

At 12:00 UKT, open contracts in the expiring contract month will become open delivery contracts. Members are obliged to make/take delivery.

LCH.Clearnet Ltd makes the HIT report available to Members on the Member Reporting extranet site.

Allocation Results

By 15:00 UKT (23:00/ 22:00 HKT)

LCH.Clearnet Ltd allocates open positions to Buyers based on allocation algorithm derived by HKMEx and LCH.Clearnet Ltd.

The buyer's allocation results (Appendix A) will consist of an allocation number, the seller and the number of lots.

The seller's allocation results (Appendix B) will consist of an allocation number, the buyer and the number of lots.

LCH.Clearnet Ltd publishes the allocation results to Members on the Member Reporting extranet site advising each Buyer of the identity of the Seller(s) from whom they will be receiving delivery and advising the Seller of the identity of the Buyer(s) to whom they must deliver.

2I.12.2.6 Second Business Day after LTD (LTD+2)**Alternative Delivery Procedure (ADP)**

By 16:00 HKT (08:00/ 09:00 UKT)

Upon receipt of the allocation results from LCH.Clearnet Ltd the selling Clearing Member can agree with the buying Clearing Member to undertake delivery outside the HKMEx Rules. Both parties must advise LCH.Clearnet Ltd using the relevant *Confirmation of Agreed ADP (Appendix C)* form.

ADP requests can be submitted to LCH.Clearnet Ltd on LTD+1, however *Confirmation of Agreed ADP* forms received after 16:00 UKT (24:00/23:00 HKT) on LTD+1, will be deemed to have been received on the next business day.

Upon approval of the ADP, LCH.Clearnet Ltd will settle the contracts at the Final Settlement Price between the Buyer and Seller.

Submission of Authorisation Form for Book Transfer

By 16:00 HKT (08:00/ 09:00 UKT)

Clearing Members who need to make delivery of the gold must submit the Authorisation for Metal Transfer Form (refer to the Exchange procedures for a copy of the form) as prescribed by the Approved Depository by specifying the details of the gold and the details of the buying Clearing Member on the form.

The deadline for submission of the Authorisation for Metal Transfer Form to the Approved Depository by email is 16:00 HKT (08:00/09:00 UKT) on LTD+2. In addition, the Clearing Members must also submit a copy of the Authorisation for Gold Transfer Form to LCH.Clearnet Ltd via email to LCHOperations-commodities@LCHClearnet.com by no later than 16:00 HKT (08:00/09:00 UKT) on LTD+2.

Delivery Failure Notification

By 16:00 HKT (08:00/ 09:00 UKT)

Clearing Members who do not have sufficient gold for delivery or fail to submit the Authorisation for Metal Transfer Form to LCH.Clearnet Ltd and the Depository are deemed by HKMEx to have committed a delivery failure and must notify LCH.Clearnet Ltd and HKMEx as soon as possible, but no later than 16:00 HKT (08:00/09:00 UKT) on LTD+2.

If there is a delivery failure, HKMEx will instruct cash settlement. LCH.Clearnet Ltd shall inform the buying Clearing Member accordingly.

Invoice Amount Calculation

After 19:00 UKT (03:00/ 02:00 HKT)

After receipt of the Depository Adjustment file from the Depository, LCH.Clearnet Ltd will calculate the Invoice and Account Sales amounts based on the Final Settlement Price and any adjustments of the gold detailed in the Depository Adjustment file.

21.12.2.7 Third Business Day after LTD (LTD+3)

Invoice Amount

By 08:00 HKT (00:00/ 01:00 UKT)

After the End of Day clearing run on LTD+2 Clearing Members will be able to view their Invoice & Account Sales reports on the Member Reporting extranet site.

Buyers Security

By 09:00 UKT (16:00/ 17:00 HKT)

The buyer must provide LCH.Clearnet Ltd with the following buyer's security:

(a) **The invoice amount**

Or

(b) **An amount specified by LCH.Clearnet Ltd**

The buyer's initial and contingent variation margin is released on receipt of buyer's security. (Please note: these funds will be returned during the overnight banking run and will arrive at the buyer's account by 09.00 UKT on LTD+4).

21.12.2.8 Delivery Day (LTD+4)

The timings described in this Section 21.12.2.8 are deadline times of when activities can occur "at", begin "from" or end "by".

Transfer of Gold Ownership

By 15:00 HKT (07:00/ 08:00 UKT)

HKMEx (on instruction from LCH.Clearnet Ltd) will notify the Approved Depository to initiate the transfer of the gold from the selling Clearing Member's gold deposit account maintained within the Approved Depository to that of the buying Clearing Member.

Confirmation of Book Transfer

By 19:00 HKT (11:00/ 12:00 UKT)

The Approved Depository confirms completion of the Book Transfer to HKMEx which in turn notifies LCH.C.

Payments**Invoices**

At 09:00 UKT (16:00/ 17:00 HKT)

LCH.Clearnet Ltd transfers the Invoice amount from the Buyer's security account to the Buyer's tender account.

Account Sales

From 09:00 UKT (16:00/ 17:00 HKT)

Upon receipt of confirmation from HKMEx that the Book Transfer has been completed, the Account Sale amount is posted to the Seller's tender account and paid to the Seller via reverse PPS payment.

Cancellation of Delivery and Receipt Positions

After 19:00 UKT (03:00/ 02:00 HKT)

Upon completion of the delivery process, LCH.Clearnet Ltd will remove all the delivery and receipt positions from the Clearing Members after the End of Day clearing process.

2I.12.3 Delivery Failure Procedures

2I.12.3.1 Delivery Failure

By 16:00 HKT (08:00/ 09:00 UKT) on LTD+2

Clearing Members who do not have sufficient gold for delivery or fail to submit the Authorisation for Metal Transfer Form to LCH.Clearnet Ltd and the Approved Depository are deemed to have committed a delivery failure pursuant to Exchange Rules.

CMs must notify LCH.Clearnet Ltd of any delivery failure as soon as possible, but no later than 16:00 HKT (08:00/09:00 UKT) on LTD+2. If no Authorisation for Metal Transfer Form has been received then delivery failure is automatically assumed. LCH.Clearnet Ltd will inform HKMEx and the buying Clearing Member accordingly.

HKMEx will forward the Failed Delivery details on to its Compliance department where further investigations and necessary actions, including the imposition of fines or a penalty may occur (see Exchange Rules)

2I.12.3.2 Cash Settlement Amount

In the event of a Clearing Member's failure to fulfil its delivery obligations, HKMEx will determine a new Settlement price at which the Failed Deliveries will be cash settled and inform LCH.Clearnet Ltd.

At 09:00 UKT (16:00/ 17:00 HKT) on LTD+4

LCH.Clearnet Ltd will produce the appropriate invoice(s) and credit note(s) in order to cash settle any failed deliveries and call/pay the relevant amounts at this time.

Any settlement and/or related penalties would be at a price determined by HKMEx and penalties invoiced via LCH.Clearnet Ltd.

21.13 **HKMEx Silver Deliveries**

Precious metal commodities must be physically stored by depositories approved by HKMEx (Approved Depositories) for the purpose of delivery against the HKMEx futures contracts. Clearing Members must hold an account with the Approved Depositories, or must have appointed a settlement agent who holds an account at the relevant Approved Depositories, to enable each Clearing Member to fulfil its obligations to make or take delivery under the HKMEx Contract. HKMEx will maintain and publish a list of Approved Depositories for Members' reference.

HKMEx Service Clearing Members with open positions at cessation of trading are obliged to make/take delivery.

When making or taking delivery, Clearing Members must be fully conversant with these Procedures, the contents of Clearing Member circulars and the HKMEx Rules (including without limitation Contract Terms, Administrative Procedures and HKMEx notices).

Terms used in these Procedures which are not defined in LCH.Clearnet Ltd General Regulations shall bear the meaning set out in the HKMEx Rules.

In relation to deliveries only, in the event of any conflict between these Procedures and the HKMEx Rules, the latter shall take precedence.

A selling CM with an open sale contract has the obligation to make delivery during the times and in the manner stipulated in the HKMEx Rules

Throughout these delivery Procedures, the term "Buyer" is used to refer to the buying CM and "Seller" to the selling CM and not to any other person unless otherwise stipulated.

A Seller must arrange for delivery of the Silver underlying contract to the account of the Buyer within HKMEx Approved Depository and the Buyer must pay LCH.Clearnet Ltd against receipt of the Silver.

LCH.Clearnet Ltd will direct CMs who are Buyers or Sellers under open contracts to perform delivery and payment obligations. In such correspondence LCH.Clearnet Ltd may refer to Buyer and/or Seller using Clearing Member mnemonics as specified on the LCH website at <http://www.lchclearnet.com/commodities/hkmex/>.

HKMEx will manage all relationships and commitments of their Approved Depository in relation to all activities where the Depository is required.

This includes if there are any problems or disputes with the CM and the Depository, it will manage such issues if required.

There will be no recourse to LCH.Clearnet Ltd should the Depository be unable to carry out any of its commitments during the Delivery period.

2I.13.1 Delivery Specification

2I.13.1.1 Quality

The delivery unit of Silver is 1000 fine troy ounces ($\pm 10\%$), no less than 0.999 fineness cast in one bar and bearing a serial number and identifying stamp of a refiner approved and listed by the Exchange.

2I.13.1.2 Price

The final settlement price shall be determined on the Last Trading Day of the contract. The final settlement price shall be based on the contract trading data, other relevant market indicator, or the decision by the President of the HKMEx, in accordance with the HKMEx Rules.

2I.13.1.3 Scope

HKMEx Silver contracts are for the sale and delivery by the Seller to the Buyer, out of an HKMEx approved depository. This takes place on the delivery day in accordance with the HKMEx Rules.

2I.13.2 Days and Times

Unless otherwise stated, "day" means a "Hong Kong business day".

All "timings" or "times of day" are reflected as GMT/BST time (minus 8/7hrs respectively) against HK times. Where there is a fixed time the prevailing time is shown first.

2I.13.2.1 Delivery Timetable

| DAY | UKT TIME | HKT TIME | ACTION | |
|---------------------|-----------------|-----------------|---|---|
| | | | SELLERS | BUYERS |
| Last Trading Day | At 15:00 /16:00 | At 23:00 | Trading in spot month contracts ceases. | Trading in spot month contracts ceases. |
| | | | | |
| Last Trading Day +1 | By 12:00 | By 20:00 /19:00 | HIT report available on Member Reporting extranet site. | HIT report available on Member Reporting extranet site. |
| | By 15:00 | By 23:00 /22:00 | LCH.Clearnet Ltd allocates Sellers to Buyers. | LCH.Clearnet Ltd allocates Sellers to Buyers. |
| Last Trading Day +2 | By 08:00 /09:00 | By 16:00 | Submit any agreed ADPs. | Submit any agreed ADPs. |
| | By 08:00 | By 16:00 | Submit Authorisation form for Book Transfer | |

| DAY | UKT TIME | HKT TIME | ACTION | |
|---------------------|---|---|---|--|
| | /09:00 By 08:00 /09:00 | By 16:00 | to the Approved Depository and LCH.Clearnet Ltd. Inform LCH.Clearnet Ltd of being unable to deliver. | LCH.Clearnet Ltd informs buyer(s) of any delivery failures as soon as possible. |
| Last Trading Day +3 | By 00:00/ 01:00 By 09:00 | By 08:00 By 17:00/ 16:00 | Informed of Account Sale amount from LCH.Clearnet Ltd via Member Reporting. | Informed of Invoice amount from LCH.Clearnet Ltd via Member Reporting. Buyer provides Buyer's security to the Clearing House. |
| Last Trading Day +4 | By 11:00/ 12:00 From 09:00 After 19:00 | By 19:00 17:00/ 16:00 After 03:00/ 02:00 | Receipt of confirmation from Depository that Book Transfer to buyer has been completed and silver holdings have been updated. Seller receives Account Sale value from the Clearing House. Delivery Positions removed. | Receipt of confirmation from Depository that Book Transfer from seller has been completed and silver holdings have been updated. Receipt Positions removed. |

2I.13.2.2 Delivery Procedure

HKMEx sets the last trading date for HKMEx Silver Futures. Trading for a contract month will normally cease on the Third Monday of the contract month. The Last Trading Day may be postponed to the next Business Day if the second Monday is not a Business Day.

2I.13.2.3 Last Trading Day (LTD)

At 23:00 HKT (15:00/ 16:00 UKT)

Trading in the spot month contracts ceases.

2I.13.2.4 Open Positions subject to Physical Delivery

Members must ensure that the open spot month positions are closed out on or before 24:00 HKT if physical delivery is not intended.

At 24:00 HKT, open contracts in the expiring contract month become open delivery contracts - HKMEx Service Clearing Members are obliged to make or take delivery.

2I.13.2.5 First Business Day after LTD (LTD+1)

Open Positions subject to Physical Delivery

HIT Report

By 12:00 UKT (20:00/ 19:00 HKT)

Members must ensure that the open spot month positions are closed out via ECS by 12:00 UKT if physical delivery is not intended.

At 12:00 UKT, open contracts in the expiring contract month will become open delivery contracts. Members are obliged to make/take delivery.

LCH.Clearnet Ltd makes the HIT report available to Members on the Member Reporting extranet site.

Allocation Results

By 15:00 UKT (23:00/ 22:00 HKT)

LCH.Clearnet Ltd allocates open positions to Buyers based on allocation algorithm derived by HKMEx and LCH.Clearnet Ltd.

The buyer's allocation results (Appendix D) will consist of an allocation number, the seller and the number of lots.

The seller's allocation results (Appendix E) will consist of an allocation number, the buyer and the number of lots.

LCH.Clearnet Ltd publishes the allocation results to Members on the Member Reporting extranet site advising each Buyer of the identity of the Seller(s) from whom they will be receiving delivery and advising the Seller of the identity of the Buyer(s) to whom they must deliver.

2I.13.2.6 Second Business Day after LTD (LTD+2)

Alternative Delivery Procedure (ADP)

By 16:00 HKT (08:00/ 09:00 UKT)

Upon receipt of the allocation results from LCH.Clearnet Ltd the selling Clearing Member can agree with the buying Clearing Member to undertake delivery outside the HKMEx Rules. Both parties must advise LCH.Clearnet Ltd using the relevant *Confirmation of Agreed ADP (Appendix F)* form.

ADP requests can be submitted to LCH.Clearnet Ltd on LTD+1, however *Confirmation of Agreed ADP* forms received after 16:00 UKT (24:00/23:00 HKT) on LTD+1, will be deemed to have been received on the next business day.

Upon approval of the ADP, LCH.Clearnet Ltd will settle the contracts at the Final Settlement Price between the Buyer and Seller.

Submission of Authorisation Form for Book Transfer

By 16:00 HKT (08:00/ 09:00 UKT)

Clearing Members who need to make delivery of the Silver must submit the Authorisation for Metal Transfer Form (refer to the Exchange procedures for a copy of the form) as prescribed by the Approved Depository by specifying the details of the Silver and the details of the buying Clearing Member on the form.

The deadline for submission of the Authorisation for Metal Transfer Form to the Approved Depository by email is 16:00 HKT (08:00/09:00 UKT) on LTD+2. In addition, the Clearing Members must also submit a copy of the Authorisation for Silver Transfer Form to LCH.Clearnet Ltd via email to LCHOperations-commodities@LCHClearnet.com by no later than 16:00 HKT (08:00/09:00 UKT) on LTD+2.

Delivery Failure Notification

By 16:00 HKT (08:00/ 09:00 UKT)

Clearing Members who do not have sufficient Silver for delivery or fail to submit the Authorisation for Metal Transfer Form to LCH.Clearnet Ltd and the Depository are deemed by HKMEx to have committed a delivery failure and must notify LCH.Clearnet Ltd and HKMEx as soon as possible, but no later than 16:00 HKT (08:00/09:00 UKT) on LTD+2.

If there is a delivery failure, HKMEx will instruct cash settlement. LCH.Clearnet Ltd shall inform the buying Clearing Member accordingly.

Invoice Amount Calculation

After 19:00 UKT (03:00/ 02:00 HKT)

After receipt of the Depository Adjustment file from the Depository, LCH.Clearnet Ltd will calculate the Invoice and Account Sales amounts based on the Final Settlement Price and any adjustments of the Silver detailed in the Depository Adjustment file.

2I.13.2.7 Third Business Day after LTD (LTD+3)

Invoice Amount

By 08:00 HKT (00:00/ 01:00 UKT)

After the End of Day clearing run on LTD+2 Clearing Members will be able to view their Invoice & Account Sales reports on the Member Reporting extranet site.

Buyers Security

By 09:00 UKT (16:00/ 17:00 HKT)

The buyer must provide LCH.Clearnet Ltd with the following buyer's security:

(a) **The invoice amount**

Or

(b) **An amount specified by LCH.Clearnet Ltd**

The buyer's initial and contingent variation margin is released on receipt of buyer's security. (Please note: these funds will be returned during the overnight banking run and will arrive at the buyer's account by 09.00 UKT on LTD+4).

21.13.2.8 Delivery Day (LTD+4)

The timings described in this Section 21.13.2.8 are deadline times of when activities can occur "at", begin "from" or end "by".

Transfer of Silver Ownership

By 15:00 HKT (07:00/ 08:00 UKT)

HKMEx (on instruction from LCH.Clearnet Ltd) will notify the Approved Depository to initiate the transfer of the Silver from the selling Clearing Member's Silver deposit account maintained within the Approved Depository to that of the buying Clearing Member.

Confirmation of Book Transfer

By 19:00 HKT (11:00/ 12:00 UKT)

The Approved Depository confirms completion of the Book Transfer to HKMEx which in turn notifies LCH.C.

Payments

Invoices

At 09:00 UKT (16:00/ 17:00 HKT)

LCH.Clearnet Ltd transfers the Invoice amount from the Buyer's security account to the Buyer's tender account.

Account Sales

From 09:00 UKT (16:00/ 17:00 HKT)

Upon receipt of confirmation from HKMEx that the Book Transfer has been completed, the Account Sale amount is posted to the Seller's tender account and paid to the Seller via reverse PPS payment.

Cancellation of Delivery and Receipt Positions

After 19:00 UKT (03:00/ 02:00 HKT)

Upon completion of the delivery process, LCH.Clearnet Ltd will remove all the delivery and receipt positions from the Clearing Members after the End of Day clearing process.

2I.13.3 Delivery Failure Procedures

2I.13.3.1 Delivery Failure

By 16:00 HKT (08:00/ 09:00 UKT) on LTD+2

Clearing Members who do not have sufficient Silver for delivery or fail to submit the Authorisation for Metal Transfer Form to LCH.Clearnet Ltd and the Approved Depository are deemed to have committed a delivery failure pursuant to Exchange Rules.

CMs must notify LCH.Clearnet Ltd of any delivery failure as soon as possible, but no later than 16:00 HKT (08:00/09:00 UKT) on LTD+2. If no Authorisation for Metal Transfer Form has been received then delivery failure is automatically assumed. LCH.Clearnet Ltd will inform HKMEx and the buying Clearing Member accordingly.

HKMEx will forward the Failed Delivery details on to its Compliance department where further investigations and necessary actions, including the imposition of fines or a penalty may occur (see Exchange Rules)

2I.13.3.2 Cash Settlement Amount

In the event of a Clearing Member's failure to fulfill its delivery obligations, HKMEx will determine a new Settlement price at which the Failed Deliveries will be cash settled and inform LCH.Clearnet Ltd.

At 09:00 UKT (16:00/ 17:00 HKT) on LTD+4

LCH.Clearnet Ltd will produce the appropriate invoice(s) and credit note(s) in order to cash settle any failed deliveries and call/pay the relevant amounts at this time.

Any settlement and/or related penalties would be at a price determined by HKMEx and penalties invoiced via LCH.Clearnet Ltd.

APPENDIX A

BUYER ALLOCATION NOTICE FOR GOLD

LCH.CLEARNET LTD

ALDGATE HOUSE, 33 ALDGATE HIGH ST, LONDON EC3N 1EA

S

HKMEx GOLD BUYERS NOTICE OF ALLOCATION

| Allocation Number | Delivering Member | Delivering Account | Receiving Member | Receiving Account | Commodity | Expiry Date | Delivery Lots |
|-------------------|-------------------|--------------------|------------------|-------------------|-----------|-------------|---------------|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
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| | | | | | | | |

We hereby notify you that the lots detailed on this notice are to be delivered to you in fulfilment of contract(s) open in your name.

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APPENDIX B

SELLER ALLOCATION NOTICE FOR GOLD

LCH.CLEARNET LTD

ALDGATE HOUSE, 33 ALDGATE HIGH ST, LONDON EC3N 1EA

HKMEx GOLD SELLERS NOTICE OF ALLOCATION

| Allocation Number | Delivering Member | Delivering Account | Receiving Member | Receiving Account | Commodity | Expiry Date | Delivery Lots |
|-------------------|-------------------|--------------------|------------------|-------------------|-----------|-------------|---------------|
| | | | | | | | |
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LCH.CLEARNET LTD hereby directs you as seller under an open contract to deliver the lots detailed on this notice to the buying clearing member(s).

APPENDIX C

ADP CONFIRMATION FOR GOLD

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| | | |
|--------|--|------------|
| To: | LCH.Clearnet Ltd Business Operations Attn Fax No 020-7667-7359 | |
| cc : | | (mnemonic) |
| From : | | (mnemonic) |

HKMEx Gold Confirmation of Agreed ADP

We confirm that an ADP has been agreed on the lots shown below at the final settlement price of the contract.

| Position Account | Bought/ Sold | Counter-Party | Contract Month | Lots |
|------------------|-----------------|---------------|----------------|------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

For and on behalf of.....

Mnemonic.....

Signed.....(Authorised Signatory)

Date.....DD.MM.YYYY.....

APPENDIX D

BUYER ALLOCATION NOTICE FOR SILVER

LCH.CLEARNET LTD

ALDGATE HOUSE, 33 ALDGATE HIGH ST, LONDON EC3N 1EA

S

HKMEx Silver BUYERS NOTICE OF ALLOCATION

| Allocation Number | Delivering Member | Delivering Account | Receiving Member | Receiving Account | Commodity | Expiry Date | Delivery Lots |
|-------------------|-------------------|--------------------|------------------|-------------------|-----------|-------------|---------------|
| | | | | | | | |
| | | | | | | | |
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We hereby notify you that the lots detailed on this notice are to be delivered to you in fulfillment of contract(s) open in your name.

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APPENDIX E

SELLER ALLOCATION NOTICE FOR SILVER

LCH.CLEARNET LTD

ALDGATE HOUSE, 33 ALDGATE HIGH ST, LONDON EC3N 1EA

HKMEx Silver SELLERS NOTICE OF ALLOCATION

| Allocation Number | Delivering Member | Delivering Account | Receiving Member | Receiving Account | Commodity | Expiry Date | Delivery Lots |
|-------------------|-------------------|--------------------|------------------|-------------------|-----------|-------------|---------------|
| | | | | | | | |
| | | | | | | | |
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| | | | | | | | |

LCH.CLEARNET LTD hereby directs you as seller under an open contract to deliver the lots detailed on this notice to the buying clearing member(s).

APPENDIX F

ADP CONFIRMATION FOR SILVER

S

| | | |
|--------|--|------------|
| To: | LCH.Clearent Ltd Business Operations Attn Fax No 020-7667-7359 | |
| cc : | | (mnemonic) |
| From : | | (mnemonic) |

HKMEx Silver Confirmation of Agreed ADP

We confirm that an ADP has been agreed on the lots shown below at the final settlement price of the contract.

| Position Account | Bought/ Sold | Counter-Party | Contract Month | Lots |
|------------------|-----------------|---------------|----------------|------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

For and on behalf of.....

Mnemonic.....

Signed.....(Authorised Signatory)

Date.....DD.MM.YYYY.....

APPENDIX G

SELLER ACCOUNT SALES - EXAMPLE ACCOUNT SALE:

| Business Day | Member | Member Account | Commodity | Prompt Date | Total | Total Allowances | Settlement Price | Net Credit | Vat Rate | Vat | Total Credit | Exchange Rate | Vat GBP Equivalent |
|--------------|--------|----------------|-----------|-------------|-----------------|------------------|------------------|-------------|----------|-----|--------------|---------------|--------------------|
| 20110609 | ADM | C | HKG | 201106 | | 2 | 1539 | 98950.882 | | 0 | 98950.882 | | 0 |
| 20110609 | ADM | C | HKG | 201106 | | 8 | 1539 | 395803.528 | | 0 | 395803.528 | | 0 |
| 20110609 | ADM | | HKG | 201106 | Total | 10 | | 494754.41 | | 0 | 494754.41 | | 0 |
| 20110609 | ADM | | | | Grand Total ADM | | | 494754.41 | | 0 | 494754.41 | | 0 |
| 20110609 | BMT | H | HKG | 201106 | | 30 | 1539 | 1484263.229 | | 0 | 1484263.229 | | 0 |
| 20110609 | BMT | | HKG | 201106 | Total | 30 | | 1484263.229 | | 0 | 1484263.229 | | 0 |
| 20110609 | BMT | | | | Grand Total BMT | | | 1484263.229 | | 0 | 1484263.229 | | 0 |
| 20110609 | GSF | C | HKG | 201106 | | 20 | 1539 | 989508.819 | | 0 | 989508.819 | | 0 |
| 20110609 | GSF | | HKG | 201106 | Total | 20 | | 989508.819 | | 0 | 989508.819 | | 0 |
| 20110609 | GSF | | | | Grand Total GSF | | | 989508.819 | | 0 | 989508.819 | | 0 |
| 20110609 | PFU | H | HKG | 201106 | | 4 | 1539 | 197901.764 | | 0 | 197901.764 | | 0 |
| 20110609 | PFU | H | HKG | 201106 | | 6 | 1539 | 296852.646 | | 0 | 296852.646 | | 0 |
| 20110609 | PFU | | HKG | 201106 | Total | 10 | | 494754.41 | | 0 | 494754.41 | | 0 |
| 20110609 | PFU | | | | Grand Total PFU | | | 494754.41 | | 0 | 494754.41 | | 0 |

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APPENDIX H

BUYERS INVOICE - EXAMPLE INVOICE:

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| Business Day | Member | Member Account | Commodity | Prompt Date | Total | Total Allowances | Settlement Price | Net Debit | Vat Rate | Vat | Total Debit | Exchange Rate | Vat GBP Equivalent |
|--------------|--------|----------------|-----------|-------------|-----------------|------------------|------------------|-------------|----------|-----|-------------|---------------|--------------------|
| 20110609 | ADM | C | HKG | 201106 | | 5 | 1539 | 247377.205 | | 0 | 247377.205 | | 0 |
| 20110609 | ADM | H | HKG | 201106 | | 30 | 1539 | 1484263.229 | | 0 | 1484263.229 | | 0 |
| 20110609 | ADM | | HKG | 201106 | Total | 35 | | 1731640.434 | | 0 | 1731640.434 | | 0 |
| 20110609 | ADM | | | | Grand Total ADM | | | 1731640.434 | | 0 | 1731640.434 | | 0 |
| 20110609 | DMG | H | HKG | 201106 | | 2 | 1539 | 98950.882 | | 0 | 98950.882 | | 0 |
| 20110609 | DMG | H | HKG | 201106 | | 3 | 1539 | 148426.323 | | 0 | 148426.323 | | 0 |
| 20110609 | DMG | | HKG | 201106 | Total | 5 | | 247377.205 | | 0 | 247377.205 | | 0 |
| 20110609 | DMG | | | | Grand Total DMG | | | 247377.205 | | 0 | 247377.205 | | 0 |
| 20110609 | UBS | H | HKG | 201106 | | 4 | 1539 | 197901.764 | | 0 | 197901.764 | | 0 |
| 20110609 | UBS | H | HKG | 201106 | | 26 | 1539 | 1286361.465 | | 0 | 1286361.465 | | 0 |
| 20110609 | UBS | | HKG | 201106 | Total | 30 | | 1484263.229 | | 0 | 1484263.229 | | 0 |
| 20110609 | UBS | | | | Grand Total UBS | | | 1484263.229 | | 0 | 1484263.229 | | 0 |

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APPENDIX I**ECS & CLEARING HOUSE SYSTEM REQUIREMENTS**

The ECS environment will be utilised for the processing of HKMEx Transactions.

A CM must have an access point to the ECS systems located in its office or in a location acceptable to the Clearing House.

CM's must request for Position Transfers and Give ups via HKMEx which will forward the transaction onto ECS, unless they fall outside of LCH.Clearnet Ltd Risk parameters whereby this may be carried out at LCH.Clearnet Ltd Business Operations discretion, for example for any very large member to member position transfers.

CMs must familiarise themselves with the timing and method for doing this as described in the HKMEx Rules and section 21 12.0 of this procedure. CMs should contact LCH.Clearnet Ltd Business Operations Department on +44 (0)20 7426 7689 if they require further information.

It is the responsibility of each CM to keep any report, including, but not limited to, the CM Member Position report, required for its own historic, audit or legal purposes.