

**Guide to the Domestic Securities
Investment Registration and Settlement
Business of Qualified Foreign
Institutional Investors**

**China Securities Depository and Clearing Corp. Ltd.
Shanghai Branch**

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Chapter 1: Settlement Participant

The custodian of qualified foreign institutional investors (hereinafter referred to as the QFII) shall apply to be the settlement participant of China Securities Depository and Clearing Corp. Ltd. Shanghai Branch (hereinafter referred to as the SD&C SH), sign the settlement agreement with the SD&C SH, open settlement reserve fund account in the name of custodian and securities accounts for the QFIIs under their custody, and process fund settlement and securities custody for QFIIs complying with the business regulations of the SD&C SH and the Guide.

I. Designated Fund Receiving Account

The custodian shall open a fund account under its name with one of the payment banks utilized by SD&C SH and authorize the account as the designated fund receiving account. Only through the designated fund receiving account can the custodian transfer the fund to or from its settlement reserve fund account opened with the SD&C.

II. Settlement Reserve Fund Account

1. The custodian shall provide following documents to open the settlement reserve fund account for QFII business

(1) One copy (with company stamp) of the approval from China Securities Regulatory Commission (hereinafter referred to as the CSRC), the People's Bank of China (hereinafter referred to as the PBOC) and the State Administration of Foreign Exchange (hereinafter referred to as the SAFE) concerning the custodian qualifications;

(2) One copy (with company stamp) of the custodian's business license;

(3) Application Form for Opening the Settlement Reserve Fund Account

(4) Letter of Authorization on the Designated Fund Receiving Account,

(5) Signature card: The front side of the card shall be the sample of stamp of financial or clearing business and the name stamp of relevant personnel. The reverse side of the card shall carry the company stamp and the signature of legal representative or authorized person.

(6) Fund Settlement Agreement;

(7) Contract of PROP Connection and Use;

(8) Registration Form of PROP User Connection;

(9) Table of contacts of Settlement Participant;

(10) Letter of Authorization (required if the relationship of authorization exists);

SD&C SH provides the standard format for document (3), (4), (5), (6), (7), (8) and (9).

2. Once the application documents are verified as correct, SD&C SH shall sign the Fund Settlement Agreement, and the Agreement of PROP Connection and Use. In addition, SD&C SH shall assign the applicant the clearing code, the virtual trading seat for clearing, open the settlement reserve fund account, and return the Application Form for Opening the Settlement Reserve Fund Account, the Letter of Authorization for the Designated Reserve Receipt Account and the signature card with the settlement business stamp of SD&C SH to the applicant. The applicant shall properly keep these materials for future use.

III. Installing PROP System

The PROP system (participant remote operating platform) is the electronic data exchange system between SD&C SH and settlement participants. Currently, the settlement participants of SD&C SH all use the PROP 2000 to carry on daily

business. When the custodian has signed the Agreement of PROP Connection and Use with SD&C SH, and filled up the Registration Form of PROP User Connection, the suppliers authorized by SD&C SH shall install the PROP gateway and relevant software and hardware for the custodian, and take responsibility for debugging, technical support and maintenance.

IV. Settlement Participants' Information Change

1. Name Change:

The custodian should provide following documents to update the settlement reserve account in the case of name change:

- (1) One copy (with company stamp) of the approval from CSRC, PBOC and SAFE concerning custodian qualifications;
- (2) One copy (with company stamp) of the custodian's business license;
- (3) Application Form for Settlement Reserve Fund Account Information Update;
- (4) Letter of Authorization on Designated Fund Receiving Account Information Update.
- (5) Signature card: The front side of the card shall be the sample of stamp of financial or clearing business and the name stamp of relevant personnel. The reverse side of the card shall carry the company stamp and the signature of legal representative or authorized person., and the former sample of stamps which will be updated..
- (6) Fund settlement agreement;
- (7) Contract of PROP Connection and Use (in duplicate);
- (8) Table of contacts of Settlement Participant;

Once the documents are verified as correct, the SD&C SH shall sign the Fund Settlement Agreement and the Contract of PROP Connection and Use, and update the information.

2. Other Information changes:

To update the designated fund receiving account, the custodian should provide document No (4).

To update the signature card, the custodian should provide document No. (5).

V. Settlement Termination

1. The custodian should provide Application Form for Closing the Settlement Reserve Fund Account if the custodian terminates the QFII business.

2. Upon receipt of the application, SD&C SH will notify the custodian to transfer the balance of the settlement reserve fund account with the interests paid after confirming the custodian has no creditor's rights and liability against SD&C SH.

Chapter 2: Management of Securities Accounts

I. Opening the Securities Account

Once a qualified investor has chosen the domestic securities company for conducting the securities transactions, its custodian shall apply for opening the securities account on its behalf. The custodian shall handle the account-opening procedures directly with the SD&C SH. The securities account shall become effective on the first trading day following its opening date, namely T+1 day (T day refers to the account-opening day). The transactions through new securities accounts shall not be conducted unless the necessary designation has been processed.

If the custodian is entrusted with opening the securities account for the first time, a qualified investor can authorize once for all times such businesses as opening the account, changing the registration materials and conducting the non-trading transfer. After the custodian is authorized, the letter of authorization and its copy shall be offered so as to handle the related business.

As the custodian handles the account business for the first time, it can authorize once for all times the custody business departments under its control so that the subsequent account businesses are handled according to the scope of authorization by the person responsible.

1. If the custodian is entrusted for the first time by the qualified investor with applying for opening the securities account, the following application materials shall be provided.

(1) Copy of the official reply (with the special custody business seals) of the CSRC, the PBOC and the SAFE to the custodian qualification;

(2) Copy of the custodian's business license (with the special custody business seal);

(3) Signature card (in triplicate): The front side of signature card shall be stamped with the special custody business seal and the private seal of the supervisor in charge of securities account business. The reverse side of the signature card shall carry the official custodian seal. If the custodian is entrusted for a second time by other qualified investors with applying for opening the securities accounts, the SD&C SH shall confirm through the signature card its qualification for handling the securities account business.

(4) Certificate of the custodian's legal representative and copy of valid identity document of the legal representative;

(5) Letter of authorization issued by the custodian (letters of authorization issued by the custodian for the custody business department, and by the said department for the specific person in charge);

(6) Valid identity document of the person in charge and its copy;

(7) Registration Application Form for the Securities Account of Legal Entities;

(8) Original and copy of the letter of authorization by the qualified investor;

(9) Original and copy of the securities investment business certificate issued by the CSRC;

(10) Original and copy of the foreign exchange registration certificate issued by the SAFE;

(11) Original and copy of the letter of authorization signed by the qualified investor and domestic securities company;

(12) Copy of the business license of the domestic securities company (with its official seal);

(13) Transaction error prevention and solution agreement signed by the qualified

investor and its custodian, and the securities company;

2. If the custodian is entrusted for a second time by other qualified investors with applying for opening the securities account, the materials as stated in Items (6), (7), (8), (9), (10), (11), (12) and (13) under Article 1 shall be submitted. The additional materials shall include the copy of the custodian's business license with the special custody business seal and the letter of authorization to the specific person in charge.

3. The "full name of account holder" on the Registration Application Form for the Securities Account of Legal Entities shall be an abbreviated form of the name of the domestic securities company and the full name of the qualified investor. The full name of the qualified investor shall be the name recorded on the securities investment business permit. The "number of valid identity document" shall be the number of the securities investment business permit.

As the SD&C SH provides the listed company with the holder's register, the name of the qualified investor account holder shall be the account name entered in the process of opening the securities account.

4. When the application materials submitted by the custodian are verified as eligible, the SD&C SH shall open the securities account for the qualified investor, print the securities account card and submit to the custodian the securities card stamped with the special registration and depository seal.

II. Changing the Registration Information of Securities Accounts

1. Having requested and received the securities investment business certificate for a second time, the qualified investor shall entrust the custodian with application for changing the registration materials of the securities account. The custodian shall provide the following application materials.

(1) Application Form for Changing the Registration Materials of Securities Account;

(2) Original of the Securities Account Card;

(3) Original and copy of the letter of authorization by the qualified investor (with the special custody business seal);

(4) Original and copy of the securities investment business certificate requested and received for a second time (with the special custody business seal);

(5) Letter of authorization by the custody business department to the specific person in charge;

(6) Valid identity document of the person in charge and its copy;

As the qualified investor applies for changing the account registration materials due to its use of new name, the custodian shall submit the certificate of change issued by the CSRC as well.

2. Having changed the custodian, the qualified investor shall entrust the new custodian with application for changing the securities account registration materials and the new custodian shall submit to the SD&C SH the following application materials.

(1) Application Form for Changing the Registration Materials of Securities Account;

(2) Original of the Securities Account Card;

(3) Original and copy of the letter of authorization by the qualified investor (with the special custody business seal);

(4) Letter of confirmation co-sealed by the new and original custodians (the letter of confirmation shall detail the initial and final dates for changing the trusteeship);

(5) Copy of the business license of the new custodian (with the special custody business seal);

(6) Letter of authorization by the custody department to the specific person in charge;

(7) Valid identity document of the person in charge and its copy;

(8) Transaction error prevention and solution agreement signed by the qualified investor and its custodian, and the securities company;

The custodian which handles the securities account business for the first time shall also provide the copy of official reply (with the special custody business seals) of the CSRC, the PBOC and the SAFE to the custodian qualification, and the signature card (in triplicate).

3. Having changed the domestic securities company under trusteeship, the qualified investor shall entrust the custodian with application for changing the securities account registration materials. The custodian shall provide the SD&C SH with the application materials as stated in other items than Item (4) and (5) under Article 2, the letter of confirmation issued by the original securities company, the original and copy of the letter of authorization signed between the qualified investor and the domestic securities company, and the copy of business license of the domestic securities company (with the official seal);

4. Having verified the above materials as qualified, the SD&C SH shall change the account registration materials within five working days, print and hand over the new securities account card to the custodian, and keep all the materials but the original of letter of authorization by the qualified investor and the original of securities investment business certificate requested and received for a second time.

III. Canceling the Securities Account

If the qualified investor applies for canceling the securities account in accordance with the related regulations, it shall, following the sales of all the securities, entrust the custodian with application for handling the related procedures with the SD&C SH. The custodian shall provide the following materials.

- (1) Application Form for Canceling the Securities Account;
- (2) Original of the securities account card;
- (3) Original and copy of the letter of authorization by the qualified investor (with the special custody business seal);
- (4) Letter of authorization by the custody business department to the specific person in charge;
- (5) Valid identity document of the person in charge and its copy.

Having handled the canceling procedures, the SD&C SH shall keep all the application materials but the original letter of authorization by the qualified investor.

IV. Reporting Loss of and Replacing the Securities Account

The custodian of a qualified investor shall apply to the SD&C SH for reporting loss of and replacing the securities accounts, including the original and new accounts.

1. The application materials to be provided are detailed as follows:

- (1) Application Form for Reporting Loss of and Replacing the Securities Account Card;
- (2) Original and copy of the letter of authorization by the qualified investor (with the special custody business seal);

(3) Letter of authorization by the custody business department to the specific person in charge;

(4) Valid identity document of the person in charge and its copy.

2. Reporting loss of and replacing the new account, the custodian shall open the new account with the SD&C for the qualified investor, direct the new account to the designated trading seat of the original account, and then notify the SD&C SH to transfer the securities from the original account to the new account. Having handled the procedures for reporting loss of and replacing the securities accounts, the SD&C SH shall keep all the materials but the original letter of authorization by the qualified investor.

Chapter 3: Registration and Depository Business

I. Correcting Wrong Transactions

1. If wrong transactions are incurred by the securities company entrusted by the qualified investor, the custodian and securities company may, in accordance with the agreement reached among the qualified investor, its custodian and securities company, and filed with the SD&C, apply to the SD&C SH for handling the non-trading transfer procedures of relevant securities, and also provide the following application materials.

- (1) Application Form for Transfer Registration;
- (2) Description of the trading conditions of wrong transactions;
- (3) Letter of authorization issued by the custodian and the securities company;
- (4) Valid identity document of the person in charge and its copy.

2. Having reviewed the aforesaid documents as correct, the SD&C SH shall handle the transfer procedures, and issue the letter of confirmation to the custodian of the qualified investor, and the securities company. The SD&C SH shall collect the transfer fee and stamp tax from the custodian and the securities company. The transfer fee equals the surface value of securities \times the transfer amount $\times 0.001 \times 2$, and shall be at least RMB 10 yuan. The stamp tax equals the transfer amount \times the closing price at the trading day just before the transfer day $\times 0.001 \times 2$. The applicant may require the SD&C SH to deduct the transfer fee and stamp tax incurred by wrong transactions from its settlement reserve fund account (the full name and payment seat number of the payer shall be detailed in the transfer registration application form), or directly pay the SD&C SH in cash.

3. When the custodian and the securities company handle the securities transfer procedures due to correction of the wrong transactions, an application shall also

be made for the fund transfer involved in the said correction if the SD&C SH is entrusted with handling the fund transfer between the custodian and the securities company. According to the application by two parties, the SD&C SH shall, at 2 p.m. on the application day for fund transfer, check the payer's financial status in the settlement reserve fund account. In case of sufficient fund, the SD&C SH shall transfer from the payer's settlement reserve fund account opened with the SD&C SH to the payee's settlement reserve fund account opened with the SD&C SH, and conduct the securities transfer on the same day. In case of insufficient fund, the SD&C SH shall not handle the fund transfer and the related non-trading securities transfer.

II. Issuing the Securities Entitlements on Behalf:

The SD&C SH can issue the securities entitlements on behalf of the securities issuer, including the share bonuses, additional transferred shares, cash dividends and cashing payments of securities interests.

As far as the share bonuses and additional transferred shares are concerned, the SD&C SH will allot the shares to the securities account of the qualified investor after the market is closed on the registration day, and send the reconciliation data to the qualified investor's custodian.

As far as the cash dividends and cashing payments of the securities interests are concerned, the SD&C SH will send the reconciliation data to the qualified investor's custodian and transfer the fund to the custodian's settlement reserve fund account after the market is closed on the preceding day of issue day. The custodian shall issue to the qualified investor the cash dividends and cashing payment of the securities interests on the issue day.

III. Judicial Assistance

The judicial organs and other related authorities shall have the enquiry, freeze and unfreeze of qualified investors' securities assets handled by its entrusted

domestic securities company, and have the adjudicated transfer executed with the help of the SD&C SH.

The SD&C SH shall handle the transfer procedures for relevant securities in accordance with the legal documents and the Application Form for Judicial Deduction and Notarized Transfer of Securities issued by the judicial organs and other related authorities and submitted by the securities company.

Chapter 4: Management of Settlement Reserve Fund Accounts

I. Inbound Fund Transfer

If the fund in the settlement reserve fund account is not enough for the settlement, the custodian shall transfer the fund into the settlement reserve fund account. The custodian shall handle the fund transfer procedures with its bank of deposit and transfer the funds into the accounts of SD&C SH opened in the designated banks. After the funds transferred into the SD&C SH's account, the banks shall, according to the six-digit settlement reserve fund account number as stated by the custodian, send the fund entry instruction to SD&C SH through the PROP(bank-terminal) connected with the SD&C SH. The funds will be automatically credited to the custodian's settlement reserve fund account.

1. Flow chart of inbound fund transfer

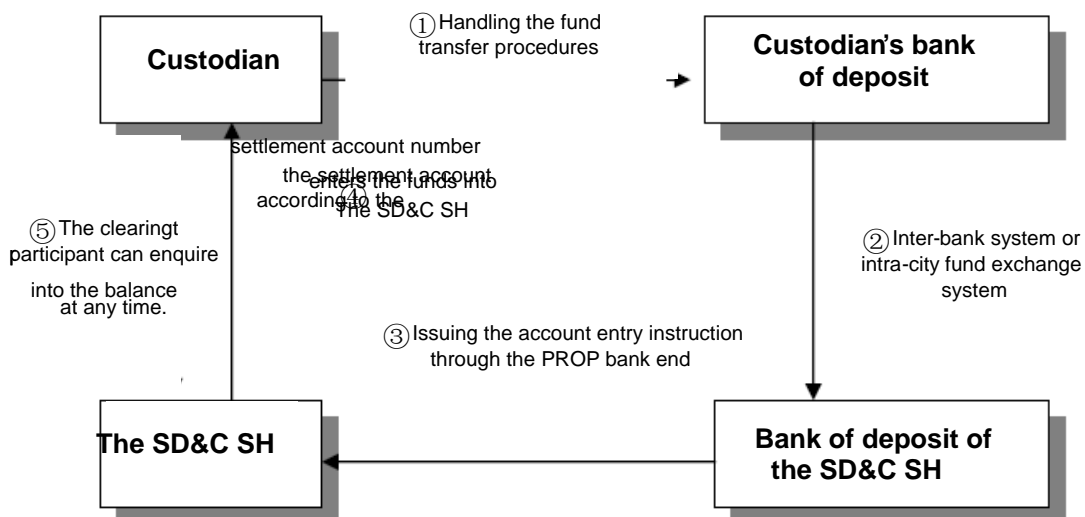
2. In the course of inbound fund transfer, the custodian shall pay attention to the following items:

(1) Marking the six-digit settlement reserve fund account number:

As the custodian transfers the funds into the accounts of the SD&C SH opened in the designated banks, the custodian have to mark the last six-digit settlement reserve fund account number along with the name of the payee (China Securities Depository & Clearing Corp. Ltd. Shanghai Branch), or along with the beneficiary account. The six-digit settlement reserve fund account number shall not be omitted. If the six-digit settlement reserve fund account number is marked into the column of postscript or usage, the account number may also be omitted by the remitting bank. The omission of account number may delay the fund inbound

transfer time, could lead to such serious consequences as the failure of IPO subscription or overdraft penalty.

In case of the omission of settlement account number, for cross-region remittance, the custodian shall send the supplemental declaration form to the remitting bank, tagged with the settlement account number. The SD&C SH shall not transfer the funds into the settlement reserve fund account until the supplemental declaration form is received. With regard to the intra-city fund transfers, the custodian must present the expository document stamped with the payee's official seal and the original of the payee's acknowledgement of remittance to SD&C SH. After the documents checked by the SD&C SH, the fund will be credited into the payee's account.



The SD&C SH suggests that all the custodians should remind the remitting banks not to omit the account number in the process of business operation, in addition to marking the number on the fund transfer voucher.

(2) Check the fund entries in time:

The SD&C SH provides the custodian with various ways to check the account information in real time. The custodian shall check the fund entry in time. In particular,

as the overdraft funds and new share subscription funds are supplemented, the financial personnel shall guarantee that all the funds have been credited to the settlement reserve fund account. In case of any problems, please contact the SD&C SH immediately.

II. Outbound Fund Transfer

If the custodian has the excess fund in the settlement reserve fund account, the fund could be transferred into the Designated Fund Receiving Account. The custodian shall fully consider the demand for settlement to guarantee the sufficiency and stability of the settlement fund, avoiding the settlement overdraft due to the fund reallocation.

1. Flow chart of the outbound fund transfer

The custodian should handle with the fund transfer through the PROP. On some special occasions, the custodian can transfer the funds through the fax-based written transfer voucher when approved by the SD&C SH.

Custodian

The SD&C SH

Bank of deposit of the custodian

Bank of deposit of the SD&C SH

- ① PROP participant-terminal issuing the instructions on fund transfer or performing the fund transfer through the fax-based transfer vouchers
- ② PROP bank-terminal issuing the instructions on fund transfer
- ③ Inter-bank system or intra-city fund exchange system
- ④ Account entry acknowledgement

⑤ Enquiry into the account entry

2. PROP participant-terminal fund transfer:

Currently, the SD&C SH has achieved the connection between PROP system-based participant-terminal fund transfer and the bank-terminal fund transfer of 15 fund transfer banks, satisfying the custodian's demand for performing the real-time fund transfer.

The specific operation procedure is detailed as follows.

As the system administrator logs in the system with the system management IC card, he or she shall assign the scope of power to different operators and also maintain within the system the designated fund receiving account number and the corresponding bank code.

As the fund transfer operator logs in the system with the IC card which has the required the power for fund transfer, he or she shall input all the fund transfer elements in the system, including the full name of the payee, the bank account number, the code of bank of deposit, and the amount and method of fund transfer.

The fund transfer checker shall insert the IC card with the checking power, and re-input the fund transfer information as mentioned above.

Having completed all the necessary verifications, the system of the SD&C SH will give the feedback on successful fund transfer or the failure information to the clearing participant. The clearing participant can automatically print the fund transfer instructions through the PROP system.

Checked as consistent

Checked as inconsistent

The fund transfer authorizer shall insert the IC card with the authorizing power for

fund transfer, and input the fund transfer code so as to send the checked fund transfer instructions to the host system of the SD&C SH.

The SD&C SH will send the electronic fund transfer instructions to its bank through the PROP bank-terminal, and the bank will, according to the said instructions, perform the timely fund transfer to the fund-receiving account designated by the clearing participant.

When the outbound fund transfer is conducted through the PROP participant-terminal, the following points shall deserve special attention:

- (1) The fund transfer time for the custodian through PROP shall be from 9:00 a.m. to 15:00 p.m. each working day.
- (2) The fund-receiving account must be the Designated Fund Receiving Account with the necessary authorization. Fund in the settlement reserve fund account can only be transferred into a Designated Fund Receiving Account.
- (3) The fund-receiving account number, which is inputted in the system, shall be exactly the same as the Fund Receiving Account number;
- (4) The maximum amount of outbound fund transfer shall be the available balance of the settlement reserve fund account;
- (5) As for the column of Account Opening Place, it shall be directly filled in the four-digit bank code assigned by the SD&C SH. The four-digit bank code stands for a correspondent fund-receiving bank. Chinese characters shall not be filled in.
- (6) As for the serial number of fund transfer, the checker should use the same serial number as the operator.
- (7) After the operation of outbound fund transfer is finished, it is imperative to enquire the details of the account entries without delay, so as to guarantee that the outbound fund transfer has been completed and the settlement reserve fund

account has witnessed a decreased balance.

(8) Having handled the procedures for changing the Designated Fund Receiving Account with the SD&C SH, the custodian shall maintain without delay the PROP fund-receiving account number in the system to avoid any undesirable effect on fund transfer.

(9) The password of the fund transfer authorization is the same as the password of the telephone voice inquiry system. The code must be changed through the telephone voice inquiry system. The specific personnel shall be responsible for the password management. In case of any post adjustment, the password shall be handed over to the new personnel without delay.

(10) In order to guarantee the safety of settlement fund and the regular operation of fund settlement and transfer business, all the companies shall properly maintain the IC card, pursue the accountability system for specific personnel, and take into full consideration the authority distribution among personnel and the dual restriction mechanism as far as the maintenance and use of IC cards for system authorization and fund transfer (entry, check and authorization) are concerned.

3. Fund transfer through the transfer vouchers:

If PROP fund transfer is disabled as a result of technical failures or other causes, the custodian shall contact the SD&C SH and use the fax-based transfer vouchers as the emergency measures once approved by the SD&C SH.

The specific operation is detailed as follows:

Filling in the transfer voucher, stamping the seal and faxing to the SD&C SH

Confirming by phone: the SD&C SH has received the transfer voucher which is valid.

Checking whether the fund transfer has been completed half an hour later; in case

of any problems, please contact the SD&C SH immediately.

Sending the original copy of fund transfer voucher to the SD&C SH on the same day through EMS, and calling the SD&C SH without delay for confirmation.

As the fund transfer is performed through the fax-based transfer vouchers, the following points shall deserve special attention:

(1) The custodian shall fill in the transfer voucher in quadruplicate and the seal shall be stamped on the third copy to be faxed.

(2) The payee's name and the fund-receiving bank account number shall be in strict conformity to the Designated Fund Receiving Account.

(3) Fill the column of fund transfer day with the date of today. The amount of the transferred fund in Chinese character shall be the same as that in number, and shall not be more than the available balance of the settlement reserve fund account.

(4) It is required not to zoom in or zoom out the fund transfer voucher in case the SD&C SH cannot verify the seal on it.

III. Interest Calculation of the Settlement Reserve Fund Account

The SD&C SH shall calculate and pay the interest on settlement reserve fund account in accordance with the related regulations of the PBOC. Currently, the said interest is calculated according to the inter-bank interest on deposits. The interest settlement day is the 21st day of the third month for each quarter. In case of interest adjustments, the interest shall be calculated based on the interest rate on the interest settlement day, rather than separate interest calculations. As the interest is calculated, the system will automatically calculate the interest on account and enter the interest into the principal. Interest = aggregative sum ×

daily interest rate.

IV. Minimum Settlement Reserve Fund

In accordance with the related regulations, the SD&C SH sets the minimum amount of settlement reserve fund accounts for the clearing participant (hereinafter referred to as the minimum amount). The clearing participant shall reserve sufficient amount of the fund in the account. The minimum amount can be intended for fund settlement, but shall not be intended for outbound fund transfer. Timely replenishment is required in case of settlement fund shortage. The minimum amount shall be calculated according to certain proportion of the daily trading volume of a clearing participant. Before a new regulation of settlement reserve fund is introduced, the proportion of minimum settlement reserve fund shall be zero for new custodians.

V. Settlement Fidelity Fund

1. Functions of the settlement fidelity fund:

In an aim to guard against the risk of settlement system, a qualified custodian shall, when applying to the SD&C SH for clearing participant qualifications, pay the settlement fidelity fund in accordance with the risk-sharing principle to counteract the overdraft risk as the clearing participant is found to have committed breaches of settlement.

2. Payment rules:

Before the new settlement fidelity fund system is introduced, the settlement fidelity fund shall be collected on the basis of RMB 1million for each qualified investor's custodian with no interest calculated and paid.

As the qualified investor's custodian terminates the settlement business, it shall apply to the SD&C SH for redeeming the settlement fidelity fund once any creditor's rights and debts with the SD&C SH have been settled.

Chapter 5: Settlement Business

I. Settlement Principles

The SD&C SH adopts the settlement participant system. Once approved as the settlement participant of the SD&C SH, the custodian can participate in the settlement system of the SD&C SH and handle the securities transaction settlement business in the name of custodian. The settlement principle of the SD&C SH is detailed as below.

1. Central clearing:

As the central counterparty of settlement participants for both buyers and sellers, the SD&C SH guarantees that the settlement work is completed on schedule. When it comes to the transactions completed by qualified investors on the Shanghai Stock Exchange (except for repurchase and corporate bond transactions), the custodian shall be responsible for completing the settlement with the SD&C SH. The custodian shall, in the name of legal entities, apply directly to the SD&C SH for opening the settlement reserve fund account and participate in the centralized settlement of the SD&C SH. The custodian shall be independently responsible for fund settlement between the custodian and the qualified investor concerned.

2. Net settlement:

As the central counterparty of all the participants in the centralized settlement system of the Shanghai securities market, the SD&C SH shall, in accordance with the trading results of the Shanghai Stock Exchange and other non-trading results, perform the net settlement with the custodian. Each custodian can open only one settlement reserve fund account to perform fund settlement with the SD&C SH through one net sum.

3. Delivery versus payment:

The SD&C SH completes securities and fund settlement with the SD&C SH through the delivery versus payment principle.

4. T+1 rolling settlement:

Rolling settlement is adopted for fund settlement and the settlement day is T+1 day. In other words, the SD&C SH, based on the net settlement result on T day, performs book-keeping processing to the custodian's settlement reserve fund account on T+1 day, and complete final and irrevocable securities and fund settlement with the custodian.

II. Central Clearing Process

1. Clearing flow chart:

(1). Receiving the trading data on the settlement T day

(2).The system will automatically summarize the trading data of qualified investors to the custodian's virtual settlement seat

(3). Calculating the custodian's receivables and payables

(4). Offering the summary table of settlement data on T day

Clearing

Settlement

2. Description of the process:

(1) As the trading day closes, the SD&C SH's settlement system receives the intraday trading data of stock exchanges.

(2) In compliance with the net settlement principle, the SD&C SH shall perform net settlement of securities purchases and sales of all the qualified investors under each custodian and work out the settlement value (settlement value = net sales value – net purchase value). The settlement value shall be unique and exclusive.

(3) As the SD&C SH conducts central clearing, it shall calculate the related expenses and work out the actual sums receivable and payable for each settlement unit. The actual receivables and payables = settlement value – trading handling fee – stamp duty – administration fee – transfer fee – other expenses payable.

(4) The SD&C SH shall, prior to 24 p.m. of each trading day, provide the custodian with the fund settlement data (doc.F3XXXXX.MDD), the securities trading transfer data (doc.GF1XXXXX.MDD) and the securities non-trading transfer data (doc.G4XXXXX.MDD) to respectively list the custodian's sums of receivables and payables with the SD&C SH, and the transfer details of qualified investors under the custodian. The fund settlement data (doc.F3) are the SD&C SH's settlement instructions to settlement participants.

(5) The custodian shall complete fund settlement according to the settlement instructions. In an effort to guarantee continuous operation of the settlement system, the custodian shall give timely feedback to the SD&C SH in case of any dispute over the clearing instructions of the SD&C SH. However, the custodians shall neither refuse nor delay the performance of settlement obligations on the excuse of wrong instructions. Once the settlement instructions are verified as wrong, the SD&C SH will make corrections accordingly.

III. Securities Settlement Process

1. As each trading day closes, the SD&C SH shall, in accordance with the trading records sent by the Shanghai Stock Exchange and the non-trading transfer records of the SD&C SH, calculate the receivable and payable amount of relevant securities purchased and sold by each qualified investor and credit or debit the

securities accounts of qualified investors according to the aforesaid settlement result at the end of that day so as to complete securities settlement.

2. Upon completion of securities settlement, the SD&C SH shall send through the PROP system at the end of that day to the custodian and the appointed securities company the trading and non-trading transfer documents of the qualified investor's securities account, and send to the custodian the reconciliation documents of securities holding balance of the aforesaid account. The custodian shall check without delay the balance of the aforesaid account under its custody according to the documents sent by the SD&C SH.

3. The non-trading transfer documents sent by the SD&C SH shall include the securities non-trading transfer records between the qualified investor's securities account and other securities accounts, as well as the cash dividends, share dividends, warrant interest data, and data on new share issuance and listing of rights issue.

IV. Fund Settlement Process

1. Settlement flow chart:

T+0 pre-settlement

(T+0 day after market closing)

Any new shares on T day or not

No

Settlement of the new shares on T+1

(17:00 on T+1 day)

Yes

T+1 settlement at the secondary market (17:00 on T+1 day)

Clearing

Settlement

2. Description of the process:

According to the settlement principles, it is necessary to satisfy the settlement at the secondary market before the settlement of online IPOs. The settlement shall be conclusive and irreversible. The system will automatically credit the custodian's receivable sum on T day to its settlement reserve fund account and deduct the payable sum from the aforesaid account.

(1) T+0 pre-settlement:

The settlement system performs T+0 pre-settlement in the evening of T+0 day. In other words, the system will generate the net settlement value of the settlement reserve fund account according to the clearing result of the custodian's virtual clearing seat, namely T+0 actual sum of receivables and payables. According to the account balance as the settlement reserve fund account business at day end, the actual sum of receivables and payables and the minimum reserve quota for that day, the system shall calculate the available balance of the settlement reserve fund account (in case of fund freezing, the system will automatically deduct the frozen sum).

Calculation Formula: available balance = balance in the settlement reserve fund account + (T+0 actual settlement sum) — frozen sum — minimum reserve quota

In case the available balance is less than zero, the custodian must complete the balance prior to T+1 settlement. In case the available balance is more than zero, it may be the maximum sum for the settlement reserve fund account, which can be

subjected to outward fund transfer.

The custodian can use the PROP or telephone voice inquiry system (021-58881166) to perform the real-time enquiry into the actual and available balance of its settlement reserve fund account.

(2) T+1 settlement on the secondary market:

The SD&C SH conducts fund settlement for T-day transactions at 17:00 on the afternoon of T+1 day. The settlement system will automatically credit the custodian's sum of receivables on T day to the settlement reserve fund account or deduct the custodian's sum of payables from the settlement reserve fund account. In a bid to guarantee the fund settlement, the custodian shall make a timely enquiry on the morning of T+1 day into the fund for that day through the PROP or voice inquiry system. In case the available balance is negative, it is necessary to complement the position without delay and confirm the account entry.

As the intraday fund transfer of the custodian has been completed, before the settlement:

a. If the balance of the settlement reserve fund account + (actual T+0 settlement sum of the previous day) – frozen sum > 0, the balance of the settlement reserve fund account shall be updated as the above sum upon completion of T+1 settlement;

b. If the balance of the settlement reserve fund account + (actual T+0 settlement sum of the previous day) – frozen sum < 0, settlement overdraft occurs upon completion of T+1 settlement;

The overdraft sum: Balance of the settlement reserve fund account before T+1 settlement + (actual T+0 settlement sum of the previous day) – frozen sum. The SD&C SH will send through the PROP platform the Penalty Notice on the Settlement reserve fund Account on the day of overdraft.

In case the custodian incurs any overdraft, the SD&C SH will take one or several of the following measures.

a. The SD&C SH will, based on the custodian's overdraft, collect the penalty interest on overdraft according to a monthly interest of 10.98‰ for the first-day overdraft, and a daily interest of 5‰ as of the second day of overdraft.

b. On the settlement day, the SD&C SH shall temporarily deduct the securities equivalent to 120% of the overdraft from the qualified investor's securities account as designated by the custodian (the market value of the securities shall be calculated based on the closing price on the settlement day). If the total securities value in the designated securities account is less than 120% of the overdraft, it is necessary to temporarily deduct all the securities in the account. If the overdraft occurs on the settlement day but the custodian fails to designate the securities subject to temporary deduction prior to 17:00 on the final settlement day, the SD&C SH shall deduct the purchased securities of all the qualified investors concerned of the custodian on the T day according to the sequence of block trading and then ordinary trading, or according to the trading sequence of purchased securities in case they are all the block or ordinary trading, until the total market value of all deducted securities equals to 120% of the overdraft. Where the custodian complements the principal and penalty interest of the overdraft the next day, the SD&C SH shall deliver to the custodian the securities subject to temporary deduction. If the custodian fails to complement the principal and penalty interest of the overdraft the next day, the SD&C SH shall sell the securities subject to temporary deduction and intend the earnings for complementing the custodian's overdraft. When the earnings fail to complement in full the principal and penalty interest of the overdraft, the custodian shall be responsible for the recourse of the balance to the ultimate person in charge. The custodian shall hand over the recourse sum to the SD&C SH in a timely manner. In case of excess earnings, the SD&C SH shall transfer the balance to the custodian.

c. After completion of the T-1 day settlement on T day, in case the balance of the custodian's settlement reserve fund account is less than the settlement sum payable for that trading day (the settlement day being T+1 day) and the custodian's qualified investors purchase securities through block trading for that day, the SD&C SH shall, based on relevant block trading business rules, freeze by each transaction as the smallest freeze unit the purchased securities in a reverse order according to the purchase trading sequence of block trading on T day once insufficient fund results. As long as the custodian complements the settlement fund and completes fund settlement prior to 17:00 on T+1 day, the SD&C SH shall unfreeze the frozen securities. Otherwise, the SD&C SH will take the aforesaid measures to handle the situation.

d. The overdraft custodian is required to provide the written descriptions and the letter of confirmation for fund settlement overdraft with the seal of related parties responsible, register the said overdraft on the poor business record of the custodian and use the record as the basis for assessing the risk level and determining the key monitor object.

e. The overdraft custodian shall be notified to provide the SD&C SH with description of its financial status, suggest the specific measures to complement the overdraft and put the custodian on the list of its key monitor objects to keep a close watch on its financial status.

f. The stock exchanges are requested to restrict or suspend the securities purchase of the custodian's qualified investors, and report relevant issues to the CSRC.

In case the custodian's qualified investors meet the short sales of securities, the SD&C SH shall temporarily deduct the short sales money when the settlement is handled on T+1 day. If the short-selling securities are complemented within two trading days, the SD&C SH shall remove the temporary deduction from the short sales money. Otherwise, the SD&C SH shall purchase as many securities as the

short-selling securities with the money from the short sales. In case of insufficient short-sales money, the recourse of balance shall be targeted at the custodian.

Qualified investors shall entrust securities companies with participating in the market value allotment of IPO. If a qualified investor abandons the subscription for IPO, it shall notify the entrusted securities company and the latter shall report to the SD&C SH before 15:00 on the afternoon of T+3 day (T day is the subscription day). The SD&C SH shall perform the securities and fund settlement in accordance with the data of subscribed and abandoned shares, and the fund clearing data will be entered into the net settlement data at the secondary market on that day. The fund settlement shall be completed on T+4 day.

(3) T+1 settlement for online IPO;

If a qualified investor subscribes for the securities issued online through the trading system of the Shanghai Stock Exchange, its custodian shall make a timely enquiry into the account balance and available balance of the settlement reserve fund account through PROP or the telephone voice inquiry system on the morning of T+1 day. In case the available balance is negative, the fund shall be transferred into the transaction settlement fund account without delay and the real-time enquiry into the account entry of funds. The SD&C SH shall settle the fund for IPO at 17:00 on T+1 day. The system will automatically deduct the total subscription fund for IPO from the settlement reserve fund account and transfer the said fund into the special IPO account. In case the available balance of the settlement reserve fund account is less than zero at this moment, the custodian shall fax the credit advice to the SD&C SH for checking the transferred fund for reference. In case the fund is not available, the custodian shall report before 17:00 on T+1 day to the SD&C SH the details concerning the shareholder account of the qualified investor and unavailability of the fund. If the custodian fails to designate specific securities, the SD&C SH shall, according to the chronological order for all the subscriptions in all the qualified investors' securities accounts, determine the said accounts with insufficient subscription fund in a reverse order. Once any adverse

impact is imposed on the normal IPO subscriptions of its other qualified investors, the custodian shall be held responsible accordingly. As the IPO are settled, the system will, according to the principle of the secondary market first and the online issue and settlement of IPOs second, automatically reserve the fund necessary for the settlement at the secondary market and intend the balance for settling the new shares.

Chapter 6: Data Transmission and Inquiry

I. Registration and Settlement Data Transmission

1. At the end of each trading day, the SD&C SH shall transmit to qualified investors' custodian and authorized securities company the trading and non-trading transfer data on the securities transactions for that day.
2. At the end of each trading day, the SD&C SH shall transmit the reconciliation data of securities ownership balance to the qualified investor's custodian.
3. After the market is closed on the registration day for entitlements to listed securities (including share dividends, share allocation, cash dividends and interest payment), the SD&C SH shall transmit the equity data to the qualified investor's custodian and authorized securities company.
4. At the end of each trading day, the SD&C SH shall transmit the fund settlement data to the qualified investor's custodian.

All the data as mentioned above shall be transmitted through the PROP system.

Checklist of the data on relevant qualified investors transmitted by the SD&C SH through the PROP system

Name of document	Content	Transmitted to	Transmission cycle
G1.doc	Securities trading transfer data	Custodian; Securities company	Each day
G4.doc	Securities non-trading transfer data (including cash dividends, share dividends, warrant equity data and listing data of new shares and share placements)	Custodian; Securities company	Each day
E1.doc	Reconciliation data of the securities ownership balance	Custodian	Each day
F3.doc	Participant fund settlement data	Custodian	Each day
C1.doc	Settlement voucher database of the transactions settlement fund account	Custodian	Each day
C2.doc	Details of the transactions settlement fund account	Custodian	Each day
C3.doc	Details of the transactions settlement fund account ; Monthly reconciliation data	Custodian	Last trading day of each month
C4.doc	Notice on the adjustment of minimum reserve	Custodian	Minimum reserve adjustment day
C5.doc	Notice on the insufficiency of the transactions settlement fund account	Custodian	Day for the insufficient minimum reserve
GZLX.doc	Data of the accrued interests on T-bonds	Custodian; Securities company	Each day

The detailed format for above documents can be referred to in Appendix 2.

II. Inquiry into the Ownership and Trading Records

The custodian can inquire with the SD&C SH into the ownership balance and trading records of its qualified investor' securities account. During the process, the following application materials shall be provided.

- (1) Original and copy of the securities account card of the qualified investor;
- (2) Letter of authorization issued by the custodian;

(3) Valid identity document of the person in charge and its copy;

The SD&C SH will send in writing the inquiry results to the inquirer.

III. Inquiry into the Settlement Account

1. Inquiry through the PROP system:

The custodian can inquire into the general ledger and detailed items of the settlement reserve fund account through PROP securities dealers.

For the general ledger, the custodian can inquire into the actual and available balance, the overdraft sum and the deposit aggregate of the settlement reserve fund account.

For detailed account items, the custodian can inquire into the current account items within any designated period and sum, and print the inquiry result at any time.

At the end of daily business or on the morning of the second working day, the custodian shall voluntarily inquire into and check the settlement accounts through PROP securities dealers so as to solve any problems without delay and maintain the consistency of settlement accounts.

2. Inquiry through the telephone voice system:

The custodian can make the account enquiry through PROP securities dealers, and also inquire into the settlement reserve fund account through the telephone voice system. The specific process is detailed as below:

(1) Inquire into the available balance of the settlement reserve fund account;

(2) Fax the list of the last fifty account items;

(3) Revise the account password according to the voice prompt information.

The instructions of telephone inquiry system are detailed in Appendix 4.

3. Inquiry under special conditions:

On special or emergent occasions, the SD&C SH accepts the custodian's fax-based inquiry stamped with the reserve seal. However, to guarantee the fund safety and confidentiality of account materials, the SD&C SH will not accept the telephone inquiries into the settlement reserve fund account, the account balance, the designated reserve deposit account and the reserve seal.

The Guide was revised on December 30, 2005 and intended only as a reference when the related business is handled.

Appendixes:

I. Charging Standard

II. Format Description of Registration and Settlement Documents

III. Checklist of Liaison Phone Numbers for Registration and Settlement Businesses

IV. Instructions on the Telephone Inquiry System

China Securities Depository and Clearing Corp. Ltd. Shanghai Branch

December 2005

I. Charging Standard:

Charging Standard for Securities Trading Fees

Type of securities		Charging item	Rate	Calculation object	Buyer	Seller
Bond	T-bond	Handling fee	0.00004	Trading volume	Pay	Pay
		Securities management fee	0.00001	Trading volume	Pay	Pay
	Corporate bond*	Handling fee	0.00004	Trading volume	Pay	Pay
		Securities management fee	0.00001	Trading volume	Pay	Pay
A share		Stamp tax	0.001	Trading volume	Pay	Pay
		Handling fee	0.00011	Trading volume	Pay	Pay
		Securities management fee	0.00004	Trading volume	Pay	Pay
		Transfer fee	0.0005	Trading denomination	Pay	Pay
Investment fund		Handling fee	0.000045	Trading volume	Pay	Pay
		Securities management fee	0.00004	Trading volume	Pay	Pay
Subscription for new shares	Subscription for convertible corporate bonds	Handling fee	0.0001	Trading volume	Pay	
		Service charge	0.002	Trading volume	Receive	Pay
	Subscription for new shares	Handling fee	0.00012	Trading volume	Receive	Pay

		Service charge	0.0035	Trading volume	Receive	Pay	
	Subscription for investment funds	Handling fee	0.000085	Trading volume	Pay		
		Service charge	0.0025	Trading volume	Receive	Pay	
Rights issue (transferred rights issue)	Rights issue (transferred rights issue)	Handling fee	0.00012	Trading volume	Pay	Pay	
		Service charge	0.0035	Trading volume	Pay	Pay	
	Rights issue of staff shares	Handling fee	0.00012	Trading volume	Pay	Pay	
		Service charge	0.0035	Trading volume	Pay	Receive	
	Rights issue of state-owned shares	Handling fee	0.00012	Trading volume	Pay	Pay	
		Service charge	0.0035	Trading volume	Pay	Receive	
	Rights issue of investment funds	Handling fee	0.000085	Trading volume	Pay	Pay	
		Service charge	0.0025	Trading volume	Pay	Receive	
	T-bond		Securities settlement risk fund	0.00001	Trading volume	Pay	Pay
	A share			0.00003	Trading volume	Pay	Pay
Fund		0.00003		Trading volume	Pay	Pay	

Charging Standard of Registration and Custody Fee

Charging item	Charging standard
Opening a securities account	RMB 400/ account

Reporting loss of and replacing the original account	RMB10/account
Reporting loss of and replacing a new account	RMB 400/ account
Non-trading transfer incurred by wrong transactions	Transfer fee= book value of securities x number of account transfersx0.001x2, (the minimum transfer fee is RMB 10) Stamp tax=number of account transfers x closing price of the previous trading dayx0.001x2
Inquiry into the securities ownership	RMB 20/ account
Inquiry into trading records	RMB 50/account/year

II. Format Description of Registration and Settlement Documents

G1.doc:

Name of database: G1XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: details of trading account transfers for that day, including data on bond, fund, repurchase, share, and purchase and subscription of new shares.

Transmission mode: transmitted to the E-mailboxes of settlement participants following day-end settlement on each trading day

NO	Field name	Type	Length	Remarks
1	CJBH	Numeric	10,0	Transaction serial number
2	GDZH	Character	10	Shareholder's account number

3	ZQDM	Character	6	Securities code
4	GHSL	Numeric	12,0	Transfer quantity
5	BCYE	Numeric	14,0	Real-time balance
6	CJJG	Numeric	9,3	Transaction price
7	JYXW	Character	5	Transaction seat
8	CJSJ	Character	6	Transaction time
9	BCRQ	Character	8	Transaction date
10	SBBH	Character	10	Declaration serial number
11	SBSJ	Character	6	Declaration time
12	MJBH	Character	5	Operator No.

Notes: The subscription of new shares, paper-based bonds and repurchase shall not be temporarily recorded as “the Real-time balance”.

G4.doc:

Name of database: G4XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: the securities variation data incurred by non-trading means for the day, including the non-trading transfer data and the freeze and unfreeze data as confirmed by the depository company, and the securities ownership data, equity registration data, equity transfer data, the quoting and listing data for the next trading day in the designated (un-designated) investor’s securities account confirmed by the trading system, as well as the securities custody data accepted by the depository company, including the data concerning cash dividends, share dividends and warrant equities, and the data concerning listing of new shares and rights issue.

Transmission mode: transmitted to the E-mailboxes of settlement participants following day-end settlement on each trading day

NO	Field name	Type	Length	Remarks
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1	CJBH	Numeric	10,0	Transaction serial number
2	GDZH	Character	10	Shareholder's account number
3	ZQDM	Character	6	Securities code
4	ZQLB	Character	2	Type of securities
5	LTLX	Character	1	Type of circulation
6	QYLB	Character	2	Type of equity
7	PFNF	Character	4	Year of distribution
8	GHSL	Numeric	12,0	Transfer quantity
9	CJJG	Numeric	9,3	Transaction price
10	GHLX	Character	1	Type of transfer
11	JYXW	Character	5	Transaction seat
12	BCRQ	Character	8	Transaction date
13	SBBH	Character	10	Declaration serial number

E1.doc:

Name of database: E1XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: the securities balance owned by the investors at the end of each trading day

Transmission mode: transmitted to the E-mailboxes of settlement participants following day-end settlement on each trading day

NO	Field name	Type	Length	Remarks
1	QSDM	Character	10	Code of business venue
2	ZXWH	Character	5	Top connected trading seat
3	GDZH	Character	10	Shareholder's account number
4	ZQDM	Character	6	Securities code
5	ZQLB	Character	2	Type of securities
6	LTLX	Character	1	Type of circulation
7	QYLB	Character	2	Type of equity

8	PFNF	Character	4	Year of distribution
9	BCYE	Numeric	14,0	Real-time balance
10	BCRQ	Character	8	Transaction date

F3.doc:

Name of database: F3XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: the detailed data for the custodian's fund settlement for the day

Transmission mode: transmitted to the E-mailboxes of settlement participants following day-end settlement on each trading day

NO	Field name	Type	Length	Remarks
1	QSRQ	Character	8	Clearing date
2	XWH	Character	5	Seat number
3	QSDM	Character	10	Code of business venue
4	QSBH	Character	5	Code of settlement participant
5	YHDM	Character	5	Code of clearing bank
6	SCJJE	Numeric	17,2	Net purchase volume
7	BCJJE	Numeric	17,2	Net sales volume
8	QSJE	Numeric	17,2	Clearing volume
9	YHS	Numeric	15,2	Stamp tax
10	JSF	Numeric	15,2	Handling fee
11	GHF	Numeric	15,2	Transfer fee
12	ZGF	Numeric	15,2	Securities management fee
13	SXF	Numeric	15,2	Service charge
14	QTFY	Numeric	17,2	Other fees
15	SJSF	Numeric	17,2	Actual receivables and payables
16	QSBZ	Character	3	Clearing logo
17	YYRQ	Character	8	Date of cause
18	FJSM	Character	22	Additional remarks

C1.doc:

Name of database: C1XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: the intraday settlement voucher data of the settlement reserve fund account

Transmission mode: transmitted to the E-mailboxes of settlement participants following day-end settlement on each trading day

NO	Field name	Type	Length	Remarks
1	QSRQ	Character	8	Settlement day
2	ZH	Character	18	Settlement reserve fund account
3	HM	Character	30	Account name
4	QSJE	Numeric	16,2	Clearing volume
5	YHS	Numeric	15,2	Stamp tax
6	GHF	Numeric	15,2	Transfer fee
7	JSF	Numeric	15,2	Handling fee
8	ZGF	Numeric	15,2	Securities management fee
9	QTFY	Numeric	15,2	Other fees
10	SJSF	Numeric	16,2	Actual receivables and payables
11	FJSM	Character	24	Additional remarks (abstract)
12	FSXW	Character	5	Code of settlement participant

Description of data:

- ★ The settlement date (JSRQ) and the actual receivables and payables (SJSF) are detailed in the “appendix on the description of fund settlement data transmission and data format of the clearing system”.
- ★ Clearing serial number (FSXW): It shall be the first clearing serial number after all the clearing serial numbers on the account are arranged in an increasing sequence (the letters are put in the front and the numbers are put in the back).

C2.doc:

Name of database: C2XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: the intraday detailed settlement data of the settlement reserve fund account

Transmission mode: transmitted to the E-mailboxes of settlement participants following day-end settlement on each trading day

NO	Field name	Type	Length	Remarks
1	QSRQ	Character	8	Settlement day
2	ZH	Character	18	Settlement reserve fund account
3	HM	Character	30	Account name
4	GSDM	Character	5	Seat number
5	QSJE	Numeric	16,2	Clearing volume
6	YHS	Numeric	15,2	Stamp tax
7	GHF	Numeric	15,2	Transfer fee
8	JSF	Numeric	15,2	Handling fee
9	ZGF	Numeric	15,2	Securities management fee
10	QTFY	Numeric	15,2	Other fees
11	SJSF	Numeric	16,2	Actual receivables and payables
12	YYRQ	Character	8	Date of cause
13	QSBZ	Character	3	Clearing logo
14	FJSM	Character	24	Additional remarks (abstract)
15	FSXW	Character	5	Code of settlement participant

Description of data:

- ★The settlement date (JSRQ), actual receivables and payables (SJSF), date of cause (YYRQ), clearing logo (QSBZ) and additional remarks (FJSM) are detailed in the “appendix on the description of fund settlement

data transmission and data format of the clearing system”.

- ★ Clearing serial number (FSXW): It shall be the first clearing serial number after all the clearing serial numbers on the account are arranged in an increasing sequence (the letters are put in the front and the numbers are put in the back).

C3.doc:

Name of database: C3XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: the monthly reconciliation data for detailed fund settlement of the settlement reserve fund account opened with the depository company of the previous month

Transmission mode: transmitted to the E-mailboxes of all the settlement participants on the last trading day of each month

NO	Field name	Type	Length	Remarks
1	FSXW	Character	5	Code of settlement participant
2	RQ	Character	8	Settlement day
3	ZH	Character	18	Account number
4	HM	Character	40	Account name
5	ZY	Character	20	Abstract
6	FSJE	Numeric	16,2	Realized volume
7	YE	Numeric	16,2	Balance

Description of data:

- ★ The data shall be recorded according to the same sequence as the fund settlement and the transfer and payment of deposit and withdrawal in the settlement reserve fund account for that month;

- ★ The settlement date (JSRQ) is detailed in the “appendix on the description of fund settlement data transmission and data format of the clearing system”.
- ★ Balance in data records = balance of the previous data record + realized volume
- ★ Clearing serial number(FSXW) : It shall be the first clearing serial number after all the clearing serial numbers on the account are arranged in an increasing sequence (the letters are put in the front and the numbers are put in the back).

C4.doc:

Name of database: C4XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: The members shall be notified of the adjusted minimum reserve quota after the said quota is changed.

Transmission mode: transmitted to the E-mailboxes of all the settlement participants following the completion of day-end settlement for the day when the depository company adjusts the minimum reserve for the settlement reserve fund account

NO	Field name	Type	Length	Remarks
1	SNDDAT	Character	8	Transmission day
2	ACCTNO	Character	18	Settlement reserve fund account
3	ACCTNAM	Character	30	Account name
4	LSTAMT	Number	14,2	Minimum quota
5	GENDAT	Character	8	Date of cause
6	VLDDAT	Character	8	Effective date
7	CPCDE	Character	5	Code of settlement participant
8	NOTICE	Character	30	Remarks

Description of data:

- ★ Minimum quota: the minimum reserve in the settlement reserve fund account
- ★ Date of cause: the date for adjustment of minimum reserve quota
- ★ Effective date: the day when the adjusted minimum reserve quota becomes effective

C5.doc:

Name of database: C5XXXXX.MDD (XXXXX is the clearing serial number)

Content of data: The members shall be notified of their minimum reserve insufficiency

Transmission mode: transmitted to the E-mailboxes of all the settlement participants following the completion of day-end settlement on each trading day

NO	Field name	Type	Length	Remarks
1	SNDDAT	Character	8	Transmission day
2	ACCTNO	Character	18	Settlement reserve fund account
3	ACCTNAM	Character	30	Account name
4	LSTAMT	Number	14,2	Minimum quota
5	LSTGAP	Number	14,2	Shortfall sum
6	ACCTBLN	Number	14,2	Account balance
7	FRZAMT	Number	14,2	Frozen sum
8	AVLBLN	Number	14,2	Availabe balance
9	GENDAT	Character	8	Date of insufficiency
10	CPCDE	Character	5	Code of settlement participant
11	NOTICE	Character	30	Remarks

Description of data:

★Minimum quota: the minimum reserve in the settlement reserve fund account

★ Shortfall sum: the sum falling short of the minimum reserve fund

GZLX.doc (Data of accrued interests on T-bonds)

Name of the database: GZLX.MDD

Content of data: data of the accrued interests on all the T-bonds for the day

Date of transmission: transmitted to the E-mailboxes of all the settlement participants following the completion of day-end settlement on each trading day

NO	Field name	Type	Length	Remarks
1	GZDM	Character	6	Transaction code of T-bonds
2	JXRQ	Character	8	Interest accrual date (YYYYMMDD)
3	YJLX	Numeric	15,8	Accrued interest on T-bonds per 100 yuan (unit: yuan)
4	LXTS	Numeric	6,0	Interest accrual days
5	PMLL	Numeric	8,5	Coupon rate

III. Checklist of Liaison Phone Numbers for Registration and Settlement Businesses

Business type	Contact person	Tel
Securities account;	Gong Weifa	68870191
Registration and custody	Yang Xiaodong	68870074
Clearing;	Rong Zhenyu	58873483
Risk control	Chen Long	58876741

Settlement reserve fund account	Qiao Zheng	68870292
Fund settlement and transfer	Zhang Jia	68870297

IV. Instructions on the Telephone Inquiry System

(I). Instructions:

1. Telephone inquiry hotline: 021-58881166
2. Enter the settlement reserve fund account number and account password:

(1) Enter the last six digits of the settlement reserve fund account and complete the operation by pressing key #;

(2) Having heard voice prompt “Please enter the account password”, you shall enter the account password. The longest account password shall contain six digits. You shall complete the operation by pressing key # if the account password is less than 6-digit.

(3) As the system is used for the first time, you shall enter the account password and the default password set automatically by the system. The default password is 000000. Having heard the prompt that “Your password is the default password, and please enter it”, you shall revise the password according to the method of “account password revision”.

(II) Description of functions:

Having correctly entered the account number and password, you will hear the following functions via the voice prompt:

1. Inquire into the fund balance, which is the available balance:
2. To fax the account details, please install the fax machine. Hearing the fax

signals, you shall press the *Receive* key to receive the latest checklist of account items. The system can send a maximum of 50 transaction records.

3. Revise the account password: Please enter the new password twice according to the voice prompt and keep it properly. You are accessible to the inquiry service for three times for each dial. Exit by pressing 0 after your inquiry.