

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

27th May 2004

Ms Rosalind Ma
Clerk to Bills Committee
Legislative Council Secretariat
Legislative Council Building
8 Jackson Road, Central
Hong Kong

By Fax : 2869 6794

Dear Ms Ma,

Bills Committee on Clearing and Settlement Systems Bill

Thank you for your letter dated 24th May 2004 enclosing the Administration's finalized response to our written submissions of 6th April and 6th May 2004.

In reply to the letter of 13th May 2004 from Miss Au King Chi referred to in the Administration's response, our Chief Executive, Mr. Paul Chow, had expressed our appreciation to the acknowledgement of our concerns by the Administration and our welcome to the willingness of the parties to abide by the arrangements mentioned in the letter. In this regard, we do not have further views on the Bill.

We thank you for your kind attention.

Yours sincerely,

Derrick Fung
Vice President
Cash Clearing