

CHAPTER 10

STAMP DUTY

Stamp Duty Assessment and Collection

1001. For the purposes only of assessment and collection of stamp duty: -

- (1) immediately upon the valid exercise of an OCH Contract pursuant to Clearing Rule 501 or 502 and the allocation of that OCH Contract to a short open position of a SEOCH Participant pursuant to Clearing Rule 505, there shall arise a contract for the purchase and sale of underlying securities between the SEOCH Participants party to those OCH Contracts and upon the terms of the Standard Contract and the terms of the delivery obligations under the validly exercised OCH Contracts. The contract so arising shall be used to determine the stamp duty payable on such purchase and sale of underlying securities, but shall otherwise immediately be subsumed into the validly exercised OCH Contracts and of no other or further force or effect. SEOCH Participants shall perform delivery obligations under the validly exercised OCH Contracts, which shall not be affected by this Clearing Rule;
- (2) although all Contracts are entered into by the parties to those Contracts as principals, as provided in the Options Trading Rules and these Clearing Rules, the delivery and receipt of underlying securities following exercise of a Contract may be deemed to occur under an agency relationship between Options Trading Exchange Participants as agent for their clients and where applicable between SEOCH Participants as agents for NCPs, but only for the purposes of this Clearing Rule, which shall not otherwise affect the rights and obligations of the parties to Contracts under the Options Trading Rules and these Clearing Rules; and
- (3) SEOCH will act on SEOCH Participants' behalf to input the purchase and sale transactions arising under Clearing Rule 1001(1) into the Exchange's Automatic Order Matching and Execution System. Such transactions shall be subject to Chapter 13 of the Exchange Rules.