

**Options Trading Rules**

**CHAPTER 1**

**DEFINITIONS AND INTERPRETATION**

**Definitions**

101. In these Options Trading Rules, unless the context otherwise requires:-

“Exchange Participant Admission Appeals Committee” means a committee convened to review decisions of the Board in respect of application for Exchange Participant Admission Appeals Procedures as prescribed by the Exchange from time to time;

**CHAPTER 2**

**OPTIONS TRADING EXCHANGE PARTICIPANTSHIP**

**Applications**

204. All applications for Options Exchange Participantship must be submitted in writing in accordance with the procedures from time to time prescribed by the Exchange. Each applicant must provide the Exchange with such further information as the Exchange may require for dealing with the application.

205. [Repealed]

**Approval or Refusal**

206. The Board has the right to reject any application made under Options Trading Rule 204. If the Board rejects an application to be an Options Exchange Participant, the applicant may, within 14 Business Days after it is notified of the Board’s decision, appeal in writing to the Exchange Participant Admission Appeals Committee whose decision will be final.

207. The Exchange will give written notice of approval or rejection to each applicant. Any approval may be granted subject to such conditions as the Board thinks fit, in particular, regarding satisfaction of the requirements set out in Options Trading Rule 302 or 302A, as applicable. If such conditions are not satisfied within the time period specified in the notice of approval (or such longer period as the Board may allow), the approval may be

suspended or revoked without further notice. The Exchange may also restrict the Options Exchange Participant to a certain type and/or quantity of Exchange Traded Options Business if the Exchange, in its absolute discretion, forms the view that the Options Exchange Participant's operational capabilities make it necessary. In the case of an Options Broker Exchange Participant, the Exchange may grant approval subject to a restriction that the Options Broker Exchange Participant shall not be allowed (except in respect of its Options Broker Exchange Participant Account) to sell Options Contracts other than for the purpose of closing out an existing long options position (the "Long-Only Restriction").

### **Registration**

208. The Exchange will inform the applicant in writing as to the date on which the approval comes into effect and, on that day, it shall become an Options Exchange Participant. Particulars of the applicant will be entered in the register maintained pursuant to Options Trading Rule 209.