

CHAPTER XIII

OVERSEAS AFFILIATED PARTICIPANTSHIP

1301. The Board may, in its absolute discretion, confer on any body corporate or other organization incorporated or formed outside Hong Kong and which has a bona fide interest in the production, marketing, processing or trading of any deliverable item the right to describe itself as an Overseas Affiliated Participant of the Exchange and the other rights specified in the Rules and, subject as hereinafter provided, such other rights and privileges as the Board may from time to time determine should be conferred on Overseas Affiliated Participants. The Board shall from time to time prescribe procedures and requirements to be complied with by applicants for Overseas Affiliated Participantship. Such requirements shall, without limitation, specify the minimum criteria (financial and otherwise) to be satisfied by referees of applicants and their obligations to make contributions to the reserve fund of the Clearing House.
1302. No individual may apply to become an Overseas Affiliated Participant and no Overseas Affiliated Participant shall be eligible:-
- (a) to become a holder of a Futures Exchange Trading Right and an Exchange Participant of the Exchange; or
 - (b) to trade on HKATS.
1303. Overseas Affiliated Participantship is not transferable.
1304. The Board may prescribe minimum financial requirements for Overseas Affiliated Participants.
1305. Overseas Affiliated Participantship shall only be valid for a period of twelve months in the first instance but may be renewed upon application. Every applicant for renewal, whether on the first or any other occasion, must disclose and supply such information and documentation and comply with such requirements as may from time to time be prescribed by the Board.
1306. Unless renewed, Overseas Affiliated Participantship will automatically cease and determine upon expiration of the period of twelve months commencing on the date of grant of Overseas Affiliated Participantship. Each renewal shall be valid for a period of twelve months commencing on the date of renewal.
1307. An Overseas Affiliated Participant shall not describe itself as an Exchange Participant of the Exchange but may describe itself as an "Overseas Affiliated Participant", which description shall not be used or altered in any way which

might lead persons dealing with an Overseas Affiliated Participant to believe that it is an Exchange Participant of the Exchange.

1308. An Overseas Affiliated Participant may be allowed to place orders, on such terms as the Board thinks fit, in one or more markets for its own account or for the account of any client who is not a resident of Hong Kong. All such orders must be executed on HKATS by an Exchange Participant in accordance with these Rules.
1309. Rules 304, 305, 306(a), (b) and (g), 307, 308, 311, 501, 503, 506 (except for 506(f), 507, 509, 514, 517 to 522 and (so far as capable of applying) Rules 701 to 719 and 721 to 732 inclusive) shall apply with respect to Overseas Affiliated Participants and Overseas Affiliated Participantships (and, insofar as capable of applying, each application for renewal for such membership) as they apply to Exchange Participants and Exchange Participantship of the Exchange.