Operational Clearing Procedures for Options Trading Exchange Participants

II. SEOCH PARTICIPANTSHIP

2. SEOCH PARTICIPANT

2.1 Admission Process

~~The application form for SEOCH Participantship can be obtained directly from the office of SEOCH or at the counter in the Trading Hall.~~

The applicant is required to fill in the **Application For Participantship Form** and submit all necessary documents and where applicable, processing fees as prescribed by the SEOCH Board from time to time to SEOCH according to the instructions given on the form.

SEOCH will verify the details submitted against the entry requirements as stipulated in the Clearing Rules. If necessary, the applicant may be required to provide further information. Site visits may also be carried out in the approval process.

The SEOCH Board shall at its absolute discretion approve or reject an application. The SEOCH Board may also approve an application in principle subject to the applicant's fulfilment of conditions set by the SEOCH Board within the prescribed time period. The applicant will be notified in writing as to the SEOCH Board's decision.

If the SEOCH Board rejects an application to admit as a SEOCH Participant, the applicant may, within 14 Business Days after it is notified of the SEOCH Board's decision, appeal in writing to the Participant Admission Appeals Committee in accordance with Section 2.8. The decision of the Participant Admission Appeals Committee will be final and conclusive.

IV. DUTIES AND OBLIGATIONS OF SEOCH PARTICIPANTS

8. SETTLEMENT AND DELIVERY IN RESPECT OF STOCK TRANSACTIONS

8.12 Stamp Duty and Levies

Each exercise or assignment will become an individual stock trade for the calculation of stamp duty and levies. These exercised/assigned trades will be reported to ~~the AMS system of~~ the Stock Exchange's automatic order matching and execution system and the associated stamp duty and levies will be collected through the same mechanism currently applicable to normal trades in the underlying market.