

**Options Clearing Rules**

**CHAPTER 1  
DEFINITIONS AND INTERPRETATION**

**Definitions**

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

“HKEX”	means Hong Kong Exchanges and Clearing Limited;
“HKEX staff” or “HKEX’s staff”	means staff of HKEX or staff of a company of which HKEX is a controller, including without limitation, staff of the Exchange;
“HKEX website”	means the official website of HKEX at <a href="http://www.hkex.com.hk">http://www.hkex.com.hk</a> or at such other website address specified by HKEX from time to time;

**Notice**

111. Unless otherwise provided in these Clearing Rules, all notices, requests, demands or other communications from SEOCH to SEOCH Participants may be given orally or in writing, in person or by post, by electronic or wire transmission, by telephone or facsimile, by posting on the HKEX website, or by any means of computer data transmission including, but in no way limited to, broadcast messages via HKATS or DCASS or e-mail.
112. Any communication disseminated via DCASS or HKATS or e-mail or posted on the HKEX website will constitute written notice for the purpose of these Clearing Rules and the Options Trading Rules.

**CHAPTER 4  
SEOCH PARTICIPANTS' OBLIGATIONS**

**Confidentiality**

428. All information in the possession of SEOCH relating to a SEOCH Participant will be kept confidential by the directors and other staff or officers of SEOCH having access to the same in accordance with procedures made by SEOCH. SEOCH, however, may disclose any information at any time:-
- (8) to any exchange, clearing house, governmental, regulatory or competent authority or any organization (whether in Hong Kong or elsewhere) with whom HKEX, SEOCH or the Exchange has entered into an information sharing arrangement or agreement or pursuant to the Tax Information Exchange Framework;

- (11) to the chief executive or the chief operating officer of HKEX for the time being appointed or deemed to have been appointed in accordance with the Securities and Futures Ordinance or, as the context may require, their designees;

428A. The Board may direct a SEOCH Participant to provide it with any information required or requested by an exchange, clearing house, governmental, regulatory or other competent authority or any organization (whether in Hong Kong or elsewhere) with whom HKEX, SEOCH or the Exchange has entered into an information sharing arrangement or agreement or pursuant to the Tax Information Exchange Framework.

## **CHAPTER 7 DEFAULT PROCEDURES**

### **Suspension of SEOCH Participantship**

718A. The Head of Cash and Derivatives Clearing of HKEX may suspend the SEOCH Participantship of a SEOCH Participant if, in its capacity as an Exchange Participant, it voluntarily suspends its Exchange Participantship or is suspended from Exchange Participantship or accessing the System provided he has first obtained the approval of the Chairman of the SEOCH Board which may be given orally or in writing.

## **CHAPTER 8 DISCIPLINARY**

802. In addition to the situations calling for disciplinary action against a SEOCH Participant pursuant to Clearing Rule 801, SEOCH may take disciplinary action in relation to SEOCH Participants:-

- (6) if the SEOCH participant fails to provide information requested by an exchange, clearing house, governmental, regulatory or other competent authority or an organization (whether within or outside Hong Kong) with whom HKEX, SEOCH or the Exchange has entered into an information sharing arrangement or agreement or pursuant to Clearing Rule 403(17) or Rule 403E.

### **Procedures**

805. In respect of any disciplinary matter arising in relation to a SEOCH Participant, the conduct of any disciplinary proceedings and any subsequent appeals proceedings shall be as determined by the SEOCH Board from time to time. The SEOCH Board may delegate any or all of its powers in relation to disciplinary matters to the Board, HKEX's staff, or to any other person or body of persons.

**CHAPTER 9  
EMERGENCY PROCEDURES**

**Facsimile Instruction Entry**

904. In circumstances where access to the Options Clearing System is withdrawn by SEOCH pursuant to these Clearing Rules in relation to one or more SEOCH Participant, SEOCH may allow those SEOCH Participants who have entered into a facsimile indemnity agreement with SEOCH to transmit by facsimile exercise instructions and other permitted instructions relating to Options Clearing System functions to designated SEOCH personnel or HKEX staff who will, subject to and in accordance with the Operational Clearing Procedures, perform the relevant Options Clearing System functions on behalf of such SEOCH Participants. All the provisions of these Clearing Rules, other than in relation to entry into the Options Clearing System, shall apply as if the SEOCH Participant had itself entered them into the Options Clearing System.

**CHAPTER 11  
DCASS**

**Liability of SEOCH Participants**

1114. No action shall lie against and no liability whatsoever nature and howsoever arising, whether in contract, tort or otherwise, shall be incurred by SEOCH, the Exchange, the SEOCH Board, HKCC, HKSCC, any HKEX staff or a recognized exchange controller which is the controller of SEOCH directly or indirectly in connection with any failure, error or defect in, or unavailability of, DCASS or any other equipment, systems, services or facilities of SEOCH.

**CHAPTER 12  
CCMS**

**Liability of SEOCH Participants**

1213. No action shall lie against and no liability whatsoever nature and howsoever arising, whether in contract, tort or otherwise, shall be incurred by SEOCH, the Exchange, the SEOCH Board, HKCC, HKSCC, any HKEX staff or a recognized exchange controller which is the controller of SEOCH directly or indirectly in connection with any failure, error or defect in, or unavailability of, CCMS or any other equipment, systems, services or facilities of SEOCH.