

Options Clearing Rules

CHAPTER 7

DEFAULT PROCEDURES

Default

701. In these Clearing Rules, an “event of default” shall mean any event or circumstance which leads SEOCH to determine that a SEOCH Participant is or appears to be unable, or likely to become unable, to meet its obligations under one or more Contracts to which it is party. Without prejudice to the generality of the foregoing, SEOCH may take the occurrence of any one or more of the following events or circumstances as sufficient grounds for determining that a SEOCH Participant is or appears to be unable, or likely to become unable, so to meet such obligations:-
- (6) where a SEOCH Participant is unable to pay its debts ~~(within the meaning of section 178 of the Companies Ordinance)~~ as they fall due or any resolution is passed, or order made, for the winding-up of a SEOCH Participant or any steps are taken by, or proceedings instituted against, a SEOCH Participant seeking to render it insolvent or seeking liquidation, winding-up, reorganisation, dissolution, protection or relief from, or composition of, its debts or any receiver, liquidator or other similar official is appointed in respect of the whole or any substantial part of the assets of a SEOCH Participant;