

Options Clearing Rules

CHAPTER 1

DEFINITIONS AND INTERPRETATION

Definitions

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

"NCP Contract"	means a contract between a GCP and an NCP made pursuant to these Clearing Rules;
<u>"Negative Interest Rate Currency"</u>	<u>means a currency in respect of which its central bank or other relevant authority has adopted a negative interest rate policy and is specified by SEOCH as such;</u>
"Notice of Assessment"	means a written notification provided by SEOCH to SEOCH Participants of any demand for Assessments pursuant to Clearing Rule 413E;

SEOCH Management of SEOCH Collateral

110. Without prejudice to any other rights of SEOCH in respect of the amounts standing to the credit of a SEOCH Participant's CCMS Collateral Account (including the Reserve Fund Contributions), SEOCH may invest such amounts or any part thereof in such manner and to such extent as the SEOCH Board considers expedient and financially prudent. For the avoidance of doubt, any obligation of SEOCH to redeliver or release such amounts to the SEOCH Participant ~~and any interest SEOCH may pay or charge the SEOCH Participant~~ in accordance with these Clearing Rules and the Operational Clearing Procedures shall not be affected by any gain or loss arising from the investment activities. Any such gain or loss in respect of amounts other than Reserve Fund Contributions is for SEOCH; and any such gain or loss in respect of Reserve Fund Contributions is for the Reserve Fund. SEOCH may pay or charge a SEOCH Participant interest on the cash balance in the SEOCH Participant's CCMS Collateral Accounts at such positive or negative rate, and may levy costs and charges thereon in such amount, as SEOCH may determine from time to time in accordance with the Operational Clearing Procedures.

CHAPTER 6

RISK MANAGEMENT AND PAYMENT PROCEDURES

Interest, costs and charges

616. SEOCH may pay or charge SEOCH Participants interest at such positive or negative rate, and may levy costs and charges in such amount, as may from time to time be determined by the SEOCH Board in accordance with the Operational Clearing Procedures on cash standing to the credit of the accounts kept pursuant to Clearing Rule 621 paid by SEOCH Participants and on cash contributions to the Reserve Fund.