

## Part B Consultation Questions

Please reply to the questions below that are raised in the Consultation Paper downloadable from the HKEX website at:

<http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp201604.pdf>

Please indicate your preference by checking the appropriate boxes.

Where there is insufficient space provided for your comments, please attach additional pages.

1. Do you support the revision of the current model with the introduction of a three-tier system with a review mechanism for HKEX's stock option position limit to address the issues with the existing regime?

☒ Yes

☐ No

Please give reasons for your view.

This new tiering system should be a good step forward to increase the flexibility for large asset managers in using single stock options.

2. Do you agree the implementation of the proposed model (three-tier system with review mechanism) would be an important step in enhancing Hong Kong's stock options market and increasing its competitiveness?

☒ Yes

☐ No

Please give reasons for your view.

3. Do you have any comments on the proposed model? Please give reasons for your view.

In the future, we wish that these position limits should be applied at a fund level not at the asset manager level as it penalizes large asset managers who manage large number of funds with large AUM under one single asset management entity.

- End -