

## 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.

The HK equities and derivatives markets have grown significantly for the last 10 years but the current model for the SSO positions limit is a bit outdated and not reflecting the markets demand. Time to have a new model.

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.

There is huge voice from many market participants to revise the current model. The new model would increase the current position limits to better meet the increased demands for HK SSO and therefore would contribute to the growth of HK derivatives markets

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

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