

Rules and Procedures of HKFE Clearing Corporation Limited

CHAPTER V

LIMITS AND DEFAULTS

Position limits and reporting requirements imposed by ~~at direction of~~ the Exchange or the Commission

507. (a) The Clearing House will, on receipt of a written request from either the Exchange or the Commission, impose position limits of the level and nature requested by either of them (including speculative position limits) on such HKCC Participants as the Exchange or the Commission may designate in such request.
- (b) Without prejudice to the power of the Clearing House to impose position limits on HKCC Participants pursuant to Rules 501, 502 and 507(a), no person shall hold or control positions in any Exchange Contract that exceed the position limit prescribed from time to time by the Exchange in the relevant Contract Specifications unless it has been authorized under the Exchange Rules or by the Commission under subsection 4(3) of the Securities and Futures (Contracts Limits and Reportable Positions) Rules to hold or control futures and/or options in excess of such prescribed position limits and in the latter case, notified the Exchange in writing of such authorization from the Commission. Unless so authorized, every HKCC Participant which is an Exchange Participant shall comply with the position limits prescribed therein, and every HKCC Participant which is not an Exchange Participant shall be required to comply with the position limits prescribed therein as if it were an Exchange Participant.
- (c) Every HKCC Participant which is an Exchange Participant shall comply with the relevant reporting requirements for Large Open Positions prescribed under the Rules of the Exchange, and every HKCC Participant which is not an Exchange Participant shall be required to comply with the relevant reporting requirements for Large Open Positions prescribed therein as if it were an Exchange Participant.