

Rules, Regulations and Procedures of Hong Kong Futures Exchange Limited

CHAPTER I

**INTERPRETATION ADMINISTRATION
AND AMENDMENT OF THE RULES**

Definitions and Interpretation

101. In these Rules, unless the context otherwise requires, the following expressions shall bear the following meanings:-

“Market Maker” means an Exchange Participant approved as such by the Chief Executive under Rule 11A01. For the purposes of these Rules and the Procedures, the term “Market Maker” shall include “Primary Market Maker” and “Regular Market Maker”;

“Market Maker Incentives” means fee concessions or other incentives which are set forth in these Rules, the Procedures or from time to time announced by the Exchange ~~that~~ and which are given to a Market Makers upon meeting such market making requirements as may from time to time be prescribed by the Exchange;

“Mini Contract” means an Exchange Contract that is named a “Mini” contract;

“Primary Market Maker” means a Market Maker which is registered as a Primary Market Maker by the Exchange, as more particularly described in Chapter XIA to these Rules;

“Regular Market Maker” means a Market Maker which is not a Primary Market Maker;

CHAPTER XIA

MARKET MAKERS

Introduction

- 11A01. The Chief Executive may, on application by an Exchange Participant and in his absolute discretion, grant approval for the Exchange Participant to be a Market Maker in any Market(s), whether as a Primary Market Maker or a Regular Market Maker, in order that such Exchange Participant may be eligible for Market Maker Incentives.

Application for Market Maker Permits

- 11A03. An Exchange Participant may apply to the Exchange for permission to make a market as a Regular Market Maker in a particular Market(s) by itself or by way of a market making arrangement, by lodging with the Chief Executive an application in such prescribed form and containing such information as may be required by the Chief Executive. In considering whether a Regular Market Maker permit should be granted, the Chief Executive may give regard to such matters as he may in his absolute discretion consider to be appropriate and the Exchange Participant shall demonstrate to the satisfaction of the Chief Executive that it is suitably qualified to make a market as a Regular Market Maker in the Market(s) in respect of which the application is made, having regard to such matters as the financial standing, trading record, personnel, computer equipment and internal security procedures and risk management policy and procedures of the Exchange Participant and, where applicable, whether its market making arrangements fulfill such requirements as may be prescribed by the Chief Executive.

The Exchange may from time to time by email or circular invite Exchange Participants to apply to the Exchange for permission to make a market as a Primary Market Maker in a particular Market(s) by itself or by way of a market making arrangement. The Chief Executive has the sole discretion to determine the total number of Primary Market Makers that may be appointed for each Market from time to time. If the number of applicants exceed the total number determined by the Chief Executive, Exchange Participants may be required to undergo a bidding process in accordance with such procedures or requirements as may be specified by the Exchange. In considering whether a Primary Market Maker permit should be granted, the Chief Executive may give regard to such matters as he may in his absolute discretion consider to be appropriate, including Exchange Participants' market making commitment levels in terms of bid and offer spread and size of quote and any evaluation criteria that may be specified by the Exchange as part of the bidding process. Before appointing a Market Maker as a Primary Market Maker, the Exchange will also require the Exchange Participant to sign and agree to be bound by an appointment letter, which sets forth, inter alia, the terms and conditions under which it is appointed as a Primary

Market Maker and the market making obligations of the Exchange Participant as a Primary Market Maker, which may vary from one Primary Market Maker to another.

- 11A04. An Exchange Participant whose application has been approved or which is successful in the relevant Primary Market Maker bidding process will be granted a Regular Market Maker permit or Primary Market Maker permit, as the case may be, in respect of each Market for which it is permitted to make a market. ~~In considering whether a Market Maker permit should be granted, the Chief Executive may give regard to such matters as he may, in his absolute discretion, consider to be appropriate and the Exchange Participant shall demonstrate to the satisfaction of the Chief Executive that it is suitably qualified to make a market in the Market(s) in respect of which the application is made (having regard to such matters as the financial standing, trading record, personnel, computer equipment and internal security procedures and risk management policy and procedures of the Exchange Participant and, where applicable, whether its market making arrangements fulfill such requirements as may be prescribed by the Chief Executive).~~
- 11A05. The decision of the Chief Executive in respect of the approval or rejection in whole or in part of an application or a bid to become a Regular Market Maker or Primary Market Maker in any particular Market(s) shall be final and conclusive.
- 11A06. A register of Market Makers, containing the name of each Exchange Participant to whom a Market Maker permit has been granted, the registration of the Market Maker as a Primary Market Maker where applicable, the commencement and expiry dates of each such permit and the Market in respect of which each such permit has been granted, will be maintained by the Exchange.

Form and Duration of Market Maker Permits

- 11A08. Each Market Maker permit shall state a day on which it is to come into effect and the period for which it is granted for the Market specified. The duration of each Market Maker permit may vary from one permit to another. Unless otherwise stipulated by the Chief Executive, the minimum period for which each Regular Market Maker permit will be granted will be one year and unless the Market Maker has notified the Exchange of its intention not to renew the Regular Market Maker permit at least 30 days prior to expiry, the Regular Market Maker permit will be automatically renewed from year to year on terms identical to those of the current Regular Market Maker permit. The period for which a Primary Market Maker permit will be granted will be specified in the Exchange Participant's appointment letter and unless otherwise approved by the Chief Executive, will not be automatically renewed.

Ongoing Obligations of Market Makers

11A12. Each Market Maker shall fulfill such market making requirements as may from time to time be prescribed by the Exchange in respect of each Market for which the Market Maker has been granted a Market Maker permit, whether in the Rules, Regulations and Procedures or, in the case of a Primary Market Maker, in its appointment letter. Unless otherwise determined by the Chief Executive or, in the case of a Primary Market Maker, unless otherwise specified in its appointment letter, a Market Maker which in any calendar month fails to meet the market making requirements prescribed by the Exchange for determining its eligibility to Market Maker Incentives for certain transactions of the Market Maker in any specified Market(s) will not be entitled to such Market Maker Incentives for that month and the Market Maker shall be charged Exchange Fees at the full rate specified in the relevant Contract Specifications for such transactions.

Suspension, Revocation and Surrender

11A16. Any Market Maker permit and any market making arrangement or other approval granted thereunder may be revoked by the Chief Executive in his absolute discretion at any time without giving reason or notice. Without prejudice to this general power of revocation, a Market Maker permit and any market making arrangement or other approval granted thereunder may be revoked:-

- (a) if a Market Maker fails to meet the applicable market making requirements prescribed by the Exchange for such period of time as may be specified by the Chief Executive; or
- (b) if a Market Maker has, in the opinion of the Chief Executive, manipulated or distorted the market for one or more Markets or attempted to do so or abused its status as a Market Maker; or
- (c) if a Market Maker commits an event of default under the Clearing House Rules or if its Exchange Participantship is suspended or revoked or if it ceases to be an Exchange Participant for any reason; or
- (d) if a Market Maker no longer satisfies the criteria and requirements based on which, or the conditions subject to which the Market Maker permit or any market making arrangement or other approval thereunder was granted,

and the Market Maker shall remain subject to these Rules, Regulations and Procedures and the Clearing House Rules in respect of any events which occurred prior to and after the revocation.

11A17. A Market Maker may at any time surrender its Regular Market Maker permit in respect of a particular Market by giving to the Exchange 30 days' (or such

shorter period of time as the Exchange may allow) prior written notice to that effect using such form as may be prescribed by the Exchange. Until the Exchange has confirmed with the Market Maker the effective date of surrender of the Regular Market Maker permit, the Market Maker shall continue to fulfill its market making obligations under that Regular Market Maker permit. The circumstances under which a Primary Market Maker may surrender its Primary Market Maker permit shall be set out in its appointment letter.

Contract Specifications
For
Hang Seng Index (HSI) Options

Contract Months (For Short-dated Options) Spot Month, the next ~~two~~ three calendar months, the next three calendar quarter months (i.e. quarter months are March, June, September and December) and (for Long-dated Options) the next five months of June and December (see Note 1).

(For Flexible Options) Any calendar month up to the most distant month specified for Long-dated Options (see Note 2).

Contract Specifications
for
Hang Seng China Enterprises Index (HSCEI) Options

Contract Months (For Short-dated Options) Spot Month, the next ~~two~~ three calendar months, the next three calendar quarter months (i.e. quarter months are March, June, September, and December) and (for Long-dated Options) the next three months of June and December (see Note 1).

(For Flexible Options) Any calendar month up to the most distant month specified for Long-dated Options (see Note 2).

TRADING PROCEDURES FOR STOCK INDEX FUTURES AND STOCK INDEX OPTIONS TRADED ON THE AUTOMATED TRADING SYSTEM OF THE EXCHANGE (“HKATS”)

CHAPTER 3

MARKET MAKERS IN STOCK INDEX FUTURES AND STOCK INDEX OPTIONS CONTRACTS

3.1 Application for a Market Maker Permit

An Exchange Participant’s application for a Market Maker permit in a Stock Index Futures Contract and/or a Stock Index Options Contract shall be made in writing to the Exchange in accordance with any procedures set out in Rule 11A03.

Upon granting a Market Maker permit in a Stock Index Futures Contract and any subsequent approval thereunder, the Exchange shall assign the Market Maker (itself if applicable and each of its market making arrangements if any) with (i) not less than two (2) contract months in the Stock Index Futures Contract [(i.e. Spot Month and the next calendar month, unless otherwise specified by the Exchange)] if it is a Regular Market Maker and (ii) such number of contract months as may be specified in its appointment letter if it is a Primary Market Maker.

Upon granting a Market Maker permit in a Stock Index Options Contract and any subsequent approval thereunder, the Exchange shall assign the Market Maker (itself if applicable and each of its market making arrangements if any) with (i) not less than ~~twenty four (24)~~ fifty (50) option series in the Stock Index Options Contract if it is not a Mini Contract and not less than twenty-five (25) option series if it is a Mini Contract, to be determined by the Exchange from time to time, if it is a Regular Market Maker; and (ii) such number of option series as may be specified in its appointment letter if it is a Primary Market Maker. In the case of a Stock Index Options Contract with both Short-dated and Long-dated Options, only option series in Short-dated Options will be assigned. ~~In the case of a Market Maker permit being granted in the Mini Hang Seng Index Option Contract or Mini Hang Seng China Enterprises Index Option Contract and any subsequent approval granted thereunder, the Exchange shall assign the Market Maker (itself if applicable and each of its market making arrangement if any) with not less than 12 option series in the Mini Hang Seng Index Option Contract or Mini Hang Seng China Enterprises Index Option Contract, to be determined by the Exchange from time to time.~~ A Market Maker permit shall not be applicable to Flexible Options and accordingly all obligations and procedures relating to any market making requirements shall not apply.

The Exchange may, at the absolute discretion of the Chief Executive, revoke a

Market Maker permit in a Stock Index Futures Contract and/or a Stock Index Options Contract or any market making arrangement or other approval granted thereunder if it does not meet the market making requirements set forth in procedures 3.2.1 and/or 3.2.2 or, in the case of a Primary Market Maker, in procedure 3.2.3 and/or its appointment letter for two (2) consecutive calendar months.

3.2 *Market Making Requirements of a Market Maker*

In order for a Market Maker to be entitled to Market Maker Incentives (for itself if applicable and for each of its market making arrangements under the relevant Market Maker permit if any), the Market Maker (itself if applicable) and each such market making arrangement shall separately be required to satisfy the market making requirements set forth in this procedure 3.2.

References to “Market Maker”, “Regular Market Maker” or “Primary Market Maker” in procedures 3.2 and 3.3 shall accordingly be construed to mean “Market Maker, Regular Market Maker or Primary Market Maker (itself if applicable) and each of its market making arrangements under the relevant Market Maker permit” or, where the context requires, any of them.

3.2.1 Market Making Requirements of a Regular Market Maker in a Stock Index Futures Contract

3.2.1.1 A Regular Market Maker in a Stock Index Futures Contract must either respond to Quote Requests or provide continuous Quotes. The Exchange Participant shall notify the Exchange of the Regular Market Maker’s election(s).

3.2.1.2 Responding to Quote Requests

If a Regular Market Maker in a Stock Index Futures Contract elects to respond to Quote Requests, it shall:

3.2.1.2.4 unless specified otherwise in procedure 3.2.1.4, display on HKATS a Quote made in response to a Quote Request in the Stock Index Futures Contract for not fewer than ten (10) seconds and for a size of not fewer than five (5) contracts unless a change in the level of the underlying stock index occurs during the ten (10) second display period, in which case, the Regular Market Maker may change its Quote provided the new Quote shall be subject to the same display, spread and size requirements as specified in this procedure 3.2.1.2 for the original Quote;

3.2.1.3 Providing Continuous Quotes

If a **Regular** Market Maker in a Stock Index Futures Contract elects to provide continuous Quotes, it shall:

3.2.1.3.3 display on HKATS all Quotes made on the assigned contract months in the Stock Index Futures Contract for not fewer than ten (10) seconds unless a change in the level of the underlying index occurs during the ten (10) second display period, in which case, the **Regular** Market Maker may change its Quotes provided the new Quotes shall be subject to the same display, spread and size requirements as specified in this procedure 3.2.1.3 for the original Quotes.

3.2.1.4 The maximum bid / offer spread and minimum size requirements for a **Regular** Market Maker in the following Stock Index Futures Contracts shall be as follows:

<u>Stock Index Futures Contracts</u>	<u>Maximum Bid / Offer Spread</u>	<u>Minimum Quote Size</u>
HSI Dividend Point Index Futures Contracts	30.00 points or 10% of bid price, whichever is higher	50 contracts
HSCEI Dividend Point Index Futures Contracts	30.00 points or 10% of bid price, whichever is higher	50 contracts
HSI Volatility Index Futures Contracts	0.50 points or 5% of bid price, whichever is higher	5 contracts
Hang Seng Mainland Oil & Gas Index Futures Contracts	4.00 Index points or 0.2% of bid price, whichever is higher	5 contracts
Hang Seng Mainland Banks Index Futures Contracts	6.00 Index points or 0.2% of bid price, whichever is higher	5 contracts
Hang Seng Mainland Properties Index Futures Contracts	7.00 Index points or 0.2% of bid price, whichever is higher	5 contracts
Hang Seng Mainland Healthcare Index	8.00 Index points or 0.2% of bid	5 contracts

Futures Contracts	price, whichever is higher	
Hang Seng IT Hardware Index Futures Contracts	6.00 Index points or 0.2% of bid price, whichever is higher	5 contracts
Hang Seng Software & Services Index Futures Contracts	11.00 Index points or 0.2% of bid price, whichever is higher	5 contracts
CES Gaming Top 10 Index Futures Contracts	13.00 Index points or 0.2% of bid price, whichever is higher	5 contracts

3.2.1.5 A **Regular** Market Maker shall not be required to fulfil the market making requirements set forth in procedure 3.2.1 during the first five (5) minutes of each morning trading session.

3.2.2 Market Making Requirements of a **Regular** Market Maker in a Stock Index Options Contract

3.2.2.1 A **Regular** Market Maker in a Stock Index Options Contract must either respond to Quote Requests or provide continuous Quotes. The Exchange Participant shall notify the Exchange of the **Regular** Market Maker's election(s).

3.2.2.2 Responding to Quote Requests

If a **Regular** Market Maker in a Stock Index Options Contract elects to respond to Quote Requests, it shall:

3.2.2.2.3 display on HKATS a Quote made in response to a Quote Request for not fewer than twenty (20) seconds and (i) in respect of a Stock Index Options Contract which is not a Mini Contract, for a size of not fewer than five (5) contracts for the first four calendar month contracts and not fewer than three (3) contracts for the subsequent three calendar quarter month contracts; and (ii) for a Stock Index Options Contract which is a Mini Contract, for a size of not fewer than five (5) contracts for the first two calendar month contracts and not fewer than three (3) contracts for the subsequent two calendar quarter month contracts, unless a change in the **price** level of the **Spot Month**

Stock Index Futures Contract with the same underlying stock index occurs during the twenty (20) second display period, in which case, the Regular Market Maker may change its Quote provided the new Quote shall be subject to the same display, spread and size requirements as specified in this procedure 3.2.2.2 for the original Quote;

For a Stock Index Options Contract which is not a Mini Contract:

<u>Contract Month</u>	<u>Call/Put Option Price</u>	<u>Maximum Bid/Offer Spread</u>
<u>1st to 3rd 4th calendar months</u>	<u>1 – 750 points</u>	<u>30 points or 10% of bid price, whichever is higher</u>
	<u>751 points or more</u>	<u>75 points</u>
<u>4th onwards 1st and 2nd calendar quarter months following the 4th calendar month</u>	<u>1 – 750 points</u>	<u>30 40 points or 20% of bid price, whichever is higher</u>
	<u>751 points or more</u>	<u>150 points</u>
<u>3rd calendar quarter month following the 4th calendar month</u>	<u>1 – 750 points</u>	<u>50 points or 25% of bid price, whichever is higher</u>
	<u>751 points or more</u>	<u>200 points</u>

For a Stock Index Options Contract which is a Mini Contract:

<u>Contract Month</u>	<u>Call/Put Option Price</u>	<u>Maximum Bid/Offer Spread</u>
<u>1st and 2nd calendar months</u>	<u>1 – 750 points</u>	<u>30 points or 10% of bid price, whichever is higher</u>
	<u>751 points or more</u>	<u>75 points</u>
<u>1st and 2nd calendar quarter months following the 2nd calendar month</u>	<u>1 – 750 points</u>	<u>40 points or 20% of bid price, whichever is higher</u>
	<u>751 points or more</u>	<u>150 points</u>

3.2.2.3 Providing Continuous Quotes

If a Regular Market Maker in a Stock Index Options Contract elects to provide continuous Quotes, it shall:

3.2.2.3.2 display on HKATS all Quotes made on the

assigned option series in the Stock Index Options Contract for not less than twenty (20) seconds and (i) in respect of a Stock Index Options Contract which is not a Mini Contract, for a size of not fewer than five (5) contracts for the first four calendar month contracts and for a size of not fewer than three (3) contracts for the subsequent three calendar quarter month contracts; and (ii) in respect of a Stock Index Options Contract which is a Mini Contract, for a size of not fewer than five (5) contracts for the first two calendar month contracts and not fewer than three (3) contracts for the subsequent two calendar quarter month contracts, unless a change in the price level of the Stock Index Futures Contract with the same underlying index occurs during the twenty (20) second display period, in which case, the Regular Market Maker may change its Quotes provided the new Quotes shall be subject to the same display, spread and size requirements as specified in this procedure 3.2.2.3 for the original Quotes.

For a Stock Index Options Contract which is not a Mini Contract:

<u>Contract Month</u>	<u>Call/Put Option Price</u>	<u>Maximum Bid/Offer Spread</u>
<u>1st to 3rd 4th calendar months</u>	1 – 750 points	30 points or 10% of bid price, whichever is higher
	751 points or more	75 points
<u>4th onwards 1st and 2nd calendar quarter months following the 4th calendar month</u>	1 – 750 points	<u>30-40</u> points or 20% of bid price, whichever is higher
	751 points or more	150 points
<u>3rd calendar quarter month following the 4th calendar month</u>	<u>1 – 750 points</u>	<u>50 points or 25% of bid price, whichever is higher</u>
	<u>751 points or more</u>	<u>200 points</u>

For a Stock Index Options Contract which is a Mini Contract:

<u>Contract Month</u>	<u>Call/Put Option Price</u>	<u>Maximum Bid/Offer Spread</u>
<u>1st and 2nd</u>	<u>1 – 750 points</u>	<u>30 points or 10% of bid price,</u>

<u>calendar months</u>		<u>whichever is higher</u>
	<u>751 points or more</u>	<u>75 points</u>
<u>1st and 2nd calendar quarter months following the 2nd calendar month</u>	<u>1 – 750 points</u>	<u>40 points or 20% of bid price, whichever is higher</u>
	<u>751 points or more</u>	<u>150 points</u>

3.2.2.4 A Regular Market Maker shall not be required to fulfil the market making requirements set forth in procedure 3.2.2 during the first five (5) minutes of the opening of each morning trading session.

3.2.3 Market Making Requirements of a Primary Market Maker in a Stock Index Futures Contract or Stock Index Options Contract

3.2.3.1 Each Primary Market Maker shall, in respect of each contract month or option series assigned to it in a Stock Index Futures Contract or Stock Index Options Contract for which it is appointed a Primary Market Maker:

3.2.3.1.1 provide continuous Quotes though HKATS: (i) for no less than such percentage of trading hours, (ii) for no less than such number of contracts, (iii) for no less than such display period, and (iv) within such bid/offer spread, in each case as may be specified in its appointment letter; and

3.2.3.1.2 respond to Quote Requests by (i) responding to not less than such percentage of Quote Requests, (ii) responding within such time period following a Quote Request's display on HKATS, (iii) displaying each Quote on HKATS for not less than such period of time and for not less than such number of contracts, and (iv) quoting within such bid/offer spread, in each case as may be specified in its appointment letter.

3.2.3.2 Each Primary Market Maker must fulfil its obligations under procedure 3.2.3.1 on all trading days during its period of appointment, except as mentioned in procedures 3.2.4 and 3.2.5 below or unless specifically exempted by the Exchange.

3.2.3.3 The Exchange may from time to time prescribe additional requirements, obligations, restrictions and conditions which must be complied with by a Primary Market Maker by giving written notice to it to amend the terms of its appointment.

3.2.34 During the Last Trading Day of a Stock Index Futures Contract, a Market Maker in the Stock Index Futures Contract shall not be required to respond to a Quote Request or to provide continuous Quotes for that Contract and during the Expiry Date of a Stock Index Options Contract, a Market Maker in the Stock Index Options Contract shall not be required to respond to a Quote Request or to provide continuous Quotes for that Contract.

3.2.45 During Unusual Market Conditions, the Chief Executive may, in his discretion, temporarily suspend or modify some or all of the market making requirements of a Market Maker.

3.3 *Market Maker Incentives*

A Market Maker in a Stock Index Futures Contract or a Stock Index Options Contract shall be entitled to pay a reduced Exchange Fee of an amount specified in Appendix B on transactions effected in the Stock Index Futures Contract or the Stock Index Options Contract.

A Market Maker in a Stock Index Futures Contract or a Stock Index Options Contract shall also be entitled to pay a reduced Exchange Fee of an amount specified in Appendix B on transactions effected in other Stock Index Futures Contracts and Stock Index Options Contracts with the same underlying index provided that (i) the total number of other Stock Index Futures Contracts and Stock Index Options Contracts eligible for reduced Exchange Fees in any calendar month shall not exceed the volume of the Stock Index Futures Contract or the Stock Index Options Contract traded by the Market Maker in its capacity as such in that calendar month; (ii) for Market Makers in the Mini-Hang Seng Index Futures Contract or the Mini-Hang Seng Index Option Contract, the number of other eligible transactions in the Hang Seng Index Futures Contract and the Hang Seng Index Option Contract shall be multiplied by one-fifth; (iii) for Market Makers in the Hang Seng Index Option Contract, the number of other eligible transactions in the Mini-Hang Seng Index Futures Contract and the Mini-Hang Seng Index Option Contract shall be multiplied by five; (iv) for Market Makers in the Hang Seng China Enterprises Index Futures Contract or the Hang Seng China Enterprises Index Option Contract, the number of other eligible transactions in the Mini-Hang Seng China Enterprises Index Futures Contract and the Mini-Hang Seng China Enterprises Index Option Contract shall be multiplied by five; and (v) for Market Makers in the Mini-Hang Seng China Enterprises Index Futures Contract or the Mini-Hang Seng China Enterprises Index Option Contract, the number of other eligible transactions in the Hang Seng China Enterprises Index Futures

Contract and the Hang Seng China Enterprises Index Option Contract shall be multiplied by one-fifth.

For the avoidance of doubt, since Market Maker permits are not applicable to option series in Flexible Options, Market Makers are not entitled to nor eligible for reduced Exchange Fees on transactions effected in any Flexible Options by a Market Maker.

Unless otherwise determined by the Chief Executive, a Market Maker shall be entitled to the above Market Maker Incentives only if it satisfies the market making requirements set forth in procedures 3.2.1 and/or 3.2.2 or, in the case of a Primary Market Maker, in procedure 3.2.3 and/or its appointment letter. Without prejudice to any powers or rights of the Exchange or the Chief Executive, if a Market Maker in a Stock Index Futures Contract and/or a Stock Index Options Contract does not meet the prescribed market making requirements for a calendar month, the Exchange reserves the right to charge, at the absolute discretion of the Chief Executive, such Market Maker Exchange Fees at the full rate as specified in the respective Contract Specifications for all transactions effected in that calendar month for all products in respect of which reduced Exchange Fees have been provided for in this procedure.

3.4 *Market Maker may not Trade for Client*

A Market Maker in a Stock Index Futures Contract and/or a Stock Index Options Contract shall not in its capacity as such accept an Order or execute a transaction for any Client and shall ensure that each of its market making arrangements will not execute any transaction for an account other than its own account, unless otherwise approved by the Exchange.