

Chapter 7 : Contingency Procedures

7.1 [Repealed]

7.1A [Repealed]

7.1B System Failure

The Exchange has installed a parallel set of production and back up computer facilities, either of which can support the operation of HKATS.

In the event of a disaster or other event affecting the production facilities which results in the failure in whole or in part of HKATS and system recovery fails, the Exchange may temporarily suspend trading on HKATS until failover of the system to the backup facilities has been completed and the operation of HKATS can be resumed. Options Trading Exchange Participants should refer to the HKATS User's Guide for further particulars and procedures regarding system malfunction or failure.

7.1C Equipment Failure

In case of a failure, error or defect in any of the equipment relating to the trading of an Options Trading Exchange Participant on HKATS (including but not limited to network equipment and communication lines), whether installed at the Options Trading Exchange Participant's office premises or any other location, the Options Trading Exchange Participant shall report the incident to the HKATS hotline immediately. Options Trading Exchange Participants are requested to follow the procedures stipulated in the HKATS User's Guide regarding equipment failure.

An Options Trading Exchange Participant experiencing a temporary loss of connectivity to HKATS may also request the Exchange to delete orders from or conduct other processes on HKATS on its behalf ("On-Behalf-Of Processing"). On-Behalf-Of Processing is principally intended for real contingency situations to reduce the financial risk of an Options Trading Exchange Participant when there is an unexpected temporary failure in system access. It is not intended to be a long-term alternative for the Options Trading Exchange Participant. The Options Trading Exchange Participant is expected to restore its access to HKATS in the shortest time practicable. On-Behalf-Of Processing is subject to the availability of the resources of the Exchange at the time of an Options Trading Exchange Participant's request. The Exchange will appraise each request for On-Behalf-Of Processing on a case-by-case basis and shall have the absolute discretion to turn down any request which it deems inappropriate. The Exchange shall not be liable to any Options Trading Exchange Participant for any On-Behalf-Of Processing conducted on its behalf.

A fee shall be payable by an Options Trading Exchange Participant for any On-Behalf-Of Processing executed by the Exchange on its behalf.

7.2 [Repealed]

7.3 [Repealed]

7.4 [Repealed]

7.5 [Repealed]

7.5A [Repealed]

7.6 [Repealed]