

Operational Trading Procedures for Options Trading Exchange Participants

**APPENDIX A: FEES & COSTS PAYABLE TO THE EXCHANGE**

**A3 Trading Expenses**

Fee Type	Charge Scale
<p>Trading Tariff</p> <p>a. Contract Premium &gt; \$0.01</p> <p style="padding-left: 40px;">(I) For Tier 1 Stocks</p> <p style="padding-left: 80px;">Non-Market Maker</p> <p style="padding-left: 80px;">Market Maker</p> <p style="padding-left: 120px;">1. which has responded to 70 percent or more quote requests in a month</p> <p style="padding-left: 120px;">2. which has responded to less than 70 percent of quote requests in a month</p> <p style="padding-left: 120px;">3. which has provided continuous quotes in the assigned option series for 70 percent or more of the trading hours in a month</p> <p style="padding-left: 120px;">4. which has provided continuous quotes in the assigned option series for less than 70 percent of the trading hours in a month</p> <p style="padding-left: 40px;">(II) For Tier 2 Stocks</p> <p style="padding-left: 80px;">Non-Market Maker</p> <p style="padding-left: 80px;">Market Maker</p> <p style="padding-left: 120px;">1. which has responded to 70 percent or more quote requests in a month</p> <p style="padding-left: 120px;">2. which has responded to less than 70 percent of quote requests in a month</p> <p style="padding-left: 120px;">3. which has provided continuous quotes in the assigned options series for 70 percent or more of the trading hours in a month</p> <p style="padding-left: 120px;">4. which has provided continuous quotes in the assigned option series for less than 70 percent of the trading hours in a month</p> <p>b. Contract Premium = \$0.01 (Cabinet Trade)</p>	<p></p> <p>\$3 per contract side</p> <p>\$1.50 per contract side</p> <p>\$3 per contract side</p> <p>\$1.50 per contract side</p> <p>\$3 per contract side</p> <p></p> <p>\$1 per contract side</p> <p>\$0.80 per contract side</p> <p>\$1 per contract side</p> <p>\$0.80 per contract side</p> <p>\$1 per contract side</p> <p>\$0</p>

## APPENDIX B: OPTIONS CONTRACT SPECIFICATIONS

### B11 Tier Levels

All option classes are classified into two tiers. Different trading tariffs are applicable to Tier 1 and Tier 2 option classes as specified in Appendix A. Unless otherwise expressly specified by the Exchange, the tier level of an option class is determined by the nominal value\* of one board lot of the underlying stock fixed before introduction of the option class. An option class with a nominal value above HK\$20,000 will be classified as Tier 1 and an option class with a nominal value of HK\$20,000 or less will be classified as Tier 2.

Any determination of a tier level for a new option class will be notified to Options Trading Exchange Participants via HKATS, email or such other means as the Exchange considers appropriate.

\* The nominal value will be determined according to the closing price of the underlying stock one trading day before the consultation with the Commission. When the underlying stock has no prior trading on the Exchange, the offer price per share of the public offering of the underlying stock (exclusive of brokerage, Transaction Levy and Investor Compensation Levy) will be used and in the event that the offer price is not available, the lowest offer price of the indicative offer price range stated in the prospectus will be used.