

SIXTH SCHEDULE

STANDARD CONTRACT

1. **Nature of Contract:** An Options Contract shall confer upon the holder the right to exercise the Options Contract in accordance with the Options Trading Rules, the Clearing Rules, and the Operational Trading Procedures and Clearing Procedures (collectively, “the Rules”). The right so conferred upon the holder of a call Options Contract is the right to purchase from the writer the securities comprised in the lot the subject of the Options Contract for the Settlement Amount, subject to, and in accordance with, the Rules. The right so conferred upon the holder of a put Options Contract is the right to sell to the writer the securities comprised in the lot the subject of the Options Contract for the Settlement Amount, subject to, and in accordance with, the Rules.
2. **Terms and Conditions of the Contract:** Each Options Contract shall incorporate by reference the following terms and conditions:-
 - (a) whether it is a put Options Contract or a call Options Contract;
 - (b) the underlying securities;
 - (c) the expiry; and
 - (d) the strike price

each of which, in relation to a particular Options Contract, shall be determined solely by reference to the Transaction Register of the Options Trading System.
3. **Price:** The price which determines the Premium payable in respect of an Options Contract shall be quoted in the same currency as that in which the underlying securities are traded on the Exchange by reference to one share of the underlying securities.
4. **Premium:** The Premium payable in respect of an Options Contract shall be the product of the price and the number of underlying securities comprised in the lot the subject of such Options Contract. The buyer shall pay, and the seller shall receive, the Premium on the day and by the time specified for that purpose in the Rules. All payments of Premium shall be in the Settlement Currency and shall be effected in the manner specified for that purpose in the Rules.
5. **Exercise:** A holder may exercise an Options Contract having a particular expiry on any trading day up to and including the Last Exercise Day for Options Contracts of the same option series having that expiry and shall do so by giving to the writer an exercise instruction by the time specified for that purpose in, and in accordance with, the Rules (or as otherwise from time to time prescribed by the Exchange and SEOCH).
6. **Settlement:** All underlying securities to be transferred following exercise of an Options Contract shall be transferred in accordance with the Rules on or before such day as may be specified in the Rules, free of any security interest of any person, except, where applicable, that of SEOCH. Unless otherwise permitted by the Exchange and SEOCH, a transfer of underlying securities following exercise of an Options Contract shall be made through CCASS in accordance with the Rules and the HKSCC Rules.
7. **Expiry:** An Options Contract in a particular option series which has not been validly exercised shall automatically expire at the System Input Cutoff Time on the Last Exercise Day of that expiry of Options Contracts in that option series.

8. **Status:** Every Options Contract shall be subject to the Rules and the Exchange Rules, so far as applicable, notwithstanding where either or both of the parties to the Options Contract is not a Participant of the Exchange or of SEOCH.
9. **Disputes:** Subject to the Rules, any dispute arising from or in relation to an Options Contract shall be referred to the Board whose determination shall be final and binding on the parties to it.
10. **Amendments:** Subject to the Rules, the Board shall have power to add to, vary, repeal, enforce or waive any of these terms and conditions.
11. **Governing Law:** Every Options Contract shall be governed by, and construed in accordance with, Hong Kong law.
12. **Definitions:** The definitions that follow form part of these terms and conditions.

In these terms and conditions, words and expressions defined in the Rules have the same meanings and, in addition, the following words and expressions have the following meanings:-

"buyer" or "holder", in respect of an Options Contract, means the person who is obliged to pay the Premium in respect of such Options Contract, and who is entitled to exercise such Options Contract, and who is obliged to deliver or accept delivery of underlying securities following the valid exercise of such Options Contract (and includes, except where the context otherwise requires, SEOCH as buyer under an OCH Contract);

"expiry" means, in relation to an Options Contract, the calendar month (in the case of a monthly expiring Options Contract) or week (in the case of a weekly expiring Options Contract) recorded in the Transaction Register of the Options Trading System as the month or week during which that Options Contract will expire through effluxion of time;

"Last Exercise Day", in respect of an expiry month, means the trading day immediately preceding the last day of such expiry month which is a trading day (or such other day as may be specified by the Exchange); and in respect of an expiry week, means the last trading day of such expiry week (or such other day as may be specified by the Exchange);

"lot" means, in relation to an Options Contract, the number of underlying securities to which that Options Contract relates being, subject to adjustment pursuant to the Rules, the standard number of such securities ordinarily traded as a board lot on the Exchange or such other number of such securities as expressly specified by the Exchange for an Options Contract;

"price" means, in relation to an Options Contract, the price recorded in the Transaction Register of the Options Trading System as the price agreed between the seller and the buyer for the rights conferred upon the buyer, as if those rights had been conferred in relation to one share of the underlying securities comprised in the lot the subject of the Options Contract;

"security interest" means any proprietary or equitable interest or right whatsoever including, without limitation, any such interest or right arising under or by virtue of any disposal made or purporting to be made by way of security or by way of loan and any other lien, pledge, encumbrance or equity of any kind;

"seller" or "writer", in respect of an Options Contract, means the person who is entitled to receive the Premium in respect of such Options Contract and who is obliged to deliver or accept delivery of underlying securities following the valid exercise of such Options Contract by the other party to it (and includes, except where the context otherwise requires, SEOCH as seller under an OCH Contract);

"Settlement Amount", in respect of an Options Contract which has been exercised, means the amount in the Settlement Currency equal to the product of the strike price and the number of underlying securities comprised in the lot the subject of such Options Contract; and

"strike price" means, in relation to an Options Contract, the amount recorded in the Transaction Register of the Options Trading System as being payable for one share of the underlying securities to be transferred following exercise of the Options Contract, subject to adjustment pursuant to the Rules.