

## **13. Fees, Levies and Stamp Duty**

### **13.1 Liability of SEOCH Participants**

In all cases where fees, levies and duties are charged by the Exchange or SEOCH to a SEOCH Participant, it will be the sole responsibility of the SEOCH Participant to make payment. SEOCH has no fiduciary relationship with NCPs.

### **13.2 Tariff and Clearing Fees**

The Exchange and SEOCH charge a number of fees. The various Exchange fees and SEOCH clearing service fees can be found in the *Operational Trading Procedures and Appendix G* to these Procedures respectively.

All Exchange trading tariffs, levies and SEOCH clearing service fees to be charged are calculated and available for enquiry via DCASS as soon as they are incurred. Charges from transactions in CCMS will be recorded in CCMS instead of DCASS. DCASS and CCMS reports will also be available to provide details of the charges.

#### **13.2.1 Cabinet Trades**

Trades matched at a premium of one minimum price fluctuation will be treated as cabinet trades and will attract no Exchange trading tariff at all. Such transactions are sometimes useful as a means of eliminating far out-of-the money positions that are unlikely ever to have any value but which continue to create margin obligations. Closing such positions may also assist in complying with position limits.

### **13.3 Transaction Levies and Investor Compensation Levy**

The SFC Transaction Levy, the FRC Transaction Levy, the Investor Compensation Levy, trading tariff and trading fee on stock transactions resulting from exercise and assignment of options contracts will be payable by SEOCH Participants and will be charged at the same rate and using the same collection systems of the Exchange as apply to stock transactions in the underlying market.

The SFC Transaction Levy imposed on option trades executed payable by SEOCH Participants is 0% of the consideration for each sale or purchase in accordance with the Securities and Futures (Levy) Order and no FRC Transaction Levy and Investor Compensation Levy are imposed on option trades respectively.

### **13.4 Stamp Duty**

Stamp duty will not be payable on option trades but will continue to be payable by SEOCH Participants once only by both the buyer and the seller on each stock transaction arising from exercise and assignment, at the same rate and using the same collection systems of the Exchange as prevail for stock transactions in the underlying market.

### **13.5 CCASS Charges**

SEOCH levies a handling fee and any other applicable CCASS charges for SI input and settlement. Any other applicable charges of CCASS on SI transactions of a SEOCH Participant or the CCASS GCP, where applicable, may also be charged to the SEOCH Participant on a cost recovery basis. Please refer to Appendix G to these Procedures for a detailed listing of the various fees.

### **13.6 Miscellaneous Costs**

SEOCH reserves the right to charge SEOCH Participants for any disbursements and out-of-pocket expenses it incurs in the delivery of services and facilities to SEOCH Participants and such charges and expenses may or may not be described in the *Operational Trading Procedures* or these Procedures.