

**Options Clearing Rules**

**CHAPTER 1**

**DEFINITIONS AND INTERPRETATION**

**Definitions**

101. In these Clearing Rules, unless the context otherwise requires:-

" <del>HKSCC</del> <del>CCASS</del> Rules"	has the same meaning as in the Exchange Rules;
"CNS System"	has the same meaning as in the <del>CCASS</del> <del>HKSCC</del> Rules;
"Isolated Trades System"	has the same meaning as in the <del>CCASS</del> <del>HKSCC</del> Rules;
"Marks, Margin and Concentration Collateral"	has the same meaning as "Mark", "Margin" and "Concentration Collateral" in the <del>HKSCC</del> <del>CCASS</del> Rules collectively;
"Settlement Day"	has the same meaning as in the <del>HKSCC</del> <del>CCASS</del> Rules;
"Stock Collateral Control Account"	bears the same meaning as in the <del>CCASS</del> <del>HKSCC</del> Rules;

**Interpretation**

103. Subject to Clearing Rule 101, any definitions of words defined in the Exchange Rules, the Options Trading Rules, the ~~HKSCC~~ ~~CCASS~~ Rules, the Securities and Futures Ordinance, the Companies Ordinance or the Articles shall, if not inconsistent with the subject or context, apply to these Clearing Rules.

**CHAPTER 4**

**SEOCH PARTICIPANTS' OBLIGATIONS**

**Compliance with the Clearing Rules**

401. Each SEOCH Participant shall at all times:-

- (2) comply with the decisions, directions, directives, determinations, findings of fact and/or interpretation of the Board, the SEOCH Board and/or any other person or body of persons in the exercise or performance of any right, power, privilege, discretion, function, duty or obligation conferred on them by or pursuant to these Clearing Rules, the Operational Clearing Procedures and,

to the extent applicable, the Exchange Rules and the ~~CCASS-HKSCC~~ Rules.

### **Continuing Obligations**

403. Each SEOCH Participant shall at all times:-

- (3) (a) be in good standing as a CCASS Clearing Participant and be in compliance with the ~~CCASS~~ HKSCC Rules; or

## **CHAPTER 5**

### **EXERCISE, DELIVERY AND SETTLEMENT**

#### **Delivery and Settlement Under OCH Contracts**

508. Delivery obligations shall arise under an OCH Contract which has been validly exercised. Unless the SEOCH Board determines that delivery obligations under such OCH Contracts are to be performed in some other way (including determining that obligations be settled in cash in lieu of delivery) or at some other time and notifies SEOCH Participants of such determination, under normal circumstances, delivery obligation shall be settled in the manner described under paragraph (1) and (2) below:-

- (1) through CCASS under the CNS System pursuant to the ~~CCASS-HKSCC~~ Rules on the second Settlement Day immediately following the day on which the OCH Contract is exercised; or