

Options Clearing Rules

CHAPTER 1

DEFINITIONS AND INTERPRETATION

Definitions

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

- “Currency of the Contract” means the currency in which a Contract is traded;
- “Settlement Currency” means the currency in which a Contract shall be settled, which currency shall be the Currency of the Contract or any other currency from time to time accepted by SEOCH;

CHAPTER 4

SEOCH PARTICIPANTS' OBLIGATIONS

Continuing Obligations

403. Each SEOCH Participant shall at all times:-

- (10) have two bank accounts for each applicable Settlement Currency with a Designated Bank or a Settlement Bank, as the case may be, and maintain in force a mandate in favour of SEOCH in such form as may be prescribed by SEOCH in relation to each bank account pursuant to which SEOCH may debit or credit such bank account and if a SEOCH Participant does not open the bank accounts in the Settlement Currency of a Contract and provide mandates to the bank as aforesaid, it will not be allowed to record, register and clear that Contract;

CHAPTER 6

RISK MANAGEMENT AND PAYMENT PROCEDURES

Premium and Settlement Amounts

602. All amounts payable in respect of Premium and Settlement Amounts shall be settled by cash in the Settlement Currency and in accordance with these Clearing Rules and the Operational Clearing Procedures.

Collection of Margin, Premium and Settlement Amounts by SEOCH

612. To the extent that SEOCH holds SEOCH Collateral other than cash denominated in the Settlement Currency in respect of margin, SEOCH will take such value as it attributes to such SEOCH Collateral into account when determining the amount in respect of Daily Margin required from a SEOCH Participant.

Intra-day Margin

615. A SEOCH Participant which receives a demand for Intra-Day Margin shall, to the extent the full amount of any such demand is not covered by SEOCH Collateral provided to SEOCH at the time of the demand, satisfy such demand by payment in cash in the Settlement Currency, no later than one hour after the time of such demand.