

Securities And Futures (Contracts Limits and Reportable Positions) Rules
(Made by the Securities and Futures Commission under section 35(1)
of the Securities and Futures Ordinance (Cap. 571), and in
relation to rules made under section 35(1)(e) of that
Ordinance after consultation with the
Financial Secretary)

1. Commencement

These Rules shall come into operation on the day appointed for the commencement of the Securities and Futures Ordinance (Cap. 571).

2. Interpretation

(1) In these Rules, unless the context otherwise requires---
"Listing Rules" (《上市規則》) means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited made by the Stock Exchange Company;
"prescribed limit" (訂明上限), in relation to a futures contract or a stock options contract, means the limit on the number of contracts prescribed for it under section 5;

"reportable position" (須申報的持倉量) means an open position in futures contracts or stock options contracts the number of which is---

(a) in the case of a futures contract specified in column 2 of Schedule 1, in excess of that specified opposite to it in column 4 of that Schedule; and

(b) in the case of a stock options contract specified in column 2 of Schedule 2, in excess of that specified opposite to it in column 4 of that Schedule;

"reporting day" (申報日) means a day other than---

(a) a public holiday;

(b) a Saturday; and

(c) a gale warning day or a black rainstorm warning day as defined in section 71(2) of the Interpretation and General Clauses Ordinance (Cap. 1).

(2) For the purposes of these Rules, a reference to control, in relation to futures contracts or stock options contracts, shall be construed as a reference to control of such futures contracts or stock options contracts, either directly or indirectly.

3. Application

These Rules apply to futures contracts and stock options contracts that are traded through the facilities of a recognized exchange company in accordance with the rules of the recognized exchange company.

4. Restrictions on number of contracts held or controlled

(1) No person, other than a person referred to in subsections (2) and (4), may hold or control futures contracts or stock options contracts in excess of the

prescribed limit.

(2) A person specified in subsection (3) may be authorized under the rules of the recognized exchange company concerned to hold or control futures contracts or stock options contracts in excess of the prescribed limit.

(3) A person who may be authorized for the purposes of subsection (2) is---

(a) a person registered with the Futures Exchange Company for the purpose of performing market making or liquidity providing activities in respect of futures contracts in accordance with its rules;

(b) a person registered with the Stock Exchange Company for the purpose of performing market making or liquidity providing activities in respect of stock options contracts in accordance with its rules;

(c) an issuer of securities listed under Chapter 15A of the Listing Rules who holds or controls futures contracts or stock options contracts in the course of hedging the risks of positions previously acquired in such listed securities for the purpose of performing liquidity providing activities in respect of such listed securities; or

(d) a related corporation of an issuer of securities listed under Chapter 15A of the Listing Rules, where the related corporation holds or controls futures contracts or stock options contracts in the course of hedging the risks of positions previously acquired in such listed securities for the purpose of performing liquidity providing activities in respect of such listed securities.

(4) A person, other than a person who may be authorized under subsection (3), may hold or control futures contracts or stock options contracts in excess of the prescribed limit if---

(a) such person is able to satisfy the Commission that special circumstances exist which warrant the person holding or controlling the futures contracts or the stock options contracts in excess of the prescribed limit;

(b) the Commission is satisfied that the excess would not be prejudicial to the interest of the investing public having regard to the prescribed limit and the liquidity of the futures contracts or the stock options contracts in question; and

(c) the Commission has given the person notice in writing that it is satisfied of the matters referred to in paragraphs (a) and (b).

5. Prescribed limits

For the purposes of section 4(1), the limit on the number of contracts that may be held or controlled is---

(a) in the case of a futures contract specified in column 2 of Schedule 1, that specified opposite to it in column 3 of that Schedule; and

(b) in the case of a stock options contract specified in column 2 of Schedule 2, that

specified opposite to it in column 3 of that Schedule.

6. Notice of reportable positions

(1) Any person who holds or controls a reportable position shall lodge a notice in writing of that reportable position with the recognized exchange company concerned within one reporting day following---

- (a) the day on which the person first holds or controls that reportable position; and
- (b) each succeeding day on which the person continues to hold or control that reportable position.

(2) A notice referred to in subsection (1) shall be accompanied by the following information---

- (a) the number of futures contracts or stock options contracts held or controlled by the person in respect of the reportable position in each relevant contract month; and
- (b) if the reportable position is held or controlled for a client, the identity of the client.

7. Compliance by exchange participants

In their application to an exchange participant of a recognized exchange company, the prescribed limits and reportable positions apply---

- (a) to futures contracts or stock options contracts held or controlled by the exchange participant for his own account; and
- (b) separately, to futures contracts or stock options contracts held or controlled by the exchange participant for each of his clients.

8. Penalties

Any person who, without reasonable excuse, fails to comply with section 4(1) or 6 commits an offence and is liable---

- (a) on conviction on indictment to a fine at level 6 and to imprisonment for 2 years; or
- (b) on summary conviction to a fine at level 3 and to imprisonment for 6 months.

Schedule 1 [ss. 2(1) & 5(a)]

Prescribed Limit and Reporting Level

for Futures Contracts

Item	Futures contract	Prescribed limit	Reporting level
1.	HSBC Holdings Plc stock	5 000 open contracts for	1 000 open contracts for any
	futures contract	any one contract month	one contract month
2.	CITIC Pacific Ltd. stock	5 000 open contracts for	1 000 open contracts for any

futures contract any one contract month one contract month

3. Cheung Kong (Holdings) 5 000 open contracts for 1 000 open contracts for any

Ltd. stock futures contract any one contract month one contract month

4. Swire Pacific Ltd. 'A' stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

5. CLP Holdings Ltd. stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

6. China Resources Enterprise, 5 000 open contracts for 1 000 open contracts for any

Ltd. stock futures contract any one contract month one contract month

7. Hang Seng Bank Ltd. stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

8. Henderson Land Development Co. Ltd. 5 000 open contracts for 1 000 open contracts for any any one contract month one contract month

stock futures contract

9. Hopewell Holdings Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

10. Hutchison Whampoa Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

11. New World Development Co., Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

12. Shanghai Industrial Holdings Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

13. Sun Hung Kai Properties 5 000 open contracts for 1 000 open contracts for any

Ltd. stock futures contract any one contract month one contract month

14. The Wharf (Holdings) Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

15. Hang Seng China-Affiliated 10 000 open contracts for 500 open contracts for any

Corporations Index futures any one contract month one contract month contract

16. Hang Seng China-Affiliated 10 000 open contracts for 500 open contracts for any

Corporations Index options any one contract month one contract month contract

17. Three-Month Hong Kong Nil 1 000 open contracts for any Interbank Offered Rate one contract month; 4 000

futures contract open contracts for all contract months

18. COSCO Pacific Ltd. stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

19. The Hong Kong & China 5 000 open contracts for 1 000 open contracts for any

Gas Co. Ltd. stock futures any one contract month one contract month contract

20. Hongkong Electric 5 000 open contracts for 1 000 open contracts for any

Holdings Ltd. stock futures any one contract month one contract month contract

21. China Mobile (Hong Kong) 5 000 open contracts for 1 000 open contracts for any

Ltd. stock futures contract any one contract month one contract month

22. HKFE Taiwan Index Nil 500 open contracts for any futures contract one contract month

23. HKFE Taiwan Index Nil 500 open contracts for any options contract one series

24. Hang Seng 100 futures Nil 500 open contracts for any contract one contract month

25. Hang Seng 100 options Nil 500 open contracts for any contract one series

26. One-Month Hong Kong Nil 1 000 open contracts for any Interbank Offered Rate one contract month; 4 000

futures contract open contracts for all

contract months

27. Hang Seng Index futures 10 000 long or short 500 open Hang Seng Index
and options contracts, and position delta limit for all futures contracts for any one
Mini-Hang Seng Index contract months combined, contract month; 500 open futures contracts and provided the position delta Hang Seng Index options contracts for the Mini-Hang Seng contracts for any one series;
Index futures contracts or 2 500 open Mini-Hang Seng
Mini-Hang Seng Index Index futures contracts for options contracts shall any one contract month and not at any time exceed 2 500 open Mini-Hang Seng 2 000 long or short for all Index options contracts for contract months combined any one series
28. Hang Seng Finance 300 open contracts for any 50 open contracts for any one
Sub-Index futures contracts one contract month contract month
29. Hang Seng Utilities 300 open contracts for 50 open contracts for any one
Sub-Index futures contracts any one contract month contract month
30. Hang Seng Commerce and 300 open contracts for 50 open contracts for any one
Industry Sub-Index futures any one contract month contract month contracts
31. Hang Seng Properties 250 open contracts for 50 open contracts for any one
Sub-Index futures contracts any one contract month contract month
32. Hang Seng Properties 250 open contracts for 50 open contracts for any one
Sub-Index options contracts any one series series
33. Hang Seng China 6 000 open contracts for 250 open contracts for any Enterprises Index futures any one contract month one contract month contracts
34. Hang Seng China 6 000 open contracts for 250 open contracts for any Enterprises Index options any one series one series contracts
35. PCCW Ltd. stock futures 5 000 open contracts for 1 000 open contracts for any

contract any one contract month one contract month

36. The Bank of East Asia Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

37. Legend Group Ltd. stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

38. MSCI China Free Index 10 000 open contracts for 500 open contracts for any

futures contract any one contract month one contract month

39. MSCI China Free Index 10 000 open contracts for 500 open contracts for any

options contract any one contract month one contract month

40. Amoy Properties Ltd. stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

41. Cathay Pacific Airways Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

42. Cheung Kong Infrastructure 5 000 open contracts for 1 000 open contracts for any

Holdings Ltd. stock any one contract month one contract month

futures contract

43. China Merchants Holdings 5 000 open contracts for 1 000 open contracts for any

(International) Co. Ltd. any one contract month one contract month

stock futures contract

44. China Petroleum & 5 000 open contracts for 1 000 open contracts for any

Chemical Corporation any one contract month one contract month

stock futures contract

45. China Unicom Ltd. stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

46. Dah Sing Financial 5 000 open contracts for 1 000 open contracts for any

Holdings Ltd. stock any one contract month one contract month

futures contract

47. Guoco Group Ltd. stock 5 000 open contracts for 1 000 open contracts
for any

futures contract any one contract month one contract month

48. Hang Lung Development 5 000 open contracts for 1 000 open contracts
for any

Co. Ltd. stock futures any one contract month one contract month
contract

49. Henderson Investment Ltd. 5 000 open contracts for 1 000 open
contracts for any

stock futures contract any one contract month one contract month

50. Hong Kong Exchanges and 5 000 open contracts for 1 000 open
contracts for any

Clearing Ltd. stock futures any one contract month one contract month
contract

51. Hysan Development Co. 5 000 open contracts for 1 000 open contracts
for any

Ltd. stock futures contract any one contract month one contract month

52. Johnson Electric Holdings 5 000 open contracts for 1 000 open
contracts for any

Ltd. stock futures contract any one contract month one contract month

53. Li & Fung Ltd. stock 5 000 open contracts for 1 000 open contracts
for any

futures contract any one contract month one contract month

54. MTR Corporation Ltd. 5 000 open contracts for 1 000 open contracts
for any

stock futures contract any one contract month one contract month

55. PetroChina Co. Ltd. stock 5 000 open contracts for 1 000 open
contracts for any

futures contract any one contract month one contract month

56. Shangri-La Asia Ltd. stock 5 000 open contracts for 1 000 open
contracts for any

futures contract any one contract month one contract month

57. Sino Land Co. Ltd. stock 5 000 open contracts for 1 000 open
contracts for any

futures contract any one contract month one contract month

58. South China Morning Post 5 000 open contracts for 1 000 open
contracts for any

(Holdings) Ltd. stock any one contract month one contract month

futures contract

59. Television Broadcasts Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

60. Wheelock and Co. Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

61. Wing Hang Bank, Ltd. 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

62. Yue Yuen Industrial 5 000 open contracts for 1 000 open contracts for any

(Holdings) Ltd. stock any one contract month one contract month

futures contract

63. Cisco System Incorporated 50 000 open contracts for 10 000 open contracts for any

stock futures contract any one contract month one contract month

64. IBM Corporation stock 50 000 open contracts for 10 000 open contracts for any

futures contract any one contract month one contract month

65. Intel Corporation stock 50 000 open contracts for 10 000 open contracts for any

futures contract any one contract month one contract month

66. Microsoft Corporation 50 000 open contracts for 10 000 open contracts for any

stock futures contract any one contract month one contract month

67. Oracle Corporation stock 50 000 open contracts for 10 000 open contracts for any

futures contract any one contract month one contract month

68. NTT DoCoMo 50 000 open contracts for 10 000 open contracts for any Incorporated stock any one contract month one contract month

futures contract

69. Sony Corporation stock 50 000 open contracts for 10 000 open contracts for any

futures contract any one contract month one contract month

70. Nippon Telegraph & 50 000 open contracts for 10 000 open contracts for any

Telephone Corporation any one contract month one contract month

stock futures contract

71. Fujitsu Limited stock 50 000 open contracts for 10 000 open contracts for any

futures contract any one contract month one contract month

72. Toyota Motor Corporation 50 000 open contracts for 10 000 open contracts for any

stock futures contract any one contract month one contract month

73. Korea Electric Power 5 000 open contracts for 1 000 open contracts for any

Corporation stock futures any one contract month one contract month contract

74. KT Corporation stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

75. Samsung Electronics 5 000 open contracts for 1 000 open contracts for any

Company Limited stock any one contract month one contract month futures contract

76. SK Telecom Company 5 000 open contracts for 1 000 open contracts for any

Limited stock futures any one contract month one contract month contract

77. Kookmin Bank stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

78. Mosel Vitelic Incorporated 5 000 open contracts for 1 000 open contracts for any

stock futures contract any one contract month one contract month

79. Ritek Corporation stock 5 000 open contracts for 1 000 open contracts for any

futures contract any one contract month one contract month

80. Taiwan Semiconductor 5 000 open contracts for 1 000 open contracts for any

Manufacturing Company any one contract month one contract month Limited stock futures

contract

81. United Micro Electronics 5 000 open contracts for 1 000 open contracts for any

Corporation stock futures any one contract month one contract month
contract

82. Winbond Electronics 5 000 open contracts for 1 000 open contracts
for any

Corporation stock futures any one contract month one contract month
contract

83. Options on Cisco System 50 000 open contracts for 10 000 open
contracts for any

Incorporated stock futures any one contract month one contract month
contract

84. Options on IBM 50 000 open contracts for 10 000 open contracts for any
Corporation stock futures any one contract month one contract month
contract

85. Options on Intel 50 000 open contracts for 10 000 open contracts for
any

Corporation stock futures any one contract month one contract month
contract

86. Options on Microsoft 50 000 open contracts for 10 000 open contracts
for any

Corporation stock futures any one contract month one contract month
contract

87. Options on Oracle 50 000 open contracts for 10 000 open contracts for
any

Corporation stock futures any one contract month one contract month
contract

88. Options on NTT DoCoMo 50 000 open contracts for 10 000 open contracts
for any

Incorporated stock futures any one contract month one contract month
contract

89. Options on Sony 50 000 open contracts for 10 000 open contracts for
any

Corporation stock futures any one contract month one contract month
contract

90. Options on Nippon 50 000 open contracts for 10 000 open contracts for
any

Telegraph & Telephone any one contract month one contract month

Corporation stock futures
contract

91. Options on Fujitsu Limited 50 000 open contracts for 10 000 open contracts for any stock futures contract any one contract month one contract month

92. Options on Toyota Motor 50 000 open contracts for 10 000 open contracts for any Corporation stock futures any one contract month one contract month contract

93. Options on Korea Electric 5 000 open contracts for 1 000 open contracts for any Power Corporation stock any one contract month one contract month futures contract

94. Options on KT Corporation 5 000 open contracts for 1 000 open contracts for any stock futures contract any one contract month one contract month

95. Options on Samsung 5 000 open contracts for 1 000 open contracts for any Electronics Company any one contract month one contract month Limited stock futures contract

96. Options on SK Telecom 5 000 open contracts for 1 000 open contracts for any Company Limited stock any one contract month one contract month futures contract

97. Options on Kookmin Bank 5 000 open contracts for 1 000 open contracts for any stock futures contract any one contract month one contract month

98. Options on Mosel Vitelic 5 000 open contracts for 1 000 open contracts for any Incorporated stock futures any one contract month one contract month contract

99. Options on Ritek 5 000 open contracts for 1 000 open contracts for any Corporation stock futures any one contract month one contract month contract

100. Options on Taiwan 5 000 open contracts for 1 000 open contracts for any Semiconductor any one contract month one contract month Manufacturing Company

Limited stock futures
contract

101. Options on United Micro 5 000 open contracts for 1 000 open
contracts for any

Electronics Corporation any one contract month one contract month
stock futures contract

102. Options on Winbond 5 000 open contracts for 1 000 open contracts
for any

Electronics Corporation any one contract month one contract month
stock futures contract

103. Dow Jones Industrial 20 000 open contracts for 1 000 open
contracts for any

Average futures contract any one contract month one contract month

104. Dow Jones Industrial 20 000 open contracts for 1 000 open
contracts for any

Average options contract any one contract month one contract month

105. Three Year Exchange Fund 5 000 open contracts for 1 000 open
contracts for any

Note (EFN) futures contract any one contract month one contract month except
except that the limit for the that the reportable position

spot month contract during for the spot month contract

the last 6 trading days is during the last 6 trading days

1 000 open contracts is 200 open contracts

106. CNOOC Ltd. stock 5 000 open contracts for 1 000 open contracts
for any

futures contract any one contract month one contract month

107. Huaneng Power 5 000 open contracts for 1 000 open contracts for
any

International, Inc. stock any one contract month one contract month
futures contract

Schedule 2 [ss. 2(1) & 5(b)]

Prescribed Limit and Reporting Level

for Stock Options Contracts

Item Stock options contract Prescribed limit Reporting level

1. HSBC Holdings Plc stock 5 000 contracts in any 1 000 contracts in any
one

options contract one expiry month expiry month

2. Cheung Kong (Holdings) 5 000 contracts in any 1 000 contracts in any one

Ltd. stock options contract one expiry month expiry month

3. CITIC Pacific Ltd. stock 5 000 contracts in any 1 000 contracts in any one
options contract one expiry month expiry month

4. Swire Pacific Ltd. 'A' stock 5 000 contracts in any 1 000 contracts in any one
options contract one expiry month expiry month

5. CLP Holdings Ltd. stock 5 000 contracts in any 1 000 contracts in any one
options contract one expiry month expiry month

6. Henderson Land Development Co. Ltd. 5 000 contracts in any 1 000 contracts in any one
stock options contract one expiry month expiry month

7. Hutchison Whampoa Ltd. 5 000 contracts in any 1 000 contracts in any one
stock options contract one expiry month expiry month

8. Sun Hung Kai Properties 5 000 contracts in any 1 000 contracts in any one
Ltd. stock options contract one expiry month expiry month

9. Hopewell Holdings Ltd. 25 000 contracts in any 5 000 contracts in any one
stock options contract one expiry month expiry month

10. Amoy Properties Ltd. stock 25 000 contracts in any 5 000 contracts in any one
options contract one expiry month expiry month

11. The Bank of East Asia Ltd. 25 000 contracts in any 5 000 contracts in any one
stock options contract one expiry month expiry month

12. Hang Seng Bank Ltd. stock 25 000 contracts in any 5 000 contracts in any one
options contract one expiry month expiry month

13. Hongkong Electric Holdings Ltd. 25 000 contracts in any 5 000 contracts in any one
stock options contract one expiry month expiry month

14. The Hong Kong & China Gas Co. Ltd. stock 25 000 contracts in any 5 000 contracts in any one
options contract one expiry month expiry month

15. Hysan Development Co. 5 000 contracts in any 1 000 contracts in any one

Ltd. stock options contract one expiry month expiry month

16. New World Development 5 000 contracts in any 1 000 contracts in any one Co., Ltd. stock options one expiry month expiry month contract

17. The Wharf (Holdings) Ltd. 5 000 contracts in any 1 000 contracts in any one stock options contract one expiry month expiry month

18. Wheelock and Co. Ltd. 5 000 contracts in any 1 000 contracts in any one stock options contract one expiry month expiry month

19. Cathay Pacific Airways Ltd. 5 000 contracts in any 1 000 contracts in any one stock options contract one expiry month expiry month

20. Hang Lung Development 5 000 contracts in any 1 000 contracts in any one Co. Ltd. stock options one expiry month expiry month contract

21. Henderson Investment Ltd. 25 000 contracts in any 5 000 contracts in any one stock options contract one expiry month expiry month

22. Johnson Electric Holdings 25 000 contracts in any 5 000 contracts in any one Ltd. stock options contract one expiry month expiry month

23. Shangri-La Asia Ltd. stock 5 000 contracts in any 1 000 contracts in any one options contract one expiry month expiry month

24. Sino Land Co. Ltd. stock 5 000 contracts in any 1 000 contracts in any one options contract one expiry month expiry month

25. South China Morning Post 25 000 contracts in any 5 000 contracts in any one (Holdings) Ltd. stock one expiry month expiry month options contract

26. Television Broadcasts Ltd. 5 000 contracts in any 1 000 contracts in any one stock options contract one expiry month expiry month

27. Cheung Kong Infrastructure 5 000 contracts in any 1 000 contracts in any one Holdings Ltd. stock one expiry month expiry month options contract

28. China Resources Enterprise, 5 000 contracts in any 1 000 contracts
in any one
Ltd. stock options contract one expiry month expiry month
29. COSCO Pacific Ltd. stock 5 000 contracts in any 1 000 contracts in any
one
options contract one expiry month expiry month
30. Shanghai Industrial 5 000 contracts in any 1 000 contracts in any one
Holdings Ltd. stock one expiry month expiry month
options contract
31. China Merchants Holdings 25 000 contracts in any 5 000 contracts
in any one
(International) Co. Ltd. one expiry month expiry month
stock options contract
32. China Mobile (Hong 5 000 contracts in any 1 000 contracts in any one
Kong) Ltd. stock one expiry month expiry month
options contract
33. Tracker Fund of Hong 25 000 contracts in any 5 000 contracts in any
one
Kong stock options one expiry month expiry month
contract
34. Legend Group Ltd. stock 5 000 contracts in any 1 000 contracts in any
one
options contract one expiry month expiry month
35. PCCW Ltd. stock options 25 000 contracts in any 5 000 contracts
in any one
contract one expiry month expiry month
36. China Petroleum & 25 000 contracts in any 5 000 contracts in any one
Chemical Corporation one expiry month expiry month
stock options contract
37. China Unicom Ltd. stock 25 000 contracts in any 5 000 contracts
in any one
options contract one expiry month expiry month
38. Dah Sing Financial 25 000 contracts in any 5 000 contracts in any one
Holdings Ltd. stock one expiry month expiry month
options contract
39. Guoco Group Ltd. stock 5 000 contracts in any 1 000 contracts in any one
options contract one expiry month expiry month
40. Hong Kong Exchanges and 5 000 contracts in any 1 000 contracts in any

one

Clearing Ltd. stock one expiry month expiry month
options contract

41. Li & Fung Ltd. stock 5 000 contracts in any 1 000 contracts in any one
options contract one expiry month expiry month

42. MTR Corporation Ltd. 25 000 contracts in any 5 000 contracts in any
one
stock options contract one expiry month expiry month

43. PetroChina Co. Ltd. stock 25 000 contracts in any 5 000 contracts
in any one
options contract one expiry month expiry month

44. Wing Hang Bank, Ltd. 25 000 contracts in any 5 000 contracts in any
one
stock options contract one expiry month expiry month

45. Yue Yuen Industrial 5 000 contracts in any 1 000 contracts in any one
(Holdings) Ltd. stock one expiry month expiry month
options contract

46. CNOOC Ltd. stock 25 000 contracts in any 5 000 contracts in any one
options contract one expiry month expiry month

47. Huaneng Power 25 000 contracts in any 5 000 contracts in any one
International, Inc. stock one expiry month expiry month
options contract

Andrew Len Tao SHENG

Chairman,

Securities and Futures Commission

9 December 2002

Explanatory Note

These Rules are made by the Securities and Futures Commission under section 35(1) of the Securities and Futures Ordinance (Cap. 571)---

(a) to prohibit a person (except an authorized person) from holding or controlling futures contracts and stock options contracts in excess of the prescribed limit;

(b) to require a person who holds or controls a reportable position in such futures contracts or stock options contracts to notify the recognized exchange company concerned; and

(c) to provide for penalties for contravention of such prohibition or requirement.