

**L.N. 224 of 2002****SECURITIES AND FUTURES (INVESTOR COMPENSATION—  
COMPENSATION LIMITS) RULES**

(Made by the Chief Executive in Council under  
section 244(1) of the Securities and  
Futures Ordinance (Cap. 571))

**PART 1****PRELIMINARY****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**

In these Rules, unless the context otherwise requires—  
“associated person” (相聯者), “claimant” (申索人), “default” (違責), “related assets” (有連繫資產) and “specified person” (指明人士) shall have the respective meanings assigned to them in section 2 of the Claims Rules;  
“Claims Rules” (《申索規則》) means the Securities and Futures (Investor Compensation—Claims) Rules (L.N. 215 of 2002).

**PART 2****LIMITS ON AMOUNT OF COMPENSATION****3. Limits on compensation to be  
made to claimants**

(1) Where a claimant claims compensation in respect of his loss sustained—

- (a) as a result of a default committed by—
  - (i) a specified person; or
  - (ii) any associated person of the specified person;
- (b) in relation to—

- (i) securities listed or traded, or to be listed or traded, on a recognized stock market; and
- (ii) related assets of such securities,

the total amount of compensation payable under section 9 of the Claims Rules to the claimant must not exceed the sum of \$150,000.

(2) Where a claimant claims compensation in respect of his loss sustained—

(a) as a result of a default committed by—

- (i) a specified person; or
- (ii) any associated person of the specified person;

(b) in relation to—

- (i) any futures contract traded on a recognized futures market; and
- (ii) related assets of such futures contract,

the total amount of compensation payable under section 9 of the Claims Rules to the claimant must not exceed the sum of \$150,000.

CHENG Mei-sze, Maisie  
Clerk to the Executive Council

COUNCIL CHAMBER  
10 December 2002

### **Explanatory Note**

These Rules prescribe the maximum amount of compensation that may be paid to a person making a claim for compensation from the Investor Compensation Fund under the Securities and Futures (Investor Compensation—Claims) Rules (L.N. 215 of 2002). These Rules should be read in the light of the Securities and Futures (Transfer of Functions—Investor Compensation Company) Order (L.N. 225 of 2002) which transfers certain functions of the Securities and Futures Commission to a recognized investor compensation company.