

Rules and Procedures of HKFE Clearing Corporation Limited

Chapter 2 Clearing and Settlement Procedures

2.2.7 Additional Clearing House Margin– concentration margin

2.2.7.1 An additional Clearing House margin will be imposed on an HKCC Participant in respect of its open Futures and Options Contracts which are based on the same or such similar underlying financial instruments as may be determined by the Clearing House and notified to HKCC Participants from time to time in the event that when assessed by reference to the historical data from each of the realized stressed market conditions and/or hypothetical data for each of the unrealized stressed market conditions as the Clearing House may determine:

- (a) the projected aggregate loss (less any Clearing House margin) arising from such open Futures and Options Contracts registered in the Omnibus Client, Individual Client, Client Offset Claim, Sink, House and Market Maker Accounts (“Concentrated Net Projected Loss”) of the HKCC Participant is greater than 30 percent of the total Concentrated Net Projected Loss of all HKCC Participants; and
- (b) the total Concentrated Net Projected Loss of all HKCC Participants arising from such open Futures and Options Contracts based on the same or similar underlying financial instruments exceeds HK\$500 million or such other amount as may be determined by the Clearing House and notified to HKCC Participants from time to time.

In addition, the Chairman may impose on the HKCC Participant an additional Clearing House margin on all Futures and Options Contracts registered in the HKCC Participant’s account(s) with the Clearing House under other circumstances as he deems appropriate.

2.8B Mandatory Intra-day Variation Adjustment and Margin

Following Market open of T Session on each Business Day, the Clearing House will, unless otherwise determined by the Clearing House, call for mandatory intra-day variation adjustment and margin in respect of all open Contracts, including those traded in the preceding T+1 Session, held by an HKCC Participant immediately before Market open in Markets with a T+1 Session and any other Market whose underlying instrument is the same as or similar to the underlying instrument of any such Markets. HKCC Participants are advised to complete all their post-trade adjustments under sections 1.4 and 1.5 for trades executed in the preceding T+1 Session by such time before Market open of the T Session as may be specified by the Clearing House from time to time. Any post-trade adjustments executed thereafter may not be incorporated in the mandatory intra-day variation adjustment and margin calculation.

APPENDIX A

Fees

Description	Amount¹
<i>Settlement Fees (Futures) and Exercise Fees (Options)</i>	
<u>Equity index products</u>	
MSCI Australia Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI China Free (USD) Index Futures	USD1.00/Lot
MSCI China Free Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets Asia ex China Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets Asia ex Korea Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets Asia Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets EMEA Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets ex China Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets ex Korea Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets Latin America Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Emerging Markets Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Hong Kong Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI India (USD) Index Futures	USD1.00/Lot
MSCI India Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Indonesia (USD) Index Futures	USD1.00/Lot
MSCI Indonesia Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Japan Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Malaysia (USD) Index Futures	USD1.00/Lot
MSCI Malaysia Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI New Zealand Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Pacific ex Japan Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Pacific Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Philippines (USD) Index Futures	USD1.00/Lot
MSCI Philippines Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Singapore Free Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Singapore Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Taiwan (USD) Index Futures	USD1.00/Lot
MSCI Taiwan Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Thailand (USD) Index Futures	USD1.00/Lot
MSCI Thailand Net Total Return (USD) Index Futures	USD0.60/Lot
MSCI Vietnam (USD) Index Futures	USD1.00/Lot
MSCI Vietnam Net Total Return (USD) Index Futures	USD0.60/Lot

¹ Unless otherwise specified, the amounts listed in this appendix are in HK dollars

APPENDIX B

T+1 Session Cutoff Time

Products	Time
<u>Equity Index Products</u>	
MSCI Australia Net Total Return (USD) Index Futures	3:00 a.m.
MSCI China Free (USD) Index Futures	3:00 a.m.
MSCI China Free Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets Asia ex China Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets Asia ex Korea Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets Asia Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets EMEA Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets ex China Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets ex Korea Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets Latin America Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Emerging Markets Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Hong Kong Net Total Return (USD) Index Futures	3:00 a.m.
MSCI India (USD) Index Futures	3:00 a.m.
MSCI India Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Indonesia (USD) Index Futures	3:00 a.m.
MSCI Indonesia Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Japan Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Malaysia (USD) Index Futures	3:00 a.m.
MSCI Malaysia Net Total Return (USD) Index Futures	3:00 a.m.
MSCI New Zealand Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Pacific ex Japan Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Pacific Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Philippines (USD) Index Futures	3:00 a.m.
MSCI Philippines Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Singapore Free Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Singapore Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Taiwan (USD) Index Futures	3:00 a.m.
MSCI Taiwan Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Thailand (USD) Index Futures	3:00 a.m.
MSCI Thailand Net Total Return (USD) Index Futures	3:00 a.m.
MSCI Vietnam (USD) Index Futures	3:00 a.m.
MSCI Vietnam Net Total Return (USD) Index Futures	3:00 a.m.