

**Rules, Regulations and Procedures of Hong Kong Futures Exchange Limited**

**CHAPTER I**

**INTERPRETATION ADMINISTRATION  
AND AMENDMENT OF THE RULES**

Definitions and Interpretation

101. In these Rules, unless the context otherwise requires, the following expressions shall bear the following meanings:-

“Business Day” means a day other than a Saturday, Sunday or public holiday in Hong Kong;

The definitions of “Extreme Conditions” has been repealed.

**CHAPTER IX**

**EMERGENCY AND EXTRAORDINARY SITUATIONS**

901. (c) The events or circumstances giving rise to the right to suspend trading in any Market are as follows:-
- (i) a state of war (whether declared or not) or a state of hostilities (whether in Hong Kong or elsewhere);
  - (ii) a riot, civil commotion, political disturbance, a labour dispute or strike, insurrection, revolution or a state of emergency in Hong Kong;
  - (iii) severe weather conditions, natural disaster or other Act of God in Hong Kong;
  - (iv) any other event or circumstances (such as fire, explosion, accident, flood, HKEX staff labour dispute or strike, disruption or breakdown of HKEX, Exchange or Clearing House equipment or utility supplies to HKEX, the Exchange or Clearing House) directly affecting HKEX, the Exchange or the Clearing House or the operation or availability of their respective facilities; and
  - (v) trading in the underlying cash market has been suspended.

902. Notice of suspension of trading shall be given to Exchange Participants, the Clearing House and HKEX, and prior notice shall be given to the Commission or other appropriate regulatory body. The Exchange shall, if possible, give notice of suspension by means of facsimile, electronic message or via HKATS or DCASS or HKEX website or by such other means as the circumstances permit.

## Contract Specifications of Stock Index Options

<p>Contract Specifications For Hang Seng TECH Index Futures Options</p>
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The following Contract Specifications shall apply to the Hang Seng TECH Index Futures Option Contract:-

- \*\* The quotation for each five-second period shall be taken according to the following sequence: (1) the last traded price of the underlying Hang Seng TECH Index Futures Contract within the five-second period; and if not available, (2) when both bid and offer prices are available, the mid-price of the last highest bid and lowest offer prices on the order book of the underlying Hang Seng TECH Index Futures Contract; and if no bid or offer price is available, (3) the index level of the Hang Seng TECH Index as disseminated by the index provider at the end of the five-second period, as adjusted by the premium or discount calculated on the previous Trading Day. The premium or discount is computed by taking the difference between the daily Closing Quotation of the underlying Hang Seng TECH Index Futures Contract (as determined by the Clearing House pursuant to the Clearing House Rules) and the closing price of the Hang Seng TECH Index

Where the Expiry Day falls on Christmas Eve, New Year's Eve or Lunar New Year's Eve, the Official Settlement Price shall be the average of the quotations of the Hang Seng TECH Index Futures Contract of the same Contract Month, taken at five (5) second intervals from 11:55 a.m. – 12:00 noon

Where trading of the underlying Hang Seng TECH Index Futures Contract is not available due to trading suspension or otherwise during part of a Trading Day, the Official Settlement Price shall be the average of the quotations of the Hang Seng TECH Index Futures Contract of the same Contract Month, taken at five (5) second intervals during the last five (5) minutes of continuous trading of the Hang Seng TECH Index Futures Contract, until 4:00 p.m., during such Trading Day

Contract Specifications  
For  
Hang Seng Index Futures (HSIF) Options

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The following Contract Specifications shall apply to the Hang Seng Index Futures Option Contract:-

- \*\* The quotation for each five-second period shall be taken according to the following sequence: (1) the last traded price of the underlying HSIF Contract within the five-second period; and if not available, (2) when both bid and offer prices are available, the mid-price of the last highest bid and lowest offer prices on the order book of the underlying HSIF Contract; and if no bid or offer price is available, (3) the index level of the Hang Seng Index as disseminated by the index provider at the end of the five-second period, as adjusted by the premium or discount calculated on the previous Trading Day. The premium or discount is computed by taking the difference between the daily Closing Quotation of the underlying HSIF Contract (as determined by the Clearing House pursuant to the Clearing House Rules) and the closing price of the Hang Seng Index

Where the Last Trading Day falls on Christmas Eve, New Year's Eve or Lunar New Year's Eve, the Official Settlement Price shall be the average of the quotations of the HSIF Contract of the same Contract Month, taken at five (5) second intervals from 11:55 a.m. – 12:00 noon

Where trading of the underlying HSIF Contract is not available due to trading suspension or otherwise during part of a Trading Day, the Official Settlement Price shall be the average of the quotations of the HSIF Contract of the same Contract Month, taken at five (5) second intervals during the last five (5) minutes of continuous trading of the HSIF contract, until 4:00 p.m., during such Trading Day

Contract Specifications  
For  
Hang Seng China Enterprises Index Futures (HSCEIF) Options

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The following Contract Specifications shall apply to the Hang Seng China Enterprises Index Futures Option Contract:-

\*\* The quotation for each five-second period shall be taken according to the following sequence: (1) the last traded price of the underlying HSCEIF Contract within the five-second period; and if not available, (2) when both bid and offer prices are available, the mid-price of the last highest bid and lowest offer prices on the order book of the underlying HSCEIF Contract; and if no bid or offer price is available, (3) the index level of the Hang Seng China Enterprises Index as disseminated by the index provider at the end of the five-second period, as adjusted by the premium or discount calculated on the previous Trading Day. The premium or discount is computed by taking the difference between the daily Closing Quotation of the underlying HSCEIF Contract (as determined by the Clearing House pursuant to the Clearing House Rules) and the closing price of the Hang Seng China Enterprises Index

Where the Last Trading Day falls on Christmas Eve, New Year's Eve or Lunar New Year's Eve, the Official Settlement Price shall be the average of the quotations of the HSCEIF Contract of the same Contract Month, taken at five (5) second intervals from 11:55 a.m. – 12:00 noon

Where trading of the underlying HSCEIF Contract is not available due to trading suspension or otherwise during part of a Trading Day, the Official Settlement Price shall be the average of the quotations of the HSCEIF Contract of the same Contract Month, taken at five (5) second intervals during the last five (5) minutes of continuous trading of the HSCEIF contract, until 4:00 p.m., during such Trading Day

**TRADING PROCEDURES FOR STOCK INDEX FUTURES AND STOCK INDEX  
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**REGULATIONS FOR TRADING STOCK FUTURES CONTRACTS**

**ADJUSTMENTS**

*Effective Day of Capital Adjustment*

- 010E (a) The Adjustment will take effect on the ex-date of the entitlement event or on the effective date of the corporate action event.

**FINAL SETTLEMENT PRICE**

- 012A The Final Settlement Price of a Hong Kong Stock Futures Contract shall, subject to Regulation 013, be the official closing price of the underlying stock as quoted by SEHK on the Last Trading Day, rounded to the nearest cent, as published by the Exchange, provided that if no official closing price is available on the Last Trading Day due to events including but not limited to trading suspension of the underlying stock, the Final Settlement Price of a Hong Kong Stock Futures Contract shall be the last available official closing price of the underlying stock as quoted by SEHK before the Last Trading Day.



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**REGULATIONS FOR TRADING ONE-MONTH AND THREE-MONTH HONG KONG INTERBANK OFFERED RATE FUTURES (“HIBOR FUTURES”) CONTRACTS**

**FINAL SETTLEMENT PRICE**

- 013 If any HKAB HKD Interest Settlement Rate is unobtainable or, in the opinion of the Chief Executive, circumstances have arisen or are threatened which will prevent the calculation of a Final Settlement Price, then the Chief Executive, after consultation with the Commission, may on his own or in conjunction with the Clearing House, take such steps as he deems appropriate to enable a Final Settlement Price to be calculated.
- 013A If no HKAB HKD Interest Settlement Rate is available on the Last Trading Day due to typhoon signal no. 8 or above is hoisted, black rainstorm warning is issued or “extreme conditions” are announced by any government authority of Hong Kong, the Final Settlement Price shall, unless otherwise determined by the Chief Executive, be calculated by reference to the HKAB HKD Interest Settlement Rate which is available on the next Trading Day and the Final Settlement Day will be extended to the same Trading Day on which the HKAB HKD Interest Settlement Rate is available to enable a Final Settlement Price to be calculated.

**TRADING PROCEDURES FOR ONE-MONTH AND THREE-MONTH HONG KONG INTERBANK OFFERED RATE FUTURES (“HIBOR FUTURES”) TRADED ON THE AUTOMATED TRADING SYSTEM OF THE EXCHANGE (“HKATS”)**

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