

Rules, Regulations and Procedures of Hong Kong Futures Exchange Limited

REGULATIONS FOR TRADING STOCK FUTURES CONTRACTS

COMMISSIONS AND LEVIES

- 018A (b) Unless otherwise expressly specified by the Exchange, the nominal value of a Hong Kong Stock Futures Contract will be determined by the Exchange at its absolute discretion with reference to the prevailing official closing price of the underlying stock before introduction of such Hong Kong Stock Futures Contract. If the underlying stock has no prior trading on the Exchange, the nominal value shall be the final offer price (exclusive of brokerage, AFRC Transaction Levy payable pursuant to the Accounting and Financial Reporting Council Ordinance, and SFC Transaction Levy and Investor Compensation Levy payable pursuant to the Ordinance) under the initial public offering of the underlying stock, and if the final offer price has not been decided at the time of determination of the nominal value, the lowest price of the indicative offer price range stated in the prospectus or such other reference or indicative price as the Exchange may consider appropriate. The Exchange will review the nominal value of each Hong Kong Stock Futures Contract on an annual basis to adjust for any substantial changes due to market development or as and when there are capital adjustments to the underlying stock of the Hong Kong Stock Futures Contract.