

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

**REGULATIONS FOR TRADING STOCK FUTURES CONTRACTS**

**COMMISSIONS AND LEVIES**

- 018 Every Stock Futures Contract shall be subject to an Exchange Fee which shall become immediately payable to the Exchange upon registration of the Stock Futures Contract with the Clearing House. The Exchange Fee shall be set from time to time by the Board and shall be paid to the Exchange through the Clearing House.
- 018A (a) Hong Kong Stock Futures Contracts shall be classified into three tiers as follows with reference to their nominal values and the rate of Exchange Fee for each Hong Kong Stock Futures Contract will depend on the tier of the Stock Futures Contract:

<u>Hong Kong Stock Futures Contract</u>	<u>Nominal value per contract</u>
Tier 1	More than HK\$25,000 (or an equivalent amount)
Tier 2	More than HK\$10,000 and up to HK\$25,000 (or an equivalent amount)
Tier 3	Equal to or less than HK\$10,000 (or an equivalent amount)

- (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, [FRC Transaction Levy payable pursuant to the 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.
- (c) The classification of the Hong Kong Stock Futures Contracts into the three tiers and the re-classification from time to time of any Hong Kong Stock Futures Contract will be notified to Exchange Participants via HKATS, email or such other means as the Exchange considers appropriate.