

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

**CHAPTER VIII**

**TRADING ARRANGEMENTS - PRACTICES AND SYSTEMS**

Execution of Block Trades

815A. An Exchange Participant must ensure that the following criteria are satisfied when conducting a Block Trade:

(2) Minimum Volume Threshold

- (a) Subject to Rule 815A(2A), an Exchange Participant shall not execute any order as a Block Trade unless that order meets the applicable Minimum Volume Threshold set forth below and the Exchange Participant has received instructions or has been specifically authorized to execute the order as a Block Trade:

<b>Exchange Contract</b>	<b>Minimum Volume Threshold (no. of contracts)</b>
Stock Index Futures <sup>Note 3</sup>	100
<u>MSCI AC Asia ex Japan Net Total Return Index Futures</u>	<u>50</u>
<u>Hang Seng Index (Gross Total Return Index) Futures</u>	<u>10</u>
<u>Hang Seng Index (Net Total Return Index) Futures</u>	<u>10</u>
<u>Hang Seng China Enterprises Index (Gross Total Return Index) Futures</u>	<u>30</u>
<u>Hang Seng China Enterprises Index (Net Total Return Index) Futures</u>	<u>30</u>
Stock Index Options	100 <sup>**</sup> <sup>Note 2</sup>
HIBOR Futures (other than HIBOR strips)	80 <sup>*</sup> <sup>Note 1</sup>

<sup>\*Note 1</sup> For a single order involving a spread or a strategy combination except HIBOR strips, at least one of the legs of the spread or strategy combination must meet the Minimum Volume Threshold.

<sup>\*\*Note 2</sup> For any order of Stock Index Options Contracts, all legs of a spread or a strategy combination that relate to Flexible Options must meet the Minimum Volume Threshold.

Note 3 Other than MSCI AC Asia ex Japan Net Total Return Index Futures, Hang Seng Index (Gross Total Return Index) Futures, Hang Seng

Index (Net Total Return Index) Futures, Hang Seng China Enterprises Index (Gross Total Return Index) Futures and Hang Seng China Enterprises Index (Net Total Return Index) Futures.

**APPENDIX B – FEES**

Description		Amount <sup>1</sup>
<i>Exchange trading fees</i>		
<u>Hang Seng Index (Gross Total Return Index) Futures</u>	<u>House/Client a/c</u> <u>MM a/c</u>	<u>30.00/Lot</u> <u>6.00/Lot</u> <u>or such lesser amount as the Exchange may from time to time agree with the relevant Exchange Participant</u>
<u>Hang Seng Index (Net Total Return Index) Futures</u>	<u>House/Client a/c</u> <u>MM a/c</u>	<u>30.00/Lot</u> <u>6.00/Lot</u> <u>or such lesser amount as the Exchange may from time to time agree with the relevant Exchange Participant</u>
<u>Hang Seng China Enterprises Index (Gross Total Return Index) Futures</u>	<u>House/Client a/c</u> <u>MM a/c</u>	<u>10.00/Lot</u> <u>2.00/Lot</u> <u>or such lesser amount as the Exchange may from time to time agree with the relevant Exchange Participant</u>
<u>Hang Seng China Enterprises Index (Net Total Return Index) Futures</u>	<u>House/Client a/c</u> <u>MM a/c</u>	<u>10.00/Lot</u> <u>2.00/Lot</u> <u>or such lesser amount as the Exchange may from time to time agree with the relevant Exchange Participant</u>

<sup>1</sup> Unless otherwise specified, the amounts listed in this appendix are in HK dollars

Contract Specifications  
For  
Hang Seng Index (HSI) Futures

The following Contract Specifications shall apply to the Hang Seng Index Futures Contract\*\*:

Position Limits

Position delta for Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Futures ~~and~~, Mini-Hang Seng Index Options, Hang Seng Index (Gross Total Return Index) Futures and Hang Seng Index (Net Total Return Index) Futures combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time; and

Position delta for Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Futures, Mini-Hang Seng Index Options, Hang Seng Index (Gross Total Return Index) Futures and Hang Seng Index (Net Total Return Index) Futures combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time.

Contract Specifications  
For  
Mini-Hang Seng Index (HSI) Futures

The following Contract Specifications shall apply to the Mini-Hang Seng Index Futures Contract\*\*:

Position Limits

Position delta for Mini-Hang Seng Index Futures, Hang Seng Index Futures, Hang Seng Index Options ~~and~~, Mini-Hang Seng Index Options, Hang Seng Index (Gross Total Return Index) Futures and Hang Seng Index (Net Total Return Index) Futures combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time; and

Position delta for Mini-Hang Seng Index Futures, Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Options, Hang Seng Index (Gross Total Return Index) Futures and Hang Seng Index (Net Total Return Index) Futures combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time.

Contract Specifications  
For  
Hang Seng China Enterprises Index (HSCEI) Futures

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

Position Limits

Position delta for Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures ~~and~~, Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index (Gross Total Return Index) Futures and Hang Seng China Enterprises Index (Net Total Return Index) Futures combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time; and

Position delta for Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures ~~and~~, Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index (Gross Total Return Index) Futures and Hang Seng China Enterprises Index (Net Total Return Index) Futures combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one

Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time.

Contract Specifications  
For  
Mini-Hang Seng China Enterprises Index (HSCEI) Futures

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

Position Limits

Position delta for Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures ~~and~~, Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index (Gross Total Return Index) Futures and Hang Seng China Enterprises Index (Net Total Return Index) Futures combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time; and

Position delta for Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures ~~and~~, Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index (Gross Total Return Index) Futures and Hang Seng China Enterprises Index (Net Total Return Index) Futures combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng

China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time.



Contract Specifications  
For  
Hang Seng Index (Gross Total Return Index) Futures

The following Contract Specifications shall apply to the Hang Seng Index (Gross Total Return Index) Futures Contract:

<u>Underlying Index/Index</u>	<u>Hang Seng Index (Gross Total Return Index) (the gross total return index of that name compiled, computed and disseminated by Hang Seng Indexes Company Limited)</u>
<u>Contract Multiplier</u>	<u>HK\$50 per Index point</u>
<u>Contract Months</u>	<u>For Short-dated Futures: Spot Month, the next calendar month and the next two calendar quarter months (i.e. quarterly months are March, June, September and December)</u>  <u>For Long-dated Futures: The two calendar months of December following the Contract Months specified for Short-dated Futures</u>
<u>Minimum Fluctuation</u>	<u>0.01 Index point</u>
<u>Maximum Fluctuation</u>	<u>As prescribed by the Exchange from time to time</u>
<u>Contracted Price</u>	<u>The price in Index points, quoted to two decimal places, at which a Hang Seng Index (Gross Total Return Index) Futures Contract is registered by the Clearing House</u>
<u>Contracted Value</u>	<u>Contracted Price multiplied by the Contract Multiplier</u>
<u>Position Limits</u>	<u>Position delta for Hang Seng Index (Gross Total Return Index) Futures, Hang Seng Index (Net Total Return Index) Futures, Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Futures and Mini-Hang Seng Index Options combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta</u>

of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time; and

Position delta for Hang Seng Index (Gross Total Return Index) Futures, Hang Seng Index (Net Total Return Index) Futures, Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Futures and Mini-Hang Seng Index Options combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time.

Large Open Positions

500 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own behalf; and

500 open contracts, in any one Contract Month, per Client

Trading Hours  
(Hong Kong time)

9:15 a.m. – 12:00 noon (morning trading session)  
1:00 p.m. – 4:30 p.m. (afternoon trading session)  
5:15 p.m. – 1:00 a.m. (after-hours trading session)

There is no afternoon or after-hours trading session on the eves of Christmas, New Year and Lunar New Year. The trading hours of the morning trading session on those three days shall be 9:15 a.m. – 12:30 p.m.

	<u>There is no after-hours trading session if it is a bank holiday in both the United Kingdom and the United States.</u>
<u>Trading Hours on Last Trading Day (Hong Kong time)</u>	<u>9:15 a.m. – 12:00 noon (morning trading session) and 1:00 p.m. – 4:00 p.m. (afternoon trading session)</u>
	<u>There shall be no afternoon or after-hours trading session if the Last Trading Day falls on Christmas Eve, New Year's Eve or Lunar New Year's Eve</u>
<u>Trading Method</u>	<u>The Exchange's Automated Trading System (HKATS)</u>
<u>Final Settlement Day</u>	<u>The first Business Day after the Last Trading Day</u>
<u>Settlement Method</u>	<u>Cash settled contract for difference</u>
<u>Last Trading Day</u>	<u>The Business Day immediately preceding the last Business Day of the Contract Month</u>
<u>Final Settlement Price</u>	<u>The Final Settlement Price for Hang Seng Index (Gross Total Return Index) Futures Contracts shall be a number, rounded up to the nearest 2 decimal places if the figure in the third decimal place is 5 or above and rounded down to the nearest 2 decimal places if it is below 5, determined by the Clearing House and shall be the average of quotations of the Hang Seng Index (Gross Total Return Index) compiled, computed and disseminated by Hang Seng Indexes Company Limited taken at (i) five (5) minute intervals from five (5) minutes after the start of, and up to five (5) minutes before the end of, the Continuous Trading Session of SEHK; and (ii) the close of trading on SEHK on the Last Trading Day. The Chief Executive of the Exchange has the power under the Regulations for trading Stock Index Futures Contracts to determine the Final Settlement Price under certain circumstances</u>
<u>Trading Fee (per contract per side)</u>	<u>Exchange Fee</u> <u>HK\$30.00</u>
	<u>The amount indicated above is subject to change from time to time.</u>
<u>Levies (per contract per side)</u>	<u>Commission Levy and Investor Compensation Levy are payable at the rate or of the amount prescribed from time to time pursuant to the Ordinance.</u>
<u>Commission Rate</u>	<u>Negotiable</u>

Contract Specifications  
For  
Hang Seng Index (Net Total Return Index) Futures

The following Contract Specifications shall apply to the Hang Seng Index (Net Total Return Index) Futures Contract:

<u>Underlying Index/Index</u>	<u>Hang Seng Index (Net Total Return Index) (the net total return index of that name compiled, computed and disseminated by Hang Seng Indexes Company Limited)</u>
<u>Contract Multiplier</u>	<u>HK\$50 per Index point</u>
<u>Contract Months</u>	<u>For Short-dated Futures: Spot Month, the next calendar month and the next two calendar quarter months (i.e. quarterly months are March, June, September and December)</u>  <u>For Long-dated Futures: The two calendar months of December following the Contract Months specified for Short-dated Futures</u>
<u>Minimum Fluctuation</u>	<u>0.01 Index point</u>
<u>Maximum Fluctuation</u>	<u>As prescribed by the Exchange from time to time</u>
<u>Contracted Price</u>	<u>The price in Index points, quoted to two decimal places, at which a Hang Seng Index (Net Total Return Index) Futures Contract is registered by the Clearing House</u>
<u>Contracted Value</u>	<u>Contracted Price multiplied by the Contract Multiplier</u>
<u>Position Limits</u>	<u>Position delta for Hang Seng Index (Net Total Return Index) Futures, Hang Seng Index (Gross Total Return Index) Futures, Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Futures and Mini-Hang Seng Index Options combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this</u>

purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time; and

Position delta for Hang Seng Index (Net Total Return Index) Futures, Hang Seng Index (Gross Total Return Index) Futures, Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Futures and Mini-Hang Seng Index Options combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time.

Large Open Positions

500 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own behalf; and

500 open contracts, in any one Contract Month, per Client

Trading Hours  
(Hong Kong time)

9:15 a.m. – 12:00 noon (morning trading session)  
1:00 p.m. – 4:30 p.m. (afternoon trading session)  
5:15 p.m. – 1:00 a.m. (after-hours trading session)

There is no afternoon or after-hours trading session on the eves of Christmas, New Year and Lunar New Year. The trading hours of the morning trading session on those three days shall be 9:15 a.m. – 12:30 p.m.

There is no after-hours trading session if it is a bank holiday in both the United Kingdom and the United States.

<u>Trading Hours on Last Trading Day (Hong Kong time)</u>	<u>9:15 a.m. – 12:00 noon (morning trading session) and 1:00 p.m. – 4:00 p.m. (afternoon trading session)</u>
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There shall be no afternoon or after-hours trading session if the Last Trading Day falls on Christmas Eve, New Year's Eve or Lunar New Year's Eve

<u>Trading Method</u>	<u>The Exchange's Automated Trading System (HKATS)</u>
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<u>Final Settlement Day</u>	<u>The first Business Day after the Last Trading Day</u>
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<u>Settlement Method</u>	<u>Cash settled contract for difference</u>
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<u>Last Trading Day</u>	<u>The Business Day immediately preceding the last Business Day of the Contract Month</u>
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<u>Final Settlement Price</u>	<u>The Final Settlement Price for Hang Seng Index (Net Total Return Index) Futures Contracts shall be a number, rounded up to the nearest 2 decimal places if the figure in the third decimal place is 5 or above and rounded down to the nearest 2 decimal places if it is below 5, determined by the Clearing House and shall be the average of quotations of the Hang Seng Index (Net Total Return Index) compiled, computed and disseminated by Hang Seng Indexes Company Limited taken at (i) five (5) minute intervals from five (5) minutes after the start of, and up to five (5) minutes before the end of, the Continuous Trading Session of SEHK; and (ii) the close of trading on SEHK on the Last Trading Day. The Chief Executive of the Exchange has the power under the Regulations for trading Stock Index Futures Contracts to determine the Final Settlement Price under certain circumstances</u>
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<u>Trading Fee (per contract per side)</u>	<u>Exchange Fee</u>	<u>HK\$30.00</u>
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The amount indicated above is subject to change from time to time.

Levies  
(per contract per side)

Commission Levy and Investor Compensation Levy are payable at the rate or of the amount prescribed from time to time pursuant to the Ordinance.

Commission Rate

Negotiable

Contract Specifications  
For  
Hang Seng China Enterprises Index (Gross Total Return Index) Futures

The following Contract Specifications shall apply to the Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract:

<u>Underlying Index/Index</u>	<u>Hang Seng China Enterprises Index (Gross Total Return Index) (the gross total return index of that name compiled, computed and disseminated by Hang Seng Indexes Company Limited)</u>
<u>Contract Multiplier</u>	<u>HK\$50 per Index point</u>
<u>Contract Months</u>	<u>For Short-dated Futures: Spot Month, the next calendar month and the next two calendar quarter months (i.e. quarterly months are March, June, September and December)</u>  <u>For Long-dated Futures: The two calendar months of December following the Contract Months specified for Short-dated Futures</u>
<u>Minimum Fluctuation</u>	<u>0.01 Index point</u>
<u>Maximum Fluctuation</u>	<u>As prescribed by the Exchange from time to time</u>
<u>Contracted Price</u>	<u>The price in Index points, quoted to two decimal places, at which a Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract is registered by the Clearing House</u>
<u>Contracted Value</u>	<u>Contracted Price multiplied by the Contract Multiplier</u>
<u>Position Limits</u>	<u>Position delta for Hang Seng China Enterprises Index (Gross Total Return Index) Futures, Hang Seng China Enterprises Index (Net Total Return Index) Futures, Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures and Hang Seng China Enterprises Index Options combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or</u>



short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time; and

Position delta for Hang Seng China Enterprises Index (Gross Total Return Index) Futures, Hang Seng China Enterprises Index (Net Total Return Index) Futures, Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures and Hang Seng China Enterprises Index Options combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time.

Large Open Positions

500 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's

	<u>own behalf; and</u>
	<u>500 open contracts, in any one Contract Month, per Client</u>
<u>Trading Hours (Hong Kong time)</u>	<u>9:15 a.m. – 12:00 noon (morning trading session)</u> <u>1:00 p.m. – 4:30 p.m. (afternoon trading session)</u> <u>5:15 p.m. – 1:00 a.m. (after-hours trading session)</u>
	<u>There is no afternoon or after-hours trading session on the eves of Christmas, New Year and Lunar New Year. The trading hours of the morning trading session on those three days shall be 9:15 a.m. – 12:30 p.m.</u>
	<u>There is no after-hours trading session if it is a bank holiday in both the United Kingdom and the United States.</u>
<u>Trading Hours on Last Trading Day (Hong Kong time)</u>	<u>9:15 a.m. – 12:00 noon (morning trading session) and</u> <u>1:00 p.m. – 4:00 p.m. (afternoon trading session)</u>
	<u>There shall be no afternoon or after-hours trading session if the Last Trading Day falls on Christmas Eve, New Year’s Eve or Lunar New Year’s Eve</u>
<u>Trading Method</u>	<u>The Exchange’s Automated Trading System (HKATS)</u>
<u>Final Settlement Day</u>	<u>The first Business Day after the Last Trading Day</u>
<u>Settlement Method</u>	<u>Cash settled contract for difference</u>
<u>Last Trading Day</u>	<u>The Business Day immediately preceding the last Business Day of the Contract Month</u>
<u>Final Settlement Price</u>	<u>The Final Settlement Price for Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contracts shall be a number, rounded up to the nearest 2 decimal places if the figure in the third decimal place is 5 or above and rounded down to the nearest 2 decimal places if it is below 5, determined by the Clearing House and shall be the average of quotations of the Hang Seng China Enterprises Index (Gross Total Return Index) compiled, computed and disseminated by Hang Seng Indexes Company Limited taken at (i) five (5) minute intervals from five (5) minutes after the start of, and up to five (5)</u>

minutes before the end of, the Continuous Trading Session of SEHK; and (ii) the close of trading on SEHK on the Last Trading Day. The Chief Executive of the Exchange has the power under the Regulations for trading Stock Index Futures Contracts to determine the Final Settlement Price under certain circumstances

Trading Fee  
(per contract per side)

Exchange Fee HK\$10.00

The amount indicated above is subject to change from time to time.

Levies  
(per contract per side)

Commission Levy and Investor Compensation Levy are payable at the rate or of the amount prescribed from time to time pursuant to the Ordinance.

Commission Rate

Negotiable

Contract Specifications  
For  
Hang Seng China Enterprises Index (Net Total Return Index) Futures

The following Contract Specifications shall apply to the Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract:

<u>Underlying Index/Index</u>	<u>Hang Seng China Enterprises Index (Net Total Return Index) (the net total return index of that name compiled, computed and disseminated by Hang Seng Indexes Company Limited)</u>
<u>Contract Multiplier</u>	<u>HK\$50 per Index point</u>
<u>Contract Months</u>	<u>For Short-dated Futures: Spot Month, the next calendar month and the next two calendar quarter months (i.e. quarterly months are March, June, September and December)</u>  <u>For Long-dated Futures: The two calendar months of December following the Contract Months specified for Short-dated Futures</u>
<u>Minimum Fluctuation</u>	<u>0.01 Index point</u>
<u>Maximum Fluctuation</u>	<u>As prescribed by the Exchange from time to time</u>
<u>Contracted Price</u>	<u>The price in Index points, quoted to two decimal places, at which a Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract is registered by the Clearing House</u>
<u>Contracted Value</u>	<u>Contracted Price multiplied by the Contract Multiplier</u>
<u>Position Limits</u>	<u>Position delta for Hang Seng China Enterprises Index (Net Total Return Index) Futures, Hang Seng China Enterprises Index (Gross Total Return Index) Futures, Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures and Hang Seng China Enterprises Index Options combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400</u>

long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time; and

Position delta for Hang Seng China Enterprises Index (Net Total Return Index) Futures, Hang Seng China Enterprises Index (Gross Total Return Index) Futures, Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures and Hang Seng China Enterprises Index Options combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time.

Large Open Positions

500 open contracts, in any one Contract Month, per Exchange Participant for the Exchange

	<u>Participant's own behalf; and</u>
	<u>500 open contracts, in any one Contract Month, per Client</u>
<u>Trading Hours (Hong Kong time)</u>	<u>9:15 a.m. – 12:00 noon (morning trading session)</u> <u>1:00 p.m. – 4:30 p.m. (afternoon trading session)</u> <u>5:15 p.m. – 1:00 a.m. (after-hours trading session)</u>
	<u>There is no afternoon or after-hours trading session on the eves of Christmas, New Year and Lunar New Year. The trading hours of the morning trading session on those three days shall be 9:15 a.m. – 12:30 p.m.</u>
	<u>There is no after-hours trading session if it is a bank holiday in both the United Kingdom and the United States.</u>
<u>Trading Hours on Last Trading Day (Hong Kong time)</u>	<u>9:15 a.m. – 12:00 noon (morning trading session) and</u> <u>1:00 p.m. – 4:00 p.m. (afternoon trading session)</u>
	<u>There shall be no afternoon or after-hours trading session if the Last Trading Day falls on Christmas Eve, New Year's Eve or Lunar New Year's Eve</u>
<u>Trading Method</u>	<u>The Exchange's Automated Trading System (HKATS)</u>
<u>Final Settlement Day</u>	<u>The first Business Day after the Last Trading Day</u>
<u>Settlement Method</u>	<u>Cash settled contract for difference</u>
<u>Last Trading Day</u>	<u>The Business Day immediately preceding the last Business Day of the Contract Month</u>
<u>Final Settlement Price</u>	<u>The Final Settlement Price for Hang Seng China Enterprises Index (Net Total Return Index) Futures Contracts shall be a number, rounded up to the nearest 2 decimal places if the figure in the third decimal place is 5 or above and rounded down to the nearest 2 decimal places if it is below 5, determined by the Clearing House and shall be the average of quotations of the Hang Seng China Enterprises Index (Net Total Return Index) compiled, computed and disseminated by Hang Seng Indexes Company Limited taken at (i) five (5) minute intervals from five (5) minutes after the</u>

start of, and up to five (5) minutes before the end of, the Continuous Trading Session of SEHK; and (ii) the close of trading on SEHK on the Last Trading Day. The Chief Executive of the Exchange has the power under the Regulations for trading Stock Index Futures Contracts to determine the Final Settlement Price under certain circumstances

Trading Fee  
(per contract per side)

Exchange Fee HK\$10.00

The amount indicated above is subject to change from time to time.

Levies  
(per contract per side)

Commission Levy and Investor Compensation Levy are payable at the rate or of the amount prescribed from time to time pursuant to the Ordinance.

Commission Rate

Negotiable

Contract Specifications  
For  
Hang Seng Index (HSI) Options

The following Contract Specifications shall apply to the Hang Seng Index (“HSI”) Option Contract\*\*:-

Position Limits

Position delta for Hang Seng Index Options, Hang Seng Index Futures, ~~Hang Seng Index Options~~, Mini-Hang Seng Index Futures ~~and~~, Mini-Hang Seng Index Options, Hang Seng Index (Gross Total Return Index) Futures and Hang Seng Index (Net Total Return Index) Futures combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant’s own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time; and

Position delta for Hang Seng Index Options, Hang Seng Index Futures, Mini-Hang Seng Index Futures, Mini-Hang Seng Index Options, Hang Seng Index (Gross Total Return Index) Futures and Hang Seng Index (Net Total Return Index) Futures combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus



Hang Seng Index Futures and will be announced by the Exchange from time to time.

Contract Specifications  
For  
Mini-Hang Seng Index (HSI) Options

The following Contract Specifications shall apply to the Mini-Hang Seng Index (“HSI”) Option Contract\*\*:-

Position Limits

Position delta for Mini-Hang Seng Index Options, Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Futures and Mini-Hang Seng Index Options ~~and, Mini-Hang Seng Index Options~~ Hang Seng Index (Gross Total Return Index) Futures and Hang Seng Index (Net Total Return Index) Futures combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng Index Futures and will be announced by the Exchange from time to time; and

Position delta for Mini-Hang Seng Index Options, Hang Seng Index Futures, Hang Seng Index Options, Mini-Hang Seng Index Futures, Hang Seng Index (Gross Total Return Index) Futures and Hang Seng Index (Net Total Return Index) Futures combined of 10,000 long or short in all Contract Months combined provided the position delta for Mini-Hang Seng Index Futures or Mini-Hang Seng Index Options shall not at any time exceed 2,000 long or short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng Index Option Contract; and (ii) the position delta of one Hang Seng Index (Gross Total Return Index) Futures Contract and one Hang Seng Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus

Hang Seng Index Futures and will be announced by the Exchange from time to time.

Contract Specifications  
For  
Hang Seng China Enterprises Index (HSCEI) Options

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

Position Limits

Position delta for Hang Seng China Enterprises Index Options, Mini-Hang Seng China Enterprises Index Futures, ~~and~~ Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures ~~and~~, ~~Hang Seng China Enterprises Index Options~~ Hang Seng China Enterprises Index (Gross Total Return Index) Futures and Hang Seng China Enterprises Index (Net Total Return Index) Futures combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; ~~and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time;~~ and

Position delta for Hang Seng China Enterprises Index Options, Mini-Hang Seng China Enterprises Index Futures, Mini-Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index Futures ~~and~~, ~~Hang Seng China Enterprises Index Options~~ Hang Seng China Enterprises Index (Gross Total Return Index) and Hang Seng China Enterprises Index (Net Total Return Index) Futures combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract

Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time.

Contract Specifications  
For  
Mini-Hang Seng China Enterprises Index (HSCEI) Options

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

Position Limits

Position delta for Mini-Hang Seng China Enterprises Index Options, Mini-Hang Seng China Enterprises Index Futures, ~~Mini-Hang Seng China Enterprises Index Options~~, Hang Seng China Enterprises Index Futures ~~and~~, Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index (Gross Total Return Index) and Hang Seng China Enterprises Index (Net Total Return Index) Futures combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time; and

Position delta for Mini-Hang Seng China Enterprises Index Options, Mini-Hang Seng China Enterprises Index Futures, ~~Mini-Hang Seng China Enterprises Index Options~~, Hang Seng China Enterprises Index Futures ~~and~~, Hang Seng China Enterprises Index Options, Hang Seng China Enterprises Index (Gross Total Return Index) Futures and Hang Seng China Enterprises Index (Net Total Return Index) Futures combined of 12,000 long or short in all Contract Months combined, provided the position delta for Mini-Hang Seng China Enterprises Index Futures or Mini-Hang Seng China Enterprises Index Options shall not at any time exceed 2,400 long or

short in all Contract Months combined, per Client. For this purpose, (i) the position delta of one Mini-Hang Seng China Enterprises Index Futures Contract will have a value of 0.2 and the position delta of one Mini-Hang Seng China Enterprises Index Option Contract will be one-fifth of the position delta of the corresponding series in the Hang Seng China Enterprises Index Option Contract; and (ii) the position delta of one Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contract and one Hang Seng China Enterprises Index (Net Total Return Index) Futures Contract will be based on their contract value ratios versus Hang Seng China Enterprises Index Futures and will be announced by the Exchange from time to time.

**TRADING PROCEDURES FOR STOCK INDEX FUTURES AND STOCK INDEX OPTIONS TRADED ON THE AUTOMATED TRADING SYSTEM OF THE EXCHANGE (“HKATS”)**

3.2.1.4 The maximum bid / offer spread and minimum size requirements for a Regular Market Maker in the following Stock Index Futures Contracts shall be as follows:

<u>Stock Index Futures Contracts</u>	<u>Maximum Bid / Offer Spread</u>	<u>Minimum Quote Size</u>
<u>Hang Seng Index (Gross Total Return Index) Futures Contracts</u>	<u>600.00 Index points or 1% of bid price, whichever is higher</u>	<u>1 contract</u>
<u>Hang Seng Index (Net Total Return Index) Futures Contracts</u>	<u>600.00 Index points or 1% of bid price, whichever is higher</u>	<u>1 contract</u>
<u>Hang Seng China Enterprises Index (Gross Total Return Index) Futures Contracts</u>	<u>200.00 Index points or 1% of bid price, whichever is higher</u>	<u>1 contract</u>
<u>Hang Seng China Enterprises Index (Net Total Return Index) Futures Contracts</u>	<u>200.00 Index points or 1% of bid price, whichever is higher</u>	<u>1 contract</u>