

CONTRACT SPECIFICATIONS FOR OPTIONS ON STOCK FUTURES CONTRACTS

I. OPTIONS ON US STOCK FUTURES

Note: Trading of the Options on US Stock Futures Contracts has been suspended until further notice.

OPTIONS ON US STOCK FUTURES CONTRACT SPECIFICATIONS

Underlying Contract	One underlying Stock Futures Contract
Contract Months	Spot Month, the next two calendar months, and the next two calendar quarter months (i.e. quarterly months are March, June, September and December)
Trading Hours	8:00 a.m. - 5:00 p.m. (Hong Kong time)
Trading Hours on Expiry Day	8:00 a.m. - 5:00 p.m. (Hong Kong time)
Trading Days	Same as US Stock Futures Contracts
Expiry Day	The third Friday of the Contract Month
Price Quotation	Refer to List of Options on US Stock Futures Contracts above
Option Premium	Quoted in multiples of the Minimum Fluctuation
Contracted Value	Option Premium multiplied by the Contract Multiplier of the underlying Stock Futures Contract
Strike Prices	Strike Prices shall be set as follows:

<u>Underlying price (USD)</u>	<u>Interval</u>
5 – 25	2.50
25 – 200	5.00
over 200	10.00

On any Trading Day, new consecutive Strike Prices may be set for, or added to, each Option Contract (other than the Spot Month Option Contract on or after the 5th Trading Day preceding the Expiry Day) such that at all times there will be Strike Prices representing not less than 10% above, at, and not less than 10% below the at-the-money Strike Price of the Option Contract. On any Trading Day in a given month, the at-the-money Strike Price of each Option Contract shall be the previous Trading Day's Closing Quotation (as defined in the Clearing House Rules) of (i) the Spot Month underlying Stock Futures Contract for any day prior to the Expiry Day; and (ii) the next month underlying Stock Futures Contract for any day on or after the Expiry Day, rounded off to the nearest Strike Price, unless the Closing Quotation is precisely midway between two Strike Prices in which case it shall be rounded off to the lower Strike Price

Strike Prices shall be set on a temporary basis at other intervals as may from time to time be determined by the

Chief Executive in consultation with the Commission or at other intervals as may from time to time be determined by the Board in consultation with the Commission. The Exchange reserves the right to introduce new or delete existing Strike Prices at any time

Adjustments	Adjustments will be made to the Strike Price to reflect events such as dividends, share splits, bonus and rights issues, etc. in accordance with the Regulations for Trading Options on Stock Futures Contracts. For special events such as distribution in specie, offering of shares in another company, bonus warrants, change of domicile etc., the Chief Executive, in consultation with the Commission, will have the ultimate authority to make an Adjustment where he deems an Adjustment to be appropriate. The Adjustments shall be final and binding.
Exercise Style (European)	Options may only be exercised at expiration
Settlement on Exercise	Cash settlement of the Final Settlement Value
Settlement Currency	US dollar
Final Settlement Day	The first Trading Day after the Expiry Day
Official Settlement Price	The Official Settlement Price shall be the Final Settlement Price of the underlying Stock Futures Contract determined by the Clearing House
Position Limits	50,000 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own account; and 50,000 open contracts, in any one Contract Month, per Client
Large Open Positions	10,000 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own account; and 10,000 open contracts, in any one Contract Month, per Client
Minimum Fluctuation	USD0.01
Trading Fee Exchange Fee	USD0.25 per contract per side

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.
	Exchange Participants shall pay the prescribed amount of Commission Levy and Investor Compensation Levy in US Dollar equivalent (at the conversion rate determined by the Exchange, rounded to the nearest US Cents).
Cabinet Trade	No Exchange Fee is payable. Commission Levy and Investor Compensation Levy are applicable.
Exercise Fee	A fee of USD0.25 will be charged by the Exchange for each contract exercised. Contracts that are not exercised shall be deemed to have expired worthless and will not be assessed an exercise fee
Commission Rate	Negotiable

CONTRACT SPECIFICATIONS FOR OPTIONS ON STOCK FUTURES CONTRACTS

II. OPTIONS ON JAPANESE STOCK FUTURES

Note: Trading of the Options on Japanese Stock Futures Contracts has been suspended until further notice.

OPTIONS ON JAPANESE STOCK FUTURES CONTRACT SPECIFICATIONS

Underlying Contract	One underlying Stock Futures Contract
Contract Months	Spot Month, the next two calendar months, and the next two calendar quarter months (i.e. quarterly months are March, June, September and December)
Trading Hours	8:00 a.m. - 5:00 p.m. (Hong Kong time)
Trading Hours on Expiry Day	8:00 a.m. - 2:00 p.m.* (Hong Kong time) (*Closing hour on the Expiry Day shall be adjusted automatically to correspond with the closing hour of the underlying cash market, as it may be set from time to time)
Trading Days	Same as Japanese Stock Futures Contracts
Expiry Day	The second last Trading Day of the Contract Month, provided that if that day is not a trading day in the underlying cash market in Japan, the Expiry Day shall be the immediately preceding trading day in the underlying cash market in Japan, which may or may not be a Trading Day
Price Quotation	Refer to List of Options on Japanese Stock Futures Contracts above
Option Premium	Quoted in multiples of the Minimum Fluctuation
Contracted Value	Option Premium multiplied by the Contract Multiplier of the underlying Stock Futures Contract
Strike Prices	Strike Prices shall be set as follows:

<u>Underlying price (¥)</u>	<u>Interval</u>
Less than 500	25
501 – 1,000	50
1,001 – 2,000	100
2,001 – 5,000	200
5,001 – 10,000	500
10,001 – 50,000	1,000
50,001 – 100,000	2,500
100,001 – 200,000	10,000
200,001 – 500,000	20,000
500,001 – 1,000,000	50,000
1,000,001 – 2,000,000	100,000
2,000,001 – 5,000,000	200,000
5,000,001 – 10,000,000	500,000
10,000,001 – 20,000,000	1,000,000
20,000,001 – 50,000,000	2,000,000
Greater than 50,000,000	5,000,000

On any Trading Day, new consecutive Strike Prices may be

set for, or added to, each Option Contract (other than the Spot Month Option Contract on or after the 5th Trading Day preceding the Expiry Day) such that at all times there will be Strike Prices representing not less than 10% above, at, and not less than 10% below the at-the-money Strike Price of the Option Contract. On any Trading Day in a given month, the at-the-money Strike Price of each Option Contract shall be the previous Trading Day's Closing Quotation (as defined in the Clearing House Rules) of (i) the Spot Month underlying Stock Futures Contract for any day prior to the Expiry Day; and (ii) the next month underlying Stock Futures Contract for any day on or after the Expiry Day, rounded off to the nearest Strike Price, unless the Closing Quotation is precisely midway between two Strike Prices in which case it shall be rounded off to the lower Strike Price

Strike Prices shall be set on a temporary basis at other intervals as may from time to time be determined by the Chief Executive in consultation with the Commission or at other intervals as may from time to time be determined by the Board in consultation with the Commission. The Exchange reserves the right to introduce new or delete existing Strike Prices at any time

Adjustments

Adjustments will be made to the Strike Price to reflect events such as dividends, share splits, bonus and rights issues, etc. in accordance with the Regulations for Trading Options on Stock Futures Contracts. For special events such as distribution in specie, offering of shares in another company, bonus warrants, change of domicile etc., the Chief Executive, in consultation with the Commission, will have the ultimate authority to make an Adjustment where he deems an Adjustment to be appropriate. The Adjustments shall be final and binding.

Exercise Style (European)

Options may only be exercised at expiration

Settlement on Exercise

Cash settlement of the Final Settlement Value

Settlement Currency

US dollar

Final Settlement Day

The first Trading Day after the Expiry Day

Official Settlement Price

The Official Settlement Price shall be the Final Settlement Price of the underlying Stock Futures Contract determined by the Clearing House

Position Limits

50,000 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own account; and

	50,000 open contracts, in any one Contract Month, per Client
Large Open Positions	10,000 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own account; and 10,000 open contracts, in any one Contract Month, per Client
Minimum Fluctuation	¥1 multiplied by the unit specified in the List of Options on Japanese Stock Futures Contracts above
Trading Fee Exchange Fee	USD0.25 per contract per side 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. Exchange Participants shall pay the prescribed amount of Commission Levy and Investor Compensation Levy in US Dollar equivalent (at the conversion rate determined by the Exchange, rounded to the nearest US Cents).
Cabinet Trade	No Exchange Fee is payable. Commission Levy and Investor Compensation Levy are applicable.
Exercise Fee	A fee of USD0.25 will be charged by the Exchange for each contract exercised. Contracts that are not exercised shall be deemed to have expired worthless and will not be assessed an exercise fee
Commission Rate	Negotiable

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III. OPTIONS ON KOREAN STOCK FUTURES

Note: Trading of the Options on Korean Stock Futures Contracts has been suspended until further notice.

OPTIONS ON KOREAN STOCK FUTURES CONTRACT SPECIFICATIONS

Underlying Contract	One underlying Stock Futures Contract
Contract Months	Spot Month, the next two calendar months, and the next two calendar quarter months (i.e. quarterly months are March, June, September and December)
Trading Hours	8:00 a.m. - 5:00 p.m. (Hong Kong time)
Trading Hours on Expiry Day	8:00 a.m. - 2:00 p.m.* (Hong Kong time) (*Closing hour on the Expiry Day shall be adjusted automatically to correspond with the closing hour of the underlying cash market, as it may be set from time to time)
Trading Days	Same as Korean Stock Futures Contracts
Expiry Day	The second last Trading Day of the Contract Month provided that if that day is not a trading day in the underlying cash market in South Korea, the Expiry Day shall be the immediately preceding trading day in the underlying cash market in South Korea, which may or may not be a Trading Day
Price Quotation	Refer to List of Options on Korean Stock Futures Contracts above
Option Premium	Quoted in multiples of the Minimum Fluctuation
Contracted Value	Option Premium multiplied by the Contract Multiplier of the underlying Stock Futures Contract
Strike Prices	Strike Prices shall be set as follows:

<u>Underlying price (KRW)</u>	<u>Interval</u>
Less than 500	25
501 – 1,000	50
1,001 – 2,000	100
2,001 – 5,000	200
5,001 – 10,000	500
10,001 – 50,000	1,000
50,001 – 100,000	2,500
100,001 – 200,000	10,000
200,001 – 500,000	20,000
500,001 – 1,000,000	50,000
1,000,001 – 2,000,000	100,000
2,000,001 – 5,000,000	200,000
5,000,001 – 10,000,000	500,000
10,000,001 – 20,000,000	1,000,000
20,000,001 – 50,000,000	2,000,000
Greater than 50,000,000	5,000,000

On any Trading Day, new consecutive Strike Prices may be set for, or added to, each Option Contract (other than the Spot Month Option Contract on or after the 5th Trading Day preceding the Expiry Day) such that at all times there will be Strike Prices representing not less than 10% above, at, and not less than 10% below the at-the-money Strike Price of the Option Contract. On any Trading Day in a given month, the at-the-money Strike Price of each Option Contract shall be the previous Trading Day's Closing Quotation (as defined in the Clearing House Rules) of (i) the Spot Month underlying Stock Futures Contract for any day prior to the Expiry Day; and (ii) the next month underlying Stock Futures Contract for any day on or after the Expiry Day, rounded off to the nearest Strike Price, unless the Closing Quotation is precisely midway between two Strike Prices in which case it shall be rounded off to the lower Strike Price

Strike Prices shall be set on a temporary basis at other intervals as may from time to time be determined by the Chief Executive in consultation with the Commission or at other intervals as may from time to time be determined by the Board in consultation with the Commission. The Exchange reserves the right to introduce new or delete existing Strike Prices at any time

Adjustments

Adjustments will be made to the Strike Price to reflect events such as dividends, share splits, bonus and rights issues, etc. in accordance with the Regulations for Trading Options on Stock Futures Contracts. For special events such as distribution in specie, offering of shares in another company, bonus warrants, change of domicile etc., the Chief Executive, in consultation with the Commission, will have the ultimate authority to make an Adjustment where he deems an Adjustment to be appropriate. The Adjustments shall be final and binding.

Exercise Style (European)

Options may only be exercised at expiration

Settlement on Exercise

Cash settlement of the Final Settlement Value

Settlement Currency

US dollar

Final Settlement Day

The first Trading Day after the Expiry Day

Official Settlement Price

The Official Settlement Price shall be the Final Settlement Price of the underlying Stock Futures Contract determined by the Clearing House

Position Limits

5,000 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own account; and

5,000 open contracts, in any one Contract Month, per Client

Large Open Positions	1,000 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own account; and 1,000 open contracts, in any one Contract Month, per Client
Minimum Fluctuation	KRW 1 multiplied by the unit specified in the List of Options on Korean Stock Futures Contracts above
Trading Fee Exchange Fee	USD0.45 per contract per side 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. Exchange Participants shall pay the prescribed amount of Commission Levy and Investor Compensation Levy in US Dollar equivalent (at the conversion rate determined by the Exchange, rounded to the nearest US Cents).
Cabinet Trade	No Exchange Fee is payable. Commission Levy and Investor Compensation Levy are applicable.
Exercise Fee	A fee of USD0.45 will be charged by the Exchange for each contract exercised. Contracts that are not exercised shall be deemed to have expired worthless and will not be assessed an exercise fee
Commission Rate	Negotiable

CONTRACT SPECIFICATIONS FOR OPTIONS ON STOCK FUTURES CONTRACTS

IV. OPTIONS ON TAIWANESE STOCK FUTURES

Note: Trading of the Options on Taiwanese Stock Futures Contracts has been suspended until further notice.

OPTIONS ON TAIWANESE STOCK FUTURES CONTRACT SPECIFICATIONS

Underlying Contract	One underlying Stock Futures Contract
Contract Months	Spot Month, the next two calendar months, and the next two calendar quarter months (i.e. quarterly months are March, June, September and December)
Trading Hours	8:00 a.m. - 5:00 p.m. (Hong Kong time)
Trading Hours on Expiry Day	8:00 a.m. - 1:30 p.m.* (Hong Kong time) (*Closing hour on the Expiry Day shall be adjusted automatically to correspond with the closing hour of the underlying cash market, as it may be set from time to time)
Trading Days	Same as Taiwanese Stock Futures Contracts
Expiry Day	The second last Trading Day of the Contract Month, provided that if that day is not a trading day in the underlying cash market in Taiwan, the Expiry Day shall be the immediately preceding trading day in the underlying cash market in Taiwan, which may or may not be a Trading Day
Price Quotation	Refer to List of Options on Taiwanese Stock Futures Contracts above
Option Premium	Quoted in multiples of the Minimum Fluctuation
Contracted Value	Option Premium multiplied by the Contract Multiplier of the underlying Stock Futures Contract
Strike Prices	Strike Prices shall be set as follows:

<u>Underlying price (NT\$)</u>	<u>Interval</u>
Less than 2	0.10
2 – 5	0.20
6 – 10	0.50
11 – 20	1.00
21 – 50	2.00
51 – 200	5.00
201 – 300	10.00
301 – 500	20.00
Greater than 500	50.00

On any Trading Day, new consecutive Strike Prices may be set for, or added to, each Option Contract (other than the Spot Month Option Contract on or after the 5th Trading Day preceding the Expiry Day) such that at all times there will be Strike Prices representing not less than 10% above, at, and not less than 10% below the at-the-money Strike Price of the Option Contract. On any Trading Day in a given month, the at-the-money Strike Price of each Option Contract shall be

the previous Trading Day's Closing Quotation (as defined in the Clearing House Rules) of (i) the Spot Month underlying Stock Futures Contract for any day prior to the Expiry Day; and (ii) the next month underlying Stock Futures Contract for any day on or after the Expiry Day, rounded off to the nearest Strike Price, unless the Closing Quotation is precisely midway between two Strike Prices in which case it shall be rounded off to the lower Strike Price

Strike Prices shall be set on a temporary basis at other intervals as may from time to time be determined by the Chief Executive in consultation with the Commission or at other intervals as may from time to time be determined by the Board in consultation with the Commission. The Exchange reserves the right to introduce new or delete existing Strike Prices at any time

Adjustments	Adjustments will be made to the Strike Price to reflect events such as dividends, share splits, bonus and rights issues, etc. in accordance with the Regulations for Trading Options on Stock Futures Contracts. For special events such as distribution in specie, offering of shares in another company, bonus warrants, change of domicile etc., the Chief Executive, in consultation with the Commission, will have the ultimate authority to make an Adjustment where he deems an Adjustment to be appropriate. The Adjustments shall be final and binding.
Exercise Style (European)	Options may only be exercised at expiration
Settlement on Exercise	Cash settlement of the Final Settlement Value
Settlement Currency	US dollar
Final Settlement Day	The first Trading Day after the Expiry Day
Official Settlement Price	The Official Settlement Price shall be the Final Settlement Price of the underlying Stock Futures Contract determined by the Clearing House
Position Limits	5,000 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own account; and 5,000 open contracts, in any one Contract Month, per Client
Large Open Positions	1,000 open contracts, in any one Contract Month, per Exchange Participant for the Exchange Participant's own account; and 1,000 open contracts, in any one Contract Month, per Client

Minimum Fluctuation	NT\$0.01
Trading Fee Exchange Fee	USD0.45 per contract per side
	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.
	Exchange Participants shall pay the prescribed amount of Commission Levy and Investor Compensation Levy in US Dollar equivalent (at the conversion rate determined by the Exchange, rounded to the nearest US Cents).
Cabinet Trade	No Exchange Fee is payable. Commission Levy and Investor Compensation Levy are applicable.
Exercise Fee	A fee of USD0.45 will be charged by the Exchange for each contract exercised. Contracts that are not exercised shall be deemed to have expired worthless and will not be assessed an exercise fee
Commission Rate	Negotiable