
APPENDIX - HOW TO BECOME AN EXCHANGE PARTICIPANT

(As of 30 October 2015)

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**APPENDIX I – REGULATED ACTIVITIES UNDER THE SECURITIES AND FUTURES
ORDINANCE**

Type	Regulated Activity
1	Dealing in securities
2	Dealing in futures contracts
3	Leveraged foreign exchange trading
4	Advising on securities
5	Advising on futures contracts
6	Advising on corporate finance
7	Providing automated trading services
8	Securities margin financing
9	Asset management

APPENDIX II – FINANCIAL REQUIREMENTS

A. Level of Capital Requirement

(1) Stock Exchange Participants

Capital Requirement	- HK\$5,000,000 (US\$641,000) - HK\$10,000,000 (US\$1,282,100) (if also providing securities margin financing)
Liquid Capital Requirement	No less than (i) HK\$300,000,000 (US\$38,461,500) (General Clearing Participant) (ii) HK\$100,000,000 (US\$12,820,500) (General Clearing Participant with paid up capital not less than HK\$300,000,000 (US\$38,461,500)) (iii) HK\$3,000,000 (US\$384,600) (Direct Clearing Participant)

(2) Futures Exchange Participants

Capital Requirement	HK\$5,000,000 (US\$641,000)
Liquid Capital Requirement	No less than the higher of (i) HK\$3,000,000 (US\$384,600); or (ii) the following amount, as appropriate: – HK\$20,000,000 (US\$2,564,100) (General Clearing Participant) – HK\$5,000,000 (US\$641,000) (Clearing Participant)

(3) Stock Options Exchange Participants

Capital Requirement	HK\$5,000,000 (US\$641,000)
Liquid Capital Requirement	No less than the higher of (i) HK\$3,000,000 (US\$384,600); or (ii) the following amount, as appropriate: – HK\$20,000,000 (US\$2,564,100) (General Clearing Participant) – HK\$5,000,000 (US\$641,000) (Direct Clearing Participant)

Note: Exchange rate used is US\$1 = HK\$7.8, the costs above are rounded to the nearest hundred US\$.

B. Level of Reserve Fund Contributions

(1) HKFE Clearing Corporation Limited (HKCC)

Participant Type	Initial Reserve Fund Contribution
General Clearing Participant	HK\$7,500,000 (US\$961,500)
Clearing Participant	HK\$1,500,000 (US\$192,300)
Non-Clearing Participant	N/A

(2) The SEHK Options Clearing House Limited (SEOCH)

Participant Type	Initial Reserve Fund Contribution
General Clearing Participant	HK\$5,000,000 (US\$641,000); and an additional HK\$1,500,000 (US\$192,300) in respect of every clearing arrangement entered into starting from the fourth Non-clearing Participant
Direct Clearing Participant	HK\$1,500,000 (US\$192,300)
Non-clearing Participant	N/A

C. Level of Guarantee Fund Contributions

Hong Kong Securities Clearing Company Limited (HKSCC)

Participant Type	Basic Guarantee Fund Contribution (Cash)
General Clearing Participant	No less than the higher of (i) HK\$150,000 (US\$19,200); or (ii) the aggregate of: <ul style="list-style-type: none"> – HK\$50,000 (US\$6,400) in respect of each Stock Exchange Trading Right held; and – HK\$50,000 (US\$6,400) in respect of each Non-clearing Participant with whom such General Clearing Participant has entered into a clearing agreement
Direct Clearing Participant	No less than the higher of (i) HK\$50,000 (US\$6,400); or (ii) HK\$50,000 (US\$6,400) in respect of each Stock Exchange Trading Right held

Note: Exchange rate used is US\$1 = HK\$7.8, the costs above are rounded to the nearest hundred US\$.

APPENDIX III – BASIC SET UP COSTS FOR EXCHANGE PARTICIPANTS (as of Oct 15)
A. Stock Exchange Participant

	One-time	Periodic/Variable	Deposits
Exchange Costs	<ul style="list-style-type: none"> ▪ Stock Exchange Trading Right - HK\$500,000 (US\$64,100) 	<ul style="list-style-type: none"> ▪ Monthly subscription fee (per Stock Exchange Trading Right) - HK\$2,900 (US\$370) 	Per Stock Exchange Trading Right: <ul style="list-style-type: none"> ▪ Stamp Duty Deposit - HK\$5,000 (US\$640) ▪ Fidelity Fund Deposit - HK\$50,000 (US\$6,410) ▪ Compensation Fund Deposit - HK\$50,000 (US\$6,410)
System Access Costs	<ul style="list-style-type: none"> ▪ Orion Central Gateway (OCG) Administration Charge - HK\$20,000 per session (US\$2,560) ▪ Open Gateway (OG) Server - OG/BSS HK\$40,900/HK\$125,700 (US\$5,240/US\$16,120) ▪ Circuit Installation Charge - EP pays the circuit installation charge directly to Accredited Vendors 	<ul style="list-style-type: none"> ▪ Monthly session fee for OCG - HK\$2,000 to \$30,000 per Trading session depending on number of throttles assigned (US\$260-US\$3,850) - HK\$4,500 per Drop Copy session (US\$580); no charge on first session for production and backup ▪ Monthly user fee for OG - HK\$1,250 per OG (US\$160) ▪ Monthly charge for circuit rental - EP pays the circuit rental directly to Accredited Vendors ▪ Monthly user fee for Stock Exchange Trading Right assigned to OG/OCG - HK\$480 per Stock Exchange Trading Right (US\$60) ▪ Monthly user fee for standard throttle rate (or part of) assigned to an OG/OCG due to Trading Booth Relinquishment - HK\$480 for an increase up to or below the standard throttle rate (US\$60) ▪ Monthly Information Service Fee for Display Usage - HK\$200 (US\$30) per workstation per month ▪ Monthly Information Service Fee for Non-Display Usage (i) Automated Trading Application – HK\$20,000 (US\$2,560) per firm per month (ii) Derived Data (with Tradable Products) : HK\$20,000 (US\$2,560) per firm per month (iii) Others : HK\$400 (US\$50) per firm per month (Any other non-display data usage that does not fall under Category (i) & (ii) and EPs are exempted from this “Others” fee.) 	

		<ul style="list-style-type: none"> ▪ Annual Maintenance Fee for OG/BSS <ul style="list-style-type: none"> - HK\$3,600/HK\$9,960 (US\$460/US\$1,280) 	
Clearing/Settlement Costs/Deposits	<ul style="list-style-type: none"> ▪ HKSCC Admission Fee (in respect of each Stock Exchange Trading Right held <ul style="list-style-type: none"> - HK\$50,000 (US\$6,410) ▪ Circuit Installation Charge. <ul style="list-style-type: none"> -CP pays directly to Accredited Vendors 	<ul style="list-style-type: none"> ▪ Monthly charge for circuit rental <ul style="list-style-type: none"> - CP pays directly to Accredited Vendors 	<ul style="list-style-type: none"> ▪ HKSCC Basic Guarantee Fund Contribution (cash) <ul style="list-style-type: none"> - General Clearing Participant <ul style="list-style-type: none"> (i) HK\$150,000 (US\$19,230); or (ii) the aggregate of HK\$50,000 (US\$6,410) in respect of each Stock Exchange Trading Right held and HK\$50,000 (US\$6,410) in respect of each Non-clearing Participant with whom such GCP has entered into a Clearing Agreement, whichever is higher. - Direct Clearing Participant <ul style="list-style-type: none"> (i) HK\$50,000 (US\$6,410); or (ii) HK\$50,000 (US\$6,410) in respect of each Stock Exchange Trading Right held, whichever is higher.
Others	<ul style="list-style-type: none"> ▪ Additional Throttle for OG/OCG (for business expansion) <ul style="list-style-type: none"> - HK\$50,000 (US\$6,410) for additional one order per second 	<ul style="list-style-type: none"> ▪ Monthly user fee for Additional Throttle <ul style="list-style-type: none"> - HK\$960 (US\$120) per each additional throttle 	

The costs specified herein covered only the major items and are thus non-exhaustive (subject to changes without notice).

Exchange rate used is US\$1 = HK\$7.8, the costs above in US\$ are rounded to the nearest ten dollars.

Trading Rights are issued by HKEx and are non-transferable.

Open Gateway is not applicable for new/potential Exchange Participant to apply.

B. Futures Exchange Participant

	One-time	Periodic/Variable	Deposits
Exchange Costs	<ul style="list-style-type: none"> ▪ Futures Exchange Trading Right - HK\$500,000 (US\$64,100) 	<ul style="list-style-type: none"> ▪ Futures Exchange Participant Annual Subscription Fee - HK\$6,000 (US\$770) 	<ul style="list-style-type: none"> ▪ N/A
System Access Costs	<p><u>Hardware</u></p> <ul style="list-style-type: none"> - Network Gateway Server Est. HK\$65,000 (US\$8,330) - Click Workstation Est. HK\$25,000 (US\$3,210) - Switch & cable Est. HK\$8,200 (US\$1,050) <p><u>Software</u></p> <ul style="list-style-type: none"> ▪ Total = Est. HK\$65,000 (US\$8,330) per Network Gateway <p><u>Installation Charges</u></p> <ul style="list-style-type: none"> - Est. HK\$3,000 (US\$380) for 1st Network Gateway - Est. HK\$11,500 (US\$1,470) per additional Network Gateway 	<p><u>Monthly</u></p> <ul style="list-style-type: none"> ▪ Monthly Data Line Charges (including routers) - Est. HK\$7,000 (US\$900) ▪ Monthly Click or OAPI Sub-license Fee - HK\$1,750 (US\$220) per user per connection through Network Gateway - HK\$2,600 (US\$330) per user per connection with a throughput rate of 5 transactions per second through Central Gateway - HK\$5,200 (US\$670) per user per connection with a throughput rate of 10 transactions per second through Central Gateway - No OAPI sub-license fee will be charged for either the first 2 connections with a throughput rate of 5 transactions per second or the first connection with a throughput rate of 10 transactions per second ▪ Monthly Recurring Costs for additional Network gateway - HK\$3,000 per gateway (US\$380) (free for the first network gateway) <p><u>Annually</u></p> <ul style="list-style-type: none"> ▪ Annual Maintenance Fee - Est. HK\$6,900 (US\$880) 	

Clearing/Settlement Costs/Deposits	<ul style="list-style-type: none"> ▪ DCASS Connectivity Test - HK\$1,000 (US\$130) ▪ Circuit Installation Charge (if applicable). - CP pays directly to Accredited Vendors 	<ul style="list-style-type: none"> ▪ Monthly Sub-license fee for (i) DCASS workstation applications software or (ii) OAPI via the Participant's remote network gateway - HK\$1,750 (US\$220) ▪ Monthly Sub-license fee for (i) DCASS workstation applications software or (ii) OAPI via the central gateway - HK\$2,600 (US\$330) ▪ Monthly charge for circuit rental (if applicable) - CP pays directly to Accredited Vendors 	<ul style="list-style-type: none"> ▪ HKCC Initial Reserve Fund Contribution <ul style="list-style-type: none"> - General Clearing Participant HK\$7,500,000 (US\$961,540) - Clearing Participant HK\$1,500,000 (US\$192,310)
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The costs specified herein covered only the major items and are thus non-exhaustive (subject to changes without notice).

Exchange rate used is US\$1 = HK\$7.8. The costs above in US\$ are rounded to the nearest ten dollars.

Trading Rights are issued by HKE_x and are non-transferable.

C. Stock Options Exchange Participant

	One-time	Periodic/Variable	Deposits
Exchange Costs	<ul style="list-style-type: none"> ▪ N/A 	<ul style="list-style-type: none"> ▪ N/A 	<ul style="list-style-type: none"> ▪ N/A
System Access Costs	<p><u>Hardware</u></p> <ul style="list-style-type: none"> - Network Gateway Server Est. HK\$65,000 (US\$8,330) - Click Workstation Est. HK\$25,000 (US\$3,210) - Switch & cable Est. HK\$8,200 (US\$1,050) <p><u>Software</u></p> <ul style="list-style-type: none"> ▪ Total = Est. HK\$65,000 (US\$8,330) per Network Gateway <p><u>Installation Charges</u></p> <ul style="list-style-type: none"> - Est. HK\$3,000 (US\$380) for 1st Network Gateway - Est. HK\$11,500 (US\$1,470) per additional Network Gateway 	<p><u>Monthly</u></p> <ul style="list-style-type: none"> ▪ Monthly Data Line Charges (including routers) - Est. HK\$7,000 (US\$900) ▪ Monthly Click or OAPI Sub-license Fee - HK\$1,750 (US\$220) per user per connection through Network Gateway - HK\$2,600 (US\$330) per user per connection with a throughput rate of 5 transactions per second through Central Gateway - HK\$5,200 (US\$670) per user per connection with a throughput rate of 10 transactions per second through Central Gateway - No OAPI sub-license fee will be charged for either the first 2 connections with a throughput rate of 5 transactions per second or the first connection with a throughput rate of 10 transactions per second ▪ Monthly Recurring Costs for additional Network gateway - HK\$3,000 per gateway (US\$380) (free for the first network gateway) <p><u>Annually</u></p> <ul style="list-style-type: none"> ▪ Annual Maintenance Fee - Est. HK\$6,900 (US\$880) 	

<p>Clearing/Settlement Costs/Deposits</p>	<ul style="list-style-type: none"> ▪ DCASS Connectivity Test <ul style="list-style-type: none"> - HK\$1,000 (US\$130) - Circuit Installation Charge (if applicable). <ul style="list-style-type: none"> -CP pays directly to Accredited Vendors 	<p>Monthly</p> <ul style="list-style-type: none"> ▪ Sub-license fee for (i) DCASS workstation applications software or (ii) OAPI via the Participant's remote network gateway <ul style="list-style-type: none"> - HK\$1,750 (US\$220) ▪ Sub-license fee for (i) DCASS workstation applications software or (ii) OAPI via the central gateway <ul style="list-style-type: none"> - HK\$2,600 (US\$330) ▪ Monthly charge for circuit rental (if applicable) <ul style="list-style-type: none"> - CP pays directly to Accredited Vendors 	<ul style="list-style-type: none"> ▪ SEOCH Initial Reserve Fund Contribution <ul style="list-style-type: none"> - General Clearing Participant HK\$5,000,000 (US\$641,030); and an additional HK\$1,500,000 (US\$192,310) in respect of every clearing arrangement entered into starting from the fourth Non-clearing Participant - Direct Clearing Participant HK\$1,500,000 (US\$192,310)
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The costs specified herein covered only the major items and are thus non-exhaustive (subject to changes without notice).

Exchange rate used is US\$1 = HK\$7.8. The costs above in US\$ are rounded to the nearest ten dollars.

Registration as Stock Exchange Participant is the prerequisite for Stock Options Exchange Participant, hence the costs listed under Appendix III A applies.

APPENDIX IV – PRODUCT SUMMARY

A. Securities Products

Listings of securities market products (as at 30 Oct 2015)

Securities Market Product	Number
Equities (Main Board and GEM)	1830
Listed ETF	133
Equity warrants	13
Derivative warrants	5410
Callable bull/bear contracts	1935
Real estate investment trusts	11
Debt securities	734

(1) Equities

Equity securities generally refer to stocks or shares, represent ownership units in the issuing company. In Hong Kong, shares are listed either on the Main Board or on the Growth Enterprise Market (GEM) of HKEx. The Main Board is a market for capital formation by established companies with a track record of profits or companies meeting alternative financial requirements; and GEM is a market which provides capital formation opportunities for growth companies from all industries and of all sizes.

Shares may be classified into industry sectors according to the nature of the company's business, such as finance, utilities, properties, consolidated enterprises, industrials and hotels. They may also be classified according to other features, some familiar terms include blue chips, red chips and H shares. Blue chips are normally companies with the highest status and quality for investment. In Hong Kong, the constituents of the Hang Seng Index are generally recognised as blue chips. Red chips are companies incorporated outside Mainland China and controlled by Mainland entities, by way of direct or indirect shareholding and/or representation on the board of directors. H shares are issued by companies incorporated in Mainland China.

(2) Exchange Traded Funds (“ETFs”)

ETFs are passively-managed and open-ended funds, unit trusts or similar investment arrangements that are listed and/or traded on the securities market of HKEx. ETFs in Hong Kong are authorised by the Securities and Futures Commission (SFC) as collective investment schemes. ETFs are designed to track the performance of their underlying benchmarks (e.g. an index, a commodity such as gold, etc.). ETFs offer investors an efficient way to obtain cost-effective exposure to a wide range of underlying market themes. Similar to other securities, investors can buy or sell ETFs through their brokers anytime during the securities market's trading hours. ETFs offer the following benefits to investors:

- Low minimum investment – ETFs are traded in board lots and the minimum initial investment is usually set at an affordable level.
- Low transaction costs – The transaction fee for ETFs is the same as the fee for stocks, except that stamp duty is waived for all ETFs. Unlike mutual funds, there is no subscription fee for ETFs.
- Liquidity – ETFs can be traded any time on the securities market during the market's trading hours. ETFs have market makers to enhance liquidity.
- Short selling – ETFs are eligible for short selling with tick rule exemption (i.e. short sales below the best current ask price).

- Transparency – The underlying indices of ETFs and the indices' constituent stocks are normally disclosed in the ETFs managers' websites. Real-time price quotes for ETFs are disseminated by information vendors during trading hours. Delayed prices are available on HKEx website free of charge.

(3) Derivative Warrants ("DW")

DW are instruments that give an investor the right to "buy" or "sell" an underlying asset at a pre-set price prior to a specified expiry date. They may be bought and sold prior to their expiry in the market provided by HKEx. At expiry, settlement is usually made in cash rather than a purchase or sale of the underlying asset.

DW can be issued over a range of assets, including stocks, stock indices, currencies, commodities, or a basket of securities. They are issued by a third party, usually an investment bank, independent of the issuer of the underlying assets. DW traded in Hong Kong normally have an initial life of six months to two years and when trading in the market each DW has a unique expiry date.

DW issuers are required to appoint a Liquidity Provider for each one of their listed DW. An issuer may appoint different Liquidity Providers for different DW issues. Each Liquidity Provider should have a code of 95XX or 96XX for identification.

The Derivative Warrant Resource Centre on HKEx website provides a vast amount of information on the DW traded on the securities market, including a full list of DW listed on HKEx and their Liquidity Providers, listing documents, announcements, investor education materials, etc.

(4) Callable Bull/Bear Contracts ("CBBC")

CBBC are a type of structured product issued by a third party, usually an investment bank, independent of HKEx and of the underlying asset, that tracks the performance of an underlying asset. They are issued either as Bull or Bear contracts with a fixed expiry date, allowing investors to take bullish or bearish positions on the underlying asset without requiring to pay the full price required to own the actual asset.

CBBC are issued with the condition that during their lifespan they will be called by the issuers when the price of the underlying asset reaches a level (known as the "Call Price") specified in the listing document. If the Call Price is reached before expiry, the CBBC will expire early and the trading of that CBBC will be terminated immediately. The specified expiry date from the listing document will no longer be valid.

CBBC is normally issued with a lifespan of 3 to 6 months and are settled in cash only.

The major features of CBBC include the following:

- The price of a CBBC tends to follow closely the price of the underlying asset (i.e. delta close to one). Thus, if the underlying asset increases in value, a Bull CBBC with entitlement ratio of 1 to 1 generally increases in value by approximately the same amount whereas a Bear CBBC with entitlement ratio of 1 to 1 generally decreases in value by approximately the same amount. This property offers investors a product which tracks the price movement of the underlying asset more closely and with higher price transparency than some other structured products.
- CBBC have a Call Price and a Mandatory Call feature. If the underlying asset's price reaches the Call Price at any time prior to expiry, the CBBC will expire early. The issuer must call the CBBC and trading of the CBBC will be terminated immediately. Such an event is referred to as a Mandatory Call Event (MCE).

CBBC issuers are required to appoint a Liquidity Provider for each of their listed CBBC. Each Liquidity Provider should have a broker number of either 95XX or 96XX for identification. Investors

can visit the HKEx website for the list of Liquidity Providers. The exact obligations of the Liquidity Provider for each CBBC are shown in the listing document.

B. Derivatives Products

(1) Summary of Contract Specifications of Equity Index Derivatives Products

Contract Name	Equity Index Products								
	Hang Seng Index (HSI)		Mini-Hang Seng Index (MHI)		H-Share Index (HHI)		Mini H-Share Index (MCH)	HSI Dividend Point Index (DHS)	HSCEI Dividend Point Index (DHH)
	Futures	Options [1]	Futures	Options	Futures	Options [1]	Futures	Futures	Futures
Contract Months	Spot, next, and next 2 quarter months	(Short-dated) Spot, next 2 calendar months, and next 3 quarter months and (Long-dated) the next 5 months of Jun and Dec	Spot, next, and next 2 quarter months		Spot, next, and next 2 quarter months	(Short-dated) Spot, next 2 calendar months, and next 3 quarter months and (Long-dated) the next 3 months of Jun and Dec	Spot, next, and next 2 quarter months	5 nearest December contract months	
Minimum Fluctuation	1 index point = HK\$50 (US\$6.41)		1 index point = HK\$10 (US\$1.28)		1 index point = HK\$50 (US\$6.41)		1 index point = HK\$10 (US\$1.28)	0.01 index point = HK\$0.5 (US\$0.06)	0.01 index point = HK\$0.5 (US\$0.06)
Contract Value	HK\$50 (US\$6.41) x contracted price	HK\$50 (US\$6.41) x premium	HK\$10 (US\$1.28) x contracted price	HK\$10 (US\$1.28) x premium	HK\$50 (US\$6.41) X contracted price	HK\$50 (US\$6.41) x premium	HK\$10 (US\$1.28) x contracted price	HK\$50 (US\$6.41) x contracted price	
Client Initial Margin (per contract) as of 12 Oct 15	HK\$108,250 (US\$13,878.2)	Varies [2]	HK\$21,650 (US\$2,775.6)	Varies [2]	HK\$55,200 (US\$7,076.9)	Varies [2]	HK\$11,040 (US\$1,415.3)	HK\$4,290 (US\$550)	HK\$2,030 (US\$260.2)
Fees & Levies (per contract per side) [3]	Exchange Fee	HK\$10.00 (US\$1.28)	HK\$3.50 (US\$0.45)	HK\$2.00 (US\$0.26)	HK\$3.50 (US\$0.45)	HK\$2.00 (US\$0.26)	HK\$3.00 (US\$0.38)	HK\$1.50 (US\$0.19)	
	SFC Levy	HK\$0.54 (US\$0.07)	HK\$0.10 (US\$0.0)	HK\$0.10 (US\$0.01)	HK\$0.54 (US\$0.07)	HK\$0.10 (US\$0.01)	HK\$0.54 (US\$0.07) [6]		
	Investor Compensation Levy	Currently exempted							
	Total	HK\$10.54 (US\$1.35)	HK\$3.60 (US\$0.46)	HK\$2.12 (US\$0.27)	HK\$4.04 (US\$0.52)	HK\$2.10 (US\$0.27)	HK\$3.54 (US\$0.45)	HK\$2.04 (US\$0.27)	

Contract Name	Equity Index Products								
	Hang Seng Index (HSI)		Mini-Hang Seng Index (MHI)		H-Share Index (HHI)		Mini H-Share Index (MCH)	HSI Dividend Point Index (DHS)	HSCEI Dividend Point Index (DHH)
	Futures	Options	Futures	Options	Futures	Options	Futures	Futures	Futures
Brokerage Commission	Negotiable								
Exercise Style	N/A	European	N/A	European	N/A	European	N/A	N/A	N/A
Settlement Method	Cash settled								
Last Trading Day / Expiry Day [4]	The business day immediately preceding the last business day of the contract month							2 business days immediately preceding the last business day of the contract month	
Final Settlement Day	The first business day after the Last Trading Day / Expiry Day							The second business day after the last trading day	
Position Limits	Position delta for HSI related futures and options combined of 10,000 long or short in all contract months in which Mini-HSI Futures or Mini-HSI Options shall not exceed 2,000 long or short in all contract months combined [5]				Position delta for HHI related futures and options combined of 12,000 long or short in all contract months in which Mini-HHI Futures shall not exceed 2,400 long or short in all contract months combined [5]			Nil	
Large Open Positions	500 net long or net short contracts in any one contract month / in any one series		2,500 net long or net short contracts in any one contract month / in any one series		500 net long or net short contracts in any one contract month		2,500 open contracts for futures in any one contract month	1,000 open contracts, in any one contract month	
Launch Date	6-May-86	5-Mar-93	9-Oct-00	18-Nov-02	8-Dec-03	14-Jun-04	31-Mar-08	1-Nov-10	1-Nov-10

Contract Name	Equity Index Products					
	IBOVESPA Futures	MICEX Index Futures	S&P BSE SENSEX Index Futures	FTSE/JSE Top40 Futures	HSI Volatility Index Futures	CES China 120 Index Futures
Underlying Index	IBOVESPA	MICEX Index	S&P BSE SENSEX Index	FTSE/JSE Top40 Index Note	HSI Volatility Index	CES China 120 Index
Contract Months	Two nearest even-numbered calendar months	Two nearest quarter calendar months	Spot Month and the next calendar month	Two nearest quarter calendar months	Spot month and the next two calendar months	Spot month, the next calendar month and the next two calendar quarter months
Minimum Fluctuation	5 Index points	0.05 Index point	1 Index point	1 Index point	0.05 index point	0.5 index point
Contract Multiplier	HK\$5 per Index point (US\$0.64)	HK\$100 per Index point (US\$12.82)	HK\$10 per Index point (US\$1.28)		HK\$5,000 per Index point (US\$641.02)	HK\$50 per index point (US\$6.41)
Client Margin (per contract) as of 12 Oct 15	HK\$20,140 (US\$2,582.0)	HK\$19,350 (US\$2,480.7)	HK\$16,410 (US\$2,103.8)	HK\$29,210 (US\$3,744.8)	HK\$41,430 (US\$5,311.5)	HK\$29,730 (US\$3,811.5)
Maximum Fluctuation	10% of daily settlement price				Nil	

	of the nearest contract month determined by BVMF on the previous Business Day	Nil				Nil
Final Settlement Day	The second Business Day after the Last Trading Day					
Last Trading Day	The Last Trading Day determined by BVMF (i.e. usually the Wednesday closest to the 15th calendar day of the Contract Month)	The Last Trading Day determined by Moscow Exchange (i.e. usually the 15th calendar day of the Contract Month)	The Last Trading Day determined by BSE (i.e. usually the last Thursday of the Contract Month)	The Last Trading Day determined by JSE (i.e. usually the third Thursday of the Contract Month)	30 calendar days prior to the second last Business Day of the next month	Business Day immediately preceding the last Business Day of the Contract Month
	If it is not a Hong Kong Business Day, the Last Trading Day shall be the immediately preceding Hong Kong Business Day					If it falls on a Mainland China public holiday, the Last Trading Day will be the previous Hong Kong and Mainland China Business Day.
Final Settlement Price	The Final Settlement Price of the IBOVESPA futures at BVMF	The Final Settlement Price of the MICEX Index futures at Moscow Exchange	The Final Settlement Price of the S&P BSE SENSEX Index Futures at BSE	The Final Settlement Price of the FTSE/JSE Top40 futures at JSE	The average of quotation of VHSI taken at 1 minute intervals between 3:30 p.m. and up to 4:00 p.m. on the last trading Day	The average of the values of the CES China 120 Index compiled rounded up to the nearest 1 decimal place, taken at five (5) minute intervals from 1:00 p.m. up to 3:00 p.m. on the Last Trading Day.
Exchange Fee	HK\$10.00 (US\$1.28)	HK\$5.00 (US\$0.64)			HK\$10.00 (US\$1.28)	HK\$10.00
	(Exchange fee and settlement fee are waived in the first six months of trading)					
Levies	Commission Levy and Investor Compensation Levy are payable at the rate or of the amount prescribed from time to time pursuant to the Securities and Futures Ordinance. (Commission Levy is waived for the first six months of trading)					HK\$0.54
Brokerage Commission	Negotiable					
Position Limit	25,000 open contracts	25,000 open contracts	25,000 open contracts	25,000 open contracts	10,000 open contracts, in any one Contract Month	30,000 contracts
Large Open Position	2,500 open contracts, in any one Contract Month	2,500 open contracts, in any one Contract Month	2,500 open contracts, in any one Contract Month	2,500 open contracts, in any one Contract Month	1,000 open contracts, in any one Contract Month	1,500 open contracts, in any one Contract Month
Launch Date	30-Mar-12	30-Mar-12	30-Mar-12	30-Mar-12	02-Feb-12	12-Aug-13

Exchange rate used is US\$1 = HK\$7.8, the amount above in US\$ is rounded to 2 decimal places.

[1] Flexible Hang Seng Index Options and Flexible H-shares Index Options were introduced on 8 February 2010. For details, please refer to Appendix IV B (3).

[2] Margin requirements are calculated using the Portfolio Risk Margining System (PRIME), a SPAN compatible margining methodology.

[3] The fees listed above do not include clearing and settlement fees.

[4] The Last Trading Day applies to futures and Expiry Day applies to options

[5] Upon SFC's approval, an EP or an affiliate of an EP may hold or control Hang Seng Index futures and options contracts and H-shares Index futures and options contracts in excess of the prescribed limit by up to 50%.

[6] The Commission Levy will be exempted for the first six months of trading from 1 November 2010 to 29 April 2011 inclusive.

(2) Summary of Contract Specifications of Equity and Interest Rate Products

Contract Name	Equity Products		Interest Rate Products		Currency Products
			HIBOR Futures		
	Stock Futures	Stock Options	One-Month	Three-Month	RMB Futures
Contract Months	Spot, next 2 calendar months, and next 2 quarter months	Spot, next 3 calendar months, and next 3 quarter months	Spot, and next 5 calendar months	Spot, next 2 calendar months, and next 7 quarter months	Spot month, the next three calendar months and the next three calendar quarter months
Minimum Fluctuation (Equivalent US\$)	HK\$0.01 (US\$0.001) HK\$0.001 for XAB, XCC, XBC, XIC		1 basis point = HK\$125 (US\$16.03)		RMB0.0001
Contract Value	Varies [2]		HK\$125 (US\$16.03) x contracted price x 100		USD100,000 x contracted Price
Client Initial Margin (per contract) as of 12 Oct 15	APPENDIX IV B	Varies [3]	HK\$414 (US\$53.0)	HK\$785 (US100.64)	RMB16,920 (US\$2,656.4)
Fees & Levies (per contract per side) [4]	Exchange Fee	HK\$3.50 (US\$0.45)	Tier 1: HK\$3.00 (US\$0.38) Tier 2: HK\$1.00 (US\$0.13) Tier 3: HK\$0.50 (US\$0.06)	HK\$5.00 (US\$0.64)	RMB8.00
	SFC Levy	HK\$0.10 (US\$0.01)	NIL	HK\$0.54 (US\$0.07)	NIL
	Investor Compensation Levy	Currently exempted	NIL	Currently exempted	NIL
	Total	HK\$3.60 (US\$0.46)	Tier 1: HK\$3.00 (US\$0.38) Tier 2: HK\$1.00 (US\$0.13) Tier 3: HK\$0.50 (US\$0.06)	HK\$5.54 (US\$0.71)	RMB8.00 (US\$1.29)
Brokerage Commission	Negotiable				
Exercise Style	N/A	American	N/A		N/A

Contract Name	Equity Products		Interest Rate Products		Currency Products
	Stock Futures	Stock Options	HIBOR Futures		RMB Futures
			One-Month	Three-Month	
Settlement Method	Cash settled	Physical delivery of underlying shares	Cash settled		Delivery of US dollars by the Seller and payment of the Final Settlement Value in RMB by the Buyer
Last Trading Day / Expiry Day [5]	The business day immediately preceding the last business day of the contract month		Two business days before the third Wednesday of the contract month		Two Hong Kong Business Days prior to the Final Settlement Day
Final Settlement Day	The first business day after the Last Trading Day	The second business day after the Expiry Day	The third Wednesday of the contract month		The third Wednesday of the Contract Month
Position Limits	5,000 gross contracts in any one contract month	APPENDIX IV B	N/A		8,000 net contracts in all Contract Months combined. 2,000 open contracts in the Spot Month Contract during the five Hong Kong Business Days up to and including the Last Trading Day
Large Open Positions	1,000 gross contracts in any one contract month	1,000 open contracts, per option class per expiry month	1,000 open contracts in any one contract month or 4,000 open contracts in all contract month		500 open contracts, in any one Contract Month
Launch Date	31-Mar-95	8-Sep-95	20-Oct-98	26-Sep-97	17-Sep-12

Exchange rate used is US\$1 = HK\$7.8, the amount above in US\$ is rounded to 2 decimal places.

[1] The Exchange may introduce any other longer-dated expiry month in selected stock option classes as it deems necessary.

[2] Contracted price/premium multiplied by lot size of the options contract

[3] Margin requirements are calculated using the Portfolio Risk Margining System (PRIME), a SPAN compatible margining methodology.

[4] The fees listed above do not include clearing and settlement fees.

[5] The Last Trading Day applies to futures and Expiry Day applies to options

(3) Summary of Contract Specifications of Metal Derivatives Products

Contract Name		Metal Products		
		London Aluminum Mini Futures	London Zinc Mini Futures	London Copper Mini Futures
Contract Months		Spot Month and the next eleven calendar months	Spot Month and the next eleven calendar months	Spot Month and the next eleven calendar months
Minimum Fluctuation (Equivalent US\$)		RMB 5.00 per tonne	RMB 5.00 per tonne	RMB 5.00 per tonne
Contract Value		RMB 25 x contracted price	RMB 25 x contracted price	RMB 50 x contracted price
Client Initial Margin (per contract) as of 12 Oct 15		RMB 3,940	RMB 4,470	RMB 10,300
Fees & Levies (per contract per side) [4]	Exchange Fee	RMB 3	RMB 3	RMB 5
	SFC Levy	RMB 0.44	RMB 0.44	RMB 0.44
	Investor Compensation Levy	Currently exempted	Currently exempted	Currently exempted
	Total	RMB 3.44	RMB 3.44	RMB 5.44
Brokerage Commission		Negotiable		
Exercise Style		N/A	N/A	N/A

Contract Name	Metal Products		
	London Aluminum Mini Futures	London Zinc Mini Futures	London Copper Mini Futures
Settlement Method	Cash settled	Cash settled	Cash settled
Last Trading Day / Expiry Day [5]	The LTD determined by the LME for its Aluminium Futures	The LTD determined by the LME for its Zinc Futures	The LTD determined by the LME for its Copper Futures
Final Settlement Day	The first business day after the Last Trading Day	The first business day after the Last Trading Day	The first business day after the Last Trading Day
Position Limits	25,000 net long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf; and 25,000 net long or short in all Contract Months combined, per Client	25,000 net long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf; and 25,000 net long or short in all Contract Months combined, per Client	50,000 net long or short in all Contract Months combined, per Exchange Participant for the Exchange Participant's own behalf; and 50,000 net long or short in all Contract Months combined, per Client
Large Open Positions	500 open contracts in any one contract month	500 open contracts in any one contract month	500 open contracts in any one contract month
Launch Date	1-Dec-14	1-Dec-14	1-Dec-14

Exchange rate used is US\$1 = HK\$7.8, the amount above in US\$ is rounded to 2 decimal places.

[1] The Exchange may introduce any other longer-dated expiry month in selected stock option classes as it deems necessary.

[2] Contracted price/premium multiplied by lot size of the options contract

[3] Margin requirements are calculated using the Portfolio Risk Margining System (PRIME), a SPAN compatible margining methodology.

[4] The fees listed above do not include clearing and settlement fees.

[5] The Last Trading Day applies to futures and Expiry Day applies to options

(3) Features, Creation, Execution, Clearing and Settlement of Flexible Index Options

Features
<p>Flexible Index Options are Hang Seng Index and H-shares Index options contracts which allow market participants to request for the trading of options with customized strike prices and expiry months.</p> <p>Strike price of Flexible Index Options is required to be in whole index points and within +/-30% from the opening price of the spot month futures contract on the day of request, or the range of the prevailing highest and lowest strike prices available amongst the contract month requested to be created, and all other existing contract months with longer expiry terms on the day of request, whichever range is the largest.</p> <p>Contract month of Flexible Index Options can be any calendar month not further out than the longest term of expiry months that are available for trading.</p>
Creation
<p>Exchange Participants may make requests for the creation of Flexible Index Option series to HKEx from market open until 30 minutes before the close of trading for index options.</p> <p>Flexible Index Option series will not be created if there is an existing standard series with the same strike price and expiry.</p>
Execution
<p>Flexible Index Options must be executed through the Block Trade Facility during trading hours. Market making services is not available for Flexible Index Options.</p> <p>Initiating Exchange Participants and any other Exchange Participants can enter new trades to an existing Flexible Index Option series once created.</p> <p>Flexible Index Options series may be executed in combination with standard option series and futures contracts, as well as other Flexible Index Options series. However, each Flexible Index Option leg of a combination trade must be of 100 contracts or more.</p>
Clearing and Settlement
<p>Settlement price of Flexible Index Option series will be determined theoretically with reference to the volatilities and underlying prices derived from the market data of the standard series in accordance with the daily closing quotation determination process for daily mark-to-market purpose.</p> <p>Positions of Flexible Index Options and standard series which are sharing the same underlying will be margined on a portfolio basis.</p> <p>If a standard series has the same strike price and expiration as a Flexible Index Option series, the latter will be suspended from further trading. Positions in the 2 series will be kept and treated separately. Exchange Participants who hold opposite positions in the 2 series may request the clearing house to perform an internal position close out according to the clearing house procedures.</p>

(4) Stock Futures and Option Classes (As of 12 Oct 2015)

Stock Futures/Options with Contract Size More Than One Underlying Board Lot Shares

Item	SEHK Code	Underlying Stock	HKATS Code	Contract Multiplier	Stock Futures Contract		Stock Options Contract
					Client Initial Margin HK\$	Gross Position Limit	Position Limit in Any One Market Direction
1	1288	Agricultural Bank of China Limited	XAB	10,000	N/A	N/A	50,000
2	1299	AIA Group Limited	AIA	1,000	N/A	N/A	50,000
3	1336	New China Life Insurance Co. Ltd	NCL	1,000	N/A	N/A	50,000
4	1339	The People's Insurance Company (Group) of China Limited	PIN	5,000	N/A	N/A	50,000
5	1359	China Cinda Asset management Co. Ltd.	CDA	5,000	N/A	N/A	50,000
6	1988	China Minsheng Banking Corporation Limited	MSB	2,500	N/A	N/A	50,000
7	2601	China Pacific Insurance (Group) Company Limited	CPI	1,000	N/A	N/A	50,000

8	2822	COSP FTSE China A50 ETF	CSA	5,000	10,060	N/A	30,000
9	2823	iShares FTSE/Xinhua A50 China Index ETF	A50	5,000	7,960	N/A	50,000
10	2827	W.I.S.E. - CSI 300 China Tracker	CS3	1,000	N/A	N/A	30,000
11	2828	Hang Seng H-share Index ETF	HCF	1,000	N/A	N/A	50,000
12	3188	ChinaAMC CSI 300 Index ETF	AMC	2,000	16,260	N/A	30,000
13	3800	GCL-Poly Energy Holdings Ltd.	PLE	5,000	N/A	N/A	50,000
14	6030	CITIC Securities Co. Ltd	CTS	1,000	N/A	N/A	50,000
15	6837	Haitong Securities Co, Ltd.	HAI	2,000	N/A	N/A	50,000

Stock Futures/Options with Contract Size Equal to One Underlying Board Lot Shares

Item	SEHK Code	Underlying Stock	HKATS Code	Contract Multiplier	Stock Futures Contract		Stock Options Contract
					Client Initial Margin HK\$	Gross Position Limit	Position Limit in Any One Market Direction
1	1	CK Hutchison Holdings Limited	CKH	500	5,480	5,000	50,000
2	2	CLP Holdings Limited	CLP	500	2,010	5,000	50,000
3	3	Hong Kong and China Gas Company Limited	HKG	1,000	941	5,000	50,000
4	4	The Wharf (Holdings) Limited	WHL	1,000	4,660	5,000	50,000
5	5	HSBC Holdings Plc	HKB	400	1,790	5,000	50,000
6	6	Power Assets Holdings Limited	HEH	500	2,830	5,000	50,000
7	11	Hang Seng Bank Limited	HSB	100	1,060	5,000	50,000
8	12	Henderson Land Development Company Limited	HLD	1,000	5,110	5,000	50,000
9	16	Sun Hung Kai Properties Limited	SHK	1,000	9,570	5,000	50,000
10	17	New World Development Company Limited	NWD	1,000	768	5,000	50,000
11	19	Swire Pacific Limited 'A'	SWA	500	3,220	5,000	50,000
12	23	The Bank of East Asia, Limited	BEA	200	451	5,000	50,000
13	27	Galaxy Entertainment Group Limited	GLX	1,000	N/A	N/A	50,000
14	66	MTR Corporation Limited	MTR	500	1,340	5,000	50,000
15	135	Kunlun Energy Co. Limited	KLE	2,000	N/A	N/A	50,000
16	151	Want Want China Holdings Limited	WWC	1,000	N/A	N/A	50,000
17	267	CITIC Limited	CIT	1,000	1,360	5,000	50,000
18	293	Cathay Pacific Airways Limited	CPA	1,000	1,540	5,000	50,000
19	330	Esprit Holdings Limited	ESP	100	92	5,000	50,000
20	358	Jiangxi Copper Company Limited	JXC	1,000	N/A	N/A	50,000
21	386	China Petroleum & Chemical Corporation	CPC	2,000	1,060	5,000	50,000
22	388	Hong Kong Exchanges and Clearing Limited	HEX	100	2,380	5,000	50,000
23	390	China Railway Group Limited	CRG	1,000	N/A	N/A	50,000
24	489	Dongfeng Motor Group Co. Limited	DFM	2,000	N/A	N/A	50,000
25	494	Li & Fung Limited	LIF	2,000	1,400	5,000	50,000
26	688	China Overseas Land & Investment Limited	COL	2,000	N/A	N/A	50,000
27	700	Tencent Holdings Limited	TCH	100	N/A	N/A	50,000
28	728	China Telecom Corporation Limited	CTC	2,000	851	5,000	50,000
29	762	China Unicom (Hong Kong) Limited	CHU	2,000	2,130	5,000	50,000
30	857	PetroChina Company Limited	PEC	2,000	1,660	5,000	50,000
31	883	CNOOC Limited	CNC	1,000	1,670	5,000	50,000
32	902	Huaneng Power International, Inc.	HNP	2,000	1,620	5,000	50,000
33	914	Anhui Conch Cement Company Limited	ACC	500	N/A	N/A	50,000
34	939	China Construction Bank Corporation	XCC	1,000	514	5,000	50,000
35	941	China Mobile Limited	CHT	500	4,730	5,000	50,000
36	992	Lenovo Group Limited	LEN	2,000	N/A	N/A	50,000
37	998	China CITIC Bank Corporation Limited	CTB	1,000	N/A	N/A	50,000
38	1044	Henggan International Group Limited	HGN	500	N/A	N/A	30,000
39	1088	China Shenhua Energy Company Limited	CSE	500	N/A	N/A	50,000
40	1109	China Resources Land Ltd.	CRL	2,000	N/A	N/A	50,000
41	1171	Yanzhou Coal Mining Company Limited	YZC	2,000	N/A	N/A	50,000
42	1186	China Railway Construction Corporation Limited	CRC	500	N/A	N/A	50,000

43	1211	BYD Company Limited	BYD	500	N/A	N/A	50,000
44	1398	Industrial and Commercial Bank of China Limited	XIC	1,000	434	5,000	50,000
45	1800	China Communications Construction Company Limited	CCC	1,000	1,440	5,000	50,000
46	1880	Belle International Holdings Limited	BIH	1,000	N/A	N/A	50,000
47	1898	China Coal Energy Company Limited	CCE	1,000	N/A	N/A	50,000
48	1919	China COSCO Holdings Company Limited	CCS	500	N/A	N/A	50,000
49	1928	Sands China Ltd.	SAN	400	N/A	N/A	50,000
50	2038	FIH Mobile Limited	FIH	1,000	445	5,000	50,000
51	2282	MGM China Holdings Limited	MGM	400	N/A	N/A	50,000
52	2318	Ping An Insurance (Group) Company of China, Ltd.	PAI	500	4,540	5,000	50,000
53	2319	China Mengniu Dairy Co., Ltd.	MEN	1,000	N/A	N/A	50,000
54	2328	PICC Property and Casualty Company Limited	PIC	2,000	3,710	5,000	50,000
55	2333	Great Wall Motor Co. Limited	GWM	500	N/A	N/A	50,000
56	2388	BOC Hong Kong (Holdings) Limited	BOC	500	1,580	5,000	50,000
57	2600	Aluminum Corporation of China Limited	ALC	2,000	909	5,000	50,000
58	2628	China Life Insurance Company Limited	CLI	1,000	3,620	5,000	50,000
59	2777	Guangzhou R&F Properties Co., Ltd.	RFP	400	N/A	N/A	50,000
60	2800	Tracker Fund of Hong Kong	TRF	500	N/A	N/A	50,000
61	2888	Standard Chartered PLC	STC	50	N/A	N/A	50,000
62	2899	Zijin Mining Group Company Limited	ZJM	2,000	N/A	N/A	50,000
63	3323	China National Building Material Company Limited	NBM	2,000	N/A	N/A	50,000
64	3328	Bank of Communications Company Ltd.	BCM	1,000	652	5,000	50,000
65	3888	Kingsoft Corporation Ltd.	KSO	1,000	N/A	5,000	50,000
66	3968	China Merchants Bank Company Ltd.	CMB	500	1,270	5,000	50,000
67	3988	Bank of China Limited	XBC	1,000	384	5,000	50,000

APPENDIX V – TRADING HOURS

A. Securities market

Trading is conducted from Monday to Friday (excluding public holidays) during the following periods:

(1) Pre-opening Session

The pre-opening session consists of four periods: order input period, pre-order matching period, order matching period and blocking period. Their operating hours are as follows:

Session	Time
Order Input Period	9:00 a.m. to 9:15 a.m.
Pre-order Matching Period	9:15 a.m. to 9:20 a.m.
Order Matching Period	9:20 a.m. to 9:28 a.m.
Blocking Period	9:28 a.m. to 9:30 a.m.

At-auction and at-auction limit orders are accepted during the pre-opening session.

For at-auction limit orders, the order price input into AMS/3 should not deviate 9 times or more from the previous closing price or the nominal price (as the case may be), if available.

(2) Continuous Trading Session

Session	Time
Morning Session	9:30 a.m. to 12:00 noon
Extended Morning Session	12:00 noon to 1:00 p.m.
Afternoon Session	1:00 p.m. to 4:00 p.m.

There is no Extended Morning Session and Afternoon Session on the eves of Christmas, New Year and Lunar New Year. There will be no Extended Morning Session if there is no Morning Session.

Limit, enhanced limit and special limit orders are accepted during this session as long as the order price input into the AMS/3 (i) does not deviate 9 times or more from the nominal price, if available, and (ii) follows the quotation rules unless the restriction is waived.

A limit order will allow matching only at the specified price. The sell order input price cannot be made at a price below the best bid price, if available whereas the buy order input price cannot be made at a price above the best ask price, if available.

An enhanced limit order will allow matching of up to 10 price queues (i.e. the best price queue and up to the 10th queue at 9 spreads away) at a time provided that the traded price is not worse than the input price. The sell order input price cannot be made at a price of 10 spreads (or more) below the current bid price whereas the buy order input price cannot be made at a price of 10 spreads (or more) above the current ask price.

A special limit order will allow matching of up to 10 price queues (i.e. the best price queue and up to the 10th queue at 9 spreads away) at a time provided that the trade price is not worse than the input price. It has no restriction on the input price as long as the order input price is at or below the best bid price for a sell order or at or above the best ask price for buy order.

The closing price is determined using the median of the five 15-second snapshots taken in the last minute of the continuous trading session.

B. Derivatives market

(1) Pre-Market Opening Period

At present, the pre-market opening is available for the trading of Hang Seng Index futures contracts, Mini-Hang Seng Index futures contracts and H-shares Index futures contracts. There is no Pre-Market Opening Period during After-Hours Futures Trading session.

Pre-market Opening Period	Time
Morning Session	8:45 am – 9:15 am
Afternoon Session	12:30 pm – 1:00 pm

The pre-market opening period is divided into three parts: pre-opening, pre-open allocation and open-allocation.

Session	Time allocation
Pre-opening	26 minutes
Pre-open Allocation	2 minutes
Open-Allocation	2 minutes

Auction, limit and inactive orders are accepted during the pre-market opening session.

(3) Trading hours

Products	Morning Session	Afternoon Session	AHFT Session		
Hang Seng Index Futures	9:15 am – 12:00 noon	1:00 pm – 4:15 pm	5:00pm – 11:45pm		
H-shares Index Futures					
Mini-Hang Seng Index Futures					
Mini H-shares Index Futures					
CES China 120 Index					
Dividend Futures	9:30 am – 12:00 noon	1:00 pm – 4:15 pm	Not Applicable		
HSI Volatility Index (VHSI) Futures					
BRICS Futures				9:15 am – 4:15 pm (no lunch break)	
Equity Products				9:30 am – 12:00	1:00 pm – 4:00

Interest Rate Products	8:30 am – 12:00 noon	1:30 pm – 5:00 pm	
London Aluminum/Zinc/Copper Mini Futures	9:00 am – 4:15 pm (no lunch break)		5:00 pm – 1:00 am the next day
Currency Product (RMB Currency Futures)	9:00 am – 4:15 pm (no lunch break)		5:00pm – 11:45pm

Limit orders are accepted during the trading hours.

Closing time on half-day trading (e.g. Christmas Eve) for all products is 12:00 noon.

(4) Closing time on the Last Trading Day

Product	Last Trading Day
Hang Seng Index Futures	4:00 pm
H-Shares Index Futures	
Mini-Hang Seng Index Futures	
Mini H-shares Index Futures	
HSI Volatility Index (VHSI) Futures	
Equity Products	
Dividend Futures	4:15 pm
BRICS Futures	
London Aluminum/Zinc/Copper Mini Futures	
CES China 120 Index Futures	3:00 pm
Interest Rate Futures	11:00 am
Currency Product (RMB Currency Futures)	

APPENDIX VI – FEES

A. Transaction Fees

The following commission and fees apply to each securities and/or derivatives products transaction:

Type	Securities Market	Derivatives Market
SFC Levy*	0.0027% of the amount of consideration	Varies, depends on product type (not applicable to stock options)
Investor Compensation Levy*	Currently exempted	Varies, depends on product type (currently exempted and not applicable to stock options)
Trading Fee / Exchange Fee*	0.005% of the amount of consideration	Varies, depends on product type
Trading Tariff*	HK\$0.5 (US\$0.06)	N/A
Exercise Fee	N/A	HK\$2 (US\$0.26) to HK\$10 (US\$1.28) or RMB 2 per contract, depends on product type
Brokerage Commission*	Negotiable	Negotiable

(*) - Payable by both the buyer and the seller.

Please refer to APPENDIX IV for actual figures for derivatives products.

Exchange rate used is US\$ 1 = HK\$7.8. The fees above in US\$ are rounded to 2 decimal places.

B. Clearing and Settlement Fees

(1) **HKSCC**

The following are the typical fees charged by HKSCC to its Clearing Participants like brokers and custodians for settling an Exchange trade and for other services.

Fee nature	Fee amount
Stock clearing fee	Nil for CNS / Exchange Trade HK\$1 (US\$0.13) per input for SI and ISI
Stock settlement fee	0.002% of gross value Min. HK\$2 (US\$0.26) and max. HK\$100 (US\$12.82) per side per trade/SI
Money settlement fee	HK\$0.5 (US\$0.06) for HKD items, CNY items and USD items
Stock withdrawal fee	HK\$3.5 (US\$0.45) per board lot (registration and transfer fee inclusive). Odd lots also charged at HK\$3.5 (US\$0.45) each
Stock custody fee	HK\$0.012 per board lot (US\$0.002, rounded to 3 decimal places) per month per Participant Max. HK\$100,000 (US\$12,820.51) per month per Participant Odd lots also charged at HK\$0.012 each (US\$0.002, rounded to 3 decimal places)
Dividend and debt securities interest collection service fee	0.12% of cash dividend and interest Max. HK\$10,000 (US\$1,282.05) per stock
Registration and transfer fee	HK\$1.5 (US\$0.19) per board lot on net increase in aggregate holdings in board lots since the date on which fee was last collected by HKSCC. Odd lots also charged at HK\$1.5 (US\$0.19) each.

The above CCASS tariffs are not a complete fee schedule and they are for reference only and subject to revision from time to time.

Exchange rate used is US\$1 = HK\$7.8. The fees above in US\$ are rounded to 2 decimal places in most cases.

(2) **HKCC and SEOCH**

For derivatives products, the following are the typical fees charged by HKCC and/or SEOCH to its Clearing Participants for settling and exercising a contract of various derivatives products.

Fee nature	Fee amount
Cash settlement fee (for futures)	HK\$1.5 (US\$0.19) to HK\$10 (US\$1.28) per contract for HKD items, depends on product type RMB\$3 to RMB\$8 per contract for RMB items, depends on product type
Exercise fee (for options)	For HK\$ denominated stock options, HK\$2 (US\$0.26) per contract and for RMB denominated stock options, RMB 2 per contract For HKFE options products, HK\$2 (US\$0.26) to HK\$10 (US\$1.28) per contract
On-behalf-of processing fee	HK\$50 (US\$6.41) per transaction (minimum fee of HK\$500 (US\$64.10) per day)
Re-printing of reports	HK\$5 (US\$0.64) per page (up to HK\$1,000 (US\$128.21) per report or per diskette)

Summary for settlement fee and exercise fee

PRODUCT	HK\$ (per contract)	US\$ (per contract)	RMB (per contract)
HKFE products			
<u>Equity products</u>			
Stock Futures	10.00	N/A	N/A
<u>Equity index products</u>			

HSI Futures	10.00	N/A	N/A
HSI Options	10.00		
MHI Futures	3.50		
MHI Options	2.00		
HHI Futures	3.50		
HHI Options	3.50		
MCH Futures	2.00		
HSI Dividend Point Index Futures	3.00		
HSCEI Dividend Point Index Futures	1.50		
HSI Volatility Index Futures	10.00		
CES China 120 Index Futures	10.00		
IBOVESPA Futures	10.00		
MICEX Index Futures	5.00		
S&P BSE SENSEX Index Futures	5.00		
FTSE/JSE Top40 Futures	5.00		
Interest rate products			
HIBOR Futures	5.00	N/A	N/A
Metal products			
London Aluminum Mini Futures	N/A	N/A	3.00
London Zinc Mini Futures	N/A	N/A	3.00
London Copper Mini Futures	N/A	N/A	5.00
Currency products			
US Dollar vs Renminbi (Hong Kong) Futures	N/A	N/A	8.00
SEHK stock options products			
HK\$ Denominated Stock Options	2.00	N/A	N/A
RMB Denominated Stock Options	N/A		2.00

The above fee information is not a complete fee schedule. It is for reference only and subject to revision from time to time.

Exchange rate used is US\$1 = HK\$7.8, the fees above in US\$ are rounded to 2 decimal places.

N/A - Not available

C. Taxation

(1) Stamp Duty

Stamp duty is levied on each transaction in registered securities, at a rate of 0.1% on the value of the transaction, payable by both the buyer and seller. Special stamp duty concessions are available for Exchange Traded Funds market makers.

A transfer deed stamp duty of HK\$5 is also payable by the registered shareholder on each new transfer deed, independent of the quantity of shares traded. Where the transferor is a recognized clearing house or its nominee, no transfer deed stamp duty is payable.

Cash settled structured products and Exchange Traded Funds that track an index comprising not more than 40% of Hong Kong stocks may be exempted from stamp duty.

(2) Withholding Tax

In general, there is no withholding tax on interest or dividend in Hong Kong.

A withholding tax will be collected by HKSCC's agent in the U.S. on dividends paid on the Pilot Programme securities held by HKSCC.

A withholding tax, subject to the home jurisdictions of the overseas companies, will be collected by the overseas companies or their withholding agents on dividends paid to HKSCC. Shareholders should solicit tax advice from tax advisors on their tax positions, if required.

According to the Law on Corporate Income Tax of the People's Republic of China and the relevant implementing rules which came into effect on 1 January 2008, Mainland-incorporated companies are required to withhold corporate income tax at the rate of 10 per cent before distributing dividend to non-resident enterprise shareholders as appearing on the H share register of members of the companies. Any shares registered in the name of the non-individual registered shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise shareholders and therefore will be subject to the withholding of the corporate income tax.

(3) Capital Gains Tax

In general, there is no capital gains tax from Hong Kong.

Subject to the home jurisdictions of the overseas companies, there may be capital gains tax for the shareholders of overseas companies. These shareholders should solicit tax advice from tax advisors on their tax positions, if required.

(4) Profits Tax

Profits tax is only payable on profits arising from transactions in securities and/or derivatives, which constitute a business, carried on in Hong Kong. Normally this will apply only to transactions carried out by financial institutions (including brokerage firms) for their own account. The current profits tax is 16.5%.

APPENDIX VII – BLOCK TRADE FACILITY

A block trade comprises large buy and sell orders privately negotiated apart from the public auction market. Each block trade must be executed in the manner and must satisfy the criteria set forth below:

1. Eligible Users

Block trades may be executed between the client accounts, house accounts and/or market maker accounts of an Exchange Participant.

2. Applicable Markets

The Block Trade Facility will be applicable to all products (except listed combination orders), contract months and strike series listed on the HKATS, except the Mini-HSI futures and options and Mini-HHI futures contracts.

3. Block Trade Permissible Price Range

The price at which a block trade is executed must be fair and reasonable, and the revised permissible price range is determined in the following manners:

- (a) When the executed price is at or within the range of highest traded price, lowest traded price, bid and ask price of the contract; or
- (b) When the executed price is within the following price range to both sides of a reference price obtained through prevailing market prices, or if necessary, determined as the theoretical values based on the prevailing underlying values:

Contract	Price Range
Futures Contracts	
- Equity Index Futures	1%
- Equity Futures	3%
- HIBOR Futures	25 basis points
-	
Options Contracts	
- Equity Index Options ¹ if price > 300 index points if price ≤ 300 index points	10% 30 index points
- Equity Options	Whichever is narrower: - The difference between the traded price and reference price is at or within 3% of the nominal price of the underlying security at the time the trade occurred; or - The difference between the traded price and the reference price is such that it is at or within 2 times the maximum spread permitted under Market Maker Obligations and the difference represents not more than 30% of the reference price

At all times, the Exchange has the absolute discretion to make a final decision in determining whether an executed price is fair and reasonable taking into consideration factors such as the traded prices on previous days, traded prices and prevailing bid and ask prices of other futures contract months or option series of the Block Trade Contract, the volatility and liquidity of the relevant Market, the size of the Block Trade order and general market conditions.

APPENDIX VIII – MARKET MAKER OBLIGATIONS AND INCENTIVES

A. Equity Index Derivatives Products

Market Maker Obligations

Obligations		Futures (HHI, MCH, DHS, DHH & VHS)	Options (HSI, MHI & HHI)
Respond to Quote Requests	Required Response (RR)	≥70% of the Quote Requests	
	Time to Respond	Within 20 seconds	Within 20 seconds
	Min. Display Time ¹	10 seconds	20 seconds
	Min. Size	H-Shares Index futures: 5 contracts Dividend Point Index futures: 50 contracts VHSI futures: 5 contracts	5 contracts
	Max. Spread	H-Shares Index futures: 15 Min. Fluctuations Dividend Point Index futures: 30 points or 10% of bid price, whichever is higher VHSI futures: 0.50 points or 5% of bid price, whichever is higher	Table 1
Provide Continuous Quotes	Required Performance (RP)	≥ 70% of the trading hours	
	Min. Display Time ¹	10 seconds	20 seconds
	Min. Size	H-Shares Index futures: 5 contracts Dividend Point Index futures: 50 contracts VHSI futures: 5 contracts	5 contracts
	Max. Spread	H-Shares Index futures: 15 Min. Fluctuations Dividend Point Index futures: 30 points or 10% of bid price, whichever is higher VHSI futures: 0.50 points or 5% of bid price, whichever is higher	Table 1
Normal Trading Day		Not required to fulfill the above obligations during the first five (5) minutes of the opening of each morning trading session	
Last Trading Day		No obligation for the expiring contract	
Unusual Market Condition		At the discretion of the Exchanges' Chief Executive to temporarily suspend or modify some or all of the obligations of MMs	

Additional Obligations for Market Maker providing continuous quotes:

- MM for H-Shares Index Futures will be assigned with not less than two (2) contract months (i.e. Spot Month and the next calendar month).
- MM for Dividend Point Index (DHS & DHH) Futures should provide continuous quotes in all listed yearly contracts.
- MM for HSI Volatility Index Futures (VHS) should provide continuous quotes and response to quote request to all contract months.
- MM for Index Options (HSI, HHI) contracts will be assigned with not less than twenty-four (24) option series.
- MM for Mini-Hang Seng Index Options (MHIO) Contract will be assigned with not less than twelve (12) option series.

Market Maker Incentives

Product	Market Maker Fee		Market Maker in other Index Products (Same Underlying)		Standard Exchange Fee	
	HK\$	US\$	HK\$	US\$	HK\$	US\$
HSI Futures	N/A	N/A	3.50	0.45	10.00	1.28
HSI Options	2.00	0.26	3.50	0.45	10.00	1.28
Mini-HSI Futures	0.50	0.06	1.00	0.13	3.50	0.45

¹ If a change in the level of the underlying stock index occurs during the minimum display period, the MM may change its quote provided the new quote shall be subject to the same display, spread & size requirements.

The information stated herein is by no means exhaustive. Please refer to Rules, Regulations and Procedures of the Futures Exchange for details.

Mini-HSI Options	0.40	0.05	0.70	0.09	2.00	0.26
HHI Futures	0.50	0.06	1.00	0.13	3.50	0.45
HHI Options	0.50	0.06	1.00	0.13	3.50	0.45
MCH Futures	N/A	N/A	0.70	0.09	2.00	0.26
DHS Futures	0.60	0.08	N/A	N/A	3.00	0.38
DHH Futures	0.30	0.04	N/A	N/A	1.50	0.19
VHS Futures	2.00	0.26	N/A	N/A	10.00	1.28

Exchange rate used is US\$1 = HK\$7.8. The fees above in US\$ are rounded to 2 decimal places.

- MMs in a stock index futures or stock index options market will be eligible for exchange fee discounts in Other Markets only when such markets have the same underlying index (for example, Hang Seng Index (HSI) Futures / Options and Mini-HSI (MHI) Futures / Options are contracts having the same underlying index).
- The maximum number of contracts eligible for exchange fee discounts in Other Markets in each calendar month is the respective MM's trading volume in the Stock Index Options or Stock Index Futures market in which the MM is making a market.

Table 1 – Maximum Spread of Stock Index Options

Contract Month	Call/Put Option Premium	Maximum Bid/Offer Spread
1 st to 3 rd	1 – 750 points	30 points or 10% of bid price, whichever is higher
	751 points or more	75 points
4 th onwards	1 – 750 points	30 points or 20% of bid price, whichever is higher
	751 points or more	150 points

B. Equity Derivatives Products

Market Maker Obligations

Obligations	Stock Futures	Stock Options
Respond to Quote Requests	Required Response (RR)	≥70% of the Quote Requests
	Time to Respond	≥50% of Quote Request (Required to bid only if the offer price is >HK\$0.10)
	Min. Display Time ¹	10 seconds
	Min. Display Size	20 seconds
	Max. Spread	20 seconds
Provide Continuous Quotes	Min. Display Size	10 contracts
	Max. Spread	4 times the best bid/offer spread in the underlying stock or HK\$ 0.15, whichever is higher
	Required Performance (RP)	≥ 70% of the trading hours
	Min. Display Time ¹	20 seconds
	Min. Display Size	10 contracts
	Max. Spread	4 times the best bid/offer spread in the underlying stock or HK\$ 0.15, whichever is higher

¹ The minimum display period has to be obliged unless there is a change in the nominal price of the underlying asset.

² For stock options market, a market maker's obligation shall commence five minutes after market opens or when the bid/offer spread in the underlying security is at the minimum allowed under the Exchange Rules, whichever occurs earlier.

The information stated herein is by no means exhaustive. Please refer to Rules, Regulations and Procedures of the Futures Exchange, Options Trading Rules of the Stock Exchange and Operational Trading Procedures for Options Trading Exchange Participants of the Stock Exchange for details.

Normal Trading Day	Not required to fulfill the above obligations during the first five (5) minutes of the opening of each morning trading Session ²
Unusual Market Condition	At the discretion of the Exchanges' Chief Executive to temporarily suspend or modify some or all of the obligations of MMs

Additional Obligations for Market Maker providing continuous quotes:

- MM for Stock Futures will be assigned with at least the first two (2) contract months (i.e. Spot Month and the next calendar month).
- MM for Stock Options contracts will be assigned with not less than twenty-four (24) option series.
- Primary Market Maker (PMM) is a type of market maker introduced in the options market in addition to the existing market maker providing continuous quotes (CQMM) and market maker responding to quote requests (QRMM). PMM is required to provide continuous quotes and respond to quote requests.

Obligations		Stock Options
Respond to Quote Requests	Required Response (RR)	≥80% of Quote Request (Required to bid only if the offer prices are >HK\$0.10 and >HK\$0.03 for stock options with minimum price fluctuations of HK\$0.01 and HK\$0.001 respectively)
	Time to Respond	20 seconds
	Min. Display Time ¹	20 seconds
	Min. Display Size	Obligation level to be determined through bidding process
	Max. Spread	Obligation level to be determined through bidding process
Provide Continuous Quotes	Required Performance (RP)	150 series (chosen from CQ series selection pool)
	Min. Display Time ¹	N/A
	Min. Display Size	Obligation level to be determined through bidding process
	Max. Spread	Obligation level to be determined through bidding process
Normal Trading Day		Not required to fulfill the above obligations during the first five (5) minutes of the opening of each morning trading Session ²
Unusual Market Condition		At the discretion of the Exchanges' Chief Executive to temporarily suspend or modify some or all of the obligations of MMs

¹ The minimum display period has to be obliged unless there is a change in the nominal price of the underlying asset.

² For stock options market, a market maker's obligation shall commence five minutes after market opens or when the bid/offer spread in the underlying security is at the minimum allowed under the Exchange Rules, whichever occurs earlier.

The information stated herein is by no means exhaustive. Please refer to Rules, Regulations and Procedures of the Futures Exchange, Options Trading Rules of the Stock Exchange and Operational Trading Procedures for Options Trading Exchange Participants of the Stock Exchange for details.

Market Maker Incentives

Incentives	Stock Futures			Stock Options		
		per lot			per lot	
		HK\$	US\$		HK\$	US\$
Exchange Trading Fees / Trade Tariff (Stock Options)	House/Client	3.50	0.45	Contract Premium >HK\$0.01		
	MM	0.50	0.06	1) Tier 1 stocks <ul style="list-style-type: none"> • Non-MM 3.00 0.38 • MM <ul style="list-style-type: none"> - RR ≥ 70% 1.50 0.19 - RR < 70% 3.00 0.38 - RP ≥ 70% 1.50 0.19 - RP < 70% 3.00 0.38 2) Tier 2 stocks <ul style="list-style-type: none"> • Non-MM 1.00 0.13 • MM <ul style="list-style-type: none"> - RR ≥ 70% 0.80 0.10 - RR < 70% 1.00 0.13 - RP ≥ 70% 0.80 0.10 - RP < 70% 1.00 0.13 3) Tier 3 stocks <ul style="list-style-type: none"> • Non-MM 0.50 0.06 • MM <ul style="list-style-type: none"> • RR ≥ 70% 0.40 0.05 • RR < 70% 0.50 0.40 • RP ≥ 70% 0.40 0.50 • RP < 70% 0.50 0.40 B) Contract Premium = HK\$0.01 Cabinet Trade Nil Nil		

Exchange rate used is US\$1 = HK\$7.8. The fees above in US\$ are rounded to 2 decimal places.

Primary Market Makers

Stock Options Tier	Trading Requirement	Primary Market Maker Fee (HK\$)	Standard Exchange Fee (HK\$)
Tier 1	• Fulfill all PMM obligations with respect to both providing CQ and responding to QR in a month	<u>1.2</u>	<u>3.0</u>
	• Cannot fulfill PMM obligations but at least attained a performance level of 70% or above of a Regular Market Maker with respect to either providing CQ or responding to QR in a month	<u>1.5</u>	<u>3.0</u>
	• Neither fulfill PMM obligations nor attained a performance level of a Regular Market Maker	<u>3.0</u>	<u>3.0</u>
Tier 2	• Fulfill all PMM obligations with respect to both providing CQ and responding to QR in a month	<u>0.6</u>	<u>1.0</u>
	• Cannot fulfill PMM obligations but at least attained a performance level of 70% or above of a Regular Market Maker with respect to either providing CQ or responding to QR in a month	<u>0.8</u>	<u>1.0</u>
	• Neither fulfill PMM obligations nor attained a performance level of a Regular Market Maker	<u>1.0</u>	<u>1.0</u>
Tier 3	• Fulfill all PMM obligations with respect to both providing CQ and responding to QR in a month	<u>0.3</u>	<u>0.5</u>
	• Cannot fulfill PMM obligations but at least attained a performance level of 70% or above of a Regular Market Maker with respect to either providing CQ or responding to QR in a month	<u>0.4</u>	<u>0.5</u>

	<ul style="list-style-type: none"> Neither fulfill PMM obligations nor attained a performance level of a Regular Market Maker 	<u>0.5</u>	<u>0.5</u>
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Table 1: Maximum Spread of Stock Options

Option Series	Option Class	
	Liquidity Level 1	Liquidity Level 2
Spot month with 3 days or less to expiry	20% of the bid price of the quote or 3 times the best bid/offer spread of the underlying securities, whichever is the lower.	20% of the bid price of the quote or 4 times the best bid/offer spread of the underlying securities, whichever is the lower.
Spot month with 4 days or more to expiry and the next 3 calendar expiry months	10% of the bid price of the quote or 3 times the best bid/offer spread of the underlying securities, whichever is the lower.	10% of the bid price of the quote or 4 times the best bid/offer spread of the underlying securities, whichever is the lower.
The next 2 calendar quarter expiry months	20% of the bid price of the quote or 4 times the best bid/offer spread of the underlying securities, whichever is the lower.	20% of the bid price of the quote or 6 times the best bid/offer spread of the underlying securities, whichever is the lower.
The 3rd calendar quarter expiry month and any other longer-dated expiry month as the Exchange deems necessary	20% of the bid price of the quote or 8 times the best bid/offer spread of the underlying securities, whichever is the lower.	20% of the bid price of the quote or 12 times the best bid/offer spread of the underlying securities, whichever is the lower.

The information stated herein is by no means exhaustive. Please refer to Rules, Regulations and Procedures of the Futures Exchange, Options Trading Rules of the Stock Exchange and Operational Trading Procedures for Options Trading Exchange Participants of the Stock Exchange for details.

C. Interest Rate Derivatives Products

Market Maker Obligations

Obligations		HIBOR Futures
Respond to Quote Requests	Required Response	≥70% of the Quote Requests
	Time to Respond	30 seconds
	Min. Display Time	15 seconds
	Min. Display Size	10 contracts
	Max. Spread	7 Minimum Fluctuations
Provide Continuous Quotes	Required Performance	≥70% of the trading hours
	Min. Display Time	15 seconds
	Min. Display Size	5 contracts
	Max. Spread	10 Minimum Fluctuations
Normal Trading Day		Not required to fulfill the above obligations during 11:30 a.m. to 12:00 noon and 1:30 p.m. to 2:00 p.m. on each Business Day and the first five minutes of the opening of each morning trading session
Last Trading Day		Have obligation to respond to quote requests and to provide continuous quotes
Unusual Market Condition		At the discretion of the Exchanges' Chief Executive to temporarily suspend or modify some or all of the obligations of MMs

Additional Obligations for Market Maker providing continuous quotes:

- MM for One-Month HIBOR Futures Contract will be assigned with not less than the first three (3) contract months
- MM for Three-Month HIBOR Futures Contract will be assigned with the spot contract month plus not less than the first four (4) quarter contract months

Market Maker Incentives

Incentives	HIBOR Futures		
		per lot	
		HK\$	US\$
Exchange Trading Fees	• House / Client	5.0	0.64
	• MM	1.0	0.13

Exchange rate used is US\$1 = HK\$7.8. The fees above in US\$ are rounded to 2 decimal places.

The information stated herein is by no means exhaustive. Please refer to Rules, Regulations and Procedures of the Futures Exchange for details.

D. Currency Products (RMB Futures)

Liquidity Provider's Obligations

Market Making Obligation	Provision of Continuous Quotes (CQ)	Response to Quote Requests (QR)
Assigned Contract	All 7 contract months [i.e. Spot month, the next three calendar months and the next three calendar quarter months]	
Trading Requirement	Provision of CQ for not less than 70% of the trading hours in each calendar month	Response to not less than 70% of the QR in each calendar month
Maximum Time Limit for Responding to QR	N/A	Response to a QR within 10 seconds
Maximum Bid/Offer Spread	30 minimum fluctuations (i.e. RMB 0.0030)	
Minimum Quote Size	A minimum of 10 contracts	

Market Maker Incentives

Product	Market Maker Fee (RMB)	Standard Exchange Fee (RMB)
USD/CNH Futures	1.60	8.00