

Detailed Trading Rules of China Financial Futures Exchange for CSI 1000 Index Futures Contract

(Adopted on July 18, 2022)

Chapter I General Provisions

Article 1 These Detailed Trading Rules are formulated in accordance with the *Trading Rules of China Financial Futures Exchange* and its detailed implementation rules for the purpose of regulating the trading of CSI 1000 Index futures contract (the “Contract”) on China Financial Futures Exchange (the “Exchange”).

Article 2 The Exchange, members, clients, Depository Banks, and other futures market participants shall comply with these Detailed Trading Rules.

Article 3 Any matter not provided for herein shall be governed by other applicable rules of the Exchange.

Chapter II Contract

Article 4 The underlying index of the Contract is the CSI 1000 Index compiled and released by China Securities Index Co., Ltd.

Article 5 The contract multiplier of the Contract is RMB 200 per index point. The value of an equity index futures contract is the product of the index point multiplied by the contract multiplier.

Article 6 The Contract shall be quoted in index points.

Article 7 The tick size of the Contract is 0.2 index points. Quotations for the Contract shall be in integer multiples of 0.2 index points.

Article 8 The contract months of the Contract are the current month, the next month, and the subsequent two quarterly months of the March, June, September, and December cycle.

Article 9 The last trading day of the Contract, which is also the delivery day, is the third Friday of its expiry month. Where the last trading day is a public holiday or trading of the Contract is suspended on that day for extraordinary situations or other reasons, the last trading day as well as the delivery day shall be postponed to the following trading day.

A new Contract of the next contract month shall be listed on the trading day following the delivery day of the expired Contract.

Article 10 The product code of the Contract is IM.

Chapter III Trading

Article 11 The Contract is traded through opening auction and continuous trading.

The opening auction runs from 9:25 a.m. to 9:30 a.m. each trading day. Orders shall be submitted between 9:25 a.m. and 9:29 a.m., and are matched between 9:29 a.m. and 9:30 a.m.

Continuous trading runs each trading day from 9:30 a.m. to 11:30 a.m. (first session) and from 1:00 p.m. to 3:00 p.m. (second session).

Chapter IV Clearing

Article 12 The settlement price of the Contract on a given trading day is the volume weighted average price (VWAP) of the Contract during the last trading hour on that day, rounded to one decimal place.

Article 13 The settlement price of the Contract on a given trading day shall be the basis for calculating the profit and loss on the Contract for that day. The specific formula is:

Profit or loss on a given trading day = $\{ \Sigma [(\text{execution price of sell orders} - \text{current day's settlement price}) \times \text{contracts sold}] + \Sigma [(\text{current day's settlement price} - \text{execution price of buy orders}) \times \text{contracts bought}] + (\text{preceding trading day's settlement price} - \text{current trading day's settlement price}) \times (\text{short positions as of the end of the preceding trading day} - \text{long positions as of the end of the preceding trading day}) \} \times \text{contract multiplier}.$

Article 14 Fee standards for the Contract shall be separately specified by the Exchange.

Article 15 The final settlement price of the Contract is the arithmetic average price of the underlying index during the last two trading hours on the last trading day, rounded to two decimal places.

Article 16 The Contract is cash-settled.

Article 17 The delivery fee for the Contract is 0.01% of the delivery amount.

Chapter V Risk Management

Article 18 The minimum trading margin for the Contract is 8% of the contract value.

Article 19 The limit up/limit down of the Contract is $\pm 10\%$ of the preceding trading day's settlement price.

On the last trading day of an expiring Contract, the limit up/limit down shall be $\pm 20\%$ of the preceding trading day's settlement price.

The Exchange has the right to adjust the limit up/limit down based on the market risk conditions.

Article 20 The Contract is subject to position limits.

- (1) The position limit for a client shall be 1,200 lots per Contract either long or short;
- (2) If the open interest in a particular Contract exceeds 100,000 lots after settlement on a particular trading day, the long or short positions in such Contract held by a Clearing Member on the next trading day shall not exceed 25% of the open interest in the Contract.

Positions held for hedging and arbitrage purposes shall be governed by the relevant rules of the Exchange.

Chapter VI Ancillary Provisions

Article 21 Any violation of these Detailed Trading Rules shall be handled by the Exchange in accordance with the *Measures of China Financial Futures Exchange on Dealing with Violations and Breaches*.

Article 22 The Exchange reserves the right to interpret these Detailed Trading Rules.

Article 23 These Detailed Trading Rules shall come into effect on July 22, 2022.