

**SGX MSCI ASIA APEX 50 INDEX  
FUTURES CONTRACT SPECIFICATIONS**

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## 1. SCOPE OF CONTRACT SPECIFICATIONS AND DEFINITIONS

This MSCI Asia APEX 50 Index futures contract specifications (“**these Specifications**”) governs futures trading in the MSCI Asia APEX 50 Index<sup>SM</sup> on the SGX-DT Market. The rules and procedures for trading that are not specifically covered in these Specifications shall be as set forth in the Trading Rules.<sup>1</sup> Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them under the Trading Rules. For the purposes of these Specifications and unless the context otherwise requires, the following capitalized terms shall have the meanings set forth below:

<b>Affiliates</b>	Refers to the related corporations as defined in Section 6 of the Companies Act Cap. 50.
<b>Common Business Day</b>	Refers to a day on which all the exchanges of the component stocks of the MSCI Asia APEX 50 Index <sup>SM</sup> are open for trading.
<b>Contract</b>	Refers to the MSCI Asia APEX 50 Index futures contract traded on the SGX-DT Market;
<b>Contract Business Day</b>	Refers to any day other than a Saturday, Sunday and selected public holidays (New Year, the first 2 days of the Chinese New Year, Labour Day, Christmas and any other days as specified by the Exchange).
<b>Cooling Off Period</b>	Refers to a period of ten (10) minutes or such other period as the Exchange may from time to time prescribe during which each Contract may only continue to be traded at or within its Price Limits for the time being in force;
<b>Lower Limit</b>	Refers to a price of fifteen percent (15%) or such other amount as the Exchange may prescribe from time to time below the previous Trading Day’s Daily Settlement Price for such Contract;
<b>Upper Limit</b>	Refers to a price of fifteen percent (15%) or such other amount as the Exchange may prescribe from time to time above the previous Trading Day’s Daily Settlement Price for such Contract;
<b>MSCI Asia APEX 50 Index<sup>SM</sup></b>	Refers to a free float-adjusted, market capitalization-weighted index representing a sampling of Asian large capitalization stocks within Asia ex Japan, compiled by Morgan Stanley Capital International (MSCI).

## 2. TRADING

### 2.1 Trading Months and Hours

<sup>1</sup> Trading Rules refers to the Futures Trading Rulebook, which may be found on the Exchange’s website at <http://www.sgx.com>

The Contract shall be listed for such Contract Months and scheduled for trading during such hours as may be determined by the Exchange.

## **2.2 Contract Value and Trading Unit**

Each Contract shall be valued at fifty (50) U.S. Dollars multiplied by the Contract price. The trading unit shall be fifty (50) U.S. Dollars multiplied by the Contract price.

## **2.3 Minimum Fluctuations**

Bids and offers shall be quoted in index points. The minimum fluctuation of the Contract shall be one-half (0.5) of an index point, equivalent to twenty five (25) U.S. Dollars per Contract.

## **2.4 Position Limits**

Unless otherwise approved by the Exchange and subject to Rule 4.1.18 of the Trading Rules, a Person shall not own or control Futures Contracts on the MSCI Asia APEX 50 Index that exceed ten thousand (10,000) contracts net on the same side of the Market, and in all Contract Months combined.

## **2.5 Price Limits and Cooling Off Period**

There shall be no trading in any Contract at a price above its Upper Limit or below its Lower Limit except as provided for in this clause 2.5 and clause 2.6. If the price for any Contract reaches either its Upper Limit or Lower Limit, the Exchange will signal a Cooling Off Period. After such Cooling Off Period has elapsed, there will be no Price Limits for the remainder of the Trading Day.

## **2.6 Price Limits on Last Trading Day**

Notwithstanding clause 2.5, there shall be no Price Limits on the Last Trading Day for an expiring Contract.

## **2.7 Trigger for Price Limits**

The Price Limits referred to in clause 2.5 shall be deemed to have been reached upon the making of either an unsatisfied bid at the Upper Limit in part or in whole or an unsatisfied offer at the Lower Limit in part or in whole.

## **2.8 Termination of Trading**

2.8.1 The Last Trading Day shall be the second last Contract Business Day of the Contract Month provided it is a Common Business Day. If the second last Contract Business Day is not a Common Business Day, subject to the paragraphs below, the Last Trading Day shall be the Common Business Day immediately before the second last Contract Business Day of the Contract Month.

2.8.2 If, at any time in the course of or after the close of trading on the day preceding what should in the normal course of business be the penultimate trading day (the "NPTD") with respect to a Contract Month, or anytime thereafter, it comes to the knowledge of the Exchange that what was expected in the ordinary course of business to have been the Last Trading Day for that Contract Month will not in fact be a Common Business Day, then the Last Trading Day shall be the Common Business Day that follows the NPTD.

### **3 CLEARING AND SETTLEMENT**

Settlement under these Specifications shall be by cash settlement.

#### **3.1. Final Settlement Price**

The Final Settlement Price shall be the official closing price for the MSCI Asia APEX 50 Index<sup>SM</sup> rounded to three (3) decimal places on the Last Trading Day.

#### **3.2 Alternative Resolution of Final Settlement Price**

Notwithstanding clause 3.1, the Exchange and the Clearing House may, where the Final Settlement Price prescribed in clause 3.1 is not available, resolve that the Final Settlement Price shall be determined by other means in accordance with Rule 4.1.20 of the Trading Rules. The decision of the Exchange and the Clearing House shall be binding upon all parties to the Contract.

#### **3.3. Final Settlement**

Clearing Members holding open positions in the Contract at the time of termination of trading in that Contract shall make payment to or receive payment from the Clearing House in accordance with normal variation margin procedures based on a settlement price equal to the Final Settlement Price.

#### **3.4 Other Rules and Procedures for Clearing and Settlement**

The rules and procedures for clearing and settlement that are not specifically covered in these Specifications shall be governed by the Clearing Rules.<sup>2</sup>

### **4. REQUIREMENTS FOR TRADING.**

4.1 The Exchange has entered into a license agreement with Morgan Stanley Capital International Singapore Pte. Ltd. to be permitted to use certain stock indexes to which Morgan Stanley Capital International Inc. owns rights in and to (the "**MSCI Indexes**") and the proprietary data contained therein in connection with the listing, trading, marketing and clearing of derivative securities linked to such indexes.

4.2 The Exchange, the Exchange's Affiliates, MSCI, MSCI's Affiliates and any other party involved in, or related to, making or compiling any of the MSCI Indexes do not guarantee the originality, accuracy and/or completeness of such MSCI Index or any data included therein. Futures contracts and options contracts on any MSCI index ("**Index Contracts**") are not sponsored, guaranteed or endorsed by MSCI, MSCI's Affiliates or any other party involved in, or related to, making or compiling such MSCI index.

4.3 Neither the Exchange, the Exchange's Affiliates, MSCI, MSCI's Affiliates nor any other party involved in, or related to, making or compiling any MSCI index makes any representations regarding the advisability of investing in such Index Contracts. Neither the Exchange, any of the Exchange's Affiliates, MSCI, any of MSCI's Affiliates nor any other party involved in, or related to, making or compiling any MSCI Index makes any warranty, express or implied, as to the results to be obtained

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<sup>2</sup> The Clearing Rules refers to the SGX-DC Clearing Rules, which may be found on the Exchange's website at <http://www.sgx.com>.

by any person or any entity from the use of such MSCI Index or any data included therein. Neither the Exchange, any of the Exchange's Affiliates, MSCI, any of MSCI's Affiliates nor any other party involved in, or related to, making or compiling any MSCI Index makes any express or implied warranties, and expressly disclaims all warranties of merchantability and fitness for a particular purpose or use with respect to such MSCI Index or any data included therein. Without limiting any of the foregoing, in no event shall the Exchange, any of the Exchange's Affiliates, MSCI, any of MSCI's Affiliates or any other party involved in, or related to, making or compiling any MSCI Index have any liability for any direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages. In addition, neither the Exchange, any of the Exchange's Affiliates, MSCI, any of MSCI's Affiliates nor any other party involved in, or related to, making or compiling any MSCI Index shall have any liability for any damages, claims, losses or expenses relating to any futures or options contracts that may be caused by any errors or delays in calculating or disseminating such MSCI Index.

- 4.4 No Member may open or continue to operate an account for a Customer for trading in Contracts based on the MSCI Indexes unless the Member receives from such Customer a signed and dated acknowledgement (which may be part of an account opening form) that such Customer understood and accepted the disclaimer statements provided for in the two immediately preceding paragraphs.
- 4.5 The Exchange and its directors, officers, employees and agents (collectively the "**Beneficiaries**" and each a "**Beneficiary**") shall be held harmless from and against any loss, liability, judgement, claim, damage, cost or expense (including legal costs on an indemnity basis, failing which on a solicitor and client basis) arising from or in connection with the MSCI Indexes or any contracts based on such MSCI Indexes and any action, proceeding or, claim made or brought by any Customer of a Member where such Member had failed to secure the Customer's acknowledgement of the disclaimer document as required above. Members shall also recognise that notwithstanding the preceding indemnity and in recognition that any response to such claim, action or proceeding may have knock-on consequences for the Exchange or the exchange it maintains, the Beneficiaries (or any Beneficiary) shall have full control over the defence and/or settlement any such claim, action or proceeding without the need for prior clearance with the indemnifying Member.