

Notice on Matters Related to the Introduction of Overseas Traders to PTA Futures Trading

To all parties it may concern:

It is hereby notified that, the China Securities Regulatory Commission has approved Zhengzhou Commodity Exchange to open PTA futures to overseas traders. The relevant matters concerning the participation of overseas traders in PTA futures trading are hereby notified as follows:

I. Implementation Time

From 09:00 a.m. on November 30, 2018 (Beijing time).

II. Contracts

TA1905, TA1906, TA1907, TA1908, TA1909, TA1910, TA1911 and the contracts listed afterwards.

III. Use of FX Funds

Overseas brokers and traders can pledge FX funds as margin. Currently, the foreign currency that is permitted to be pledged as margin is U.S. dollar. The market value of the U.S. dollar pledged as margin shall be determined based on the central parity rate of Renminbi published by China Foreign Exchange Trade System (hereinafter “CFETS”) and the discount

rate is 0.95.

The market value of FX funds shall be determined before the market close of a day based on the central parity rate of Renminbi published by CFETS on the previous trading day. When conducting daily clearing, the market value of FX funds shall be re-determined based on the central parity rate of Renminbi of the day and the pledge amount of the FX funds shall be adjusted accordingly.

It is hereby notified that all relevant parties shall be prepared for the introduction of overseas traders to PTA futures trading and strengthen risk prevention to ensure stable market operation.

Zhengzhou Commodity Exchange

November 16, 2018