Taiwan Futures Exchange

2024 Q3 Micro TAIEX Futures Trading Incentive Program

1. Host Organization

Taiwan Futures Exchange (Hereinafter referred to as TAIFEX)

2. Program Purpose

With the launch of the Micro TAIEX Futures, TAIFEX launches this trading incentive program to encourage futures industry professionals and institutional investors to actively promote Micro TAIEX Futures.

3. Program Term

From July 29, to September 30, 2024.

4. Eligible Products

- TMF

5. Eligible Participants

- FCMs
- IBs
- Institutional investors (required to register)

6. Program Rewards

- **Fee Reduction**
  - **Institutional investors**

1. Institutional client accounts of TAIFEX brokerage members (include sub-accounts under disclosed omnibus accounts) and TAIFEX proprietary trading accounts.
2. Reduction Standards: Based on the average daily volume of TMF in each month, corresponding to the level in Table 1 to obtain the TMF reduction rate for that month.
3. Reduction Amount Calculation: TMF trading volume in the month × TMF fee per contract × reduction rate

Example: Suppose the average daily volume of Entity A from July 29 to July 31 is 300 contracts, the reduction rate is 20%, then the reduction amount for July is 1,440 NTD (=300 contracts × 3 days × $8 × 20%).

Table 1: Fee Reduction Standards for Institutional investors

Level	Average Daily Volume in the Month (contracts)	Reduction Rate
1	Less than 300	10%
2	300 to less than 900	20%
3	900 to less than 1500	30%
4	1500 to less than 3000	40%
5	3000 or more	50%

■ FCM

1. Trading volume Calculation: The TMF trading volume of FCM must exclude the TMF trading volume of affiliated IBs and the TMF trading volume of institutional investors that have registered for this activity.
2. Reduction Standards: The fee reduction rate from July 29 to July 31 is 30%, and for August and September, the reduction rate is determined by the average daily volume for each month (see Table 2).
3. Reduction Amount Calculation: The calculation of the reduction amount for FCM must exclude the reduction amount of affiliated institutional investors. The calculation is based on the TMF trading volume of FCM (excluding the TMF trading volume of affiliated IBs) × TMF fee per contract × the reduction rate of the FCM, and then deduct the reduction amount of affiliated institutional investors. Please refer to the following examples for related calculations.

Table 2: Fee Reduction Standards for FCM

Level	Average Daily Volume in the Month (contracts)	Reduction Rate	
		7/29~7/31	August / September
1	Less than 1500 contracts	30%	20%
2	1500 contracts or more		30%

< Example 1: FCM Reduction Rate Higher than Institutional investor Reduction Rate >

Suppose from July 29 to July 31, FCM B trades a total of 1200 contracts of TMF (excluding affiliated IBs), the applicable reduction rate is 30%; its institutional investor A has an average daily volume of 300 contracts, applicable reduction rate is 20%, then FCM B can obtain a reduction amount calculated as follows:

(1200 contracts × $8 × 30%) - (300 contracts × 3 days × $8 × 20%) = $1,440

< Example 2 : FCM Reduction Rate Lower or Equal to Institutional investor Reduction Rate >

Suppose in August (22 trading days), FCM B 's TMF average daily volume is 1400 contracts, the applicable reduction rate is 20%; its institutional investor C has an average daily volume of 1000 contracts, applicable reduction rate is 30%. Since the institutional investor C obtains a higher reduction rate, the reduction amount of the institutional investor C is calculated based on the FCM B 's reduction rate, the reduction amount is as follows:

(1400 contracts × 22 days × $8 × 20%) - (1000 contracts × 22 days × $8 × 20%) = $14,080

■ **IB**

1. Trading volume Calculation: Excluding the TMF trading volume of affiliated institutional investors that have registered for this activity.
2. Reduction Standards: The fee reduction rate from July 29 to July 31 is 30%, and for August and September, the reduction rate is determined by the average daily volume for each month (see Table 3).
3. Reduction Amount Calculation: The calculation of the reduction amount for IB must exclude the reduction amount of affiliated institutional investors. The calculation is based on the TMF trading volume of IB × TMF fee per contract × the reduction rate of the IB, and then deduct the reduction amount of affiliated institutional investors.

Table 3: Fee Reduction Standards for IB

Level	Average Daily Volume in the Month (contracts)	Reduction Rate	
		7/29~7/31	August / September
1	Less than 1000 contracts	30%	20%
2	1000 contracts or more		30%

- **Trading Competition (July Performances Included in August Calculation)**
  - **FCM (Excluding TMF Trading volume of Affiliated IBs)**

1. Performance Calculation: From July 29 to July 31, the weight of TMF trading volume is 2, and the rest of the weight is 1. The top five are selected based on the highest to lowest scores.
2. Reward:

✓First Place: NTD 150,000

✓Second Place: NTD 120,000

✓Third Place: NTD 100,000

✓Fourth place: NTD 80,000

✓Fifth place: NTD 50,000

First place must have an average daily volume of 5000 contracts for that month; second place must have an average daily volume of 4000 contracts; third place must have an average daily volume of 2500 contracts; fourth place must have an average daily volume of 1500 contracts; fifth place must have an average daily volume of 1000 contracts. If the above-mentioned average daily volume standards are not met, the reward will be awarded according to the highest ranking corresponding to the actual average daily volume.

- **IB**

1. Performance Calculation: From July 29 to July 31, the weight of TMF trading volume is 2, and the rest of the weight is 1. The top five are selected based on the highest to lowest scores.
2. Reward:

✓First Place: NTD 100,000

✓Second Place: NTD 80,000

✓Third Place: NTD 60,000

✓Fourth place: NTD 50,000

✓Fifth place: NTD 40,000

First place must have an average daily volume of 3000 contracts for that month; second place must have an average daily volume of 2500 contracts; third place must have an average daily volume of 2000 contracts; fourth place must have an average daily volume of 1500 contracts; fifth place must have an average daily volume of 1000 contracts. If the above-mentioned average daily volume standards are not met, the reward will be awarded according to the highest ranking corresponding to the actual average daily volume.

7. Application Process for Institutional investors and Rebate Method

- Those wishing to apply for the Program should fill up the application form, including registering accounts, mail to TAIFEX, and register on line: https://report.taifex.com.tw/FMS/login.html to complete the process. Non-member institutional clients should apply through their brokers.
- Those wishing to participate from July 29, 2024 should complete the applications before July 31, 2024. Those who do not complete the applications before July 31, 2024, the performance calculation starts from the next day after applications.
- Rebates are calculated on a calendar month basis and will be deducted from the transaction /clearing fees for the participating month. Transaction fee rebates will refund to the brokers first then to the eligible participants. Clearing fee rebates will refund to the clearing member then to the brokers and the eligible participants accordingly.
- Information of rebates will be posted at https://report.taifex.com.tw/FMS/login.html.Participants can check with its brokers for details.

8. Miscellaneous

- If any participating companies merge during the program term, the surviving company will be the reward entity.
- Self-matched transactions will be excluded from the calculation of volume once found. Participants will be disqualified if not abide by related rules or contracts.
- After TAIFEX calculates the results of the rewards and publishes the winning list each month, receipts will be sent to the winning FCMs and IBs. TAIFEX will remit the rewards after the winners complete the receipts in accordance with the program rules and send back to TAIFEX.
- TAIFEX will send the receipts by e-mail. The winning FCMs and the IBs should complete the receipts within one month from the date TAIFEX sends them and send back to TAIFEX. TAIFEX shall not be liable if TAIFEX is not able to notify the winner or cannot complete the remittance due to their registered information is wrong or inaccurate.
- According to the Standards of Withholding Rates for Various Incomes, if the winner is an individual residing in the territory of the Republic of China, or a profit-seeking enterprise having its fixed place of business within the territory of the Republic of China, and the reward payment exceeds NT$ 20,000, 10% of the payment will be withheld. Also, according to the Stamp Tax Act, the reward payments will be subject to 0.4% stamp duty borne by the winners.
- The FCMs and IBs participating in this incentive program agree TAIFEX to publish company name on TAIFEX’ s website.
- TAIFEX reserves the rights in its absolute discretion to cancel, terminate, amend or suspend the Program. Such news will be announced on TAIFEX website.
- TAIFEX reserves the rights to explain and amend the terms of the Program should there any matters not mentioned herein.
- Should any discrepancy between the Chinese version and the English Translation exist, the Chinese text shall govern.
- For more information, please refer to TAIFEX website(www.taifex.com.tw)
- For any question, please contact Trading Department
  Ms. Huang (TEL: 886-2-2366-3379；rae.huang@taifex.com.tw)

Taiwan Futures Exchange

Institutional Investors Application Form –

2024 Q3 Micro TAIEX Futures Trading Incentive Program (Non-Omnibus Accounts)

Company Name	
FINI ID	
Trading Accounts	**1. FCM ID__ __ __ __ __ Account_____** **2. FCM ID __ __ __ __ __Account_____**
Contact Information	**Name：**
	TEL：
	E-mail：
Authorized Trader	**Signature：** **Date：**

TAIFEX email: rae.huang@taifex.com.tw；108115@taifex.com.tw

Taiwan Futures Exchange

Institutional Investors Application Form –

2024 Q3 Micro TAIEX Futures Trading Incentive Program (Omnibus Accounts)

Omnibus Account	**Company Name**	
	FINI ID	
	Trading Accounts	**FCM ID** ＿ ＿ ＿ ＿ ＿ ＿ ＿ **Account**＿＿＿＿＿＿＿＿
Sub-Account (Institutional Investor)	☐**Disclosed**	**Company Name:**
		FINI ID:
	☐**Undisclosed**	**Fill in Declaration and provide related certificate**
Contact Information	**Name：**	
	TEL：	
	E-mail：	
Authorized Trader	**Signature：** **Date：**	

TAIFEX email: rae.huang@taifex.com.tw；108115@taifex.com.tw

Agreement of Personal Information Usage for Registration of Trading Incentive Program for Institutional Investors

I agree that Taiwan Futures Exchange Co., Ltd is authorized to collect, process, and use my personal information after receiving my company's above application form regarding Trading Incentive Program for Institutional Investors.

I agree that Taiwan Futures Exchange Co., Ltd is authorized to collect my personal information but the collection is limited to the name, telephone number, and e-mail address. The time period is limited from whenever I provide the information to 5 years after the end of the incentive program.

I understand that according to the regulation of Article 3 of the Personal Information Protection Act, I have the right to request Taiwan Futures Exchange Co., Ltd for review, duplication, and supplement or correction of my personal information. I also have the right to request Taiwan Future Exchange Co., Ltd to discontinue collection and possessing or usage of my personal information and delete my personal information 5 years after the end of the incentive program.

To: Taiwan Futures Exchange Co., Ltd

Client:

(Signature)

Declaration for Registration of 2024 Q3 Micro TAIEX Futures Trading Incentive Program

Since the undisclosed omnibus account of our company participates in 2024 Q3 Micro TAIEX Futures Trading Incentive Program of Taiwan Futures Exchange Co., Ltd, we declare that there is only one sub-account in the omnibus account.

If the information provided is false, Taiwan Futures Exchange Co., Ltd can disqualify the omnibus account. Besides, Taiwan Futures Exchange Co., Ltd keeps the right to disqualification if that omnibus account participates in other incentive programs in the future.

Our company will provide related identification certificate for examination. Taiwan Futures Exchange Co., Ltd can request our company make an explanation or implement other examinations, for assuring the authenticity of the omnibus account and complying with the related regulations of the futures market.

To: Taiwan Futures Exchange Co., Ltd

Company Name: (Seal)

Contact Information: (Signature)

Date: