

Gold Options

Item	Description
Underlying	Gold with a purity of 0.9999
Abbreviation	Gold Options (gold call, gold put)
Ticker Symbol	TGO
Exercise Style	European(exercisable on expiration date only)
Contract Size	5 Taiwan taels (50 Taiwan cians or 187.5 grams)
Expiration Months	Six consecutive even months (February, April, June, August, October, December).
Strike Price Interval	<p>Strike price below NTD 2,000: NTD 25</p> <p>Strike price at or above NTD 2,000 but below NTD 4,000: NTD 50</p> <p>Strike price at or above NTD 4,000: NTD 100</p>
Strike (Exercise) Price	<p>When listing series of new expiration months, one series with at-the-money strike price is listed based on the previous day's settlement price of the nearest month NT Dollar gold futures contract rounded down to the nearest multiples of strike price interval, and based on said strike price, five in-the-money series and five out-of-the-money series are listed.</p> <p>Before expiration, additional series are added to maintain at least 5 in- and 5 out-of-the-money strike prices.</p>
Premium Quotation	0.5 point (NTD 25)
Daily Price Limit	+/- 15% of previous day's settlement price of nearest month NT Dollar gold futures contract.

Position Limit	<p>Open positions held on either side of the market at any time shall not exceed the limit standard announced by TAIFEX.</p> <p>“Open positions on either side of the market” means the total of call options bought and put options sold or the total of call options sold and put options bought.</p> <p>The position limits are not applicable to omnibus accounts, with the exception of undisclosed omnibus accounts, which accounts are subject to the limits for institutional investors.</p>
Trading Hours	<p>08:45AM - 4:15 PM</p> <p>Trading days conform to regular exchange trading days</p>
Last Trading Day	<p>Third-to-last business day in the delivery month; the following business day is the starting day of trading for new contracts.</p>
Expiration Day	<p>The first business day following the last trading day</p>
Final Settlement Price	<p>The final settlement price shall be set on the basis of the LBMA Gold Price AM announced by ICE Benchmark Administration Limited(IBA) on the same calendar day as the last trading day and the spot foreign exchange rate for NT dollars to US dollars at 11 AM announced by Taipei Forex Inc. on the last trading day, after conversion for weight and fineness. The formula for its calculation is as follows:</p> $(LBMA\ Gold\ Price\ AM \div 31.1035 \times 3.75 \times 0.9999 \div 0.995) \times NTD/USD\ spot\ rate\ at\ 11\ AM$ <p>If the LBMA Gold Price AM or the spot foreign exchange rate for NT dollars to US dollars at 11 AM announced by Taipei Forex Inc. is not available before the settlement operation on the final settlement day, the final settlement price will be determined according to “Taiwan Futures Exchange Corporation (TAIFEX) Operational Guidelines</p>

	<p>for Determining the NT Dollar-denominated Gold Futures Contract and Gold Options Contract Final Settlement Price”</p>
Settlement	<p>Cash settlement. A contract that is in-the-money shall be exercised automatically.</p> <p>In addition, according to “Taiwan Futures Exchange Operational Key Points of Clearing and Settlement for Futures Commission Merchants and Clearing Members” , market participants with open positions may apply for delivering or receiving the physical gold that is registered to and regulated by Taipei Exchange for trading</p>

- 1 troy ounce = 31.1035 grams, 1 Taiwan cian = 3.75 grams; the LBMA Gold Price AM is on 0.995 gold, while the underlying of this contract is 0.9999 gold.
- If the last trading day falls on a national holiday, or a day on which the London gold market is closed, or if trading may not proceed on that day due to a force majeure event, the next business day shall be the last trading day. However, TAIFEX may make adjustments as circumstances warrant.
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