CME 交易禁止行为

(以下规则取自芝加哥商业交易所集团(CME Group)规则手册第 5 章 交易资质及交易实务)

(中文版本仅供参考，不同语言版本不一致，以英文版本为准)

529.禁止扣留订单

会员或任何在 Globex 平台上下单的人，不得为了下单人以外的任何人的利益而扣留或撤回市场任何订单或订单的任何部分。

531.禁止与客户订单反向交易

531.A.一般禁止

持有客户订单的任何人均不得在知情情况下直接或间接为其自己的账户、其有直接或间接经济利益的账户或者其有全权交易权限的账户与该客户订单进行反向交易。

531.B.例外

前述限制不适用于下列交易：

1.为解决真实的错单或错误按照规则 527[1]执行的交易；

2.依照规则 538[2]执行的交易；

3.依照规则 526[3]执行的大宗交易；

4.在 Globex 平台上，只有在客户订单已在收到后立即输入并且已先在 Globex 平台上曝光至少 5 秒（若为期货订单）或至少 15 秒（若为期权订单）时，一个人才可在知情情况下为其自己的账户、其有直接或间接经济利益的账户、其有全权交易权限的账户或其雇主的自营账户与该客户订单进行反向交易；及

5.如果交易是在公开交易大厅交易，只有在下列情况下才可以明知性地为其自己的账户、其有直接或间接经济利益的账户、其有全权交易权限的账户或其雇主的自营账户与客户订单成交：（1）客户在交易前不超过 12 个月内已书面同意放弃适用规则 531.A；（2）会员遵守规则 533 中规定的要求；（3）会员使用具有适当描述性的词语清楚地识别所有该等交易，及（4）会员确保向交易所的价格报告人员报告交易，以便将该等交易作为交叉盘买卖输入到交易所价格报告系统。

532.禁止不当地使用或披露非公开信息

除了受其他交易所规则所允许，包括但不限于规则 526、538 和 539，任何人均不得：

a.基于重大非公开信息直接或间接交易（或输入、取消或修改订单），而他知道或理应知道这些信息是通过欺诈、欺骗或违反既存义务（根据法律、规则、协议、理解或其他来源所成立）所取得或被披露；

b.披露重大非公开信息，而他知道或理应知道这样会违反对他人的既存义务（根据法律、规则、协议、理解或其他来源所成立）。除非信息是向交易所人员、授权政府官员披露或根据法律要求而被披露；

c.招揽或诱导其他人披露重大非公开信息。

仅针对市场大致的状况所发表的说明或意见则不构成违反本规则。待执行的订单在提交至市场之前均属于重大而非公开的信息。

533.不同受益所有人的同时买卖订单

会员同时收到不同受益所有人对相同产品和到期月份的买卖方向相反的订单（就买卖方向相反的期权订单，还要求相同的行权价）时，在满足下述条件的情况下，可以为不同受益所有人执行相反订单并直接于其之间促交：订单订单在公开交易大厅的交易中，执行这些订单的会员要首先在公开喊价中以相同的价格叫价和报价三次，同时申明合约数量，如果买卖报盘均未被接受，那么，在指定交易所官员在场和批准的情况下，这些订单可以互相撮合成交订单。

进行这些交易的会员应在执行该等交易时使用具有适当描述性的词语或符号清楚地在其交易卡或其它类似记录上识别所有该等交易。执行该等交易的会员必须确保向交易所的价格报告人员报告该交易以便将交易信息输入到交易所价格报告系统。未能将该交易向交易所价格报告人员识别为交叉盘买卖构成违反本规则。

在 Globex 电子交易平台上，对两个不同受益所有人账户有酌处权的一方可在 Globex 平台中针对这两个受益所有人同时发出相反订单，前提是其中一个订单要先曝光至少 5 秒。提供价格和/或时间酌处权的订单，如果没有在收到后立即输入，则可在知情情况下于同一机构输入的另一订单的反向输入，但只有在该另一订单已在收到后立即输入并且已在 Globex 平台上曝光至少 5 秒方可。

534.禁止洗售交易

任何人不得就相同的产品及合约到期月份，以及就相同行使价格的看涨期权或看跌期权发出或接受买入和卖出订单，如若该人知道或有合理理由应该知道该订单的目的是为了避免建立会面临市场风险的真实市场头寸(此类交易通常被认为或被称作洗售交易或虚售)。共同受益所有人的不同账户间旨在消除市场风险或价格竞争的买卖订单亦会被视为违反禁止洗售交易的规定。此外，任何人不得故意地直接或间接执行此类订单或配合此类订单的执行。

禁止洗售交易的常见问题及示例请见附表 A

[1] 527 订单的超额交易、错误和处理不当
[2] 538 交换相关仓位
[3] 526 大宗交易

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

539.禁止预先安排、预先协定和非竞争性交易

539.A.一般禁止事项

任何人不得预先安排或事先协商买入、卖出或非以竞争目的进行任何交易,下列条例 B 和 C 中所述情况除外。

539.B.例外情况

上述限制并非用于根据规则 526 进行的大宗交易或根据规则 538 进行的相关头寸互换交易。

539.C.有关 Globex 平台交易的执行前沟通

倘若在下列情况下,如果一方(甲方)希望确认另一方(乙方)将进行反向操作,双方可以在 Globex 平台上执行交易时,进行执行前沟通:

1.其中一方不得代表另一方与其他市场参与方进行执行前沟通,除非在执行交易前得到对其有利的一方的事先同意。

2.除非根据此规则行事,否则进行执行前沟通的双方不得(i)向非交易方透露沟通的详情,或(ii)利用此次沟通中所取得的信息下单,从中获利。

3.订单的允许输入方法以下期货、期权、价差和组合的订单输入方法因产品而异,如第 5 章末尾"解释"部分中的规则 539.C."交叉协议表"("交叉协议表")所载。

a.GlobexCross("G-Cross")

必须首先在 Globex 平台中输入甲方的订单,在第一个订单输入完成 5 秒之后,乙方才可接着输入。

b.CommittedCross("C-Cross")

在执行前沟通后,必须在 Globex 平台中输入同时含买单与卖单的交叉请求("RFC")订单。RFC 输入后,Globex 平台将指示交叉将在五(5)秒后发生。在第 5 章末尾"解释"部分交叉协议表中列出的某些产品中,如果 RFC 价格在 RFC 提交 Globex 平台时是新的最佳价格，或者 RFC 价格等同最佳买卖价格而 RFC 交易数量大于当时 Globex 上最佳买卖价的数量，且在 RFC 输入到交叉发生之间的五(5)秒内没有更优的买单或卖单价格输入到 Globex 平台中,则 RFC 数量的特定百分比("BPVM 分配")将交叉。

c.RFQ+RFCCross("R-Cross")

在执行前沟通后,必须在 Globex 中输入针对特定期货、期权价差或组合的报价请求("RFQ")。之后,必须在 RFQ 输入后十五(15)秒至三十(30)秒内输入 RFC 订单,方可继续进行交易，除了乳制品期货或期权中的 RFC 订单则必须在输入 RFQ 后五(5)秒至三十(30)秒内输入。RFQ 和 RFC 订单必须在相同的交易时间段输入。如果未在 RFQ 输入后的 30 秒内输入 RFC 订单,需要在 RFC 订单输入之前重新输入一个 RFQ,该订单输入的时间参数必须与上述的一致,从而继续进行交易。

575.禁止扰乱市场的行为

所有订单必须出于执行真实交易之目的而输入。此外，所有不可执行的消息必须出于真实合法的目的而输入。

A.任何人均不得以在执行前撤销该订单或修改订单以避免交易执行为目的而输入或引致输入订单;

B.任何人均不得以误导其他市场参与者为目的而输入或引致输入一个或多个可执行或不可执行的消息;

C.1.任何人均不得以超负荷或延迟交易所或其他市场参与者的系统运作为目的而输入或引致输入一个或多个可执行或不可执行的消息;

C.2.任何人均不得故意或鲁莽地输入一个或多个有可能扰乱交易所系统的可执行或不可执行的消息;以及

D.任何人均不得以扰乱市场交易秩序或交易的公平执行为目的，或鲁莽地漠视可能对市场产生的负面影响，而输入或引致输入一个或多个可执行或不可执行的消息。

在适用的范围内，本规则的规定适用于公开喊价交易以及电子交易活动。另外，本规则的规定适用于所有市场状态，包括开市前期间、结算期和所有交易时段。

有关禁止扰乱市场行为的常见问题及示例请见附表 B.

在 CME Globex 开市前期间输入订单的最新市场监管建议通告，链接：https://www.cmegroup.cn/market-regulation/cme-group-rule-573-scn.pdf

上述规则摘自芝加哥商业交易所规则手册第 5 章 交易资质及交易实务，规则链接：*https://www.cmegroup.com/content/dam/cmegroup/rulebook/CME/I/5/5.pdf*

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

附表 A

规则 534(禁止洗售交易)常见问题
Q1:什么是洗售交易?
A1:洗售交易是一种虚假交易,即表面进行一个或一系列交易买卖,但却不产生真实的市场仓位或不进行面临市场风险或价格竞争的真实交易。发起或执行或为此类交易提供方便者,如若知道或有合理理由应该知道此为洗售交易,将均违反规则 534 的规定。 洗售交易的条件是: a)一个或一系列交易产生洗售的结果。这意味着相同受益所有人或共同受益所有人账户以相同或相近价格买卖同种证券工具;以及 b)交易方有主观意图产生洗售结果。主观意图可由表明为事先安排或表明交易方知道或有合理理由知道订单或交易的构成、达成或执行会产生洗售结果予以推断。在芝商所市场以消除市场风险为意图而预先安排、执行或结构化的交易可能被视为违反规则 534，而不论交易是否乃遵守允许预先安排的其他规则（比如规则 539.C.（“关于 Globex 交易之执行前沟通”））而输入和/或执行。
Q2:就规则 534 对禁止洗售交易的规定而言,拥有“相同受益所有人”或“共同受益所有人”账户是指什么?
A2:“相同受益所有人”账户包括同一所有人的账户及由同一个母公司全资所有的不同实体的账户。 “共同受益所有人”账户含义更广,不仅包括相同受益所有人账户,还包括共同受益所有权少于 100%的账户。
Q3:市场参与者可以为共同受益所有人账户同时发出、接受或执行同种产品及到期合约月的买卖订单或期权工具吗?
A3:当任何市场参与者为共同受益所有人账户同时发出、接受或执行同种产品及到期合约月的买卖订单或期权工具时,若执行该订单产生洗售结果而该参与者知道或有合理理由应该知道该类交易没有产生面临市场风险或价格竞争的真实交易的意图,这行为将均为违反规则 534 的规定。
Q4:市场参与者在接受另一方发出的同时买卖订单时,是否有义务独立判断订单是否真实?
A4:有义务。CFTC 判定(参见 IntheMatterofThreeEightCorporation),市场参与者包括账户管理人员及场内经纪人,在接受同时买卖订单时均有独立义务询问该类订单是否适宜。市场参与者若不经问询就接受订单,如果执行订单产生洗售交易结果,则可能被视为参与洗售交易。 收到同时执行买卖订单的市场参与者必须进行充分的问询以确定订单交易方是否为共同受益所有人账户。如果买卖订单交易方为公共账户,市场参与者有责任问询订单交易方是否为该公共账户的不同账户所用人。 若市场参与者不能确定收到的同时执行买卖订单交易方为非共同受益所有人账户,则应拒绝接受该订单。不经此类确认即接受或执行同时买卖订单,如果产生洗售交易结果,则可能面临监管措施。
Q5:如果为合法目的而同时买卖共同受益所有人账户订单,该类订单应如何按照规则 534 执行?
A5:进行电子交易时,应先让其中一个订单进入电子交易平台,全部执行完毕后,再执行第二个。这将确保订单执行互不对配,并可提供清晰的审查记录。在此情况下,没有立即输入电子交易平台的订单必须在收到订单时记录载有时间。 在公开喊价市场上,当收到买卖订单时应立即做好时间记录。应先把其中一个订单输入交易场执行并做好时间记录,再递交第二个订单予以执行。第二个订单的递交时间也应做好记录。这种方法确保订单的执行互不对配,精确的时间记录会提供订单并非同时执行的证据。 不管是在电子交易平台还是公开喊价市场,视订单的条件而定,仅确保买卖订单的输入时间有延迟,未必能防止订单全部或部分产生对配。若订单交易通过一个共同的第三方直接或间接产生对配,不管订单是否是在不同时间进入平台或市场,则交易可视为非法洗售。 此外,在某些情况下,共同受益所有人账户的同时买卖订单以接近相同而非完全相同的价格同时执行,如果显示订单的构成是为消除市场风险,如严格限定两个订单的差价,则可能违反禁止洗售交易的规定。
Q6:是否可以接受共同受益所有人账户的同时买卖订单给不同的期货经纪商及场内经纪人执行?
A6:这种情况下受到监管措施的可能性极大。如果订单交易全部或部分相互对配,或两个订单都以同一个第三方为对手方,则可以推断订单的构成存在执行洗售交易的意图。即使订单未经事先安排而产生洗售结果,也无法使订单提交方免除涉及洗售交易的责任。
Q7:是否可以接受共同受益所有人账户的同时买卖订单可以任意性条件(DRT)执行?
A7:共同受益所有人账户的同时买卖订单若就价格及/或执行时间赋予执行方以权利,视环境而定,可视为要求执行方消除市场风险的暗示。如果执行该类订单产生洗售交易,发出、接受并执行订单方可能要对参与非法洗售交易负责。
Q8:市场参与者可“更新”仓位日期(即清算并重建仓位)而不违反禁止洗售交易的规定吗?
A8:就初始开立多仓通过实物交割结算的产品,CME 与 CBOT 的规则 807(交割月开立多仓)允许交易日中对仓位日期进行更新。但执行交易并重新建仓以更新仓位日期必须要在有竞争力的价位上执行,且必须是承担市场风险的完全独立的交易。事先安排或按照明确表达或暗示的协议执行用以更新仓位日期的买卖将视为违反禁止洗售交易规定。
Q9:共同受益所有人在不同账户之间执行的大宗交易会违反禁止洗售规定吗?
A9:共同受益所有人在不同账户之间的大宗交易予以禁止,除非: a)各方进行大宗交易的决定是由独立决策者做出的; b)各方均有合法、独立而真实的经营目的以进行大宗交易;以及 c)大宗交易的执行价格公允而合理。

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

如果不能满足上述所有要求,则交易可构成规则 534 所禁止的非法洗售交易。
Q10:共同受益所有人账户的买卖订单是由独立的决策者独立决定而生成但在市场上恰巧相交,该交易是否违反禁止洗售交易的规定?
A10:共同受益所有人账户的买卖订单是由独立的决策者因合法且独立的经营目的生成,但在竞争市场上恰巧相交,如果该交易并非事先安排且双方不知道对方的订单,或没有以对方订单为对手方的意图,则不视为洗售交易。但市场参与者应清楚共同受益所有人账户之间的交易可能会引起额外的监管审查,并应做好证明该交易真实性的准备。(可参见 Q12、Q13 及 Q14)
Q11:在何种情况下,在电子交易平台上与自身订单相反的交易属于违反规则 534 的规定?
A11:个人在电子平台上发出订单其知道或有合理理由应该知道会与自身市场交易方向相反的未决订单进行交易即违反规则 534 的规定。个人交易者在电子平台上无意或偶然构成买卖订单通常不视为违反规则 534 的规定。但若交易者的活动或在特定市场的活动并非偶发性构成买卖订单,则此交易可视为违反禁止洗售规定。建议经常发出市场方向相反的订单并有非偶发性构成买卖订单倾向的个人交易者采用最大程度减少自行匹配买卖订单可能性的功能。当采用芝商所可选自行匹配防范(Self-MatchPrevention,“SMP”)功能时，将自动阻止以相同的 SMPID 向 CMEGlobex 递交的订单构成共有账户买卖订单。如果您对芝商所 SMP 功能的注册和操作有任何疑问，请联系 CME 全球账户管理部门，其中美国地区可致电+1312.634.8700、欧洲地区可致电+44203.379.3754 或亚洲地区可致电+6565935574。
Q12:由同一个人或同一个交易团队运作及/或控制的一个或多个自动交易系统生成的订单相互构成匹配违反规则 534 的规定吗?
A12:若特定算法生成的买卖订单可能会相互构成匹配,而此交易的发生就算法的活动或在特定市场的活动而言并非偶发性,则此交易可视为违反禁止洗售规定。此种情况下,建议算法运作负责方采用能最大程度减少算法构成匹配买卖订单可能性的功能。 若由同一个人或同一个交易团队运作及/或控制的(多个)独立的算法生成的买卖订单可能会相互构成匹配,而此交易的发生就这些算法的活动或在特定市场的活动而言并非偶发性,则这些算法之间的交易可视为违反禁止洗售交易的规定。若由同一个人或同一个交易团队运作及/或控制的多个算法可能产生并非偶发性的自行匹配,建议该个人或团队采用能最大程度减少或杜绝此类情况发生的功能。
Q13:参与交易所发起的交易量激励计划需就规则 534 做特殊考虑吗?
A13:参与交易所发起的将奖励全部或部分与达到特定交易量指标挂钩的交易量激励计划的市场参与者,应采取积极措施预防共同受益所有人账户之间的交易。这些交易会引发额外的监管审查,建议此类激励计划的参与者采用最大程度减少此种交易发生可能性的功能。
Q14:在“并非偶发性”的自行匹配可视为违反禁止洗售规定的情形中,有规定的门槛吗?
A14:在这些情形中,市场参与者负责监控交易(不管是手动交易还是自动交易),并负责最大程度地降低发生自行匹配的可能性。 评估在这些情形中偶发的自行匹配时将综合考虑交易员、交易团队或算法的活动及与交易工具相关的交易与交易量。高于微量的自行匹配将导致额外的监管审查,并可能被视为违反禁止洗售交易的规定;如果有高于微量自行匹配的可能性,则市场参与者应调整其交易策略或采用最大程度减少此种自行匹配发生可能性的功能。
Q15：若在 Globex 开市前期间输入的挂单一开市即与另一订单相互匹配，这样属于违反规则 534 吗？
A15：请参考有关在 CMEGlobex 开市前期间输入订单的最新市场监管建议通告。
Q16.什么是间接洗售交易？
A16：如果以消除或严格限制市场风险为意图先向一个对手方作出一笔或多笔买入（卖出）交易再按相同或类似价格向相同或不同的对手方作出卖出（买入）交易，可能被视为违反规则 534 的“间接洗售交易”。如果交易方明知或本应知道订单会消除或严格限制市场风险，则存在此意图。此外，任何人禁止在明知此种订单之性质的情况下接受、执行此种订单或迎合此种订单之执行。关于间接洗售交易的更多信息，请见在常见问题 21 答案之后本建议通告结尾处的示例。
Q17：间接洗售交易一定要预先安排才构成对规则 534 的违反吗？
A17：不。间接洗售交易不一定要在预先安排的情况下才构成对规则 534 的违反。只要交易方明知或有合理理由应知订单目的是为避免持有暴露于市场风险中的真实市场仓位，那么此交易便可构成对规则 534 的违反。
Q18：什么是系列间接洗售交易，此种交易是否违反规则 534？
A18：在一群市场参与者之间执行订单输入和交易活动集中在离散和有限时间段的一系列交易可能被视为违反规则 534 的“系列间接洗售交易”，前提是交易方明知或有合理理由应知交易目的为避免持有暴露于市场风险中的真实市场仓位。 被禁止的间接洗售活动示例 •参与者 A 和 B 在对最旧未平长仓进行交割之交割月份持有相同的可实物交割大宗商品未平长仓。为了降低无法交割的风险，参与者 A 和 B 预先安排执行交易以达到抵消和重建其中一方或双方长仓的效果，从而使仓位日期更新。例如，首先，参与者 A 和 B 故意在市场中与彼此进行交易。接着，参与者 A 和 B 故意按与上述首个交易相同或接近的价格与彼此执行抵消交易，时间通常与首个交易相近。在这组交易中，卖出的作用是抵消已有长仓，买入的作用是重建仓位日期较新的长仓。通过精心策划的交易方式，参与者 A 和 B 消除或严格限制了市场风险。因此，这组交易构成对规则 534 的违反。 •参与者 A、B 和 C 参加了一项激励或返利计划，该计划的条款或条件规定各参与方要达到某一交易量门槛（例如日均交易量、月交易量、被动交易量等）。在有或没有预先安排的情况下，参与者 A、B 和/或 C 执行了一系列的交易，时间通常相近，其中他们按相同或类似价格向彼此买入和卖出类似数量而在这一系列交易结束时参与者的仓位并无净变化。基于包括但不限于先前交易活动、市场情况、市场知识或预先安排等因素，参与者知道或有理由知道交易不会受价格竞争影响或仓位不会暴露于市场风险中。在知道或有理由知道交易不会受价格竞争影响或仓位不会暴露于市场风险中的情况下提高交易量之目的而执行的交易被视为违反规则 534 的间接销售交易。

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

附表 B

有关规则 575 的常见问题-禁止扰乱市场行为
Q1： 在评估潜在违反规则 575 的行为时市场监管部可能会考虑哪些因素？
A1： 在评估某项行为是否违反规则 575 时市场监管部可能会考虑一系列的因素，包括但不限于： • 市场参与者是否意图引诱他人在原本不会进行交易的情况下进行交易； • 市场参与者是否意图影响价格而非改变他的头寸； • 市场参与者是否意图创造误导性的市场条件； • 受影响市场和相关市场的市场状况； • 对其他市场参与者的影响； • 市场参与者的历史活动模式； • 市场参与者的订单输入和撤销活动； • 下单时订单相对于市场状况的规模； • 订单相对于市场参与者的头寸及/或资本总额的规模； • 订单数量； • 如果全部订单得到执行，市场参与者管理相关风险的能力； • 订单暴露于市场的持续时间； • 不可执行消息之间的时间间隔和不可执行消息的频率； • 订单在订单簿中的队列位置或优先性； • 先前和随后买卖盘报价和交易的价格； • 输入订单导致的市场最佳卖盘价格、最佳买盘价格、最后价格或指示性开盘价格（“IOP”）的变化； • 市场参与者在相关市场的活动；及 • 行内有关自动化交易系统的设计、测试、执行、运作、变更管理、监测以及文件记录的最佳实践。
Q2： 在规则 575.B.中“误导性”是什么意思？
A2： 这个表述旨在更具体地说明市场参与者的行为不得违反公正公平交易原则的一般性要求。规则的这个部分禁止市场参与者为意图创建关于市场深度或市场兴趣的错误印象而输入订单或消息。例如，如果参与者的行为目的是引诱另一个市场参与者从事市场活动，市场监管部通常会判定其具有此类意图。
Q3： 订单暴露于市场是否有具体的时间量以证明其不构成扰乱市场行为？
A3： 尽管在判定订单是否构成扰乱市场行为时订单暴露于市场的时间量（即订单在市场中存在的时间）可能是要考虑的一个因素，但并没有规定一个具体的值。在判定订单是否构成扰乱市场行为时，市场监管部会考虑多个因素，包括暴露时间。
Q4： 订单在输入后修改或撤销是否违反规则 575？
A4： 为了执行真实交易而输入的订单，之后因为发现情况发生变化而修改或撤销的，不构成违反规则 575。
Q5： 因失误或错误输入的订单会构成违反规则 575 吗？
A5： 非故意、意外或“乌龙”(fat-finger)订单不构成违反规则 575，但这种活动可能会违反其它交易所规则，包括但不限于规则 432.Q.（“有损交易所福祉的行为”）。市场参与者应采取合理的步骤或措施去防范、侦察及减低错误或系统异常的发生，以及其对市场的影响。未有采取合理步骤去防止、侦察及减低这种错误、反常或影响可被视为违反规则 575.C.2.,575.D., 432.W.(“监督不足＂)，或其他交易所规则。
Q6： 部分完成的订单是否可以证明订单没有违反规则 575？
A6： 虽然部分或全部执行一份订单可能可以作为订单是善意输入的一个证明，但订单的执行并不会自动造成订单被认为遵守规则 575。订单的输入必须是试图达成交易。多个因素可能会导致违反规则的订单最终达成执行。市场监管部在评估是否违反了规则 575 时会考虑多个因素。
Q7： 根据这项规则，是否禁止市场参与者用不对等的数量（例如买盘 100 手，卖盘 10 手）进行双边做市？
A7： 不禁止。不排除市场参与者进行不对等做市，只要订单是为了执行真实的交易而输入。如果一份（或两份）订单是出于被禁止的目的而输入（包括草率行事），那么该活动将构成违反规则 575。
Q8： 规则 575 是否禁止为保护头寸而输入止损订单？
A8： 市场参与者可以在抱有订单不会被触发的希望下输入止损订单以降低潜在损失订单。但是， 市场参与者的目的必须是在规定条件得到满足时订单将会被执行。这样的订单输入则不受本规则禁止。
Q9： 根据规则 575.B.，使用冰山订单（Iceberg Order）是否会被认为具有误导性？
A9： 不会。使用冰山订单本身不被认为是违反规则 575。但是，如果为了误导其他参与者而使用冰山订单，则可能构成违规。例如，如果市场参与者在买盘上预置冰山订单，然后在卖盘上放置更大的数量，以营造订单虚假下行压力导致冰山订单被成交。

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: （852）28052978

Q10： 市场参与者是否可以在订单簿上以各个价格水平输入订单以获得订单队列位置但之后在市场发生变化时撤销这些订单？
A10： 可以理解市场参与者或许想要在某些价格水平上获得订单排队队列位置并鉴于市场状况发生变化而想要修改或撤销这些订单。如果没有其它迹象表明订单是出于扰乱市场或误导性的目 的或鲁莽漠视对市场有序交易或交易公平执行的负面影响而输入，则将不构成违反规则 575。
Q11： 在采用按比例撮合算法的电子市场中,输入以大于市场参与者预期可交易的数量订单是否被禁止？
A11： 为达成执行而输入的订单是允许的。因此，以最大化执行订单为目的向采用按比例撮合算法的市场订单输入订单是被允许的。但是，如果市场参与者是在订单全部执行时没有能力满足 因交易而带来的财务义务的情况下输入订单 ,则会被认为是有损交易所福祉的行为并可能会违反其它交易所规则。参与者应准备好并能够在不扰乱市场的前提下，处理订单全额成交伴随的财务义务及风险。在任何情况下，市场参与者均不能故意或鲁莽地漠视在进行抵消大额订单成交所带来的风险时对市场秩序的影响。
Q12： 规则 575.B.、C.和 D.提及的“可执行”和“不可执行”消息指的是什么？
A12： 可执行消息(Actionable messages)是另一方可以接受的消息或者以其它方式会导致交易执行的消息。可执行消息的例子是订单。不可执行消息是有关不可执行事件而向交易所提交的消息。不可执行消息(Non-actionable messages)的例子包括请求报价(Request for Quotes)、创建自定义价差（User Defined Spreads, “UDS”）或自定义票据（User Defined Instruments, “UDI”）、在测试产品中进行的订单输入、管理类消息(Administrative messages)，以及不完整、部分、损坏的或在其他无法被交易所处理的网络数据包(Network packets)。
Q13： 市场监管部如何定义“交易的有序开展或交易的公平执行”？
A13： 市场参与者是否意图破坏交易的有序开展或交易的公平执行，或者是否表现出鲁莽漠视交易的有序开展或交易的公平执行，这只能在具体的投资工具、市场状况和当时其它情况的背景下进行评估。CFTC 于反扰乱市场行为条例 (Antidisruptive Practice Authority) 78 Fed.Reg.31895-96 中描述了在判定是否有序开展交易或公平执行交易时可能会考虑的一些因素：“有序的市场表现出一定的特性，例如连续的价格之间有合理的关系、价格变化和交易量之间有强关联、波动性水平没有剧烈降低流动性、衍生品的价格和标的资产（例如实物商品或金融工具）之间有准确的关系，以及近几个月的合约和较远月份的合约之间有合理的价差。”其他可被考虑的因素包括但不限于是否有影响其他市场参与者的能力去交易、发现价格或管理风险。但是，仅波动性自身并不会被推定性地解释为无序或扰乱市场，因为市场波动性可能是市场在发挥价格发现功能时的表现。
Q14： 市场参与者是否不得输入被视为对某一市场而言属于大额并因而可能对该市场产生潜在影响的订单？
A14： 若输入订单导致市场混乱（包括但不限于价格或交易量畸变），则订单数量或累计订单可能会被视为违反规则 575。市场参与者应进一步认识到，若订单扭曲了结算价格的完整性，则订单数量可能会被视为违反规则 575。因此，市场参与者应了解其所交易之产品的市场特征，并确保他们的订单输入活动不会造成市场破坏。判断是否违反规则 575 时可考虑紧急情况，若发生违反，亦可考虑应对该违反采取相应处罚。
Q15： 规则 575 中“结算期”（Closing Period）指的是什么？
A15： “结算期”通常指为告知结算价格厘定而审查交易、买盘和卖盘的期间。“结算期”亦可指各种现货工具休盘，通常被称为“现货休盘”（Cash Close）。
Q16： 在确定一个行为是否含有被禁止的意图或草率漠视的情况时，市场监管部可能会考虑哪些因素？
A16： 对于意图的证明不限于市场参与者承认其思想状态的例子。若行为较有可能企图产生被禁止的扰乱市场的后果，则可能会被认定存在意图。声称无知或缺乏知识不能作为故意的或鲁莽 的行为的可接受辩护。“鲁莽”通常是指“背离一般谨慎标准，且难以相信他/她对自己的行为毫无所知”。参见 Drexel Burnham Lambert, Inc. v. CFTC, 850 F.2d 742, 748 (D.C. Cir.1988)。
Q17： 规则 575 是否禁止以造势为目的所输入的订单？
A17： 当市场参与者发起一系列订单或交易以试图引起该市场或相关市场的价格变动时，即发生“造势”（Momentum Ignition）策略。 若其意图被判定为扰乱有序开展的交易或公平执行的交易，或该行为是鲁莽而为或者扭曲了结算价格厘定的完整性，则该行为可被视为违反规则 575。此外，若该造势订单打算在执行前取消，或若该订单意图误导他人，则此活动可能违反规则 575.A.。若该行为意图人工抬高或降低价格，亦可构成违反规则 432.H.。
Q18： 规则 575 是否禁止“压单”（Flipping Order）订单？
A18： 压单是指为造成市场转变和造成波动性和/或不稳定性目的而输入订单或交易。 “压单订单”通常有两个主要特征。第一，它是“入侵”订单。第二，在输入订单前不久，市场参与者撤销与市场方向相反的订单，通常是以与“入侵”订单相同的价格。例如，市场参与者从报卖盘转到以相同价格报买盘。市场监管部认识到许多变量可导致市场参与者更改其对市场的看法。因此，这条规则不会禁止市场参与者从卖空（买空）转为买空（卖空）。 但是，压单活动可对市场造成破坏。例如，市场参与者输入足以转变市场的每个大额压单订单（即数量足以席卷订单簿上某一特定价格水平的全部数量，并就“入侵”压单订单的任何剩余数量创建新的最佳买盘或最佳卖盘）可破坏交易的有序开展或公平执行。在考虑此行为是否违反规则 575 时，除其它因素外，市场监管部还将考虑下列因素： • 对其他市场参与者的影响； • 价格波动； • 受影响市场和相关市场的市场状况；

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: （852）28052979

• 市场参与者在相关市场的活动；

• 压单是否涉及撤销与现有买盘或卖盘的市场深度有关的大额订单；及

• 重复压单是否来回转变市场（如首次压单将市场转为利于卖盘（买盘）的环境，而第二次压单将市场转为利于买盘（卖盘）的环境）。

Q19： 对于通过芝商所的自撮合防止功能或其它自撮合防止技术撤销的订单，市场监管部是否会认为其显示有违反规则 575？

A19： 撤销订单的方式本身并非是判断是否违反规则 575 的指标。以对市场造成破坏的方式使用自撮合防止功能可构成违反规则 575。另外，若被撤销的剩余订单从一开始就不是真实的，将被视为违反 575。

Q20： 规则 575 禁止哪些类型的开市前活动？

请参考有关在 CME Globex 开市前期间输入订单的最新市场监管建议通告。

Q21： 订单可以测试为目的输入到 CME Globex 吗，例如确认至 Globex 的连接或验证 CME Globex 发来的数据？

A21： 芝商所在生产环境中提供测试产品以促成在 CME Globex 上进行连通性和消息传送测试。更多信息请参阅以下链接：

http://www.cmegroup.com/confluence/display/EPICSANDBOX/CME+Globex+Test+Products

市场参与者不允许输入不打算执行真正交易（包括为核实连通性或检查数据馈送等目的）的订单。前述禁令并不禁止市场参与者在 CME Globex 输入打算执行而且可能亦有其他风险管理目的的订单，例如验证通过公司后台系统执行的交易流量。

Q22： 为欺骗或损害其他市场参与者而创建或执行用户自定义价差（User Defined Spreads,“UDS”）是否违反规则 575？

A22： 是。虽然 CME Globex 系统对相关工具的期权 Delta 值和期货价格提供某些保护（如合理性检查），UDS 功能仍要求用户在创建期权价差工具（包括创建备兑期权策略）时要尽职与谨慎。

市场参与者须注意，以欺骗或不当贬抑其他市场参与者的方式故意创建和/或交易 UDS 工具被视为违反规则 575。此外，芝商所全球控制中心（GCC）可根据规则 588 条款（“交易撤销和价格调整”）调整价格或撤销被视为对市场完整性造成不良影响的交易。

Q23: 策略故意输入已损毁或错误格式的的数据包到 CME Globex 是否违反规则 575？

A23: 是。故意输入已损毁或错误格式的数据包均有可能会扰乱交易所的系统。任何市场参与者的交易策略如包括这种行为，均被市场监管部视为鲁莽地漠视扰乱交易所系统的可能性并违反了规则 575.C.2。

Q24: 当按照客户或者雇主的指示下单时，经纪商和下单代表(execution clerks)是否需要考虑市场情况？

A24： 是。经纪商和下单代表均被视为市场参与者。即使收到客户或雇主的下单指示亦不免除经纪商和下单代表本身需要遵守规则 575 的责任。

禁止活动的例子

以下是可能会被认定为违反规则 575 的各种行为的非详尽案例清单。

• 市场参与者输入一份或多份订单以在特定合约中引导市场买卖方向。通过输入订单，通常是订单相对于合约的总体未决订单量而言数量巨大的订单，市场参与者营造误导性的买方或卖方压力假象。市场参与者以等于或接近于当时市场上通行的最高买盘报价和最低卖盘报价下达这些大额订单。通过与该从大额订单相反的挂单订单的执行，或者在市场作出反应之后通过输入相反订单获得执行，市场参与者受益于市场反应。当该相对小额的订单得到执行后，市场参与者撤销为营造市场活动假象而设计的大额订单。在市场的一方下达真实的订单，同时在市场的另一方输入无意真正交易的订单，这种做法违反了规则 575。

• 市场参与者下达其想要要执行的买入（或卖出）订单，然后为了吸引市场对挂单订单的兴趣而立即输入许多卖出（或买入）订单。市场参与者下达这些后续订单以引诱或欺骗其他市场参与者与其初始订单成交。在挂单订单执行后，市场参与者立即撤销未结订单。

• 市场参与者在某个市场（A 市场）输入一份或多份订单以识别在相关市场（B 市场）的算法

交易活动。得知算法会对 A 市场的订单活动作出何种反应后，参与者先是在 B 市场输入订单，预期该订单在算法被激活后订单会与算法交易成交。参与者然后在 A 市场输入订单以激活算法并创建 B 市场的势头。这最终导致参与者在 B 市场的订单与算法交易成交。这种行为违反了规则 575.A.，因为参与者在 A 市场的订单并非以真实执行为目的，同时也违反了规则 575.B.，因为参与者在 A 市场的订单意图误导相关市场的参与者。如果该行为扰乱了市场交易的有序执行，它也可能违反了规则 575.D.。

• 市场参与者输入大量订单及/或撤单/更新，用过多的市场数据消息另其他市场参与者的报价

系统超负荷，以造成“信息套利”。

• 市场参与者输入订单或其它消息以造成市场或交易所信息传播延迟，从而扰乱市场的有序运

转。

• 市场参与者在市场最佳卖盘价位上（买盘）输入大额“入侵”买入（卖出）订单，与订单簿中的挂单卖出（买入）订单成交，导致原始“入侵”订单的剩余部分以新的最佳买盘（卖盘）排在订单队列最前端。正如该市场参与者所预期和想要的那样，其他参与者在他之后陆续加入他的最高买盘（卖盘）。然后，该市场参与者将大额“入侵”卖出（买入）订单输入以匹配自己位于订单簿顶部的当前挂单买入（卖出）订单。由于该市场参与者使用了芝商所的自撮合防止功能或其它洗价阻止功能，系统将撤销该市场参与者的挂单买入（卖出）订单，这使得市场参与者的“入侵”卖出（买入）订单因此能够与之前跟随他加入的、排位于订单簿中该市场参与者的最佳买盘（卖盘）后面的订单成交。

• 市场参与者的交易策略把交易系统设计成将故意损毁的数据经一个或多个实体链接传送到交易所。例如，在驱动的事件或信号发生前，参与者的交易系统已经开始向交易所输入订单消息所需要的数据（比如以太网帧(Ethernet Frame)、IP 数据包(Internet Protocol Packet) 、TCP 数据包(Transmission Control Protocol, “TCP”,Packet 等)。而按照其交易系统的设计，如果驱动的事件或信号没有如预计般发生，系统将会损毁已部分输入的数据，例如使帧检验序列(Frame Check

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: （852）28052978

Sequence, “FCS”)的校验 (checksum)失效，以致数据包或以太网帧在 CME Globex 逻辑或实体入口点被网络切换工具(network switch)或接收装置去除掉。相反，如果驱动的事件或信号如预计般发生了，交易系统则会完成已部分输入的数据，令订单消息可以从交易系统传送到交易所的交易平台。这种故意损毁输入到交易所的数据包之做法有可能会扰乱交易所的系统，因而违反了规则 575.C.2。

• 市场参与者的交易策略把交易系统设计成故意传送无法成交的订单或者无合理的成交可能性的订单。例如，在驱动的事件或信号发生前，参与者的交易系统已经开始向交易所输入订单消息所需要的数据（比如以太网帧(Ethernet Frame)、IP 数据包(Internet Protocol Packet) 、TCP 数据包(TCP Packet)等)。而按照其交易系统的设计，如果驱动的事件或信号没有如预计般发生，交易系统则会完成已部分输入的数据，令订单消息可以成功地输入到交易所。可是，因为当驱动的事件或信号没有如预计般发生时，交易系统的设计是令即使完整的订单消息仍然无法成交或者不大可能会成交,例如透过提交成交及取消的买卖盘(Fill and Kill)或者全额成交或取消的买卖盘（Fill or Kill）而其价格或数量会促使交易平台立即把订单取消。又或者是提交一个比当时市场价格相差很大、在订单簿排列很后位置的订单并计划在执行前把订单取消。这种故意输入无法成交的订单或者无合理的成交可能性的订单之做法有可能违反了规则 575.C.2。另外，如果参与者在下单时已计划要在订单执行前撤单，则违反了规则 575.A。

• 市场参与者的交易策略把交易系统设计成故意将错误格式的数据经一个或多个实体链接传送到交易所。例如，根据收到的资讯，市场参与者的交易系统开始创建订单信息（比如以太网帧(Ethernet Frame)、TCP 或 IP 数据包等)。交易系统被设定为如在创建信息期间收到额外资讯显示不再需要执行该信息，系统将会停止创建并提交未完整的数据到交易所。因为不完整的数据(TCP/IP 数据包欠缺某些部分如序列号(Sequence Number)或目标端口号(Destination Port))无法在 CME Globex 的逻辑或实体入口点被网络切换工具(networkswitch)或接收装置正常处理，接收装置会把数据弃掉。假如交易系统在创建信息期间没有收到这种额外资讯，系统则会完成信息创建并开始传输，令订单信息可以从系统送达交易所的交易平台。向交易所故意提交不完整或错误格式的数据包可导致交易所系统被扰乱并违反规则 575.C.2.。

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

CME Prohibited Trading Behaviors

(The following rules are taken from CME RULEBOOK - CHAPTER5 TRADING QUALIFICATIONS AND PRACTICES)

529 WITHHOLDING ORDERS PROHIBITED

A Member (as defined in Rule 400), or any person entering orders on the Globex platform, shall not withhold or withdraw from the market any order, or any part of an order, for the benefit of any person other than the person placing the order.

531 TRADING AGAINST CUSTOMERS' ORDERS PROHIBITED

531.A. General Prohibition

No person in possession of a customer order shall knowingly take, directly or indirectly, the opposite side of such order for his own account, an account in which he has a direct or indirect financial interest, or an account over which he has discretionary trading authority.

531.B. Exceptions

The foregoing restriction shall not apply to the following:

1. Transactions executed in accordance with Rule 527[1] to resolve bona fide outtrades or errors;
2. Transactions executed pursuant to Rule 538[2];
3. Block trades executed pursuant to Rule 526[3];
4. On the Globex platform, a person may knowingly trade against his customer order for his own account, an account in which he has a direct or indirect financial interest, an account over which he has discretionary trading authority, or a proprietary account of his employer, only if the customer order has been entered immediately upon receipt and has first been exposed on the Globex platform for a minimum of 5 seconds in the case of futures orders or for a minimum of 15 seconds in the case of options orders; and
5. If the transaction was pit traded, a person may knowingly trade against his customer order for his own account, an account in which he has a direct or indirect financial interest, an account over which he has discretionary trading authority, or a proprietary account of his employer, only if: (i) the customer has consented in writing to waive the application of Rule 531.A. no more than

12 months prior to the transaction; (ii) the member complies with the requirements set forth in Rule 533 (iii) the member clearly identifies, by appropriate descriptive words, all such transactions, and (iv) the member ensures that it is reported to Exchange price reporting staff for entry into the Exchange Price Reporting System as a cross trade.

532 IMPROPER USE OR DISCLOSURE OF NON-PUBLIC INFORMATION PROHIBITED

Except as permitted by other Exchange rules, including, but not limited to, Rules 526, 538 and 539, no Person shall:

a. Directly or indirectly trade (or enter, cancel, or modify an order) on the basis of material non-public information when he knows or reasonably should have known the information was obtained or disclosed through fraud, deception, or in violation of a pre-existing duty (established by law, rule, agreement, understanding, or some other source);

b. Disclose material non-public information when he knows or reasonably should have known the disclosure of the information would violate a pre-existing duty (established by law, rule, agreement, understanding, or some other source) owed to another, except when the disclosure is made to an Exchange official, a permitted government official, or is required by law.

c. Solicit or induce another person to disclose material non-public information.The mere statement of opinions or general market conditions does not constitute a violation of this rule. An order for execution is material and not public information until it has been exposed to the market.

533 SIMULTANEOUS BUY AND SELL ORDERS FOR DIFFERENT BENEFICIAL OWNERS

A member who is in possession of both buy and sell orders for different beneficial owners for the same product and expiration month, and, for a put or call option, the same strike price, may execute such orders for and directly between such beneficial owners provided that in pit trading, a member executing such orders shall first bid and offer by open outcry three times at the same price, stating the number of contracts, and, thereafter, if neither the bid nor the offer is accepted, the orders may be matched in the presence, and with the approval, of a designated Exchange official.

The member making such transactions shall, by appropriate descriptive words or symbols, clearly identify all such transactions on his trading card or other similar record made at the time of the execution. The member executing such trade must ensure that it is reported to Exchange price reporting staff for entry into the Exchange Price Reporting System. Failure to identify the transaction to Exchange price reporting staff as a cross trade shall constitute a violation of this rule.

On the Globex platform, opposite orders for different beneficial owners that are simultaneously placed by a party with discretion over both accounts may be entered into the Globex platform provided that one order is exposed for a minimum of 5 seconds. An order allowing for price and/or time discretion, if not entered immediately upon receipt, may be knowingly entered opposite another order entered by the same firm only if this other order has been entered immediately upon receipt and has been exposed on the Globex platform for a minimum of 5 seconds.

534 WASH TRADES PROHIBITED

No person shall place or accept buy and sell orders in the same product and expiration month, and, for a put or call option, the same strike price, where the person knows or reasonably should know that the purpose of the orders is to avoid taking a bona fide market position exposed to market risk (transactions commonly known or referred to as wash sales). Buy and sell orders for different accounts with common beneficial ownership that are entered with the intent to negate market risk or price competition shall also be deemed to violate the prohibition on wash trades. Additionally, no person shall knowingly execute or accommodate the execution of such orders by direct or indirect means

Please refer to Appendix A for FAQ and Examples of Wash Trades Prohibited

539 PREARRANGED, PRE-NEGOTIATED AND NONCOMPETITIVE TRADES PROHIBITED

539.A. General Prohibition

No person shall prearrange or pre-negotiate any purchase or sale or noncompetitively execute any transaction, except in accordance with Sections B. and C. below.

539.B. Exceptions

The foregoing restriction shall not apply to block trades pursuant to Rule 526 or Exchange for Related Positions transactions pursuant to Rule 538.

[1] 527. OUTTRADES, ERRORS AND MISHANDLING OF ORDERS
[2] 538. EXCHANGE FOR RELATED POSITIONS
[3] 526. BLOCK TRADES

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

539.C. Pre-Execution Communications Regarding Globex Trades

Parties may engage in pre-execution communications with regard to transactions executed on the Globex platform where one party (the first party) wishes to be assured that a contra party (the second party) will take the opposite side of the order under the following circumstances:

1. A party may not engage in pre-execution communications with other market participants on behalf of another party unless the party for whose benefit the trade is being made has previously consented to permit such communications.
2. Parties to pre-execution communications shall not (i) disclose to a non-party the details of such communications or (ii) enter an order to take advantage of information conveyed during such communications except in accordance with this rule.
3. Permissible Entry Methods for Orders

The following order entry methods for futures, options, spreads and combinations vary by product, as set forth in the Rule 539.C. Crossing Protocols Table ("Table") in the Interpretations Section at the end of Chapter 5.

a. Globex Cross ("G-Cross")

The first party's order is entered into the Globex platform first. The second party's order may not be entered into the Globex platform until a period of 5 seconds has elapsed from the time of entry of the first order.

b. Committed Cross ("C-Cross")

Following the pre-execution communication, a Request for Cross ("RFC") order which contains both the buy and the sell orders must be entered into the Globex platform. Upon entry of the RFC, the Globex platform will display an indication that a cross will occur in five (5) seconds. In certain products as set forth in the Table in the Interpretations Section at the end of Chapter 5, a certain percentage of the quantity on the RFC will cross if the price of the RFC represents a new best price level or if the price of the RFC is equal to the best bid or offer and the quantity of the RFC is greater than the quantity at that current best bid or offer at the time of submission of the RFC to the Globex platform and a better price for either the buy or sell order has not been entered into the Globex platform during the five (5) second period between entry of the RFC and the cross occurring.

c. RFQ + RFC Cross ("R-Cross")

Following the pre-execution communication, a Request for Quote ("RFQ") for the particular futures, options spread or combination must be entered into Globex. Thereafter, the RFC order must be entered no less than fifteen (15) seconds and no more than thirty (30) seconds after the entry of the RFQ in order to proceed with the trade, except the RFC order in Dairy futures and options must be entered no less than five (5) seconds and no more than thirty (30) seconds after the entry of the RFQ. The RFQ and the RFC order must be entered within the same trading session. Failure to enter the RFC order within 30 seconds after the entry of the RFQ will require a new RFQ to be entered prior to the entry of the RFC order, which must be entered in accordance with the time parameters described above in order to proceed with the trade.

575 DISRUPTIVE PRACTICES PROHIBITED

All orders must be entered for the purpose of executing bona fide transactions. Additionally, all non_x005factionable messages must be entered in good faith for legitimate purposes.

A. No person shall enter or cause to be entered an order with the intent, at the time of order entry, to cancel the order before execution or to modify the order to avoid execution;

B. No person shall enter or cause to be entered an actionable or non-actionable message(s) with intent to mislead other market participants;

C.1. No person shall enter or cause to be entered an actionable or non-actionable message(s) with intent to overload or delay the systems of the Exchange or other market participants;

C.2. No person shall intentionally or recklessly submit or cause to be submitted an actionable or nonactionable message(s) that has the potential to disrupt the systems of the Exchange; and

D. No person shall enter or cause to be entered an actionable or non-actionable message(s) with intent to disrupt, or with reckless disregard for the adverse impact on, the orderly conduct of trading or the fair execution of transactions.

To the extent applicable, the provisions of this Rule apply to open outcry trading as well as electronic trading activity. Further, the provisions of this Rule apply to all market states, including the preopening period, the closing period and all trading sessions.

Please refer to Appendix B for FAQ and Examples of Disruptive Practices Prohibited

Order Entry During the CME Globex Pre-Open

Link：https://www.cmegroup.com/rulebook/files/cme-group-Rule-573.pdf

The above rules are taken from CMERULEBOOK - CHAPTER5 TRADING QUALIFICATIONS AND PRACTICES,

Link：https://www.cmegroup.com/content/dam/cmegroup/rulebook/CME/I/5/5.pdf

Appendix A

Frequently Asked Questions ("FAQ") Related to Rule 534 ("Wash Trades Prohibited")
Q1: What is the definition of a wash trade?
A1: A wash trade is a form of fictitious trade in which a transaction or a series of transactions give the appearance that bona fide purchases and sales have been made, but where the trades have been entered into without the intent to take a bona fide market position or without the intent to execute bona fide transactions subject to market risk or price competition. Parties who initiate, execute or accommodate transactions which they know, or reasonably should know, will achieve a wash result shall be in violation of Rule 534. A wash trade requires: a) that the transaction or series of transactions produces a wash result - meaning the purchase and sale of the same instrument at the same price, or a similar price, for accounts with the same beneficial ownership or for accounts with common beneficial ownership; and b) that the party(ies) intended to achieve a wash result. Intent may be inferred from evidence of prearrangement or from evidence that the orders or trade(s) were structured, entered or executed in a manner that the party(ies) knew, or reasonably should have known, would produce a wash result. The prearrangement, execution or structuring of transactions in CME Group markets with the intent of negating market risk, independent of whether such transactions are entered and/or executed in compliance with other rules which permit prearrangement such as Rule 539.C. ("PreExecution Communications Regarding Globex Trades") may be deemed to violate Rule 534.
Q2: What does it mean to have accounts "with the same beneficial ownership" or "with common beneficial ownership" in the context of Rule 534's prohibition on wash trades?
A2: Accounts with the "same beneficial ownership" include accounts with identical ownership as well as accounts of different entities that are 100% wholly-owned by the same parent. "Common beneficial ownership" is more inclusive and includes not only accounts with the same beneficial ownership, but also accounts with common beneficial ownership that is less than 100%.
Q3: May a market participant place, accept or execute simultaneous buy and sell orders for accounts with common beneficial ownership in the same product and expiration month, or option series?
A3: Any market participant who places or accepts buy and sell orders for simultaneous execution that are for accounts with common beneficial ownership, and any market participant who executes such orders, will be in violation of Rule 534 if the execution of the orders yields a wash result and the party knew, or reasonably should have known, that the trades were entered into without the intent to execute bona fide transactions subject to market risk or price competition.
Q4: When receiving simultaneous buy and sell orders placed by another party, does the market participant receiving the orders have any independent obligation to determine whether the orders are bona fide?
A4: Yes. The CFTC has held (see, for example, In the Matter of Three Eight Corporation) that market participants, including account executives and floor brokers, who accept simultaneous buy andsell orders for execution have an independent "duty to inquire" about the propriety of such orders. In the absence of such inquiry, the market participant accepting the orders may be found to have engaged in wash trades if the execution of the orders produces a wash result. Market participants receiving simultaneous buy and sell orders for execution must make inquiry sufficient to ascertain whether the orders are for accounts with common beneficial ownership. If the buy and sell orders are for an omnibus account, the market participant has a duty to inquire as to whether the orders are for different account owners within the omnibus account. If a market participant cannot assure himself that buy and sell orders received for simultaneous execution are for accounts that do not have common beneficial ownership, the market participant may refuse to accept the orders. Accepting or executing simultaneous buy and sell orders without such assurance creates potential regulatory exposure if the execution of the orders yields a wash result.
Q5:In the event buy and sell orders for accounts with common beneficial ownership are simultaneously entered for a legitimate purpose, how should such orders be executed to comply with Rule 534?
A5: In the electronic venue, one of the orders should be entered on the electronic trading platform and executed in full prior to the entry of the second order. This will ensure that the orders are not executed opposite each other and will provide a clear audit trail with respect to the entry and execution of the orders. In this circumstance, a written and timestamped record must be made of any order that is not entered on the electronic platform immediately upon receipt. In the open outcry venue, the buy and sell orders should be timestamped immediately upon receipt. One of the orders should be entered into the pit, executed and timestamped out prior to submitting the second order to the pit for execution. The second order should be timestamped again when it is submitted to the pit. This methodology will ensure that the orders are not executed opposite each other and the accurate timestamping will provide evidence that the orders were not entered for simultaneous execution. In either the electronic or open outcry venue, simply ensuring that there is a delay between the entry of the buy and sell orders may not, depending on the terms of the orders, preclude the orders from trading in whole or in part against each other. To the extent that the orders trade opposite each other either directly or indirectly through a common third party, the trade may be deemed an illegal wash trade notwithstanding the fact that the orders were entered at different times. Additionally, in certain circumstances, simultaneous buy and sell orders for accounts with common beneficial ownership that are contemporaneously executed at nearly the same price, rather than at precisely the same price, may violate the prohibition on wash trades if it is demonstrated that the orders were structured to negate market risk, for example, by requiring that the price difference between the two orders be strictly limited.
Q6:Is it acceptable to contemporaneously enter buy and sell orders for accounts with common beneficial ownership if the buy and sell orders are given to different FCMs or to different floor brokers for execution?
The potential for regulatory exposure in this situation is significant. If the orders trade against each other in whole or in part, or if both orders are executed opposite the same third party, an inference may be drawn that orders were structured with the intent to execute a prohibited wash trade. The fact that the orders were competitively executed without prearrangement may not protect the party entering the orders from liability if the execution of the orders produces a wash result.
Q7:Is it acceptable to enter simultaneous buy and the sell orders for accounts with common beneficial ownership for execution on a discretionary ("DRT") basis?
A7: The entry of simultaneous buy and sell orders for accounts with common beneficial ownership that are entered with instructions giving the executing party discretion over the price and/or time of execution may be viewed, depending on the circumstances, as an implicit request to the executing party to negate market risk. Should the execution of the

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

orders produce a wash result, the parties placing, accepting and executing the orders may be liable for having engaged in an illegal wash trade.
Q8:Are market participants permitted to "freshen" position dates (i.e. liquidating and reestablishing a position) without violating the prohibition on wash trades?
A8:In those products settled via physical delivery against the oldest open long position, CME and CBOT Rule 807 ("Open Long Positions During the Delivery Month") allow for the intraday freshening of position dates. However, trades executed to liquidate and re-establish a position in order to freshen the position's date must be competitively executed and must be clearly independent transactions subject to market risk. Purchases and sales to freshen a position date that are prearranged or otherwise executed pursuant to an express or implied agreement will be deemed to violate the prohibition on wash trades.
Q9:Do block trades between different accounts with common beneficial ownership violate the wash trading prohibition?
Block trades between different accounts with common beneficial ownership are prohibited unless: a) each party's decision to enter into the block trade is made by an independent decision-maker; b) each party has a legal and independent bona fide business purpose for engaging in the block trade; and c) the block trade is executed at a fair and reasonable price. In the absence of satisfying all of the aforementioned requirements, the transaction may constitute an illegal wash trade prohibited by Rule 534.
Q10: If buy and sell orders for accounts with common beneficial ownership are independently initiated by independent decision makers and coincidentally cross in the market, will the trade violate the wash trade prohibition?
A10: Buy and sell orders for accounts with common beneficial ownership that are independently initiated for legitimate and separate business purposes by independent decision makers and which coincidentally cross with each other in the competitive market are not considered wash trades provided that the trade was not prearranged and neither party had knowledge of the other's order or otherwise intended for their order to trade against the other's order. Market participants should be aware, however, that trades between accounts with common beneficial ownership may draw additional regulatory scrutiny and should be prepared to demonstrate that such trades are bona fide. (See also Q12, Q13 and Q14.)
Q11: Under what circumstances does trading opposite one's own order on the electronic platform violate Rule 534?
A11: It is a violation of Rule 534 for an individual to enter an order on the electronic platform that the individual knew or reasonably should have known would trade against his own order resting on the opposite side of the market. The unintentional and incidental matching of buy and sell orders entered by an individual trader on the electronic platform generally will not be considered a violation of Rule 534. However, if such self-matching occurs on more than an incidental basis in the context of the trader's activity or in the context of the particular market's activity, such trades may be deemed to violate the prohibition on wash trades. It is recommended that individual traders who frequently enter orders on opposing sides of the market that have a tendency to self-match on more than an incidental basis employ functionality that will minimize the potential for their buy and sell orders to match with each other. When employed, CME Group's optional self-match prevention ("SMP") functionality automatically blocks the matching of buy and sell orders for commonly owned accounts that are submitted to Globex with the same SMP ID. Should you have any questions on the registration or operation ofCME Group's SMP functionality, please contact CME Global Account Management in the U.S. at (312) 634-8700, in Europe at 44 203 379 3754, or in Asia at 65 6593 5574.
Q12:Is it a violation of Rule 534 if orders initiated by one or more automated trading systems that are operated and/or controlled by the same individual or the same trading group match against each other?
A12:If a particular algorithm generates buy and sell orders that would potentially match against each other and such trades occur on more than an incidental basis in the context of the algorithm's activity or in the context of the particular market's activity, the trades may be deemed to violate the prohibition on wash trades. It is recommended in this circumstance that the party(ies) responsible for the operation of the algorithm employ functionality that will minimize the potential for the algorithm's buy and sell orders to match with each other. If otherwise independent algorithms are operated and/or controlled by the same individual or team of individuals and the algorithms trade against one another on more than an incidental basis in the context of the algorithms' activity or the particular market's activity, then the trading between the algorithms may be deemed to violate the prohibition on wash trades. Where multiple algorithms operated or controlled by the same individual or team of individuals may generate selfmatch events on more than an incidental basis, it is recommended that the individual or team employ functionality to minimize or eliminate such occurrences.
Q13:Are there unique considerations with respect to Rule 534 in the context of exchangesponsored volume incentive programs?
A13:Market participants who participate in exchange-sponsored programs with incentives tied in whole or in part to meeting specific volume thresholds should take proactive steps to prevent transactions between accounts with common beneficial ownership. These trades will draw additional regulatory scrutiny and it is recommended that participants in these types of incentive programs employ functionality to mitigate the potential for such trades to occur.
Q14: In circumstances where "more than incidental" self-matching may be deemed to violate the prohibition on wash trades, is there a prescribed threshold?

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

A14:In these circumstances, market participants are responsible for monitoring their trading, whether that trading is manual or automated, and are responsible for minimizing the potential for, and the occurrence of, self-match events. The incidence of self-matching in these circumstances will be evaluated in the context of the activity of the trader, trading group, or algorithm(s), and relative to the trades and volume in the instrument traded. More than de minimis self-matching in this context will result in additional regulatory scrutiny and may be deemed to violate the prohibition on wash trades; if there is the potential for more than de minimis self-match events, market participants are expected to either adjust their trading strategies or employ functionality to mitigate the occurrence of self-match events.
Q15：Is it a violation of Rule 534 if opposing orders entered during the Globex pre-open period for accounts with the same or common beneficial ownership match opposite each other once the market opens?
A15：Is it a violation of Rule 534 if resting orders in the order book entered during the Globex pre-open match opposite one another once the market opens?
Q16.What is an indirect wash trade?
A16：One or more purchases (sales) opposite a counterparty followed by a sale (purchase) at the same or similar price opposite the same or different counterparties may be deemed an "indirect wash trade" in violation of Rule 534 if the orders are entered with the intent to negate or strictly limit market risk. Such intent exists if the party knew or should have known that the orders would negate or strictly limit market risk. Additionally, no person is permitted to accept, execute or accommodate the execution of such orders with knowledge of their character. For additional information on indirect wash trades, please see the examples following the answer to FAQ 21 at the end of this Advisory Notice.
Q17：Does an indirect wash trade have to be prearranged in order to constitute a violation of Rule 534?
A17：No. An indirect wash trade does not require prearrangement to constitute a violation of Rule 534 if the person knows or reasonably should know that the purpose of the orders is to avoid taking a bona fide market position exposed to market risk.
Q18：What are serial indirect wash trades and do such trades violate Rule 534?
A18：A series of trades executed among a group of market participants where order entry and trade activity is concentrated in discrete and limited periods of time may be deemed "serial indirect wash transactions" in violation of Rule 534 to the extent that the parties know or reasonably should know that the purpose of the trades is to avoid taking a bona fide market position exposed to market risk.
Examples of Prohibited Indirect Wash Activity
• Participant A and B hold open long positions in the same physically deliverable commodity in the delivery month where delivery takes place against the oldest open long position. To reduce the risk of being stopped for delivery, Participant A and B pre-arrange the execution of transactions that have the effect of offsetting and re-establishing one or both of their long positions, thus freshening the position dates. For example, in an initial transaction, Participants A and B knowingly trade opposite each other in the market. In a subsequent transaction, typically close in time to the initial transaction, Participants A and B knowingly execute an offsetting transaction opposite each other at or near the same price as the initial transaction. In this transaction set, the sells had the effect of offsetting the pre-existing long positions and the buys had the effect of re-establishing the long positions with newer position dates. Due to the manner in which the transactions were orchestrated, Participants A and B negated or strictly limited market risk. This set of transactions constitutes an indirect wash in violation of Rule 534. • Participants A, B, and C participate in an incentive or rebate program where terms or conditions of the program require each participant to meet a volume threshold (e.g. average daily volume; monthly volume; passively traded volume; etc.). With or without pre-arrangement, Participants A, B, and/or C execute a series of transactions, typically in close time proximity, where they buy and sell similar quantities at the same or similar prices opposite each other and where, at the conclusion of the transaction series, the participants had no net change in position. Based on factors including, but not limited to, prior trading activity, market circumstances, market knowledge, or prearrangement the participants know or have reason to know the transactions would not be exposed to price competition or the positions exposed to market risk. Transactions executed for the purpose of increasing volume, while knowing or having reason to know the transactions would not be exposed to price competition or the positions exposed to market risk, are considered indirect wash trades in violation of Rule 534.

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

Appendix B

FAQ Related to Rule 575-Disruptive Practices Prohibited
Q1： What factors may Market Regulation consider in assessing a potential violation of Rule 575?
A1： Market Regulation may consider a variety of factors in assessing whether conduct violates Rule 575, including, but not limited to: • whether the market participant's intent was to induce others to trade when they otherwise would not; • whether the market participant's intent was to affect a price rather than to change his position; • whether the market participant's intent was to create misleading market conditions; • market conditions in the impacted market(s) and related markets; • the effect on other market participants; • the market participant's historical pattern of activity; • the market participant's order entry and cancellation activity; • the size of the order(s) relative to market conditions at the time the order(s) was placed; • the size of the order(s) relative to the market participant's position and/or capitalization; • the number of orders; • the ability of the market participant to manage the risk associated with the order(s) if fully executed; • the duration for which the order(s) is exposed to the market; • the duration between, and frequency of, non-actionable messages; • the queue position or priority of the order in the order book; • the prices of preceding and succeeding bids, offers, and trades; • the change in the best offer price, best bid price, last sale price, or Indicative Opening Price ("IOP") that results from the entry of the order; • the market participant's activity in related markets; and •industry best practices regarding the design, testing, implementation, operation, change management, monitoring, and documentation of automated trading systems.
Q2： What does "misleading" mean in the context of Rule 575.B.?
A2： The language is intended to be a more specific statement of the general requirement that market participants are not permitted to act in violation of just and equitable principles of trade. This section of the Rule prohibits a market participant from entering orders or messages with the intent of creating the false impression of market depth or market interest. Market Regulation generally will find the requisite intent where the purpose of the participant's conduct was, for example, to induce another market participant to engage in market activity.
Q3：Is there a specific amount of time an order should be exposed to the market to demonstrate that it does not constitute a disruptive practice?
A3： Although the amount of time an order is exposed to the market may be a factor that is considered when determining whether the order constituted a disruptive trading practice, there is no prescribed safe harbor. Market Regulation will consider a variety of factors, including exposure time, to determine whether an order or orders constitute a disruptive practice.
Q4：Is it a violation of Rule 575 to modify or cancel an order once it has been entered?
A4：An order, entered with the intent to execute a bona fide transaction, that is subsequently modifiedor cancelled due to a perceived change in circumstances does not constitute a violation of Rule 575.
Q5：Will orders that are entered by mistake or error constitute a violation of Rule 575?
A5：An unintentional, accidental, or "fat-finger" order will not constitute a violation of Rule 575, but such activity may be violative of other Exchange rules, including, but not limited to, Rule 432.Q. ("Acts Detrimental to the Welfare of the Exchange"). Market participants are expected to take reasonable steps or otherwise have controls to prevent, detect, and mitigate the occurrence of errors or system anomalies, and their impact on the market. Failure to take reasonable steps to prevent, detect, and mitigate such errors, anomalies, or impacts may violate Rules 575.C.2., 575.D., 432.W. ("Failure to Supervise"), or other Exchange rules.
Q6： Does a partial fill of an order demonstrate that the order did not violate Rule 575?
A6： While execution of an order, in part or in full, may be one indication that an order was entered in good faith, an execution does not automatically cause the order to be considered compliant with Rule 575. Orders must be entered in an attempt to consummate a trade. A variety

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

of factors may lead to a violative order ultimately achieving an execution. Market Regulation will consider a multitude of factors in assessing whether Rule 575 has been violated.	

Q7： Under this rule, is a market participant prohibited from making a two-sided market with unequal quantities (e.g., 100 bid at 10 offered)?

A7： No. Market participants are not precluded from making unequal markets as long as the orders are entered for the purpose of executing bona fide transactions. If either (or both) order(s) are entered with prohibited intent, including recklessness, such activity will constitute a violation of Rule 575.

Q8： Are stop orders entered for purposes of protecting a position prohibited by Rule 575?

A8： Market participants may enter stop orders as a means of minimizing potential losses with the hope that the order will not be triggered. However, it must be the intent of the market participant that the order will be executed if the specified condition is met. Such an order entry is not prohibited by this Rule.

Q9： Is the use of iceberg orders considered misleading under Rule 575.B.?

A9： No. The use of iceberg orders, in and of itself, is not considered a violation of Rule 575. However, a violation may exist if an iceberg order is used as part of a scheme to mislead other participants, for example, if a market participant pre-positions an iceberg on the bid and then layers larger quantities on the offer to create artificial downward pressure that results in the iceberg being filled.

Q10：Is a market participant allowed to enter order(s) at various price levels throughout the order book in order to gain queue position, but subsequently cancel those orders as the market changes?

A10： It is understood that market participants may want to achieve queue position at certain price levels and given changing market conditions may wish to modify or cancel those orders. In the absence of other indicia that the orders were entered for disruptive or misleading purposes, or with reckless disregard for the adverse impact on the orderly conduct of trading or the fair execution of transactions, they would not constitute a violation of Rule 575.

Q11： Is it prohibited to enter an order for a quantity larger than a market participant expects to trade in electronic markets subject to a pro-rata matching algorithm?

A11： Orders entered for the purpose of achieving an execution are permitted. Accordingly, orders entered into markets subject to a pro-rata matching algorithm that are intended to maximize execution of those orders are permitted. However, it is considered an act detrimental to the welfare of the Exchange and may be a violation of other Exchange rules for a market participant to enter an order without the ability to satisfy, by any means, the financial obligations attendant to the transaction that would result from full execution of the order. Participants should be prepared to, and capable of, handling the financial obligations and risk attendant to the full execution of their orders without disrupting the market. In no circumstance may a participant intentionally or recklessly disregard the orderliness of the market in offsetting the risk associated with a large fill event.

Q12： What are "actionable" and "non-actionable" messages in relation to Rule 575.B., C. and D.?

Actionable messages are messages that can be accepted by another party or otherwise lead to the execution of a trade. An example of an actionable message is an order message. Non-actionable messages are those messages submitted to the Exchange that relate to a non-actionable event. Examples of non-actionable messages include Requests for Quotes, creation of User Defined Spreads (UDS) or User Defined Instruments (UDI), entry of orders in test products, administrative messages, and network packets that are incomplete, partial, corrupt, or otherwise unable to be processed by the Exchange.

Q13： How does Market Regulation define "orderly conduct of trading or the fair execution of transactions?"

A13： Whether a market participant intends to disrupt the orderly conduct of trading or the fair execution of transactions or demonstrates a reckless disregard for the orderly conduct of trading or the fair execution of transactions may be evaluated only in the context of the specific instrument, market conditions, and other circumstances present at the time in question. Some of the factors that may be considered in determining whether there was orderly conduct or the fair execution of transactions were described by the CFTC as follows: "[A]n orderly market may be characterized by, among other things, parameters such as a rational relationship between consecutive prices, a strong correlation between price changes and the volume of trades, levels of volatility that do not dramatically reduce liquidity, accurate relationships between the price of a derivative and the underlying such as a physical commodity or financial instrument, and reasonable spreads between contracts for near months and for remote months." Antidisruptive Practices Authority, 78 Fed. Reg. at 31,895-96. Additional factors that may be considered include, but are not limited to, the impact to other market participants' ability to trade, engage in price discovery, or manage risk. Volatility alone, however, will not be presumptively interpreted as disorderly or disruptive as market volatility can be consistent with markets performing their price discovery function.

Q14： Is a market participant precluded from entering orders that may be considered large for a particular market, and thus may have a potential impact on the market?

A14： The size of an order or cumulative orders may be deemed to violate Rule 575 if the entry results in disorderliness in the markets, including, but not limited to, price or volume aberrations. Market participants should further be aware that the size of an order may be deemed to violate Rule 575 if that order distorts the integrity of the settlement prices. Accordingly, market participants should be cognizant of the market characteristics of the products they

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978

trade and ensure that their order entry activity does not result in market disruptions. Exigent circumstances may be considered in determining whether a violation of Rule 575 has occurred and, if so, what the appropriate sanction should be for such violation.
Q15： What is meant by "the closing period" in Rule 575?
A15： "Closing period" typically refers to the period during which transactions, bids, and offers are reviewed for purposes of informing settlement price determinations. The "closing period" may also refer to the period when various cash instruments close, commonly referred to as the "Cash Close."
Q16： What factors will Market Regulation consider in determining if an act was done with the prohibited intent or reckless disregard of the consequences?
A16： Proof of intent is not limited to instances in which a market participant admits its state of mind. Where the conduct was such that it more likely than not was intended to produce a prohibited disruptive consequence, intent may be found. Claims of ignorance, or lack of knowledge, are not acceptable defenses to intentional or reckless conduct. Recklessness has been commonly defined as conduct that "departs so far from the standards of ordinary care that it is very difficult to believe the actor was not aware of what he or she was doing." See Drexel Burnham Lambert, Inc. v. CFTC, 850 F.2d 742, 748 (D.C. Cir. 1988).
Q17： Are orders entered for the purpose of igniting momentum in the market prohibited by Rule 575?
A17： A "momentum ignition" strategy occurs when a market participant initiates a series of orders or trades in an attempt to ignite a price movement in that market or a related market. This conduct may be deemed to violate Rule 575 if it is determined the intent was to disrupt the orderly conduct of trading or the fair execution of transactions, if the conduct was reckless, or if the conduct distorted the integrity of the determination of settlement prices. Further, this activity may violate Rule 575.A. if the momentum igniting orders were intended to be canceled before execution, or if the orders were intended to mislead others. If the conduct was intended to create artificially high or low prices, this may also constitute a violation of Rule 432.H.
Q18： Are "flipping" orders prohibited by Rule 575?
A18： Flipping is defined as the entry of orders or trades for the purpose of causing turns of the market and the creation of volatility and/or instability. A "flip" order typically has two main characteristics. First, it is an aggressor order. Second, shortly before the entry of the order, the market participant cancels an order(s) on the opposite side of the market, typically at the same price as the aggressor order. The market participant, for example, has flipped from offering to bidding at the same price. Market Regulation recognizes there are many variables that can cause a market participant to change his perspective of the market. This Rule, therefore, does not prohibit a market participant from changing his bias from short (long) to long (short). Flipping activity may, however, be disruptive to the marketplace. For example, repeated instances of a market participant entering flipping orders that are each large enough to turn the market (i.e., being of a sufficient quantity to sweep the entire quantity on the book at the particular price level and create a new best bid or best offer price with any remaining quantity from the aggressor flipping order) can be disruptive to the orderly conduct of trading or the fair execution of transactions. In considering whether this conduct violates Rule 575, Market Regulation would consider, among other factors: • the impact on other market participants; • price fluctuations; • market conditions in the impacted market(s) and related markets; • the participant's activity in related markets; • whether the flip involved the cancellation of a large sized order(s) relative to the existing bid or offer depth; and • whether repeated flipping turns the market back and forth (e.g., the first flip turns the market in favor of the offer (bid) and the second flip turns the market in favor of the bid (offer)).
Q19： Does Market Regulation consider cancelling an order via CME Group's Self-Match Prevention functionality or other self-match prevention technology indicative of an order being in violation of Rule 575?
A19： The means by which an order is cancelled, in and of itself, is not an indicator of whether an order violates Rule 575. The use of self-match prevention functionality in a manner that causes a disruption to the market may constitute a violation of Rule 575. Further, if the resting order that was cancelled was non-bona fide ab initio, it would be considered to have been entered in violation of Rule 575.
Q20： What type of pre-open activity is prohibited by Rule 575?
Please see the CME Group Market Regulation Advisory Notice on order entry during the CME Globex pre-open period.
Q21： May orders be entered into CME Globex for the purpose of testing, such as to verify a connection to Globex or a data feed from Globex?

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx：（852）28052978

A21： CME Group offers test products in the production environment to facilitate connectivity and messaging testing on CME Globex. For more information please visit http://www.cmegroup.com/confluence/display/EPICSANDBOX/CME+Globex+Test+Products.

The entering of an order(s) in a non-test product without the intent to execute a bona fide transaction, including for the purpose of verifying connectivity or checking a data feed, is not permissible. The aforementioned prohibition does not preclude a market participant from entering a bona fide order into CME Globex that is intended to be executed and where such execution may also serve some other risk management purpose, such as verifying the flow of the executed trades through the firm's back-office systems.

Q22： Is the creation or execution of User Defined Spreads ("UDS") for the purposes of deceiving or disadvantaging other market participants a violation of Rule 575?

A22： Yes. Although the CME Globex system provides certain protections such as reasonability checks with respect to option deltas and the futures price on covered instruments, the UDS functionality requires users to exercise diligence and care in the creation of option spread instruments, including the creation of covered option strategies.

Market participants are reminded that knowingly creating and/or trading UDS instruments in a manner intended to deceive or unfairly disadvantage other market participants is considered a violation of Rule 575. Additionally, the Global Command Center may price adjust or cancel trades that are deemed to negatively impact the integrity of the market pursuant to the provisions of Rule 588 ("Trade Cancellations and Price Adjustments").

Q23: Is it a violation of Rule 575 to engage in a strategy that involves the purposeful submission of intentionally corrupted or malformed data packets to CME Globex?

A23: Yes. Purposefully submitting intentionally corrupted or malformed data packets has the potential to disrupt the systems of the Exchange. Market Regulation considers that any participant purposefully engaging in this practice as part of a trading strategy to have recklessly disregarded the potential to disrupt the systems of the Exchange in violation of Rule 575.C.2.

Q24: Are brokers and execution clerks expected to consider market conditions when executing an order on behalf of a customer or employer pursuant to their instructions?

A24： Yes. Brokers and execution clerks are considered market participants. The instructions of a customer or employer do not negate the obligation for brokers and execution clerks to comply with Rule 575.

Examples of Prohibited Indirect Wash Activity

The following is a non-exhaustive list of various examples of conduct that may be found to violate Rule 575.

- A market participant enters one or more orders to generate selling or buying interest in a specific contract. By entering the orders, often in substantial size relative to the contracts' overall pending order volume, the market participant creates a misleading and artificial appearance of buy- or sell-side pressure. The market participant places these large orders at or near the best bid and offer prevailing in the market at the time. The market participant benefits from the market's reaction by either receiving an execution on an already resting order on the opposite side of the book from the larger order(s) or by obtaining an execution by entering an opposing side order subsequent to the market's reaction. Once the smaller orders are filled, the market participant cancels the large orders that had been designed to create the false appearance of market activity. Placing a bona fide order on one side of the market while entering order(s) on the other side of the market without intention to trade those orders violates Rule 575.
- A market participant places buy (or sell) orders that he intends to have executed, and then immediately enters numerous sell (or buy) orders for the purpose of attracting interest to the resting orders. The market participant placed these subsequent orders to induce, or trick, other market participants to execute against the initial, order. Immediately after the execution against the resting order, the market participant cancels the open orders.
- A market participant enters one or more orders in a particular market (Market A) to identify algorithmic activity in a related market (Market B). Knowing how the algorithm will react to order activity in Market A, the participant first enters an order or orders in Market B that he anticipates would be filled opposite the algorithm when ignited. The participant then enters an order or orders in Market A for the purpose of igniting the algorithm and creating momentum in Market B. This results in the participant's order(s) in Market B being filled opposite the algorithm. This conduct violates Rule 575.A., as the orders in Market A were not intended to be executed, and Rule 575.B., as the orders in Market A were intended to mislead participants in related markets. If the conduct resulted in a disruption to the orderly execution of transactions, it may also violate Rule 575.D.
- A market participant enters a large number of orders and/or cancellations/updates for the purpose of overloading the quotation systems of other market participants with excessive market data messages to create "information arbitrage."
- A market participant enters order(s) or other messages for the purpose of creating latencies in the market or in information dissemination by the Exchanges for the purpose of disrupting the orderly functioning of the market.
- A market participant enters a large aggressor buy (sell) order at the best offer (bid) price, trading opposite the resting sell (buy) orders in the book, which results in the remainder of the original aggressor order resting first in the queue at the new best bid (offer). As the market participant anticipated and intended, other participants join his best bid (offer)

behind him in the queue. The market participant then enters a large aggressor sell (buy) order into his now resting buy (sell) order at the top of the book. The market participant's use of CME Group's Self-Match Prevention functionality or other wash blocking functionality cancels the market participant's resting buy (sell) order, such that market participant's aggressor sell (buy) order then trades opposite the orders that joined and were behind the market participant's best bid (offer) in the book.

- A market participant engages in a trading strategy where his trading system is designed to purposefully corrupt data sent across one or more physical connections to the Exchange. For example, prior to the occurrence of an event or signal, the participant's trading system begins transmitting to the Exchange data necessary for an order message (e.g. Ethernet frame; Internet Protocol (IP) packet; Transmission Control Protocol (TCP) packet; etc.). The trading system is designed so that if the event or signal does not occur as expected, the trading system will corrupt the partially transmitted data, for instance by invalidating the Frame Check Sequence (FCS) checksum causing the packet or Ethernet frame to be dropped by a network switch or receiving device at the logical or physical entry point to CME Globex. If the event does occur as expected, the trading system will complete the partially transmitted data so that an order message from the trading system is able to reach the Exchange trading platform. The practice of purposefully corrupting data packets submitted to the Exchange has the potential to disrupt the systems of the exchange and may violate Rule 575.C.2.
- A market participant engages in a trading strategy where his trading system is designed to purposefully send to the Exchange untradeable orders or orders that have no reasonable probability of trading. For example, prior to the occurrence of an event or signal, the participant's trading system begins transmitting to the Exchange data necessary for an order message (e.g. Ethernet frame; TCP packet; etc.). The trading system is designed so that if the event or signal does not occur as expected, the trading system will complete the partially transmitted data and successfully submit an order message to the Exchange. However, because the event or signal did not occur as expected, the trading system is designed to render the completed order message untradeable or improbable of trading. This may be accomplished, for example, by submitting the order message as a Fill and Kill or Fill or Kill order type with a price or quantity that causes the order to immediately be cancelled by the trading platform. This may also be accomplished, for example, by submitting the order message at an off-market price, deep in the order book, and intending to cancel that order prior to execution. The practice of purposefully sending untradeable orders or orders that have no reasonable probability of trading may violate Rule 575.C.2. Further, it is a violation of Rule 575.A. if the participant intends, at the time of order entry, to cancel the order prior to execution.
- A market participant engages in a trading strategy where his trading system is designed to purposefully submit malformed data across one or more physical connections to the Exchange. For example, based on information received, the participant's trading system begins constructing an order message (e.g., an Ethernet Frame, TCP or IP packet, etc.). The trading system is designed so that if further information is received during construction that negates the desire or need to trade the order being constructed, the trading system will stop construction and submit the incomplete data to the Exchange. Because the incomplete data (e.g., a TCP/IP packet missing required TCP or IP fields such as Sequence Number or Destination Port) cannot be properly processed by a network switch or receiving device at the logical or physical entry point to CME Globex, the receiving device will discard the data. If no further information is received by the trading system during construction that would negate the desire or need to trade the order, the trading system will complete construction of, and submit, the data so that an order message from the trading system is able to reach the Exchange trading platform. The practice of submitting to the Exchange purposefully incomplete or malformed data packets has the potential to disrupt the systems of the Exchange and may violate Rule 575.C.2.

17/F,Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong
400 8888 910 - 2 www.henghua.hk Fx: (852) 28052978