

PMEX Milli Tola Gold Futures Contract

1	Trading hours	Hours of Trading in the PMEX Milli Tola Gold Futures Contract shall be Monday to Friday (excluding Exchange specified holidays) as given below or as specified by the Exchange from time to time: Trading Session: 5 am to 2 am PST
2	Unit of Trading	Milli Tola (Milli Tola=0.001 Tola and 1Tola=11.664 grams)
3	Contract Size	1 Milli Tola Gold
4	Trading System	PMEX Trading System
5	Tick Size	Re. 1
6	Contract Grade and Quality	Gold assaying not less than 995.0 fineness cast in 10 Tola Bars meeting the 'Good Delivery' criteria approved by the Exchange will be accepted.
7	Price Quotation	Price quoted shall be in rupees per Tola of Gold with 995.0 fineness, ex-Karachi inclusive of all applicable taxes and duties.
8	Days Traded In	The days listed for trading are Monday - Friday, excluding Exchange Holidays and at the discretion of the Exchange.
9	No. of Active Contract	A maximum of 5 contracts may be made available for trading. The final settlement of each contract will be at least one week from its commencement. i.e. a contract listed on Monday will be available for trading till Friday and will be settled on the following Monday.
10	Price Limit	+/-5% from the previous days settlement price or as determined by the Exchange.
11	Pre-trade Check	All Buyers' and Sellers' orders will be subject to a pre-trade check.
12	Initial Margin for Buyers	Minimum Initial Margin will be 25% in cash only.
13	Initial Margin for Sellers	Sellers must have an equivalent credit of Gold in their margin account maintained with PMEX. Short selling is not allowed.
14	Margin for Market Makers	As specified by the Exchange from time to time.
15	Maintenance Margin for Buyers	Maintenance Margin will be minimum 15% in cash only.
16	Daily Settlement Price	All open positions will be marked-to-market using daily settlement price. Exchange can determine the daily settlement price using one of the methods described herein or in such other manner as may be determined by the Exchange and notified at the time of opening Contract: Average of best bid/offer price at the closing time. - Last Traded Price - Value Weighted Average Price - Theoretical Futures Price based on the international spot

		price of Gold and PKR/USD exchange rate that have been obtained in the manner notified by the Exchange.
17	Final Settlement Price	Final settlement price will be the daily settlement price of the last trading day of the contract.
18	Final Settlement Day	<p>The final settlement of all open positions at expiration, shall take place before start of next trading day.</p> <p>Delivery will be accomplished by the debit and credit of the Sellers and Buyers Margin accounts, respectively, maintained with PMEX.</p> <p>Market Maker shall deposit gold with the Exchange before the final settlement.</p>
19	Delivery Logic	Compulsory for credit balance equivalent to a lot size of 10 Tola or multiples thereof.
20	Holiday Convention	<p>In case the first trading day of a contract falls on an Exchange holiday, the contract will start trading from the following Exchange trading day with a shorter maturity.</p> <p>In case the final settlement day of a contract falls on a holiday, the contract will be settled on the following Exchange trading day.</p>
21	Physical Withdrawal of Gold from Exchange Approved Vaults	<p>Buyers must have a minimum credit balance of 10 Tola or multiples thereof in their account with PMEX to be eligible to withdraw physical Gold from the Exchange designated Vault.</p> <p>Holdings not complying to lot sizes eligible for physical withdrawal will remain in the buyer's account.</p> <p>A 5 working days' notice to PMEX will be required for the collection of Gold from the Exchange designated Vault.</p> <p>All charges associated with physical delivery will be fully borne by the Buyers.</p> <p>In the event of resignation of market maker, credit balance not equivalent to a deliverable lot size of 10 Tola (odd lots) will be liquidated at the final settlement price of the last trading day which falls on the last day of notice period of market maker, and equivalent cash will be credited in the respective accounts.</p>
22	Exchange Approved Vault	<p>Physical Gold will be held at an Exchange Approved Vault.</p> <p>Periodic physical inspection/ verification of physical Gold holding will be carried out at the Exchange Approved Vault</p>

		<p>by Exchange appointed Chartered Accountants Firm.</p> <p>The quantities of physical Gold held by the Brokers at the Exchange designated vault will be commingled and credited to their margin account maintained with PMEX.</p>
23	Depositing Fresh Inventory	Exchange at its sole discretion will authorize Brokers and their Customers to deposit physical gold as per the procedures laid down by the Exchange.
24	Charges & Costs related to Physical Gold	<p>All charges and costs associated with holding and physical withdrawal of Gold including withdrawal, storage, handling, insurance, custody etc, from the date of final settlement till the time Gold is sold or physically withdrawn from the Exchange's vault will be borne by the Buyers. Physical delivery of Gold for withdrawal requests from the Exchange's vault will be made at the safe deposit locations of the Exchange.</p> <p>All charges and costs associated with holding and physical deposit of Gold including delivery, storage, handling, insurance, custody etc, till the time of final settlement will be borne by the Selling Broker or their Clients.</p> <p>Vault and custody related charges will also apply to holdings not complying to lot sizes eligible for physically withdrawal.</p>
25	Default Penalties	<p>Default by Buyers/Sellers in settling their obligations on final settlement will result in imposition of a default penalty and initiation of disciplinary action against the defaulting Broker.</p> <p>Settlement default will result in a 15% penalty calculated using the Final Settlement Price, basis Karachi, and will be deducted from the Buyers/Sellers initial Margin account, of which 90% will be paid to the corresponding counterparty and 10% will be held by the Exchange.</p>
26	Arbitration	Disputes between Exchange TREC Holders/Brokers will be settled through arbitration. The arbitration proceedings and appointment of arbitrators will be governed by the Regulations of the Exchange.
27	Position Limits	Up to 1,000,000 contracts per Broker (including proprietary and all its clients) and 250,000 contracts per Customer.
28	Further Regulations	This contract shall be subject, where applicable, to the Regulations of the Pakistan Mercantile Exchange Limited.