

# Trading Rules

Gate.HK is dedicated to ensuring a fair, transparent, and efficient trading environment for all participants. Here, we outline the fundamental rules and guidelines governing trading activities on our exchange. These rules are designed to protect the integrity of the market, prevent fraudulent and manipulative practices, and promote a level playing field for all our users. Whether you are a seasoned investor or new to cryptocurrency trading, understanding, and adhering to these rules is crucial for a successful trading experience. We encourage you to familiarize yourself with our trading policies to navigate our platform effectively and make informed decisions.

Gate.HK offers comprehensive trading services in the form of automated trading services (the "Exchange").

## Exchange

### General Principles

- The Exchange employs a continuous, real-time, and automatic matching session without separate opening, closing, or auction sessions.
- Clients may access the Exchange directly via the web platform, mobile app, and API.
- All orders sent to the Exchange are required to be fully prefunded.
- All orders accepted by the Exchange are only possible to be executed on the Exchange. There is no order routing mechanism to any external trading venue.
- All filled orders settled automatically after executions, and the respective updated quantity virtual assets and/or fiat currencies will be reflected in both clients' accounts.
- All orders and orders instructions are processed in sequential order of arrival to the Exchange. Network routing and other external factors not under the control of Gate.HK may result in a difference of order or order instruction sequence between leaving the originator's system and arriving to the Exchange.
- All trades are final, non-negotiable, and irreversible at the time of execution.

### Operation Hours

The Exchange intends to operate continuously **24 hours a day, 7 days a week** regardless of weekends, public holidays, severe weather such as typhoons or block rainstorm warnings, except in the occurrence of outages or trading halts, or other anomalous market conditions.

While the Exchange operations are operated in a real-time manner, other operations such as deposits and withdrawal may not be processed instantaneously due to regulatory and operational constraints.

## Order Queue Priority

The order queue priority is determined based on the following criteria, in the specified sequence of order:

- The limit price of the order,
- The order capacity type, where agency orders are given precedence over principal orders, and
- The time at which the orders arrive the exchange.

## Supported Order Types

- **Limit Order** - A limit order is an order to buy or sell at a preset price or better. The order will not be filled until the market price reaches the preset price.
  - ♦ When a limit order is sent to the Exchange, it will be checked against the opposite side of the order book in an attempt to match the order within the limit price.
  - ♦ If there is no matching due to price or liquidity, the limit order will become an outstanding order on the order book, with an order queue priority in accordance with the queue priority of the orders.
  - ♦ If there is matching but not sufficient liquidity in the order book to fully fill the order, the matching portion of the order will be (partially) filled, and the remaining portion of the order will become an outstanding order on the order, with an order queue priority in accordance with the queue priority of the orders.
  - ♦ If there is sufficient liquidity in the order book to fully fill the order, the order will be fully filled.
- **Market Order** - A market order is an order that will be filled at the best available market price immediately.
  - ♦ When a market order is sent to the Exchange, it will be checked against the opposite side of the order book in an attempt to match the order.
    - If there is no matching due to price or liquidity, the market order will be cancelled.
    - If there is matching but not sufficient liquidity in the order book to fully fill the order, the matching portion of the order will be (partially) filled, and the remaining portion of the order will be cancelled.
    - If there is sufficient liquidity in the order book to fully fill the order, the order will be fully filled.
  - ♦ The extent of maximum price deviation in order to fully execute a market order will be restricted by various factors, including the prevailing prices, liquidity of each and all price levels, size of the market orders, in order to protect users (from executing a highly unfavourable price) and maintain a fair and orderly market.

- ♦ A market order and a limit order where the limit price is executable immediately at the market (i.e. buying at a price equal to or higher than the best offer, or selling at a price equal to or lower than the best bid) will have the same price priority, and their priority will be determined by times of arrival).
- **Stop-Limit Order** - An order with preset price, quantity and direction that will be sent to the Exchange only when the trigger condition is met. The trigger condition is met when the last price is worse than (for stop loss) or better than (for take profit) the trigger price.

#### Supported Order Validity Types

- **Post** - An order type that ensures the order always only adds liquidity when it is sent to the market. If the order is about to be filled immediately if sent to the market, it will be cancelled.
- **IOC** - An order type that ensures the order always only takes liquidity when it is sent to the market. Any remaining portion of the order not immediately filled will be cancelled.
- **Iceberg** - An order type that allows showing only a portion of the order in the market at a time. The next portion of the order will be sent to the market when and only when the outstanding portion of the order is fully filled, until the full portion of the order is filled, or the remaining portion of the order is cancelled).
  - ♦ If an order has a limit price more aggressive than the prevailing market price, it may be fully filled immediately regardless of the iceberg setting.
  - ♦ The time priority of iceberg order is determined by the time of arrival of each individual portion of the iceberg order, not the time of arrival of the whole iceberg order, except the first portion of the order.
- **Good-Till-Cancel (GTC)** - An order that remains outstanding on the Exchange until it is either executed, cancelled by the Client, reaches a specified expiration date set by the Exchange, or unsolicitedly cancelled by the Exchange. The default expiration period of a GTC order is 365 days.
- **Good-Till-Date (GTD)** - An order that remains outstanding on the Exchange until it is either executed, cancelled by the Client, the specific date (or number of days) is reached, or unsolicitedly cancelled by the Exchange. The available options for expiration period of a GTD order are: 1, 2, 3, 4, 5, 6, 7, 15, and 30 days.

## Liquidity Types

Depending on how the liquidity of the Exchange is affected immediately after the order is entered into the order book, there are two different liquidity order types:

- **Maker Order** - An order placed in the exchange order book that adds liquidity to the market. It is an order that is not immediately matched with an existing order.
- **Taker Order** - An order that is immediately matched with an existing order on the exchange. It is an order that removes liquidity from the market by taking an existing order from the order book. If the Taker Order is not fully filled, the remaining order that is unfilled will be entered into the order book as a Maker Order.

## Execution Risk Controls

Gate.HK has implemented robust execution risk controls to ensure efficient and reliable trading operations, utilizing advanced technologies and monitoring mechanisms. These controls mitigate risks associated with order execution, market volatility, and system performance, providing a secure and seamless trading experience for our clients.

These controls include:

- **Minimum Price** - The minimum acceptable price for order execution.
- **Maximum Price** - The maximum acceptable price for order execution.
- **Maximum Deviation from Last Price (warning / reject)** - The most aggressive acceptable deviation, in percentage, from the last price.
- **Minimum Size** - The minimum order size that can be submitted.
- **Maximum Size (warning / reject)** - The maximum order size that can be submitted.
- **Minimum Notional Value** - The minimum value of an order based on the price and size.
- **Maximum Notional Value (warning / reject)** - The maximum value of an order based on the price and size.
- **Price Step (Tick Size)** - The minimum price increment at which orders can be placed or executed.
- **Lot Size** - The minimum quantity increment at which orders can be placed or executed.
- **Per Transaction** - The maximum value of an order based on the price and size.
- **Per Day** - The maximum aggregated value of executed orders and outstanding orders in a rolling 24-hour window.
- **Per Month** - The maximum aggregated value of executed orders and outstanding orders in a rolling 30-day window.
- **Order Throttles** - Enforce limits on the number or frequency of orders or order instructions that can be submitted within a specified timeframe to prevent excessive order flow or potential market manipulation. The order throttles can be set differently for UI and for API.
- **Unsolicited Cancellations** - Due to system outages, disruptions or other unforeseeable events, it may be of the best interest of the clients and the market integrity to cancel some or all understanding orders in the market, initiated by the Exchange without any cancellation request from the Clients.
- **Self-Trade Prevention** - A mechanism to prohibit a Client from executing matching trades with oneself (i.e. no change of ultimate beneficial ownership), reducing the risk of manipulation or unintended trade executions within the same account.
  - ♦ Self-trade prevention mechanism rejects from the first order(s) triggering the mechanism. All outstanding orders already accepted by the Platform will not be (unsolicitedly) cancelled due to the trigger.

- ♦ Self-trade prevention will trigger when and only when the order to be sent to the Exchange may potentially match with one or more outstanding order(s) on the order book originating from the same client.
- ♦ Self-trade prevention will not trigger, for instance, if the order to be sent to the Exchange is a buy limit order below the best bid on the order book, as it will not potentially match with any outstanding sell order originating from the same client.

## Fees

- The fee can be set differently for maker orders and taker orders.
- The fee can be set differently for different VIP Tiers, where the tiering can be determined by different criteria including but not limited to 30-day trading volume, account value, or other discretionary factors made by Gate.HK and communicated to the clients.
- The fee can be set differently for each token and/or for each order type.
- The calculated fee will be withheld by the Platform from the account balance of the client as the order is sent to the market.
  - ♦ If the order is cancelled, expired, or otherwise not fully filled and no longer outstanding in the market, the fee corresponding to the unfilled portion of the order will be refunded back to the account balance of the client.
  - ♦ The fee corresponding to the filled portion of the order will be charged (from the withheld amount).

## Disclaimer

While Gate.HK strives for accuracy and completeness in the documentation and communication of our trading rules, discrepancies or inconsistencies may occasionally arise between the information presented within these Trading Rules and descriptions found elsewhere on our website or in other official documentation. In such cases, Gate.HK reserves the sole and absolute discretion to resolve any inconsistency in a manner that best reflects our regulatory obligations and commitment to fair trading practices.

Furthermore, it is acknowledged that any terms and conditions agreed upon with individual clients, whether through specific agreements or contracts, shall take precedence over the Trading Rules as outlined on this website.

Gate.HK operates with the utmost respect for the laws and regulations governing our activities. We have no intention of conducting our exchange operations in a manner that is inconsistent with any applicable legislation or regulation. In the event of any conflict or inconsistency between our Trading Rules and the laws of the Hong Kong Special Administrative Region (HKSAR), the latter shall prevail.

By participating in trading activities on Gate.HK, clients acknowledge and agree to these disclaimers, underscoring their understanding of the legal and regulatory framework within which we operate. We

encourage all users to review these provisions carefully and to consult with legal advisors should they have any questions regarding their trading activities and the applicable regulatory environment.