**Detailed Rules of RBD Palm Olein Futures of Dalian Commodity Exchange**

**(Amended Version)**

**Chapter I General Provisions**

1. The Detailed Rules of RBD Palm Olein Futures of Dalian Commodity Exchange (the "**Detailed Rules**") are formulated pursuant to the *Trading Rules of Dalian Commodity Exchange* and the *RBD Palm Olein Futures Contract of Dalian Commodity Exchange* for the purpose of standardizing the trading of RBD palm olein futures contracts.
2. Dalian Commodity Exchange (the "**Exchange**"), its Members, the overseas brokers, the clients, the designated delivery warehouses, the designated quality inspection agencies, the designated futures margin depositary banks and other participants in the futures market shall comply with the Detailed Rules.
3. Where it is not provided in the Detailed Rules, the relevant rules of the Exchange shall apply.

**Chapter II Principle Terms of the Contract and Relevant Parameters**

1. The quality standards for the standard deliverable products under the RBD palm olein futures contract are detailed in the *RBD Palm Olein Delivery Quality Standards of Dalian Commodity Exchange (F/DCE P002-2011)* as Annex 1 attached hereto.
2. The RBD palm olein futures contract shall take the form of physical delivery.
3. The delivery warehouses designated for RBD palm olein shall be divided into the benchmark delivery warehouses and the non-benchmark delivery warehouses (detailed in the *List of Delivery Warehouses Designated for RBD Palm Olein of Dalian Commodity Exchange* as Annex 2 attached hereto), and may be adjusted by the Exchange as the case may be.
4. The contract months of the RBD palm olein futures contract are January, February, March, April, May, June, July, August, September, October, November and December.
5. The trading unit of the RBD palm olein futures contract is 10 MT/ Lot.
6. The price quote unit of the RBD palm olein futures contract is CNY/MT.
7. The minimum tick size of the RBD palm olein futures contract is 2 CNY/MT.
8. The maximum quantity of orders placed each time for the RBD palm olein futures contract shall be one thousand (1,000) lots.
9. The standard of trading margins, price limit range and position limit under the RBD palm olein futures contract shall be subject to the relevant provisions of the *Measures for Risk Management of Dalian Commodity Exchange*.
10. The last trading day of the RBD palm olein futures contract is the tenth trading day of the contract month.
11. The last delivery day of the RBD palm olein futures contract is the third trading day after the last trading day.
12. The ticker symbol of the RBD palm olein futures contract is P.

**Chapter III Delivery and Clearing**

Section I General Provisions

1. The RBD palm olein futures contract may apply the exchange of futures for physicals (the "**EFP**"), rolling delivery and one-off delivery, the detailed procedures of which are provided in the relevant provisions of the *Measures for Delivery Management of Dalian Commodity Exchange* and the *Measures for Clearing Management of Dalian Commodity Exchange*.
2. Where the parties to the trading file an EFP application of the standard warehouse receipts, they shall submit legal and valid qualification certificates for receiving or issuing VAT invoices in addition to the relevant EFP application materials under the *Measures for Delivery Management of Dalian Commodity Exchange*.

Where a client engages in the one-off delivery, it shall submit the legal and valid qualification certificate for receiving or issuing VAT invoices to the Exchange before 14:30 of the handover day through the Member. If it fails to submit within the specified time limit, it shall be deemed as not qualified for receiving or issuing VAT invoices and the relevant provisions of the *Measures for Delivery Management of Dalian Commodity Exchange* shall apply.

1. The standard warehouse receipt of the RBD palm olein shall be divided into the standard warehouse receipt of storage warehouse and the standard factory warehouse receipt.
2. The differences of quality discounts and/or premiums of the RBD palm olein futures contract shall be settled between the owner of the commodities and the designated delivery warehouse.
3. The dedicated VAT invoice shall be issued for delivery of RBD palm olein.
4. The delivery commissions for RBD palm olein shall be CNY one (1) per ton; the inspection fees shall be CNY three (3) per ton; the storage and dissipation fees (including the warehousing fees, custody dissipation, fumigation fees) shall be CNY zero point nine (0.90) per day per ton.
5. During the course of the RBD palm olein futures trading, in case that war, social instability, natural disasters or other events are exerting, or are going to exert, significant impacts upon the imports of RBD palm olein, the Chief Executive Officer of the Exchange may take emergency measures such as adjusting the opening and closing time of the market, suspending or terminating trading. Upon settlement on the relevant day when the trading is terminated, the Exchange may liquidate positions of all or part of the RBD palm olein contract months based on the settlement price of the immediately preceding trading day.

Section II Standard Warehouse Receipt Delivery

1. The *Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange* shall apply to the generation, circulation and deregistration of the standard warehouse receipts, if not provided in the Detailed Rules.
2. A Member shall pay the notice of intent to deliver earnest money to the Exchange as per the standard of CNY thirty (30) per ton when it handles the notice of intent to deliver.
3. The owner which has fully completed the notice of intent to deliver shall, before consignment, notify the designated delivery warehouse of the vehicle or vessel number, products, quantity, arrival time and other information, and the designated delivery warehouse shall reasonably arrange for receipt and loading-in of the commodities.
4. The receiving and consigning weights of the RBD palm olein shall be subject to the weighting by the designated delivery warehouse through measurement of wagon balance for automobile transport, through measurement of train tank ruler-metering for train transport, or through measurement of oil storage tank ruler-metering for vessel transport.
5. The designated delivery warehouse shall inspect the RBD palm olein loaded in the warehouse subject to the applicable provisions of the Exchange. In case the inspection results are conforming, the designated delivery warehouse shall submit the relevant inspection report to the Exchange.
6. The designated delivery warehouse shall take one (1) oil pool, one (1) oil tank or one (1) vehicle or train tank as an inspection unit, upon inspection the RBD palm olein loaded in the warehouse subject to the applicable provisions of the Exchange.
7. The deregistration of standard warehouse receipts shall be carried out against the standard warehouse receipts of the RBD palm olein within three (3) trading days following the last delivery day.
8. When the RBD palm olein is loaded out of the storage warehouse, the owner which holds the Notice to Load Out or load-out password shall contact the designated delivery warehouse for the loading-out matters five (5) calendar days prior to the actual pickup date, and shall pick up the commodities at the designated delivery warehouse within ten (10) working days (inclusive of the tenth working day) after the deregistration of standard warehouse receipts.
9. When the RBD palm olein is loaded out of the factory warehouse, the owner shall pick up the commodities at the factory warehouse within four (4) calendar days (inclusive of the fourth calendar day) following the deregistration day of standard warehouse receipts (exclusive of the deregistration day). The factory warehouse shall commence consignment within four (4) calendar days (inclusive of the fourth calendar day) following the deregistration day of standard warehouse receipts (exclusive of the deregistration day).

When the RBD palm olein is loaded out of the factory warehouse, the factory warehouse shall carry out the sampling under the owner's supervision, and the samplings shall be sealed after being confirmed by both parties and shall be preserved for fifteen (15) calendar days following the consignment day as the basis for handling any quality dispute.

1. Where the factory warehouse consigns commodities to the owner at a speed no higher than the daily consignment speed but the owner fails to pick up the commodities due to its transportation capability or any other reason attributable to the owner, the owner shall pay to the factory warehouse the late fee as per the quantity of the commodities which shall be, but fail to be, picked up. The late fee is determined as follows:
2. from the starting date of goods pick-up (inclusive of the pick-up day), for each day, the amount of late fee on the then-current day shall be figured out by multiplying the quantity of the goods which shall be picked up but fail to be picked up on the then-current day by the corresponding amount of late fee;
3. to the completion date of goods pick-up (exclusive of the pick-up day), the total amount of late fee which the owner shall pay to the factory warehouse shall be figured out on the basis of totaling the daily amount of late fee.

The amount of late fee is CNY 2/Ton\*Day.

1. If the pick-up is carried out after expiry of the pick-up period (exclusive of the then-current day) and within nineteen (19) calendar days (exclusive of the then-current day) following the deregistration of the standard warehouse receipt (exclusive of the deregistration day), the owner shall pay the late fee to the factory warehouse, and the factory warehouse shall assume the liability related to the commodity quality, consignment time and consignment speed pursuant to the futures standards, until all the futures commodities have been consigned.

The late fee shall be determined according to the following method:

1. from the date of expiration of pick-up period (inclusive of the expiration day), for each day, the amount of late fee on the then-current day shall be figured out by multiplying the quantity of the goods which shall be picked up but fail to be picked up on the then-current day by the corresponding amount of late fee;
2. to the completion date of pick-up (exclusive of the pick-up day), the total amount of late fee which the owner shall pay to the factory warehouse shall be figured out on the basis of totaling the daily amount of late fee.

The amount of late fee is CNY 2/Ton\*Day.

1. If the owner picks up the commodities at the factory warehouse after nineteen (19) calendar days (exclusive of the then-current day) following the date of deregistration of the standard warehouse receipt (exclusive of the deregistration day), the owner shall pay the late fee to the factory warehouse as calculated in the following formula, and the factory warehouse shall assume no liability related to the commodity quality, consignment time and consignment speed under the futures standards.

Amount of late fee = CNY 2/Ton\*Day × Quantity of all the commodities × 19 Days

1. Where the factory warehouse fails to consign commodities according to the required daily consignment speed but timely completes the consignment of all the commodities, the factory warehouse shall compensate the owner.

Amount of compensation = Delivery settlement price of the last delivery month of such commodity × Quantity of the commodities which shall be, but fail to be, consigned according to the required daily consignment speed × 5%

1. Where the factory warehouse fails to timely complete the consignment of all the commodities, the factory warehouse shall, in addition to the compensation provided in Article 33, compensate the owner as follows: amount of compensation= Delivery settlement price of the last delivery month of such commodity × Quantity of the commodities which shall be, but fail to be, consigned according to the total quantity of the commodities × 5%. In addition, the following procedures shall apply to such failure:
2. the Exchange shall supply to the owner the physical commodities of the same quality and quantity of other factory warehouses or locations and bear all the costs and expenses arising out of or in connection with the adjustment of the delivery site and the delayed consignment.
3. where the Exchange fails to supply the above commodities, the Exchange shall refund to the owner the payment of the commodities and compensate the owner.

Amount of refunded payment of commodities and compensation = Delivery settlement price of the last delivery month of such commodity × Quantity of the commodities which shall be, but fail to be, consigned according to the total quantity of the commodities × 120%

1. In the event of any violation by the factory warehouse described in Article 33 or 34, the compensation shall firstly be paid to the owner by the factory warehouse. Where the factory warehouse fails to pay such compensation or the amount of compensation is insufficient, it shall be handled by the Exchange according to the relevant provisions of the *Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange*.

**Chapter IV Supplementary Provisions**

1. Any violation of the Detailed Rules shall be handled by the Exchange subject to the applicable provisions of the *Measures against Rule Violations of Dalian Commodity Exchange* and other rules.
2. The Exchange reserves the right to interpret the Detailed Rules.
3. The Detailed Rules shall come into force on July 1, 2019.

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