Attachment 3

**Measures for Delivery Management of Dalian Commodity Exchange**

**(Amendment)**

1. Only institutional clients can apply for EFP. The EFP term shall be as of the contract listing date through the last but two trading day (inclusive) of the month preceding the delivery month. Where the detailed rules of No. 2 soybean, eggs, live hog or other futures products stipulate otherwise in respect of the EFP term, such stipulation shall prevail.
2. The first day of the Daily Selective Delivery process shall be the matching day.
3. *The seller declares the delivery*. During the delivery month, the seller client may file, through the Member, an application for delivery, and the Member may declare the delivery to the Exchange prior to 11: 30 on each trading day as of the first trading day of the delivery month through the trading day immediately preceding the last trading day. If the standard warehouse receipt is adopted for delivery, the standard warehouse receipt corresponding to the proposed delivery application shall be frozen, and the trading margins corresponding to its selling positions shall not be refunded. If FOT Delivery is adopted, the delivery application shall contain the corresponding designated FOT Delivery site and delivery quantity (unit: lot), and the trading margins corresponding to its selling positions shall not be refunded. The Exchange shall review the above applications and publish the approved seller's delivery applications after 13:30 on each trading day. The published delivery application shall not be revoked and is only valid on the then-current day.

In the event that the one-way selling positions held by the seller client are less than the declared and approved positions of the seller client in the delivery matching, the Exchange will prohibit the client from seller declaration of daily selective delivery on such product for one year from the date of this declaration.

Where the *Detailed Rules of Live Hog Futures of Dalian Commodity Exchange* stipulates otherwise in respect of the seller's delivery declaration, such stipulation shall prevail.

1. *The buyer declares the intent*. The buyer which holds the one-way buying positions of the delivery month shall declare the delivery intent to the Exchange as of the first trading day of the delivery month but prior to the market close of the trading day immediately preceding the last trading day. The buyer may declare two delivery intents based on the delivery applications published by the Exchange, including the first intent and the second intent, and the intent priority orders are as below: (i) with respect to any buyer, its first intent shall be firstly considered, and in case the first intent is not satisfied or not fully satisfied, the second intent shall then be considered; and (ii) with respect to any designated delivery warehouse or designated FOT Delivery site, its first-intent buyers shall be firstly considered, and in case there are remaining standard warehouse receipt delivery or FOT Delivery intents, its second-intent buyers shall then be considered.
2. ……

For standard warehouse receipts of group delivery warehouses, delivery intents shall be declared in the unit of sub-warehouse for delivery matching.

1. After the market close on the matching day, the buyer Member's trading margins which match the buying position shall be transformed to be the delivery advance; and the seller Member's trading margins which match the selling position shall be transformed to be the delivery margins. Where the *Detailed Rules of Live Hog Futures of Dalian Commodity Exchange* stipulates otherwise, such stipulation shall prevail.
2. Within one (1) trading day following the matching day, the buyer Member shall, pursuant to the provisions of the tax authority, notify to the seller Member the specific information for issuing the VAT common invoice; and the seller Member shall submit to the buyer Member the VAT common invoice corresponding to the actually delivered goods within seven (7) trading days after the Exchange makes eighty percent (80%) of the payments. Where the *Detailed Rules of Live Hog Futures of Dalian Commodity Exchange* stipulates otherwise, such stipulation shall prevail.

……

1. ……

The delivery settlement price of One-off Delivery shall be the weighted average price of all trade prices of the futures contract during the period as of the first trading day of the delivery month through the last trading day thereof. Where the detailed rules of eggs, ethylene glycol, ethenylbenzene, liquefied petroleum gas, live hog or other futures products stipulate otherwise, such stipulation shall prevail.

1. With respect to the delivery matters regarding group delivery warehouse, storage and loss fees shall pay to sub-warehouse; loading-in and loading-out, miscellaneous operation fees and other exchange related provisions of fees are undertaken by owner and sub-warehouse. The receipt for storage and loss fees, fees of loading-in and loading-out, miscellaneous operation fees, and other fees' is to be issued by sub-warehouse. The quality premium/discount price difference and receipt are to be received and handled by sub-warehouse.

With respect to the corn warehouse receipts of the non-northeast area sub-warehouses, when the owner chooses to pick up goods at the corresponding warehouse located at the northeast area, the specific provisions related to the payment settlement and invoicing shall be separately promulgated by the Exchange.

*Note: Contents newly added are in shade; clauses unchanged are represented by ellipsis.*

**Measures for Delivery Management of Dalian Commodity Exchange**

**(Amended Version)**

**Chapter I General Provisions**

1. The *Measures for Delivery Management of Dalian Commodity Exchange* (the "**Measures**") are formulated subject to the *Trading Rules of Dalian Commodity Exchange* for the purposes of ensuring the normal operation of the futures delivery of Dalian Commodity Exchange (the "**Exchange**") and standardizing the physical delivery.
2. The commodity futures contracts listed in the Exchange shall take the form of physical delivery (the "**Physical Delivery**"). The Physical Delivery refers to the course in which pursuant to the contracts and rules of the Exchange, parties to the trading close the open contracts(s) through the transfer of the title to the commodities described in the futures contract(s).
3. The Physical Delivery of the clients shall be handled by the Members and carried out in the name of the Members at the Exchange.

Where a client engages an overseas broker to carry out the futures trading, it shall engage its overseas broker to handle the delivery. The overseas broker shall then engage the Member to handle such delivery and in the name of the Member at the Exchange.

1. The futures Physical Delivery may be carried out through the standard warehouse receipt delivery or otherwise.
2. The futures Physical Delivery may take the form of the Exchange of Futures for Physicals (the "**EFP**"), the Bill of Lading Delivery, the Rolling Delivery, the Daily Selective Delivery, the One-off Delivery and other processes prescribed by the Exchange.
3. Delivery of the following positions shall be prohibited:
4. Any individual client's positions;
5. Any non-integral multiple of delivery units of the positions of coke, coking coal, iron ore or No.2 soybean;
6. Corresponding products positions of any entity clients that are not qualified for manufacturing, operating or using the ethenylbenzene or the liquefied petroleum gas;
7. RBD palm olein positions of any entity clients that cannot receive or issue VAT invoices.

As of the first trading day of the delivery month, the Exchange shall carry out the forced position liquidation against the positions of the individual client's delivery month contracts.

With respect to the contracts of the products other than coke, coking coal, iron ore, No. 2 soybean, ethenylbenzene or liquefied petroleum gas in case the positions of the individual client's delivery month contracts fail to close out or be closed out after the market close on the last trading day, the Member shall firstly perform such contracts on behalf of such individual, or in case the Member fails to perform such contracts, the applicable provisions of Chapter IX hereof shall apply.

With respect to the contracts of coke, coking coal, iron ore, No.2 soybean, ethenylbenzene or liquefied petroleum gas in case the positions of the individual client's delivery month contracts or the non-integral multiple of the delivery units fail to close out or be closed out after the market close on the last trading day, the Exchange shall choose the counterparty's positions and carry out the hedging liquidation at the liquidation price of the delivery settlement price of such contracts under the principle of "the prohibited delivery positions come first, and the integral multiple of delivery units of the positions which include the positions of the shortest time come first", and a fine of twenty percent (20%) of the contract value calculated at delivery settlement price shall be imposed, and paid to the counterparty, against the portions of the positions which are held by the client and are not permitted to be delivered. In case both of the hedging parties are the clients holding the positions not permitted to be delivered, a fine of twenty percent (20%) of the contract value calculated at delivery settlement price will be respectively imposed by the Exchange against such parties and will not be paid to each other.

If the positions held by the entity clients not qualified for manufacturing, operating or using the ethenylbenzene and liquefied petroleum gas or the entity clients of the RBD palm olein futures contracts that cannot receive or issue VAT invoices are matched during Rolling Delivery and One-off Delivery, the Exchange shall impose a fine of twenty percent (20%) of the contract value calculated at the delivery settlement price against such entity client before the market close on the handover day and such fine shall be paid to the counterparty. If both of the matched parties are clients prohibited from delivery, the Exchange shall impose a fine of twenty percent (20%) of the contract value calculated at the delivery settlement price against both parties and such fine will not be paid to each other.

1. The delivery of the commodity futures contracts listed in the Exchange shall be carried out subject to the Measures. The Exchange, Members, overseas brokers, clients, designated delivery warehouses, designated vehicle board delivery sites, designated quality inspection agencies and other delivery participants shall comply with the Measures.

**Chapter II EFP**

1. The EFP means that the trading parties which hold the contracts of the same delivery month enter into a physicals sale and purchase agreement through negotiations, and close their respective futures positions at the price described therein and exchange the payments and physicals of the corresponding quantities.
2. The EFP shall be divided into the standard warehouse receipt EFP and the non-standard warehouse receipt EFP. The standard warehouse receipt EFP shall be divided into the duty-paid standard warehouse receipt EFP and the Bonded Standard Warehouse Receipt EFP (the "**Bonded EFP**").
3. Only institutional clients can apply for EFP. The EFP term shall be as of the contract listing date through the last but two trading day (inclusive) of the month preceding the delivery month. Where the detailed rules of No. 2 soybean, eggs, live hog or other futures products stipulate otherwise in respect of the EFP term, such stipulation shall prevail.
4. The following materials shall be submitted to the Exchange after a physicals sale and purchase agreement has been entered into by and between the parties to the trading:
5. an EFP application;
6. the physicals sale and purchase agreement;
7. the relevant certification of the payments; and
8. the relevant certification of the standard warehouse receipts, the entrance receipts, the inventory receipts and other goods ownership certifications.

Where the detailed rules of No. 2 soybean, ethenylbenzene, liquefied petroleum gas, RBD palm olein or other futures products stipulate otherwise in respect of the application materials for the EFP, such stipulation shall prevail.

1. Where any EFP is conducted through any standard warehouse receipt, the Member shall file its application to the Exchange before 11:30 a.m. of the trading day, and the Exchange shall grant its approval of such application on the then-current day.

Before 11:30 a.m. of the approval day, the seller Member shall submit the standard warehouse receipts of the appropriate quantities to the Exchange, and the buyer Member shall transfer the full payments calculated at the agreed price to the Exchange's account.

1. Where an EFP is conducted through any non-standard warehouse receipt, the Exchange will grant its approval within three (3) trading days after the Exchange receives the application.
2. The Exchange shall be responsible for handling the handover of the standard warehouse receipt and the transfer of the payments with respect to the standard warehouse receipt EFP. For its specific processes, please refer to the *Measures for Clearing Management of Dalian Commodity Exchange*. The commissions shall be charged by reference to the standards for the delivery commissions. Where the detailed rules of No. 2 soybean or other futures products stipulate otherwise, such stipulation shall prevail.
3. Where the handover of the goods and the payments with respect to the non-standard warehouse receipts EFP is handled independently by the parties to the trading, it shall be negotiated and determined by the parties themselves; if the Exchange is entrusted with the receipt and payment of the payments, the specific processes therefor are provided in the *Measures for Clearing Management of Dalian Commodity Exchange*. The commissions therefor shall be charged by reference to the standards for the trading commissions, but where the detailed rules of No. 2 soybean or other futures products stipulate otherwise, such stipulation shall prevail. The Exchange shall not undertake any responsibility for the handover and the payments of the goods with respect to the non-standard warehouse receipts EFP

Where an EFP is conducted through any non-standard warehouse receipt, the parties to the trading shall, after the completion of the physicals trading, submit to the Exchange the certification for the handover of the goods. The parties to the trading shall also need to submit the certification of payments for goods to the Exchange if the receipt and payment of the payments are handled by themselves. The Exchange shall have the authority to supervise and examine the conducts of the parties to the trading with respect to the physicals trading.

1. Upon settlement of the EFP on the approval date, the Exchange shall settle the EFP positions of the parties to the trading at the agreed price, and any profit or loss shall be included in the then-current day liquidation profit or loss.
2. The EFP positions shall be deducted from the then-current day positions, and the trading results shall not be included in the then-current day settlement price and trading volume. After ending of each trading day, the Exchange shall publish the EFP information of the then-current day.
3. Any non-bona fide EFP act shall be handled pursuant to the applicable provisions of the *Measures against Rule Violations of Dalian Commodity Exchange*.
4. With respect to the bonded EFP, the applicable provisions of the detailed rules of the futures products adopting Bonded Delivery shall be applied.

**Chapter III Bill of Lading Delivery**

1. The Bill of Lading Delivery shall refer to, during the prescribed period of the month immediately preceding the delivery month, the physical delivery of which the handover is carried out upon the initiative application by the seller and the buyer, under the matching organized by and the supervision by the Exchange and subject to the prescribed procedures.

The commodities under the Bill of Lading Delivery may be the duty-paid commodities or the bonded commodities. All the commodities under a same Bill of Lading Delivery shall be either the duty-paid commodities or the bonded commodities.

The products which may apply the Bill of Lading Delivery are stipulated by the Exchange in the detailed rules for of relevant futures products.

The delivery site therefor shall be selected from the delivery sites designated by the Exchange which will be separately published by the Exchange.

1. The Bill of Lading shall refer to the physicals pickup certification issued by the seller to the buyer after the buyer completes the inspection of, and confirmation of the conformity of, such commodities and the inventory port confirms the transfer of the title to the commodities.

The contents of the Bill of Lading shall include the buyer's name, seller's name, name of the inventory port, name of the goods, quantities, quality, warehousing site, status of the goods (duty-paid commodities or bonded commodities), issuing date and otherwise. The Bill of Lading must be confirmed through sealing by the buyer, the seller and the inventory port.

1. The Bill of Lading delivery shall be handled by the Members on behalf of the overseas brokers and clients. The Non-Futures Company Member may handle it by itself. Where the client engages the overseas broker to carry out the futures trading, its Bill of Lading delivery shall be handled through its overseas broker which shall then engage the Member to handle such delivery.

The total quantities of the Bill of Lading delivery applications filed by the client shall not exceed its positions of the same direction.

The quantities of each Bill of Lading delivery application are specified in the detailed rules for relevant futures products.

1. The Bill of Lading delivery application and matching shall be subject to the following provisions:
2. during the period as of the tenth trading day of the month immediately preceding the delivery month through the fourteenth trading day of the month immediately preceding the delivery month, the buyer client may file, through its Member and prior to the market close on each trading day, more than one intent application containing the quantities and the handover site(s); only one handover site is permitted for each application. The Exchange shall summarize the buyer's application quantities and sites after the market close on the then-current day, and publish them through the electronic warehouse receipt system, the Exchange's website or otherwise.
3. prior to or at 14:00 of the second trading day after the buyer files the intent application, the seller client may file, through its Member and on the basis of the buyer's intent published on the preceding trading day, more than one intent application containing the quantities and the handover site(s). Such application may contain the intent buyers for reference upon matching, and each individual application may contain two (2) intent sites and two (2) intent buyers to the maximum.
4. the matching day shall be the day when the seller files the application. After the market close on the matching day, the Exchange shall organize the matching under the principle of the maximum delivery quantity by reference to the intent buyers and intent sites proposed by the seller. Once the matching result is determined, it may not be modified by the buyer or the seller.
5. After the market close on the matching day, the delivery matching positions shall be closed at the settlement price of the matching day. The delivery settlement price shall be the then-current day settlement price of the matching day. The trading margins of the buying positions shall be transformed to be the delivery advances, and the trading margins of the selling positions shall be transformed to be the delivery margins.

Upon filing an application, the client shall concurrently inform the Exchange of its contact persons and their contact information. After the market close on the matching day, the Exchange shall send the matching results, the contact persons and the contact information respectively to the buyer Member and the seller Member through the electronic warehouse receipt system. The matching results will be at the same time published through the website of the Exchange and in other ways. Sending thereof shall be deemed to be completed upon sending by the system. After receipt of the matching information, the buyer and the seller shall proactively communicate with each other and negotiate the handover of the goods.

1. The notification date shall be the third calendar day preceding the vessel arrival at the port or the inspection of the goods already at the port. In case the third calendar day does not fall on a trading day, the notification date will be the immediately preceding trading day.

The seller Member shall send the delivery site, estimated date of the goods arrival at the port, quantity, name of the vessel, Bill of Lading number, status of the goods (duty-paid commodities or bonded commodities) and otherwise to the Exchange through the electronic warehouse receipt system. After the market close on the notification date, it will be sent by the Exchange to the buyer Member through the electronic warehouse receipt system. The seller shall promptly notify the buyer in case of any change to the date of the goods arrival at the port or any other information.

1. Prior to the closing of market on the third calendar day after the notification date (in case the third calendar day does not fall on a trading day, it shall be postponed to the immediately following trading day), the buyer's delivery advances and the seller's delivery margins shall be additionally paid to reach twenty percent (20%) of the value of the matched contracts. After the market close, the transfer thereof shall be made by the Exchange from the appropriate Member's settlement reserves.
2. The last notification date shall be the last but two trading day of the month immediately preceding the delivery month. In case the seller still fails to send the notification information, prior to the market close on the third calendar day after the final notification date (in case the third calendar day does not fall on a trading day, it shall be postponed to the immediately following trading day), the buyer's delivery advances and the seller's delivery margins shall be additionally paid to reach twenty percent (20%) of the value of the matched contracts. After the market close, the transfer thereof shall be made by the Exchange from the appropriate Member's settlement reserves.
3. The confirmation of the handover of the goods may be subject to the following procedures:
4. the seller notifies the buyer ten (10) hours prior to the unloading (or inspection) of the goods, and the buyer and the seller arrive at the site and supervise the receipt thereof.
5. the quality inspection agency engaged by the buyer shall carry out sampling during the unloading or the stacking. The inspection items shall follow the quality standards for the futures delivery. The samplings shall be kept for two (2) months. The inspection fees shall be borne by the buyer, and the other fees shall be borne by the seller.
6. the weighting of the goods shall be subject to the wagon balance or other weight measurement method recognized by both parties. Firstly, the weight shall be discounted as per the contract provisions on the basis of the moistures tested upon lading to have the full weight ascertained; and the conclusive basis shall be the moisture test result issued by the quality inspection agency upon the handover of the goods; and more or less of three percent (3%) shall be permitted. Rounding off shall be made to have an integer upon discounting.

*Example:* If the weight of the dry basis to be handed over is ten thousand (10,000) tons, the moisture test result is 6% upon lading and 8% upon unlading, then the full weight upon unlading shall be 10,000÷(1-6%)=10638 tons; and if the actual weight upon unlading is *a* tons, then the finally actual handed over weight shall be *a×(1-8%)* tons, and the more or less shall be *[a×(1-8%)-10,000]* tons.

1. on the very day when the unloading is completed, the seller shall fill in the handover details through the electronic warehouse receipt system on the basis of the weight note issued by the port, which shall be confirmed by the buyer on the then-current day, and the Exchange shall otherwise deem that the buyer has no objection in case of any delay.

In case the subject matters to be handed over are duty-paid commodities, the buyer, the seller and the port shall confirm matters regarding the handover of the goods after the buyer completes the quality inspection and the seller completes the customs clearance; or in case the subject matters to be handed over are bonded commodities, the buyer, the seller and the port shall confirm matters regarding the handover of the goods after the buyer completes the quality inspection. After *confirmation* thereof, the seller Member shall fill in the Handover Confirmation Notification through the electronic warehouse receipt system no later than 14:00 of the immediately following trading day, the buyer Member shall complete the confirmation thereof prior to or at 14:30 on the day when the seller fills in the Handover Confirmation Notification, and the Exchange shall otherwise deem that the buyer has no objection in case of any delay. At the same time, the buyer shall submit the effective Bill of Lading to the Exchange through facsimile or any other written form, with the original to be kept by the client for future reference.

In case the subject matters to be handed over are bonded commodities, and if the buyer needs to handle the import customs clearance, the buyer shall, within ten (10) working days (inclusive of the tenth working day) after the issuance date of the Bonded Delivery Settlement Statement (for customs clearance use only), hold the Bonded Delivery Settlement Statement (for customs clearance use only) to handle the import customs clearance formalities according to the applicable provisions of the customs.

1. In case the buyer and the seller do not carry out the handover confirmation pursuant to the above procedures, they shall fill in the Handover Confirmation Notification through the electronic warehouse receipt system prior to or at 14:00 on the then-current day of confirmation, and at the same time, shall execute and submit the Quality and Quantity Confirmation Letter for the Handed Over Goods (the Quality and Quantity Confirmation Letter for the Handed Over Goods is detailed in the detailed rules for the of relevant futures products) to the Exchange through facsimile or any other written form; the Exchange will not accept any application of any dispute arising out of or in connection with the handed over quality and/or quantity; and the original shall be submitted to the Exchange within three (3) working days.
2. After the market close on the then-current day of receipt of the Handover Confirmation Notification, the Exchange shall send to the buyer Member an additional payment notice (inclusive of the more or less amounts and the discount and/or premium) through the Member service system. The payments of the duty-paid commodities shall be calculated on the basis of the delivery settlement price. The payments of the bonded commodities shall be calculated on the basis of the delivery settlement price after deduction of the import VAT, import duty, consumption tax and other tax; and the discount and/or premium of the bonded commodities shall be the bonded discount and/or premium which is calculated on the basis of the discount and/or premium after deduction of the import VAT, import duty, consumption tax and other tax.

Bonded Delivery settlement price = [(the delivery settlement price − the relevant fees) / (1 + the import VAT rate) − the consumption tax] / (1 + the import duty rate)

The bonded premiums/premiums = the premiums/discounts /(1+the import VAT rate) /(1+the import duty rate)

The "relevant fees" in paragraph 2 of this Article shall include the fees and expenses related to the customs clearance, quarantine inspection and agency services of the commodities import and it shall be separately published by the Exchange; the formula shall be applicable to the futures products against which the consumption tax is collected on the basis of their quantity and the customs duty is collected on the basis of their prices, and the calculation formula of the Bonded Delivery settlement price of the other products shall be separately determined by the Exchange.

1. The handover day shall be the day immediately following the date when the Exchange receives the Handover Confirmation Notification.

Prior to the market close on the handover day, the buyer Member shall transfer to the Exchange's special settlement account the difference between the payments of the delivery buying positions (inclusive of the more or less amounts and the discount and/or premium) and the delivery advances. In case the subject matters to be handed over are bonded commodities, the seller Member shall deliver to the Exchange the VAT common invoice. After the market close, in case the subject matters to be handed over are duty paid commodities, the Exchange shall release the seller's delivery margin, and pay eighty percent (80%) of the payments to the seller, and the remaining payments shall be fully settled after the seller submits the VAT special invoice. In case the subject matters to be handed over are bonded commodities, the Exchange shall release the seller's delivery margin, and pay the bonded payments to the seller.

In case the subject matters to be handed over are duty paid commodities, the invoices and other documents, vouchers and/or receipts acceptable by the Exchange shall be issued by the seller clients of delivery to the corresponding buyer clients, and shall be forwarded and obtained by, and confirmed with assistance from, the Members of the parties.

In case the subject matters to be handed over are bonded commodities, the domestic seller client shall issue to the seller Member the VAT common invoice, and the overseas seller client or the overseas broker shall issue to the seller Member the corresponding certificate of receipt. The seller Member shall issue to the Exchange the VAT common invoice. The Exchange shall issue to the buyer Member the VAT common invoice. The buyer Member shall issue to the buyer client and the overseas broker the VAT common invoice.

1. The buyer shall, within seven (7) working days as of the date immediately following the completed sampling but prior to the trading date immediately prior to the last trading day, submit the quality inspection report respectively to the Exchange and the seller; the buyer Member shall fill in through the electronic warehouse receipt system the quality inspection information of the commodities to be handed over, and the seller shall confirm the inspection result prior to the market close of the trading day immediately following the day when the buyer fills in the quality inspection information.

The seller which has any objection to the inspection result issued by the buyer shall file an application for re-inspection to the Exchange prior to the market close of the trading day immediately following the day when the buyer submits the inspection report. The Exchange shall choose a re-inspection agency from the designated quality inspection agencies, and the re-inspection result with respect to the sealed samplings upon unlading shall be the basis for settlement of the dispute. It shall be deemed that there is no objection thereto in case of no application within the said period.

In case of any dispute proposed by the seller, the re-inspection fees shall be pre-paid by the seller; the fees and expenses arising out thereof or in connection therewith (including the inspection fees, the travel expenses and otherwise) shall be borne by the seller if the difference between the re-inspection result and the former inspection result falls within the reasonable deviations described in the applicable standards, otherwise the fees shall be borne by the buyer.

1. In case the subject matters to be handed over are bonded commodities, the Exchange shall issue to the seller the Bonded Delivery Settlement Statement (for tax use only and for accounting use only) and issue to the buyer the Bonded Delivery Settlement Statement (for accounting use only), as the documents for the clients to make tax declaration; or in case there is the need for customs clearance for import, the Exchange shall issue to the buyer the Bonded Delivery Settlement Statement (for customs clearance use only), as the document for the buyer to handle the customs clearance for import. In addition to the price information, the Bonded Delivery Settlement Statement shall contain the name of the warehouse, actual quantity, delivery time, delivery method (in the column of which the "Bill of Lading Delivery" shall be noted), the bonded premiums/discounts and other information.
2. In case no Handover Confirmation Notification is received by the Exchange prior to the market close of the last trading day, handling shall be carried out by the Exchange after the market close subject to the following provisions on the basis of the different circumstances:
   1. in case the handover confirmation fails to be completed between the parties as scheduled due to any reason attributable to the buyer, a punitive penalty shall be imposed by the Exchange against the buyer of twenty percent (20%) of the contract value calculated at the buyer's delivery settlement price, which shall be paid to the seller; and the delivery margins shall be refunded to the seller; and the delivery shall terminate.
   2. in case the handover confirmation fails to be completed between the parties as scheduled due to any reason attributable to the weather, overstock at the port or any other reason, the seller shall notify the Exchange on the very day when the postponement occurs, and the Exchange shall confirm the final handover time on the basis of the actual situation.
   3. in case the handover confirmation fails to be completed between the parties as scheduled due to any reason other than the weather conditions, a punitive penalty shall be imposed by the Exchange against the seller of twenty percent (20%) of the contract value calculated at the seller's delivery settlement price, which shall be paid to the buyer; and the delivery advances shall be refunded to the buyer; and the delivery shall terminate.
   4. in case the handover confirmation fails to be completed between the parties as scheduled due to any quality inspection dispute, and if the re-inspection result satisfies the Delivery Quality Standards of Dalian Commodity Exchange, the delivery shall continue; and if it fails to satisfy so, a punitive penalty shall be imposed against the seller of twenty percent (20%) of the contract value calculated at the seller's delivery settlement price, which shall be paid to the buyer; and the delivery advances shall be refunded to the buyer; and the delivery shall terminate.
3. The Bill of Lading Delivery Default shall refer to, during the prescribed period, the buyer's failure to fully pay the payments or the seller's failure to fully deliver at the prescribed site the commodities which satisfy the futures delivery quality standards.

In case the buyer commits a delivery default, a punitive penalty shall be imposed by the Exchange against the buyer of twenty percent (20%) of the contract value of the default portions calculated at the buyer's delivery settlement price, which shall be paid to the seller; and the seller's delivery margins shall be released; and the delivery shall terminate.

The calculation formula for the buyer's delivery default contract quantity is below:

In case the subject matters to be handed over are duty-paid commodities, the buyer's delivery default contract quantity (*Lot*) = [payments due and payable (*CNY*) – payments paid (*CNY*)] ÷ [delivery settlement price (*CNY/Ton*) × (1-20%) + Discount or Premium (*CNY/Ton*)] ÷ trading unit (*Ton/Lot*).

In case the subject matters to be handed over are bonded commodities, the buyer's delivery default contract quantity (*Lot*) = [payments due and payable (*CNY*) – payments paid (*CNY*)] ÷ [Bonded Delivery settlement price (*CNY/Ton*) × (1-20%) + bonded premiums/discounts(*CNY/Ton*)] ÷ trading unit (*Ton/Lot*).

In case the seller commits a delivery default, a punitive penalty shall be imposed by the Exchange against the seller of twenty percent (20%) of the contract value of the default portions calculated at the seller's delivery settlement price, which shall be paid to the buyer; and the buyer's payments shall be released; and the delivery shall terminate.

Contract quantity for the portions insufficiently delivered by the seller (*Lot*) = [weight of the commodities which should have been delivered (*Tons*) – weight delivered (*Tons*)] ÷ trading unit (*Ton/Lot*).

In case both the buyer and the seller commit the default, a fine shall be imposed by the Exchange respectively against the buyer and the seller at five percent (5%) of the contract value of the default portions calculated at the delivery settlement price.

**Chapter IV Rolling Delivery**

1. The products applying the Rolling Delivery are stipulated by the Exchange in the detailed rules of relevant futures products.
2. The Rolling Delivery shall refer to, with respect to a contract from the first trading day of the delivery month to the trading day immediately preceding the last trading day, the method of delivery that the delivery is completed within the prescribed period by the parties as organized by the Exchange on the basis of the initiative proposal thereof by the seller client which holds standard warehouse receipts (except those that have been frozen, same below) and the unilateral selling positions of the delivery month.

The delivery settlement price of the Rolling Delivery shall be the then-current day settlement price of the matching day of the Rolling Delivery of such futures contract.

1. The Rolling Delivery shall be handled by the Member on behalf of the client which files the application for delivery.
2. The first day of the Rolling Delivery process shall be the matching day.
3. *The seller declares the delivery*. During the delivery month, the client which holds both standard warehouse receipts and the unilateral selling positions of the delivery month may file, through the Member, an application for delivery, and the Member may declare the delivery to the Exchange as of the first trading day of the delivery month but prior to the market close of the trading day immediately preceding the last trading day thereof. The positions and warehouse receipts corresponding to the proposed delivery application will be frozen, and the trading margins corresponding to its selling positions will not be re-collected. With regard to the product of No. 2 soybean, delivery declaration shall only be carried out with standard factory warehouse receipts.
4. *The buyer declares the intent*. The buyer which holds the unilateral buying positions of the delivery month may declare the delivery intent to the Exchange as of the first trading day of the delivery month but prior to the market close of the trading day immediately preceding the last trading day thereof.

Where the detailed rules of liquefied petroleum gas or other futures products stipulate otherwise in respect of the seller's declaration of delivery and the buyer's declaration of intent on the Rolling Delivery matching day, such stipulation shall prevail.

1. After the market close on the matching day, the Exchange shall determine, through the system and under the principle of "priority in declaration intent and in positions containing the earliest position-opening time", the buyer's positions which participate in the matching.

With respect to the chosen buyer and the chosen seller, the Exchange shall summarize, on the basis of taking the warehouse as the unit, the quantities of the warehouse receipts declared by the seller for delivery, carry out the matching between the buyer and the warehouses under the principle of "the minimum matching quantity" and determine the warehouses corresponding to the buyer's delivery and the quantities to be delivered in such warehouses; and then, the Exchange shall carry out matching under the principle of "the minimum matching quantity" between the buyer with the matched warehouses and the seller which applies for delivery and holds the warehouse receipts of such warehouses, and determine the buyer and the seller corresponding to the delivery. Once the matching result is determined, it may not be modified by the buyer or the seller.

For standard warehouse receipts of group delivery warehouses, delivery intents shall be declared in the unit of sub-warehouse for delivery matching.

Where the detailed rules of fiberboard, liquefied petroleum gas or other futures products stipulate otherwise in respect of the matching scope, matching principle and method of the Rolling Delivery, such stipulation shall prevail.

1. After the market close on the matching day, the buyer Member's trading margins for the matched buying positions shall be transformed to be the delivery advances.
2. After the market close on the matching day, the matched positions shall be deducted from the position quantities of the delivery month contracts without any limitation with respect to the position limit. The Delivery Notice, the matching result and other Rolling Delivery information shall be sent together with the settlement statement of the matching day to the buyer Member and the seller Member through the Member service system; and sending thereof shall be deemed to be completed upon sending by the Member service system. The matching result and other information shall be published to the public through the relevant public media and/or information providers.
3. After the determination of the matching result, the buyer shall promptly provide to the seller the items related to issuance of the VAT special invoice, and the seller shall deliver to the buyer the VAT special invoice within seven (7) trading days after the matching day.

The delivery VAT special invoice shall be issued by the seller client of delivery to the corresponding buyer client. The VAT special invoice issued by the client shall be forwarded and obtained by, and confirmed with assistance from, the Members of the parties.

Any Member's delay or failure in submission of the VAT special invoice shall be handled according to the applicable provisions of the *Measures for Clearing Management of Dalian Commodity Exchange*.

1. The handover day shall be the second trading day following the matching day (exclusive). Prior to the market close on the handover day, the buyer Member must additionally pay the remaining payments corresponding to its matched delivery month contract positions and handle the delivery formalities.
2. After the market close on the handover day, the Exchange shall allocate the seller's delivery warehouse receipts to the appropriate matched buyer.
3. After the market close on the handover day, the Exchange shall issue to the buyer Member the standard warehouse receipt submitted by the seller Member, and pay eighty percent (80%) of the payments to the seller Member, and the remaining payments shall be fully settled after the seller Member submits the VAT special invoice.
4. The Rolling Delivery Default shall refer to the buyer's failure to fully pay the payments within the prescribed period. Any delivery default shall be handled according to the applicable provisions of Chapter IX hereof; and the default contract value shall be calculated at the settlement price of the matching day, and the delivery default shall be handled after the handover day of the Rolling Delivery.
5. With respect to the Rolling Delivery of Bonded Standard Warehouse Receipt, the applicable provisions of the detailed rules of the futures products adopting Bonded Delivery shall be applied.

**Chapter V Daily Selective Delivery**

1. The products that apply the Daily Selective Delivery are stipulated by the Exchange in the detailed rules of the relevant future products.
2. Daily Selective Delivery shall refer to the delivery method that the Exchange organizes the buyer and the seller to complete the delivery within the stipulated time from the first trading day in the delivery month to the trading day immediately preceding the last trading day, where the seller client who conforms to applicable provisions in the detailed rules for the relevant futures products holding one-way selling position of the delivery month proposes actively to make standard warehouse receipt delivery or FOT Delivery application.

Daily Selective Delivery may be carried out through standard warehouse receipt delivery or FOT Delivery. FOT Delivery shall refer to the delivery method where the seller loads the goods to the buyer's truck board to complete the physical delivery in the FOT Delivery site designated by the Exchange. The designated FOT Delivery site shall refer to the designated delivery site which is recognized by the Exchange to provide delivery service for the FOT Delivery.

The delivery settlement price of the Daily Selective Delivery shall be the then-current day settlement price of the matching day of the Daily Selective Delivery of such futures contract.

1. The Daily Selective Delivery shall be handled by the Member on behalf of the client which files the application for delivery.
2. The first day of the Daily Selective Delivery process shall be the matching day.
3. *The seller declares the delivery*. During the delivery month, the seller client may file, through the Member, an application for delivery, and the Member may declare the delivery to the Exchange prior to 11: 30 on each trading day as of the first trading day of the delivery month through the trading day immediately preceding the last trading day. If the standard warehouse receipt is adopted for delivery, the standard warehouse receipt corresponding to the proposed delivery application shall be frozen, and the trading margins corresponding to its selling positions shall not be refunded. If FOT Delivery is adopted, the delivery application shall contain the corresponding designated FOT Delivery site and delivery quantity (unit: lot), and the trading margins corresponding to its selling positions shall not be refunded. The Exchange shall review the above applications and publish the approved seller's delivery applications after 13:30 on each trading day. The published delivery application shall not be revoked and is only valid on the then-current day.

In the event that the one-way selling positions held by the seller client are less than the declared and approved positions of the seller client in the delivery matching, the Exchange will prohibit the client from seller declaration of daily selective delivery on such product for one year from the date of this declaration.

Where the *Detailed Rules of Live Hog Futures of Dalian Commodity Exchange* stipulates otherwise in respect of the seller's delivery declaration, such stipulation shall prevail.

1. *The buyer declares the intent*. The buyer which holds the one-way buying positions of the delivery month shall declare the delivery intent to the Exchange as of the first trading day of the delivery month but prior to the market close of the trading day immediately preceding the last trading day. The buyer may declare two delivery intents based on the delivery applications published by the Exchange, including the first intent and the second intent, and the intent priority orders are as below: (i) with respect to any buyer, its first intent shall be firstly considered, and in case the first intent is not satisfied or not fully satisfied, the second intent shall then be considered; and (ii) with respect to any designated delivery warehouse or designated FOT Delivery site, its first-intent buyers shall be firstly considered, and in case there are remaining standard warehouse receipt delivery or FOT Delivery intents, its second-intent buyers shall then be considered.
2. After the market close on the matching day, the Exchange shall carry out the delivery matching through the system as per the following principles and steps:

*The first step: collecting standard warehouse receipt delivery and FOT Delivery intents.* The Exchange shall collect sellers' standard warehouse receipt delivery and FOT Delivery intents by taking the designated delivery warehouse and designated FOT Delivery site as the units.

*The second step: matching the designated delivery warehouse or designated FOT Delivery site* *as per buyers' intents*.

With respect to each designated delivery warehouse or designated FOT Delivery site, in case the aggregate position quantity of the buyers which propose the delivery intents is less than or equal to its standard warehouse receipt delivery or FOT Delivery intents all intents of the buyers shall be satisfied; or in case the aggregate position quantity of the buyers which propose the delivery intents is more than its standard warehouse receipt delivery or FOT Delivery intents, the buyers which will participate in the delivery matching shall be determined under the principle of "priority in the most length of the average position period".

The average position period shall take "*day*" as the unit, which shall be the weighted average number of the period of each *Lot* of the positions. In case of the same lengths of average position periods, the priority shall be given to the buyer which has the earliest position.

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| The buyer's average position period | = | ∑ period of the buyer's each *Lot* of position |
| the buyer's aggregate position quantity |

For the remaining standard warehouse receipt delivery and FOT Delivery intents after satisfaction of the buyers' intents, the Exchange will then select the buyers to participate in the matching under the principle of "priority in positions with the earliest building time" from the position-holding buyers which have not submitted any delivery intents and those of which the delivery intents have not been satisfied; and the Exchange will then determine the designated delivery warehouses or designated FOT Delivery sites corresponding to the buyers' delivery and the quantities to be delivered in such designated delivery warehouses or designated FOT Delivery sites under the principle of "minimum matching quantity".

*The third step: matching the buyers and the sellers.* The Exchange shall carry out matching between the buyers matched with the designated delivery warehouses or designated FOT Delivery sites and the sellers holding the corresponding standard warehouse receipt delivery intents or FOT Delivery intents under the principle of "minimum matching quantity" to determine the buyers and the sellers corresponding to the delivery. Once the matching result is determined, it may not be modified by the buyer or the seller.

For standard warehouse receipts of group delivery warehouses, delivery intents shall be declared in the unit of sub-warehouse for delivery matching.

1. After the market close on the matching day, the buyer Member's trading margins which match the buying position shall be transformed to be the delivery advance; and the seller Member's trading margins which match the selling position shall be transformed to be the delivery margins. Where the *Detailed Rules of Live Hog Futures of Dalian Commodity Exchange* stipulates otherwise, such stipulation shall prevail.
2. After the market close on the matching day, the matched positions shall be deducted from the position quantities of the delivery month contracts. The Delivery Notice, the matching result and other Daily Selective Delivery information shall be sent together with the settlement statement of the matching day to the buyer Member and the seller Member through the system, the relevant information shall be notified to the corresponding designated delivery warehouse or designated FOT Delivery site; and sending thereof shall be deemed to be completed upon sending by the system. The matching result and other information shall be published to the public through the relevant public media and/or information providers.
3. Within one (1) trading day following the matching day, the buyer Member shall, pursuant to the provisions of the tax authority, notify to the seller Member the specific information for issuing the VAT common invoice; and the seller Member shall submit to the buyer Member the VAT common invoice corresponding to the actually delivered goods within seven (7) trading days after the Exchange makes eighty percent (80%) of the payments. Where the *Detailed Rules of Live Hog Futures of Dalian Commodity Exchange* stipulates otherwise, such stipulation shall prevail.

The delivery VAT common invoice shall be issued by the seller client of the delivery to the corresponding buyer client. The VAT common invoice issued by the client shall be forwarded and obtained by, and confirmed with assistance from, the Members of the parties.

Any Member's delay or failure in submission of the VAT common invoice shall be handled subject to the applicable provisions of the *Measures for Clearing Management of Dalian Commodity Exchange*.

1. The handover day shall be the second trading day following the matching day.

If standard warehouse receipt delivery is adopted upon matching, prior to the market close on the handover day, the buyer Member shall additionally make the remaining delivery payments corresponding to its matched positions of the delivery month contract. After the market close of the handover day, the Exchange shall transfer the seller's delivered standard warehouse receipt to the appropriate matched buyer. The provisions about the delivery payments made by the Exchange to the seller Member are provided in the detailed rules of the relevant futures products.

If FOT Delivery is adopted upon matching, prior to the market close of the handover day, the buyer Member shall additionally pay the remaining delivery payments corresponding to its matched positions of the delivery month contract. After the market close on the handover day, the Exchange shall notify the matching result of the FOT Delivery to the designated inspection agency. The provisions about the delivery payments made by the Exchange to the seller Member and the handover of the goods between the buyer and the seller are provided in the detailed rules of the relevant futures products.

1. The buyer and the seller may negotiate to handle the receipt and payment of the payments and the handover of the goods for FOT Delivery, and shall submit relevant agreement and the statement of conditions to the Exchange through the Member before the market close on the handover day.

If the buyer and the seller negotiate to handle the receipt and payment of the payments by themselves, the Exchange shall refund the delivery margin to the seller Member and the delivery advance to the buyer Member after the market close on the handover day. The Exchange shall not be responsible for handling such matters as receipt and payment of the payments, handover of the goods and circulation of the invoice, and shall not undertake any guarantee liability for receipt and payment of the payments, handover of the goods and circulation of the invoice of the buyer and the seller.

If the buyer and the seller negotiate to handle the handover of the goods by themselves, but the receipt and payment of the payments is handled through the Exchange, the buyer Member shall supplement all delivery payments before the market close on the handover day, and the Exchange shall transfer all the delivery payments to the seller Member within the time period specified in the detailed rules for the of relevant futures products, and shall not undertake any guarantee liability for receipt and payment of the payments, handover of the goods and circulation of the invoice of the buyer and the seller.

1. Under the process of the Daily Selective Delivery, any default of the standard warehouse receipt delivery shall be handled according to the applicable provisions of Chapter IX hereof, and any default of the FOT Delivery shall be handled according to the applicable provisions of the detailed rules for the relevant futures products.

**Chapter VI One-off Delivery**

1. The futures contracts of any and all commodities listed on the Exchange shall take the form of the One-off Delivery.
2. The One-off Delivery shall refer to the delivery method that, after the last trading day of the contract, the Exchange organizes all open contracts holders to carry out delivery.

The One-off Delivery shall be completed respectively on three (3) trading days of the standard warehouse receipt submission day, the matching day and the handover day (the last delivery day). After the last trading day of the contract, all open contracts holders must perform the contracts through delivery; and the portions of positions corresponding to the buying and selling positions under the same client number shall be deemed to be automatically closed, no delivery shall be handled therefor and the closing price shall be calculated as per the delivery settlement price of the One-off Delivery.

The delivery settlement price of One-off Delivery shall be the weighted average price of all trade prices of the futures contract during the period as of the first trading day of the delivery month through the last trading day thereof. Where the detailed rules of eggs, ethylene glycol, ethenylbenzene, liquefied petroleum gas, live hog or other futures products stipulate otherwise, such stipulation shall prevail.

1. After the market close of the last trading day, the Exchange shall transform the trading margins of the buying positions of the delivery month to be the delivery advances.
2. The first day of the One-off Delivery process shall be the standard warehouse receipt submission day.

Prior to the market close on the first trading day following the last trading day, the seller Member must submit to the Exchange all the standard warehouse receipt corresponding to its delivery month contract positions; and after the market close on the first trading day following the last trading day, the Exchange shall publish the information with respect to the delivery products of any and all delivery warehouses and the quantities of the standard warehouse receipt.

With respect to No. 2 soybean or other products, the seller Member shall also submit other materials in accordance with the detailed rules for the relevant products.

1. The second day of the One-off Delivery process shall be the matching day.

Before the market close on the second trading day following the last trading day, the buyer may, on the basis of the information published by the Exchange, propose the delivery intent declaration. The buyer may declare two delivery intents of the first intent and the second intent. After the market close, the Exchange shall allocate the Bonded Standard Warehouse Receipt under the principle of "priority in overseas buyer client" and "priority in intent". The intent priority orders are as below: (i) with respect to any buyer, its first intent shall be firstly considered, and in case the first intent is not satisfied or not fully satisfied, the second intent shall then be considered; and (ii) with respect to any delivery warehouse, its first-intent buyers shall be firstly considered, and in case there are remaining warehouse receipts, its second-intent buyers shall then be considered.

After the market close on the matching day, the Exchange shall carry out the delivery matching as per the following principles and steps:

*The first step: collecting the standard warehouse receipts*. The Exchange shall collect seller's standard warehouse receipts by taking warehouse as the unit.

*The second step: matching the overseas buyers and the Bonded Standard Warehouse Receipts*. With respect to each Bonded Delivery warehouse, in case the aggregate position quantity of the overseas buyers which propose the delivery intents is less than the quantity of its Bonded Standard Warehouse Receipt, all intents of the overseas buyers shall be satisfied; or in case the aggregate position quantity of the overseas buyers which propose the delivery intents is more than the quantity of its Bonded Standard Warehouse Receipts, the overseas buyers which will participate in the delivery matching shall be determined under the principle of "priority in the most length of the average position period". After that, the Exchange shall carry out the matching under the principle of "the minimum matching quantity" between the Bonded Standard Warehouse Receipts which have not been allocated and the positions of the overseas buyers the delivery intents proposed by which have not been satisfied, and determine the Bonded Delivery warehouses corresponding to the overseas buyers' delivery and the quantities to be delivered in such warehouses.

*The third step: matching the remaining buyers and the remaining delivery warehouses.* With respect to each remaining delivery warehouse, in case the aggregate position quantity of the buyers which propose the delivery intents is less than the quantity of its standard warehouse receipts, all intents of the buyers shall be satisfied; or in case the aggregate position quantity of the buyers which propose the delivery intents is more than the quantity of its standard warehouse receipts, the buyers which will participate in the delivery matching shall be determined under the principle of "priority in the most length of the average position period".

The average position period shall take "*day*" as the unit, which shall be the weighted average number of the period of each *Lot* of the positions. In case of the same lengths of average position periods, the priority shall be given to the buyer which has the earliest position.

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| The buyer's average position period | = | ∑ period of the buyer's each *Lot* of position |
| the buyer's aggregate position quantity |

The Exchange shall carry out the matching under the principle of "the minimum matching quantity" between the warehouse receipts left after the satisfaction of the buyer's intents and the positions of the buyers which fail to propose any delivery intent or the delivery intents proposed by which have not been satisfied, and determine the warehouses corresponding to the buyer's delivery and the quantities to be delivered in such warehouses.

*The fourth step: matching the buyers and the sellers*. The Exchange shall carry out matching under the principle of "the minimum matching quantity" between the buyers with the matched warehouses and the sellers holding the warehouse receipts of such warehouses, and determine the buyers and the sellers corresponding to the delivery.

For standard warehouse receipt of group delivery warehouses, delivery intents should be applied and matching process should be conducted on the basis of sub-warehouse.

No determined matching result may be modified by the buyer or the seller. The matching results and other information shall be sent to both the buyer Member and the seller Member through the Member service system; and sending thereof shall be deemed to be completed upon sending by the member service system.

1. The third day of the One-off Delivery process shall be the handover day, i.e., the last delivery day (the third trading day following the last trading day).

Before the market close on the last delivery day, the buyer Member shall additionally make the difference of the payments corresponding to its positions of the delivery month.

After the market close on the last delivery day, the Exchange shall deliver the standard warehouse receipt submitted by the seller Member to the buyer Member and make eighty percent (80%) of the payments to the seller Member, and the remaining payments shall be made after the seller Member submits the invoice. Where the detailed rules of No. 2 soybeans, iron ore, eggs or other futures products stipulate otherwise in respect of the payments, such stipulation shall prevail.

1. After determination of the matching results, the buyer shall, within one (1) trading day following the matching day and subject to the provisions of the tax authorities, notify the seller of the specific matters with respect to the issuance of the invoice, including the name and address of the buyer entity, the amount and the taxpayer's registration number and other information, except otherwise the subject matters to be handed over are bonded iron ore.

The seller Member shall deliver the invoice to the buyer Member within seven (7) trading days following the matching day. Where the detailed rules of No. 2 soybeans, iron ore, eggs or other futures products stipulate otherwise in respect of the invoice delivery, such stipulation shall prevail.

1. The invoices shall be issued by the seller clients of delivery to the corresponding buyer clients, and shall be forwarded and obtained by, and confirmed with assistance from, the Members of the parties.

Any Member's delay or failure in submission of any invoice shall be handled subject to the applicable provisions of the *Measures for Clearing Management of Dalian Commodity Exchange*.

Where the detailed rules of iron ore or other futures products stipulate otherwise in respect of the method of invoice issuance, such stipulation shall prevail.

1. With respect to the One-off Delivery of Bonded Standard Warehouse Receipt, the applicable provisions of the detailed rules of the futures products adopting Bonded Delivery shall be applied.

**Chapter VII Bonded Delivery**

1. Bonded Delivery means the process of futures delivery using the commodity as the delivery subject which is set forth in futures contract and is also under the bonded supervision in the customs' special supervision area or bonded supervision place.
2. Bonded Delivery Warehouse means the designated delivery site which is approved by and registered at the Exchange and has the bonded function for the Bonded Delivery of futures contracts.
3. The Bonded Standard Warehouse Receipt shall refer to the physical take-delivery certificate uniformly formulated by the Exchange, which conforms to the quality standard stipulated in the futures contract and is also registered at the Exchange by designated Bonded Delivery Warehouses for the bonded commodities according to the procedures prescribed by the Exchange.
4. The Exchange will separately announce the products which adopt the Bonded Delivery, and the physical delivery of such products may use the Bonded Standard Warehouse Receipt or the duty-paid standard warehouse receipt, as the case may be.
5. The Bonded Standard Warehouse Receipts which participant in delivery shall be handled according to the detailed rules of the futures products adopting Bonded Delivery.

The bonded commodities which participant in Bill of Lading Delivery shall be handled according to the applicable provisions of Chapter III hereof.

**Chapter VIII Delivery Fees**

1. The parties to the physical delivery shall respectively pay the delivery commissions to the Exchange.

The delivery commissions, the sampling and inspection fees, the storage and dissipation fees and other fees are separately published by the Exchange.

1. The fees for the loading in or loading out of the designated delivery warehouse shall be subject to a maximum price.

The Exchange will irregularly check and publish the standards for the maximum fees of the loading in or loading out of the designated delivery warehouse.

The standards for the maximum fees of the loading in or loading out of any new designated delivery warehouse shall enter into force as of the date of being promulgated by the Exchange.

1. The fees for the miscellaneous operation services of the designated delivery warehouse shall be subject to a maximum price. The maximum charging standards for the miscellaneous operation services of any and all designated delivery warehouses shall be formulated and published by the Exchange.
2. As of the day immediately following the full payment of the storage and dissipation fees of the standard warehouse receipt through the day of deregistration thereof, the monthly storage and dissipation fees shall be payable by the Member with which such standard warehouse receipt is affiliated to the Exchange within the first three (3) trading days of the immediately following month, and the Exchange will pay such storage and dissipation fees to the designated delivery warehouse after receipt of invoices thereof. Prior to the full payment of the storage and dissipation fees of the standard warehouse receipt and from the day immediately following the day of deregistration thereof, any incurred storage and dissipation fees shall be fully settled between the designated delivery warehouse and the owner.
3. With respect to the delivery matters regarding group delivery warehouse, storage and loss fees shall pay to sub-warehouse; loading-in and loading-out, miscellaneous operation fees and other exchange related provisions of fees are undertaken by owner and sub-warehouse. The receipt for storage and loss fees, fees of loading-in and loading-out, miscellaneous operation fees, and other fees' is to be issued by sub-warehouse. The quality premium/discount price difference and receipt are to be received and handled by sub-warehouse.

With respect to the corn warehouse receipts of the non-northeast area sub-warehouses, when the owner chooses to pick up goods at the corresponding warehouse located at the northeast area, the specific provisions related to the payment settlement and invoicing shall be separately promulgated by the Exchange.

1. The Exchange may adjust the charging standards of the foregoing fees according to the national policies and the market situations, which will be timely notified to the Members and the designated delivery warehouses by the Exchange.
2. Any items not covered in the provisions by the Exchange may be charged by the designated delivery warehouse by reference to the charging standards applicable to the relevant industry.

**Chapter IX Delivery Default**

1. Either of the following circumstances will constitute a delivery default:
   * + - 1. the seller fails to fully deliver the standard warehouse receipt within the prescribed period; or
         2. the buyer fails to fully make the payments within the prescribed period.

With respect to the default of the Bill of Lading Delivery, the FOT Delivery or others, where the Exchange stipulates otherwise, such stipulation shall prevail.

1. The formula for quantity of the contracts of delivery default by the seller shall be:

The quantity of the contracts of delivery default by the seller *(Lot)* = the quantity of the standard warehouse receipt which should have been delivered *(Lot)* - the quantity of the standard warehouse receipt which have been delivered *(Lot).*

The quantity of the contracts of delivery default by the buyer shall be calculated as per the following formula:

For the duty-paid standard warehouse receipt received by the buyer: the quantity of the contracts of delivery default by the buyer *(Lot)* = [the payments which should have been paid (*CNY*) - the payments which have been paid (*CNY*)] ÷ [the delivery settlement price (*CNY/Ton*) × (1-20%) + discounts and/or premiums of non-benchmark delivery warehouse compared with benchmark delivery warehouse (*CNY/Ton*)] ÷ the trading unit (*Ton/Lot*).

For the egg standard warehouse receipt received by the buyer: the quantity of the contracts of delivery default by the buyer *(Lot)* = [the payments which should have been paid (*CNY*) - the payments which have been paid (*CNY*)] ÷ [the delivery settlement price (*CNY/500KG*) × (1-20%) + discounts and/or premiums of non-benchmark delivery warehouse compared with benchmark delivery warehouse (*CNY/500KG*) + the packages price stipulated by the Exchange (*CNY/500KG*)] ÷ 2 ÷ the trading unit (*Ton/Lot*).

For the bonded benchmark delivery warehouse received by the buyer: the quantity of the contracts of delivery default by the buyer *(Lot)*=[ the bonded payments which should have been paid (*CNY*) - the payments which have been paid (*CNY*)] ÷ [the Bonded Delivery settlement price (*CNY/Ton*) ×(1-20%)+ the bonded discounts and/or premiums of non-benchmark delivery warehouse compared with benchmark delivery warehouse (*CNY/Ton*)/(1 + the import VAT rate)/(1 + the import duty rate)] ÷ the trading unit (*Ton/Lot*).

For the bonded benchmark delivery warehouse of iron ore received by the buyer: the quantity of the contracts of delivery default by the buyer *(Lot)* = [the bonded payments which should have been paid (*CNY*) - the payments which have been paid (*CNY*)] ÷ [the Bonded Delivery settlement price (*CNY/Ton*) × (1-20%) + the bonded premiums/discounts (*CNY/Ton*)] ÷ the trading unit (*Ton/Lot*).

1. Any occurrence of a delivery default event shall be notified by the Exchange to the defaulting party and the non-defaulting party after settlement on the contract's last delivery day (the handover day of the Rolling Delivery). The default notice shall be sent by the Member service system together with the settlement data of the then-current day; and sending thereof shall be deemed to be completed upon sending by the Member service system.
2. In case a delivery default is committed, twenty percent (20%) of the contract value of the default portions shall be paid as the liquidated damages by the defaulting party to the non-defaulting party, and the delivery shall terminate between the buyer and the seller.
3. In case of any termination of the delivery as provided herein, the Exchange's guarantee liability shall terminate.
4. In case both the buyer and the seller are in default, the Exchange shall terminate the delivery and impose a fine of five percent (5%) of the contract value of the portions in default respectively against the buyer and the seller.
5. In case partial delivery default occurs to a Member, the standard warehouse receipt, or payments, received by the default Member may be used to handle the default.
6. In case a Member intentionally commits a default during the physical delivery, measures shall be taken according to Article 27 of the *Measures against Rule Violations of Dalian Commodity Exchange*.

**Chapter X Supplementary Provisions**

1. No business with respect to delivery and standard warehouse receipts, non-standard warehouse receipts or Bills of Lading will be handled by the Exchange during the after-hours trading sessions.
2. Any violation of the Measures shall be punished by the Exchange pursuant to the applicable provisions of the *Measures against Rule Violations of Dalian Commodity Exchange*.
3. Where there are special provisions in the detailed rules for the specific futures products, such provision shall prevail.
4. The Exchange reserves the right to interpret the Measures.
5. The Measures shall enter into force as of the date of its promulgation.

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