Attachment 5

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

**(Amendment)**

1. ……

In addition to the conditions set out in the preceding paragraph, the applicant for Designated Factory Warehouse shall also meet the requirements regarding the specifics of physicals such as commodity quality, production capacity, breeding volume or trading volume which will be separately prescribed by the Exchange.

1. ……

In addition to the materials listed in the first paragraph, the applicant for Designated Factory Warehouse shall also provide the following materials:

1. an application letter for intended delivery point; and
2. a statement on specifics of physicals such as commodity quality, production capacity, breeding volume or trading volume.

……

1. ……

*Self-examination*. Each Designated Delivery Warehouse shall conduct the monthly self-examination of one or more selected working items pursuant to the Measures, the *Measures for Delivery Management* and the *Measures for the Standard Warehouse Receipt Management* and on the basis of the actual situations of the warehouses, and shall submit the examination results to the Exchange as required.

……

***Note****: Contents newly added are in shade; contents deleted are marked with double strikethrough; clauses unchanged are represented by ellipsis.*

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

**(Amended Version)**

　**Chapter I General Provisions**

**Article 1** The Measures for Designated Delivery Warehouses Management of Dalian Commodity Exchange (the "**Measures**") are formulated pursuant to the applicable provisions of the *Contract Law of the People's Republic of China* and the *Trading Rules of Dalian Commodity Exchange* for the purposes of strengthening the management of the Designated Delivery Warehouses of Dalian Commodity Exchange (the "**Exchange**"), standardizing the delivery acts and guaranteeing the normally carrying out of the delivery.

**Article 2** The Designated Delivery Warehouse means a legal person designated by the Exchange to provide service for the physical delivery of futures contracts at designated delivery points. The Designated Delivery Warehouses include the Designated Storage Warehouses and the Designated Factory Warehouses. The Designated Storage Warehouse means a Designated Delivery Warehouse providing storage and other services as a custodian, and the Designated Factory Warehouse means a Designated Delivery Warehouse which undertakes to provide goods and other related services by way of security approved by the Exchange.

**Article 3** The Group Delivery Warehouse means the designated delivery warehouse which is approved by the Exchange and is allowed to set up sub-warehouses. The products available at a Group Delivery Warehouse will be announced separately by the Exchange.

**Article 4** The Exchange shall manage the Designated Delivery Warehouses pursuant to the Measures. The Designated Delivery Warehouses and their relevant staff must comply with the Measures.

**Chapter II Application and Approval**

**Article 5** To operate a Designated Delivery Warehouse, the applicant shall satisfy the following conditions:

1. holding the business license issued by the industrial and commercial administration;
2. having the net assets and registered capital which satisfy the amounts prescribed by the Exchange;
3. having sound financial situations and good anti-risk capabilities;
4. having good business reputation and sophisticated warehousing management regulations and policies; and there being no records of any material violations of laws or any revocation of the Designated Delivery Warehouse qualification for the recent three (3) years;
5. accepting the Exchange's trading rules, the *Measures for Delivery Management* and other provisions;
6. the main management personnel of the warehouse having the warehousing management experience;
7. the storage yards and warehouses being of a certain scale, and having the conditions for storing the listed commodities of the Exchange, the perfect and complete equipment and devices, the measurement which satisfies the prescribed requirements, and the good transportation conditions;
8. having the strict and sophisticated commodity inspection and analysis polices, commodity load-in and load-out policies, commodity inventory management policies and other policies;
9. in case of application for futures bonded delivery business, the special Customs surveillance zones or the bonded surveillance points for its futures bonded delivery business having been approved by the Customs; and
10. other conditions required by the Exchange.

In addition to the conditions set out in the preceding paragraph, the applicant for Designated Factory Warehouse shall also meet the requirements regarding the specifics of physicals such as commodity quality, production capacity, breeding volume or trading volume which will be separately prescribed by the Exchange.

**Article 6** An applicant for operating a Designated Delivery Warehouse shall submit the following materials:

1. an application letter;
2. the photocopy of the business license issued by the administration for industry and commerce;
3. the original, or the photocopy sealed by the certified public accounting firm, of the audited report for the recent two (2) years issued by such firm;
4. the approval document for approving the applicant's application for the Designated Delivery Warehouse issued by the applicant's competent superior organ(s) or its board of directors, as the case may be;
5. the warehouse management policies and introduction; and
6. other documents required by the Exchange.

In addition to the materials listed in the first paragraph, the applicant for Designated Storage Warehouse shall also provide the following materials:

1. a photocopy of the land use certificate of the warehouse and other relevant documents; and
2. a guarantee letter issued by the relevant entity if the registered capital or the net asset of the applicant is less than CNY 1 billion.

In addition to the materials listed in the first paragraph, the applicant for Designated Factory Warehouse shall also provide the following materials:

1. an application letter for intended delivery point; and
2. a statement on specifics of physicals such as commodity quality, production capacity, breeding volume or trading volume.

The applicant for operating a Group Delivery Warehouse shall submit the photocopy of the land use certificates of the sub-warehouses to be set up and the related documents, in addition to the materials as stipulated in items (1), (2), (3), (5) and (6) in the first paragraph.

**Article 7** The approval procedures for the Designated Delivery Warehouse shall be:

1. the Exchange conducts preliminary examination of the materials listed in the preceding Article;
2. the Exchange sends its staff, on the basis of the preliminary examination, to carry out the onsite investigation and assessment of the applicant;
3. the Designated Delivery Warehouse shall, subject to the Measures, formulate the corresponding operation procedures or detailed rules, and may carry out the physical delivery business related to the futures contract only after being examined and approved by the Exchange; and
4. the Exchange, on the basis of the onsite investigation and assessment result, chooses the best of the logistics enterprises or production and manufacturing enterprises, and then signs the Designated Delivery Warehouse Agreement with it.

**Article 8** The Designated Delivery Warehouse must handle the following matters after being examined and approved by the Exchange:

1. any and all chops and seals required for issuance of the standard warehouse receipt by the designated delivery warehouse must be filed with the Exchange;
2. the power of attorney for and the signature(s) of the designated special person(s) for the futures delivery business must be filed with the Exchange;
3. the risk security deposit shall be paid;
4. the futures management personnel of the Designated Delivery Warehouse must take the Exchange trainings with respect to the delivery business; and
5. other matters prescribed by the Exchange.

**Article 9** Where the entity applies for terminating its qualification for the Designated Delivery Warehouse, it shall submit to the Exchange the Application Letter for Terminating the Designated Delivery Warehouse Qualification and shall obtain the Exchange's approval.

**Article 10** Where the entity applies to terminate its Designated Delivery Warehouse qualification or its Designated Delivery Warehouse is qualification revoked by the Exchange, such entity shall handle the following matters:

1. all of the delivery commodities must be loaded out of the warehouse, or transformed to be physicals or disposed of in other manner as approved by the Exchange;
2. any and all claims and debts with the Exchange must be fully settled; and
3. the risk security deposit is refunded pursuant to the rules of the Exchange.

**Article 11** With respect to the confirmation, termination or revocation of the qualification for the Designated Delivery Warehouse, the Exchange shall promptly notify its Member(s) and the Designated Delivery Warehouse(s) and report to the China Securities Regulatory Commission for filing.

**Chapter III Rights and Obligations**

**Article 12** The rights of the Designated Delivery Warehouses shall be:

1. issuing the standard warehouse receipt pursuant to the rules of the Exchange;
2. collecting the relevant fees pursuant to the charging items, standards and methods examined and approved by the Exchange;
3. proposing suggestions with respect to the provisions related to the physical delivery formulated by the Exchange; and
4. other rights prescribed in the *Measures for Delivery Management* and the Designated Delivery Warehouse Agreement.

**Article 13** The obligations of the Designated Delivery Warehouses shall be:

1. complying with the *Measures for Delivery Management* and other relevant rules, accepting the Exchange's supervision and management and promptly providing the relevant information to the Exchange;
2. inspecting and loading in the warehouse the commodities for the futures delivery pursuant to the standards prescribed in the futures contract;
3. taking good care of the commodities in the warehouse pursuant to the applicable rules so as to ensure the safety of the commodities;
4. supplying the commodities as required by the standard warehouse receipt and proactively assisting the owner of the commodities to arrange for the transportation of the delivery commodities;
5. keeping confidential the trade secrets related to the futures trading;
6. participating in the annual review organized by the Exchange;
7. paying the risk security deposit;
8. promptly reporting to the Exchange such matters as changing the legal representative, registered capital, shareholder(s) or shareholding structure, warehousing premises or otherwise;
9. submitting to the Exchange the audited financial statement of the previous year and other annual audit materials prior to the end of each April;
10. reporting to the Exchange any legal disputes within three (3) working days upon the occurrence thereof;
11. upon issuance of the certification letter related to the commodity titles, reporting to the Exchange within three (3) working days before the issuance date thereof; and
12. other obligations prescribed in the *Measures for Delivery Management* and the Designated Delivery Warehouse Agreement.

**Article 14** After being approved by the Exchange, the Group Delivery Warehouse may set its holding companies, joint stock companies, branches or cooperation entities as the sub-warehouses. The conditions and procedures for setting and terminating the sub-warehouses, and the other matters such as specific management of the sub-warehouses by the Exchange shall be separately prescribed by the Exchange.

The Group Delivery Warehouse shall, subject to the rules of the Exchange, authorize by agreement the sub-warehouse to handle the delivery-related business. The Group Delivery Warehouse shall supervise and manage the sub-warehouse.

If the commodities are stocked at the sub-warehouse, the Group Delivery Warehouse shall ensure that the commodities satisfying the requirements of the futures contract can be delivered to the owner of the commodities. The Group Delivery Warehouse shall be solely liable for any and all losses which are suffered by the owner of the commodities and caused due to the reason that the commodities satisfying the requirements of the futures contract cannot be delivered to the owner of the commodities.

**Article 15** The Designated Delivery Warehouse may, subject to the approval by the Exchange, set up the extended warehouse area. The Designated Delivery Warehouse which has set up the extended area shall consist of the main warehouse area and the extended warehouse area. The main warehouse area means the delivery warehouse area which is set up by the Designated Delivery Warehouse itself and operated and managed by the Designated Delivery Warehouse. The extended warehouse area means the delivery warehouse area which is set up by the Designated Delivery Warehouse at another enterprise through an agreement, operated and managed by such another enterprise and supervised by the Designated Delivery Warehouse.

If the commodities are stored at the extended warehouse, the Designated Delivery Warehouse shall ensure that the commodities satisfying the requirements of the futures contract can be delivered to the owner of the commodities within the prescribed timeframe. The Designated Delivery Warehouse shall be solely liable for any and all losses which are suffered by the owner of the commodities and caused due to the reason that the commodities satisfying the requirements of the futures contract cannot be delivered to the owner of the commodities within the prescribed timeframe.

The Exchange shall manage the extended areas by reference to the applicable provisions for management of the Designated Delivery Warehouses. The conditions and procedures for setting-up and terminating the extended warehouse areas, and the other matters such as specific management of the extended warehouse areas by the Exchange, shall be separately prescribed by the Exchange.

The specific products of which the Designated Delivery Warehouses may set up the extended warehouse areas are prescribed by the Exchange in the detailed rules for the futures business of specific products.

**Chapter IV Routine Business**

**Article 16** The routine business of the Designated Delivery Warehouse shall be divided into three (3) phases: commodity load-in, commodity storage and commodity load-out.

**Article 17** The Designated Delivery Warehouse shall ensure the priority of loading the futures delivery commodities in or out of the warehouse.

**Article 18** During the process of loading the commodities of notice of intent to deliver in the warehouse, the Designated Delivery Warehouse shall promptly carry out the sampling test or inspection, and shall promptly input the load-in quantities and the inspection results into the computers.

**Article 19** The Designated Delivery Warehouse shall carry out the computerized management of the futures delivery business. The futures accounts and the related receipts and documents shall be processed as per the uniform form prescribed by the Exchange and be regularly sent to the Exchange.

**Article 20** The Designated Delivery Warehouse shall have a special location to store the inspected samples for any possible check.

**Article 21** The futures commodities must be reasonably placed and stacked.

**Article 22** Where the Designated Delivery Warehouse stores No. 1 soybeans, No. 2 soybeans or corn, it shall carry out the regular inspection of such stored futures commodities. The items of such inspections shall include, among other things, the moisture, temperature, insects and pests, and rats and mouse, and the Designated Delivery Warehouse shall also properly make records such inspections for any possible check.

**Article 23** Where the Designated Delivery Warehouse stores No. 1 soybeans, No. 2 soybeans or corn, it shall promptly take the proper storage measures with respect to such futures commodities of exceeding or disproportionate moistures so as to ensure the such commodities' quality.

**Article 24** Where the Designated Delivery Warehouse stores No. 1 soybeans or corn, any and all Designated Delivery Warehouses shall take such storage measures in the high temperature seasons (from 1 May to 31 October) for commodities stored in the open air as placing top mats and top-to-end reed mats.

**Article 25** Where the Designated Delivery Warehouse stores No. 1 soybeans, No. 2 soybeans or corn, it shall promptly smoke and/or steam such futures commodities in the high temperature seasons.

**Article 26** Where the Designated Delivery Warehouse stores No. 1 soybeans, No. 2 soybeans or corn, it shall take regular derealization measures so as to reduce the loss of the futures commodities.

**Article 27** Where the Designated Delivery Warehouse stores the LLDPE, PVC, fiberboard, blockboard, PP, corn starch or polished round-grained rice, they shall be kept far away from any fires and heat sources, and any direct sunlight radiation or air storage will be strictly prohibited.

**Article 28** Where the Designated Delivery Warehouse stores the LLDPE, PVC, fiberboard, blockboard, PP, corn starch or polished round-grained rice, the trays shall be used so as to prevent any bottom dampness.

**Article 29** Where the Designated Delivery Warehouse stores the LLDPE, PVC or PP, these commodities shall be separated from any oxidizing agent or acid-base items.

**Article 30** Where the Designated Delivery Warehouse stores the LLDPE, PVC, fiberboard, blockboard or PP, these commodities from different manufacturers or of different brands shall be separately stored.

**Article 31** The Designated Delivery Warehouses of the LLDPE, PVC, fiberboard, blockboard, PP, corn starch or polished round-grained rice shall be maintained ventilating, dry, clean, and be of good fire prevention facilities. The Designated Delivery Warehouses of fiberboard or blockboard shall carry out the termite control toward the warehouses.

**Article 32** Where the Designated Delivery Warehouse stores the eggs, corn starch or polished round-grained rice, these commodities shall be separated from traditional Chinese medicine and other items of odors.

**Article 33** Where the Designated Delivery Warehouse stores the eggs, the eggs from different clients or of different batches shall be separately stored.

**Article 34** Where the Designated Delivery Warehouse stores the corn starch, the corn starch from different manufacturers or of different packing specifications shall be separately stored. Where the Designated Delivery Warehouse stores the polished round-grained rice, the polished round-grained rice from different manufacturers or of different brands shall be separately stored.

**Article 35** The Designated Delivery Warehouses must proactively coordinate the vendors to consign the commodities. No intentional delay will be permitted.

**Article 36** The Designated Delivery Warehouses shall promptly report to the Exchange such information as the process, stack location and consignment direction of the loading-out commodities.

**Chapter V Supervision and Management**

**Article 37** The Designated Delivery Warehouses must effect the property insurance for the inventory delivery commodities.

**Article 38** The Designated Delivery Warehouses must set separate accounts to manage the futures delivery commodities.

**Article 39** The Designated Delivery Warehouses must appoint a person-in-charge to be responsible for the futures delivery business and shall designate a special person to take charge of managing the delivery commodities and handling the standard warehouse receipt business.

**Article 40** The Exchange shall conduct the warehouse self-examination, the Exchange random inspection and the annual review for the purposes of ensuring and improving the quality of the services offered by the Designated Delivery Warehouses to the Members and clients and practically improving the management levels of the warehouses.

*Self-examination*. Each Designated Delivery Warehouse shall conduct the self-examination pursuant to the Measures, the *Measures for Delivery Management* and the *Measures for the Standard Warehouse Receipt Management* and on the basis of the actual situations of the warehouses, and shall submit the examination results to the Exchange as required.

*Exchange random inspection*. The Exchange shall conduct the random inspection of one or more working items of each Designated Delivery Warehouse from time to time on the basis of the known information and the Members' or clients' responses, complaints and comments, and shall properly keep the detailed records, so as to check the implementation by each Designated Delivery Warehouse of any and all rules and provisions of the Exchange during its routine work.

*Annual review*. The Exchange shall carry out the annual inspection and appraisal towards the work of each Designated Delivery Warehouse each year. The Exchange shall adjust the cargo distribution quantity and delivery limits of the delivery warehouses on the basis of the examination and appraisal results. The Exchange will revoke the Designated Delivery Warehouse qualification of the warehouse which fails to satisfy the requirements for a Designated Delivery Warehouse but makes no improvements and/or rectification.

The contents of the Exchange's review will cover the warehousing facilities, warehouse appearances, business achievements, accounts management, Member satisfaction degree and other necessary contents determined by the Exchange at its discretion.

**Article 41** The Exchange may adjust the delivery limits of the Designated Delivery Warehouses on the basis of the market situations.

**Article 42** The Designated Delivery Warehouse shall pay to the Exchange the risk security deposit as the guarantee for the warehouse's performance of its obligations. In case there is no economic damages, the Exchange will refund to the warehouse its interest accrued at the same-period banking current deposit rate published by the People's Bank of China. In case there is any economic damages, the Exchange shall firstly make compensation from such risk security deposit paid by the warehouse, and the Exchange may also have the right to recourse to the Designated Delivery Warehouse when such security deposit is not sufficient to cover the damages.

The specific amount and terms of payment with respect to the risk security deposit shall be specified in the Designated Delivery Warehouse's agreement.

**Chapter VI Supplementary Provisions**

**Article 43** Articles 22, 24, 25 and 26 hereof shall not be applicable to the Designated Delivery Warehouse of coke.

**Article 44** Any violation hereof shall be handled by the Exchange according to the *Measures against Rule Violations of Dalian Commodity Exchange*.

**Article 45** Where there are special provisions in the detailed rules of specific futures products, such provisions shall prevail.

**Article 46** The Exchange reserves the right to interpret the Measures.

**Article 47** The Measures shall come into force on the date of promulgation.

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