Attachment 8

**Detailed Rules of Live Hog Futures of Dalian Commodity Exchange**

**Chapter I General Provisions**

1. The Detailed Rules of Live Hog Futures of Dalian Commodity Exchange (the "**Detailed Rules**") are formulated pursuant to the *Trading Rules of Dalian Commodity Exchange* and the *Live Hog Futures Contract of Dalian Commodity Exchange* for the purpose of standardizing the trading of live hog futures contracts.
2. Dalian Commodity Exchange (the "**Exchange**"), its Members, the clients, the designated delivery warehouses, the designated FOT delivery sites, the designated quality inspection agencies, the designated futures margin depository banks and other participants in the futures market shall comply with the Detailed Rules.
3. Where it is not provided in the Detailed Rules, the relevant rules of the Exchange shall apply.

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

1. The quality standards and quality premiums discounts for the standard deliverable products and the substitutes under the live hog futures contract are detailed in the *Live Hog Delivery Quality Standard of Dalian Commodity Exchange* *(F/DCE LH001-2021)* as Annex 1 attached hereto.
2. The live hog futures contract shall take the form of physical delivery.
3. The delivery warehouses designated for live hog shall be categorized into the group delivery warehouses and the non-group delivery warehouses. The group delivery warehouses have sub-warehouses, which are authorized by the group delivery warehouses to issue the standard warehouse receipts, and the rights and obligations in relation to such standard warehouse receipts shall be borne by the group delivery warehouses.

The sub-warehouses of the live hog group delivery warehouses or non-group delivery warehouses are qualified as designated FOT delivery sites.

The sub-warehouses of the group delivery warehouses, the non-group delivery warehouses, the designated FOT delivery sites and the relevant premiums discounts shall be determined by the Exchange (detailed in the *List of Designated Delivery Warehouses and Designated FOT Delivery Sites for Live Hogs of Dalian Commodity Exchange* as Annex 2 attached hereto), and the Exchange may make adjustments as the case may be.

1. The contract months of the live hog futures contract are January, March, May, July, September and November.
2. The trading unit of the live hog futures contract is 16 MT/ Lot.
3. The price quote unit of the live hog futures contract is CNY/MT.
4. The minimum tick size of the live hog futures contract is 5 CNY/MT.
5. The maximum quantity of orders placed each time for the live hog futures contract shall be fifty (50) lots.
6. The standard of trading margins, price limit range and position limit under the live hog futures contract shall be subject to the relevant provisions of the *Measures for Risk Management of Dalian Commodity Exchange*.
7. The last trading day of the live hog futures contract is the last but three trading day of the contract month.
8. The last delivery day of the live hog futures contract is the third trading day after the last trading day.
9. The ticker symbol of the live hog futures contract is LH.

**Chapter III Risk Management**

1. During the trading of live hog futures, the Exchange may take emergency measures to mitigate risks if any of the following circumstances occurs:
2. there are grounds to believe that there are violations of laws and regulations such as manipulating futures trading prices that have or will have a material effect on the market;
3. a major epidemic of live hogs occurs, or a certain proportion of the designated delivery warehouses and the designated FOT delivery sites suspend their delivery business; or
4. there are changes in laws and policies related to live hogs that have or will have a material effect on the operation of live hog futures.

In the case of the preceding paragraph, the Chief Executive Officer of the Exchange may take measures such as adjusting the opening and closing time of the market, suspending trading, adjusting the trading hours, suspending the listing of new contracts, adjusting the price limit range, adjusting the trading margins, adjusting the premium/discount, suspending position opening, close-out within designated time limit, terminating the trading, adjusting the specific dates of contract such as the last trading day, the last delivery day and the handover day, adjusting the registration and deregistration dates of the standard warehouse receipts, adjusting the delivery time, place and method, adjusting, suspending or terminating delivery-related business, and may implement such measures on listed contracts.

In the case where termination of trading is adopted, the Exchange may, at the settlement on the then-current day of termination of trading, liquidate the positions of all or part of the contract months. The liquidation price shall be the volume-weighted average price of all trade prices of the contract liquidated from the ten (10) trading days before the trading termination day to the then-current day (inclusive of the then-current day). If there is less than ten (10) trading days, the liquidation price shall be the volume-weighted average price of all trade prices of the contract liquidated on all trading day; the Exchange may also use adopt other liquidation prices.

1. For live hog futures contracts, the Exchange may adjust the price limit range on one direction or both directions， in the same proportion or in different proportions， in accordance with relevant rules; and may adjust the trading margins on one direction or both directions， in the same proportion or in different proportions, for part or all of the Members， in accordance with relevant rules.

**Chapter IV Delivery and Clearing**

Section I General Provisions

1. The live hog futures contract applies the exchange of futures for physicals (the "**EFP**"), the daily selective delivery and the one-off delivery.

For live hog futures contract, only non-standard warehouses receipts can adopt the EF**P**, and the period is from the listing date of the contract to the last but three trading day (inclusive of the last but three trading day) before the last trading day.

The daily selective delivery may be taken in the form of the standard warehouse receipt delivery or the FOT delivery. Either the seller client who holds the standard warehouse receipt and the unilateral selling positions of the delivery month takes the initiative to apply for standard warehouse receipt delivery, or the seller client who holds the unilateral selling positions of the delivery month applies for the FOT delivery, which shall be reviewed and approved by the Exchange, and the Exchange will match the buyer with the seller to complete the delivery within the specified time.

The one-off delivery can only be taken in the form of the standard warehouse receipt delivery.

In addition to the provisions of this Detailed Rules, the EFP, the daily selective delivery and the one-off delivery of live hogs shall be conducted in accordance with the *Measures for Delivery Management of Dalian Commodity Exchange* and the *Measures for Clearing Management of Dalian Commodity Exchange*.

1. For those participating in daily selective delivery, if the standard warehouse receipt delivery is adopted, the standard warehouse receipt corresponding to the seller's delivery application shall be frozen, and the trading margins corresponding to its selling positions shall be refunded on the matching day; after the market close on the handover day, the Exchange will transfer the standard warehouse receipt delivered by the seller to the corresponding matched buyer and make eighty percent (80%) of the payments for goods to the seller Member, and the remaining payments shall be fully settled after the seller Member provides the VAT common invoice; the seller Member shall provide the VAT common invoice to the buyer Member within seven (7) trading days after the matching day.

If the FOT delivery is adopted, the seller's application for delivery shall be confirmed by the designated FOT delivery site; after the market close on the matching day, the trading margin corresponding to the seller Member's matched selling positions will be converted into the delivery margin; if delivery of the futures live hog is normally completed, the Exchange shall refund the seller Member's delivery margin and make eighty percent (80%) of the payments for goods to the seller Member after the market close on the sixth (6) trading day following the handover day, and the remaining payments shall be fully settled after the seller Member provides the VAT common invoice; within seven (7) trading days after the Exchange make eighty percent (80%) of the payments for goods, the seller Member shall deliver the VAT common invoice corresponding to the actual delivered goods to the buyer Member.

1. The delivery settlement price of the one-off delivery shall be the weighted average price of all trade prices during the last ten (10) trading days of the delivery month under the futures contract; if the delivery month has less than ten (10) trading days, the delivery settlement price shall be the weighted average price of all trade prices as of the first trading day through the last trading day of the delivery month under the futures contract.
2. The delivery of live hogs shall comply with national and local regulations and requirements on live hog epidemic prevention and quarantine. Live hogs delivered shall have the animal quarantine certificate.
3. The transportation vehicle for live hogs shall be arranged by the owner in case of standard warehouse receipt delivery or buyer in case of FOT delivery and shall be filed with relevant state authorities. The transportation of live hogs shall comply with relevant national and local regulations and requirements.
4. The delivery unit of the live hog futures contract is 16 MT.
5. The live hog standard warehouse receipt is the standard factory warehouse receipt.
6. The quality inspection of live hogs shall be carried out in batches of 16±1 MT, and the inspection of live hogs that does not reach such standard shall be carried out in one batch.
7. During the holidays specified by the State Council (including adjusted working days and consecutive holidays) and the weekends immediately before and after such holidays, the designated delivery warehouses and designated FOT delivery sites will suspend the handover of goods. As a result, if the declaration for quarantine and the handover of goods cannot be completed on a continuous basis, the relevant business will be postponed. Relevant business on other weekends shall stay normal.
8. In case of the standard warehouse receipt delivery, the quality premium/discount price difference of the live hog futures contract shall be settled by the owner with the designated delivery warehouse; in case of the FOT delivery, the quality premium/discount price difference of the live hog futures contract shall be settled by the buyer and the seller on the spot, or the seller may engage a designated FOT delivery site to carry out the settlement on its behalf.
9. The VAT common invoices shall be issued for the live hog delivery.
10. The delivery commissions, inspection fees and storage fees of the Live Hog shall be separately stipulated and published by the Exchange. The cleaning and sterilization fees for live hog transportation vehicles and related pick-up personnel shall be subject to a maximum price limit, which shall be separately stipulated and published by the Exchange.

Section II Standard Warehouse Receipt Delivery

1. The *Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange* shall apply to the generation, circulation and deregistration of the standard warehouse receipts, if not provided in the Detailed Rules.
2. The live hog standard warehouse receipts which are used for the delivery matching shall be deregistered immediately after the market close on the handover day and after the Exchange has transferred the standard warehouse receipts delivered by the seller to the corresponding matched buyer within that day, except for failure on transfer of the standard warehouse receipts due to the live hog pandemic.

The standard warehouse receipts which are not used for the delivery matching shall be deregistered before the last delivery day (inclusive of such day) of each delivery month.

1. The owner of the goods shall arrive at the factory warehouse on the second (2) calendar day after the deregistration date of the standard warehouse receipt (exclusive of the deregistration date) and start to prepare for the pick-up of goods (the date being the first "**Specified Arrival Date**"). In the case of multi-days pick-up, the owner shall arrive at the factory warehouse on multiple consecutive days (the dates being the second, third to the Nth Specified Arrival Date and so on).
2. The owner shall contact the factory warehouse three (3) calendar days before each Specified Arrival Date, and the factory warehouse shall provide the owner with the scope of transportation destination in line with the provisions of live hog dispatching and transportation on the same day. Where the scope of transportation destination cannot be provided, it shall be deemed that the factory warehouse is unable to deliver the goods in accordance with the provisions. The owner may negotiate with the factory warehouse to expand the scope of transportation destination in line with the provisions of live hog dispatching and transportation. Where the scope of transportation destination changes, the factory warehouse shall notify the owner in time.

The owner shall provide relevant information for issuing the animal quarantine certificate on the second (2) calendar day prior to each Specified Arrival Date, including the specific place of arrival, filing information of live hog transportation vehicles, carrier and purpose of use, etc. If the owner fails to provide information on time or the live hog transportation vehicle provided is not properly filed, it shall be deemed that the owner is unable to pick up the goods.

The factory warehouse shall, according to the above information provided by the owner, apply for quarantine inspection to the relevant state authorities.

1. The owner shall arrange the live hog transportation vehicles matching the weight of live hogs to be delivered to arrive at the cleaning and sterilization place of the factory warehouse on the Specified Arrival Date. The owner is deemed to arrive at the factory warehouse at the time when the live hog transportation vehicles arrive at the cleaning and sterilization place.

If the live hog transportation vehicles that arrive at the cleaning and sterilization place or the carrier does not match with the information provided by the owner for issuing the animal quarantine certificate, it shall be deemed that the owner has not arrived at the factory warehouse.

If the owner, after arrival at the factory warehouse, cannot start to pick up the goods within two (2) calendar days after the Specified Arrival Date due to malfunction of the live hog transportation vehicles, it shall be deemed that the owner is unable to pick up the goods.

The owner may negotiate with the factory warehouse to change the live hog transportation vehicles and reapply for the quarantine.

1. The live hog transportation vehicles and related pick-up personnel shall be cleaned and sterilized at the owner's expense as required by the factory warehouse.
2. The designated quality inspection agency shall arrive on site at the time required by the Exchange.
3. Where the owner fails to arrive at the factory warehouse on the Specified Arrival Date, the following provisions shall apply:
   1. if the owner arrives at the factory warehouse within two (2) calendar days after the Specified Arrival Date, the factory warehouse shall arrange the consignment of the goods. The consigned live hogs shall still comply with the requirement of the delivery quality standards. Where the individual weight and average weight are higher than the upper limit required for standard products, the factory warehouse needs not to pay corresponding discounts; where the individual weight and average weight are lower than the lower limit required for standard products, the factory warehouse needs to pay the corresponding discounts; or
   2. if the owner fails to arrive at the factory warehouse within two (2) calendar days after the Specified Arrival Date, it shall be deemed that the owner is unable to pick up the goods.
4. The excess and shortage of live hogs shall not exceed ± one (1) MT per delivery unit. For the insufficient or surplus amount, the factory warehouse and the owner shall settle the corresponding payment by themselves.

Payment = (price of the live hogs + premium/discount between the non-benchmark delivery warehouse and the benchmark delivery warehouse + average weight premium/discount) × excess or shortage weight

1. The weight of live hogs shall be subject to the measurement by weighbridge of factory warehouse or other weight inspection equipment recognized by the Exchange.
2. The appearance and individual weight of live hogs shall be inspected during the weighing process. During the weighing process, the owner can apply for inspection if the appearance or individual weight of a live hog is considered not meeting the requirements of the standard product through visual inspection. If the owner's claim is accepted by the factory warehouse, it shall be handled according to the owner's claim; if not, the quality inspection agency designated by the Exchange shall be responsible for inspection and the inspection result shall be regarded as the basis of settlement. Live hogs meeting the requirements for the standard deliverable products and substitutes shall be loaded normally. The factory warehouse shall actively cooperate in the inspection. If the inspection cannot be carried out due to the factory warehouse, it shall be handled according to the owner's claim.

Within one inspection batch, if the owner applies for the appearance inspection and the standard product requirements are met for two (2) cumulative times through inspection, the owner shall not apply for the inspection on the appearance of other live hogs in such inspection batch, and the appearance of these live hogs shall be deemed as consistent with the standard products. If the owner applies for the inspection of the individual weight, and the requirements of the standard products are met for two (2) cumulative times through inspection, then the owner shall not apply for inspection of the individual weight of other live hogs in such inspection batch, the individual weight of such live hogs is deemed as consistent with the standard products.

The number of live hogs being weighed by the weight inspection equipment each time shall not exceed fifteen (15). The designated quality inspection agency shall record the weight and number of the live hogs properly and calculate the average weight of live hogs in the same inspection batch.

1. The live hogs loaded out of the warehouse shall have been quarantined. If the live hogs pass the quarantine, the factory warehouse shall hand over the animal quarantine certificate before the live hogs are loaded out of the warehouse. If the live hogs fail to pass the quarantine and the animal quarantine certificate cannot be issued, it shall be deemed that the factory warehouse is not able to consign the goods in accordance with the provisions, and the unqualified live hogs shall be disposed of in accordance with relevant provisions of the state.
2. Once the live hogs conforming to the quality standard for futures delivery are loaded into the live hog transportation vehicles of the owner and the factory warehouse delivers the animal quarantine certificate to the owner, delivery of the futures live hog is deemed completed, and thus the handover of goods is completed and the ownership of goods is transferred. The risk of injury or loss of live hogs shall be borne by the factory warehouse before delivery of the futures live hog and by the owner after the delivery.
3. If the owner arrives at the factory warehouse on the Specified Arrival Date, the factory warehouse shall, within 48 hours after the owner arrives at the factory warehouse, complete delivery of the futures live hog according to the relevant provisions on daily consignment speed.
4. Where a live hog dies after being loaded into a transportation vehicle, the dead live hog shall not leave the factory warehouse and shall be disposed of in accordance with relevant provisions of the state.
5. The owner shall actively cooperate with the factory warehouse in arranging the loading of the live hogs out of the factory warehouse. If the factory warehouse cannot deliver the live hogs normally due to the malicious delay or obstruction of the owner as determined by the Exchange, the owner shall be deemed failed to complete the pick-up for the live hogs that have not been loaded out of the warehouse.
6. If the owner fails to pick up the goods, the factory warehouse shall dispose of the live hogs which shall be picked up but are not picked up and make the corresponding payments to the owner within fifteen (15) calendar days after the Specified Arrival Date.

Payment = ( price of the live hogs×80% + premium/discount between the non-benchmark delivery warehouse and the benchmark delivery warehouse) × weight of live hogs that shall be picked up but are not picked up

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

Amount of compensation = price of the live hogs × weight of the live hogs which shall be, but fail to be consigned according to the daily consignment speed × 5%

1. Where the factory warehouse fails to complete the consignment of all the goods on time, the factory warehouse shall, in addition to the compensation provided in the Article 47 of the Detailed Rules, compensate the owner, the amount of such compensation= price of the live hogs × weight of the live hogs which shall be, but fail to be consigned × 5%; the following procedures shall apply to such failure:
2. the Exchange shall supply to the owner the physical live hogs of the same quality and weight of other factory warehouses or locations and bear all the costs and expenses arising out of or in connection with the adjustment of the delivery site and the delayed consignment; or
3. where the Exchange fails to supply the above goods, the Exchange shall refund to the owner the payment of the goods and compensate the owner.

Amount of refunded payment of goods and compensation = (price of the live hogs × 120% + premium/discount between the non-benchmark delivery warehouse and the benchmark delivery warehouse) × weight of the live hogs which shall be, but fail to be consigned.

1. In the event of any violation by the factory warehouse provided in the Article 47 or 48 of the Detailed Rules, the compensation shall firstly be paid to the owner by the factory warehouse. Where the factory warehouse fails to pay such compensation or the amount of compensation is insufficient, it shall be handled by the Exchange according to the applicable provisions of the *Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange.*
2. If the owner believes that force majeure has caused it to be unable to arrive at the factory warehouse on the Specified Arrival Date, or the factory warehouse believes that force majeure has caused it to be unable to deliver the live hogs futures, the owner or the factory warehouse shall report to the Exchange in time and the handover of goods shall be stopped.

If an event constitutes force majeure as determined by the Exchange, the factory warehouse shall refund the corresponding payment to the owner within fifteen (15) calendar days after the Specified Arrival Date. Payment = ( price of the live hogs + premium/discount between the non-benchmark delivery warehouse and the benchmark delivery warehouse) × weight of corresponding live hogs. Where it does not constitute force majeure, it shall be deemed that the owner is unable to pick up the goods or the factory warehouse is unable to consign the goods in accordance with the relevant provisions.

For the purpose of this Article, force majeure includes any objective condition that is unforeseeable, unavoidable and insurmountable, such as bad weather, flood, earthquake, mud-rock flow and other natural disasters, and change in regulations or policies, etc.

1. The owner and the factory warehouse may negotiate separately to determine the consignment time and speed instead of following the relevant rules of the Exchange, in which case the Exchange will not be responsible for the goods. The owner and the factory warehouse shall confirm in writing the consignment time and speed which they have determined through negotiation, and keep the relevant certifying documents properly for verification.
2. The price of the live hogs and the premium/discount between non-benchmark delivery warehouse and benchmark delivery warehouse as provided in the Articles 38, 46, 47, 48 and 50 of this Chapter shall be the current-month contract settlement price on the deregistration date of the standard warehouse receipt and corresponding premium/discount. If the current-month contract has been delisted on the deregistration date of the standard warehouse receipt, the delivery settlement price of the one-off delivery of the current-month contract and the corresponding premium/discount shall apply; if the current month is not a contract month, the delivery settlement price of the one-off delivery of the previous contract month and the corresponding premium/discount shall apply.

Section III FOT Delivery

1. The maximum daily delivery quantity of each designated FOT delivery site shall be prescribed by the Exchange (detailed in the *List of Designated Delivery Warehouses and Designated FOT Delivery Sites for Live Hogs of Dalian Commodity Exchange* as Annex 2 attached hereto).
2. The live hogs used for the FOT delivery by the seller shall be the live hogs bred in the designated FOT delivery site corresponding to the seller's delivery application. At the time of the FOT delivery, the designated FOT delivery site shall, on behalf of the seller, perform the delivery obligation of futures live hogs to the buyer. If the designated FOT delivery site fails to perform such obligation or fails to comply with the provisions, the seller shall bear the corresponding liabilities.
3. The buyer shall arrive at the designated FOT delivery site on the second (2) calendar day following the handover day (i.e., the Specified Arrival Date) and start to prepare for the pick-up of goods.
4. The buyer shall contact the designated FOT delivery site on the third (3) calendar day before the Specified Arrival Date, and the designated FOT delivery site shall provide the buyer with the scope of transportation destination in line with the provisions of live hog dispatching and transportation on the same day. Where the scope of transportation destination cannot be provided, it shall be deemed as the seller's delivery default. The buyer may negotiate with the designated FOT delivery site to expand the scope of the transportation destination in line with the provisions of live hog dispatching and transportation. Where the scope of transportation destination changes, the designated FOT delivery site shall notify the buyer in time.

The buyer shall provide relevant information for issuing animal quarantine certificate on the second (2) calendar day before the Specified Arrival Date, including the specific transportation arrival place, filing information of live hog transportation vehicle, carrier, purpose, etc. If the buyer fails to provide such information on time or the live hog transportation vehicle provided is not properly filed, it shall be deemed that the buyer is unable to pick up the goods.

The designated FOT delivery site shall, according to the above information provided by the buyer, apply for quarantine inspection to the relevant state authorities.

1. The buyer shall arrange the live hog transportation vehicles matching the weight of live hogs to be delivered to arrive at the cleaning and sterilization place of the designated FOT delivery site on the Specified Arrival Date. The buyer is deemed to arrive at the designated FOT delivery site at the time when the live hog transportation vehicles arrive at the cleaning and sterilization place.

If the live hog transportation vehicles that arrive at the cleaning and sterilization place or the carrier does not match with the information provided by the buyer for issuing the animal quarantine certificate, it shall be deemed that the buyer has not arrived at the designated FOT delivery site.

If the buyer, after arrival at the designated FOT delivery site, cannot start to pick up the goods within two (2) calendar days after the Specified Arrival Date due to malfunction of the live hog transportation vehicles, it shall be deemed that the buyer is unable to pick up the goods.

The buyer may negotiate with the designated FOT delivery site to change the live hog transportation vehicles and reapply for the quarantine.

1. The live hog transportation vehicles and relevant pick-up personnel shall be cleaned and sterilized at the buyer's expense as required by the designated FOT delivery site.
2. The designated quality inspection agency shall arrive on site at the time required by the Exchange.
3. Where the buyer fails to arrive at the designated FOT delivery site on the Specified Arrival Date, the following provisions shall apply:
4. if the buyer arrives at the designated FOT delivery site within two (2) calendar days after the Specified Arrival Date, the designated FOT delivery site shall arrange the consignment of the goods. The consigned live hogs shall still comply with the requirement of the delivery quality standards. Where the individual weight and average weight are higher than the upper limit required for standard products, the seller needs not to pay corresponding discounts; where the individual weight and average weight are lower than the lower limit required for standard products, the seller still needs to pay the corresponding discounts; or
5. if the buyer fails to arrives at the designated FOT delivery site within two (2) calendar days after the Specified Arrival Date, it shall be deemed that the buyer is unable to pick up the goods.
6. The excess and shortage of the live hogs shall not exceed ± one (1) MT per delivery unit. For the insufficient or surplus amounts, the seller and the buyer shall settle the corresponding payment by themselves.

Payment = (price of the live hogs + premium/discount of the designated FOT delivery site + average weight premium/discount) × excess or shortage weight

1. The weight of live hogs shall be subject to the measurement by weighbridge at the designated FOT delivery site or other weight inspection equipment recognized by the Exchange.
2. The appearance and individual weight of live hogs shall be inspected during the weighing process. During the weighing process, the buyer can apply for inspection if the appearance or individual weight of a live hog is considered not meeting the requirements of the standard product through visual inspection. If the buyer's claim is accepted by the seller, it shall be handled according to the buyer's claim; if not, the quality inspection agency designated by the Exchange shall be responsible for inspection and the inspection result shall be regarded as the basis of settlement. The seller may also have the designated FOT delivery site handle the above matters on its behalf. Live hogs meeting the requirements for the standard deliverable products and substitutes shall be loaded normally. The designated FOT delivery site shall actively cooperate in the inspection. If the inspection cannot be carried out due to the designated FOT delivery site, it shall be handled according to the buyer's claim.

Within one inspection batch, if the buyer applies for the appearance inspection and the standard product requirements are met for two (2) cumulative times through inspection, the buyer shall not apply for the inspection on the appearance of other live hogs in such inspection batch, and the appearance of these live hogs shall be deemed to be in accordance with the standard products. If the buyer applies for the inspection of the individual weight, and the requirements of the standard products are met for two (2) cumulative times through inspection, then the buyer shall not apply for the inspection of the individual weight of other live hogs in such inspection batch, the individual weight of these live hogs is deemed as consistent with the standard products.

The number of live hogs being weighed by the weight inspection equipment each time shall not exceed fifteen (15). The designated quality inspection agency shall record the weight and number of live hogs properly and calculate the average weight of live hogs in the same inspection batch.

1. The live hogs delivered shall have been quarantined. If the live hogs pass the quarantine, the designated FOT delivery site shall hand over the animal quarantine certificate before the live hogs are loaded out. If they fail to pass the quarantine and the animal quarantine certificate cannot be issued, it shall be deemed as the seller's delivery default, and the unqualified live hogs shall be disposed of in accordance with relevant provisions of the state.
2. Once the live hogs conforming to the quality standard for futures delivery are loaded into the live hog transportation vehicles of the buyer and the designated FOT site delivers the animal quarantine certificate to the buyer, the delivery of live hog futures is deemed completed, and thus the handover of goods is completed and the ownership of goods is transferred. The risk of injury or loss of live hogs shall be borne by the seller before delivery of the futures live hog and by the buyer after the delivery.
3. If the buyer arrives at the designated FOT delivery site on the Specified Arrival Date, the designated FOT delivery site shall, within 48 hours after the buyer arrives at the designated FOT delivery site, complete the delivery of the futures live hog.
4. Where a live hog dies after being loaded into the transportation vehicle, the dead live hog shall not leave the designated FOT delivery site and shall be disposed of according to the relevant provisions of the state.
5. The buyer shall actively cooperate with the designated FOT delivery site in arranging the loading-out of the live hogs. If the designated FOT delivery site cannot deliver the live hogs normally due to the buyer's malicious delay or obstruction as determined by the Exchange, the buyer shall be deemed failed to complete the pick-up for the live hogs that have not been loaded out of the designated FOT delivery site.
6. The buyer shall confirm whether or not the delivery of the futures live hog is normally completed through the Member before the market close on the sixth (6) trading day following the handover day. If the buyer fails to confirm such on time, it shall be deemed that the delivery of the futures live hog has been completed normally.
7. If the buyer fails to pick up the goods, the Exchange shall, after the market close on the sixth (6) trading day following the handover day, refund the delivery margin to the seller Member and make eighty percent (80%) of the payments for goods to the seller Member, and the remaining payments shall be fully settled after the seller Member provides the VAT common invoice. The seller Member shall provide the VAT common invoice to the buyer Member within seven (7) trading days after the Exchange pays eighty percent (80%) of the payments. The designated FOT delivery site shall dispose of the live hogs that shall be picked up but are not picked up and make the corresponding payment to the buyer within fifteen (15) calendar days following the handover day. Payment = (price of the live hogs × 80% + premium/discount of the designated FOT delivery site) × weight of live hogs that shall be picked up but are not picked up.
8. If the buyer fails to fully make the payments within the stipulated time, it shall be deemed as the buyer's delivery default. The Exchange shall notify the seller Member after settlement on the handover day, a punitive penalty shall be imposed by the Exchange against the buyer of twenty percent (20%) of the contract value of the defaulted portion calculated at the delivery settlement price on the matching day, which shall be paid to the seller; and the delivery shall be terminated. Contract quantity of the buyer's delivery default shall be calculated as per the following formula:

Contract quantity of the buyer's delivery default *(Lot)* = [the payments which should have been paid (*CNY*) - the payments which have been paid (*CNY*)] ÷ [the delivery settlement price (*CNY/MT*) × (1-20%) + premiums/discounts of designated FOT delivery sites] ÷ the trading unit (*MT/Lot*).

If the designated FOT delivery site fails to complete delivery of live hog futures within the stipulated time limit at the stipulated place, it shall be deemed as the seller's delivery default. The Exchange shall notify the buyer Member before the market close on the sixth (6) trading day following the handover day, and 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 delivery settlement price on the matching day, which shall be paid to the buyer; and the buyer's payments shall be released, and the delivery shall terminate.

Contract quantity for the portion that fails to be delivered by the seller (*Lot*) = [weight of the goods which should have been delivered (*MT*) – weight delivered (*MT*)] ÷ trading unit (*MT/Lot*).

The default quantity shall be calculated in "Lot" and rounded up to the nearest integer.

1. If the buyer believes that force majeure has caused it to be unable to arrive at the designated FOT delivery site on the Specified Arrival Date, or the seller believes that the force majeure has caused the designated FOT delivery site to be unable to deliver the live hogs futures, the buyer or the seller shall report to the Exchange in a timely manner and the handover of goods shall be stopped.

If an event constitutes force majeure as determined by the Exchange, the delivery will terminate, the Exchange shall return payment to the buyer Member and refund the delivery margin to the seller Member. Where it does not constitute force majeure, it shall be deemed that the buyer is unable to pick up the goods or the seller's delivery default.

For the purpose of this Article, force majeure includes any objective condition that is unforeseeable, unavoidable and insurmountable, such as bad weather, flood, earthquake, mud-rock flow and other natural disasters, and change in regulations or policies, etc.

1. The buyer and the seller may negotiate to handle the payments and handover of the goods for the FOT delivery by themselves, the specific processes of which shall be subject to the Detailed Rules and the applicable provisions of the *Measures for Delivery Management of Dalian Commodity Exchange.* If the buyer and the seller have agreed to handle the handover of the goods by themselves, but process the payments for the goods through the Exchange, the buyer Member shall supplement the full payments for goods before the market close on the handover day, and the Exchange shall transfer all the payments for goods and refund the delivery margins to the seller Member after the market close on the sixth (6) trading day following the handover day.
2. Regarding the live hog price and premiums/discounts of the designated FOT delivery site under the Article 61 and Article 70 of this Chapter, the delivery settlement price and the corresponding premiums/discounts on the matching day shall apply.

Section IV Handling of Epidemics

1. The reporting, identification and release of epidemic information on live hogs and the handling of relevant live hogs shall be carried out according to the relevant provisions of the state.
2. As of the calendar day immediately following the date of releasing the live hogs epidemic and identification information of the epidemic area, any factory warehouse in the epidemic area shall stop issuing any standard warehouse receipt, and any FOT delivery site in the epidemic area shall stop processing the FOT delivery.
3. After public release of the epidemic information, the standard warehouse receipts in the epidemic areas shall be disposed of as follows:
   * 1. the standard warehouse receipts in the epidemic areas shall not be used for delivery matching, transaction, transfer, goods pick-up or margins, etc.;
     2. the standard warehouse receipts in the epidemic areas, which have completed the delivery matching but have not been transferred, shall not be transferred, the transaction shall be terminated, and the Exchange shall refund the payment for goods to the buyer Member after the market close of the handover day; and
     3. in case the standard warehouse receipts in the epidemic area have been deregistered but the delivery of corresponding live hogs futures has not been completed, the factory warehouses in the epidemic areas shall stop the consignment, and shall no longer assume the consignment responsibility. With respect to the live hogs futures not yet delivered, the factory warehouses shall refund the corresponding payment to the owner within ten (10) working days after the date when the identification information of the epidemic areas is released. Payment = (price of the live hogs + premium/discount between the non-benchmark delivery warehouse and the benchmark delivery warehouse) × weights of futures live hogs not yet delivered. The price of the live hogs, the premium/discount between the non-benchmark delivery warehouse and the benchmark delivery warehouse shall be the settlement price and the corresponding premium/discount of the current-month contract when the identification information of the epidemic areas is released. If the current-month contract has been delisted on the date when the identification information of the epidemic areas is released, the delivery settlement price for one-off delivery of the current-month contract and the corresponding premium/discount shall be applied; if the current month is not a contract month, the delivery settlement price for one-off delivery of the preceding contract month and the corresponding premium/discount shall be applied. Where the owner of the goods fails to arrive at the factory warehouses on the Specified Arrival Date prior to occurrence of the epidemic, the factory warehouses shall not refund the corresponding payment for the goods of that day.
4. After public release of the epidemic information, the FOT delivery in the epidemic areas shall be disposed of as follows:
5. in case the identification information of the epidemic areas is released prior to the market close on the matching day, the FOT delivery application in the epidemic areas shall be invalid, and shall not participate in the delivery matching;
6. in case the identification information of the epidemic areas is released after the market close on the matching day but prior to the market close on the handover day, the Exchange shall deregister the FOT delivery applications in the epidemic areas which participate in the delivery matching after the market close on the handover day, terminate the corresponding delivery, refund the delivery margin to the seller Member and the payments for goods to the buyer Member; and
7. in case the identification information of the epidemic area is released after the market close on the handover day, and the live hogs futures delivery has not been completed, then from the time when the identification information of the epidemic areas is released, the FOT delivery in the epidemic areas shall be terminated, and the Exchange shall, after the market close on the sixth (6) trading day following the handover day, refund the delivery margin to the seller Member and the corresponding payments for goods to the buyer Member; if the live hogs futures delivery is completed, the Exchange shall, after the market close on the sixth (6) trading day following the handover day, refund the delivery margins to the seller Member, and make eighty percent (80%) of the payments to the seller Member, and the remaining payments shall be fully settled after the seller Member provides the VAT common invoice.
8. In case the delivery default occurs prior to the release of the epidemic situation, it shall still be deemed as a delivery default.
9. In case the epidemic has been eliminated, upon the announcement by the Exchange, the factory warehouses and FOT delivery sites which have suspended their businesses shall continue to process the delivery business.

**Chapter IV Supplementary Provisions**

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

Annex 1: Live Hog Delivery Quality Standard of Dalian Commodity Exchange (F/DCE LH001-2021)

Annex 2: List of Designated Delivery Warehouses and Designated FOT Delivery Sites for Live Hogs of Dalian Commodity Exchange (Omitted)

***Disclaimer****:* *This English translation may be used for reference only. In case there is any discrepancy between the English version and the original Chinese version, the original Chinese version shall prevail. Dalian Commodity Exchange may change or update this English translation without any prior notice and shall accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or change with regard to this English translation.*

Annex 1

**Live Hog Delivery Quality Standard of Dalian Commodity Exchange ("DCE")**

***(F/DCE LH001-2021)***

1. Main content and applicable scope
   1. The standard herein (the "**Standard**") stipulates the quality requirements, and inspection methods for live hogs delivered at DCE.
   2. The Standard applies to standard deliverable products and substitutes under the live hog futures contract of DCE.
2. Cited rules and standards

The provisions of the following documents are incorporated as the provisions of the Standard by citation. For those cited documents noted with dates, all of their following amendments (excluding corrections) and revised versions shall not be applied to the Standard; for those without dates, their latest versions shall be applied to the Standard.

*GB/T 32759-2016 Quality evaluation on live lean type pigs*

1. Terms and definitions
   1. Lean hog: subject to the requirements specified in *GB/T 32759-2016*
   2. Average weight: the average body weight of live hogs in the same batch.
   3. Individual weight: the weight of a single live hog.
2. Quality Requirements
3. Quality requirements for standard products of the live hog futures

|  |  |
| --- | --- |
| Item | Quality Standards |
| Appearance | form and appearance of lean hogs, natural walking, no hernia, absence of pustules or lump on surface of body and abnormal wheezing. |
| Average Weight /(Kg) | [100,120] |
| Individual Weight /(Kg) | [90,140] |

1. Premiums/Discounts of the live hog futures qualities

|  |  |  |
| --- | --- | --- |
| Item | Scope of Tolerance | Premiums/Discounts |
| Appearance | Unnatural walking or having hernias | Discount of 100 CNY/hog |
| Presence of pustules or lump on surface of body | Discount of 50 CNY/hog |
| Average Weight/(Kg) | (120,130] | Discount of 0 CNY/ton |
| (130,140] | Discount of 600 CNY /ton |
| >140 | Discount of 1000 CNY /ton |
| Individual Weight/(Kg) | (140,150] | Discount of 0 CNY / hog |
| >150 | Discount of 200 CNY /hog |
| <90 | Discount of 1000 CNY /hog |

1. Health and quarantine

Health and quarantine shall be subject to the requirements specified inthe *Animal Epidemic Prevention Law of the People's Republic of China*, the *Quarantine Regulations for Live Hog Producing Area* and the relevant standards for quarantine of live hogs.

1. Inspection methods
2. Appearance inspection: assessing the appearance of live hogs by visual observation.
3. Average weight: the average weight of the live hogs in the same inspection batch shall be calculated through dividing the actual total weight after weighing with a weighbridge or other weighing equipment recognized by DCE by the actual number of live hogs.
4. Individual weight: the individual weight shall be measured by a weighbridge or other weighing equipment recognized by DCE.
5. Additional note

The Standard shall be subject to the interpretation of DCE.