

Detailed Delivery Rules of Dalian Commodity Exchange

(Revised in the Forty-sixth Session of the Second Board of Governors' Meeting on December 12, 2013; Promulgated subject to DCE [2013] No. 304 Document on December 20, 2013; Revised portions shall enter into force as of the Corn C1501 Contract)

Chapter I General Provisions

Article 1 These Rules are formulated subject to the Trading Rules of Dalian Commodity Exchange for the purposes of guaranteeing the normal carrying-out of the futures delivery business of Dalian Commodity Exchange (the "Exchange") and standardizing the physical delivery.

Article 2 The commodity futures contracts listed in the Exchange shall take the form of physical delivery. The physical delivery shall refer to the course in which pursuant to the futures contract and subject to the Exchange's rules, the parties to the trading close the non-liquidated contract(s) through the transfer of the title to the commodities described in the futures contract(s).

Article 3 The physical delivery must be handled by the Member and carried out in the name of the Member at the Exchange.

Article 4 Delivery shall be prohibited with respect to any individual client's positions or any non-integral multiple of delivery units of the positions of the coke, coking coal or iron ore.

As of the first trading day of the delivery month, the Exchange shall carry out the forced 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 or iron ore, in case the positions of the individual client's delivery month contracts fail to liquidate or be liquidated after the closing of the market 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 24 hereof shall apply.

With respect to the contracts of coke, coking coal or iron ore, in case the positions of the individual client's delivery month contracts or the non-integral multiple of the delivery units fail to liquidate or be liquidated after the closing of the market 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 (20) percent 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 the hedging parties are the clients holding the positions not permitted to be delivered, a fine of twenty (20) percent 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.

Article 5 The business of delivery of the commodity futures contracts listed in the Exchange shall be carried out subject to these Rules. The Exchange, the Members, the clients and the delivery warehouses must comply with these Rules.

Chapter II Exchange of Futures for Physicals

Article 6 The exchange of futures for physicals (“EFP”) shall refer to 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.

Article 7 The EFP shall be divided into the warehouse receipt on par EFP and the non-standard warehouse receipt EFP.

The egg product shall only carry out the non-standard warehouse receipt EFP.

Article 8 Only institutional clients may apply for an EFP application. The EFP term for any product other than egg shall be as of the contract listing date through the last but three trading day (inclusive) of the month preceding the delivery month; and the term of non-standard warehouse receipt EFP for the egg product shall be as of the contract listing day through the last but four trading day (inclusive) as of the last trading day.

Article 9 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:

- (i) An EFP application;
- (ii) The physicals sale and purchase agreement;
- (iii) The applicable certification of the payments; and
- (iv) The applicable certification of the warehouse receipts on par, the entrance receipts, the inventory receipts and other goods ownership certifications.

Article 10 In case of any EFP with respect to any warehouse receipt on par, the application shall be filed by the Member to the Exchange prior to or at 11:30 a.m. of

the trading day, and the Exchange shall examine for approval of such application on the very application filing day.

Prior to or at 11:30 a.m. of the approval day, the selling Member shall submit the warehouse receipts of the appropriate quantities to the Exchange, and the buying Member shall transfer the full payments calculated at the agreed price to the Exchange's account.

Article 11 An EFP with respect to any non-standard warehouse receipt shall be examined for approval by the Exchange within three (3) trading days after the Exchange receives the application.

Article 12 The Exchange shall be responsible for handling the handover of the warehouse receipts on par and the payment of the payments with respect to the warehouse receipts on par EFP. The specific processes therefor are provided in the Detailed Settlement Rules of Dalian Commodity Exchange. The commissions therefor shall be charged by reference to the standards for the physical delivery commissions.

Article 13 The handover of the goods and the payment of the payments with respect to the non-standard warehouse receipts EFP shall be negotiated and determined by the parties to the trading, and no guarantee liability shall be borne by the Exchange. The commissions therefor shall be charged by reference to the standards for the physical delivery commissions.

An EFP with respect to any non-standard warehouse receipt will obligate the parties to the trading to submit, after the completion of the physicals trading, the certifications of the handover of the goods and the payment of the payments. The Exchange shall have the right to supervise and check the conducts of the parties to the trading with respect to the physicals.

Article 14 Upon settlement on the EFP 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.

Article 15 The EFP positions shall be deducted from the then-current day positions, and the trading result shall not be included in the then-current settlement price and trading volume. After ending of each trading day, the Exchange shall publish the EFP information of the then-current day.

Chapter III Bill of Lading Delivery

Article 16 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 iron ore contract may take the bill of lading delivery. The delivery site therefor shall be selected from the delivery sites designated by the Exchange which will be separately published by the Exchange.

Article 17 The bill of lading shall refer to the physicals pickup certification issued by the seller to the buyer after the inventory port confirms the transfer of the title to the commodities on the basis that the buyer completes the inspection of, and confirmation of the conformity of, such commodities.

The contents of the bill of lading shall include the buyer's name, the seller's name, the name of the inventory port, the name of the goods, the quantities, the quality, the warehousing site, the issuing date and otherwise. The bill of lading must be confirmed through sealing by the buyer, the seller and the inventory port.

Article 18 The bill of lading delivery shall be handled by the Member on behalf of its clients. The non-futures company Member may handle it by itself.

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 of the iron ore contracts shall be forty thousand (40,000) tons or the integral multiple thereof.

Article 19 The bill of lading delivery application and matching shall be subject to the following procedures:

(i) 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 buying client may file, through its Member and prior to the closing of the market 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 closing of the market on the then-current day, and publish them through the electronic warehouse receipt system, the Exchange's website or otherwise.

(ii) Prior to or at 14:00 of the second trading day after the buyer files the intent application, the selling 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 application may contain two (2) intent sites and two (2) intent buyers to the maximum.

(iii) The matching date shall be the day when the seller files the application. After the closing of the market on the matching date, 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. No determined matching result may be

modified by the buyer or the seller.

Article 20 After the closing of the market on the matching date, the delivery matching positions shall be liquidated at the settlement price of the matching date. The delivery settlement price shall be the then-current day settlement price of the matching date. 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 the contact persons and their contact information. After the closing of the market on the matching date, the Exchange shall send the matching results, the contacts and the contact information respectively to the Members of the buyers and the sellers 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.

Article 21 The notification date shall be the third natural day preceding the vessel arrival at the port or the inspection of the goods already at the port or in case the third natural day does not fall on a trading day, the immediately preceding trading day.

The selling Member shall send to Exchange through the electronic warehouse receipt system the delivery site, the estimated date of the goods arrival at the port, the quantity, the name of the vessel, the bill of lading number and otherwise. After the closing of the market on the notification date, it will be sent by the Exchange to the buying Member through the electronic warehouse receipt system. The seller shall timely notify the buyer in case of any change to the date of the goods arrival at the port or any other information.

Article 22 Prior to the closing of market on the third natural day after the notification date (in case the third natural 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 (20) percent of the value of the matched contracts. After the closing of the market, the transfer thereof shall be made by the Exchange from the appropriate Member's settlement reserves.

Article 23 The last notification date shall be the last but three trading day of the month immediately preceding the delivery month. In case the seller still fails to send the notification information, prior to the closing of the market on the third natural day after the final notification date (in case the third natural 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 (20) percent of the value of the matched contracts. After the closing of the market, the transfer thereof shall be made by the Exchange from the appropriate Member's settlement reserves.

Article 24 The confirmation of the handover of the goods may be subject to the following procedures:

- (i) The seller notifies the buyer ten (10) hours prior to the unloading (or testing of the goods), and the buyer and the seller arrive at the site and supervise the receipt thereof.
- (ii) The quality testing agency hired by the buyer shall carry out sampling during the unloading or the stacking. The testing items shall follow the quality standards for the iron ore futures delivery described herein. The samplings shall be kept for two (2) months. The testing costs shall be borne by the buyer, and the other costs shall be borne by the seller.
- (iii) 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 testing agency upon the handover of the goods; and more or less of three (3) percent 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 40,000 tons, the moisture test result is 6% upon lading and 8% upon unloading, then the full weight upon unloading shall be $40,000 \div (1-6\%) = 42,553$ tons; and if the actual weight upon unloading is a tons, then the finally actual handed over weight shall be $a \times (1-8\%)$ tons, and the more or less shall be $[a \times (1-8\%) - 40,000]$ tons.

- (iv) 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.

After the buyer and the seller complete the customs declaration and the quality testing, the buyer, the seller and the port shall determine the handover of the goods; and after determination thereof, the selling 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 buying 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. 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.

Article 25 In case the buyer and the seller fail to 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 for an iron ore contract is detailed in Annex 20 hereto) 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.

Article 26 After the closing of the market on the then-current day of receipt of the Handover Confirmation Notification, the Exchange shall send to the buying Member an additional payment notice (inclusive of the more or less amounts and the discount and/or premium) through the Member service system.

Article 27 The handover date shall be the day immediately following the date when the Exchange receives the Handover Confirmation Notification.

Prior to the closing of the market on the handover date, the buying Member must 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; and after the closing of the market, the Exchange shall release the seller's delivery margins and transfer eighty (80) percent of the full payments to the seller, and the other payments will be fully settled after the seller submits the VAT special invoice.

The VAT special invoice shall be issued by the delivery selling client to the appropriate buying client; and the VAT special invoice issued by the client shall be forwarded, obtained, and confirmed with assistance from, the Members of the parties.

Article 28 The buyer shall submit, 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, the quality testing report respectively to the Exchange and the seller; the buying Member shall fill in through the electronic warehouse receipt system the quality testing information of the commodities to be handed over, and the seller shall confirm the testing result prior to the closing of the market of the trading day immediately following the day when the buyer fills in the quality testing information.

The seller which has any objection to the testing result issued by the buyer shall file an application for re-testing to the Exchange prior to the closing of the market of the trading day immediately following the day when the buyer submits the testing report. The Exchange shall choose a re-testing agency from the designated quality testing agencies, and the re-testing result with respect to the sealed samplings upon unloading 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-testing costs shall be pre-paid by the seller; the costs and expenses arising out thereof or in connection therewith (including the testing costs, the travel expenses and otherwise) shall be borne by the seller if the difference between the re-testing result and the former testing result falls within the reasonable deviations described in the applicable standards, and shall otherwise be borne by the buyer.

Article 29 In case no Handover Confirmation Notification is received by the Exchange prior to the closing of the market of the last trading day, handling shall be carried out by the Exchange after the closing of the market subject to the following provisions on the basis of the different circumstances:

(i) 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 (20) percent 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.

(ii) 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, it shall be notified by the seller to 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.

(iii) 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 (20) percent 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.

(iv) In case the handover confirmation fails to be completed between the parties as scheduled due to any quality testing dispute, and if the re-testing 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 (20) percent 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.

Article 30 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 (20) percent 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:

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 seller commits a delivery default, a punitive penalty shall be imposed by the Exchange against the seller of twenty (20) percent 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 (5) percent of the contract value of the default portions calculated at the delivery settlement price.

Chapter IV Rolling Delivery

Article 31 All of No. 1 soybean, No. 2 soybean, soybean meal, soybean oil, and corn contracts shall take the rolling delivery.

Article 32 The rolling delivery shall refer to with respect to a contract in the delivery month, 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 selling client which holds the warehouse receipts on par and the selling positions.

Article 33 The rolling delivery shall be handled by the Member on behalf of the client which files the application for delivery. The handling period shall be as of the first trading day of the delivery month through the trading day immediately preceding the last trading day of the delivery month.

Article 34 The first day of the rolling delivery process shall be the matching day.

(i) The seller declares the delivery. During the delivery month, the client which holds both the warehouse receipts on par (except for the warehouse receipts with respect to which the offset of the margins has been handled, the same below) and the one-way 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 closing of the market 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.

(ii) 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 closing of the market of the trading day immediately preceding the last trading day thereof.

Article 35 After the closing of the market 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, 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. No determined matching result may be modified by the buyer or the seller.

Article 36 After the closing of the market on the matching day, the buying Member’s trading margins for the matched buying positions shall be transformed to be the delivery advances.

Article 37 The delivery settlement price of the rolling delivery matching day shall be

the then-current day settlement price on such futures contract matching day.

Article 38 After the closing of the market 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 Notification, the matching result and other rolling delivery information shall be sent together with the settlement statement of the matching day to the buying Member and the selling 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.

Article 39 After the determination of the matching result, the buyer shall timely 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.

Article 40 The handover day shall be the second trading day following the matching day (exclusive). Prior to the closing of the market of the handover day, the buying Member must additionally pay the remaining payments corresponding to its matched delivery month contract positions and handle the delivery formalities.

Article 41 After the closing of the market of the handover day, the Exchange shall allocate the seller's delivery warehouse receipts to the appropriate matched buyer.

Article 42 After the closing of the market of the handover day, the Exchange shall issue to the buying Member the Warehouse Receipt on Par Holding Certificate, and pay eighty (80) percent of the payments to the selling Member, and the remaining payments shall be fully settled after the selling Member submits the VAT special invoice.

Article 43 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 subject to the applicable provisions of Chapter XXII hereof; and the default contract value shall be calculated at the settlement price of the matching day, and the procurement and auction shall be carried out in a centralized manner after the last delivery day.

Article 44 After the last trading day of the contract, all non-liquidated contract holders must perform the contracts through delivery. After the closing of the market on the last trading day, the portions of positions corresponding to the buying and selling positions under the same client number shall be deemed to be automatically liquidated, no delivery shall be handled therefor and the liquidation price shall be

calculated as per the delivery settlement price.

The delivery settlement price of the last trading day of the rolling delivery shall be the weighted average price of all transaction prices of the futures contract during the period as of the first trading day of the delivery month through the last trading day thereof.

Article 45 After the closing of the market 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.

Article 46 Prior to the closing of the market of the last delivery day, the selling Member must submit to the Exchange all the warehouse receipts on par corresponding to its delivery month contract positions, and the buying Member must additionally pay the balance payments corresponding to its delivery month contract positions.

Article 47 After the closing of the market of the last delivery day, 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, 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. No determined matching result may be modified by the buyer or the seller.

Article 48 After the determination of the matching result, the buyer shall timely provide to the seller the items related to issuance of the VAT special invoice, and the seller deliver to the buyer the VAT special invoice within seven (7) trading days after the last delivery day.

After the closing of the market of the last delivery day, the Exchange shall issue to the buying Member the Warehouse Receipt on Par Holding Certificate, and pay eighty (80) percent of the payments to the selling Member, and the remaining payments shall be fully settled after the selling Member submits the VAT special invoice.

The VAT special invoice shall be issued by the delivery selling client to the appropriate buying client; and the VAT special invoice issued by the client shall be forwarded, obtained, 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 subject to the applicable provisions of the Detailed Settlement Rules of Dalian Commodity Exchange.

Chapter V One-off Delivery

Article 49 All of RBD palm olein, linear low density polyethylene, polyvinyl chloride, coke, coking coal, iron ore, egg, fiberboard and blockboard contracts shall take the one-off delivery. After the last trading day of the contract, all non-liquidated contract 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 liquidated, no delivery shall be handled therefor and the liquidation price shall be calculated as per the delivery settlement price.

The delivery settlement price shall be the weighted average price of all closing prices of the futures contract during the period as of the first trading day of the delivery month through the last trading day thereof.

Article 50 After the closing of the market 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.

Article 51 Prior to the closing of the market of the last delivery day, the selling Member must submit to the Exchange all the warehouse receipts on par corresponding to its delivery month contract positions, and the buying Member must additionally pay the balance payments corresponding to its delivery month contract positions.

Article 52 After the closing of the market on the last delivery day, 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, 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. No determined matching result may be modified by the buyer or the seller.

Article 53 After the determination of the matching result, the buyer shall timely provide to the seller the items related to issuance of the VAT special (ordinary) invoice. With respect to any product other than the egg, the seller shall deliver to the buyer the VAT special invoice within seven (7) trading days after the last delivery day;

and with respect to the egg product, the seller shall deliver to the buyer the VAT ordinary invoice within seven (7) trading days after the Exchange pays the eighty (80) percent of the payments.

Article 54 After the closing of the market of the last delivery day, the Exchange shall issue to the buying Member the Warehouse Receipt on Par Holding Certificate.

With respect to any product other than the egg, the Exchange shall pay eighty (80) percent of the payments to the selling Member, and the remaining payments shall be fully settled after the selling Member submits the VAT special invoice.

With respect to the egg product, in case the buying client has no objection to the egg quality prior to the closing of the market of the fourth trading day following the last delivery day, the Exchange will, after the closing of the market, refund the seller's delivery margins and pay eighty (80) percent of the payments to the selling Member, and the remaining payments shall be fully settled after the selling Member submits the VAT ordinary invoice. In case the buying client has any objection to the quality of a certain batch of eggs of a certain warehouse prior to the closing of the market of the fourth trading day following the last delivery day, it may apply for re-testing of such batch of eggs, and the payment shall be suspended of all the payments of its matched seller in such delivery warehouse. Prior to the closing of the market on the seventh trading day following the last delivery day, the Exchange shall publish the re-testing result of such dispute. If the re-testing proves to be conforming, the Exchange will, after the closing of the market, refund the seller's delivery margins and pay eighty (80) percent of such portions of the payments to the selling Member, and the remaining payments shall be fully settled after the selling Member submits the VAT ordinary invoice. Or if pursuant to the provisions of Article 4.3 of the Egg Delivery Quality Standards of Annex 23 to the Detailed Delivery Rules of Dalian Commodity Exchange, the re-testing proves to be non-conforming in the aspect of the hygienic indexes, and if the seller substitutes the conforming goods at the former delivery warehouse or at the delivery site mutually negotiated by the buyer and the seller prior to the closing of the market of the twelfth trading day following the last delivery day (in the event of substitution thereof, a quality testing agency designated by the Exchange must be hired to carry out testing of all the delivery quality indexes of the eggs, and the testing proves to be conforming), the Exchange will, after the closing of the market of the twelfth trading day following the last delivery day, refund the seller's delivery margins and pay eighty (80) percent of such portions of the payments to the selling Member, and the remaining payments shall be fully settled after the selling Member submits the VAT ordinary invoice; or if the seller fails to timely provide the conforming goods, the delivery shall terminate, and the Exchange shall pay to the buyer the delivery margins of twenty (20) percent of the contract value of such portions of the seller's eggs, while such portions of the goods described in the delivery advice shall be returned to the seller, and the payments shall

be refunded to the buyer. In case the indexes other than the hygienic indexes prove to be non-conforming, the Exchange will, after the closing of the market on the seventh trading day following the last delivery day, refund the seller's delivery margins and pay eighty (80) percent of such portions of the payments to the selling Member, and the remaining payments shall be fully settled after the selling Member submits the VAT ordinary invoice; and any quality dispute shall be settled subject to the applicable provisions of these Rules.

Article 55 The VAT special (ordinary) invoice shall be issued by the delivery selling client to the appropriate buying client; and the VAT special (ordinary) invoice issued by the client shall be forwarded, obtained, and confirmed with assistance from, the Members of the parties.

Any Member's delay or failure in submission of the VAT special (ordinary) invoice shall be handled subject to the applicable provisions of the Detailed Settlement Rules of Dalian Commodity Exchange.

Chapter VI Delivery Standards for No. 1 Soybean

Article 56 The quality standards for and the quality increase and decrease prices of the deliverable products on par and substitutes under the No. 1 soybean contracts shall be detailed in the No. 1 Soybean Delivery Quality Standards of Dalian Commodity Exchange (FA/DCE D001-2012) as Annex 1 attached hereto.

The delivery warehouses designated for No. 1 Soybean shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for No. 1 Soybean of Dalian Commodity Exchange as Annex 2 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 57 The differences of the No. 1 soybean contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Article 58 The No. 1 soybean may be delivered in the form of bulk grain or in gunny sack package.

Article 59 If the No. 1 soybean are packed in gunny sack, the gunny sack shall be 107±5 centimeters long and 74±3 centimeters wide without any damage or leakage. With respect to its cleanness, the gunny sack must be of no pollution or contamination from any toxic substances, and of no grease or oil dirt, mildew, or serious pollution or contamination from coal ash, lime, iron rust, soil, water stains or otherwise. The Exchange may adjust the packaging standards on the basis of the market situation of the physicals.

The packages and/or the accompanying documents shall bear the name, category, grade, place of origin and harvesting year and month, of the products.

The prices of the packages shall be separately prescribed by the Exchange. The packing costs shall be settled between the vendor and the designated delivery warehouse.

Article 60 The quantity of the No. 1 soybean packages shall be calculated by taking eleven (11) gunny sacks as one (1) ton. Each gunny sack shall be deemed to weigh zero point nine (0.9) kilogram.

Article 61 The sewing of the gunny sack shall be machine sewing or manual sewing. The machine sewing must satisfy the requirements that both ends of the opening thereof shall be tightly sewed and that the opening shall be double sewed; and the manual sewing must satisfy the requirement that the opening shall be sewed sixteen (16) times or more with double threads. In case the sewing of the opening thereof fails to satisfy such requirements, the gunny sack or sewing will be replaced or additionally made by the designated delivery warehouse with any extra expenses to be borne by the selling vendor.

Article 62 The trading price of the No. 1 soybean contract shall be the bulk grain price.

Chapter VII Delivery Standards for No. 2 Soybean

Article 63 The quality standards for and the quality increase and decrease prices of the deliverable products on par and substitutes under the No. 2 soybean contracts shall be detailed in the No. 2 Soybean Delivery Quality Standards of Dalian Commodity Exchange (FB/DCE D001-2009) as Annex 3 attached hereto.

The delivery warehouses designated for No. 2 soybean shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for No. 2 Soybean of Dalian Commodity Exchange as Annex 4 attached hereto) and may be adjusted by the Exchange as the case may be. (Beginning from the B1407 contract, the No. 2 Soybean Delivery Quality Standards of Dalian Commodity Exchange (FB/DCE D001-2013) shall apply to the quality standards for and the quality increase and decrease prices of the deliverable products on par and substitutes under the No. 2 soybean contract.)

Article 64 The differences of the No. 2 soybean contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Article 65 The No. 2 soybean may be delivered in the form of bulk grain or in sack grain. The package of the sack grain shall be the gunny sack. The prices of the packages shall be determined by the Exchange and published prior to the launch of the No. 2 soybean contract.

Article 66 The trading price of the No. 2 soybean contract shall be the bulk grain price. The packing payments shall be settled between the vendor and the designated delivery warehouse.

Article 67 The gunny sack shall be 107 ± 5 centimeters long and 74 ± 3 centimeters wide without any damage or leakage. With respect to its cleanness, the gunny sack must be of no pollution or contamination from any toxic substances, and of no grease or oil dirt, mildew, or serious pollution or contamination from coal ash, lime, iron rust, soil, water stains or otherwise. The Exchange may adjust the packaging standards on the basis of the market situation of the physicals.

The packages and/or the accompanying documents shall bear the name, category, grade, place of origin and harvesting year and month, of the products.

Article 68 The quantity of the No. 2 soybean packages shall be calculated by taking eleven (11) gunny sacks as one (1) ton. Each gunny sack shall be deemed to weigh zero point nine (0.9) kilogram.

The sewing of the gunny sack shall be machine sewing or manual sewing. The machine sewing must satisfy the requirements that both ends of the opening thereof shall be tightly sewed and that the opening shall be double sewed; and the manual sewing must satisfy the requirement that the opening shall be sewed sixteen (16) times or more with double threads. In case the sewing of the opening thereof fails to satisfy such requirements, the gunny sack or sewing will be replaced or additionally made by the designated delivery warehouse with any extra expenses to be borne by the selling vendor.

Chapter VIII Delivery Standards for Soybean Meal

Article 69 The quality standards for the deliverable products on par under the soybean meal contracts shall be detailed in the Soybean Meal Delivery Quality Standards of Dalian Commodity Exchange (F/DCE D001-2006) as Annex 5 attached hereto.

The delivery warehouses designated for soybean meal shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Soybean Meal of Dalian Commodity Exchange as Annex 6 hereto) and may be adjusted by the Exchange as the case

may be.

Article 70 When the soybean meal is delivered into the warehouse, the vendor shall provide to the designated delivery warehouse the information of the manufacturers, manufacturing dates, the product quality testers, the certification whether they are genetically modified products and the appropriate marks, the photocopies of the manufacturer's quality testing report, of the soybean meal.

Article 71 The packages of the soybean meal shall be the new woven sacks. The woven sack shall be 625 to 725 millimeters of the operative width and 1,075 to 1,225 millimeters of the operative length. The woven sack shall have no damage or leakage. With respect to its cleanness, the woven sack must be of no pollution or contamination from any toxic substances, and of no grease or oil dirt, mildew, or serious pollution or contamination from coal ash, lime, iron rust, soil, water stains or otherwise. The packing for the soybean meal which belong to the same client and are delivered into the warehouse in the same batch shall be of the uniform specification. The Exchange may adjust the packaging standards on the basis of the market situation of the physicals.

Each package of the soybean meal must be printed with the marks of the product name, the manufacturer's name, address and phone number, and the weight. The woven sack must be sewed with the label printed with the manufacturing date.

Article 72 The number of the packages of the soybean meal shall not be calculated. The packing prices of the woven sacks shall be included in the contract trading price.

Chapter IX Delivery Standards for Soybean Oil

Article 73 The quality standards for the deliverable products on par under the soybean oil contracts shall be detailed in the Soybean Oil Delivery Quality Standards of Dalian Commodity Exchange as Annex 7 attached hereto.

The delivery warehouses designated for the soybean oil shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Soybean Oil of Dalian Commodity Exchange as Annex 8 attached hereto) and may be adjusted by the Exchange as the case may be.

Chapter X Delivery Standards for RBD Palm Olein

Article 74 The quality standards for the deliverable products on par under the RBD palm olein contracts shall be detailed in the RBD Palm Olein Delivery Quality Standards of Dalian Commodity Exchange (F/DCE P002-2011) as Annex 9 attached hereto.

The delivery warehouses designated for the RBD palm olein shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for RBD Palm Olein of Dalian Commodity Exchange as Annex 10 attached hereto) and may be adjusted by the Exchange as the case may be.

The differences of the RBD palm olein contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Chapter XI Delivery Standards for Corn

Article 75 The quality standards for and the quality increase and decrease prices of the deliverable products on par and substitutes under the corn contracts shall be detailed in the Corn Delivery Quality Standards of Dalian Commodity Exchange (FC/DCE D001-2009) as Annex 11 attached hereto.

The delivery warehouses designated for corn shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Corn of Dalian Commodity Exchange as Annex 12 attached hereto) and may be adjusted by the Exchange as the case may be. (Beginning from the C1501 contract, the Corn Delivery Quality Standards of Dalian Commodity Exchange (FC/DCE D001-2013) shall apply to the quality standards for and the quality increase and decrease prices of the deliverable products on par and substitutes under the corn contracts.)

Article 76 The differences of the corn contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Article 77 The corn may be delivered in the form of bulk grain or in sack grain. The package of the sack grain shall be the gunny sack. The prices of the packages shall be determined by the Exchange and published prior to the listing of the corn contract.

Article 78 The trading price of the corn contract shall be the bulk grain price. The packing payments shall be settled between the vendor and the designated delivery warehouse.

Article 79 The gunny sack shall be 107 ± 5 centimeters long and 74 ± 3 centimeters wide without any damage or leakage. With respect to its cleanness, the gunny sack must be of no pollution or contamination from any toxic substances, and of no grease or oil dirt, mildew, or serious pollution or contamination from coal ash, lime, iron rust, soil, water stains or otherwise. The Exchange may adjust the packaging standards on the basis of the market situation of the physicals.

The packages and/or the accompanying documents shall bear the name, category, grade, place of origin and harvesting year and month, of the products.

Article 80 The quantity of the corn packages shall be calculated by taking twelve (12) gunny sacks as one (1) ton. Each gunny sack shall be deemed to weigh zero point nine (0.9) kilogram.

The sewing of the gunny sack shall be machine sewing or manual sewing. The machine sewing must satisfy the requirements that both ends of the opening thereof shall be tightly sewed and that the opening shall be double sewed; and the manual sewing must satisfy the requirement that the opening shall be sewed sixteen (16) times or more with double threads. In case the sewing of the opening thereof fails to satisfy such requirements, the gunny sack or sewing will be replaced or additionally made by the designated delivery warehouse with any extra expenses to be borne by the selling vendor.

Chapter XII Delivery Standards for Linear Low Density Polyethylene

Article 81 The quality standards for and the packaging requirements for the deliverable products on par under the linear low density polyethylene contracts shall be detailed in the Linear Low Density Polyethylene Delivery Quality Standards of Dalian Commodity Exchange (F/DCE L001-2007) as Annex 13 attached hereto.

Delivery shall be prohibited with respect to the non-conforming products identified by the original manufacturer and the linear low density polyethylene manufactured by taking the recovered materials as the raw materials.

The linear low density polyethylene of the recommended brand(s) of the manufacturer(s) recommended by the Exchange may be exempted from the quality testing after being examined and approved by the delivery warehouse provided, however, that the vendor is capable of providing the materials described in the Measures for Warehouse Receipts Management on Par of No. 1 Soybean, No. 2 Soybean, Corn, LLDPE, PVC, Fiberboard and Blockboard of Dalian Commodity Exchange. The enterprise qualifications and lists of the recommended brands of the recommended manufacturers shall be determined and published by the Exchange.

The delivery warehouses designated for the linear low density polyethylene shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Linear Low Density Polyethylene of Dalian Commodity Exchange as Annex 14 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 82 The prices of the packages of the linear low density polyethylene shall be included in the linear low density polyethylene contract price.

Article 83 The net weight of each sack of the delivery products of the linear low density polyethylene shall be 25 ± 0.2 kilograms. Each ton shall have forty (40) sacks without calculation of any more or less thereof.

Chapter XIII Delivery Standards for Polyvinyl Chloride

Article 84 The polyvinyl chloride on par shall be the Grade I product of SG5 type and satisfy the national standards of the Suspension Polyvinyl Chloride Resins of General Purposes (GB/T5761-2006). High grade products are permitted to be delivered as the substitute products; and there shall be no premiums or discounts in grade between the high grade products and Grade I products.

Article 85 The polyvinyl chloride of the recommended brand(s) of the manufacturer(s) recommended by the Exchange may be exempted from the quality testing after being examined and approved by the delivery warehouse provided, however, that the vendor is capable of providing the materials described in the Measures for Warehouse Receipts Management on Par of No. 1 Soybean, No. 2 Soybean, Corn, LLDPE, PVC, Fiberboard and Blockboard of Dalian Commodity Exchange. The enterprise qualifications and lists of the recommended brands of the recommended manufacturers shall be determined and published by the Exchange.

Article 86 The delivery warehouses designated for the polyvinyl chloride shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Polyvinyl Chloride of Dalian Commodity Exchange as Annex 15 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 87 The polyvinyl chloride delivery products shall take the packages of the original manufacturer or the packages approved by the original manufacturer. The packing sacks shall bear the trademark, the product name, the product standard number, the net weight, the manufacturer's name and address as well as the product type.

The packing materials shall be the kraft paper sacks with an internally laid plastic film bag, the polypropylene woven sacks and/or the compound sacks with the kraft paper and the polypropylene crochet, which shall procure that the products during normal carriage will not break and that the products therein will not be polluted or contaminated or leak. The net weight of each sack thereof shall be 25 ± 0.2 kilograms. Each ton shall have forty (40) sacks without calculation of any more or less thereof.

Article 88 The prices of the packages of the polyvinyl chloride shall be included in the polyvinyl chloride contract price.

Chapter XIV Delivery of Coke

Article 89 The quality standards for and the quality premiums and discounts of the deliverable products on par and substitutes under the coke contracts shall be detailed in the Coke Delivery Quality Standards of Dalian Commodity Exchange (F/DCE J001-2011) as Annex 16 attached hereto.

The delivery warehouses designated for coke shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Coke of Dalian Commodity Exchange as Annex 17 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 90 The differences of the coke contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Article 91 The coke contract delivery unit shall be one thousand (1,000) tons.

Article 92 The vendor shall hire a quality testing agency designated by the Exchange to carry out the quality testing of the commodities to be delivered into the warehouse.

The vendor shall notify, three (3) natural days prior to the delivery thereof into the warehouse, to the designated quality testing agency the method of delivery, the quantity of delivery and the date of delivery, which shall be clearly described in the quality testing agreement. In addition, the quality testing agreement shall provide for, among other things, the day and night operation costs, the method by which the vendor notifies the designated testing agency the delivery of the coke into the warehouse, the quantity of testing, the time of issuing the testing report, and the liability arising out of or in connection with the losses incurred by the vendor for any reason attributable to the designated quality testing agency's failure to timely appearance at the site.

Article 93 The sampling of the coke shall be carried out in the coke flows at the time of being delivered into and stacked in the warehouse.

The minimum quantity of the samplings shall be three thousand (3,000) tons, and any samplings less than three thousand (3,000) tons shall be deemed to be of three thousand (3,000) tons for the charge calculation purpose.

Article 94 The weighting of coke may be carried out through wagon balance or rail weighbridge. The designated delivery warehouse shall, on the basis of the moisture

testing result of the coke issued by the quality testing agency designated by the Exchange and subject to the provisions of the coke contract, calculate the weight which shall be the basis for issuing a warehouse receipt.

Article 95 The quality testing agency designated by the Exchange shall, after its completion of the quality testing of the coke to be delivered into the warehouse, issue one (1) original and three (3) duplicate testing reports; and the original shall be submitted to the vendor and two (2) of the duplicates shall be respectively submitted to the Exchange and the designated delivery warehouse.

Article 96 Upon the coke being loaded out of the warehouse, the designated delivery warehouse shall issue to the vendor the actual testing result of moisture tested by the designated delivery warehouse and produce the quality testing report upon registration of the warehouse receipt.

The designated delivery warehouse shall calculate, on the basis of the actual testing result of moisture and the Coke Delivery Quality Standards of Dalian Commodity Exchange (F/DCE J001-2011), the weight to be loaded out of the warehouse and then have the sufficient weight loaded out.

The designated delivery warehouse may settle the quality premiums and discounts with the clients on the basis of the quality testing report upon registration of the warehouse receipt, or after the sampling and reserved sampling through mutual negotiations and without objection from the buyer or seller to the quality of the coke within fifteen (15) calendar days after being loaded out of the warehouse, on the basis of the quality testing report upon registration of the warehouse receipt, or otherwise on the basis of the sampling testing results in case of any objection from the buyer and/or seller to the quality of the coke.

Article 97 The vendor who has a dispute with respect to the moisture actually tested by the designated delivery warehouse shall choose the designated quality testing agency to have the testing carried out on site, and the testing result shall be the weight measurement basis of being loaded out of the warehouse.

The vendor who has a dispute with respect to the quality testing result of the coke may choose either of the following two methods to have sampling and reserved sample carried out, and shall take the sampling testing result as the basis for dispute settlement subject to Article 72 of the Measures for Warehouse Receipts on Par Management of Soybean Meal, Soybean Oil, RBD Palm Olein, Coke, Coking Coal, Iron Ore and Egg of Dalian Commodity Exchange:

(i) To continue the loading-out, and choose a designated testing agency to have the sampling and reserved sample carried out in the coke flows; or

(ii) To choose a designated quality testing agency to have the sampling carried out through opening the stack, shifting the stack or otherwise.

The quality testing costs shall be prepaid by the vendor. Any and all costs and expenses (including, but not limited to, the testing charges and the travel expenses) and the loss shall be borne by the vendor in case the testing result is consistent with the testing result produced by the designated delivery warehouse or by the designated delivery warehouse in case testing result is inconsistent with the testing result produced by the designated delivery warehouse.

Article 98 The factory warehouse shall provide, upon having the goods loaded out of the factory warehouse, to the vendor the quality testing report issued by the factory with respect to such goods which shall be used as the basis of settlement of the quality premiums and discounts.

Chapter XV Delivery of Coking Coal

Article 99 The quality standards for and the quality premiums and discounts of the deliverable products on par and substitutes under the coking coal contracts shall be detailed in the Coking Coal Delivery Quality Standards of Dalian Commodity Exchange (F/DCE JM001-2013) as Annex 18 attached hereto.

The delivery warehouses designated for coking coal shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Coking Coal of Dalian Commodity Exchange as Annex 19 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 100 The differences of the coking coal contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Article 101 The coking coal contract delivery unit shall be six thousand (6,000) tons.

Article 102 The vendor shall hire a quality testing agency designated by the Exchange to carry out the quality testing of the commodities to be delivered into the warehouse.

The vendor shall notify, three (3) natural days prior to the delivery thereof into the warehouse, to the designated quality testing agency the method of delivery, the quantity of delivery and the date of delivery, which shall be clearly described in the quality testing agreement. In addition, the quality testing agreement shall provide for, among other things, the day and night operation costs, the method by which the vendor notifies the designated testing agency the delivery of the coking coal into the warehouse, the quantity of testing, the time of issuing the testing report, and the liability arising out of or in connection with the losses incurred by the vendor for any

reason attributable to the designated quality testing agency's failure to timely appearance at the site.

Article 103 The sampling of the coking coal shall be carried out in the coking coal flows at the time of being delivered into and stacked in the warehouse.

Article 104 The weighting of coking coal may be carried out through wagon balance or rail weighbridge. The designated delivery warehouse shall, on the basis of the moisture testing result of the coke issued by the quality testing agency designated by the Exchange and subject to the provisions of the Coking Coal Delivery Quality Standards of Dalian Commodity Exchange (F/DCE JM001-2013), calculate the weight which shall be the basis for issuing a warehouse receipt.

Article 105 The quality testing agency designated by the Exchange shall, after its completion of the quality testing of the coking coal to be delivered into the warehouse, issue one (1) original and three (3) duplicate testing reports; and the original shall be submitted to the vendor and two (2) of the duplicates shall be respectively submitted to the Exchange and the designated delivery warehouse.

Article 106 Upon the coking coal being loaded out of the warehouse, the designated delivery warehouse shall issue to the vendor the actual testing result of moisture tested by the designated delivery warehouse and produce the quality testing report upon registration of the warehouse receipt.

The designated delivery warehouse shall calculate, on the basis of the actual testing result of moisture and the Coking Coal Delivery Quality Standards of Dalian Commodity Exchange (F/DCE JM001-2013), the weight to be loaded out of the warehouse and then have the sufficient weight loaded out.

The designated delivery warehouse may settle the quality premiums and discounts with the clients on the basis of the quality testing report upon registration of the warehouse receipt, or after the sampling and reserved sampling through mutual negotiations and without objection from the buyer or seller to the quality of the coking coal within fifteen (15) calendar days after being loaded out of the warehouse, on the basis of the quality testing report upon registration of the warehouse receipt, or otherwise on the basis of the sampling testing results in case of any objection from the buyer and/or seller to the quality of the coking coal. The quality testing report upon registration of the warehouse receipt shall prevail in case of any inconsistency between the sampling testing result and the testing result upon registration of the warehouse receipt provided, however, that such inconsistency falls within the scope of the national standard deviation provisions.

Article 107 The vendor who has a dispute with respect to the moisture actually tested

by the designated delivery warehouse shall choose the designated quality testing agency to have the testing carried out on site, and the testing result shall be the weight measurement basis of being loaded out of the warehouse.

The vendor who has a dispute with respect to the quality testing result of the coking coal may choose either of the following two methods to have sampling and reserved sample carried out:

- (i) To continue the loading-out, and choose a designated testing agency to have the sampling and reserved sample carried out in the coking coal flows; or
- (ii) To choose a designated quality testing agency to have the sampling carried out through opening the stack, shifting the stack or otherwise.

Both parties shall take the sampling testing result as the basis for dispute settlement subject to Article 72 of the Measures for Warehouse Receipts on Par Management of Soybean Meal, Soybean Oil, RBD Palm Olein, Coke, Coking Coal, Iron Ore and Egg of Dalian Commodity Exchange. It shall be deemed that the sampling testing result is consistent with the testing result produced by the designated delivery warehouse and shall be deemed to be the basis for dispute settlement in the event of any inconsistency between the sampling testing result and the testing result upon registration of the warehouse receipt provided, however, that such inconsistency falls within the scope of the national standard deviation provisions.

The quality testing costs shall be prepaid by the vendor. Any and all costs (including, but not limited to, the testing charges and the travel expenses) and the loss shall be borne by the vendor in case the testing result is consistent with the testing result produced by the designated delivery warehouse or by the designated delivery warehouse in case testing result is inconsistent with the testing result produced by the designated delivery warehouse.

Article 108 The factory warehouse shall have the goods loaded out subject to the quality standards for being delivered into the warehouse as required by the contract and shall provide to the vendor the quality testing report issued by the factory with respect to such goods which shall be used as the basis of settlement of the quality premiums and discounts.

Chapter XVI Iron Ore Delivery

Section I General Provisions

Article 109 The iron ore delivery may be carried out through the bill of lading delivery or the warehouse receipt on par delivery.

Article 110 The quality standards for and the quality premiums and discounts of the deliverable products on par and substitutes under the iron ore futures contract shall be detailed in the Iron Ore Delivery Quality Standards of Dalian Commodity Exchange (F/DCE I001-2013) as Annex 21 attached hereto.

Section II Warehouse Receipt on Par Delivery of Iron Ore

Article 111 The delivery warehouses designated for the iron ore shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Iron Ore of Dalian Commodity Exchange as Annex 22 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 112 The price differences of the premiums and discounts of the iron ore delivery shall be settled between the vendor and the designated delivery warehouse.

Article 113 The delivery unit of the iron ore contracts shall be ten thousand (10,000) tons.

Article 114 The vendor shall hire a quality testing agency designated by the Exchange to carry out the quality testing of the commodities to be delivered into a warehouse.

The vendor shall notify, three (3) calendar days prior to being delivered to the warehouse, the designated quality testing agency of the arrival method, the arrival quantity and the arrival time, all of which shall be set forth in the quality testing agreement. In addition, the quality testing agreement shall provide for, among other things, the day and night operation costs, the method that the vendor notifies the designated delivery warehouse of the iron ore to be delivered into the warehouse, the testing quantity, and the time of issuing the testing report, the designated quality testing agency's liability due to its failure to timely arrive at the site, and otherwise.

Article 115 The sampling of the iron ore shall be carried out in the iron ore flows being delivered into and stacked at the warehouse.

Article 116 The weighting of iron ore may be carried out through wagon balance, rail weighbridge, water gauge or any other measurement method agreed by the buyer and the seller. The designated delivery warehouse shall, on the basis of the moisture testing result of the iron ore issued by the quality testing agency designated by the Exchange, calculate the weight converted to dry basis equivalence which shall be the basis for issuing a warehouse receipt.

Article 117 The quality testing agency designated by the Exchange shall, after its completion of the quality testing of the iron ore, issue one (1) original and three (3) duplicate testing reports; and the original shall be submitted to the vendor and two (2)

of the duplicates shall be respectively submitted to the Exchange and the designated delivery warehouse.

Article 118 Upon the iron ore being loaded out of the warehouse, the designated delivery warehouse shall issue to the vendor the actual testing result of moisture tested by the designated delivery warehouse and produce the quality testing report upon registration of the warehouse receipt.

The designated delivery warehouse shall calculate, on the basis of the actual testing result of moisture and the Iron Ore Delivery Quality Standards of Dalian Commodity Exchange (F/DCE I001-2013), the weight to be loaded out of the warehouse and then have the sufficient weight loaded out.

The designated delivery warehouse may settle the quality premiums and discounts with the clients on the basis of the quality testing report upon registration of the warehouse receipt, or after the sampling and reserved sampling through mutual negotiations and without objection from the buyer or seller to the quality of the iron ore within fifteen (15) calendar days after being loaded out of the warehouse, on the basis of the quality testing report upon registration of the warehouse receipt, or otherwise on the basis of the sampling testing results in case of any objection from the buyer and/or seller to the quality of the iron ore.

Article 119 The vendor who has a dispute with respect to the moisture actually tested by the designated delivery warehouse shall choose the designated quality testing agency to have the testing carried out on site, and the testing result shall be the measurement basis of being loaded out of the warehouse.

The vendor who has a dispute with respect to the quality testing result of the iron ore may choose either of the following two methods to have sampling and reserved sample carried out, and shall take the sampling testing result as the basis for dispute settlement subject to Article 72 of the Measures for Warehouse Receipts on Par Management of Soybean Meal, Soybean Oil, RBD Palm Olein, Coke, Coking Coal, Iron Ore and Egg of Dalian Commodity Exchange:

- (i) To continue the loading-out, and choose a designated testing agency to have the sampling and reserved sample carried out in the ore flows; or
- (ii) To choose a designated quality testing agency to have the sampling carried out through opening the stack, shifting the stack or otherwise.

The quality testing costs shall be prepaid by the vendor. Any and all costs (including, but not limited to, the testing charges and the travel expenses) and the loss shall be borne by the vendor in case the testing result is consistent with the testing result produced by the designated delivery warehouse or by the designated delivery

warehouse in case testing result is inconsistent with the testing result produced by the designated delivery warehouse.

Article 120 The factory warehouse shall have the goods loaded out subject to the delivery quality standards as required by the contract and shall provide to the vendor the quality testing report issued by the factory with respect to such goods which shall be used as the basis of settlement of the quality premiums and discounts.

Chapter XVII Delivery of Eggs

Article 121 The quality standards for and the quality premiums and discounts of the deliverable products on par and substitutes under the egg contracts shall be detailed in the Egg Delivery Quality Standards of Dalian Commodity Exchange (F/DCE JD001-2013) as Annex 23 attached hereto.

The delivery warehouses designated for eggs shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Eggs of Dalian Commodity Exchange as Annex 24 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 122 The eggs of the brand(s) recommended by the Exchange may be exempted from the quality testing in case of satisfaction with the required conditions. The enterprise qualifications, the exemption conditions and the lists of the recommended egg brands shall be separately published by the Exchange.

Article 123 The differences of the egg contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Article 124 The eggs to be delivered into the warehouse by the same vendor shall be packed with the uniform carton or egg tray which shall satisfy the provisions of the egg delivery quality standards.

Article 125 The egg contract delivery unit shall be five (5) tons.

Article 126 The quality testing of the eggs to be delivered into the warehouse shall be carried out by the quality testing agency designated by the Exchange which is hired by the designated delivery warehouse.

The vendor shall notify, three (3) natural days prior to the arrival thereof at the warehouse, the method of arrival, the quantity of arrival and the date of arrival to the designated delivery warehouse. The designated delivery warehouse shall notify, after receipt of the vendor's notice of the delivery thereof into the warehouse, the designated quality testing agency the aforesaid information which shall be clearly

described in the quality testing agreement. In addition, the quality testing agreement shall provide for, among other things, the testing costs, the day and night operation costs, the time of issuing the testing report, and the liability arising out of or in connection with the losses incurred by the vendor for any reason attributable to the designated quality testing agency's failure to timely appearance at the site. The testing costs shall be borne by the vendor, to be forwarded by the designated delivery warehouse.

Article 127 When the eggs are being delivered into the warehouse, the vendor shall provide the originals of the anti-epidemic certificate, the certificate of the non-epizootic origin and the vehicle disinfection certificate, all of which shall be submitted to the designated delivery warehouse for preservation.

Article 128 With respect to eggs to be delivered into the warehouse, the earliest sampling date shall be the first trading day of the delivery month; and the sampling shall be carried out during the unloading outside the constant temperature warehouse. The batch grouping with respect to the egg quality testing shall be the integral multiples of the five (5) tons.

Article 129 The weighting of eggs may be carried out through wagon balance or rail weighbridge of the designated delivery warehouse. The designated delivery warehouse shall check the weight of the egg packages through sampling testing, and shall, on the basis of the package weight result, calculate the net weight of the eggs to be delivered into the warehouse which shall be the basis for issuing a warehouse receipt.

Article 130 The eggs shall be delivered into the warehouse in full box; and the difference between the weight of being delivered into the warehouse and the actual delivery weight shall be no more than twenty (20) kilograms. Any insufficiency or excess shall be settled between the designated delivery warehouse and the vendor as follows: For those delivered into the warehouse prior to the closing of the market of the last trading day, settlement shall be made on the basis of the settlement price of the trading day immediately preceding the day of the delivery thereof into the warehouse with respect to the egg contract of the delivery month; and for those delivered into the warehouse after the closing of the market of the last trading day, settlement shall be made on the basis of the delivery settlement price of the egg contract of the delivery month.

Article 131 The quality testing agency designated by the Exchange shall, after its completion of the quality testing of the eggs to be delivered into the warehouse, issue one (1) original and three (3) duplicate testing reports; and the original shall be submitted to the vendor and two (2) of the duplicates shall be respectively submitted to the Exchange and the designated delivery warehouse.

Article 132 Any loading of the eggs out of the warehouse shall be in full box; and upon the loading-out thereof, the designated delivery warehouse shall produce to the vendor the quality testing report upon registration of the warehouse receipt, based on which the quality premiums and discounts shall be settled between the designated delivery warehouse and the clients.

The designated delivery warehouse shall provide to the vendor the anti-epidemic certificate, the certificate of the non-epidemic area origin and the vehicle disinfection certificate of the eggs to be loaded out of the warehouse.

Article 133 Any loss in weight of the eggs during the period as of the warehouse receipt on par registration date and the last delivery day shall be borne by the selling client; and the daily weight loss percentage of the eggs shall be separately published by the Exchange.

The egg weight loss shall be debited to the delivery warehouse on behalf of the buying client and shall be forwarded to the buying client upon being loaded out of the warehouse. The make-up of the egg weight loss may be made through the cash settlement or the provision of the eggs of the same batch as the delivery products. For settlement by cash, upon the loading thereof out of the warehouse, the designated delivery warehouse shall carry out settlement with the buyer as follows, and shall meantime, forward to the buyer the payments of the portions to which the weight loss occurs and the appropriate VAT ordinary invoice: in case the warehouse receipt is registered prior to the closing of the market of the last trading day, settlement shall be made on the basis of the settlement price of the trading day immediately preceding the day of the warehouse receipt registration date with respect to the egg contract of the delivery month; and in case the warehouse receipt is registered after the closing of the market of the last trading day, settlement shall be made on the basis of the delivery settlement price of the egg contract of the delivery month.

Article 134 Any objection to the quality of the eggs to be loaded out of the warehouse shall be posed by the vendor prior to the closing of the market of the fourth trading day following the last delivery day provided, however, that the eggs have not been loaded out of the warehouse. The vendor shall state to the Exchange in writing the quality indexes to be re-tested, and the on-site testing shall be carried out by the designated quality testing agency chosen by the Exchange; and the quantities to be re-tested due to the quality dispute shall be proposed in integral multiple of the delivery unit. The eggs sampled for re-testing shall be transported in constant temperature of 0 to 5°C from being loaded out of the warehouse through being delivered at the quality testing agency; and the re-testing result shall be otherwise invalid.

Any and all costs and expenses arising out of or in connection with the re-testing (including, but not limited to, the testing charges and the travel expenses) shall be prepaid by the buyer and shall be borne by the buyer in case the re-testing result is consistent with the quality requirements for the loading thereof out of the warehouse. In case the re-testing result is inconsistent with the quality requirements for the loading thereof out of the warehouse, any and all costs and expenses arising out of or in connection with the re-testing (including, but not limited to, the testing charges and the travel expenses) and the loss shall be borne by the seller if only the hygienic indexes fail to be consistent therewith, or shall be borne by the designated delivery warehouse if the hygienic indexes are consistent therewith but only the sensory indexes, egg weight, freshness or otherwise fail to be consistent therewith.

Article 135 The factory warehouse shall provide, upon having the goods loaded out of the warehouse, to the vendor the quality testing report issued by the factory with respect to such goods which shall be used as the basis of settlement of the quality premiums and discounts.

Chapter XVIII Handling of Epidemics

Article 136 This Chapter shall apply to the egg product.

Article 137 The epidemic information and the identification of an epidemic area shall be subject to the information publicly released by the Ministry of Agriculture. As of the natural day immediately following the date of releasing the information of identification of the epidemic areas, any delivery warehouse located at the epidemic area shall discontinue handling of the business of delivering the goods into the warehouse, and the delivery factory warehouse shall discontinue issuance of any warehouse receipt.

Article 138 In case the information of identification of the epidemic areas is released prior to the closing of the market of the lasting delivery day, with respect to the seller's warehouse receipts at the epidemic areas, the seller shall substitute the conforming products at the delivery location designated by the Exchange or negotiated by the buyer and the seller outside the non-epidemic area prior to the closing of the market of the twelfth trading day following the last delivery day; upon substitution thereof, all the delivery quality indexes of the eggs shall be tested and pass the testing; and the Exchange shall refund the seller's delivery margins and pay eighty (80) percent of the portions of the payments to the selling Member after the closing of market of the twelfth trading day, and the balance shall be fully settled after the selling Member submits the VAT ordinary invoice; and in the event the seller fails to provide the conforming products, the delivery shall terminate, and the Exchange shall pay to the buyer the delivery margins of twenty (20) percent of the contract

value of the portions of the eggs, return to the seller the portions of the eggs under the delivery advice and refund to the buyer its payments.

Article 139 In case the information of identification of the epidemic areas is released after the closing of the market of the last delivery day but prior to the closing of the market of the fourth trading day following the last delivery day, and if the goods have not been loaded out of the warehouse, the Exchange shall test the hygienic indexes of the goods to be delivered located in the epidemic areas with the testing costs to be borne by the seller. If it passes the testing, the Exchange shall refund the seller's delivery margins and pay eighty (80) percent of the portions of the payments to the seller after the closing of the market on the seventh trading day following the last delivery day, and the balance shall be fully settled after the seller submits the VAT ordinary invoice. If it fails the testing, the seller shall substitute the conforming products at the delivery location designated by the Exchange or negotiated by the buyer and the seller outside the non-epidemic area prior to the closing of the market of the twelfth trading day following the last delivery day; upon substitution thereof, all the delivery quality indexes of the eggs shall be tested and pass the testing; and the Exchange shall refund the seller's delivery margins and pay eighty (80) percent of the portions of the payments to the selling Member after the closing of market on the twelfth trading day, and the balance shall be fully settled after the selling Member submits the VAT ordinary invoice; and in the event the seller fails to provide the conforming products, the delivery shall terminate, and the Exchange shall pay to the buyer the delivery margins of twenty (20) percent of the contract value of the portions of the eggs, return to the seller the portions of the eggs under the delivery advice and refund to the buyer its payments.

Article 140 The delivery warehouses and/or factory warehouses the business of which has been suspended shall continue to handle the delivery business as of the trading day immediately following the day when the Ministry of Agriculture releases the epidemic elimination announcement.

Chapter XIX Delivery of Fiberboard

Article 141 The quality standards and packing requirements for the deliverable products on par and substitutes under the fiberboard contracts shall be detailed in the Fiberboard Delivery Quality Standards of Dalian Commodity Exchange (F/DCE J001-2011) as Annex 25 attached hereto.

The delivery warehouses designated for the fiberboard shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Fiberboard of Dalian Commodity Exchange as Annex 26 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 142 The differences of the fiberboard contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Article 143 The fiberboard delivery unit shall be five hundred (500) sheets; every eighty (80) sheets of the products on par shall be one (1) packing unit, and every seventy (70) sheets of the substitute products shall be one (1) packing unit, that is, one (1) bundle, with the moisture-proof plastic layer. The same batch of the fiberboard of the same client shall be of the same specifications of the same manufacturer. Upon delivery, they shall be delivered into the warehouse in bundles, and any insufficiency in one (1) bundle will require the packing subject to the delivery quality standards.

Article 144 The prices of the packages of the fiberboard shall be included in the fiberboard contract price.

Chapter XX Delivery of Blockboard

Article 145 The quality standards and packing requirements for the products on par and substitutes under the blockboard contracts shall be detailed in the Blockboard Delivery Quality Standards of Dalian Commodity Exchange (F/DCE BB001-2013) as Annex 27 attached hereto.

The delivery warehouses designated for the blockboard shall be divided into the delivery warehouses on par and other delivery warehouses (Detailed in the List of Delivery Warehouses Designated for Blockboard of Dalian Commodity Exchange as Annex 28 attached hereto) and may be adjusted by the Exchange as the case may be.

Article 146 The differences of the blockboard contract discounts and/or premiums shall be settled between the vendor and the designated delivery warehouse.

Article 147 The blockboard delivery unit shall be five hundred (500) sheets; every eighty (80) sheets of the products on par shall be one (1) packing unit, and every seventy (70) sheets of the substitute products shall be one (1) packing unit, that is, one (1) bundle, with the moisture-proof plastic layer. The same batch of the blockboard of the same client shall be of the same specifications of the same manufacturer. Upon delivery, they shall be delivered into the warehouse in bundles, and any insufficiency in one (1) bundle will require the packing subject to the delivery quality standards.

Article 148 The prices of the packages of the blockboard shall be included in the fiberboard contract price.

Chapter XXI Delivery Costs

Article 149 The parties to the physical delivery shall respectively pay the delivery

commissions to the Exchange.

With respect to No. 1 soybean, the delivery commissions shall be CNY four (4) per ton and the testing costs shall be CNY two (2) per ton.

With respect to No. 2 soybean, the delivery commissions shall be CNY four (4) per ton and the testing costs shall be CNY three (3) per ton.

With respect to the soybean meals, soybean oil and RBD palm olein, the delivery commissions shall be CNY (1) per ton, and the testing costs are provided in the applicable provisions of the Measures for Warehouse Receipts on Par Management of Soybean Meal, Soybean Oil, RBD Palm Olein, Coke, Coking Coal, Iron Ore and Egg of Dalian Commodity Exchange.

With respect to the corn, the delivery commissions shall be CNY (1) per ton, and the testing costs shall be CNY (1) per ton.

With respect to the linear low density polyethylene and the polyvinyl chloride, the delivery commissions shall be CNY two (2) per ton, and the sampling and testing costs shall be subject to a maximum price to be formulated and published by the Exchange.

With respect to the coke and the coking coal, the delivery commissions shall be CNY (1) per ton.

With respect to the iron ore, the delivery commissions shall be CNY zero point five (0.5) per ton.

With respect to the eggs, the delivery commissions shall be CNY (1) per ton, and the testing costs shall be separately published by the Exchange.

With respect to the fiberboard and the blockboard, the delivery commissions shall be CNY zero point zero one (0.01) per sheet and the sampling and testing costs shall be subject to a maximum price to be formulated and published by the Exchange.

Article 150 The costs for the delivery into 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 costs of the delivery into or loading out of the designated delivery warehouse.

The standards for the maximum costs of the delivery into or loading out of any new designated delivery warehouse shall enter into force as of the date of being

promulgated by the Exchange.

Article 151 The costs 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.

Article 152 With respect to No. 1 soybean and No. 2 soybean, the charging standards for the warehousing and dissipation costs (including the warehousing costs, custody dissipation, fumigation costs) shall be CNY zero point forty (0.40) per day per ton, and during the period as of May 1 through October 31, the high-temperature storage costs of CNY zero point ten (0.10) per day per ton will be additionally charged.

With respect to the soybean meals, the charging standards for the warehousing and dissipation costs (including the warehousing costs, custody dissipation, fumigation costs) shall be CNY zero point fifty (0.50) per day per ton.

With respect to the soybean oil and RBD palm olein, the charging standards for the warehousing and dissipation costs (including the warehousing costs, custody dissipation, fumigation costs) shall be CNY zero point ninety (0.90) per day per ton.

With respect to the corn, the charging standards for the warehousing and dissipation costs (including the warehousing costs, custody dissipation, fumigation costs) shall be CNY zero point fifty (0.50) per day per ton, and during the period as of May 1 through October 31, the high-temperature storage costs of CNY zero point ten (0.10) per day per ton will be additionally charged.

With respect to the linear low density polyethylene and the polyvinyl chloride, the charging standards for the warehousing costs shall be CNY one (1) per day per ton.

With respect to the coke and the coking coal, the charging standards for the warehousing costs shall be CNY one (1) per day per ton.

With respect to the iron ore, the charging standards for the warehousing costs shall be CNY zero point fifty (0.50) per day per ton.

The charging standards for the warehousing costs of the eggs, fiberboard and blockboard shall be promulgated by the Exchange.

Article 153 As of the day immediately following the full payment of the warehousing and dissipation costs of the warehouse receipt on par through the day of deregistration thereof, the monthly warehousing and dissipation costs shall be payable by the Member with which such warehouse receipt on par is affiliated to the Exchange

within the first three (3) trading days of the immediately following month, and the Exchange will pay such warehousing and dissipation costs to the designated delivery warehouse after receipt of invoices thereof. Prior to the day immediately following the full payment of the warehousing and dissipation costs of the warehouse receipt on par and after the day of deregistration thereof, any incurred warehousing and dissipation costs shall be fully settled between the designated delivery warehouse and the vendor. No dissipation costs will be charged with respect to the linear low density polyethylene, polyvinyl chloride, fiberboard or blockboard.

Article 154 The Exchange may adjust the charging standards of the foregoing costs subject to the national policies and the market situations, which will be timely notified by the Exchange to the Members and the designated delivery warehouses.

Article 155 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 XXII Delivery Default

Article 156 Either of the following circumstances will result in a delivery default:

- (i) The seller fails to fully deliver the warehouse receipt on par within the prescribed period; or
- (ii) The buyer fails to fully pay the payments within the prescribed period.

Article 157 Upon calculation of the quantities of the contracts in default by the buyer, twenty (20) percent of the contract value with respect to the portions in default shall be reserved for the liquidated damages and the compensation.

The formula for quantity of the contracts of delivery default by the buyer and the seller shall be:

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

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*)] ÷ (1-20%) ÷ The delivery settlement price (*CNY/Ton*) ÷ The trading unit (*Ton/Lot*).

Article 158 Any occurrence of a delivery default event shall be notified by the Exchange to the default party and the non-default party after settlement on the then-current day of the occurrence thereof. 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.

The non-default party must submit, prior to or at 11:00 of the immediately following trading day, to the Exchange in writing the letter of intent of choosing to terminate or continue the delivery. The Exchange shall handle it as termination of the delivery in case of no submission thereof within the aforesaid period. After the termination of the delivery, the Exchange's liability for delivery security shall terminate.

Article 159 In the event of any default event with respect to any product other than the egg, the default party shall pay the liquidated damages of five (5) percent of the contract value of the portions in default, and in addition, the following measures shall apply:

(I) In case of the default by the seller, the buyer may choose either of the following:

(1) To terminate the delivery: The Exchange shall refund the buyer's payments; or
(2) To continue the delivery: The Exchange shall release, within three (3) trading days following the last delivery day, the announcement for procurement of warehouse receipts on par and organize, on the seventh trading day following the last delivery day, the procurement thereof. For the successful procurement, the Exchange shall pay to the buyer the warehouse receipts on par; or for the unsuccessful procurement thereof, the seller shall pay to the buyer the liquidated damages of fifteen (15) percent of the contract value of the portions in default, and the Exchange shall refund the buyer's delivery payments and then terminate the delivery. The seller shall bear any and all economic losses and costs arising out of or in connection with the procurement.

(II) In case of the default by the buyer, the seller may choose either of the following:

(1) To terminate the delivery: The Exchange shall return the seller's warehouse receipts on par; or
(2) To continue the delivery: The Exchange shall release, within three (3) trading days following the last delivery day, the announcement for auction of warehouse receipts on par and organize, on the seventh trading day following the last delivery day, the auction thereof. For the successful auction, the Exchange shall pay to the seller the payments; or for the unsuccessful auction thereof, the buyer shall pay to the seller the liquidated damages of fifteen (15) percent of the contract value of the portions in default, and the Exchange shall refund the seller's warehouse receipts on par and then terminate the delivery. The buyer shall bear any and all economic losses and costs arising out of or in connection with the auction.

Article 160 In the event of any default event with respect to the egg product, the following measures shall apply:

- (i) In case of the default by the seller, the seller shall pay to the buyer twenty (20) percent of the contract value of the portions in default, and the Exchange shall refund the buyer's delivery payments and then terminate the delivery; or
- (ii) In case of the default by the buyer, the buyer shall pay to the seller twenty (20) percent of the contract value of the portions in default, and the Exchange shall refund the seller's margins and then terminate the delivery.

Article 161 The procurement price shall not be higher than one hundred and twenty-five (125) percent of the delivery settlement price; and the auction price shall not be lower than seventy-five (75) percent of the delivery settlement price.

Article 162 In case both the buyer and the seller are in default, the Exchange shall terminate the delivery and impose a fine of five (5) percent of the contract value of the portions in default respectively against the buyer and the seller.

Article 163 In case partial delivery default occurs to a Member, the warehouse receipts on par, or payments, received by the default Member may be used to handle the default.

Article 164 In case a Member intentionally commits a default during the physical delivery, measures shall be taken subject to Article 25 of the Measures for Handling of Violations of Dalian Commodity Exchange.

Chapter XXIII Procurement and Auction of Warehouse Receipts on Par

Article 165 The procurement or auction of the warehouse receipts on par shall refer to the Exchange's publicly buying or selling the warehouse receipts on par under the circumstance that the non-default party chooses to continue the delivery.

Article 166 The procurement and auction of any warehouse receipt on par shall be carried out under the unified organization by the qualified agency hired by the Exchange. Any client which intends to participate in the procurement or auction thereof must have a Member to act on its behalf in the name of such Member.

No individual client will be permitted to participate in any procurement or auction of any warehouse receipt.

Article 167 The Exchange shall release to all of its Members and the public the announcement of the procurement and/or auction of the warehouse receipts on par within three (3) trading days following the last delivery day.

Article 168 The Exchange shall organize the procurement and auction of the warehouse receipts on par on the seventh trading day following the last delivery day.

Article 169 The quotation of the procurement or auction of the warehouse receipts on par shall refer to the price, inclusive of the VAT and the packaging costs, of the deliverable products on par under the appropriate futures contract upon being delivered into/at the delivery warehouse on par.

Article 170 Any Member which participates in the procurement (or auction) of the warehouse receipts on par may obtain the qualification of participation therein after its negotiable warehouse receipts on par are frozen or after it deposits the monetary funds into the Exchange, and the payments will be settled at the closing price after the completion of the procurement (or auction).

The quantity of the warehouse receipts to be procured (auctioned) shall be:

The quantity of the sellable warehouse receipts (*Lot*) = The quantity of the frozen warehouse receipts (*Lot*)

The quantity of the buyable warehouse receipts (*Lot*) = The advance payments (*CNY*) / The Delivery Settlement Price (*CNY/Ton*) / The Trading Unit (*Ton/Lot*).

Article 171 The procurement and auction of the warehouse receipts on par shall be under the principle of “Price comes first and quantity comes first”.

Article 172 The initial procurement price shall be one hundred and twenty-five (125) percent of the delivery settlement price; and the initial auction price shall be seventy-five (75) percent of the delivery settlement price.

During the trading, the Member shall order the procurement (or auction) quantity on the basis of the then-current price. In case the ordered procurement (or auction) quantity at the then-current price is higher than or equal to the auction (or procurement) quantity, the auction (or procurement) price shall be successively increased (or decreased) by the minimum price variation spread.

The Member’s order at the latest price shall not be withdrawn; the order at the price immediately preceding the latest price shall not be withdrawn unless the Member’s ordered quantity at the latest price is higher than its ordered quantity at the price immediately preceding the latest price; and the other prices other than the latest price and the price immediately preceding the latest price shall be automatically withdrawn.

Article 173 In the event of no new order after the latest order, the presider may

declare the ending of the procurement (or auction) and determine the transaction as per the price priority, and in case of the same price, as per the order of the ordered quantity from maximum to minimum, or in the event of the same quantity, subject to allocation on the basis of the order of time from the earlier to the later.

Article 174 Partial successful procurement (or auction) shall refer to that during the initial procurement (or auction), the ordered quantity is less than the procurement (or auction) quantity. Under such circumstance, all the orders shall be the transacted orders; and the allocation shall be made, after the ending thereof, to the non-default party on the basis of the quantity of the actually procured (or auctioned) warehouse receipts (or monetary funds) as per the ratio of the appropriate default party's default quantity to the total of the sellers' (or buyers') default quantities.

Article 175 After the ending of the procurement (or auction), the Exchange shall publish the procurement (or auction) results and the matching results; and the Exchange shall settle, at the transaction price, the payments of the seller (or buyer) which participates in the procurement (or auction) (inclusive of the packaging costs) and issue the Warehouse Receipt on Par Holding Certificate.

Article 176 After the ending of the procurement (or auction), in case the procurement (or auction) price is lower (or higher) than the delivery settlement price, the settlement shall be made at the transaction price for the non-default party, and the VAT special invoice shall be directly issued by both parties.

In case procurement (or auction) price is higher (or lower) than the delivery settlement price, the settlement shall be made at the delivery settlement price for the non-default party, and the difference between the transaction price and the delivery settlement price shall be paid from the default party's account. The VAT special invoice shall be respectively issued by taking the default party as the intermediate invoice-issuer.

Article 177 After the ending of the procurement (or auction), in the event of the partial successful procurement (or auction), the Exchange shall transfer to the non-default party's account from the default party's account the liquidated damages of fifteen (15) percent of the contract value calculated at the delivery settlement price with respect to the portions of the unsuccessful contracts. In case there is more than one (1) non-default party but there is only one (1) default party, the average allocation shall be made as per the appropriate non-default party's matching quantity with respect to the default party's unsuccessful contracts.

Article 178 After the ending of the procurement (or auction), the VAT special invoice shall be issued to the appropriate client within five (5) trading days. The applicable provisions of the Detailed Settlement Rules of Dalian Commodity Exchange shall

apply with respect to no or delayed submission of the VAT special invoice.

Article 179 The procurement (or auction) costs of CNY five (5) per ton shall be charged by the Exchange against the default party.

Any other costs and expenses arising out of or in connection with the procurement (or auction) shall be solely borne by the default party.

Article 180 The Member (or client) without any transaction shall handle the formalities of refunding the funds and/or unfreezing the warehouse receipts on par, as the case may be, at the Exchange by producing the relevant documents or certifications after the ending of the procurement and auction.

Article 181 The procurement and auction results shall be publicly released by the Exchange.

Chapter XXIV Supplementary Provisions

Article 182 Any violation of these Rules shall be punished by the Exchange pursuant to the applicable provisions of the Measures for Handling of Violations of Dalian Commodity Exchange.

Article 183 These Rules shall be interpreted by Dalian Commodity Exchange.

Article 184 These Rules shall enter into force as of the date of promulgation.