Attachment

**Measures for "Insurance + Futures" Business Management of Dalian Commodity Exchange**

**Chapter I General Provisions**

1. In order to standardize the "Insurance + Futures" business of Dalian Commodity Exchange (hereinafter referred to as the "**Exchange**") and facilitate the futures market to better serve the real economy, the Measures for "Insurance + Futures" Business Management of Dalian Commodity Exchange (hereinafter referred to as the "**Measures**") are formulated in accordance with the *Futures and Derivatives Law of the People's Republic of China*, the *Bylaws of Dalian Commodity Exchange*, the *Trading Rules of Dalian Commodity Exchange* and *Provisions on Classification-Based Supervision of Futures Companies* and relevant provisions*.*
2. For the purpose of the Measures, the "Insurance + Futures" business refers to the agricultural risk management business provided for agriculture operation entities, with the consent of the Exchange, in which futures companies and their risk management companies jointly with insurance institutions, use futures prices as the basis for underwriting and claim settlement.
3. The Exchange supports market institutions to take professional advantages, insists on the principle of sustainable development, ensures the safety of national grain and important agricultural products and contributes to rural revitalization and other strategic directions and critical areas for high-quality national agricultural development through the "Insurance + Futures" business services.
4. The Measures shall be applicable to futures companies, their risk management companies, insurance institutions, service recipients and other relevant entities involved in the "Insurance + Futures" business supported by the Exchange.

**Chapter II Qualification Requirements**

1. Futures companies and their risk management companies conducting "Insurance + Futures" business shall fulfill the following conditions:
2. completing the OTC derivatives business filing of China Futures Association and not being suspended from adding new business;
3. being equipped with specialized personnel responsible for the business operation;
4. meeting the conditions of opening specialized business accounts; and
5. other conditions specified by the Exchange.
6. Insurance institutions participating in the "Insurance + Futures" business shall have the agricultural insurance business qualification and ensure the insuring, claim settlement and other processes involved in the "Insurance + Futures" business are in line with the *Insurance Law of the People's Republic of China*, the *Regulations on Agricultural Insurance*, the *Measures for the Administration of Underwriting and Claim Settlement* *of Agricultural Insurance* and other relevant provisions.
7. Service recipients participating in the "Insurance + Futures" business shall be directly engaged in agricultural production and operation activities related to the business products.

**Chapter III Business Process**

1. The "Insurance + Futures" business of the Exchange is generally carried out on a "project basis" and the business process of "Insurance + Futures" includes but is not limited to the following: program formulation, notice issuance, project initiation application, notice of project initiation results, agreements execution, project management and publicity, project conclusion acceptance, fee payments, project summary and other stages.
2. The Exchange formulates the annual work program of the "Insurance + Futures" business every year (hereinafter referred to as the "**annual work program**") in accordance with the national agricultural policies and publicizes it to the society in proper forms. The annual work program includes but is not limited to the following: project products, business requirements, application requirements, project initiation criteria, management requirements, acceptance requirements, support programs and other contents.
3. The Exchange organizes qualified futures companies to apply for "Insurance + Futures" project initiation according to the annual work program. The Exchange notifies the futures companies of the application results of the project initiation in the form of official letters or other proper forms.
4. For the project that has passed the initiation examination, the Exchange will execute a written agreement with the futures company that undertakes the project, specifying each party's basic information, service contents, rights and obligations, support methods and contents, and liabilities for breach, etc. The futures company undertaking the project shall organize and carry out the "Insurance + Futures" business in an orderly manner in accordance with the Exchange's business rules, notification requirements and the written agreement.
5. The Exchange shall conduct process management on the implementation of the projects, and shall have the right to require the futures companies, their risk management companies and insurance institutions undertaking the projects to submit the insurance policies, details of the insured, confirmations of the OTC options trading, claims lists and other materials, and will inquire about the business operation or carry out on-site inspections at the same time from time to time.
6. The Exchange shall conduct the conclusion acceptance of the "Insurance + Futures" projects that have expired. According to the requirements of the annual work program, futures companies, their risk management companies and insurance institutions that undertake the projects shall submit the examination materials for the conclusion of the projects on time.

**Chapter IV Support Program**

1. The Exchange can support the "Insurance + Futures" projects through fee payments or other forms.
2. The Exchange shall specify the specific support method and payment standard in the annual work program. The fee payment standard is in principle determined according to the costs and expenses borne by the service recipients, including but not limited to the insurance premium costs (subject to the Exchange support ratio specified in the insurance policies or the actual amount) and OTC option premiums (subject to the OTC options trading confirmations submitted by the application entities), etc. The above costs in the implementation in principle shall not exceed the upper limit of the ratio or the amount specified in the work program and shall be paid according to the principle of whichever is lower.
3. The Exchange implements relevant support policies for the "Insurance + Futures" projects that meet the conclusion standards and pass the conclusion acceptance.

**Chapter V Supervision and Management**

1. If the project is found to have any irregularities and default actions or latent risks occur, the Exchange may take measures such as warning, requiring rectification within a certain period, suspending the project initiation application, disqualifying the project initiation, and reducing or canceling the project support over the futures company, its risk management company and insurance institution that undertake the project.
2. Futures companies, their risk management companies and insurance institutions shall properly preserve the information, documents and materials for the "Insurance + Futures" business. Insurance institutions shall preserve documents including insurance policies, household-based insuring lists, claims lists, etc.; futures companies and their risk management companies shall preserve documents including confirmations of the OTC options trading, settlement statements of the OTC options trading, hedging trading records, etc. The retention period of the above documents shall not be less than 20 years.

**Chapter VI Supplementary Provisions**

1. Futures companies and their risk management companies violating the provisions of the Measures shall be handled by the Exchange in accordance with the applicable provisions of the *Measures against Rule Violations of Dalian Commodity Exchange*.
2. The Exchange reserves the right to interpret the Measures.
3. The Measures shall come into force on the date of the promulgation.

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