Attachment 2

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

**Chapter I General Provisions**

1. The Measures for Membership Management of Dalian Commodity Exchange (the "**Measures**") are formulated pursuant to the *Measures for the Administration of Futures Exchange*, *the Measures for the Supervision and Administration of Futures Companies*, the *Bylaws of Dalian Commodity Exchange* and the *Trading Rules of Dalian Commodity Exchange* for the purposes of strengthening the Members' self-disciplinary management, protecting the Members' lawful rights and interests and normalizing the Members' business matters at Dalian Commodity Exchange (the "**Exchange**").
2. A Member means an enterprise legal person which is examined and approved by the Exchange to conduct the futures trading activities at the Exchange pursuant to the applicable provisions of the applicable laws and regulations related to the futures trading and the *Bylaws of Dalian Commodity Exchange* (the "**Bylaws**").
3. The Measures shall apply to the Members and their practitioners.

**Chapter II Qualification of Members**

1. The Members of the Exchange shall be classified into the Futures Company Members and the Non-Futures Company Members on the basis of their business scopes.
2. An application for membership shall meet the following conditions:
   1. being an enterprise legal person incorporated within the People's Republic of China (the "**PRC**");
   2. acknowledging and complying with the Bylaws and rules of the Exchange;
   3. having the registered capital of no less than CNY thirty million (30,000,000) in case of application for being a Futures Company Member or CNY five million (5,000,000) in case of application for being a Non-Futures Company Member;
   4. having a good reputation and operation history, and having no records of material violations of laws or removal by a futures exchange for the recent three (3) years;
   5. having a well-established organization structure and financial management policy, and a comprehensive futures business management policy;
   6. having personnel with futures practitioner qualification, regular business premises and necessary facilities to conduct business;
   7. having the Futures Brokerage Business License issued by the China Securities Regulatory Commission ("**CSRC**") in case of application for being a Futures Company Member; and
   8. other conditions prescribed by CSRC and the Exchange.
3. An applicant for membership shall submit the following documents and materials to the Exchange:
4. an application letter signed by its legal representative;
5. the Business License for Enterprise Legal Person issued by the industrial and commercial administration department;
6. the annual accounting report of the recent two (2) years audited by an accounting firm or auditing firm;
7. the certification for using the domicile (business premise); and
8. other necessary documents determined by the Exchange.
9. The following documents and materials shall be submitted to the Exchange in case of application for being a Futures Company Member in addition to those listed in Article 6:
10. the Futures Brokerage Business License issued by CSRC;
11. the articles of association of the company and the futures brokerage business rules;
12. information concerning the organization structure of the futures business institution, resumes of the legal representative and the person-in-charge of the futures business, and the list of its futures practitioners; and
13. documents proving the right of use of the main trading facilities and information facilities.
14. An applicant for membership shall submit a written application letter to the Exchange. The content of application letter shall mainly include:
15. the purposes and reasons for applying for the membership of the Exchange;
16. a written undertaking to comply with the Bylaws and all provisions and rules of the Exchange;
17. the corporate and organizational structure; and
18. other information that shall be explained by the applicant as required by the Exchange.
19. Upon receipt of the complete membership application materials, the Exchange shall, within thirty (30) working days, provide the handling opinions and submit them to the Membership Examination Committee for initial review.

If the application passes the initial review by the Membership Examination Committee and is approved by the Board of Governors, the Exchange will issue an admission notice to the qualified applicant.

1. The applicant shall handle the following matters within thirty (30) working days after receiving the admission notice issued by the Exchange:
2. paying the membership fee of CNY five hundred thousand (500,000);
3. paying the annual fee of CNY twenty thousand (20,000) as Futures Company Member or of CNY ten thousand (10,000) as Non-Futures Company Member;
4. depositing the clearing deposit of CNY two million (2,000,000) from its own funds as a Futures Company Member or of CNY five hundred thousand (500,000) as a Non-Futures Company Member;
5. opening a dedicated fund account at a futures margin deposit bank designated by the Exchange;
6. handling the authorization formalities with respect to the relevant personnel and official seals; and
7. other matters that need to be handled.

The failure of handling any of the above listed matters within the prescribed period shall be deemed to have abandoned the membership automatically.

1. The applicant will formally obtain the membership after it completes the admission formalities. The Exchange will issue a membership certificate to the applicant and report to CSRC.
2. A Member shall have one (1) floor trading seat after it formally obtains the membership of the Exchange. A Member, due to its business development, may submit an application for remote trading seats in accordance with the prescribed procedure, which will be subject to the examination and approval of the Exchange. The seat usage fee will be charged annually, the charging standards and method shall be provided and promulgated by the Exchange separately.

The use of a trading seat shall strictly comply with the applicable rules of the Exchange.

1. A Member shall not wholly or partially lease, contract or otherwise hand over the seat(s) to any other institution or individual for their use.
2. The Members shall enjoy the rights and perform the obligations under the Bylaws.

**Chapter III Transfer of Membership**

1. The membership may be transferred upon approval. Any transfer of the membership without approval shall be prohibited.
2. In case of the membership transfer by a Member, the transferor and transferee shall submit the following application documents of membership transfer to the Exchange in advance:
3. the Dalian Commodity Exchange Membership Transfer Application submitted by the transferor to the Exchange; and
4. the membership application documents under Articles 6 and 7 of the Measures submitted by the transferee.
5. After receipt of the aforesaid membership transfer application documents, the Exchange shall deliver them to the Membership Examination Committee of the Board of Governors for membership examination of the transferee. If the transferee passes the membership examination, the Membership Examination Committee shall report such result to the Board of Governors for approval. The Exchange shall issue a written notice of agreeing the membership transfer to the applying parties after approval by the Board of Governors.
6. The transferor and transferee shall sign a Membership Transfer Agreement after receiving the Exchange's notice of agreeing the membership transfer. Such agreement shall be submitted to the Exchange for filing.
7. The transferor must complete the following procedures within thirty (30) working days after receiving the Exchange's notice of agreeing its membership transfer:
8. closing out its open interest;
9. settling all credits and debts with the Exchange;
10. returning all bills, notes and instruments and the certifications issued by the Exchange;
11. completing the formalities of deregistering the dedicated fund account;
12. returning all trading equipment and devices provided by the Exchange; and
13. any other procedures to be completed as prescribed.
14. The Exchange shall issue a written admission notice to the transferee within five (5) working days after the transferor completes the aforesaid procedures, and the transferee shall complete the relevant procedures in accordance with Article 10 of the Measures.

The failure of handling thereof within the prescribed period shall be deemed to have abandoned the transfer of membership.

1. After the transferee completes the relevant admission procedures, the Exchange shall change and register the transferor's membership under the name of the transferee and issue a membership certificate to the transferee.
2. The Exchange shall not accept the membership transfer application in case of any of the following circumstances occurring to the Member:
3. being investigated or handled by competent authorities of the State due to brokerage disputes, violations of laws or commission of a crime;
4. being investigated by the Exchange due to its suspected irregularities;
5. there being less than three (3) months since the Exchange impose sanctions such as public censure or suspension of the futures and option business due to its violations of laws or irregularities;
6. having held the membership for less than one (1) year;
7. the membership having been revoked by the Exchange; or
8. having any unsettled debt dispute with the Exchange.
9. In case the Member is ruled by the court or other judicial organs and/or other competent administrative enforcement organs to transfer the membership due to any litigation dispute or other reasons, and the Exchange is required by such organ to assist in the relation matters, the Exchange shall conduct the forced transfer of the membership against the Member.
10. Within ten (10) trading days after the Exchange receives the enforcement assistance notice related to the membership transfer issued by the court or other judicial organs and/or other competent administrative enforcement organs, the Exchange shall issue a notice of suspending the relevant Member's from opening new positions and closing out the existing open interests within a specified period.
11. The open interests held by a client of the Futures Company Member may be closed out through position liquidation, delivery, position transfer or otherwise, and for the Non-Futures Company Member, the open interest may be closed out through position liquidation, delivery or otherwise. The Member's open interest shall be closed out within sixty (60) trading days after the issuance of the notice. In case of any failure to close out the open interests within the required period, the Exchange will conduct the forced liquidation against such Member on the trading day immediately following the expiration date.
12. The Member shall fully settle all the credits and debts with the Exchange after closing out the open interest. In case the Member fails to complete the relevant formalities, the Exchange shall have the right to deduct its funds in accordance with the applicable rules to have its liabilities with the Exchange fully settled.
13. When all the credits and debts between the Member and the Exchange are fully settled, the membership shall be transferred to the transferee qualified for membership after approval by the Exchange. In the event that the Member does not have other available funds or that its other available funds is insufficient to fully settle the debts with the Exchange, the Exchange may approve the transfer of the Member's membership first, and then settle the debt with the Exchange by using the membership transfer fee; and, if there is any balance remaining after the satisfaction, such balance shall be transferred to the account designated by the competent organ.
14. The transferee shall submit a membership application letter to the Exchange. Where the application passes the membership examination of the Membership Examination Committee and is approved by the Board of Governors, the Exchange will approve the transfer of membership, and the membership shall be transferred to the transferee.
15. The transferee must, within thirty (30) working days after the Exchange approves the transfer, pay the membership transfer fee to the Exchange and complete the procedures under Article 10 above. The failure of handling thereof within the prescribed period shall be deemed to have abandoned the transfer of membership.
16. The Exchange shall change and register the membership under the name of the transferee and issue a membership certificate after the transferee completes the aforesaid procedures, then the transfer will be deemed to complete.
17. The Exchange shall transfer the membership transfer fee or the balance described in Article 27 to the account designated by the competent organ within three (3) working days after receipt of the membership transfer fee paid by the transferee.
18. The Exchange shall file and preserve the forced transfer documents including the ruling of the forced membership transfer made by the competent organ, the membership application letter filed by the transferee and the documents related to the Exchange's approval of the transfer.

**Chapter IV Change of A Member**

1. If a legal person that merges a Member by consolidation or is newly incorporated after consolidation with a Member intends to inherit the membership, it must file an application to the Exchange, and the membership may be inherited only after being examined and approved by the Board of Governors of the Exchange.

The legal person which merges a Member by consolidation or is newly incorporated after consolidation with a Member shall have the priority to acquire the membership.

1. In case of any of the following circumstances occurring to a Member, its membership may be revoked after being approved by the Board of Governors:
2. the Futures Brokerage Business License being revoked by CSRC, or being declared as "prohibited market accessor";
3. handing over the whole or part of its seat(s) to any other institution or individual through leasing, contracting or otherwise;
4. its funds, staffs or equipment being severely insufficient, or still being under disordered management after rectification;
5. refusing to implement the resolution made by the Members' Meeting or the Board of Governors;
6. failing to conduct trading for three (3) consecutive months without any due reason; or
7. having other violations of the laws, regulations or rules of the PRC or material violations of the Bylaws or other rules of the Exchange.
8. The Member's application for abandonment of membership shall be subject to approval by the Board of Governors.
9. The following procedures must be completed within thirty (30) working days after the Member's membership is revoked or abandoned:
10. closing all open interests through liquidation, position transfer or otherwise;
11. settling all credits and debts with the Exchange;
12. returning all bills, notes and instruments and the certifications issued by the Exchange;
13. completing the formalities of deregistering the dedicated fund account;
14. returning all trading equipment and devices provided by the Exchange; and
15. other procedures to be completed as required.

If the Member fails to close the open interest within the required period, the Exchange will conduct forced liquidation against such Member on the trading day immediately following the expiration date. If the Member fails to fully settle the debts with the Exchange, the Exchange will make deduction from the membership fee prior to refund thereof, or will reserve the right of recourse in the event that the membership fee is insufficient to fully settle the debts with the Exchange. Other unfinished procedures shall be handled by the Exchange in accordance with the applicable rules.

1. The Exchange shall report to CSRC for any change to the membership.
2. The Member which has any of the following circumstances shall report to the Exchange in writing within ten (10) working days upon occurrence of such circumstance:
3. the change of its legal representative;
4. the change of its total registered capital or the shareholding structure;
5. the change of its name, domicile, business scope or contact information;
6. the establishment, consolidation or closing of a branch or affiliate;
7. any material change related to its operations;
8. the occurrence of a litigation case or brokerage dispute with an amount of no less than CNY five hundred thousand (500,000);
9. the cease of the futures and option business;
10. the acquirement of the membership of another exchange; or
11. being punished by the futures market administration organ, the administrative enforcement organ, the judicial organ or another exchange due to its violations of laws or irregularities.

**Chapter V Supervision and Management**

1. The Members and their practitioners must comply with the applicable laws, regulations and policies of the PRC as well as the Bylaws, provisions, measures and all the other rules of the Exchange. The Members and their practitioners shall accept the management and supervision by the Exchange.
2. The Exchange shall conduct spot check or overall inspection on the Member's compliance with the Exchange's rules annually. When the Exchange exercises the supervisory powers, it may conduct investigation and collect evidences under the authorities and procedures stipulated in the Bylaws, the trading rules and the detailed trading rules of the Exchange, and the Member shall cooperate with the Exchange on its implementation of the supervisory powers.
3. The Exchange may require the Member which has any of the following circumstances to make rectification within a specified period:
4. being of poor financial management, long-term loss, poor operational conditions or dramatic decline in solvency; or
5. any material issue spotted during the annual examination or inspection.

In case the Member fails to make rectification within the specified period, the Exchange shall have the right to suspend such Member's futures and option trading, or revoke its membership after approved by the Board of Governors.

1. Except for the circumstances under Article 26 of the *Regulation on the Administration of Futures Trading*, any Futures Company Member shall not accept anyone that has any of the following circumstances as a client:
2. a natural person who has no capacity for civil conduct or has limited capacity for civil conduct;
3. a staff and his/her spouse of CSRC and its local branches, the futures exchanges, the safe deposit institutions of futures margins, the China Futures Association and the futures company; or
4. other circumstances prescribed by CSRC and the Exchange.
5. In case a client authorizes a third party as its trading order maker or fund allocator, the client must provide the written power of attorney signed by himself/herself, or signed by its legal representative and affixed with the seal of the client.

The Futures Company Member shall not permit any third party which has no written power of attorney or the written authorization is unclear to conduct trading matters on behalf of the client.

1. Upon acceptance of the client's authorization to conduct trading, the Futures Company Member must confirm the client's identity, credit standing and trading qualification in advance.

In case the source of the client's trading funds is inconsistent with the client's name, the client shall provide the certification of the lawful right to use such trading funds.

1. The Futures Company Member shall open the margin account at the futures margin deposit bank designated by the futures exchange for depositing margin only. Its proprietary funds shall be deposited in a different account separately. Any misappropriation of the clients' margins shall be strictly prohibited.

When the client handles formalities for deposit and withdrawal of funds, the Futures Company Member shall require the client or its lawful fund allocator to sign or seal on the financial voucher.

The Futures Company Member shall not use the margins received from the clients for its own operations or setoff of its debts, and shall not permit any third party to use the clients' margins unless such third party is duly authorized. In addition, the Future Company Member shall not provide guarantee for any third party's operations by using such margin without authorization.

1. The Futures Company Member shall execute the clients' trading orders promptly and accurately. The Futures Company Member shall timely notify the client after the authorized transaction has been concluded. Without the client's authorization, no futures trading shall be conducted by the Futures Company Member on behalf of any client.
2. In case a futures company provides online authorization services to the clients, it shall establish the online trading risk management policy and send special alert to the clients about the risks of online trading.
3. The Futures Company Member shall improve and perfect the formalities for confirming the trading orders made by the clients and the trading clearing materials.
4. Where the Futures Company Member needs to implement forced position liquidation for the purpose of trading risk mitigation, the Futures Company Member shall conduct the forced liquidation in accordance with the standards and conditions stipulated in the contract signed by it and the client. The Futures Company Member shall also notify the client about such forced liquidation in the manner as agreed in the contract. The Futures Company Member shall not allow its clients to conduct overdraft trading.
5. The Futures Company Member shall not deceive or defraud its clients in any way.
6. The Members shall protect the Exchange's reputation and assist the Exchange in resolving any and all emergencies or abnormal events. The Futures Company Members shall make adequate explanations to the clients.
7. The Members shall participate in the activities and meetings organized or held by the Exchange as required by the Exchange. In case a Member cannot participate for a certain reason, it shall report to the Exchange for approval in advance.
8. The Members' practitioners must satisfy the CSRC's applicable rules regarding the futures practitioner's qualifications.
9. Any practitioner of the Members who engages in trading, delivery or clearing business within the Exchange shall be authorized by his or her Member. A Member’s practitioner can be employed only by one Member during the same period and shall not hold any part-time position with another Member concurrently.

The Member shall be fully liable for all the business activities conducted by its practitioners within the Exchange.

1. The authorizations by a Member to its practitioners shall automatically become void upon the transfer, revocation or abandonment of its membership.

**Chapter VI Supplementary Provisions**

1. In case the Member conduct any irregularities or breaches of contract, it shall be handled in accordance with the *Measure against Rule Violations of Dalian Commodity Exchange* and other applicable rules.
2. The Exchange reserves the right to interpret the Measures.
3. The Measures shall come into force on the date of promulgation.