**Appendix 4**

**Notes on the Drafting of the *Information Management Rules of the Shanghai Futures Exchange* and the Revision of Relevant Implementation Rules**

To further regulate external information disclosure and information services, the Shanghai Futures Exchange (the “Exchange”), following a review of its existing rules, has drafted the *Information Management Rules of the Shanghai Futures Exchange* and revised the *Trading Rules of the Shanghai Futures Exchange* and the *Options Trading Rules of the Shanghai Futures Exchange*. The specifics are as follows.

**I. Highlights of the *Information Management Rules of the Shanghai Futures Exchange***

The *Information Management Rules of the Shanghai Futures Exchange* (the “*Information Management Rules*”) consists of 50 articles in 7 chapters, covering the contents and publication of information, information services, use of information, fee standards, and the supervisory measures.

**(I) Contents and publication of information**

The *Information Management Rules* clarifies the contents and publishing frequency and method of the different levels of market information. Notably, it provides that (1) the Exchange publishes different levels of real-time and delayed information; daily, weekly, monthly, and yearly data; various types of statistics; and historical contract data according to applicable rules and market needs; and (2) the Exchange may adjust the frequency and contents of information publication as necessary.

**(II) Information services**

The *Information Management Rules* provides: (1) that information services include information distribution service and value-added information service. The former refers to the distribution of market information to external organizations or to ultimate subscribers and the public; the latter refers to any value-added services derived from the processing of the Exchange’s market information; (2) the qualification requirements for information service providers; and (3) that any party intending to provide information services need to be licensed or authorized by the Exchange and sign an information license agreement with the Exchange.

**(III) Use of information**

The *Information Management Rules* sets out the rules on the use of information: (1) Information service providers are required to sign with each ultimate subscriber a written agreement to bind the subscribers to the provisions of the *Information Management Rules* and clarify how unauthorized connection or relay of information will be handled and the corresponding legal liabilities; (2) Information service providers are obligated to require, through a user agreement, ultimate subscribers to undertake that they will only use the received information for themselves and will not sell, transfer, or otherwise redistribute any information; (3) Information service providers are required to assist the Exchange in regulating the conduct of ultimate subscribers.

**(IV) Fee standards**

The *Information Management Rules* requires information distributors that provide distribution service and value-added information service to pay fees at the fee standards established by the Exchange. The Exchange may adjust the fee items and fee standards as necessary.

**(V) Supervisory measures**

The *Information Management Rules* expressly states that the Exchange exercises supervision over information distributors and other relevant market participants. In particular: (1) If any organization or individual releases, transmits, or distributes any market information or undertakes value-added activities with such information without the permission of the Exchange, the Exchange may take actions to stop or prohibit such activities and hold the relevant organization or individual legally liable; (2) The Exchange has the right to verify the purpose, methods, clients, and fee collection of any entity or individual that transmits and uses the market information of the Exchange.

**II. Major Changes to the *Trading Rules of the Shanghai Futures Exchange***

**(I) Added the definition of “exercise volume”**

Paragraph 14 is added to Article 30 to define “Exercise Volume” as “the quantity of the option contracts that are closed out through exercise.”

**(II) Deleted Chapter 6 “Information Management” and the appended tables**

Chapter 6 “Information Management” is deleted, with its contents merged into the *Information Management Rules*. The four appended tables for real-time, daily, weekly, and monthly market data are also deleted.

**III. Major Changes to the *Options Trading Rules of the Shanghai Futures Exchange***

Chapter 7 “Information Management” is deleted, with the definition for “exercise volume” under Article 65 merged into the *Trading Rules of the Shanghai Futures Exchange* and other articles into the *Information Management Rules*.