# Appendix 3:

# MEMBERSHIP MANAGEMENT RULES OF THE SHANGHAI FUTURES EXCHANGE

# (revised)

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** These *Membership Rules* are made in accordance with the *Articles of Association* and the *General Exchange Rules of the Shanghai Futures Exchange* to strengthen the self-regulation of Members, protect their lawful rights and interests, and regulate their business activities on or through the Shanghai Futures Exchange (the “Exchange”).

**Article 2** “Member” refers to a for-profit legal person or an unincorporated organization that is registered in the Chinese Mainland and approved by the Exchange to engage in futures trading activities on or through the Exchange subject to relevant laws, regulations, and administrative rules in relation to futures trading activities and the *Articles of Association* of the Exchange.

**Article 3** The Exchange, its Members, and their respective professional personnel, Overseas Special Participants (“OSPs”), Overseas Intermediaries, and Clients shall observe these *Membership Rules*.

## CHAPTER 2 ACQUISITION, CHANGES, AND TERMINATION OF MEMBERSHIP

**Article 4** Members of the Exchange are classified into futures firm members (“FF Members”) and non-futures firm members (“Non-FF Members”) depending on their business scopes.

**Article 5** An applicant for membership shall:

(i) be a for-profit legal person or an unincorporated organization in the Chinese mainland;

(ii) acknowledge and agree to abide by the Articles of Association, General Exchange Rules, and other business implementing rules of the Exchange;

(iii) possess a registered capital that complies with the relevant rules of the China Securities Regulatory Commission (“CSRC”) if applying for FF membership or of no less than ten million yuan (RMB10,000,000) if applying for non-FF membership;

(iv) have a good reputation and operating history without any record of serious violation of laws or of expulsion by a futures exchange in the most recent three (3) years;

(v) have a sound organizational structure, financial management system, and futures and options trading management framework;

(vi) have personnel who are licensed as futures market professionals, regular business premises, and the necessary facilities;

(vii) have obtained a relevant financial license issued by the “CSRC” if applying for FF membership; and

(viii) meet other requirements prescribed by the CSRC and the Exchange.

**Article 6** An applicant for membership shall submit the following documents and materials to the Exchange:

(i) an application form signed by its legal representative and affixed with its official seal;

(ii) a Business License issued by an administration for industry and commerce;

(iii) its accounting report for the most recent year audited by an accounting or audit firm;

(iv) a certificate of its right to use the domicile or business location;

(v) documents evidencing its right to use the primary trading facilities and IT facilities; and

(vi) any other materials that the Exchange deems necessary.

**Article 7** In addition to the above, an applicant for FF membership shall also submit the following materials:

(i) a license to engage in relevant financial businessissued by the CSRC;

(ii) its articles of association and rules on futures brokerage business; and

(iii) its organizational chart, resumes of its legal representative and key personnel in charge of futures trading activities, and a name list of its licensed futures market professionals.

**Article 8** An applicant for membership shall submit a written application form to the Exchange that specifies the followings:

(i) purpose and reasons for application;

(ii) written commitment to comply with the Exchange’s *Articles of Association* and rules;

(iii) its organizational and business structure;

(iv) a description of its futures trading activities over the most recent two (2) years; and

(v) other information required by the Exchange.

**Article 9** Within thirty (30) trading days of receiving a satisfactory application, the Exchange shall refer the materials along with its opinion to the Membership Committee for preliminary review.

If the Membership Committee recommends admission and the Board of Directors agrees, the Exchange will send a notice of membership admission to the applicant. If the admission is not approved, the Exchange will notify the applicant in writing.

**Article 10** Within thirty (30) trading days of receiving a notice of membership admission, the applicant shall complete the following procedures:

(i) post five hundred thousand yuan (RMB500,000) to the Exchange for a subscription of shares;

(ii) pay an annual membership fee of twenty thousand yuan (RMB20,000) if it is an FF Member or ten thousand yuan (RMB10,000) if it is a Non-FF Member;

(iii) post a clearing deposit of no less than the minimum amount specified by the Exchange;

(iv) open a futures dedicated fund account with a Designated Depository Bank;

(v) report to the Exchange the authorized personnel and specimen seal; and

(vi) complete any other required procedures.

Failure to complete any of these procedures within the prescribed time period shall be deemed as a waiver of the membership.

**Article 11** An applicant shall become a Member upon completing the above procedures. The Exchange will issue a membership certificate to the new Member and report to the CSRC.

**Article 12** A Member may apply for a trading seat pursuant to established procedures.

In using such seat, the Member shall strictly comply with applicable rules of the Exchange and pay trading seat fees in accordance with the rules of the Exchange.

**Article 13** Members have the rights and obligations prescribed in the *Articles of Association* of the Exchange.

**Article 14** Upon approval, membership may be transferred. Any unauthorized transfer or disposal of membership or a trading seat by such means as lease or collateralization is prohibited.

**Article 15** In transferring membership, the transferor shall first submit a membership transfer application to the Exchange, while the transferee shall submit a membership application. If the Exchange confirms the transferee meets the membership criteria, the transferee and transferor shall enter into a *Membership Transfer Agreement*. After the agreement is reviewed by the Membership Committee and then approved by the Board of Directors, the transferor and transferee shall fulfill the procedures required at the Exchange.

**Article 16** In transferring membership, the transferor shall:

(i) close out its open positions;

(ii) settle all debts and claims with the Exchange;

(iii) return all receipts and certificates issued by the Exchange;

(iv) close its dedicated fund account;

(v) return all trading facilities of the Exchange; and

(vi) complete other necessary procedures.

The Member shall complete the transfer procedures within thirty (30) trading days of receiving the Exchange’s written approval of the transfer.

**Article 17** Upon receiving a satisfactory application, the Exchange shall, within thirty (30) trading days, make a preliminary review on the eligibility of the transferee in accordance with the prescribed rules on the qualification of Members. If the transferee passes the review, the transferor and the transferee shall enter into a membership transfer agreement and submit it for the Exchange’s approval. The Exchange shall, within ten (10) trading days after receiving the membership transfer agreement, determine whether or not to approve the transfer of membership.

**Article 18** Upon receiving the Exchange’s written notice on the approval of membership transfer, the transferee shall complete the admission procedures in accordance with Article 10.

Failure to complete the procedures within the prescribed time period is deemed as a waiver of membership.

**Article 19** A Member shall not transfer its membership if:

(i) it is being investigated by any competent authorities for any financial dispute, violation of laws, or crime;

(ii) it is being investigated by the Exchange for any suspected violation of rules or regulations;

(iii) the Exchange has imposed punishments, such as reprimand and suspension from trading futures or options, on it in the most recent three (3) months;

(iv) it has any pending debt dispute with the Exchange.

**Article 20** A legal person that acquires or merges with a Member or is established out of a merger with a Member, shall apply to the Exchange for succession to the membership of that Member, which succession shall be subject to the approval of the Board of Directors of the Exchange.

Such a legal person shall have priority over other persons for acquiring the said membership.

**Article 21** Upon approval of the Board of Directors, the membership of a Member shall be revoked if:

(i) its Futures Brokerage License is revoked by the CSRC; it is declared as a “prohibited market participant”; its business registration is revoked or its business is ordered to wind down or dissolve by a competent authority; or it falls under other disqualifying circumstances;

(ii) it transfers or disposes of its membership or trading seats by lease, collateralization, or otherwise without authorization;

(iii) it suffers a grave shortfall in capital, staff, and equipment, is fraught with mismanagement, and fails to improve through rectification;

(iv) it refuses to carry out a resolution of the Members’ Assembly or the Board of Directors;

(v) it does not trade for three (3) consecutive months without justification; or

(vi) it has violated any national laws, regulations, or administrative rules or has severely breached the Articles of Association or the rules of the Exchange.

**Article 22** A Member shall meet the relevant qualification requirements on an ongoing basis. Any Member that can no longer meet such requirements shall apply to the Exchange to terminate its membership; failing which, the Exchange may revoke its membership.

A Member may apply to the Exchange to terminate its membership based on its needs. Upon receiving a satisfactory application for such termination, the Exchange shall determine whether or not to approve the termination within thirty (30) trading days.

**Article 23** Within thirty (30) trading days of receiving a membership revocation notice or membership termination approval from the Exchange, the Member shall complete the following procedures:

(i) close out its open positions;

(ii) settle all debts and claims with the Exchange;

(iii) return all receipts and certificates issued by the Exchange;

(iv) close its dedicated fund account;

(v) return all trading facilities of the Exchange; and

(vi) complete other necessary procedures.

If the Exchange revokes or approves to terminate the Member’s membership, the membership will be cancelled. The certificate of membership will expire from the date of cancellation.

**Article 24** The Exchange shall promptly report any change in membership to the CSRC.

**CHAPTER 3 BUSINESS RULES**

**Section 1 General Rules**

**Article 25** A Non-FF Member shall not open an account with an FF Member, except as otherwise prescribed by the Exchange.

**Article 26** An FF Member shall not accept a person as a Client, if such person:

(i) does not have full civil capacity;

(ii) fails to provide an authorization letter issued by its legal representative if it is an institutional Client;

(iii) is an employee of any futures trading venue or the FF Member;

(iv) is declared as a prohibited market participant; or

(v) is otherwise excluded by laws, regulations, the CSRC, or the Exchange.

**Article 27** If a Client designates another person to place trading orders or transfer funds, the Client shall provide a written authorization letter that bears its or its legal representative’s signature and its common seal.

If the said person fails to provide an authorization letter or the authorization is unclear, the FF Member shall not permit the person to conduct trading activities on behalf of the Client.

**Article 28** An FF Member shall verify the identity, credit standing, and trading qualifications of a Client before entering into any trading activities on behalf of the Client.

If the trading funds are not from the Client’s account, the Client shall provide evidence of its lawful right to use the funds.

If the Client is a state-owned enterprise, the FF Member shall verify the document signed by its legal representative to approve its futures trading activities.

**Article 29** An FF Member shall segregate its own funds from its Clients’ or other principals’ margin funds, deposit them in a dedicated account, set up a separate accounting line item, and conduct subsidiary ledger accounting in accordance with the Clearing Rules of the Shanghai Futures Exchange. An independent accounting item shall be created to show movements of margin funds for each Client. The futures brokerage contract, the trading code, the settlement statement, and the accounting ledger of a Client shall match with each other. The settlement statement shall not substitute for the accounting ledger.

Client margin collected by an FF Member belongs to the Clients and shall not be misappropriated.

An FF Member shall not use its Clients’ or other principals’ margin funds to carry out its business activities or settle its debt obligations. It shall not allow others to use such funds without authorization, or offer them as a security for others’ business activities.

An FF Member or a Client or its authorized funds transferor shall, in accordance with the agreement between them, complete the authorization and confirmation procedure for margin deposits and withdrawals.

**Article 30** An FF Member shall execute a Client’s trading order in a prompt and proper manner. After an order is executed, the Member shall immediately notify the Client. Without the Client’s authorization, the Member shall not trade futures on behalf of the Client.

**Article 31** An FF Member shall improve the procedures by which its Clients confirm trading orders and trading settlement materials.

**Article 32** In executing a forced position liquidation against a Client or another principal for the purpose of risk control, the FF Member shall comply with the terms and conditions set forth in the contract between them and notify the Client as agreed therein.

An FF Member shall not allow a Client or another principal with insufficient margin to trade.

**Article 33** An FF Member engages in futures trading on Clients’ behalf and shall not fabricate or willfully spread false information to mislead Clients.

**Article 34** An FF Member shall not defraud its Clients or other principals by any means.

**Article 35** A Member may accept the request of an OSP to clear and settle trades on its behalf.

Such clearing and settlement service is governed by the Clearing Rules of the Shanghai Futures Exchange.

### Section 2 Management of FF Members’ Carrying-brokerage service for Overseas Intermediaries

**Article 36** Any FF Member that intends to provide carrying-brokerage service to Overseas Intermediaries shall meet the requirements prescribed by the CSRC.

“Carrying-brokerage service” refers to the arrangement in which an FF Member and an Overseas Intermediary enter into a carrying-brokerage agreement that enables the latter to forward the futures trading orders of its clients in relation to Specified Products offered by the Exchange to the FF Member for execution.

**Article 37** An FF Member may provide carrying-brokerage service to an Overseas Intermediary that meets the following criteria:

(i) be a financial institution that is lawfully established and licensed to engage in intermediary services outside the Chinese Mainland, and has been operating as a going concern for at least two (2) consecutive years;

(ii) be regulated by the competent futures regulatory authority in its residence country (region), which country (region) has signed a memorandum of understanding on regulatory cooperation with the CSRC;

(iii) have a sound governance structure and internal control system and operate in a compliant manner;

(iv) have a net capital of no less than thirty million yuan (RMB30,000,000) or its equivalent in foreign currency;

(v) possess facilities and technical systems that conform to applicable technical specifications and are running smoothly; and

(vi) meet any other requirements prescribed by the Exchange.

The Exchange has the right to waive one or more of the above requirements based on the applicant’s financial position, risk management capacity, and operational robustness.

**Article 38** An FF Member shall enter into a written carrying-brokerage agreement with each Overseas Intermediary, which shall contain the following terms:

(i) the scope of the carrying-brokerage service;

(ii) the minimum margin requirement, as well as the procedure and fee schedule for collateralization of relevant assets as margin;

(iii) risk management measures and their conditions and procedures;

(iv) account types, account management models, and the clearing and settlement procedures;

(v) transaction fee schedule;

(vi) use of information and confidentiality;

(vii) matters that require notification and the manner and deadline of such notices;

(viii) circumstances in which neither party would be liable for the losses and how such losses are to be resolved;

(ix) how the agreement is to be amended or terminated;

(x) liabilities for breach of contract;

(xi) dispute resolution and jurisdiction;

(xii) governing law; and

(xiii) any other matters prescribed by the Exchange.

The Overseas Intermediary shall undertake in the carrying-brokerage agreement that, in conducting futures-related business in the Chinese Mainland, it will comply with the laws, regulations, and administrative rules of China as well as the rules and various provisions and decisions of the Exchange and not harm the lawful rights and interests of its Clients or any other market participants.

**Article 39** An FF Member shall complete filing with the Exchange with the submission of the following materials after entering into a carrying-brokerage agreement with an Overseas Intermediary but before providing the related services:

(i) a filing statement;

(ii) materials from the Overseas Intermediary certifying its compliance with the criteria under Article 37 of these *Membership Management Rules*, and the valid identification, resume, and specimen signature form of the person at the Overseas Intermediary in charge of managing the risks of its futures business;

(iii) policies of the FF Member’s carrying-brokerage service, internal control and risk management;

(iv) the carrying-brokerage agreement between the FF Member and the Overseas Intermediary; and

(v) any other materials required by the Exchange.

The Exchange will determine whether or not to approve the filing within fifteen (15) trading days of receiving all the completed filing materials. The Exchange will issue a filing number and notify the FF Member in writing in the case of approval, and give a written explanation in the case of disapproval.

**Article 40** An Overseas Intermediary may engage multiple FF Members as its carrying brokers, but shall not carry the same Client under more than one FF Member.

**Article 41** In the event of any amendment of a material matter in a carrying-brokerage agreement, the FF Member shall submit the relevant materials to the Exchange within ten (10) trading days after such amendment to request for a change of the information on file. Following any change to a material matter, such as a change of the name of an Overseas Intermediary or of its person in charge of managing the risks of futures business, its carrying FF Member shall submit a request for change of information on file to the Exchange within five (5) trading days of becoming aware of the change. The Exchange will confirm the filing status with the FF Member in writing within ten (10) trading days of receiving the relevant documents.

**Article 42** An FF Member shall submit the required materials to the Exchange within five (5) trading days of terminating a carrying-brokerage agreement to request for cancellation of the corresponding filing. The Exchange will confirm the filing status with the FF Member in writing within ten (10) trading days of receiving the relevant documents.

**Article 43** An FF Member shall help Overseas Intermediaries open trading accounts and obtain trading codes for their overseas Clients in accordance with the rules on opening accounts. Trading with aggregated or netted multi-Client positions is prohibited.

**Article 44** An FF Member may open an omnibus capital account for an Overseas Intermediary for handling the futures clearing, settlement, and delivery activities of the latter’s overseas Clients. For an omnibus capital account, an FF Member shall collect margins and prepare a subsidiary ledger to the omnibus account level only.

**Article 45** An FF Member shall establish collaboration rules with each Overseas Intermediary to specify the procedures and rules for such matters as trading, clearing and settlement, delivery, funds management, market data and trading system configurations, Client services, and risk control.

**Article 46** An Overseas Intermediary shall implement separate accounting for the margin it deposits in an FF Member’s dedicated margin account, and set up a ledger for each Client to record such items as the Client’s margin deposits and withdrawals, profits and losses, trading margin, and transaction fees on a daily and chronological basis.

**Article 47** An Overseas Intermediary shall comply with the risk control policies and other relevant requirements of the Exchange and cooperate with FF Members to keep risks strictly under control.

**Article 48** An Overseas Intermediary shall verify the identity of its Clients, retain each Client’s account-opening materials and audiovisual recordings, and apply for trading codes through its carrying FF Members. An Overseas Intermediary is not required to provide FF Members with detailed information on Clients carried through an omnibus capital account, but is obligated to assist them in performing the relevant risk management duties.

**Article 49** Overseas Clients shall meet the trader eligibility requirements prescribed by the Exchange.

**Article 50** Futures-related funds transfers between an Overseas Intermediary and its carrying FF Member shall be conducted through the futures settlement account of the Overseas Intermediary and the dedicated margin account of the FF Member.

**Article 51** Margin collected by an FF Member from an Overseas Intermediary belongs to the Overseas Intermediary and shall be deposited in the FF Member’s dedicated margin account for payment of margin and related fees when and as they incur.

An FF Member shall not collect trading margin from Overseas Intermediaries at a rate lower than what the Exchange imposes on it.

**Article 52** An Overseas Intermediary shall provide its Clients with market data and trading channels to the Exchange, and shall keep the relevant equipment in good order to ensure the smooth functioning of such channels.

**Article 53** An Overseas Intermediary shall transmit Clients’ trading orders directly to its carrying FF Member. Practices such as matching and execution of such orders off the Exchange are prohibited.

**Article 54** Upon market close of each trading day, an FF Member shall conduct daily clearing and settlement for its Overseas Intermediaries and transmit the results of clearing and settlement to them in accordance with the method they have agreed and in a timely manner.

**Article 55** Where any Client of an Overseas Intermediary takes part in delivery, such delivery shall be handled by the Overseas Intermediary’s carrying FF Member at the former’s request.

**Article 56** An Overseas Intermediary shall ensure the security and autonomy of futures trading data during transmission, and establish backup rules for trading, clearing and settlement, and financial data.

Client materials and documentations on account opening, update, and closure; trading order, clearing and settlement, and erroneous order records; Client complaints; and other business records shall be retained for no less than twenty (20) years starting from the date of termination of the relevant futures brokerage agreement.

**Article 57** An Overseas Intermediary shall establish and duly enforce risk management, internal control, and other relevant protocols and procedures and ensure the safety and security of Client transactions and assets.

An FF Member is responsible for performing funding checks and risk control in relation to the futures trading activities of its client Overseas Intermediaries at the Exchange.

**Article 58** An Overseas Intermediary that has terminated its business relationship with a Client shall complete the account closure procedures in a timely manner. The relevant Member shall provide assistance.

## CHAPTER 4 SUPERVISION

**Article 59** A Member and its professional personnel shall comply with the laws, regulations, policies of China as well as the Articles of Association, rules, and measures of the Exchange and accept the regulation and supervision of the CSRC and the Exchange.

**Article 60** A Member shall submit a written report to the Exchange within ten (10) trading days upon:

(i) any change of its legal representative, chairman of the board of directors, general manager, or chief risk officer;

(ii) any change of its registered capital or five percent (5%) or more of its equity interest;

(iii) any change of its name, domicile, business location, scope of business, or contact information;

(iv) any establishment, consolidation, or termination of a branch;

(v) any change of the business location, head, or scope of business of a branch;

(vi) any material change to the state of its business;

(vii) the occurrence of a material dispute, arbitration, or litigation;

(viii) the termination of futures or options business;

(ix) the obtainment of membership or direct trading access at another exchange;

(x) becoming subject to an investigation or sanction of a competent authority, or the sanction of another exchange, for any suspected violation of laws and regulations; or

(xi) any other event for which reporting is required by the Exchange.

**Article 61** The Exchange may require a Member to complete rectification within a prescribed time period if the Member:

(i) is mismanaged financially, records a loss over extended periods, or shows poor performance or a clear deterioration in solvency;

(ii)is found to have one or more major issues during an annual inspection.

If the Member fails to complete rectification within the prescribed time period, the Exchange will be entitled to suspend it from trading futures and options or, subject to the approval of the Board of Directors of the Exchange, revoke its membership.

**Article 62** Members shall safeguard the Exchange’s reputation and assist the Exchange in resolving various emergencies and abnormal events. When an emergency or abnormal event occurs, an FF Member shall provide adequate explanations to its Clients.

**Article 63** A Member shall participate in all activities and conferences organized by the Exchange and shall obtain the prior consent of the Exchange for any unavoidable absence.

**Article 64** All professional personnel of a Member shall meet the qualifications prescribed by the CSRC with regard to futures market professionals.

**Article 65** Any professional personnel of a Member that engages in trading, delivery, and clearing activities on or through the Exchange shall be authorized by the Member, attend the Exchange’s training program, and obtain the qualification certificate. A professional may only be employed by one Member at a time and may not hold concurrent posts at other Members.

A Member is solely liable for all the activities conducted by its professional personnel at the Exchange.

**Article 66** The powers granted by a Member to its professional personnel automatically become void upon the transfer or cancellation of its membership.

## CHAPTER 5 MISCELLANEOUS

**Article 67** Any violation of these *Membership Management Rules* will be handled by the Exchange in accordance with the *Enforcement Rules of the Shanghai Futures Exchange*.

**Article 68** The Exchange reserves the right to interpret these *Membership Management Rules*.

**Article 69** These *Membership Management Rules* take effect on August 8, 2025.