# OVERSEAS SPECIAL PARTICIPANTS MANAGEMENT RULES OF THE SHANGHAI FUTURES EXCHANGE

## CHAPTER 1 GENERAL PROVISIONS

**Article 1** These *Rules* are made in accordance with the *General Exchange Rules of the Shanghai Futures Exchange* to strengthen the self-regulation of Overseas Special Participants (“OSPs”) and regulate the business activities of OSPs at the Shanghai Futures Exchange (the “Exchange”).

**Article 2** “OSP” refers to any overseas entity that meets the criteria prescribed by the China Securities Regulatory Commission (“CSRC”) and the Exchange and is approved by the Exchange to trade directly at the Exchange, including overseas traders that trade directly at the Exchange as prescribed in sub-paragraph 2, Article 5, of the *Interim Measures for the Administration of Overseas Traders’ and Overseas Brokers’ Engagement in the Trading of Specified Domestic Futures Products*, and overseas brokers that trade directly at the Exchange as prescribed in sub-paragraph 2, Article 6 of the same.

**Article 3** The Exchange, OSPs and their professional personnel, Overseas Intermediaries, and Clients shall comply with these *Rules*.

**Article 4** These *Rules* apply to OSPs that engage in trading specified domestic futures products within the Exchange. Matters not covered by these *Rules* are governed by the rules for Members.

## CHAPTER 2 RIGHTS AND OBLIGATIONS

**Article 5** OSPs are classified into Overseas Special Brokerage Participants (“OSBPs”) and Overseas Special Non-Brokerage Participants (“OSNBPs”).

**Article 6** An OSBP has the right to:

(i) directly trade at the Exchange on behalf of its overseas Clients;

(ii) entrust Members to conduct clearing, delivery, and other relevant activities with the Exchange in accordance with relevant rules;

(iii) access the trading facilities provided by the Exchange and obtain the information and services related to futures trading;

(iv) exercise its contractual rights in accordance with the agreement entered into with the Exchange;

(v) file appeals in accordance with the relevant rules; and

(vi) exercise any other rights prescribed by the Exchange.

**Article 7** An OSNBP has the right to:

(i) directly trade at the Exchange and assume the trading results;

(ii) entrust Members to conduct clearing, delivery, and other relevant activities with the Exchange in accordance with relevant rules;

(iii) access the trading facilities provided by the Exchange and obtain the information and services related to futures trading;

(iv) exercise its contractual rights in accordance with the agreement entered into with the Exchange;

(v) file appeals in accordance with the relevant rules; and

(vi) exercise any other rights prescribed by the Exchange.

**Article 8** An OSP has an obligation to:

(i) comply with the relevant laws, regulations, and administrative rules of China;

(ii) comply with the rules of the Exchange and other relevant provisions;

(iii) pay the relevant fees as required;

(iv) accept the supervision and administration of the Exchange;

(v) An OSBP shall develop and rigorously enforce robust business and risk management rules, comply with information disclosure rules, maintain a full understanding of Clients’ particulars on an ongoing basis, strengthen Client management, ensure the effective monitoring of abnormal trading behaviors from Clients, and ensure the safety and security of Client assets and transactions; and

(vi) perform any other obligations prescribed by the Exchange.

## CHAPTER 3 ACQUISITION, CHANGE, AND TERMINATION OF OSP CERTIFICATION

**Article 9** An applicant that applies to be an OSBP shall meet the following criteria:

(i) be located in a country (region) with sound legal and regulatory systems;

(ii) have a sound financial position, good creditworthiness, and sufficient working capital;

(iii) have a sound governance structure and robust internal controls, and maintain a compliant business operation;

(iv) the futures regulatory authority in its country (region) of residence has entered into a memorandum of understanding on regulatory cooperation with the CSRC;

(v) be established overseas and hold a futures brokerage license in its country (region) of residence;

(vi) acknowledge and agree to abide by the rules, regulations, and decisions of the Exchange;

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

(viii) have been in operation for two (2) consecutive years or longer;

(ix) have the personnel, futures trading system, equipment, and premises necessary for business operations;

(x) have a sound financial management system, robust futures business management system, as well as good operational capacities, integrity record, and reputation, and be operating as normal;

(xi) have authorized a legal person or unincorporated organization that has been validly existing in China for no less than one (1) year as its designated liaison, and have designated a senior manager or employee of such designated liaison with good integrity record as its designated contact person; and

(xii) 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 10** An applicant that applies to be an OSNBP shall meet the following criteria:

(i) be located in a country (region) with sound legal and regulatory systems;

(ii) have a sound financial position, good creditworthiness, and sufficient working capital;

(iii) have a sound governance structure and robust internal controls, and maintain a compliant business operation;

(iv) acknowledge and agree to abide by the rules, regulations, and decisions of the Exchange;

(v) have a net capital or net assets of no less than ten million yuan (RMB10,000,000) or its equivalent in foreign currency;

(vi) have the personnel, futures trading system, equipment, and premises necessary for business operations;

(vii) have a sound financial management system, robust futures business management system, as well as good operational capacities, integrity record, and reputation, and be operating as normal;

(viii) have authorized a legal person or unincorporated organization that has been validly existing in China for no less than one (1) year as its designated liaison, and have designated a senior manager or employee of such designated liaison with good integrity record as its designated contact person; and

(ix) 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 11** An applicant that applies to be an OSBP shall submit the following documents and materials to the Exchange:

(i) an application letter signed by an authorized signatory;

(ii) a letter of undertaking, committing to acknowledging and abiding by the rules, regulations, and decisions of the Exchange and declaring that all application materials are truthful, accurate, complete, and compliant;

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

(iv) documents certifying that the applicant holds a brokerage license in its country or region of residence and has been in operation for two (2) consecutive years or longer;

(v) descriptions of its personnel, futures trading system, equipment, and premises and confirmation that they meet the needs of its business operations;

(vi) notarized and lawfully authenticated materials certifying its lawful establishment;

(vii) its articles of association, organizational chart, list of major shareholders, list of board members, list of overseas branches and affiliates, as well as a description of its financial management system, internal risk control system, and futures business management system;

(viii) documents certifying the applicant is operating as normal and possess sound operational capabilities and good creditworthiness and reputation;

(ix) valid identifications, resumes, and specimen signature forms of its chief executive officer, head of futures business, and head of futures risk management;

(x) powers of attorney for the relevant legal person or unincorporated organization, which shall have been validly existing in China for no less than one (1) year and have fixed office premises, and the relevant employee thereof, separately engaged as the designated liaison and the designated contact person; a document showing that such entity and individual have accepted the engagement; and the names, contact details, and valid identifications of the contact person and the designated contact person;

(xi) powers of attorney where documents are signed by authorized signatories; and

(xii) any other documents deemed necessary by the Exchange.

If any application requirement is waived by the Exchange, the corresponding documents and materials may also be waived.

**Article 12** An applicant that applies to be an OSNBP shall submit the following documents and materials to the Exchange:

(i) an application letter signed by an authorized signatory;

(ii) a letter of undertaking, committing to acknowledge and abide by the rules, regulations, and decisions of the Exchange and declaring that all application materials are truthful, accurate, complete, and compliant;

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

(iv) descriptions of its personnel, futures trading system, equipment, and premises and confirmation that they meet the needs of its business operations;

(v) notarized and lawfully authenticated materials certifying its lawful establishment;

(vi) its articles of association, organizational chart, list of major shareholders, list of board members, list of overseas branches and affiliates, as well as a description of its financial management system, internal risk control system, and futures business management system;

(vii) documents certifying the applicant is operating as normal and possess sound operational capabilities and good creditworthiness and reputation;

(viii) valid identifications, resumes, and specimen signature forms of its chief executive officer, head of futures business, and head of futures risk management;

(ix) powers of attorney for the relevant legal person or unincorporated organization, which shall have been validly existing in China for no less than one (1) year and have fixed office premises, and the relevant employee thereof, separately engaged as the designated liaison and the designated contact person; a document showing that such entity and individual have accepted the engagement; and the names, contact details, and valid identifications of the contact person and the designated contact person;

(x) powers of attorney where documents are signed by authorized signatories; and

(xi) any other documents deemed necessary by the Exchange.

If any application requirement is waived by the Exchange, the corresponding documents and materials may also be waived.

**Article 13** The application letter submitted as part of an OSP application shall contain:

(i) the name, place of registration, and registered capital of the applicant, as well as the types of business it plans to engage in at the Exchange;

(ii) the purpose and reasons for applying;

(iii) an overview of the applicant’s internal bodies and external branches;

(iv) any other information required by the Exchange.

**Article 14** The Exchange shall issue its opinions on an OSP application within thirty (30) trading days of receiving a satisfactory application. The Exchange will issue an admission notice and notify the applicant to complete the relevant procedures in the case of approval, and notify the applicant in writing in the case of disapproval.

**Article 15** Within ninety (90) days after receiving an admission notice from the Exchange, the applicant shall complete the following procedures:

(i) entering into an agreement with the Exchange;

(ii) paying the required amount of trading seat fees at the rate to be separately announced by the Exchange;

(iii) opening a futures settlement account with one of the Designated Depository Banks in accordance with the relevant rules;

(iv) submitting to the Exchange its agreement with a Member on the use of latter’s clearing service;

(v) completing the authorization procedures for the relevant personnel and seals;

(vi) providing the resumes and corresponding certificates of no fewer than two (2) employees who have passed China’s futures qualification examination; and

(vii) completing any other required procedures.

Failure to complete the above procedures within the prescribed time period is automatically deemed as a forfeiture of the admission approval.

**Article 16** An applicant is certified as an OSP upon completing all the required procedures. The Exchange will issue it an OSP certificate and file a report with the CSRC.

**Article 17** An OSP may apply for a remote trading seat following certain procedures. An OSP shall use the remote trading seat in strict compliance with the rules of the Exchange, and pay trading seat fees in accordance with the rules of the Exchange.

**Article 18** OSP certification is non-transferable. Disposal of any OSP certification or trading seats by lease, collateralization, or otherwise is prohibited.

**Article 19** Any legal person that intends to succeed to an OSP certification, either following the acquisition of such OSP or being created out of a merger involving such OSP, shall submit an application to the Exchange for succession, and the OSP certification shall be succeeded only upon the approval of the Exchange.

**Article 20** The Exchange shall cancel the certification of an OSP if the OSP:

(i) is revoked of its futures brokerage license or declared a prohibited futures market participant by a competent regulatory authority, or is otherwise disqualified;

(ii) transfers or disposes of its OSP certification or trading seat by lease, collateralization, or otherwise;

(iii) fails to conduct futures trading for three (3) consecutive months without justified reasons;

(iv) is declared a prohibited market participant by the Exchange;

(v) is declared bankrupt by a court ruling; or

(vi) commits any other violation of the laws, regulations, and administrative rules of China or any serious violation of the relevant regulations of the Exchange.

**Article 21** An OSP shall meet the relevant qualification requirements on an ongoing basis. Any OSP that can no longer meets such requirements shall apply to the Exchange to terminate its certification; failing which, the Exchange may cancel its certification.

**Article 22** An OSP may apply to terminate its certification as it deems necessary.

Any OSP that applies to terminate its certification shall submit to the Exchange an application letter signed by its authorized signatory and any other materials required by the Exchange.

The Exchange shall approve or disapprove the termination within thirty (30) trading days of receiving a satisfactory application.

**Article 23** If the Exchange cancels or approves to terminate an OSP’s certification, the certification will be cancelled. The OSP certificate will expire from the date of cancellation.

The Exchange shall report any change of OSP certification to the CSRC.

**Article 24** Within thirty (30) trading days of receiving the Exchange’s notice on the cancellation, or the approval of termination, of its OSP certification, the OSP shall complete the following procedures:

(i) closing out its open positions;

(ii) settling all debts and credits with the Exchange;

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

(iv) closing its futures settlement account;

(v) returning all trading facilities of the Exchange;

(vi) terminating the relevant clearing service agreement; and

(vii) completing other necessary procedures.

## CHAPTER 4 BUSINESS RULES

**Article 25** An OSBP may engage in trading in specified domestic futures products at the Exchange only on behalf of overseas Clients and Overseas Intermediaries. Overseas brokers shall not engage in futures trading at the Exchange on behalf of any person declared by the Exchange as a prohibited market participant.

Any OSBP that trades on behalf of an Overseas Intermediary is governed, by the relevant provisions of the *Membership* *Management Rules of the Shanghai Futures Exchange* on Members that trade on behalf of Overseas Intermediaries.

**Article 26** An OSBP shall open a separate trading account and obtain a separate trading code for each Client. Trading with aggregated or netted multi-Clients’ positions is prohibited.

Unless otherwise approved by the Exchange, no OSNBP shall open another account as a Client to engage in futures trading.

**Article 27** An OSBP shall promptly transmit all Client trading orders to the Exchange for auction trading. Practices such as matching and execution of orders off the Exchange are prohibited. An OSBP shall verify Client funds and positions in relation to their trading orders in accordance with the relevant rules.

**Article 28** An OSP shall conduct clearing and settlement, delivery, and risk management for futures trading in accordance with the *Clearing Rules of the Shanghai Futures Exchange*, the *Delivery Rules of the Shanghai Futures Exchange*, the *Risk Management Rules of the Shanghai Futures Exchange*, and other relevant rules of the Exchange.

## CHAPTER 5 SUPERVISION

**Article 29** OSPs and their professional personnel shall comply with the laws and regulations of China as well as the rules, regulations, and decisions of the Exchange, and accept the regulation and supervision of the CSRC and the Exchange. The Exchange supervises and examines, in accordance with the relevant rules, the activities, financial conditions, and creditworthiness of OSPs in relation to their futures trading at the Exchange.

**Article 30** The Exchange, during the course of its supervision, may take the following measures in view of the severity of the violation against an OSP who has committed or may have committed a violation:

(i) issuing a verbal warning;

(ii) issuing a warning letter;

(iii) requiring attendance at a mandatory supervisory meeting;

(iv) requiring an explanation within the prescribed time period;

(v) requiring the OSP to make corrections;

(vi) requiring the OSP to attend training;

(vii) requiring periodic reports;

(viii) requiring the OSP to strengthen internal compliance review;

(ix) conducting a special investigation;

(x) requiring the OSP to penalize the relevant personnel;

(xi) restricting or suspending the relevant business of the OSP; and

(xii) referring the case to the CSRC, the China Futures Association, or other regulatory authorities or self-regulatory organizations for further actions.

**Article 31** An OSP shall promptly notify the Exchange and submit a written report within twenty (20) trading days upon:

(i) any change of its chief executive officer, head of futures business, or head of futures risk management;

(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, or its designated contact person, designated liaison, or the contact information thereof;

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

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

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

(vii) the termination of futures business;

(viii) the opening or change of futures settlement account;

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

(x) becoming subject to an investigation or sanction of the government of any country or region, a regulatory authority, or a judicial authority, or the sanction of another futures trading venue, for any suspected violation of laws and regulations; or

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

**Article 32** The Exchange may require an OSP to submit audited financial reports within a prescribed period.

**Article 33** The Exchange may require an OSP to complete rectification within a prescribed time period if the OSP:

(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 OSP fails to complete rectification within the prescribed time period, the Exchange will be entitled to suspend it from futures trading or cancel its OSP certification.

**Article 34** An OSBP shall assess a Client’s knowledge and risk tolerance in accordance with the requirements of the trader eligibility rules, and select qualified Clients to engage in the prudent trading of the relevant futures products.

**Article 35** An OSBP engages in futures trading on other’s behalf, and shall not fabricate or willfully spread false information to mislead its Clients or principals, or defraud its Clients or principals by any means.

**Article 36** An OSP shall, in accordance with the requirements of the Exchange, attend the relevant meetings and activities, safeguard the reputation of the Exchange, and assist and cooperate with the Exchange in resolving various emergencies and abnormal events. When an emergency or abnormal event occurs, an OSBP shall provide adequate and timely explanations and remedies to its Clients and principals.

**Article 37** Any professional personnel of an OSP that engages in trading at the Exchange shall have the authorization of the OSP.

An OSP is solely liable for all the activities conducted by its professional personnel at the Exchange.

**Article 38** The powers granted by an OSP to its professional personnel automatically become void upon the cancellation of its OSP certification.

## CHAPTER 6 MISCELLANEOUS

**Article 39** In these *Rules*, an “affiliate” of an enterprise refers to any enterprise that directly or indirectly holds twenty-five percent (25%) or more of the equity interest in such enterprise or vice versa, or any enterprise whose twenty-five percent (25%) or more of its equity interest is directly or indirectly held or controlled by the same third party.

**Article 40** Unless otherwise recognized by the Exchange, written materials submitted by an OSP to the Exchange under these *Rules* and the rules of the Exchange shall all have the corresponding Chinese versions. In the event of any inconsistency, the Chinese version prevails.

**Article 41** Any violation of these *Rules* will be handled by the Exchange in accordance with the *Enforcement Rules of the Shanghai Futures Exchange*.

**Article 42** The Exchange reserves the right to interpret these *Rules*.

**Article 43** These *Rules* take effect on August 8, 2025.