**Appendix 1**

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| **REVISED** | **VERSION**  **October 16, 2018** |
| **Market-Making Management Rules of Shanghai Futures Exchange** |
| Article 5 The Exchange may regulate the Market Makers through hierarchical management, and may adjust the number and structure of the Market Makers based on market conditions. |  |
|  **Article9**8The Exchange may revoke a Market Maker’s qualification for a product if the Market Maker: (1) fails to perform its quoting obligations as agreed; (2) no longer satisfies the requirements for a Market Maker prescribed in Article **6**5 of these Rules; or (3) is involved in any other circumstances prescribed by the Exchange or provided in the Agreement. |  **Article 8** The Exchange may revoke a Market Maker’s qualification for a product if the Market Maker: (1) fails to perform its quoting obligations as agreed; (2) no longer satisfies the requirements for a Market Maker prescribed in Article 5 of these Rules; or (3) is involved in any other circumstances prescribed by the Exchange or provided in the Agreement. |
| **Article 265** **Trading behaviors such as** **f**Frequent order cancellation caused by market-making business will not be deemed as abnormal trading behavior. A Market Maker shall not abuse the Market Maker qualifications to engage in insider trading, market manipulation, fraud, or other illegal or rule-violation activities, or to seek illegitimate gains. | **Article 25** Frequent order cancellation caused by market-making business will not be deemed as abnormal trading behavior. A Market Maker shall not abuse the Market Maker qualifications to engage in insider trading, market manipulation, fraud, or other illegal or rule-violation activities, or to seek illegitimate gains. |
|  **Article 343** These Rules shall be effective as of **October 2316, 2020 2018**. | **Article 33** These Rules shall be effective as ofOctober 16, 2018. |