Appendix 1

**Summary of Changes to the Risk Management Rules of the Shanghai Futures Exchange**

Note: words with shading are newly added.

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| **REVISED** | **Current Version** |
| Chapter 8  **Management of Abnormal Circumstances** |  |
| **Article 45** Where any of the following circumstances occurs in futures trading, the Exchange shall take emergency actions to mitigate risks and may announce of an abnormal case:  1. transactions, settlement, delivery, options contracts’ exercise , and other businesses that cannot be conducted as normal due to such reasons as earthquake, flood, fire, and other force majeure events, or computer system breakdown;  2. any failure to fulfill the obligations of settlement, delivery, and options contracts’ exercise and performance is having or is expected to have serious impact on the market;  3. same-direction price limit occurs in a futures contract for consecutive trading days, and it is grounded to believe that any Member or Client has violated the *General Exchange Rules of the Exchange* and the implementing rules thereof, which is having or is expected to have material impact on the market; or  4. other circumstances as prescribed by the Exchange.  When an abnormal circumstance stated in item 1 of the first paragraph occurs, the CEO of the Exchange may determine to adjust the time for market opening and close; temporarily suspend trading; adjust the trading hours; temporarily suspend the listing of new contracts; adjust the last trading day, expiry date, delivery period, physical delivery date, among others, of the relevant contracts; adjust businesses related to standard warrants and delivery, to the exercise, and offsetting of relevant options contracts, and to the use of marketable securities as margin, and cancel any pending applications for such businesses; adjust the implementation time of forced position liquidation, the collection standards or method of margin, and price limit; adjust the settlement price and final settlement price of relevant contracts; adjust the collection standards and payment period of relevant fees; adjust the ways for sending clearing data; and take any other emergency actions. When an abnormal circumstance stated in item 1 of the first paragraph occurs, and any trading order or execution data is corrupted or lost and cannot be restored, the CEO of the Exchange may determine to cancel any unfulfilled trading orders, and the Board of Directors may determine to cancel any transactions.  When an abnormal circumstance stated in items 2 to 4 of the first paragraph occurs, the Board of Directors may determine to adjust the time for market opening and close, temporarily suspend trading, adjust price limit, raise the margin level, require position liquidation within a prescribed time period, implement forced position liquidation, suspend withdrawal of funds, implement forced position reduction, restrict transactions, and take any other emergency actions. |  |
| **Article 46** The Exchange shall report to the CSRC before announcing abnormal circumstances and taking any relevant emergency actions. |  |
| **Article 47** Where the Exchange announces an abnormal circumstance and decides to temporarily suspend trading, the suspension shall be no longer than three (3) trading days, unless otherwise approved by the CSRC. |  |