**CONTINUOUS TRADING RULES OF THE SHANGHAI FUTURES EXCHANGE**

**CHAPTER 1 GENERAL PROVISIONS**

**Article 1** These *Continuous Trading Rules* are made in accordance with the *General Exchange Rules of the Shanghai Futures Exchange* to regulate continuous trading and protect the legitimate rights and interests of futures market participants.

**Article 2** With respect to the trading, clearing, risk control, and other relevant matters concerning the products for continuous trading, these *Continuous Trading Rules* shall prevail. Any matter not covered herein shall be governed by other implementing rules of the Shanghai Futures Exchange (the “Exchange”).

**Article 3** The Exchange, its Members, and Clients shall observe these *Continuous Trading Rules*.

**CHAPTER 2 PRODUCTS AND TRADING HOURS**

**Article 4** “Continuous trading” refers to the trading conducted at the time periods specified by the Exchange other than the trading hours from 09:00 a.m. to 11:30 a.m. and from 1:30 p.m. to 3:00 p.m. The products for continuous trading shall be specified by the Exchange.

**Article 5** For the purpose of these *Continuous Trading Rules*, “trading day” refers to the time periods from the opening of continuous trading session on the preceding business day to the closing of day trading on the current day.

**Article 6** The hours for continuous trading will be announced by the Exchange separately.

Continuous trading shall only be conducted through remote trading seats.

Account opening services will not be provided during continuous trading.

**Article 7** The Exchange may adjust the time for opening and closing the continuous trading session or suspend the trading, if:

(i) more than 10% of the Members cannot conduct their regular trading activities due to the breakdown of any electronic terminals, telecommunication systems, or other trading facilities;

(ii) more than 30% of the Members participating in trading fail to complete the clearing of the futures market or fail to initialize the trading system before the opening of continuous trading; or

(iii) the Exchange otherwise deems it is necessary to do so.

**CHAPTER 3 TRADING, CLEARING, AND RISK MANAGEMENT OF FUTURES CONTRACTS**

**Article 8** On a given trading day, “first trading session” refers to the time period from the opening of continuous trading on the preceding business day to 10:15 a.m. of the day trading session on that day.

For any product to which continuous trading applies, the opening central auction is held in the five (5) minutes before the continuous trading session; the call auction for the day trading session is held in the five (5) minutes before the day trading session. On any trading day without a continuous trading session, the opening central auction is held in the five (5) minutes before the day trading session.

For any product to which continuous trading does not apply, the opening central auction is held in the five (5) minutes before the day trading session.

The opening price of a trading day is the execution price established by the opening central auction. Orders not executed during the call auction automatically enter the subsequent auction trading; orders not executed during the continuous trading session automatically enter the call auction for the day trading session. A Client’s orders stay valid during the trading day until it is completely filled or canceled.

**Article 9** After the clearing for the day trading is completed, the clearing result shall be regarded as a margin call if a Member’s clearing deposit is below the required minimum, and the difference between the two shall be the amount of margin to be added.

After the Exchange issues a margin call, it may, via the depository bank, deduct the amount of additional margin from the Member’s futures dedicated fund account. If the amount is not fully deducted, the Member shall bring the clearing deposit back to the required minimum before the opening of continuous trading on the current day; failing which, if its balance of clearing deposit is greater than or equal to zero (0) but less than the prescribed minimum, no new positions may be opened after the opening of the continuous trading that day; if the balance is less than zero (0), the Exchange will handle the case pursuant to the provisions in the *Risk Management Rules of the Shanghai Futures Exchange*.

**Article 10** If a Member has any objection against the clearing data, it shall send a written notice to the Exchange within thirty (30) minutes before the opening of continuous trading on the current day. In case of an exceptional event, the Member may send the written notice within two (2) hours after the opening of continuous trading. If the Member raises no objection against the clearing data within the specified time period, it shall be deemed to have accepted such data as accurate.

**Article 11** The Exchange will not handle any withdrawals of funds or marketable securities during continuous trading.

**Article 12** Principles for executing a forced position liquidation: a forced position liquidation shall be performed by the relevant Member during the first session of each trading day unless otherwise specified by the Exchange. If the Member fails to complete the liquidation within this time period, the Exchange shall enforce it. If a Member is required to liquidate its positions as its clearing deposit falls below zero (0), it shall be prohibited from opening new positions before meeting the margin requirement.

**Article 13** Steps for executing a forced position liquidation:

(i) Notice

The Exchange will send a notice of forced position liquidation to the Members concerned. Unless specially delivered by the Exchange, the notice shall be sent together with the clearing data that day, and the relevant Members may get the notice from the Member Service System.

(ii) Execution and confirmation.

Within the first session of the trading day, the Member concerned shall close out its positions to meet the requirements. If the Member fails to close out all the positions required to be liquidated within the time period, the Exchange shall conduct forced liquidation over the remaining positions.

**CHAPTER 4 MISCELLANEOUS**

**Article14** The Exchange reserves the right to interpret these *Continuous Trading Rules*.

**Article 15** Any violation of these *Continuous Trading Rules* shall be handled by the Exchange in accordance with the *Enforcement Rules of the Shanghai Futures Exchange*.

**Article 16** A “business day” and a “day” in these *Continuous Trading Rules* both refer to a calendar day from 00:00—24:00 Beijing Standard Time.

**Article 17** These *Continuous Trading Rules* shall take effect on May 26, 2023.