Attachment 1:

**Detailed Rules of Coke Futures of Dalian Commodity Exchange**

**(Amendment)**

1. ……

The designated delivery warehouse may settle the quality premiums and discounts with the clients on the basis of the quality inspection report upon registration of the warehouse receipt,. The two parties may also negotiate to draw and keep the samples and, in case of no or after the sampling and reserved sampling through mutual negotiations without objection from the buyer or seller to the quality of the coke within fifteen (15) calendar days after being loaded out of the warehouse, settle the quality premiums and discounts on the basis of the quality inspection report upon registration of the warehouse receipt, or otherwise on the basis of the sampling inspection results in case of any objection from the buyer and/or seller to the quality of the coke. In case there is any difference between the sampling inspection result and the inspection result upon registration of the warehouse receipt but within the error margin stipulated in the national standard, the quality inspection report upon registration of the warehouse receipt shall prevail.

1. ……

The owner who has a dispute with respect to the quality inspection result of the coke may choose either of the following two methods to have sampling and reserved sample carried out, and shall take the sampling inspection result as the basis for dispute settlement subject to Article 56 of the *Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange*:

* 1. to continue the loading-out, and choose a designated inspection agency to have the sampling and reserved sample carried out in the coke flows; or
	2. to choose a designated inspection agency to have the sampling carried out through opening the stack, shifting the stack or otherwise.

Both parties shall take the sampling inspection result as the basis for dispute settlement in accordance with Article 56 of the *Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange*, and in case there is any difference between such sampling inspection result and the inspection result upon registration of the warehouse receipt but within the error margin stipulated in the national standard, the sampling inspection result shall be deemed to be consistent with the inspection result presented by the designated delivery warehouse and inspection result upon registration of the warehouse receipt shall be used as the basis for dispute settlement.

……

***Note:*** *Contents newly added are in shade; contents deleted are marked with double strikethrough; clauses unchanged are represented by ellipsis.*

**Detailed Rules of Coke Futures of Dalian Commodity Exchange**

**(Amended Version)**

**Chapter I General Provisions**

1. The Detailed Rules of Coke Futures of Dalian Commodity Exchange (the "**Detailed Rules**") are formulated pursuant to the *Trading Rules of Dalian Commodity Exchange* and the *Coke Futures Contract of Dalian Commodity Exchange* for the purpose of standardizing the trading of coke futures contracts.
2. Dalian Commodity Exchange (the "**Exchange**"), its Members, the clients, the designated delivery warehouses, the designated quality inspection agencies, the designated futures margin depositary banks and other participants in the futures market shall comply with the Detailed Rules.
3. Where it is not provided in the Detailed Rules, the relevant rules of the Exchange shall apply.

**Chapter II Principle Terms of the Contract and Relevant Parameters**

1. The quality standards for and the quality discounts and/or premiums of standard deliverable products and substitutes under the coke futures contract are detailed in the *Coke Delivery Quality Standards of Dalian Commodity Exchange (F/DCE J001-2011)* as Annex 1 attached hereto.
2. The coke futures contract shall take the form of physical delivery.
3. The delivery warehouses designated for coke shall be divided into the benchmark delivery warehouses and the non-benchmark delivery warehouses (detailed in the *List of Delivery Warehouses Designated for Coke of Dalian Commodity Exchange* as Annex 2 attached hereto), and may be adjusted by the Exchange as the case may be.
4. The contract months of the coke futures contract are January, February, March, April, May, June, July, August, September, October, November and December.
5. The trading unit of the coke futures contract is 100 MT/ Lot.
6. The price quote unit of the coke futures contract is CNY/MT.
7. The minimum tick size of the coke futures contract is 0.5 CNY/MT.
8. The maximum quantity of orders placed each time for the coke futures contract shall be five hundred (500) lots.
9. The standard of trading margins, price limit range and position limit under the coke futures contract shall be subject to the relevant provisions of the *Measures for Risk Management of Dalian Commodity Exchange*.
10. The last trading day of the coke futures contract is the tenth trading day of the contract month.
11. The last delivery day of the coke futures contract is the third trading day after the last trading day.
12. The ticker symbol of the coke futures contract is J.

**Chapter III Delivery and Clearing**

Section I General Provisions

1. The coke futures contract applies the exchange of futures for physicals (the "**EFP**"), rolling delivery and one-off delivery, the detailed procedures of which are provided in the relevant provisions of the *Measures for Delivery Management of Dalian Commodity Exchange* and the *Measures for Clearing Management of Dalian Commodity Exchange*.
2. The coke futures contract delivery unit shall be one thousand (1,000) tons.
3. The standard warehouse receipt of the coke shall be divided into the standard warehouse receipt of storage warehouse and the standard factory warehouse receipt.
4. The differences of the discounts and/or premiums of the coke futures contract shall be settled between the owner of the commodities and the designated delivery warehouse.
5. The dedicated VAT invoice shall be issued for delivery of cokes.
6. The delivery commissions for cokes shall be CNY one (1) per ton; the storage fees shall be CNY one (1) per day per ton.

Section II Standard Warehouse Receipt Delivery

1. The *Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange* shall apply to the generation, circulation and deregistration of the standard warehouse receipts, if not provided in the Detailed Rules.
2. A Member shall pay the notice of intent to deliver earnest money to the Exchange as per the standard of CNY thirty (30) per ton when it handles the notice of intent to deliver.
3. The owner which has fully completed the notice of intent to deliver shall, three (3) calendar days prior to loading the commodities in the warehouse, notify the designated delivery warehouse of the vehicle or vessel number, products, quantity, arrival time and other information, and the designated delivery warehouse shall reasonably arrange for receipt and loading-in of the commodities.
4. The designated delivery warehouse shall engage a quality inspection agency designated by the Exchange to carry out the quality inspection of the commodities to be loaded in the warehouse.

The owner shall notify, three (3) calendar days prior to the loading-in the warehouse, to the designated delivery warehouse the method of delivery, the quantity of delivery and the date of delivery. The designated delivery warehouse shall notify, after its receipt of the owner's notice of loading-in the warehouse, to the designated quality inspection agency the aforesaid information which shall be clearly described in the quality inspection agreement. In addition, the quality inspection agreement shall provide for, among other things, the day and night operation fees, the method that the designated delivery warehouse notifies the designated quality inspection agency of the coke loaded in the warehouse, the quantity of inspection, the time of issuing the inspection report, and the liability arising out of or in connection with the incurred losses for any reason attributable to the designated quality inspection agency's failure to timely appear at the site. The inspection fees shall be borne by the owner and shall be forwarded by the designated delivery warehouse.

1. The sampling of the coke shall be carried out in the coke flows at the time of being loaded in and stacked in the warehouse.

The minimum quantity of the samplings shall be three thousand (3,000) tons, and any samplings less than three thousand (3,000) tons shall be deemed to be of three thousand (3,000) tons for the charge calculation purpose.

1. The receiving and consigning weights of coke shall be subject to the weighting by the designated delivery warehouse through measurement of wagon balance or rail weighbridge. The designated delivery warehouse shall, on the basis of the moisture test result of the coke issued by the quality inspection agency designated by the Exchange and subject to the provisions of the coke contract, calculate the weight which shall be the basis for issuing a warehouse receipt.
2. The quality inspection agency designated by the Exchange shall, after its completion of the quality inspection of the coke loaded in the warehouse, issue one (1) original and three (3) duplicate inspection reports; and the original shall be submitted to the designated delivery warehouse and two (2) of the duplicates shall be respectively submitted to the Exchange and the owner.
3. The designated delivery warehouse shall carry out, subject to the applicable provisions of the Exchange, inspection of the quality and other relevant materials and certificates of the coke which has been loaded in the warehouse.
4. The deregistration of the standard warehouse receipt shall be carried out against the standard warehouse receipts of the coke prior to the last trading day of each March.
5. When the coke is loaded out of the storage warehouse, the owner which holds the Notice to Load Out or load-out password shall contact the designated delivery warehouse for the loading-out matters three (3) calendar days prior to the actual pickup date, and shall pick up the commodities at the designated delivery warehouse within ten (10) working days (inclusive of the tenth working day) after the deregistration of the standard warehouse receipt.
6. Upon the coke being loaded out of the warehouse, the designated delivery warehouse shall issue to the owner the actual test result of moisture tested by the designated delivery warehouse and produce the quality inspection report upon registration of the warehouse receipt.

The designated delivery warehouse shall calculate, on the basis of the actual test result of moisture and the *Coke Delivery Quality Standards of Dalian Commodity Exchange (F/DCE J001-2011)*, the weight to be loaded out of the warehouse and then have the sufficient weight loaded out.

The designated delivery warehouse may settle the quality premiums and discounts with the clients on the basis of the quality inspection report upon registration of the warehouse receipt. The two parties may also negotiate to draw and keep the samples and, in case of no objection from the buyer or seller to the quality of the coke within fifteen (15) calendar days after being loaded out of the warehouse, settle the quality premiums and discounts on the basis of the quality inspection report upon registration of the warehouse receipt, or otherwise on the basis of the sampling inspection results in case of any objection from the buyer and/or seller to the quality of the coke. In case there is any difference between the sampling inspection result and the inspection result upon registration of the warehouse receipt but within the error margin stipulated in the national standard, the quality inspection report upon registration of the warehouse receipt shall prevail.

1. The owner who has a dispute with respect to the actual moisture test result by the designated delivery warehouse shall choose the designated inspection agencies to have the inspection carried out on site, and the inspection result shall be the weight measurement basis of being loaded out of the warehouse.

The owner who has a dispute with respect to the quality inspection result of the coke may choose either of the following two methods to have sampling and reserved sample carried out:

* 1. to continue the loading-out, and choose a designated inspection agency to have the sampling and reserved sample carried out in the coke flows; or
	2. to choose a designated inspection agency to have the sampling carried out through opening the stack, shifting the stack or otherwise.

Both parties shall take the sampling inspection result as the basis for dispute settlement in accordance with Article 56 of the Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange, and in case there is any difference between such sampling inspection result and the inspection result upon registration of the warehouse receipt but within the error margin stipulated in the national standard, the sampling inspection result shall be deemed to be consistent with the inspection result presented by the designated delivery warehouse and inspection result upon registration of the warehouse receipt shall be used as the basis for dispute settlement.

The quality inspection fees shall be prepaid by the owner. Any and all fees and expenses (including, but not limited to, the inspection charges and the travel expenses) and the loss shall be borne by the owner in case the inspection result is consistent with the inspection result produced by the designated delivery warehouse, or by the designated delivery warehouse in case the inspection result is inconsistent with the inspection result produced by the designated delivery warehouse.

1. When the coke is loaded out of the factory warehouse, the owner shall pick up the commodities at the factory warehouse within four (4) calendar days (inclusive of the fourth calendar day) following the deregistration day of the standard warehouse receipt (exclusive of the deregistration day). The factory warehouse shall commence consignment within four (4) calendar days (inclusive of the fourth calendar day) following the deregistration day of the standard warehouse receipt (exclusive of the deregistration day).

The factory warehouse shall provide, upon having the goods loaded out of the factory warehouse, the original quality inspection report issued by the factory to the owner, and the report shall be used as the basis of settlement of the quality premiums and discounts.

When the coke is loaded out of the factory warehouse, the factory warehouse shall carry out the sampling under the owner's supervision, and the samplings shall be sealed after being confirmed by both parties and shall be preserved for thirty (30) calendar days following the consignment day as the basis for handling any quality dispute.

1. Where the factory warehouse consigns commodities to the owner at a speed no higher than the daily consignment speed but the owner fails to pick up the commodities due to its transportation capability or any other reason attributable to the owner, the owner shall pay to the factory warehouse the late fee as per the quantity of the commodities which shall be, but fail to be, picked up. The late fee is determined as follows:
2. from the starting date of goods pick-up (inclusive of the pick-up day), for each day, the amount of late fee on the then-current day shall be figured out by multiplying the quantity of the goods which shall be picked up but fail to be picked up on the then-current day by the corresponding amount of late fee; and
3. to the completion date of goods pick-up (exclusive of the pick-up day), the total amount of late fee which the owner shall pay to the factory warehouse shall be figured out on the basis of totaling the daily amount of late fee.

The standard amount of late fee shall be CNY 2/Ton\*Day.

1. If the pick-up is carried out after expiry of the pick-up period (exclusive of the then-current day) and within nineteen (19) calendar days (inclusive of the then-current day) following the deregistration of the standard warehouse receipt (exclusive of the deregistration day), the owner shall pay the late fee to the factory warehouse, and the factory warehouse shall assume the liability related to the commodity quality, consignment time and consignment speed pursuant to the futures standards, unless all the futures commodities have been consigned.

The late fee shall be determined according to the following method:

1. from the date of expiration of pick-up period (inclusive of the expiration day), for each day, the amount of late fee on the then-current day shall be figured out by multiplying the quantity of the goods which shall be picked up but fail to be picked up on the then-current day by the corresponding amount of late fee; and
2. to the completion date of pick-up (exclusive of the pick-up day), the total amount of late fee which the owner shall pay to the factory warehouse shall be figured out on the basis of totaling the daily amount of late fee.

The standard amount of late fee shall be CNY 2/Ton\*Day.

1. If the owner picks up the commodities at the factory warehouse after nineteen (19) calendar days (exclusive of the then-current day) following the date of deregistration of the standard warehouse receipt (exclusive of the deregistration day), the owner shall pay the late fee to the factory warehouse as calculated in the following formula, and the factory warehouse shall assume no liability related to the commodity quality, consignment time and consignment speed under the futures standards.

Amount of late fee = CNY 2/Ton\*Day × Quantity of all the commodities × 19 Days

1. Where the factory warehouse fails to consign commodities according to the required daily consignment speed but timely completes the consignment of all the commodities, the factory warehouse shall compensate the owner.

Amount of compensation of the products = Delivery settlement price of the last delivery month of such commodity × Quantity of the commodities which shall be, but fail to be, consigned according to the required daily load out speed × 5%

1. Where the factory warehouse fails to timely complete the consignment of all the commodities, the factory warehouse shall, in addition to the compensation provided in Article 38 of the Detailed Rules, compensate the owner, the amount of such compensation for products = Delivery settlement price of the last delivery month of such commodity × Quantity of the commodities which shall be, but fail to be, consigned according to the total quantity of the commodities × 5%, the following procedures shall apply to such failure:
2. the Exchange shall supply to the owner the physical commodities of the same quality and quantity of other factory warehouses or locations and bear all the costs and expenses arising out of or in connection with the adjustment of the delivery site and the delayed consignment; or
3. where the Exchange fails to supply the above commodities, the Exchange shall refund to the owner the payment of the commodities and compensate the owner.

Amount of refunded payment of commodities and compensation = Delivery settlement price of the last delivery month of such commodity × Quantity of the commodities which shall be, but fail to be, consigned according to the total quantity of the commodities × 120%

1. In the event of any violation by the factory warehouse described in Article 38 or 39 of the Detailed Rules, the compensation shall firstly be paid to the owner by the factory warehouse. Where the factory warehouse fails to pay such compensation or the amount of compensation is insufficient, shall be handled by the Exchange subject to the applicable provisions of the *Measures for Standard Warehouse Receipt Management of Dalian Commodity Exchange*.

**Chapter IV Supplementary Provisions**

1. Any violation of the Detailed Rules shall be handled by the Exchange subject to the applicable provisions of the *Measures against Rule Violations of Dalian Commodity Exchange* and other rules.
2. The Exchange reserves the right to interpret the Detailed Rules.
3. The Detailed Rules shall come into force on July 1, 2019.

Annex 1: Coke Delivery Quality Standard of Dalian Commodity Exchange (F/DCE J001-2011) (omitted)

Annex 2: List of Delivery Warehouses Designated for Coke of Dalian Commodity Exchange. (omitted)

***Disclaimer****: This English translation may be used for reference only. In cases there is any discrepancy between the English version and the original Chinese version, the original Chinese version shall prevail. Dalian Commodity Exchange may change or update this English translation without any prior notice and shall accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or change with regard to this English translation.*