**Detailed Business Rules for Fresh Apple Futures of Zhengzhou Commodity Exchange**

**Chapter 1 General Provisions**

**Article 1** These Detailed Rules are formulated in accordance with the Trading Rules of Zhengzhou Commodity Exchange (hereinafter “the Exchange”) and the Fresh Apple (hereinafter “apple”) Futures Contract Specifications for the purposes of regulating the business related to apple futures.

**Article 2** The Exchange, members, clients, delivery warehouses (hereinafter “warehouses”), delivery factories (hereinafter “factories”), board delivery service agencies (hereinafter “delivery service agencies”), designated quality inspection agencies and other futures market participants shall comply with these Detailed Rules.

**Chapter 2 Trading Business**

**Article 3** The trading unit of apple futures contract is 10 metric tons/lot.

**Article 4** The price quotation of apple futures contract is Chinese Yuan (CNY)/metric ton.

**Article 5** The minimum price fluctuation of apple futures contract is CNY 1/metric ton.

**Article 6** The delivery months of apple futures contract are January, March, April, May, October, November, and December.

**Article 7** For apple futures contract, the minimum size of any trading order shall be 1 lot per time. The maximum size of limit order shall be 1,000 lots per time and the maximum size of market order shall be 200 lots per time.

The Exchange may, according to the market conditions, adjust the minimum and maximum sizes per time of apple futures trading orders, and the specific standard shall be announced by the Exchange separately.

**Article 8** The trading hours for apple futures contract shall be Monday through Friday (except public holidays) from 9:00 a.m.to 11:30 a.m. (10:15 a.m. to 10:30 p.m. is break time) and from 1:30 p.m. to 3:00 p.m.

Where the Exchange separately makes an announcement on the night trading in apple futures, such announcement shall prevail. The Exchange may, according to market conditions, suspend or cancel the night trading in apple futures or adjust the night trading hours, which shall be announced separately by the Exchange.

**Article 9** The last trading day of apple futures contract is the 10th trading day of the delivery month.

**Article 10** The product code of apple futures contract is AP.

**Chapter 3 Delivery Business**

**Section 1 General Provisions**

**Article 11** The delivery against apple futures contract shall be made by exchange of futures for physical (EFP) and the delivery of registered warehouse receipts and registered factory receipts, and board delivery.

The response delivery and organized delivery shall be applicable to the apple futures adopting rolling delivery.

The specific delivery procedures shall be implemented in accordance with the Measures for the Administration of Futures Delivery of Zhengzhou Commodity Exchange and relevant provisions in these Detailed Rules.

**Article 12** The delivery unit of apple futures contract is 10 metric tons.

**Article 13** The last delivery day of the apple futures covered by registered receipts shall be 13th trading day of the delivery month; the last delivery day of apple futures adopting board delivery is 10th day of the month following the delivery month.

**Article 14** The registered receipts for apple futures shall be divided into registered warehouse receipts and registered factory receipts.

The registered receipts for apple futures shall be special registered receipts.

**Article 15** The apple registered warehouse receipts issued before the 15th trading day (including the day) of March of each year shall be cancelled before the 15th trading day (including the day) of March of the current year. No application for the registration of apple warehouse receipts shall be accepted between the 16th trading day (including the day) of March and the last trading day (including the day) of September in each year.

The apple registered factory receipts issued before the 15th trading day (including the day) of January and May of each year shall be cancelled before the 15th trading day (including the day) of January and May of the current year. No application for the registration of apple factory receipts shall be accepted between the 16th trading day (including the day) of May and the last trading day (including the day) of September in each year.

**Article 16** Special value-added tax invoices or sales invoices for agricultural products shall be issued for the delivery against apple futures.

**Article 17** The warehouses, factories, delivery service agencies and corresponding premiums and discounts for apple futures shall be determined and announced by the Exchange, and the Exchange may adjust the warehouses, factories, delivery service agencies and corresponding premiums and discounts based on different conditions.

**Article 18** The benchmark delivery price of apple futures shall be the settled tax-inclusive prices (excluding packing fees) when the benchmark apples are loaded out of a benchmark delivery service agency or a benchmark delivery warehouse in bulk onto truck board.

**Article 19** The receipt registrants shall be liable for all the expenses incurred before apples are transported to the designated storage locations in warehouses and the load-out expenses incurred from loading out apples onto truck board, and the pick-up persons shall be liable for all the expenses incurred afterwards.

With respect to the apples futures adopting board delivery, the sellers shall be liable for all the expenses (excluding packing fees) incurred before apples are transported from delivery service agencies or other delivery places agreed by the buyers and sellers onto truck board, and all the expenses incurred afterwards shall be borne by the buyers. Where the buyers and sellers reach an agreement that the buyers pick up apples by themselves or the sellers deliver the apples to the buyers, they shall negotiate on the expenses according to the distance from the delivery service agencies.

The delivery service charges, storage fees, load-out and load-in fees, inspection fees, etc. shall be announced by the Exchange separately.

**Article 20** Where apples are delivered in bulk and the buyers requires for packing materials, the buyers shall make their own arrangements for or entrust others to deal with the packing materials, and the costs of packing materials and packing expenses shall be borne by the buyers.

**Article 21** Matters on the issuance, circulation and cancellation of apple registered receipts that are not stipulated in these Detailed Rules shall be handled in accordance with relevant provisions in the Measures for the Administration of Registered Receipts of Zhengzhou Commodity Exchange.

**Section 2 Delivery Standard**

**Article 22** The delivery against apple futures shall be conducted in accordance with applicable national standard and these Detailed Rules.

**Article 23** The benchmark product for delivery: grade 1 and higher grade Fuji apple conforming to the specifications of the National Standard of the People’s Republic of China, Fresh Apple (GB/T 10651-2008) (hereinafter “National Standard for Apple”) with fruit width greater than or equal to 80mm, fruit width tolerance no greater than 5%, quality tolerance no greater than 20% (insect bites shall count towards quality tolerance, and there are no requirements for the total proportion of unqualified apples with rubbing, bruising and skin puncture) and soluble solid content greater than or equal to 12.5%.

**Article 24** Substitutes as well as premiums and discounts:

Ⅰ. grade 1 and higher grade Fuji apple conforming to the specifications of the National Standard for Apple with fruit width greater than or equal to 80mm, fruit width tolerance no greater than 5%, quality tolerance greater than 20% but less than or equal to 25% (insects bites shall count towards quality tolerance, and there are no requirements for the total proportion of unqualified apples with rubbing, bruising and skin puncture) and soluble solid content greater than or equal to 12.5%. These substitutes shall be delivered at a discount of CNY 500/metric ton.

Ⅱ. grade 1 and higher grade Fuji apple conforming to the specifications of the National Standard for Apple with fruit width greater than or equal to 75mm but less than 80mm, fruit width tolerance no greater than 5%, quality tolerance no greater than 20% (insect bites shall count towards quality tolerance, and there are no requirements for the total proportion of unqualified apples with rubbing, bruising and skin puncture) and soluble solid content greater than or equal to 12.5%. These substitutes shall be delivered at a discount of CNY 1,500/metric ton.

Ⅲ. grade 1 and higher grade Fuji apple conforming to the specifications of the National Standard for Apple with fruit width greater than or equal to 75mm but less than 80mm, fruit width tolerance no greater than 5%, quality tolerance greater than 20% but less than or equal to 25% (insect bites shall count towards quality tolerance, and there are no requirements for the total proportion of unqualified apples with rubbing, bruising and skin puncture) and soluble solid content greater than or equal to 12.5%. These substitutes shall be delivered at a discount of CNY 2,000/metric ton.

Apples without brown sugar heart shall not be counted as unqualified fruits.

**Article 25** The fruit firmness of the apples to be loaded in or out shall meet the following requirements:

Ⅰ. fruit firmness shall be no less than 7kgf/cm2 at the time of load-in,.

Ⅱ. for the apples loaded out between October 1 of a year and February 20 (including the day) of the next year, fruit firmness shall be no less than 6.2kgf/cm2; and for the apples loaded out at other times, fruit firmness shall be no less than 6kgf/cm2.

The apples delivered by board delivery shall satisfy the load-out firmness requirements.

**Article 26** The containers of apples in the same batch delivered by the same client shall be unified.

**Section 3 Delivery of Registered Warehouse Receipts**

**Article 27** The load-in down payment of CNY 30/metric ton shall be paid to a warehouse when Delivery Intention for apples is submitted to the warehouse.

**Article 28** The validity period of the Delivery Notice for apples issued by a warehouse shall be fifteen (15) calendar days.

**Article 29** The apples which are loaded in shall be packed in plastic or wooden (iron) baskets.

**Article 30** The warehouses shall conduct weight inspection on apples which are loaded in. The weight of the apples shall be spot-checked by weighing random baskets (boxes). The weight of the apples shall be given by: (total gross weight of the spot-checked apples with containers — total weight of the containers of the spot-checked apples)/number of the spot-checked piece × number of all pieces.

**Article 31** The load-in quality inspection on apples shall be conducted by designated quality inspection agencies, and the inspection fees shall be borne by the receipt registrants. Where the apples to be loaded in meet the delivery standard and the grade of quality tolerance is less than or equal to 15%, such apples shall be eligible to be used to register receipts.

One sample for each 100 metric tons of apples shall be taken for quality inspection; the weight less than 100 metric tons shall be counted as 100 metric tons when sampling. The weight of the apples for sampling shall be no less than 5‰ of the total weight.

The designated quality inspection agencies shall issue the inspection results and notify the warehouses within three (3) business days after the inspection is completed.

Where the registrants or warehouses have any objection to the load-in quality inspection results, they may apply to the Exchange for re-inspection. The specific procedures shall be implemented in accordance with the provisions on load-in inspection on commodities covered by registered warehouse receipts in the Measures for the Administration of Registered Receipts of Zhengzhou Commodity Exchange.

**Article 32** The receipt registrants shall be present to supervise over the weight inspection and load-in sampling process of apples. The warehouses and the receipt registrants shall confirm the inspection results by signing and affixing stamps and shall be responsible for the authenticity of the apples having been loaded in. The apples that are not confirmed by the warehouses and the receipt registrants shall not be used for futures delivery.

After the apples are loaded in, the warehouses shall register and file relevant information such as the name of registrant, contact person and contact information, weight of apples, storehouse and storage location. All information shall be confirmed by the receipt registrants with signatures.

**Article 33** Where apples covered by a registered warehouse receipt have been loaded out, such apples shall not be used to register receipts.

**Article 34** After the apple registered warehouse receipts are cancelled, the pick-up persons shall, within ten (10) business days after the Exchange issues Pick-up Notices, provide ID cards, the certificates provided by the units they work for and the verification passwords for the Pick-up Notices to the warehouses to process the pick-up formalities, verify the quality of apples, determine transportation means and pre-pay various fees.

Where the pick-up persons provide transportation vehicles, the warehouses shall dispatch and stop charging the storage fees for the apples which are loaded out from the day when the pick-up persons ask the warehouses to arrange the load-out of the apples with the Pick-up Notices and the transportation vehicles arrive at the warehouses.

Where the pick-up persons entrust the warehouses to process the transportation of apples, the warehouses shall dispatch the apples within ten (10) calendar days in trucks and ships and twenty (20) calendar days in trains from the day when the pick-up persons ask the warehouses to arrange the load-out of apples, designate the arrival locations and pre-pay relevant fees (including the service fees for railway transportation and miscellaneous fees charged by the ports). The warehouses failing to do so shall not charge the storage fees for the days beyond prescribed dispatch period.

Where the loading and transportation of apples are delayed due to the changes in transportation means or dispatch time, incomplete pick-up formalities, unpaid fees, special requests and other reasons, the preceding paragraph shall not be binding.

**Article 35** The load-out weight inspection on apples shall be jointly conducted by the warehouses and the pick-up persons in accordance with the requirements for load-in weight inspection.

Where the weight of apples suffers from losses at the time of load-out, the warehouses shall make up the weight to the original level promptly. Where the losses cannot be made up, the warehouses shall calculate the value of losses based on the highest delivery settlement price of the nearby apple futures contract before the issuance day (including the day) of the Pick-up Notices and make compensation for the pick-up persons.

**Article 36** Where the pick-up persons have any objection to the quality of apples at the time of load-out, they may apply to the Exchange for a re-inspection and pre-pay the re-inspection fees. The objections to the quality of apples shall be raised within ten (10) business days after the Pick-up Notices are issued.

**Article 37** Where the grades of quality tolerance in the re-inspection results are higher than or equal to those indicated on the registered receipts, the latter shall prevail, and the re-inspection fees and relevant fees incurred shall be borne by the applicants for re-inspection.

Where the grades of quality tolerance in the re-inspection results are lower than those indicated on the registered receipts but falls within the range of delivery standard, the former shall prevail and the pick-up persons shall accept the results, and the re-inspection fees and relevant fees incurred shall be borne by the warehouses, and the warehouses shall make compensation for the pick-up persons as per the premiums or discounts prescribed by the Exchange.

Matters on re-inspection on apples at the time of load-out from warehouses that are not stipulated in these Detailed Rules shall be handled in accordance with relevant provisions in the Measures for the Administration of Registered Receipts of Zhengzhou Commodity Exchange.

**Section 4 Delivery of Registered Factory Receipts**

**Article 38** The maximum number of receipts allowed by an apple factory to be registered shall be determined by the Exchange and may be adjusted by the Exchange according to market conditions.

Before applying for registering receipts, the apple factory shall provide the guarantee for the registration of factory receipts in accordance with the provisions of the Exchange.

**Article 39** After the apple registered factory receipts are cancelled, the pick-up persons shall, within ten (10) business days after the Exchange issues Pick-up Notices, provide ID cards, the certificates provided by the units they work for and the verification passwords for the Pick-up Notices to the factories to process the pick-up formalities, verify the quality of apples, determine transportation means and pre-pay various fees.

The pick-up persons and the factories shall reach an agreement on the dispatch speed and the completion time of delivery when the pick-up persons go through pick-up formalities. Where the pick-up persons and the factories fail to reach an agreement, the factory shall dispatch apples according to the daily dispatch speed approved by the Exchange.

The daily dispatch speed mentioned in these Detailed Rules shall refer to the minimum weight of apples arranged by factories to be loaded out within twenty-four (24) hours. Daily dispatch speed of factories shall be confirmed and adjusted by the Exchange.

**Article 40** The factories shall dispatch apples within three (3) calendar days after the pick-up persons complete the pick-up formalities, unless otherwise the pick-up persons and the factories have reached other consensuses. The pick-up persons may pick up the apples by themselves or entrust the factories to dispatch the apples.

Where the dispatch of apples is delayed due to the changes in transportation means or dispatch time by the pick-up persons, incomplete pick-up formalities, unpaid fees, special requests and other reasons, the preceding paragraph shall not be binding.

**Article 41** The weight inspection on apples at the time of load-out from factories shall be jointly conducted by the pick-up persons and the factories. The weight inspection results of the factories shall prevail. The apples shall be loaded out in full weight. The weight of the apples shall be spot-checked by weighing random baskets (boxes). The weight of apples for delivery shall be given by: (total gross weight of the spot-checked apples with containers — total weight of the containers of the spot-checked apples)/number of the spot-checked piece × number of all pieces.

Where the weight of apples suffers from losses at the time of load-out, the warehouses shall make up the weight to the original level promptly. Where the losses cannot be made up, the factories shall calculate the value of losses based on the highest delivery settlement price of the nearby apple futures contract before the issuance day (including the day) of the Pick-up Notices and make compensation for the pick-up persons.

The pick-up persons shall be present in the delivery locations to supervise over the whole process of dispatch. Where the pick-up persons fail to be present, it shall be deemed that the pick-up persons have no objections to the weight of the apples.

**Article 42** The factories shall ensure that the quality of apples is consistent with the delivery standard prescribed by the Exchange, unless otherwise both parties have reached other agreements on the quality of apples.

The factories shall provide the pick-up persons with the Certificate of Quality at the time of load-out to certify that the quality of the apples is up-to-standard for delivery, and the pick-up persons shall be present to check the weight of apples and the factories shall be cooperative.

**Article 43** Where the pick-up persons or the factories have any objection to the weight and quality of the apples, they shall negotiate to settle the disputes. Where no consensuses are reached during negotiations, they may apply to the Exchange for re-inspection, and the re-inspection fees and other relevant fees shall be pre-paid by the applicants for re-inspection. The applications for re-inspection shall be made before the apples are loaded out of the factories.

**Article 44** Where the grades of quality tolerance in the re-inspection results are higher than or equal to those indicated on the registered receipts, the latter shall prevail, and the re-inspection fees and relevant fees shall be borne by the applicants for re-inspection.

Where the grades of quality tolerance in the re-inspection results are lower than those indicated on the registered receipts but falls within the range of delivery standard, the former shall prevail and the pick-up persons shall accept the results, and the re-inspection fees and relevant fees shall be borne by the factories, and the factories shall make compensation for the pick-up persons as per the premiums or discounts prescribed by the Exchange.

Matters on load-out re-inspection on apples that are not stipulated in these Detailed Rules shall be handled in accordance with relevant provisions in the Measures for the Administration of Registered Receipts of Zhengzhou Commodity Exchange.

**Article 45** Where the factories or the pick-up persons fail to dispatch or pick up apples as per the agreed plans for some reasons, they shall negotiate with each other timely and adjust the dispatch speed or the dispatch plans, and the party in default shall pay the overdue fine accordingly. Overdue fine shall be given by: ∑[CNY 120/metric ton × number of days delayed × weight of apples yet to be dispatched or received].

Where the factories fail to dispatch all the apples within five (5) calendar days from the agreed last dispatch day, the pick-up persons may request to terminate the delivery and claim for compensation from the factories. The amount of compensation = the highest delivery settlement price of the nearby apple futures contract × weight of apples yet to be dispatched × 120%

Where the dispatch or pick-up of apples cannot be performed as planned due to the weather or other force majeure, the factories or the pick-up persons shall be exempted from paying overdue fine or compensation.

The factories and the pick-up persons shall properly keep the Commodity Dispatch Plan, Confirmation Letter on Negotiation and documents for dispatch and pick-up as the basis for dispatch settlement.

**Article 46** Where more than one pick-up person picks up apples at the same time, the factories shall arrange the dispatch reasonably according to the appointment time and the completion time of pick-up formalities by the pick-up persons.

**Article 47** Where the factories fail to perform the delivery obligations and do not make compensation or the amount of compensation is insufficient, the Exchange shall use the guarantee provided by the factories to compensate the pick-up persons.

**Article 48** After the factories has finished dispatching apples and the Exchange confirms in writing that the quality of the apples are up-to-standard for delivery and the weight of the apples are correct, the Exchange shall return the guaranteed properties or certificates provided by the factories.

**Section 5 Board Delivery**

**Article 49** When submitting delivery application for the apple futures adopting board delivery, the seller shall be required to provide corresponding information on the apples for delivery at the same time, which shall include product name, fruit width, grade, quality tolerance, weight, delivery service agency, etc.

**Article 50** The buyer and seller shall confirm the Confirmation Form for Board Delivery via member service system before 3:00 p.m. on the 3rd delivery day. Where the buyer and seller fail to confirm the Confirmation Form within the prescribed time limit, it shall be deemed that they have no objections to it.

**Article 51** The delivery of apples shall be conducted at delivery service agency. Where the buyer and seller have reached an agreement, they can conduct delivery at the places specified in the agreement; where no such agreement has been reached, the buyer may choose a delivery service agency when filling in the Confirmation Form for Board Delivery, and the seller shall follow the buyer’s requests to deliver apples.

The buyer and seller of apple futures shall complete the delivery of October contract on the 6th calendar day (4th calendar day for contracts other than October contract) from the 3rd delivery day (excluding the day).

Where the seller fails to transport apples to the delivery service agency before 1:30 p.m. on the day when apples shall be delivered, or where the buyer fails to be present to supervise over the whole process of taking delivery, it shall be deemed that the seller and buyer fail to complete delivery on time. The new delivery time shall be re-determined by the delivery service agency according to its service ability and be notified to the seller and buyer. Where the delivery weight of apples or the number of clients conducting delivery on the current day exceeds the delivery service agency’s daily maximum limit, the delivery service agency may postpone the delivery time according to its service ability and notify the buyer and seller. The daily maximum limit for the delivery weight of apples or the number of clients conducting delivery shall be announced by the Exchange separately.

**Article 52** The buyer shall complete quality inspection on apples within twenty-four (24) hours after the apples arrive at the delivery service agency and shall transport the apples away within twenty-four (24) hours after confirming that the apples are of acceptable quality. Where the buyer fails to transport the apples away for personal reasons, the seller shall not be liable for the quality issues incurred.

Where the buyer has no objections to the inspection result, the buyer and seller shall sign the Confirmation Form of Quality Inspection which shall serve as the basis for the quality determination of the apples and the premium and discount charges.

**Article 53** Where the buyer and seller have any objection to the quality of the apples, they shall settle the disputes through negotiation. Where no consensuses are reached during negotiation, the buyer or seller shall apply to the Exchange for re-inspection and list the quality indicators required to be re-inspected before the apples leave the designated board delivery place. The quality re-inspection agency shall be chosen by the Exchange from designated quality inspection agencies. The designated quality re-inspection agency shall issue inspection result and inform the Exchange in writing within five (5) business days from the day (excluding the day) of receiving the inspection notice from the Exchange, and the inspection result shall be the basis for dispute settlement.

Where the grade of quality tolerance in the re-inspection result is higher than or equal to that indicated in the information on the apples for board delivery, then the latter shall prevail; where the grade of quality tolerance in the re-inspection result is lower than that indicated in the information on the apples for board delivery but falls within the range of delivery standard, the former shall prevail and the buyer shall accept the result, and the re-inspection fees and relevant fees shall be borne by the seller, and the seller shall make compensation for the buyer as per the premiums or discounts prescribed by the Exchange.

In addition to the circumstances specified in the preceding paragraph, where the re-inspection result meets the delivery standard, the re-inspection fees and relevant fees shall be borne by the applicant for re-inspection; where the re-inspection result fails to meet the delivery standard, the re-inspection fees and relevant fees shall be borne by the seller.

The re-inspection fees shall be paid through the delivery service agency within two (2) business days from the day when inspection result is issued.

**Article 54** Before the apples are dispatched, the buyer shall be present to supervise over the dispatch and transportation of the apples, and the seller shall arrange sufficient manpower and equipment to ensure normal dispatch. The weight of the apples shall be spot-checked by weighing random baskets (boxes) at the place of dispatch or be measured by other methods accepted by the buyer and seller. Where the weight of the apples is spot-checked by weighing random baskets (boxes), the weight shall be given by: (total gross weight of the spot-checked apples with containers — total weight of the containers of the spot-checked apples) / number of the spot-checked piece × number of all pieces.

After the apples are dispatched, the buyer and seller shall confirm the the weight of apples in accordance with the examined and approved daily weight memos which are signed and confirmed by both parties. The buyer and seller shall sign the Confirmation Form of Quality Inspection which shall be used as the basis for the weight determination of the apples used for delivery.

The buyer and seller shall be entitled to check the accuracy of the weighing apparatus. Where there is any objection to the accuracy of the weighing apparatus, the buyer and seller shall stop the delivery and notify the Exchange in writing. The Exchange shall arrange the national quality and technique supervision organizations to inspect the weighing apparatus on the spot, and the defaulting party shall bear relevant expenses including travel expenses, transportation expenses, inspection fees, etc.

**Article 55** Where the delivery of apples is delayed because the buyer or seller fails to take or make delivery of apples within prescribed time limit, the buyer and seller shall solve the problems incurred through negotiation. Where they cannot reach an agreement, the non-defaulting party may apply to the Exchange for compensation and provide relevant evidences. After confirming the evidences, the Exchange shall charge an overdue fine from the defaulting party to compensate the non-defaulting party. Overdue fine shall be given by: ∑[CNY 120/metric ton × number of days delayed × weight of apples yet to be dispatched or received]. The amount of overdue fine shall not exceed 20% of the contract value (calculated based on delivery settlement price of the batch of apples).

Where the apples cannot be dispatched or picked up because of force majeure, the dispatch time or pick-up time can be deferred.

**Article 56** When transferring the payment for apples after confirming the quality and weight of the apples, the buyer and seller shall choose the clearing method of the payment via member service system.

**Chapter 4 Risk Management**

**Article 57** The minimum trading margin rate for apple futures contract is 7% of the contract value.

The trading margin rates of apple futures contract for different trading periods are listed as below:

|  |  |
| --- | --- |
| Trading period | Trading margin rate |
| From the listing day to the 15th calendar day of the month preceding the delivery month | 7% of the contract value |
| From the 16th calendar day to the last calendar day of the month preceding the delivery month | 10% of the contract value |
| Delivery month | 20% of the contract value |

**Article 58** The daily price limit of apple futures contract is ±5% of the settlement price of the previous trading day.

**Article 59** The positions limits of apple futures contract for different trading periods are listed as below:

|  |  |
| --- | --- |
| Trading period | Maximum single-sided open interest of a non-futures brokerage member and a client (lot) |
| From the listing day to the last calendar day of the second month preceding the delivery month | 1,000 |
| From the first calendar day to the 15th calendar day of the month preceding the delivery month | 200 |
| From the 16th calendar day to the last calendar day of the month preceding the delivery month | 40 |
| Delivery month | 20(Maximum single-sided open interest of a natural person shall be zero.) |

The term “position limit” mentioned in this Article shall refer to the maximum quantity of speculative positions calculated on a single-sided basis that can be held by one member or client in a certain contract.

**Article 60** According to the Measures for the Administration of Futures Trading Risk Control of Zhengzhou Commodity Exchange, where the Exchange adjusts the trading margin rates and price limits of apple futures, the new standards shall be implemented in accordance with the adjustment.

**Chapter 5 Supplementary Provisions**

**Article 61** The Exchange shall handle any violation of these Detailed Rules in accordance with the Measures for Penalties for Violations of Zhengzhou Commodity Exchange and other business rules.

**Article 62** Matters not prescribed in these Detailed Rules shall be handled in accordance with relevant business rules of the Exchange.

**Article 63** The Exchange shall reserve the right to interpret these Detailed Rules.

**Article 64** These Detailed Rules shall come into force from June 26, 2023.

**(The English version is for reference ONLY. The Chinese version shall prevail if there is any inconsistency.)**