**Detailed Rules of Zhengzhou Commodity Exchange for Purified Terephthalic Acid Futures**

**Chapter 1 General Provisions**

**Article 1** These *Detailed Rules* are made in accordance with the *Trading Rules of Zhengzhou Commodity Exchange* and the purified terephthalic acid (“**PTA**”) futures (“TA”) contract to regulate TA-related activities on the Zhengzhou Commodity Exchange (the “**Exchange**”).

**Article 2** The Exchange, Members, overseas brokers, clients, delivery warehouses, factory warehouses, Designated Quality Inspection Agencies, and other participants of the futures market shall comply with these *Detailed Rules*.

**Chapter 2 Trading**

**Article 3** TA contract has a contract size of 5 metric tons/lot.

**Article 4** TA contract has a price quotation of Chinese Yuan (RMB)/metric ton.

**Article 5** TA contract has a minimum price fluctuation of 2 yuan/metric ton.

**Article 6** TA contract has the following delivery months: every month from January to December.

**Article 7** TA contract has a minimum order size of 1 lot, maximum order size of 1,000 lots for limit orders, and maximum order size of 200 lots for market orders.

The Exchange may adjust the minimum order size, maximum limit order size, and maximum market order size based on market conditions. The specific thresholds will be separately announced by the Exchange.

**Article 8** TA contract is traded during night session hours and day session hours. The night session hours are 21:00 – 23:00. The day session hours are 9:00 – 11:30 and 13:30 – 15:00, with a break at 10:15 – 10:30.

Any suspension or cancellation of the night session or adjustment of the night session hours will be announced by the Exchange.

**Article 9** TA contract has the following Last Trading Day: the 10th trading day of the delivery month.

**Article 10** TA contract has the following product code: TA.

**Chapter 3 Delivery**

**Section 1 General Rules**

**Article 11** TA may be delivered by exchange of futures for physical (“**EFP**”), delivery with standard delivery warehouse receipts, and delivery with standard factory warehouse receipts. TA may adopt either duty-paid delivery or Bonded Delivery.

Rolling Delivery for TA is conducted through Response Matching.

The specific delivery procedures are governed by the applicable provisions of the *Futures Delivery Rules of Zhengzhou Commodity Exchange* and these *Detailed Rules*.

**Article 12** TA contract has a delivery unit of 5 metric tons.

**Article 13** TA contract has the following Last Delivery Day: the 13th trading day of the delivery month.

**Article 14** The standard warehouse receipts for TA may be classified into standard delivery warehouse receipts and standard factory warehouse receipts, and also into bonded standard warehouse receipts and duty-paid standard warehouse receipts.

The standard warehouse receipts for TA are all general standard warehouse receipts.

Duty-paid standard warehouse receipts and bonded standard warehouse receipts are not interchangeable for TA.

**Article 15** The standard warehouse receipts for PTA registered on or before the 15th trading day of September of each year shall be cancelled on or before the 15th trading day of September of the same year.

**Article 16** Delivery of PTA with duty-paid standard warehouse receipts shall be made against a special VAT invoice; delivery of PTA with bonded standard warehouse receipts shall be made against a general VAT invoice or such other documents as recognized by the Exchange.

**Article 17** The delivery warehouses and factory warehouses for TA and the relevant premiums and discounts are determined and published by, and subject to the adjustment of, the Exchange.

**Article 18** The premiums and discounts for a delivery warehouse or factory warehouse for TA are transferred when the corresponding standard warehouse receipts are registered or cancelled; the corresponding special VAT invoice shall be issued by the registrant to the cancelling party under the supervision of the delivery warehouse or factory warehouse. The delivery warehouse or factory warehouse will collect a deposit based on the applicable VAT rate, which deposit shall be returned following the issuance of the special VAT invoice.

**Article 19** The benchmark delivery price of TA is the tax-included price (including packaging fees) at which the benchmark deliverable is delivered through a load-out from a benchmark delivery warehouse onto a truck.

**Article 20** The registrant of a standard warehouse receipt shall bear all the expenses incurred before the commodity is transported to the designated storage location in the delivery warehouse as well as the expenses from loading the commodity onto the truck at load-out; the pick-up person shall bear all the expenses incurred after the commodity is loaded onto the truck.

The rates of delivery fees, storage fees, load-in and load-out fees, inspection fees, and other delivery-related fees will be separately announced by the Exchange.

**Article 21** The cost of packaging materials for PTA is included in the price of the corresponding futures contract and is not charged separately.

**Article 22** Any matter in relation to the creation, negotiation, and cancellation of standard warehouse receipts for TA that is not covered by these *Detailed Rules* is governed by the *Rules of Zhengzhou Commodity Exchange on Standard Warehouse Receipts*.

**Section 2 Delivery Standard**

**Article 23** Deliverable PTA shall conform to the quality specifications under *National Standard of the People’s Republic of China “Purified Terephthalic Acid for Industrial Use”* (GB/T 32685-2016).

**Article 24** The benchmark deliverable is PTA meeting the quality standard for “Premier Grade” PTA under GB/T 32685-2016.

**Article 25** TA requires deliverable brand registration. The benchmark deliverable must be PTA produced by a manufacturer approved by the Exchange. The list of approved manufacturers will be separately announced by, and subject to the adjustment of, the Exchange.

**Section 3 Delivery with Standard Delivery Warehouse Receipts**

**Article 26** A load-in deposit of RMB 30 yuan/metric ton shall be paid to the delivery warehouse at the submission of a delivery intention for TA.

**Article 27** A separate delivery intention shall be declared for the PTA produced by each manufacturer.

**Article 28** The Load-in Notice issued by a PTA delivery warehouse is valid for fifteen (15) calendar days.

**Article 29** Any PTA that comes with damaged or wet packaging or shows signs of serious contamination, caking, or similar conditions may not be accepted by a delivery warehouse for load-in.

**Article 30** With respect to any request to register duty-paid standard warehouse receipts for domestically produced PTA, a Certificate of Quality issued by the manufacturer of the current shipment of PTA shall be presented to the delivery warehouse at the time of load-in to certify that the PTA meets the standard for delivery. The Certificate of Quality shall indicate the manufacturer, date of production, applicable quality standards, and quality inspection results for the current shipment of PTA, among other information.

With respect to any request to register duty-paid standard warehouse receipts for overseas-produced PTA, photocopies of the shipping documents, the PBC Customs Declaration Form for Import Goods, the Import Duty Payment Form, the VAT Withholding and Payment Form, as well as the Certificate of Quality and Certificate of Origin issued by the manufacturer, in each case affixed with the company seal of the requester of load-in, shall be presented to the delivery warehouse at the time of load-in. The registrant of the standard warehouse receipts shall sign a Guarantee of Lawful, Truthful, and Valid Documentations for Imported PTA for the documentations it provides.

With respect to any request to register bonded standard warehouse receipts for PTA, photocopies of the Certificate of Quality and Certificate of Origin issued by the manufacturer of the current shipment of PTA and of the other documentations required by the customs, in each case affixed with the company seal of the requester of load-in, shall be presented to the delivery warehouse at the time of load-in.

**Article 31** A delivery warehouse conducts weight inspection on PTA at load-in. Each pack of PTA has a net weight of 1 metric ton, 1.1 metric tons, or other weight prescribed by the Exchange. The weight inspection may be conducted through a combination of truck scale and weighing of randomly selected packs, or solely by weighing of randomly selected packs.

**Article 32** The load-in quality inspection of PTA is to be conducted by a Designated Quality Inspection Agency; the inspection fees shall be borne by the registrant of the corresponding standard warehouse receipts. One sample shall be taken for every 550 metric tons of PTA and for any remaining quantity less than 550 metric tons. Each sample is to be partitioned into three parts, with two jointly sealed by the delivery warehouse and registrant and then sent or delivered to the Designated Quality Inspection Agency, and one kept by the delivery warehouse. The Designated Quality Inspection Agency shall issue and notify the delivery warehouse of the inspection results within five (5) business days of receiving each batch of samples.

Any registrant or delivery warehouse that objects to the results of load-in quality inspection may request the Exchange for a re-inspection. The specific procedures are governed by the “Load-in Re-inspection of Delivery Warehouse Commodities” section under the *Rules of Zhengzhou Commodity Exchange on Standard Warehouse Receipts*.

**Article 33** The Exchange may approve inspection-exempt brands for the deliverables of TA. The load-in quality inspection for PTA may be waived for any load-in request directly submitted by an inspection-exempt brand, and for any other registrant that has submitted to the Exchange and delivery warehouse a Commitment of Quality that is issued by an inspection-exempt brand and conforms to the requirements of the Exchange. The list of inspection-exempt brands for PTA will be separately announced by the Exchange.

**Article 34** The registrant of standard warehouse receipts shall be present at the weight inspection and load-in sampling of PTA to monitor the process. The delivery warehouse and the registrant shall confirm the inspection results with their signatures and seals and are jointly responsible for the genuine load-in of the PTA. Any commodity without the signatures and seals of the delivery warehouse and registrant shall not be delivered against futures products.

After the commodity is loaded in, the delivery warehouse shall record in a file such information as the name, contact person, and contact information of the registrant; load-in quantity; manufacturer; and the storehouse and stack location, which information shall be confirmed by the registrant with signature.

**Article 35** A delivery warehouse shall not accept for load-in any domestic PTA that was produced more than ninety (90) days ago or any imported PTA that was shipped from an overseas location more than sixty (60) days ago.

**Article 36** Upon the cancellation of a standard delivery warehouse receipt for PTA, the pick-up person shall, within ten (10) business days after the Exchange issues the Pick-up Notice, visit the delivery warehouse to complete the pick-up procedures with his ID card, certificate of identity and authority issued by his employer, and the verification code for the Pick-up Notice; verify the quality of the commodity and determine the means of transport; and pay the applicable fees in advance.

Where the pick-up person provides his own transport vehicles, the delivery warehouse shall, as of the date that it is visited by the pick-up person with the Pick-up Notice to arrange for the load-out and the transport vehicles arrive at the delivery warehouse, begin the shipping process and stop charging the storage fees for any commodity already loaded onto such transport vehicles.

Where the pick-up person requests the delivery warehouse to handle the transport of the commodity, the delivery warehouse shall ship the commodity within ten (10) calendar days by trucks or ships or twenty (20) calendar days by railcars from the day when the pick-up person contacts the delivery warehouse with the Pick-up Notice to arrange for the load-out, designates the destination, and pays the relevant fees (including but not limited to rail freight forwarding charges and terminal handling charges) in advance. Any delivery warehouse that is not able to ship the commodity within the prescribed time limit may not charge storage fees for the period after the time limit.

The shipping time limit in the preceding paragraph does not apply if shipment is delayed due to such reasons as a change of the means of transport or shipment date by the pick-up person, missing pick-up documentations, late payment of relevant fees, or special shipping instructions.

**Article 37** The load-out weight inspection of PTA shall be jointly conducted by the delivery warehouse and the pick-up person in reference to the rules on load-in weight inspection.

Any quantity shortage at load-out shall be made up by the delivery warehouse in a timely manner; failing which, the delivery warehouse shall compensate the pick-up person for the price of the missing commodity based on the highest final settlement price of the TA contract in the nearby month up to and including the date the Pick-up Notice is issued.

**Article 38** Any pick-up person that objects to the quality of the PTA at load-out may request the Exchange for a one-time re-inspection with the payment of the re-inspection fees in advance. Such objection shall be raised within ten (10) business days after the Pick-up Notice is issued. The specific procedures are governed by the “Load-out Re-inspection of Delivery Warehouse Commodities” section under the *Rules of Zhengzhou Commodity Exchange on Standard Warehouse Receipts*.

**Article 39** A pick-up person shall not at load-out refuse to accept any shipment of PTA whose moisture content has changed under the normal storage conditions of the delivery warehouse but does not affect its normal use.

**Article 40** A delivery warehouse shall arrange the load-out of PTA by the “First in, First Out (FIFO)” principle.

**Section 4 Delivery with Standard Factory Warehouse Receipts**

**Article 41** The maximum number of standard warehouse receipts registerable by a PTA factory warehouse is determined by, and subject to the adjustment of, the Exchange.

A factory warehouse for PTA shall provide registration security in accordance with the rules of the Exchange before requesting to register standard warehouse receipts.

**Article 42** Upon the cancellation of a standard factory warehouse receipt for PTA, the pick-up person shall, within ten (10) business days after the Exchange issues the Pick-up Notice, visit the factory warehouse to complete the pick-up procedures with his ID card, certificate of identity and authority issued by his employer, and the verification code for the Pick-up Notice; verify the quality of the commodity and determine the means of transport; and pay the applicable fees in advance.

The pick-up person shall, at the time of pick-up, come to an agreement with the factory warehouse on the shipment speed and the load-out completion time. If no agreement can be reached, the factory warehouse shall comply with the daily shipment volume approved by the Exchange.

In these *Detailed Rules*, “daily shipment volume” refers to the minimum quantity of futures deliverable ready for shipment by a factory warehouse within a 24-hour period. The daily shipment volume of a factory warehouse is determined by and subject to the adjustment of the Exchange.

**Article 43** Unless otherwise agreed with the pick-up person, a factory warehouse shall begin shipping the commodity within three (3) calendar days after the pick-up procedures are duly completed. The pick-up person may either pick up the commodity personally at the warehouse or request the factory warehouse to ship it on his behalf.

The shipping time limit in the preceding paragraph does not apply if shipment is delayed due to such reasons as a change of the means of transport or shipment date by the pick-up person, missing pick-up documentations, late payment of relevant fees, or special shipping instructions.

**Article 44** The load-out weight inspection of PTA from a factory warehouse shall be jointly conducted by the pick-up person and the factory warehouse, with the weight obtained by the factory warehouse being conclusive. Load-out shall be conducted without shortage in weight.

Any quantity shortage at load-out shall be made up by the factory warehouse in a timely manner; failing which, the factory warehouse shall compensate the pick-up person for the price of the missing commodity based on the highest final settlement price of the TA contract in the delivery month up to and including the date the Pick-up Notice is issued.

The pick-up person shall be present at the delivery location to monitor the delivery process, or be deemed to have accepted the load-out weight.

**Article 45** Unless otherwise agreed with the pick-up person, a factory warehouse shall ensure the commodity delivered meets the quality specifications of the Exchange for delivery.

At the time of load-out, the factory warehouse shall take samples in the presence of the pick-up person before the commodity is loaded onto the buyer’s transport vehicles, which samples shall be jointly confirmed and then jointly sealed by the parties. Each sample is to be partitioned into three parts, with one kept by the pick-up person and two by the factory warehouse. The samples shall be retained by the factory warehouse for thirty (30) calendar days after shipment and will serve as the basis for settling potential quality disputes.

**Article 46** Where the pick-up person or factory warehouse objects to the weight or quality of the commodity, they shall jointly determine a solution; failing which, the pick-up person or factory warehouse may request the Exchange for a one-time re-inspection with the requester’s payment of the re-inspection fee and other relevant fees in advance. Objection over weight shall be raised before load-out; objection over quality shall be raised within five (5) business days of load-out. The procedures for the re-inspection are governed by the “Load-out Re-inspection of Factory Warehouse Commodities” section under the *Rules of Zhengzhou Commodity Exchange on Standard Warehouse Receipts*.

**Article 47** Where the factory warehouse or pick-up person fails to ship or pick up the commodity as planned, they shall discuss a solution in a timely manner and appropriately adjust the shipment speed or schedule. The party at fault shall additionally pay a late fee. The amount of late fee = Σ[5 yuan/metric ton/day × days delayed × commodity quantity yet to be shipped or picked up].

Where the factory warehouse fails to ship the commodity in full within five (5) calendar days from the agreed final shipment date, the pick-up person may request the factory warehouse to terminate shipment and pay liquidated damages. The amount of liquidated damages = highest final settlement price of the TA contract in the nearby month × commodity quantity yet to be shipped × 120%.

The factory warehouse or the pick-up person is not liable for the late fee or liquidated damages if shipment or pick-up is delayed by weather or other force majeure events.

The factory warehouse and pick-up person shall properly keep the commodity shipment schedule, agreements, and shipment- and pick-up-related documentations as the basis for settling potential disputes.

**Article 48** Where more than one pick-up person takes delivery at the same time, the factory warehouse may arrange the shipment in accordance with such factors as the time scheduled with the pick-up persons and the completion time of the pick-up procedures.

**Article 49** Where a factory warehouse defaults on its delivery obligations and fails to pay or fully pay the compensation or liquidated damages, the Exchange may compensate the pick-up person by disposing of the security provided by the factory warehouse.

**Article 50** Upon the completion of shipment and the Exchange’s written confirmation of the fulfillment of quality and quantity obligations by the factory warehouse, the Exchange will return the properties or documents provided by the factory warehouse as security at the factory warehouse’s request.

**Chapter 4 Bonded Standard Warehouse Receipts**

**Section 1 Creation**

**Article 51** Bonded standard warehouse receipts are created in accordance with the Exchange’s rules for duty-paid standard warehouse receipts.

**Article 52** A bonded delivery warehouse shall, on the standard warehouse receipts to be created, clearly indicate whether the commodity concerned is bonded or duty-paid, and shall manage bonded and duty-paid commodities separately.

**Article 53** The PTA produced by any overseas manufacturer on which China levies anti-dumping duties shall not be used for the registration of bonded standard warehouse receipts.

**Article 54** Bonded standard warehouse receipts for PTA may be transferred or used in delivery, EFP, load-out, as margin, and for any other purposes prescribed by the Exchange.

**Section 2 Transfer**

**Article 55** In any transfer of bonded standard warehouse receipts for PTA, the transfer of title and delivery payment shall be conducted through the Exchange. The buyer and seller shall submit the transfer request to the Exchange through their Members. The transfer price shall be within the price limit (excluding tax) of the nearby futures contract on the transfer request submission day.

The Exchange will, after completing the transfer of title and delivery payment for the standard warehouse receipts, issue a Bonded Final Settlement Statement (tax and bookkeeping copy) to the seller and Bonded Final Settlement Statement (bookkeeping copy) to the buyer. Each Bonded Final Settlement Statement shall contain the price information, names of the buyer and seller and their carrying Members, place of manufacture, actual quantity delivered, time of delivery, and method of delivery. The “method of delivery” shall be noted as “transfer.”

**Article 56** A selling Member shall deliver the general VAT invoice to the Exchange before market close of the 7th trading day after the day on which the bonded standard warehouse receipts are transferred; failing which, the Exchange will withhold 5% of the delivery payment and handle the situation in accordance with the *Futures Delivery Rules of Zhengzhou Commodity Exchange* and *Futures Clearing Rules of Zhengzhou Commodity Exchange*.

**Section 3 Delivery**

**Article 57** The delivery matching of bonded standard warehouse receipts is conducted in accordance with the *Futures Delivery Rules of Zhengzhou Commodity Exchange*.

**Article 58** Before 9:00 a.m. on the Third Delivery Day, a buying Member shall have fully paid any remaining delivery payment corresponding to the contract positions matched for delivery, where:

Delivery payment for bonded standard warehouse receipts = bonded final settlement price × quantity covered by the bonded standard warehouse receipts × contract size; bonded final settlement price = [(final settlement price – relevant expenses) / (1 + import VAT rate) – consumption tax] / (1 + import duty rate).

In the preceding formula, “relevant expenses” include the fees and charges arising from such activities as import declaration, customs inspection, and customs broker services, the details of which will be separately published by the Exchange. Consumption tax is calculated based on weight and import duty is calculated based on price.

The bonded final settlement price is published by the Exchange after market close on the matching day in the delivery month. Upon any change in national tax policies, the Exchange may adjust the formula for the bonded final settlement price, which will be published in a timely manner.

**Article 59** The Exchange will, on the Third Delivery Day, deliver the bonded standard warehouse receipts submitted by the selling Member to the buying Member, transfer the delivery payment to the selling Member, and issue a Bonded Final Settlement Statement (tax and bookkeeping copy) to the seller and Bonded Final Settlement Statement (bookkeeping copy) and Bonded Final Settlement Statement (customs declaration copy) to the buyer. Each Bonded Final Settlement Statement shall contain the price information, names of the buyer and seller and their carrying Members, place of manufacture, actual quantity delivered, time of delivery, and method of delivery. The “method of delivery” shall be noted as “delivery.”

**Article 60** In a delivery of PTA with bonded standard warehouse receipts, the domestic seller shall issue a general VAT invoice to the selling Member and the overseas seller (excluding QFII and RQFII) or the overseas broker shall issue the relevant payment receipt to the selling Member; the selling Member shall issue a general VAT invoice to the Exchange; the Exchange shall issue a general VAT invoice to the buying Member; and the buying Member shall issue a general VAT invoice to the buyer or overseas broker.

**Article 61** A selling Member shall deliver the general VAT invoice to the Exchange before market close of the 7th trading day after the Third Delivery Day (excluding the day); failing which, the Exchange will withhold 5% of the delivery payment and handle the situation in accordance with the *Futures Delivery Rules of Zhengzhou Commodity Exchange* and *Futures Clearing Rules of Zhengzhou Commodity Exchange*.

**Article 62** Any matter regarding the delivery of PTA with bonded standard warehouse receipts not covered by this section is governed by the *Futures Delivery Rules of Zhengzhou Commodity Exchange* and *Futures Clearing Rules of Zhengzhou Commodity Exchange*.

**Section 4 EFP**

**Article 63** In a bonded EFP in PTA, the transfer of bonded standard warehouse receipts and delivery payment is handled by the Exchange, the fees for which will be collected in accordance with the *Futures Delivery Rules of Zhengzhou Commodity Exchange* and *Futures Clearing Rules of Zhengzhou Commodity Exchange*.

**Article 64** When conducting clearing for bonded EFP in PTA, the Exchange will close out the corresponding futures positions of the buyer and seller and settle their profits and losses at the settlement price of the nearby futures contract for the day preceding the EFP request day, and transfer the delivery payment calculated on the basis of the final settlement price for bonded EFP. The Exchange publishes relevant information on completed bonded EFP at the end of each trading day.

Delivery payment for bonded EFP = final settlement price for bonded EFP × quantity covered by the bonded standard warehouse receipts to be delivered in bonded EFP × contract size.

Where the final settlement price for bonded EFP = [(settlement price of the nearby TA contract for the day preceding the EFP request day – relevant expenses) / (1 + import VAT rate) – consumption tax] / (1 + import duty rate).

In the preceding formula, “relevant expenses” include the fees and charges arising from such activities as import declaration, customs inspection, and customs broker services, the details of which will be separately published by the Exchange. Consumption tax is calculated based on weight and import duty is calculated based on price.

**Article 65** The Exchange will, after market close of the day on which bonded EFP in PTA is approved, deliver the bonded standard warehouse receipts submitted by the selling Member to the buying Member, and issue a Bonded Final Settlement Statement (tax and bookkeeping copy) to the seller and Bonded Final Settlement Statement (bookkeeping copy) and Bonded Final Settlement Statement (customs declaration copy) to the buyer. Each Bonded Final Settlement Statement shall contain the price information, names of the buyer and seller and their carrying Members, place of manufacture, actual quantity delivered, time of delivery, and method of delivery. The “method of delivery” shall be noted as “EFP.”

**Article 66** A selling Member shall deliver the general VAT invoice to the Exchange before market close of the 7th trading day after the day on which the EFP request is approved; failing which, the Exchange will withhold 5% of the delivery payment and handle the situation in accordance with the *Futures Delivery Rules of Zhengzhou Commodity Exchange* and *Futures Clearing Rules of Zhengzhou Commodity Exchange*.

**Article 67** Any matter regarding EFP with bonded standard warehouse receipts for PTA not covered by this section is governed by the *Futures Delivery Rules of Zhengzhou Commodity Exchange* and *Futures Clearing Rules of Zhengzhou Commodity Exchange*.

**Section 5 Margin Collateral**

**Article 68** Bonded standard warehouse receipts for PTA may be posted as margin. The Exchange calculates the benchmark value of the standard warehouse receipts based on the settlement price of the nearby futures contract for the trading day preceding the application day less the relevant taxes.

Benchmark price of bonded standard warehouse receipts posted as margin = [(settlement price of the nearby futures contract for the day preceding the application day – relevant expenses) / (1 + import VAT rate) – consumption tax] / (1 + import duty rate).

In the preceding formula, “relevant expenses” include the fees and charges arising from such activities as import declaration, customs inspection, and customs broker services, the details of which will be separately published by the Exchange. Consumption tax is calculated based on weight and import duty is calculated based on price.

**Article 69** The procedures for posting of bonded standard warehouse receipts for PTA as margin are governed by the *Futures Clearing Rules of Zhengzhou Commodity Exchange*.

**Section 6 Cancellation and Load-Out**

**Article 70** Any matter regarding the procedures and requirements for the cancellation of bonded standard warehouse receipts for PTA not covered by this section is governed by the *Rules of Zhengzhou Commodity Exchange on Standard Warehouse Receipts*.

**Article 71** Any holder of bonded standard warehouse receipts for PTA that intends to make customs declaration for import or to re-export the commodity out of China shall complete the corresponding procedures in accordance with the regulations of the local customs authority.

**Article 72** Import declaration for bonded commodity shall be made at the final settlement price indicated on the Bonded Final Settlement Statement (customs declaration copy), to facilitate verification of the duty-paid price of PTA by the customs. The holder of the bonded standard warehouse receipts shall pay taxes in accordance with the customs regulations.

**Chapter 5 Risk Management**

**Article 73** TA contract has a minimum Trading Margin rate of 5% of contract value.

The Trading Margin rate of TA contract varies as follows:

|  |  |
| --- | --- |
| **Trading period** | **Trading Margin rate** |
| From listing to the 15th calendar day of the month preceding the delivery month | 5% of contract value |
| From the 16th calendar day to the last calendar day of the month preceding the delivery month | 10% of contract value |
| Delivery month | 20% of contract value |

**Article 74** TA contract has a price limit of ±4% of the settlement price of the preceding trading day.

**Article 75** The position limit of a particular TA contract varies as follows:

|  |  |  |
| --- | --- | --- |
| **Trading period** | **Maximum long position or short position held by a non-futures brokerage Member or client (lot)** | |
| From listing to the 15th calendar day of the month preceding the delivery month | Open interest < 500,000 | 50,000 |
| Open interest ≥ 500,000 | 10% of open interest |
| From the 16th calendar day to the last calendar day of the month preceding the delivery month | 10,000 | |
| Delivery month | 5,000  (0 for individuals) | |

“Position limit” as used in this Article refers to the maximum size of speculative positions (calculated on a single-counted basis) in a given futures contract that a Member or client is permitted to hold by the Exchange.

**Article 76** Where the Exchange adjusts the Trading Margin rate or price limit of TA contract in accordance with the *Risk Control Rules of Zhengzhou Commodity Exchange* or other rules, such adjusted values shall prevail.

**Chapter 6 Ancillary Provisions**

**Article 77** Any violation of these *Detailed Rules* will be handled in accordance with the *Rules of Zhengzhou Commodity Exchange on Violations* and other applicable Rules of the Exchange.

**Article 78** Any matter not covered by these *Detailed Rules* is governed by the relevant Rules of the Exchange.

**Article 79** The Exchange reserves the right to interpret these *Detailed Rules*.

**Article 80** These *Detailed Rules* take effect on February 6, 2024.

(This English version is for reference ONLY. In case of any inconsistency between the different language versions, the Chinese version prevails.)