**Appendix 25:**

**STEEL REBAR FUTURES RULES OF THE SHANGHAI FUTURES EXCHANGE**

**(revised)**

**CHAPTER 1 GENERAL PROVISIONS**

**Article 1** These *Steel Rebar Futures Rules* are made in accordance with the *General Exchange Rules of the Shanghai Futures Exchange*, the *SHFE Steel Rebar Futures Contract Specifications*, and the relevant business rulesto regulate business related to steel rebar futures at the Shanghai Futures Exchange (the “Exchange”).

**Article 2** These *Steel Rebar Futures Rules* shall be observed by the Exchange, Members, Clients, Delivery Storage Facilities, Designated Inspection Agencies, Futures Margin Depository Institutions, and other participants of the futures market.

**CHAPTER 2 TRADING**

**Article 3** Contract size for steel rebar futures is ten (10) metric tons per lot.

**Article 4** Price quotation of a steel rebar futures contract is Yuan (RMB)/metric ton.

**Article 5** Minimum price fluctuation of a steel rebar futures contract is one (1) Yuan/metric ton.

**Article 6** Listed contracts of steel rebar futures cover the most recent twelve (12) months.

**Article 7** Trading hours of a steel rebar futures contract are 9:00 a.m. to 11:30 a.m., 1:30 p.m. to 3:00 p.m., and other hours specified by the Exchange.

**Article 8** The last trading day of a steel rebar futures contract is the 15th day of the contract month (postponed accordingly if it is a legal holiday in China and subject to separate adjustment and announcement by the Exchange if it falls in the Spring Festival month or any other month specially designated by the Exchange).

**Article 9** Contract symbol of steel rebar futures is RB.

**Article 10** For the hedging and arbitrage position quotas of a steel rebar futures contract, regular months extend from the day of listing to the last trading day of the second month before the delivery month, while nearby delivery months cover the month before the delivery month and the delivery month.

**Article 11** An application for a regular month hedging position quota of a steel rebar futures contract shall be submitted by the last trading day of the second month before the delivery month of the contract. Late applications will not be accepted by the Exchange.

An application for a nearby delivery month hedging position quota of a steel rebar futures contract shall be submitted between the first trading day of the third month before the delivery month of the contract and the last trading day of the month before the delivery month. Late applications will not be accepted by the Exchange. An application for a nearby delivery month arbitrage position quota of a steel rebar futures contract shall be submitted between the first trading day of the second month before the delivery month of the contract and the last trading day of the month before the delivery month. Late applications will not be accepted by the Exchange.

**Article 12** Hedging position quota of a steel rebar futures contract shall no longer be used in a revolving manner starting from the first trading day of the delivery month.

**CHAPTER 3 DELIVERY**

**SECTION 1 GENERAL PROVISIONS**

**Article 13** A steel rebar futures contract may be physically delivered through an Exchange of Futures for Physicals (“EFP”), a delivery warehouse, or a delivery factory.

Steel rebar futures adopt duty-paid delivery.

**Article 14** Grade and quality specifications are provided in the *SHFE Steel Rebar Futures Contract Specifications*.

**Article 15** Quality specifications

The deliverable steel rebars shall be registered commodities from a manufacturer registered with the Exchange.

The shape, dimension, weight, and tolerance of deliverable steel rebars shall conform to the specifications of National Standard GB 1499.2-2024: *Steel for Reinforced Concrete, Part 2: Hot-Rolled Ribbed Bars*.

Steel rebars for delivery shall be cut to the length of nine (9) meters or twelve (12) meters.

**Article 16** Packaging

The packaging, mark, and certificate of quality of deliverable steel rebars shall conform to the specifications of National Standard GB 1499.2-2024: *Steel for Reinforced Concrete, Part 2: Hot-Rolled Ribbed Bars*.

Steel rebars underlying each standard warrant shall consist of commodity of the same manufacturer, grade (designation), registered trademark, nominal diameter, and length, and have their dates of production spanning no more than ten (10) consecutive days. The earliest of such dates shall be taken as the date of production on the standard warrant.

**Article 17** Required documentation for deliverable commodities

The certificate of quality issued by the registered manufacturer shall be provided.

**Article 18** Measuring and tolerance

The deliverable steel rebars shall be measured by theoretical weight. Difference between standard warrant weight and actual delivery weight shall not exceed plus or minus three percent (±3%).

**Article 19** Delivery unit of a steel rebar futures contract is three hundred (300) metric tons.

**Article 20** Delivery period of a steel rebar futures contract is the two (2) consecutive business days immediately following the last trading day of the contract.

**Article 21** The benchmark price for delivery settlement of a steel rebar futures contract is its settlement price on the last trading day.

**Article 22** Delivery venue: the delivery warehouses and delivery factories of the Exchange, to be separately announced by the Exchange.

**Article 23** If standard warrants are used for an EFP and the EFP is settled via the Exchange, and a dispute over the quality of the deliverable commodities arises, the buyer shall submit a request for dispute resolution within twenty-five (25) days after the payment and the exchange of standard warrants, together with the quality assay report issued by a Designated Inspection Agency.

**SECTION 2 WAREHOUSE DELIVERY**

**Article 24** The validity period of each delivery set of steel rebars shall be ninety (90) days following the date of production. A warehouse standard warrant shall not be issued unless the commodity is delivered to a delivery warehouse within forty-five (45) days following the date of production.

**Article 25** Deliverable steel rebars underlying each warehouse standard warrant shall be stacked together.

**Article 26** After the physical delivery is completed, if the buyer has any dispute over the quality or quantity of the commodity (any steel rebar in dispute shall remain in the delivery warehouse), the buyer shall submit a written request to the Exchange for dispute resolution before the fifteenth (15) day (including that day) of the month following the delivery month (in case that day falls on a public holiday, the date shall be extended to the first business day after the holiday), together with the quality assay report issued by a Designated Inspection Agency. The validity period for each batch of the delivered steel rebar shall cover the last delivery day of that delivery. Even if the validity period expires before the final date for the submission of a request for dispute resolution, the seller shall be responsible for the delivered commodities in the event that they fail the quality assay.

**SECTION 3 FACTORY DELIVERY**

**Article 27** An applicant for certification as a delivery factory whose net assets are less than RMB 100 million (100,000,000) yuan shall provide the Exchange with a letter of guarantee issued by a relevant organization.

**Article 28** The take-delivery locations for a factory delivery include places of production of the registered enterprises for the deliverable commodities of the Exchange’s relevant steel futures products, the Delivery Storage Facilities, and other take-delivery locations announced by the Exchange.

**Article 29** Factory take-delivery locations are classified into benchmark take-delivery locations and non-benchmark take-delivery locations.

The list of benchmark take-delivery locations and the corresponding take-delivery premiums and discounts are as determined and announced by the Exchange.

The list of non-benchmark take-delivery locations and the corresponding take-delivery premiums and discounts are as determined and adjusted by Factories and announced on the website of the Exchange.

The take-delivery premium and discount of a take-delivery location shall be settled by the Factory and the owner holding the relevant factory standard warrants based on the weight indicated on those warrants.

An owner holding factory standard warrants shall select and confirm the take-delivery location when submitting an application for taking delivery.

**Article 30** Application

Before issuing any factory standard warrants, a Factory shall submit an issuance notice to the Exchange, specifying such information as the product, grade (designation), trademark, name of the carrying Member, name of the owner, and the quantity of standard warrants to be issued.

**Article 31** Validity period for the delivery of factory standard warrants

The validity period for the delivery of steel rebar factory standard warrants shall be one hundred and eighty (180) days from the date of creation of such warrant.

**Article 32** Application for taking delivery

(i) An owner shall submit an application through the Standard Warrant Management System to the intended Factory in accordance with the minimum take-delivery quantity, the application cut-off date, and other requirements of the selected take-delivery location. The specific requirements will be separately announced by the Exchange. The application shall specify such information as the quantity of the commodity, the proposed take-delivery date, method, and plan (including daily quantity), as well as the identification certificate and telephone number of the delivery taker.

(ii) The Factory will confirm the owner’s application within three (3) business days of receiving it after considering, among others, the owner’s proposed take-delivery date, specifications of the commodity, and corresponding manufacturer’s production plan.

If the owner’s proposed take-delivery date coincides with that of other owners holding factory standard warrants and their total daily take-delivery quantity exceeds the daily shipment quantity of the Factory, the Factory may make an overall arrangement for shipment considering the order of submission of applications by owners, their take-delivery plans, and production plans, and within three (3) business days after the owner’s submission of application, provide the owner with a take-delivery time period to choose from and a corresponding shipment plan (including daily shipment quantity). If agreeing to the arrangement, the owner may choose one (1) day from the said period as the take-delivery date and confirm the shipment plan; otherwise, the owner shall negotiate with the Factory again to reach an agreement on the take-delivery date and the shipment plan.

(iii) The Factory shall be exempt from any financial liability for any owner’s delay in taking delivery due to the take-deliveries made by multiple owners as described in the above sub-paragraph, provided that the Factory shall timely report such delay and its causes to the Exchange for written record.

**Article 33** Where an owner holding factory standard warrants for steel rebars applies for taking delivery, the commodity to be loaded out by the Factory shall have the following specifications (nominal diameter) distribution:

(i) If the take-delivery quantity is less than or equal to 2,400 metric tons, the load-out commodity may have the same nominal diameter or one or more different nominal diameters.

(ii) If the take-delivery quantity is between 2,400 metric tons (exclusive) and 9,600 metric tons (inclusive), the load-out commodity shall have at least three (3) different nominal diameters and the quantity for each nominal diameter shall not exceed forty percent (40%) of the total take-delivery quantity.

(iii) If the take-delivery quantity is more than 9,600 metric tons, the load-out commodity shall have at least four (4) different nominal diameters and the quantity for each nominal diameter shall not exceed thirty percent (30%) of the total take-delivery quantity.

**Article 34** Production date

The production date of load-out commodity shall be within ninety (90) days before the take-delivery date agreed between the owner and the Factory. The steel rebars to be loaded out under each factory standard warrant shall have production dates within a period of thirty (30) consecutive days.

**Article 35** An owner shall take delivery at the Factory on the agreed take-delivery date according to the shipment plan. If the owner misses the agreed take-delivery date but takes delivery within fifteen (15) days (including the 15th day) thereafter or if the owner fails to take delivery according to the agreed daily take-delivery plan due to any reasons not attributable to the Factory, then the Factory shall still assume responsibility for commodity quality in accordance with relevant futures standards, and make an overall shipment plan based on the take-delivery quantities of all owners until all corresponding commodities are shipped. The owner shall pay an overdue fine to the Factory.

Overdue fine = 2 yuan/metric ton per day × quantity of commodity that should have been taken × number of days overdue

Any shipment delay caused by the owner shall be resolved by both parties through a separate agreement.

**Article 36** If an owner fails to take delivery at the Factory within fifteen (15) days (including the 15th day) after the agreed take-delivery date, which leads to the cancellation of its factory standard warrants, then the owner shall pay an overdue fine to the Factory, and the underlying commodities shall be converted into physical products, of which details for taking delivery shall be agreed upon by the parties through negotiation.

Overdue fine = 35 yuan/metric ton × quantity of commodity that should have been taken

**Article 37** If an owner takes delivery on the agreed take-delivery date at the Factory, but the Factory fails to ship the commodity according to the agreed shipment plan but still completes the shipment within fifteen (15) days (including the 15th day) after the agreed take-delivery date, then the Factory shall pay compensation to the owner.

Compensation = 50 yuan/metric ton × quantity of commodity that should have been shipped according to the daily shipment plan

**Article 38** If the Factory fails to complete the shipment within fifteen (15) days (including the 15th day) after the agreed take-delivery date, the owner may choose either of the followings:

(i) On the 15th day after the agreed take-delivery date, the owner may notify the Factory that it will cease accepting any commodity that should have been shipped from the 16th day after the agreed take-delivery date, and the Factory shall refund the corresponding commodity payment and pay additional compensation to the owner.

Refunded commodity payment and additional compensation = compensation settlement price × quantity of commodity that should have been shipped × 130%

The compensation settlement price is the settlement price of the corresponding nearest month futures contract of the Exchange on the trading day preceding the 16th day after the agreed take-delivery date.

(ii) If on the 15th day after the agreed take-delivery date, the owner fails to notify the Factory that it will cease accepting any commodity that should have been shipped, the parties shall negotiate the details on taking delivery of such commodity.

**Article 39** If a Factory commits any default described in Article 37 or 38, it shall pay compensation directly to the owner. If the Factory fails to make the payment in full or in part, the Exchange shall pay any deficient amount to the owner:

(i) with the guarantees provided by the Factory; or

(ii) with the Exchange’s funds and recourse to the Factory by such means as legal proceedings.

**Article 40** If an owner commits any default described in Article 35 or 36, it shall pay compensation directly to the Factory. If the owner fails to make the payment in full or in part, the Factory may recourse to the owner by such means as legal proceedings.

**Article 41** Any losses incurred to either a Factory or an owner due to any event described in Article 35, 36, 37 or 38 shall be handled by both parties as agreed if they have reached a separate agreement. The agreement shall be filed in writing with the Exchange for record.

**Article 42** Quality dispute resolution

An owner who disputes the quality of any delivered commodity shall submit to the Exchange a written objection, accompanied by the quality inspection results issued by a Designated Inspection Agency, within ten (10) days following the physical delivery; failing which, the owner shall be deemed to have no objection over the delivered commodity and the Exchange will no longer handle any objection regarding any commodity thus delivered.

**Article 43** Upon the cancellation of a factory standard warrant, the Factory may apply to the Exchange for an adjustment of the amount of guarantees it is required to provide.

**CHAPTER 4 RISK MANAGEMENT**

**Article 44** The minimum trading margin for a steel rebar futures contract is 5%.

**Article 45** The stage-based trading margin rates for steel rebar futures are as follows:

|  |  |
| --- | --- |
| **Stage of Trading** | **Trading Margin** |
| As of listing | 5% |
| As of the first trading day of the month prior to the delivery month | 10% |
| As of the first trading day of the delivery month | 15% |
| As of the second trading day prior to the last trading day | 20% |

**Article 46** The range of price limit for a steel rebar futures contract is within ±3% of its settlement price of the preceding trading day.

**Article 47** Percentage-based Position Limit and fixed-amount Position Limit for each steel rebar futures contract at different stages of trading for an FF Member, a non-FF Member and a Client are as follows (in lots):

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | From the date of listing to the delivery month | From the date of listing to the last trading day of the second month prior to the delivery month | First month prior to the delivery month | Delivery month |
| Total openinterest | Percentage-based Position Limit (%) | Total openinterest | Percentage-based Position Limit (%) and fixed-amount Position Limit (in lots) | Fixed-amount Position Limit (in lots) | Fixed-amount Position Limit (in lots) |
| FF Member | Non-FF Member | Client | Non-FF Member | Client | Non-FF Member | Client |
| Steel rebar | ≥ 900,000 | 25 | ≥ 900,000 | 10 | 10 | 4,500 | 4,500 | 900 | 900 |
| < 900,000 | 90,000 | 90,000 |

Note: total open interest and the fixed-amount Position Limit are based on long or short positions.

**Article 48** For contracts in steel rebar futures, by the close of the last trading day of the month prior to the delivery month, each Trader (referring here and hereinafter to a Client, a Non-Futures Firm Member) shall adjust its general positions held under its trading code, to multiples of thirty (30) lots and a one-day delay is allowed under special market conditions; in the delivery month, the general positions as well as newly opened and closed-out positions shall be held in multiples of thirty (30) lots.

**Article 49** If the Exchange makes a forced position reduction to a steel rebar futures contract, the amount of the unfilled orders subject to the order fill, positions eligible to fill the unfilled orders of a Trader, and the principles and methods for the order fill of unfilled orders shall be determined as follows:

(i) Amount of the unfilled orders subject to the order fill. The term “amount of unfilled orders subject to the order fill” means the total amount of all the unfilled orders submitted after the close of the base date at the limit price into the central order book by each Trader who has incurred losses on net positions in the contract of an average level of no less than six percent (6%) for steel rebar futures contracts, of the settlement price of the base date.

(ii) Positions eligible to fill the unfilled orders of a Trader. The positions eligible to fill the unfilled orders include the net positions, on which the Trader, as calculated using the above formula stipulated in the Risk Management Rules of the Shanghai Futures Exchange, records average gains for general purposes or for hedging purposes at no less than six percent (6%) of the settlement price of the base date.

(iii) Principles for the order fill of unfilled orders. The order fill of unfilled orders shall take place in the order of the following four levels with regard to the amount of gains and whether such positions are general or hedging:

Level 1: Unfilled orders shall be filled with the general positions eligible to fill the unfilled orders of any Trader with average gains on net positions of no less than six percent (6%) of the settlement price on the base date for the contracts in steel rebar futures, or the General Position Gains of Over 6%;

Level 2: Unfilled orders shall be filled with the general positions eligible to fill the unfilled orders of any Trader with average gains on net positions of no less than three percent (3%) but no more than six percent (6%) of the settlement price on the base date for contracts with respect to steel rebar futures, or the General Position Gains of Over 3%;

Level 3: Unfilled orders shall be filled with the general positions eligible to fill the unfilled orders of a Trader with average gains on net positions of no more than three percent (3%) of the settlement price on the base date for contracts in steel rebar futures, or the General Position Gains Below 3%; and

Level 4: Unfilled orders shall be filled with the hedging positions eligible to fill the unfilled orders of a Trader with average gains on net positions of no less than six percent (6%) of the settlement price on the base date for contracts in steel rebar futures, or the Hedging Position Gains of Over 6%.

(iv) Methods for the order fill of unfilled orders. If the amount of the General Position Gains of Over 6% is greater than or equal to that of the unfilled orders, the unfilled orders shall be filled pro rata to the amount of the General Position Gains of Over 6%. If the amount of the General Position Gains of Over 6% is smaller than that of the unfilled orders, the General Position Gains of Over 6% shall be filled pro rata to the amount of the unfilled orders. The residual unfilled orders, if any, shall be filled with the General Positions Gains of Over 3% in the same manner as the foregoing, and if there are still orders remaining, the outstanding unfilled orders shall be filled to the General Position Gains of Below 3%, and so to the Hedging Position Gains of Over 6%. Unfilled orders which eventually remain after all the order fills described above, if any, shall not be filled at all.

**CHAPTER 5 MISCELLANEOUS**

**Article 50** Matters not covered herein shall be governed by the applicable business rules of the Exchange.

**Article 51** Any violations of these *Steel Rebar Futures Rules* will be handled by the Exchange in accordance with the *Enforcement Rules of the Shanghai Futures Exchange*.

**Article 52** The Exchange reserves the right to interpret these *Steel Rebar Futures Rules*.

**Article 53** These *Steel Rebar Futures Rules* take effect on August 8, 2025.