Measures for the Administration of Block Trade of Spot Products of Shanghai Gold Exchange

(2025)

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Chapter I General Provisions

Article 1 This *Measures for the Administration of Block Trade of Spot Products of Shanghai Gold Exchange* (this ***Measures***), formulated in accordance with applicable rules including the *Trading Rules of Shanghai Gold Exchange* and the *Detailed Rules for Price Matching Trading of Shanghai Gold Exchange*, is designed to regulate the block trade of spot products on or through the Shanghai Gold Exchange (the **Exchange** or **SGE**) and protect the lawful rights and interests of block trade participants.

Article 2 In this *Measures*, the term “block trade of spot product” (a **block trade**) refers to a trade of physical contract of substantial quantity, at a price privately negotiated by the trading parties, and executed following trade submission through the Exchange-designated platform.

Article 3 The Exchange, members, customers, other related participants, and staff of related businesses and institutions shall abide by this *Measures* when engaging in block trades and related transactions.

Chapter II Market Entry

Article 4 Block trades of eligible contracts are automatically accessible to members and institutional customers that are approved to trade in the price matching market of the Exchange.

Article 5 Institutional customers may engage in block trades through their carrying members; individual customers are not permitted to engage in block trades for the time being. In any block trade, either the buying customer or the selling customer, or both, shall be a proprietary trading account of a financial institution.

Article 6 Each block trade shall generally be valued at no less than RMB 2 million. Exceptional circumstances shall be communicated and explained to the Exchange, or the Exchange shall be entitled to reject the trade.

Article 7 Block trades for special purposes such as listing of new contracts and resolution of risks or erroneous positions, as well as for other circumstances recognized by the Exchange, are not subject to block trade market access limitations.

Chapter III Trade Submission and Execution

Article 8 Products available for block trades.

Physical contracts of the Exchange can be traded through block trades.

Article 9 Trade submission window.

Block trades shall be submitted between 20:00 of the night session and 15:45 of the day session of each trading day.

Article 10 Trade submission method.

Each of the trading parties (or, in case of customers, their respective carrying members) shall submit the trade through the member service platform. Trades are automatically matched by the system and will be executed after passing the review by the Exchange.

If the carrying members are unable to submit the trade through the member service platform, the Exchange may enter the trade information into the system based on the request of the trading parties.

Article 11 Required terms.

The trading terms to be submitted for a block trade shall mainly include the trading product, price, quantity (in lots), and the customer code, seat code, and member code of each of the two trading parties.

The price in a block trade shall be within a reasonable range of the price for the current day; any deviation shall be explained to the Exchange. The Exchange shall be entitled to not review a block trade whose price is outside the reasonable range and for which no justification has been given.

Article 12 Trade submission procedures.

(1) Trades submission. Members qualified for block trade shall log into the member service platform and enter transaction information into the system according to the trading agreement between the parties. A block trade will be marked as "submitted" following its submission.

(2) Trades matching. After both parties have submitted the trade, the system will automatically match the trades. Trades will be marked as "matched" if their trading terms are identical.

(3) Trades review. Matched trades will be confirmed by the Exchange. Following this review and trade execution, the member service platform will mark the corresponding block trade as "executed."

If due to special circumstances a block trade needs to be executed as soon as it is submitted through the member service platform, the relevant member shall explain the situation to the Exchange to request for immediate review.

Article 13 For any block trade that has passed the review process, the Exchange will perform real-time transfer of trading account's available funds and customer's physical inventory. Any block trade that fails to execute or to pass the review process will be deemed expired.

A member must have the funds and physical inventory required by the block trade when submitting the trade. If the trade fails the review due to insufficient funds or physical inventory, the member may prepare the required funds or physical inventory within the trade submission window and then request a new review by the Exchange.

Article 14 Transaction information for block trades will not be displayed in the real-time data of the price matching market.

Article 15 Block trade is viewed as an alternative means of, and has the same legal effect as, price matching trade in the same physical contract.

Article 16 Transaction fees for block trades shall be governed by the same rules as trades in physical contracts. If an adjustment is announced by the Exchange, the adjusted fees prevail.

Chapter IV Ancillary Provisions

Article 17 If any institution participating in a block trade violates this *Measures* or related rules or has engaged in any other irregular trading activity recognized by the Exchange, the Exchange can take appropriate actions against it in reference to the *Enforcement Rules of Shanghai Gold Exchange*.

Article 18 The Exchange disclaims all liabilities resulting from delay or failure in handling trade submission, review, clearing, physical delivery or other transactions for block trade due to force majeure, computer hardware or software breakdown, or any other reason not attributable to the Exchange.

Article 19 This *Measures* is written in Chinese. In case of any inconsistency between its different language versions or different editions, the latest Chinese version shall prevail.

Article 20 Any matter not covered by this *Measures* shall be governed by the relevant rules of the Exchange.

Article 21 The Exchange shall reserve the right to interpret this *Measures*.

Article 22 This *Measures* shall take effect as of the date of its release.