

Rules Governing the Listing of Securities Investment Funds on Shanghai Stock Exchange

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(Revised Draft)

Chapter I General Provisions

Article 1 These *Listing Rules* are formulated in accordance with the *Securities Investment Fund Law*, the *Measures for the Administration of Information Disclosure by Securities Investment Funds*, the *Measures for the Administration of Operations of Securities Investment Funds*, the *Measures for the Administration of Stock Exchanges*, and other applicable laws, administrative regulations, and ministry-level rules to regulate the listing and information disclosure activities of securities investment funds, protect the legitimate rights and interests of investors and relevant parties, and maintain an orderly securities market.

Article 2 These *Listing Rules* are applicable to the listing of units (“fund listing”) of closed-end funds, exchange traded funds (“ETF”) and other funds on the Shanghai Stock Exchange (the “SSE”).

Article 3 The SSE exercises self-regulation with respect to fund listing and related information disclosure activities in accordance with applicable laws, administrative regulations, ministry-level rules, and these *Listing Rules*.

Chapter II Fund Listing

Article 4 A fund shall meet the following requirements to be listed on the SSE:

- (1) the fund units have been approved for sale by the China Securities Regulatory Commission (“CSRC”) and the corresponding fund contract has taken effect;
- (2) the fund contract is valid for five years or more;
- (3) the fund has raised proceeds of RMB 200,000,000 Yuan or more;
- (4) the fund has 1,000 or more unit holders;
- (5) the fund has an approved fund management company and custodian; and
- (6) the fund meets such other requirements as prescribed by the SSE.

Article 5 Any fund management company intending to list its fund on the SSE shall submit to the SSE the following documents and materials:

- (1) the listing application;
- (2) the fundraising application materials examined by the CSRC and the associated approval

document;

(3) the listing announcement;

(4) the short name and trading symbol of the fund;

(5) proceeds verification report issued by an accounting firm licensed to provide securities-related services;

(6) listing recommendation letter(s) issued by one to two members of the SSE;

(7) document certifying that all fund units have been placed under custody;

(8) contact information of the fund management company, as well as the name and contact information of fund managers, person-in-charge of information disclosure, and listing agents for the fund;

(9) the fund management company and custodian's undertaking to perform their respective duties following fund listing;

(10) the fund management company's warranty regarding the truthfulness, accuracy, and completeness of the documents and materials it has provided; and

(11) any other documents required by the SSE.

In the case of the listing of an ETF, the fund management company shall, in addition to the above documents and materials, also submit the list of securities companies authorized to create and redeem the ETF units as well as the corresponding authorization agreements.

Article 6 Where a fund has met the listing requirements and is approved for listing, the SSE will arrange for the fund listing within thirty business days of the receipt of the documents set forth in Article 5.

Article 7 A fund management company shall conclude a listing agreement with the SSE prior to fund listing.

Article 8 With respect to a fund approved for listing on the SSE, the fund management company shall publish the listing announcement three business days before the fund listing date. The listing announcement for an ETF shall additionally and explicitly describe the unit creation, redemption and trading procedures.

Article 9 Any fund listed on the SSE shall pay the listing fees prescribed by the SSE.

Chapter III Ongoing Disclosure

Article 10 Following the listing of a fund on the SSE, persons with information disclosure

obligations in relation to the fund (“persons with disclosure obligations”) shall timely disclose material information concerning the fund in accordance with the provisions of applicable laws, administrative regulations, ministry-level rules, and these *Listing Rules*.

Article 11 Persons with disclosure obligations include the fund management company, custodian, unit holders who convene unit holders’ general meeting, and such other natural persons, legal persons, and organizations as prescribed by laws, regulations, ministry-level rules, and the business and trading rules of the SSE.

Article 12 Information to be disclosed by a listed fund include its regular reports and interim reports.

Regular reports include annual reports, semi-annual reports, quarterly reports, net asset value (NAV) and per-unit NAV (NAVPU) reports, and updated prospectuses; interim reports refer to other reports required to be disclosed by laws, regulations, ministry-level rules, and business rules of the SSE.

Article 13 The fund management company for a closed-end fund shall disclose the fund’s NAV and NAVPU at least once each week.

The method of announcement of the NAV and NAVPU of an ETF will be separately prescribed by the SSE.

The fund management company shall, on the day following the lasting trading day of each given half year or year, disclose the NAV, NAVPU, and accumulated net value per unit of the fund as of that last trading day.

Article 14 A fund management company shall publicly disclose the main body and a summary of the annual report of its fund within ninety days following the end of each year. The financial statements in such annual reports shall be audited.

Article 15 A fund management company shall publicly disclose the main body and a summary of the semi-annual report of its fund within sixty days following the end of the first half of each year.

Article 16 A fund management company shall publicly disclose the quarterly report of its fund within fifteen business days following the end of each quarter.

Article 17 A fund management company that manages a fund for which the fund contract has been effective for less than two months shall be exempt from preparing and disclosing the quarterly report, semi-annual report, or annual report for that reporting period.

Article 18 After an ETF fund contract takes effect, the fund management company shall disclose the main body and a summary of the updated prospectus within forty-five days following the end of each six months.

Article 19 Persons with disclosure obligations for a fund shall prepare and disclose an

interim report within two business days of a material event.

“Material event” as mentioned in the preceding paragraph refers to any of the following events relating to the fund which may significantly impact the interests of unit holders or the price of fund units:

- (1) convening of and adoption of resolutions at a unit holders’ general meeting;
- (2) early termination of the fund contract;
- (3) issuance of additional fund units;
- (4) extension of the term of the fund contract;
- (5) change of the operating model of the fund;
- (6) change of the fund management company or custodian;
- (7) change of the legal name or domicile of the fund management company or custodian;
- (8) change of the fund management company’s shareholders and their capital contribution ratios;
- (9) extension of the fund raising period;
- (10) change of the chairman, general manager, or other senior officers of the fund management company, the fund manager, or the head of fund custody department of the custodian;
- (11) replacement of more than fifty percent of the directors of the fund management company within one year;
- (12) change of more than thirty percent of the principal staff of the fund management company or of the fund custody department of the custodian within one year;
- (13) litigation involving the fund management company, fund assets, or the fund custody business;
- (14) investigation on the fund management company or custodian by regulatory authorities;
- (15) imposition of a material administrative penalty on the fund management company and its director, general manager, or other senior officer, the fund managers, or the custodian and the head of its fund custody department;
- (16) major matters relating to related party transaction;

- (17) matters relating to the distribution of fund incomes;
- (18) change of the calculation formula, collection method, or rate of the management fee, custodial fee, or other fees or charges;
- (19) error in NAVPU calculation reaches 0.5 percent of the NAVPU;
- (20) change of the accounting firm for the fund;
- (21) change of distributors of the fund;
- (22) change of the registration authority of the fund;
- (23) commencement of unit purchase or redemption transactions;
- (24) change of the rate or collection method of the purchase or redemption fee;
- (25) large redemption of fund units and postponement of payment;
- (26) consecutive large redemptions and temporary suspension of acceptance of redemption orders;
- (27) resumption of acceptance of purchase or redemption orders after temporary suspension; and
- (28) other matters so prescribed by the CSRC and the SSE.

Any announcement on the distribution of annual incomes of a fund shall be released no earlier than the date of disclosure of the annual report.

Items (23) to (27) of the preceding paragraph do not apply to closed-end funds.

Article 20 Where a unit holders' general meeting is to be convened, the conveners shall announce, at least thirty days in advance, the meeting time, format, matters for consideration, proceedings, and manner of voting, among other relevant information.

Where a unit holders' general meeting is lawfully convened by the unit holders and the fund management company and custodian fail to fulfill their disclosure obligations with respect to matters decided by such meeting, the conveners shall fulfill such obligations.

Article 21 If, during the term of a fund contract, any person with disclosure obligations becomes aware of a piece of information that has appeared in any public media or is being circulated in the market and which is likely to mislead or significantly influence the price of the fund units, such person shall immediately report the situation to the SSE and issue a public statement or clarification regarding the information.

Chapter IV Disclosure Management

Article 22 A person with disclosure obligations shall submit to the SSE, at the earliest possible time, any regular reports or interim reports it intends to disclose.

Unless otherwise prescribed by the SSE, regular reports are subject to pre-disclosure registration and post-disclosure examination and interim reports are subject to pre-disclosure examination.

Article 23 The SSE will examine the format of publicly disclosed fund information in accordance with applicable laws, regulations, ministry-level rules, and these *Listing Rules*, but shall not be liable for the accuracy of such information.

Article 24 A person with disclosure obligations shall guarantee the fund information it discloses is true, accurate, complete, and free of false record, misleading statement, and material omission.

Article 25 Any fund information publicly disclosed by a person with disclosure obligations shall conform to the applicable content and format standards prescribed by the CSRC; any information regarding a specified fund and any special fund product shall be prepared in accordance with the relevant rules of the CSRC before disclosure.

Article 26 A custodian shall, in accordance with applicable laws, regulations, ministry-level rules, and provisions of the fund contract, verify and examine such publicly disclosed fund information as the NAV, NAVPU, unit purchase and redemption price, regular reports, and periodically updated prospectus prepared by the fund management company, and confirm such information through a written document to the fund management company or by affixing its seal to the disclosure documents.

Article 27 A fund management company and custodian shall designate a dedicated person to manage disclosure matters and matters related to the SSE and investors.

Article 28 A person with disclosure obligations shall publish the fund information to be disclosed within the prescribed timeframe on its website (“fund website”) and the national periodicals designated by the CSRC (“designated periodicals”), and ensure that investors can access or copy publicly disclosed information and materials at such time and in such manner as agreed in the fund contract.

The fund management company and custodian shall disclose information through at least one of the designated periodicals of their choice, which choice shall not be changed for at least one year.

Article 29 In addition to disclosing information on designated periodicals and fund website according to law, a person with disclosure obligations may concurrently or subsequently disclose such information through other public media if necessary, provided the information disclosed through various media is mutually consistent.

Article 30 A person with disclosure obligations shall not replace its disclosure obligations with press release or press conference.

Chapter V Suspension and Resumption

Article 31 The SSE has the power to suspend or resume the trading of a fund in the following circumstances:

(1) where a piece of information appearing in any public media or circulating in the market is likely to mislead or significantly influence the price of fund units, the SSE may suspend the trading of the fund until the day on which relevant persons with disclosure obligations issue a public statement or clarification regarding the information. If such statement or clarification is issued on a non-trading day, trading will be resumed on the following trading day;

(2) where there is abnormal price fluctuation during the trading of the fund, the SSE may suspend the trading until the day on which relevant persons with disclosure obligations issue an announcement regarding the situation. If such announcement is issued on a non-trading day, trading will be resumed on the following trading day;

(3) where the acceptance of purchase or redemption orders for ETF units is suspended during trading hours due to an abnormal circumstance or market closure, trading in the ETF shall simultaneously be suspended until the resumption of acceptance of purchase and redemption orders;

(4) where the fund management company applies for the suspension or resumption of trading;
or

(5) other circumstances for which the CSRC or the SSE considers it necessary to suspend or resume trading.

Article 32 If a fund management company or other persons with disclosure obligations are under investigation by competent authorities for a serious violation of applicable laws, regulations, ministry-level rules or the business or trading rules of the SSE in relation to the operation and information disclosure of the fund, the SSE may suspend the trading of the fund and determine the time of trade resumption after the authorities have announced their decisions.

Chapter VI Termination of Listing

Article 33 The SSE will terminate the listing of a fund if during the fund listing process:

(1) the fund no longer satisfies the listing requirements under Article 4 of these *Listing Rules*;

- (2) the fund contract has expired and is not approved for renewal;
- (3) the unit holders' general meeting decides to terminate the listing;
- (4) a termination circumstance set forth in the fund contract has occurred; or
- (5) there is another circumstance for which the SSE deems it necessary to terminate the listing.

Article 34 A fund management company shall, within two trading days of receipt of the SSE's decision to terminate fund listing, publish an *Announcement on Termination of Fund Listing* on designated periodicals and fund website.

The *Announcement on Termination of Fund Listing* shall cover:

- (1) the type, short name, trading symbol, and listing termination date of the fund concerned;
- (2) main contents of the decision on the termination of listing;
- (3) post-termination fund registration, transfer, and management matters; and
- (4) other contents required by the CSRC and the SSE.

Chapter VII Disciplinary Sanctions

Article 35 Where a fund management company or custodian has violated these *Listing Rules*, the SSE may order it to make corrections and, depending on the severity of the violation, impose the following disciplinary sanctions:

- (1) circulating an internal notice of criticism; or
- (2) issuing a public censure on designated periodicals and the SSE's website.

The SSE reserves the option to report serious violations to the CSRC.

Article 36 Where the person-in-charge of information disclosure at a fund management company or custodian has violated these *Listing Rules*, the SSE may order him/her to make corrections and, depending on the severity of the violation, impose the following disciplinary sanctions:

- (1) circulating an internal notice of criticism; or
- (2) issuing a public censure on designated periodicals and the SSE's website.

In the event of a serious violation, the SSE reserves the option to recommend the replacement of the person and report the violation to the CSRC.

Chapter VII Supplementary Provisions

Article 37 These *Listing Rules* and its amendments shall be implemented after being approved by the Board of Governors of the SSE and by the CSRC.