

Notice to Members

Member's Rights and Obligations

Under the stipulations of the Exchange's constitution, a member of the Exchange refers to a securities firm possessed with a legal position that is approved by China Securities Regulatory Commission (CSRC) to be established by law and admitted by the Exchange as its member.

A member enjoys the following rights:

- a. Participate in the members' meeting;
- b. Elect and to be elected;
- c. Put forward suggestions about the Exchange's business and vote;
- d. Participate in securities trading at the Exchange's premise and enjoy the service provided by the Exchange;
- e. Supervise over business of the Exchange and other members;
- f. Seat transfer provided that one seat is maintained;
- g. Other related rights.

A member undertakes the following obligations:

- a. Observe law, legal regulations, rules and policies and undertake securities business activities pursuant to the law;
- b. Adhere to the constitution, business rules and other relevant regulations of the Exchange and implement resolutions of the Exchange;
- c. Dispatch qualified representatives to trade securities at the Exchange's premise;
- d. Fulfill trading and settlement obligation;
- e. Protect the legal interests of investors;
- f. Maintain stability and promote the development of the market;
- g. Pay all required fees and provide relevant information and materials;
- h. Accept supervision from the Exchange;
- i. Other related obligations.

Member's Required Qualifications

- a. A securities firm possessed with a legal position that is approved by CSRC to be established by law;
- b. Enjoy high creditability and outstanding business performance;
- c. Organization framework and business executives qualified by CSRC and the Exchange and the firm's precaution measures against technical risks that meet the requirements of the Exchange;
- d. Accept the constitution and business rules of the Exchange and pay member's fee, seat fees and other fees as required;
- e. Other qualifications specified by the Exchange.

A securities firm submits its application to the Exchange, which will accept it as one of its members upon the approval by its board of governors.

Termination of Membership Due To One of The Following Reasons

- a. Application by a member to terminate its membership that is approved by the Exchange's board of governors;
- b. Failure to complete the trading preparations or failure to commence its business at the Exchange within 3 months after it is admitted as a member;
- c. Dissolve as a legal entity, revoked or bankrupted by law;
- d. Failure to continue to conform to a member's qualifications as stipulated in the constitution of the Exchange;
- e. Failure to continue to fulfill regular trading and settlement obligations;
- f. Other behaviors that violate the nation's law and legal regulations.