


Content

Title :	Regulations Governing Information to be Published in Prospectuses by Futures Trust Enterprises Offering Futures Trust Funds 
Date :	2014.04.25
Legislative :	<p>1. Full text of 28 articles adopted and issued per 10 July 2007 Order No. Financial-Supervisory-Securities-VII-0960034884 of the Financial Supervisory Commission, Executive Yuan; for enforcement from the date of issuance</p> <p>2. Articles 6, 23, 26, and 28 amended and issued per 12 July 2012 Order No. Financial-Supervisory-Securities-Futures-1010030979 of the Financial Supervisory Commission; for implementation from the date of issuance, except for Articles 23 and 16, which shall enter in to force from the fiscal year of 2013</p> <p>3. Articles 6, 14, 20 and 21 amended per 25 April 2014 Order Financial-Supervisory-Securities-Futures-1030012154 of the Financial Supervisory Commission</p>
Content :	<p>Chapter I General Principles</p> <p>Article 1 These Regulations are adopted pursuant to Article 84, paragraph 2 of the Futures Trading Act.</p> <p>Article 2 A futures trust enterprise issuing or intending to issue beneficial certificates for an offering or follow-on offering of a futures trust fund in the domestic market shall prepare a prospectus in accordance with the content requirements of these Regulations. If such an enterprise intends to issues beneficial certificates for an offering or follow-on offering of a futures trust fund in a foreign market, it shall prepare a prospectus in accordance with the laws and regulations of the jurisdiction in which the offering is made, and in such a case these Regulations shall not apply.</p> <p>Article 3 A prospectus shall be prepared based on the following basic principles: 1.All of the content recorded in the prospectus shall be detailed, truthful, clear, and unambiguous. Its wording shall be concise and easy to understand, and it may not contain misrepresentations, nondisclosures, omissions, or otherwise be misleading. 2.Information published in a prospectus shall be timely and up to date. Any trade or other event occurring before printing that could influence the judgment of beneficial owners shall be disclosed in the prospectus.</p> <p>Article 4 A prospectus shall include all information required by these Regulations and be published with a table of contents and page numbers. If there is no information for a required item, the words "not applicable" shall be printed after that item heading. If required information repeats itself in the same prospectus, the information may be included in one place only, with a note provided in the other place or places indicating the page number where the information can be found.</p>

## Article 5

With the exception of an offering to persons meeting certain eligibility requirements under Article 12 of the Regulations Governing Futures Trust Funds (hereinafter, "offering a futures trust fund to persons meeting certain eligibility requirements"), a futures trust fund shall update the prospectus within 1 month after the end of each quarter following its establishment. Notwithstanding the foregoing, if the content of the annual financial report printed by the futures trust fund pursuant to the futures trust deed is sufficient to cover the items required by Article 21 hereof, the annual financial report may be annexed instead.

If, prior to the printing of the prospectus or annual financial report described in the preceding paragraph, any matter occurs which materially affects the interests of the beneficial owners, such matter shall also be disclosed therein.

## Article 6

The following items shall be printed in the order below on the cover of a prospectus:

1. Name of the futures trust fund: A principal protection futures trust fund shall indicate, in parentheses and in a different and conspicuous color, the principal protection percentage and the type of the fund (either "principal guaranteed" or "principal protected"); an umbrella futures trust fund shall indicate that it is an "umbrella futures trust fund"; and an exchange-traded futures trust fund shall indicate that it is an "exchange-traded futures trust fund."

2. Fundamental trading and investment policies.

3. Type of the futures trust fund.

4. For a futures trust fund that invests overseas, the words "invested overseas" shall be clearly indicated.

5. For a futures trust fund denominated in a foreign currency, the currency in which the fund is denominated shall be clearly indicated.

6. The total face value of the current issue as approved.

7. The number of beneficial units of the current issue as approved.

8. For a principal protection futures trust fund that is a capital guaranteed fund, the name of the guarantor institution.

9. Name of the futures trust enterprise.

10. The following language, printed conspicuously:

A. "The Financial Supervisory Commission has approved this futures trust fund, but that does not indicate that this fund is risk-free. The past management performance of this futures trust enterprise does not guarantee any minimum return on investment for this fund. Apart from exercising its duty of due care and diligence, this futures trust enterprise will not be responsible for the gains or losses of this fund, and does not guarantee any minimum return."

B. "The futures trust fund engages in futures trading that involves a high degree of leverage because of low margin requirements. This means that such trading can lead to large losses as well as large gains, and consequently result in a substantial decrease or increase in the net asset value of the beneficial units of the fund. Therefore, before making any investment, investors should carefully consider whether such investing is suitable for them in light of their financial resources and circumstances, and carefully

study the prospectus and consider at least the various risk factors disclosed starting from page \_\_, the information on redemption commencement date at page \_\_, the information on short-swing trading at page \_\_, and the information on break-even point analysis at page \_\_."

C. For a principal protection futures trust fund that is a capital guaranteed fund, print the following statement: "The Financial Supervisory Commission has approved this futures trust fund, but that does not indicate that this fund is risk-free. If, and only if, investors keep this fund until the maturity date, can they enjoy a \_\_\_\_% principal guarantee. The guarantee does not cover cases in which investors redeem prior to maturity, or in which there occurs any of the situations requiring termination (as set out in subparagraphs \_\_ through \_\_ of Article \_\_ of the trust deed for this fund), and investors are responsible for all relevant fees for the entire investment period, with the redemption price to be calculated using the net asset value at that time. Investors should be aware that prior to the maturity date the net asset value of this fund may fluctuate due to various market factors. Therefore, before investing, investors should be certain that they are fully aware of the risks and features of this fund."

D. For a principal protection futures trust fund that is a capital protected fund, state the following: "This futures trust fund is not guaranteed by a guarantor, but achieves the function of principal protection through the use of various investment tools. The Financial Supervisory Commission has approved this fund, but that does not indicate that this fund is risk-free. If, and only if, investors keep this fund until the maturity date, can they enjoy a \_\_\_\_% principal protection. The guarantee does not cover cases in which investors redeem prior to maturity or in which there occurs any of the situations requiring termination (as set out in Article \_\_\_\_ of the trust deed for this fund), and investors are responsible for all relevant fees for the entire investment period, with the redemption price to be calculated using the net asset value at that time. Investors should be aware that prior to the maturity date the net asset value of this fund may fluctuate due to various market factors, and that, because capital protection is not a guarantee, the purpose of principal protection will be unable to be achieved if, for example, an issuer defaults or a credit risk materializes with respect to an investment instrument. Therefore, before investing, investors should be certain that they are fully aware of the risks and features of this fund." The latter part of the paragraph shall be printed in an especially conspicuous manner, such as enlarged bold typeface or a different color.

E. In the event there is any misrepresentation or nondisclosure in this prospectus, the futures trust enterprise, its responsible persons, and any other persons whose signature or seal appear on the prospectus shall be held legally liable.

F. Web addresses for inquiries regarding the prospectus, including the web address of the information reporting website designated by the competent authority, and the web address where the company discloses the relevant prospectus materials.

G. For a futures trust fund offered to persons meeting certain eligibility requirements by a trust enterprise concurrently operating a futures trust enterprise, explicitly state that the assets of the fund are kept in its

own custody; and for a futures trust fund offered to unspecified persons by a trust enterprise concurrently operating a futures trust enterprise and having obtained the approval from the competent authority to keep the assets of the fund in its own custody, explicitly state that assets of the fund are kept in its own custody and that a trust supervisor has been appointed.

#### 11. Date of printing.

In the case of a future trust fund offered to persons meeting certain eligibility requirements, the front cover of the prospectus need not contain the information required by items 3, 4, and 6 of subparagraph 10 of the preceding paragraph, provided that it shall clearly indicate in conspicuous typeface that it is a prospectus of a futures trust fund offered to persons meeting certain eligibility requirements, and specifically that "The prospectus is intended only for an offer of a futures trust fund to persons meeting certain eligibility requirements; please see page for details about relevant transfer restrictions."

A prospectus prepared for use in an application to offer a futures trust fund shall clearly indicate on its front cover that it is a draft version for application purposes only.

#### Article 7

The information listed below shall be printed in the following order on the inside front cover of a prospectus:

1. Name, street address, website address, and telephone number of the head office of the futures trust enterprise, and the name, job title, contact telephone number, and e-mail address of the spokesperson.
2. Name, street address, website address, and telephone number of the fund custodian. In the case of a trust enterprise that concurrently operates a futures trust enterprise and that is offering to unspecified persons a futures trust fund for which it has obtained approval from the competent authority to keep the assets of the fund in its own custody, an indication of the name, street address, website or email address, and telephone number of the trust supervisor.
3. If the futures trust fund is guaranteed by a guarantor institution, indication of the name, street address, website address, and telephone number of the guarantor.
4. Name, street address, website address, and telephone number of the institution acting as agent in beneficial certificate matters.
5. Name of the CPA providing auditor attestation services on the financial reports of the futures trust fund, and the name, street address, website address, and telephone number of the CPA firm.
6. If the futures trust enterprise or futures trust fund has been rated by a credit rating agency, an indication of the name, street address, website address, and telephone number of the credit rating agency.
7. Prospectus distribution plan: information on where the prospectus is displayed, how it is distributed, and how it can be obtained upon request.
8. Information on locations where the futures trust deed can be purchased and read upon request.

A prospectus for a futures trust fund offered to persons meeting certain eligibility requirements need not contain in its inside front cover the information required by subparagraph 7 of the preceding paragraph.

## Article 8

A prospectus shall set forth in conspicuous print on the page immediately preceding the table of contents a risk disclosure statement and "This risk disclosure statement does not disclose all the risks involved in investing in the futures trust fund. Please see page \_\_ for a detailed description of the risk factors."

The back cover of the prospectus shall bear the signature or seal of the futures trust enterprise and the chairperson of the board of directors.

## Chapter II Prospectuses for Futures Trust Funds Offered to Unspecified Persons

### Article 9

A futures trust enterprise offering or intending to offer a futures trust fund to unspecified persons pursuant to Article 11 of the Regulations Governing Futures Trust Funds shall prepare a prospectus in accordance with the content requirements of this Chapter.

### Article 10

A prospectus shall include the following items:

1. Overview of the futures trust fund.
2. Key elements of the futures trust deed.
3. Overview of the futures trust enterprise.
4. Name, street address, and telephone number of any agent handling sale and redemption of the beneficial certificates.
5. Special disclosures.

### Article 11

The "overview of the futures trust fund" section shall include the following information:

1. Profile of the futures trust fund.
2. Nature of the futures trust fund.
3. Duties of the futures trust enterprise, the fund custodian (or the trust supervisor, in the case of a trust enterprise that concurrently operates a futures trust enterprise and that has obtained approval from the competent authority to keep the assets of the futures trust fund in its own custody), and the fund guarantor.
4. Trading and investments of the futures trust fund.
5. Risk factors.
6. Distribution of gains.
7. Subscription for beneficial certificates.
8. Redemption of beneficial certificates.
9. Rights and fees undertaken by beneficial owners.
10. Information disclosure of the futures trust fund.
11. Use of funds by the futures trust fund.

### Article 12

The "profile of the futures trust fund" item shall include the following information:

1. Total face value of the issue.
2. Total number of beneficial units.
3. Face value of each beneficial unit.
4. Whether follow-on issues may be made.
5. Conditions for successful or unsuccessful establishment (if there is a date for meeting the said conditions, this date shall be stated).

- 6.Scheduled issue date.
- 7.Duration.
- 8.Investment regions and instruments: For a principal protection futures trust fund, an additional indication shall be made for the estimated percentage of investing in fixed-income instruments and of engaging in futures trading, the credit ratings and maturities of the fixed-income instruments under investment, the issuers of the instruments or futures trading contracts, and the counterparties.
- 9.Brief indication of fundamental trading and investment policies and scope.
- 10.Sale commencement date.
- 11.Methods of selling.
- 12.Selling price.
- 13.Minimum subscription amount.
- 14.Redemption commencement date. For a principal protection futures trust fund, include an indication of how redemption requests will be accepted and the procedure by which to dispose of assets to meet redemption needs.
- 15.Redemption fees.
- 16.Redemption price.
- 17.Management fees. For a principal protection futures trust fund, print in conspicuous typeface the management fee structure and the method of collection.
- 18.Custodian fees (or trust supervisor remuneration, in the case of a trust enterprise that concurrently operates a futures trust enterprise and that has obtained approval from the competent authority to keep the assets of the futures trust fund in its own custody).
- 19.If the futures trust fund is guaranteed by a guarantor, include the information on the nature of the business operations of the guarantor, its financial status, credit rating, the conditions and scope of the guarantee, guarantee fees, and the key elements of the guarantee agreement, and further provide examples to illustrate the guarantee mechanism as well as the method of calculation for potential returns in excess of the guaranteed amount.
- 20.Whether there is distribution of gains.
- 21.Criteria for determining what constitutes short-swing trading and the charge of relevant fees, and further the following statement: "The fund does not welcome beneficial owners who intend to engage in short-swing trading."
- 22.The documentation that the futures trust enterprise might request from subscribers for anti-money laundering purposes and the circumstances in which it might refuse subscription requests.

#### Article 13

The "nature of the futures trust fund" item shall include the following information:

- 1.Establishment of the futures trust fund and its legal basis.
- 2.The contractual relationship created under the futures trust deed.
- 3.In case of any follow-on offering of the futures trust fund, a description of the status of the issue at the time the fund was established and of each subsequent follow-on issue.

#### Article 14

The " trading and investments of the futures trust fund" item shall include the following information:

- 1.Trading and investment policies and scope of the futures trust fund, covering the categories in which the fund engages in futures trading and invests in futures-related spot instruments, and the proportion of net assets allocated to such trading and investment, as well as the maximum leverage multiplier projected to be applied in the conduct of futures trading.
- 2.The decision-making process by which the futures trust enterprise determines the use of the assets of the futures trust fund for trading and investment purposes, and the fund manager's name, major work experience and educational background, as well as discretions. If the fund manager of the futures trust fund also manages other funds, disclose the names of those other funds and the measures adopted to prevent conflict of interest.
- 3.Limitations on the use of the assets of the futures trust fund.
- 4.Principles and methods for handling the exercise of voting rights when the futures trust fund participates in the shareholders meetings of stock-issuing companies.
- 5.Principles and methods for handling the exercise of voting rights when a futures trust fund-of-funds participates in the beneficial owner meetings of its sub-funds.
- 6.If the futures trust enterprise conduct transactions to hedge the risks associated with the foreign currency receipts and disbursements of the futures trust fund, a detailed description of the hedge strategies.
- 7.If the futures trust fund invests in stocks or funds on foreign markets, the futures trust enterprise shall state the principles and methods for coordinating the fund's attendance at the meetings of shareholders (or beneficial owners) of the issuing company of the foreign stock (or fund) in which the fund invests.
- 8.If the futures trust enterprise grants discretionary powers to other professional institutions to use the assets of the futures trust fund to engage in trading or investment, an indication of the following shall be made:
  - A.The criteria for selecting professional institutions, the percentage of funds (assets) allocated to each such professional institution, the custodian(s) holding the allocated funds (assets), and the total fees paid to these professional institutions.
  - B.The fundamental policies and scope for the professional institutions to use the assets of the futures trust fund to engage in trading or investment.
- 9.If the futures trust fund is of any of the following types, include further statements as follows:
  - A.For a principal protection futures trust fund:
    - a.The estimated percentage of investing in fixed-income instruments and of engaging in futures trading, the credit ratings and maturity dates of the fixed-income instruments under investment, the issuers of the instruments and futures trading contracts, and the counterparties.
    - b.In the case of a capital protected futures trust fund that has no guarantor, an indication shall be made that the fund is not guaranteed by a guarantor, but achieves the function of principal protection through the

use of various investment tools.

B.For an umbrella futures trust fund: separately describe each subfund's investment scope and main distinctive features, and compare their differences and similarities. For required information that is common to all subfunds, the information need not be repeated, but instead a note may be used indicating that the information is the same for each subfund; for required information that is different for each subfund, the information shall be presented separately and their differences compared.

C.For a futures trust fund denominated in a foreign currency: state the currency in which the fund is denominated and that all receipts and payments of the subscription and redemption prices are made in that currency.

D.For an exchange-traded futures trust fund:

a.How the index is constructed and the operating strategies used by the management company to track, simulate, or replicate the performance of the index, including the portfolio rebalancing strategies, and, when the fund invests in a representative sample of components in the index, the sampling and operating strategies used to cause the sample to closely reflect the overall characteristics of the index.

b.A comparison showing the difference in performance between the fund and the benchmark index, with a clear description of the definitions and calculation formulas for the comparison.

c.The risk monitoring and control measures as disclosed under Article 39, paragraph 2 of the Regulations Governing Futures Trust Funds.

Article 15

The "risk factors" item shall include at least the following information:

- 1.Risk of engaging in futures trading.
- 2.Risk of futures trading contracts that involve an excessive concentration in one single underlying commodity or financial instrument.
- 3.Business cycle risk.
- 4.Liquidity risk.
- 5.Risk associated with foreign exchange controls and exchange rate fluctuations.
- 6.Risk associated with changes in the political, economic, and regulatory conditions of the geographical areas in which the fund makes investment.
- 7.Counterparty and guarantor credit risk.
- 8.Risk associated with the grant of discretionary powers to professional institutions for the execution of futures trading or investments.
- 9.Other risk associated with investment instruments or specific investment strategies.
- 10.Risk of trading in futures-related spot instruments.
- 11.Risk associated with the lending of held securities.
- 12.Other risks.

Article 16

The "distribution of gains" item shall include the following information:

- 1.Distribution items.
- 2.Timing of distributions.
- 3.Method of payment.

Article 17

The "subscription for beneficial certificates" item shall include the



following information:

- 1.Subscription procedure, location, and deadline.
- 2.Calculation and method of payment of the subscription price.
- 3.Delivery of the beneficial certificates.
- 4.Procedure to be followed in the event that the futures trust enterprise does not accept subscription requests or that the futures trust fund is not successfully established.

#### Article 18

The "redemption of beneficial certificates" item shall include the following information:

- 1.Redemption procedure, location, and deadline.
- 2.Calculation of the redemption price.
- 3.Timing and method of payment of the redemption price.
- 4.Procedure for effecting registry or book-entry operations.
- 5.Circumstances in which the payment of the redemption price may be subject to delay.
- 6.Circumstances in which redemption requests may be withdrawn.

#### Article 19

The "rights and fees undertaken by beneficial owners" item shall include the following information:

- 1.The various rights to which the beneficial owners are entitled.
- 2.The various fees and expenses payable by the beneficial owners and how these fees and expenses are calculated and to be paid, as well as the profit amount and percentage the futures trust fund must realize for the beneficial owners to reach the break-even point of their investment (Table 1).
- 3.The various taxes to be borne by the beneficial owners and how these taxes are calculated and to be paid.
- 4.Matters related to beneficial owner meetings:
  - A.Circumstances in which meetings are convened.
  - B.Procedure for convening meetings.
  - C.Methods by which resolutions are passed.

#### Article 20

The "information disclosure of the futures trust fund" item shall include the following information:

- 1.The information required by laws and regulations or by the futures trust deed to be disclosed.
- 2.If the net asset value of the futures trust fund for the prior business day cannot be published on each business day, the calculation of the net asset value and the reasonableness thereof shall be disclosed.
- 3.How the information is disclosed and published and how to obtain the information.
- 4.If the futures trust enterprise applies to offer an exchange-traded futures trust fund, specify the methods or channels by which investors may obtain the most up-to-date information on the fund, such as changes in index composition and comparisons of the differences in performance between the fund and the index, and other important information.

#### Article 21

Except as otherwise provided by law or regulation, a prospectus for a follow-on offering of a futures trust fund, or a quarterly updated

prospectus for a futures trust fund, shall include the following information on the use of the assets of the fund:

1.Trading and investments: present the following information on the futures trust fund as of the end of the month preceding the prospectus printing date:

A.The composition of total net assets, stated in dollars and as a percentage (Table 2).

B.The categories in which the futures trust fund engages in futures trading and invests in futures-related spot instruments, and the proportion of net assets allocated to such trading and investments (Table 3).

C.If the futures trust fund invests 1% or more of its total net asset value in any single stock, indicate the name, number of shares, and market price per share of the stock, and the dollar amount and ratio of the investment (Table 4).

D.If the futures trust fund invests 1% or more of its total net asset value in any single bond, indicate the name of the bond and the dollar amount and ratio of the investment (Table 5).

E.If a futures trust fund-of-funds invests 1% or more of its net asset value in any single sub-fund, indicate the sub-fund's name, management company, fund manager, management fee rate, custodian fee rate, number of beneficial units, net asset value per unit, and the number of beneficial units in which the fund invests, the investment ratio, and the time period for payment of the redemption price.

2.Trading and investment performance:

A.With respect to the futures trust fund's total net assets and the net asset value per unit, indicate the highest, lowest, and year-end figures for each of the most recent 3 fiscal years, as well as the month-end figures for each month of the fiscal year in which the prospectus is printed (Table 6).

B.Indicate the dollar amount of income distributed by the futures trust fund for each of the most recent 3 fiscal years.

C.Indicate the futures trust fund's cumulative rate of return on net asset value, current as of the end of the quarter preceding the prospectus printing date, for the most recent 3 months, 6 months, 1 year, 3 years, 5 years, and 10 years, as well as since inception (Table 7 for details of the formula for rate of return). For an exchange-traded futures trust fund, additionally provide a comparison showing the difference in performance between the fund and the benchmark index.

3.Include the CPA audit reports, balance sheets, statements of transactions and investments, reports of revenues and expenses, statements of distributable income, statements of changes in capital accounts, together with footnotes and other related schedules, of the futures trust fund for each of the most recent 2 fiscal years.

4.Indicate, for the most recent fiscal year and for the quarter preceding the prospectus printing date, the top five futures commission merchants receiving the highest commissions from the futures trust fund for executing its buy/sell orders, specifying the name of, the total number of contracts specified in the buy/sell orders executed by, and total amount of commissions paid to each such futures commission merchant. If any of these futures commission merchants is a beneficial owner of the futures trust

fund, also disclose the number and ratio of beneficial units it holds in the fund. (See Table 8.)

5.If the futures trust fund is rated by a credit rating agency, disclose the credit rating agency's rating report on the futures trust fund.

6.Other matters for which disclosure is required.

#### Article 22

The "key elements of the futures trust deed" item shall include the following information:

1.Name of the futures trust fund, name of the futures trust enterprise, name of the fund custodian (or name of the trust supervisor, in the case of a trust enterprise that concurrently operates a futures trust enterprise and that has obtained approval from the competent authority to keep assets of the fund in its own custody), name of the guarantor if the futures trust fund is a guaranteed fund, and the duration of the futures trust fund.

2.Total face value and total number of beneficial units.

3.Issue of beneficial certificates.

4.Subscription for beneficial certificates.

5.Conditions for successful or unsuccessful establishment of the futures trust fund.

6.Assets of the futures trust fund.

7.Fees and expenses payable by the futures trust fund.

8.Rights, obligations, and liabilities of beneficial owners.

9.Rights, obligations, and liabilities of the futures trust enterprise, including disclosures stating that the beneficial owners of the futures trust fund are liable only to the extent of the subscription price paid at subscription; that if the futures trust fund incurs losses in excess of its net asset value, the excess losses shall be born by the futures trust enterprise; that if the futures trust enterprise grants discretionary powers to another professional institution to use the assets of the futures trust fund to engage in trading or investment, it shall be liable for any damage incurred to the futures trust fund that arises from any act of intent or negligence in connection with the appointment of or any instruction given to the appointed professional institution; and that if it delegates any of its liabilities and obligations under the trust deed to an appointed professional institution, it shall be liable for any act of intent or negligence of the appointed financial institution or of any employee thereof as if it were the futures trust enterprise's own act of intent or negligence, and also be liable for any damage to the assets of the futures trust fund so incurred.

10.Rights, duties, and liabilities of the fund custodian, including a statement that the fund custodian shall be liable for any act of intent or negligence by any of its agents, representatives, or employees in performing any obligations under the futures trust deed, as if it were the fund custodian's own act of intent or negligence (or a statement on the rights, obligations, and liabilities of the trust supervisor, in the case of a trust enterprise that concurrently operates a futures trust enterprise and that has obtained approval from the competent authority to keep the assets of the futures trust fund in its own custody).

11.Rights, obligations, and liabilities of the guarantor, if the futures trust fund is a principal guaranteed fund.

12. Fundamental policies and scope for the assets of the futures trust fund to be used in futures trading and investment in futures-related spot instruments.
13. Distribution of gains.
14. Redemption of beneficial certificates.
15. Calculation of the net asset value of the futures trust fund and the net asset value per beneficial unit.
16. Replacement of the futures trust enterprise.
17. Replacement of the fund custodian (or trust supervisor, in the case of a trust enterprise that concurrently operates a futures trust enterprise and that has obtained approval from the competent authority to keep the assets of the futures trust fund in its own custody).
18. Termination of the futures trust deed.
19. Liquidation of the futures trust fund.
20. Register of beneficial owners.
21. Meetings of beneficial owners.
22. Notifications and public announcements.
23. Amendment of the futures trust deed.

#### Article 23

The "overview of the futures trust enterprise" item shall include the following information:

1. Profile of the enterprise, specifying:

- A. Date of establishment.
- B. Process of capital formation over the most recent 3 years (Table 9).
- C. Lines of business.
- D. History, indicating, for the most recent 5 fiscal years, any fund offered, branch or subsidiary established, share transfer or change of director, supervisor or major shareholder, change of control, and any other important event.

2. Enterprise organization, indicating the following information on the futures trust enterprise as of the end of the month preceding the prospectus printing date:

A. Distribution of equity ownership:

- a. Shareholder structure, specifying the composition percentage of each class of shareholders (Table 10).
- b. Register of major shareholders, indicating the name of each shareholder having a shareholding of 5% or more, and the number and percentage of the shares held (Table 11).

B. Organizational system, indicating the organizational structure of the futures trust enterprise, the type of business operations conducted by each principal department (or, in the case of an enterprise that concurrently operates the futures trust enterprise, by the department that is responsible for its concurrent operation of the futures trust enterprise), and the number of staff members.

C. Names of the futures trust enterprise's general manager, vice general managers, and division heads (or, in the case of an enterprise in another line of business, the head of the department that is responsible for its concurrent operation of the futures trust enterprise), the dates they assumed their duties, the number and percentage of shares they hold in the enterprise, their major work experience and/or educational background, and,

if applicable, any concurrent positions they hold at another company at the time (Table 12).

D. Names of directors and supervisors and their election dates, terms of office, number and percentage of shares held in the futures trust enterprise at the time of election and at the present time, and major work experience and/or educational background (Table 13).

3. Interested company disclosure, identifying any company having any of the following relationships with the futures trust enterprise as of the end of the month preceding the prospectus printing date:

A. A company that has a relationship with the futures trust enterprise as set out in Chapter VI-I of the Company Act.

B. A director or supervisor of the futures trust enterprise, or a shareholder with a combined shareholding of 5% or more in the futures trust enterprise.

C. A director, supervisor, or managerial officer of the futures trust enterprise, or a shareholder with a combined shareholding of 5% or more in the futures trust enterprise, who is also a director, supervisor, managerial officer, or a shareholder holding 10% or more of the total number of issued shares of the given company, or who is the spouse of such a person (Table 14).

4. Operating status:

A. Indicate the name, date of establishment, number of beneficial units, amount of net assets, and net asset value per unit, of any other fund managed by the futures trust enterprise, current as of the end of the month preceding the date of printing (Table 15).

B. Include the CPA audit reports, balance sheets, statements of comprehensive income, and statements of changes in shareholders' equity of the futures trust enterprise for the most recent 2 fiscal years.

5. Penalties received, indicating the time and details of any disciplinary action or official reprimand received by the futures trust enterprise from the competent authority during the most recent 2 years.

6. Litigious or non-litigious events, indicating, if there is any material case pending in a litigious, non-litigious, or administrative contentious proceeding by or against the futures trust enterprise, the result of which is likely to materially affect the interests of the beneficial owners, the facts in contention, the monetary value of the subject matter, date on which the proceeding commences, principal parties involved, and current status of the proceeding.

Article 24

The "special disclosures" item shall include the following information:

1. A written statement that the futures trust enterprise is in compliance with the Self-Regulatory Agreement for Members of the Chinese National Futures Association.

2. A Statement on Internal Control (SIC) of the futures trust enterprise.

3. The futures trust enterprise shall specify the following information regarding its corporate governance practices:

A. Structure and independence of the board of directors.

B. Duties of the board of directors and managerial officers.

C. Composition and duties of the supervisors.

D. Rights and relationship of interested parties.

E.Details regarding matters required to be disclosed by regulations.

F.Other information relevant to corporate governance.

4.A chart showing a comparison between the content of the trust deed for the futures trust fund of the present issue and that of the model futures trust deed issued by the Chinese National Futures Association.

5.Other information required by the competent authority as a matter of special disclosure.

### Chapter III Prospectuses for Futures Trust Funds Offered to Persons Meeting Certain Eligibility Requirements

#### Article 25

A futures trust enterprise offering or intending to offer a futures trust fund within the domestic market to persons meeting certain eligibility requirements pursuant to Article 12 of the Regulations Governing Futures Trust Funds shall prepare a prospectus in accordance with the content requirements of this Chapter.

#### Article 26

A prospectus for a futures trust fund offered to persons meeting certain eligibility requirements shall at least include the following information:

1.Overview of the futures trust fund, including the following information:

A.Profile of the futures trust fund, specifying the information required by Article 12, subparagraphs 1 to 3, 5, 7, 13, and 21.

B.Nature of the futures trust fund, specifying the information required by Article 13, subparagraph 1 and 2.

C.Duties of the futures trust enterprise, fund custodian, and fund guarantor.

D.Trading and investments of the futures trust fund, specifying the information required by Article 14, subparagraph 1 to 4 and 8.

E.Risk factors, specifying the information required by Article 15.

F.Distribution of gains, specifying the information required by Article 16.

G.Subscription for beneficial certificates, specifying the information required by Article 17.

H.Redemption of beneficial certificates, specifying the information required by Article 18.

I.Rights of and fees undertaken by beneficial owners, specifying the information required by Article 19.

J.Information disclosure by the futures trust fund, specifying the information required by Article 20, subparagraph 1 and 3.

2.Major content of the futures trust deed, specifying the information required by Article 22, paragraph 1, subparagraph 1, 5 to 10, 15 to 19, 22, and 23.

3.Overview of the futures trust enterprise, including profile of the enterprise, enterprise organization, interested company disclosure, overview of business operations, the statements of comprehensive income and balance sheets for the most recent 2 fiscal years, any penalties received from the competent authority during the most recent 2 fiscal years, and any litigious or non-litigious events having a material influence on the interests of the beneficial owners.

4.How to transfer beneficial certificates and restrictions on the transfer.

5.Special disclosures, specifying the information required by Article 24.

### Chapter IV Supplementary Provisions

#### Article 27

When a futures trust enterprise offers a futures trust fund, it shall, except in the case of offering a futures trust fund to persons meeting certain eligibility requirements, on a date which is 3 days prior to the commencement date of the offering of the futures trust fund, and in a format required by the competent authority, transmit an electronic file of the prospectus to the information reporting website designated by the competent authority, and also make the prospectus available in hardcopy form at its place of business and at the places of business of its distributors. Notwithstanding the foregoing, in the case of a follow-on offering of futures trust fund, the prospectus shall be transmitted to the aforementioned information reporting website within 3 days from the date of receipt of the competent authority's approval letter.

The futures trust enterprise shall deliver a copy of the prospectus to each and all subscribers, or, if a subscriber so consents, deliver a copy to the subscriber by transmitting it to the e-mail address instructed by the subscriber.

Except in the case of offering a futures trust fund to persons meeting certain eligibility requirements, if the futures trust enterprise updates or amends a prospectus, it shall, within 10 days of the updating or amendment, transmit an electronic file of the updated or amended prospectus to the information reporting website designated by the competent authority.

#### Article 28

These Regulations shall come into force from the date of issuance, except for Articles 23 and 26, as amended and issued on 12 July 2012, which shall come into force from the fiscal year of 2013.