



Rules of Exchange

Version: 5.0

These Rules of Exchange are made by Fusang Exchange Limited under section 136 of the Labuan Financial Services and Securities Act 2010 (Act 704 of the Laws of Malaysia).

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Part 1 **General clauses**

1 Interpretation

1.1 Definitions

The following terms have the following meanings when used in these Rules of Exchange (unless the context requires otherwise):

Accredited Investor means an investor falling within the category of “Accredited investors” as set out in Part I of Schedule 6 and Part I of Schedule 7 of the Capital Markets and Services Act 2007, as amended from time to time.

AML/CTF Requirements means all Financial Crime Regulation-related and other due diligence and “know your customer” requirements and procedures, as determined by Fusang.

Appeals Panel means the panel constituted by the Fusang Exchange Committee for the purpose of hearing appeals under rule 24.

Applicant Issuer means any person who is party to an application for listing on the Fusang Exchange and whose Security or Virtual Asset is the subject of the application for listing including Main Board Applicant Issuers, the Issuer of a listing on the Private Market and the Issuer of a Issuer Sponsored FDR.

Approval means the approval of a Trading Participant to trade on the Fusang Exchange, and “**Approved**” is to be interpreted accordingly.

Asset means:

- (a) a Virtual Asset;
- (b) a Fiat Currency; or
- (c) a Financial Instrument.

Authority means the Labuan Financial Services Authority as established under section 3 of the Labuan Financial Services Authority Act 1996 (Act 545 of the Laws of Malaysia).

Business Day means a day other than Saturday, Sunday and a “public holiday” or “bank holiday” for the purposes of the Holidays Act 1951 (Act 369 of the Laws of Malaysia) as extended and modified by the Federal Territory of Labuan (Extension and Modification of Holidays Act 1951) Order 2005 and for the period of time commencing from 9.00a.m. to 5.00p.m.

Board of Directors means the board of directors of Fusang.

Chairperson of the Fusang Exchange Committee means the person approved by the Minister of Finance as such under section 138(1) of the Labuan Financial Services and Securities Act.

Chief Executive Officer means the chief executive officer of Fusang as appointed by the Board of Directors.

Core Principles means the core principles set out in rule 6.

Control of a person includes the power to directly or indirectly:

- (a) determine the management or policies of the person;
- (b) control the membership of the board or other governing body of the person; or

- (c) control the casting of more than one half of the maximum number of votes that may be cast at a general meeting of the person,

regardless of whether the power is in writing or not, enforceable or unenforceable, expressed or implied, formal or informal or arises by means of trusts, agreements, arrangements, understandings, practices or otherwise.

For clarification purpose, Fusang shall in its sole opinion determine that a person whether directly or indirectly is in control of the other person in addition to the definition above,

Controller of a person means the person who has the power to Control that person.

Costs includes costs, charges and expenses, including those in connection with the provision of legal advice.

Deceptive Activity occurs where a person, directly or indirectly, in a transaction involving any Asset:

- (a) employs any device, scheme or artifice with intent to defraud or deceive; or
- (b) engages in any act, practice or course of business which is fraudulent or deceptive, or would operate as a fraud or deception.

Deposit Agreement means the agreement for establishing a FDR programme with the Depository to provide for the deposit of assets and the issue of Fusang Depository Receipts.

Depository means Fusang Exchange Limited (Company No. LL15250), a private limited company incorporated under the laws of Labuan, Malaysia with its registered address at Level 12(D), Main Office Tower, Financial Park Labuan Complex, Jalan Merdeka, 87000 Labuan, Federal Territory of Labuan, Malaysia.

Depository Interests has the meaning ascribed to it in the Deposit Agreement.

Deposited Assets means the assets at such time deposited or deemed to be deposited under the Deposit Agreement and any and all other securities, property and cash received or deemed to be received by the Depository in respect thereof and held thereunder.

Excluded Jurisdiction means any jurisdiction that is designated as an “Excluded Jurisdiction” by Fusang.

Execution means the execution of two Matched Orders, and “**Executed**” and “**Executed Orders**” are to be interpreted accordingly.

False or Misleading Information Disclosure occurs when a person:

- (a) discloses, circulates or disseminates;
- (b) authorises or is concerned in the disclosure, circulation or dissemination of, information that is likely to:
 - (i) induce another person to trade Assets;
 - (ii) induce the trading of Assets by another person; or
 - (iii) maintain, increase, reduce or stabilise the price of Assets,

where:

- (A) the information is false or misleading as to a material fact, or is false or misleading through the omission of a material fact; and

- (B) the person knows that, or is reckless or negligent as to whether, the information is false or misleading as to a material fact, or is false or misleading through the omission of a material fact.

False Trading occurs when a person does anything or causes anything, intentionally, negligently or recklessly, that has the effect, or is likely to have the effect of:

- (a) creating a false or misleading appearance of active trading in an Asset; or
- (b) creating an artificial price, or maintaining the price at a level that is an artificial price, for an Asset.

FDR Holder means any person who holds any FDR and whose name is registered on the books and records of Depository maintained for such purpose.

Fusang Depository Receipts or FDRs means the depository receipts issued under a Deposit Agreement.

Fit and Proper means a person that:

- (a) is of good reputation and character;
- (b) is able to perform the duties expected of them efficiently, honestly and fairly;
- (c) has adequate knowledge, skill and experience of and in the financial industry;
- (d) is not bankrupt or of unsound mind; and
- (e) has not been convicted or charged for any offence under the law of any jurisdiction, other than for a minor traffic offence.

Fiat Currency means any asset that is:

- (a) legal tender in a country or territory;
- (b) not a Virtual Asset or a Security; and
- (c) approved by Fusang for listing on the Fusang Exchange.

Financial Crime Regulation means any applicable law, internal policy or regulatory requirement pertaining to money laundering, terrorism financing, bribery, corruption, Tax evasion, fraud, the trafficking of arms, drugs, humans or wildlife, slavery, proliferation of weapons of mass destruction, or evasion of sanctions. A reference to a violation of Financial Crime Regulation includes any acts or attempts to circumvent or violate any applicable laws relating to Financial Crime Regulation.

Financial Instrument means any asset that is:

- (a) a Security; and
- (b) approved by Fusang for listing on the Fusang Exchange.

Force Majeure Event means any event that is beyond the control of Fusang and prevents it from performing its obligations under these Rules of Exchange, including:

- (a) acts of God or a public enemy;
- (b) acts of a civil or military authority;
- (c) embargoes;

- (d) pandemic;
- (e) natural disasters;
- (f) labour disputes, strikes and go-slows;
- (g) riots, commotion and disorder;
- (h) fire;
- (i) act or threats of terrorism;
- (j) discontinuation or disruption of electricity supply;
- (k) failure in systems or of equipment; or
- (l) any law, decree, regulation or order of any government, Authority, competent authority or any court or tribunal.

Fusang means Fusang Exchange Ltd, a company that is incorporated under the Labuan Companies Act 1990 (Act 441 of the Laws of Malaysia).

Fusang Account means each account that is provided by Fusang to a Licensee or Trading Participant for the purposes of accessing the Fusang Exchange. **Fusang Exchange** means the exchange that is operated by Fusang and approved by the Authority to be an exchange under section 134 of the Labuan Financial Services and Securities Act.

Fusang Exchange Committee means the committee established under section 138 of the Labuan Financial Services and Securities Act to manage the affairs of the Fusang Exchange.

Fusang Website means the website stated on page i of these Rules of Exchange.

Good Industry Practice means, in relation to any undertaking and any circumstances, the exercise of due skill, diligence, prudence and foresight, as can be expected from a skilled and experience person engaged in the same or similar type of undertaking under the same or similar circumstances.

HKIAC means the Hong Kong International Arbitration Centre.

Insider Dealing means any of the actions described in section 147 of the Labuan Financial Services and Securities Act.

Immediately means as soon as possible from the time of initial knowledge that the relevant incident occurred provided always that if a person must do something on or by a given day immediately, it shall be:

- (a) done on the same Business Day if the time of the initial knowledge that relevant incident occurred before 5p.m. of a Business Day;
- (b) done on the Next Business Day if the time of the initial knowledge that relevant incident occurred after 5p.m. of a Business Day; or
- (c) done on the Next Business Day if the time of the initial knowledge that relevant incident occurred on a day which is not a Business Day.

IOSCO means the International Organisation of Securities Commissions.

Issuer means any person who was party to an application for listing on the Fusang Exchange and whose Financial Instrument or Virtual Asset is listed on the Fusang Exchange.

Issuer Sponsored FDR means a FDR programme created with the sponsorship and involvement of the company whose securities form the Underlying Assets and such company is party to the Deposit Agreement.

Issuerless Listing means a listing on Fusang Exchange with no Issuer.

Labuan means the Federal Territory of Labuan, Malaysia.

Labuan Financial Services and Securities Act means the Labuan Financial Services and Securities Act 2010 (Act 704 of the Laws of Malaysia).

Licence means a Listing Sponsor licence or a Trading Agent licence, and “**Licensee**” and “**Licensed**” are to be interpreted accordingly.

(a) **Limit Order** means an Order that is only Matched at the price specified in that Order.

(b) **Listing Document** means a document that complies with rule 16.

Listing Sponsor means a person licensed under these Rules of Exchange to carry on functions as a listing sponsor in respect of the Fusang Exchange.

Loss includes any loss, damage, demand, claims, liabilities and Costs of any kind.

Main Board means the main board of the Fusang Exchange, where Fusang facilitates the primary and public offering, listing and trading of Financial Instruments or Virtual Assets among registered investors.

Main Board Applicant Issuer means any person who is party to an application for listing on the Main Board and whose Security or Virtual Asset is the subject of an application for listing on the Main Board.

Maker Order means an Order that will not Immediately be Matched against another Order upon submission to the Fusang Exchange.

Market Order means an Order that will be Matched at the best available price that is currently available for the relevant Asset and Order on the Fusang Exchange.

Market Manipulation occurs when a person:

- (a) enters into or carries out, directly or indirectly, two or more transactions in Assets that by themselves or in conjunction with any other transaction increase, or are likely to increase, the price of any Assets, with the intention of inducing another person to buy, or to refrain from selling, those Assets;
- (b) a person enters into or carries out, directly or indirectly, two or more transactions in Assets that by themselves or in conjunction with any other transaction reduce, or are likely to reduce, the price of any Assets, with the intention of inducing another person to sell, or to refrain from buying, those Assets; or
- (c) a person enters into or carries out, directly or indirectly, two or more transactions in Assets that by themselves or in conjunction with any other transaction maintain or stabilise, or are likely to maintain or stabilise, the price of any Assets, with the intention of inducing another person to trade, or to refrain from trading, those Assets.

Market Misconduct means:

- (a) Insider Dealing;
- (b) False Trading;

- (c) Price Rigging;
- (d) Prohibited Transaction Disclosure;
- (e) False or Misleading Information Disclosure;
- (f) Market Manipulation; or
- (g) Deceptive Activity,

and includes attempting to engage in, or assisting, counselling or procuring another person to engage in, any of the conduct referred to in paragraphs (a) to (f).

Match means the matching of two Orders, and “**Matched**”, “**Matching**” and “**Matched Orders**” are to be interpreted accordingly.

Minister of Finance has the meaning given to the term “Minister” in section 2 of the Labuan Financial Services and Securities Act.

Mismatching occurs when an Order is Matched otherwise than in accordance with the parameters applicable to that Order.

Next Business Day means the Business Day following any calendar day.

Ongoing Obligations means the ongoing obligations set out in rule 7.

Order means an instruction from a Trading Agent to either buy or sell an Asset on Fusang.

Order Matching Engine means all the Fusang Exchange’s systems for facilitating Matching.

Personal Data Notice means the relevant notification in relation to the Personal Data Protection Act 2010 (Act 709 of the Laws of Malaysia) available on the Fusang Website.

Price Rigging occurs when a person enters into or carries out:

- (a) any transaction of sale or purchase of an Asset that does not involve a change in the beneficial ownership of that Asset; or
- (b) any fictitious or artificial transaction or device, whether intentionally or recklessly,

and the conduct has the effect of maintaining, increasing, reducing, stabilising, or causing fluctuations in the price of an Asset.

Private Market means the private market of the Fusang Exchange, where Fusang facilitates the primary offering, listing and trading of Financial Instruments or Virtual Assets among Accredited Investors or financial intermediaries.

Prohibited Transaction means any transaction that involves Market Misconduct.

Prohibited Transaction Disclosure occurs when a person:

- (a) discloses;
- (b) circulates;
- (c) disseminates;
- (d) authorises; or
- (e) is concerned in the disclosure, circulation or dissemination of,

information to the effect that the price of Assets:

- (i) will be maintained, increased, reduced or stabilised; or
- (ii) is likely to be maintained, increased, reduced or stabilised, because of a Prohibited Transaction relating to those Assets, if that person, or an associate of that person:
 - (A) has entered into or carried out, directly or indirectly, a Prohibited Transaction; or
 - (B) has received, or expects to receive, directly or indirectly, a benefit as a result of the disclosure, circulation or dissemination of the information.

Promoter includes a shareholder, a person connected with a shareholder, a person who is in a position to Control the composition of a majority of the board of directors or a director who is a substantial shareholder of the Issuer or an Applicant Issuer.

Rules of Exchange means:

- (a) this document;
- (b) any requirement, policy, decision or direction of Fusang, including the provisions of any notice, circular or similar instrument that is issued by Fusang;
- (c) any document that Fusang declares to be a part of the Rules of Exchange; and
- (d) any document that Fusang declares to vary, replace or supplement any of the above.

Secondary Listing means the listing of a Security as a Financial Instrument where that Security is, at the time of listing, already available for trading on a securities exchange other than the Fusang Exchange, such securities exchange being referred to as the “**Primary Exchange**”.

Securities means “securities” as defined in the Labuan Financial Services and Securities Act, and “**Security**” is to be interpreted accordingly.

Self-Matching occurs when the same Trading Agent has provided both the Taker Order and the Maker Order for a Matched Order.

Senior Management of a person means the managing director, the board of directors and the chief executive officer, as well as all other personnel who are in a position of authority over that person’s business decisions, or who have significant influence or Control over that person, and “**Senior Manager**” is to be interpreted accordingly.

Stabilisation means submitting an Order for the purpose of preventing, or slowing, any decrease or increase in the price of an Asset on the Fusang Exchange.

Taker Order means an Order that will be Immediately Matched against another Order upon submission to the Fusang Exchange.

Tax includes:

- (a) any tax, levy, impost, deduction, charge, rate, withholding or duty by whatever name called levied, imposed or assessed by a government or governmental authority for and on behalf of a government (including withholding tax, goods and services tax, value added tax, sales tax, consumption tax, stamp duty and transaction duties or any similar impost imposed or levied); and

- (b) any interest, penalty, charge, fine or fee or other amount of any kind assessed, charged or imposed on or in respect of the above (including in connection with any failure to pay or any delay in payment).

Trading Agent means a person licensed under these Rules of Exchange to engage in the business of dealing in Assets as an agent and as a principal in respect of the Fusang Exchange.

Trading Participant means a person approved under these Rules of Exchange to engage in the business of dealing in Assets as a principal in respect of the Fusang Exchange.

Virtual Asset means any virtual asset that is:

- (a) expressed as a unit;
 - (b) capable of being transferred, stored and traded on a peer-to-peer basis; and
 - (c) approved by Fusang for listing on the Fusang Exchange,
- but does not include a Fiat Currency or a Security.

Underlying Assets means the assets to be deposited with the custodian appointed by the Depository under a FDR programme for the purpose of creating FDRs.

1.2 Rules of interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) Unless the contrary intention appears, in these Rules of Exchange:
 - (i) any reference to an Asset includes any part or fraction of that Asset;
 - (ii) labels used for definitions are for convenience only and do not affect interpretation;
 - (iii) the singular includes the plural and vice versa;
 - (iv) a reference to a document includes any document that is ancillary to that document, or any agreement or other legally enforceable arrangement created by that or under that document;
 - (v) a reference to a document also includes any consolidations, amendments, re-enactments or replacements of that document;
 - (vi) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
 - (vii) a reference to “person” includes an individual, a body corporate, a partnership, a joint venture, undertaking, unincorporated association and an authority or any other person or organisation;
 - (viii) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
 - (ix) a reference to “law” includes common law, principles of equity and legislation (including statutes, regulations, orders, rules, by-laws, ordinances and proclamations) and includes any consolidations, amendments, re-enactments or replacements of any of them;

- (x) a reference to "in writing" means in legible form and capable of reproduction on paper, and includes electronic communication;
- (xi) a reference to "material" includes the ability to affect the outcome of a decision or an application;
- (xii) a reference to anything (including an amount) is a reference to the whole and each part of it;
- (xiii) a reference to any date or time of the day refers to that date or time of the day in Labuan;
- (xiv) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (xv) if a person must do something on or by a given day and it is done after 5.00pm on that day, it is taken to be done on the next day; and
- (xvi) if the day on which a person must do something is not a Business Day, no action is required on such day which is not a Business day and the person must do it on the Next Business Day.

2 About these Rules of Exchange

2.1 Application

These Rules of Exchange apply to:

- (a) the Board of Directors;
- (b) the Fusang Exchange Committee;
- (c) the Chief Executive Officer;
- (d) Fusang;
- (e) Issuers and Applicant Issuers;
- (f) Promoters;
- (g) Trading Agents, and all Trading Agent applicants;
- (h) Listing Sponsors, and all Listing Sponsor applicants; and
- (i) Trading Participants, and all Trading Participant applicants.

For clarification purpose, the reference to the parties provided in rule 2.1(e) to (i) above shall include, which Fusang may in its sole opinion determine, its Controller.

2.2 Status

These Rules of Exchange do not have the force of law and should not be interpreted in a way that would override the provision of any applicable law. However, these Rules of Exchange may be taken into account by Fusang in connection with the exercise of any of its powers, functions and responsibilities under these Rules of Exchange or that are provided for by law.

2.3 Inconsistency

- (a) In the event of any inconsistency between the English version and any other language version of these Rules of Exchange, the English version prevails to the extent of the inconsistency.
- (b) If there is an inconsistency between or within these Rules of Exchange, then the inconsistency will be resolved by Fusang in its discretion.

2.4 Procedure where none laid down

- (a) If any action is required under these Rules of Exchange and no form is prescribed or procedure laid down in these Rules of Exchange in respect of that action, application may be made to Fusang for directions.
- (b) Any action done in accordance with directions given under rule 2.4(a) will constitute valid performance of such action.

2.5 Time is of the essence

Time is of the essence with respect to the obligations of:

- (a) Applicant Issuers;
 - (b) Issuers;
 - (c) Licensees; and
 - (d) Trading Participants,
- (c) as set out in these Rules of Exchange.

2.6 Questions

If any person has any questions about these Rules of Exchange, they must contact Fusang before accessing or using, or attempting to access or use, the Fusang Exchange.

Part 2 Operation of Fusang

3 Governance

3.1 Powers of the Board of Directors

- (a) The Board of Directors may establish such committees as it considers necessary to:
 - (i) monitor and enforce these Rules of Exchange; or
 - (ii) assist or facilitate the operations of Fusang or the Fusang Exchange.
- (b) Each committee established under rule 3.1(a) may determine its own regulations and procedures, subject to any directions or conditions specified by the Board of Directors in the instrument establishing the committee.
- (c) The Board of Directors may determine remuneration and allowances for:
 - (i) the Chief Executive Officer;
 - (ii) members of the Fusang Exchange Committee, including the Chairperson of the Fusang Exchange Committee;

- (iii) members of any committee established under rule 3.1(a); and
 - (iv) any officer or employee of Fusang.
- (d) The Board of Directors may establish a Shariah Advisory Board (“SAB”) or appoint a qualified Shariah Adviser to oversee on Shariah matters relating to its Shariah compliant products and services. The SAB or the Shariah Adviser is to endorse the Shariah compliant products and services.

3.2 Powers of the Fusang Exchange Committee

- (a) The Fusang Exchange Committee has the powers set out in section 138(2) of the Labuan Financial Services and Securities Act.
- (b) The Fusang Exchange Committee may make its own regulations and procedures, including in respect of:
 - (i) the conduct of meetings;
 - (ii) voting;
 - (iii) appointments and resignations; and
 - (iv) maintenance of records.

3.3 Powers of the Chief Executive Officer

Subject to these Rules of Exchange and the powers of the Board of Directors and the Fusang Exchange Committee, the Chief Executive Officer may do all things necessary to ensure that Fusang complies with section 137 of the Labuan Financial Services and Securities Act and other applicable law.

3.4 Power to delegate

Each of the Board of Directors, the Fusang Exchange Committee and the Chief Executive Officer may delegate any power or role that they hold under these Rules of Exchange to:

- (a) the Board of Directors, the Fusang Exchange Committee or the Chief Executive Officer;
- (b) any committee established under rule 3.1(a); or
- (c) any officer or employee of Fusang.

4 Fusang Exchange

4.1 Incorporation and office

- (a) Fusang must remain incorporated under the laws of Labuan.
- (b) Fusang must maintain a fully operational office in Labuan.

4.2 Prompt performance

- (a) Fusang must perform its obligations under these Rules of Exchange promptly, and within any specific time for performance set out in these Rules of Exchange (“**Fusang’s Performance Deadline**”).

- (b) Notwithstanding otherwise provided in these Rules of Exchange, the Fusang's Performance Deadline shall in all event fall on a Business Day. In any event where the Fusang's Performance Deadline shall fall on such day which is not a Business Day, then the Fusang's Performance Deadline shall automatically be extended to the Next Business Day.
- (c) For clarification purpose, Fusang shall in no event be obligated, responsible or liable to do or cause to be done, any replies, responses or take any action on any day other than a Business Day.

4.3 Notifications to the Authority

- (a) Fusang may be required to make certain notifications to the Authority from time to time.
- (b) Fusang must, in any notification given to the Authority, provide all necessary information to ensure that the Authority is fully aware of the nature of the circumstances giving rise to the requirement to notify and of the details of what has occurred.

4.4 Fusang Website as the primary information source regarding Fusang

- (a) These Rules of Exchange must be published on the Fusang Website.
- (b) Fusang must ensure that the Fusang Website is fit for purpose as the primary information source regarding the Fusang Exchange for:
 - (i) Applicant Issuers;
 - (ii) Issuers;
 - (iii) Licensees; and
 - (iv) Trading Participants.

4.5 Good Industry Practice

- (a) Fusang must maintain the Fusang Exchange and the Fusang Website in accordance with Good Industry Practice.
- (b) In accordance with Good Industry Practice, Fusang must ensure that the Fusang Exchange and the Fusang Website are appropriately secured against attack, misuse or unauthorised access, including by means of:
 - (i) hacking;
 - (ii) malware; and
 - (iii) distributed denial of service attacks.

4.6 Security of Fusang Exchange

Fusang must employ appropriate security measures to protect the Fusang Exchange in accordance with Good Industry Practice.

4.7 Exclusion of liability

- (a) Fusang is not liable to any Applicant Issuer, Issuer, Licensee or Trading Participant, or to any other person in respect of any act done or omitted to be done, in good faith, in the performance of its functions under these Rules of Exchange or on exercising its rights or obligations under applicable law.

- (b) Except to the extent of Fusang's gross negligence, fraud or wilful misconduct, Fusang is not liable for any Loss, liability or Costs whatsoever arising from or in connection with Fusang or the Fusang Exchange.
- (c) Notwithstanding any other provision, these Rules of Exchange do not establish a private right of action by any person against Fusang.

4.8 Register of Licensees

Fusang must keep a register of all Licensees in accordance with section 140(1) of the Labuan Financial Services and Securities Act.

4.9 Register of Trading Participants

Fusang must keep a register of all Trading Participants.

4.10 Discretion of Fusang Exchange

- (a) Fusang retains absolute discretion to:
 - (i) exercise any power granted under applicable law or these Rules of Exchange; and
 - (ii) accept or reject any application or instruction for any reason.
- (b) Unless required under applicable law or these Rules of Exchange, Fusang is not required to give reasons for the exercise of any power, or any acceptance or rejection of any application or instruction.

4.11 Forks

- (a) Fusang may choose to follow one or more chains resulting from a fork in a Virtual Asset or a Financial Instrument.
- (b) Fusang must publish its decision under rule 4.11(a) on the Fusang Website at least one (1) Business Day before the occurrence of the fork, unless to do so is impossible or reasonably impracticable.

5 Fees

5.1 Publication of fees

- (a) Fusang must publish on the Fusang Website the fees for:
 - (i) applying for a Licence;
 - (ii) renewing a Licence;
 - (iii) applying for Approval;
 - (iv) trading on the Fusang Exchange;
 - (v) applying for listing on the Fusang Exchange; and
 - (vi) clearing and settlement; and
 - (vii) any other fee that Fusang imposes on an Applicant Issuer, Issuer or Licensee.
- (b) Fusang must provide at least ten (10) Business Days' notice prior to changing any of the fees listed in rule 5.1.

Part 3 **Licensing and Approval**

6 Core Principles

6.1 Fit and Proper

A Licensee must satisfy itself on reasonable grounds and on a continuing basis that its employees, officers and agents are Fit and Proper.

6.2 Conflicts of interest

A Licensee must try to avoid conflicts of interest, and when they cannot be avoided, must ensure that its clients are fairly treated by either making full disclosure or by declining to act.

6.3 Disclosures

A Licensee must make adequate disclosure of relevant material information in its dealings with its clients.

6.4 Integrity and reputation

A Licensee must act so as to protect the integrity of the Fusang Exchange, and refrain from doing anything that will adversely affect the reputation or image of the Fusang Exchange.

6.5 Best interests of clients

A Licensee must act honestly and fairly, with due skill, care and diligence, in the best interests of its clients.

6.6 Communications

A Licensee must communicate with its clients in a way that is fair, clear and not misleading.

6.7 Resources

A Licensee must have, maintain and employ effectively the financial and non-financial resources that are needed for the proper performance of business activities.

6.8 Assets

A Licensee must ensure that client assets are properly segregated, identified and protected in accordance with Good Industry Practice.

6.9 Systems

A Licensee must have systems in place to prevent, detect and disclose financial crime risks such as money laundering and terrorist financing.

6.10 Security

A Licensee must employ physical and cyber security measures in accordance with Good Industry Practice.

6.11 Compliance

A Licensee must comply with all these Rules of Exchange and all legal and regulatory requirements that are applicable to the conduct of its business activities, including any licensing requirements imposed by any governmental or regulatory body in any jurisdiction, so as to promote the best interests of its clients and the integrity of the Fusang Exchange.

6.12 Cooperation

A Licensee must deal with Fusang in an open and co-operative manner and keep Fusang promptly informed, save for otherwise provided herein, within five (5) Business Days of anything concerning themselves that might reasonably be expected to be disclosed to Fusang.

6.13 Corporate governance and management

The Senior Management of a Licensee must bear primary responsibility for ensuring the maintenance of appropriate standards of conduct and adherence to proper procedures by the Licensee.

6.14 Business continuity

A Licensee must have in place a business continuity plan that mitigates the impact of any business disruption or Force Majeure Event on its clients.

6.15 Winding down

A Licensee must have contingency arrangements in place for the orderly and solvent wind down of its businesses.

7 Ongoing Obligations

7.1 Fees

A Licensee must pay all fees associated with its Licence as set out by Fusang on the Fusang Website or otherwise specified by Fusang.

7.2 Audited financial statements

A Licensee must, within a period not exceeding three (3) months from the last day of its financial year, submit to Fusang its audited financial statements in respect of that financial year.

7.3 Notification requirements

During the validity period of its Licence, a Licensee must Immediately notify Fusang:

- (a) any change in Control;
- (b) any change in its particulars as submitted to Fusang in its initial application for a Licence, including any change in the Licensee's:
 - (i) name;
 - (ii) directors, partners, Senior Management or substantial shareholders, or in their particulars;
 - (iii) business address;
 - (iv) licensing or registration status with any governmental or regulatory body;
 - (v) share capital;
 - (vi) contact information;
 - (vii) bank accounts; or
 - (viii) auditor;
- (c) any event or circumstance which may adversely affect or impair its ability to execute its business plan and strategy as submitted to Fusang;
- (d) the commencement or likely commencement of any disciplinary or court proceedings of any nature whatsoever against them;
- (e) any judgment entered against it;

- (f) any breach by it of any applicable law;
- (g) any other circumstances or events that may be detrimental to the interest of its clients; and
- (h) any other circumstances or events that adversely affect or impair its ability to carry out its obligations as a Licensee, as the case may be.

7.4 Maintenance of eligibility

A Licensee must not be:

- (a) a resident of, or incorporated under the laws of an Excluded Jurisdiction; and
- (b) otherwise prohibited or restricted from accessing or using the Fusang Exchange.

7.5 Professional indemnity insurance

A Licensee must effect and maintain professional indemnity insurance throughout the validity period of its Licence in the amount specified on the Fusang Website.

7.6 Self-reporting

A Licensee must:

- (a) contact Fusang Immediately; and
- (b) not trade on the Fusang Exchange,

if it has reason to believe that it:

- (i) has not complied with the Core Principles; or
- (ii) is otherwise under an obligation to report to Fusang under these Rules of Exchange.

8 Licensing of Listing Sponsors and Trading Agents

8.1 Criteria and qualification for Licensees

A Licence may be granted to any person that is:

- (a) experienced in financial services;
- (b) not a resident of, nor incorporated under the laws of an Excluded Jurisdiction;
- (c) appropriately licensed by the relevant governmental or regulatory authority if it is undertaking a regulated activity or activities in any jurisdiction; and
- (d) considered suitable and appropriate by Fusang, having due regard to:
 - (i) the Core Principles;
 - (ii) the Ongoing Obligations;
 - (iii) in respect of Listing Sponsor Licences, the obligations under rule 14;
 - (iv) in respect of Trading Agent Licences, the obligations under rules 11 and 12.11(c); and

- (v) the net asset amounts and capital requirements specified on the Fusang Website.

8.2 Further criteria for Trading Agents

A Licence for a Trading Agent shall only be granted to a legal person that is:

- (a) an Accredited Investor or financial intermediary, or its equivalent in the Licensees' jurisdiction of incorporation or registration and has measures in place to ensure compliance with anti-money laundering, counter-financing of terrorism and counter-proliferation financing requirements and is supervised for compliance with such requirements by a governmental or regulatory authority in an IOSCO jurisdiction; and
- (b) required to report under the Common Reporting Standard developed by the Organisation for Economic Cooperation and Development or a similar regime.

8.3 Licensing application procedure

A Licence application must be:

- (a) submitted to Fusang using the specified application portal that is made available by Fusang through the Fusang Website; and
- (b) accompanied by digital copies of the following documents:
 - (i) if the applicant is a corporation or partnership, its constitutive documents;
 - (ii) documentation to satisfy Fusang's anti-money laundering, counter-financing of terrorism and counter-proliferation financing requirements;
 - (iii) where relevant, evidence of the applicant's:
 - (A) Accredited Investor or financial intermediary status or its equivalent in the applicant's home jurisdiction;
 - (B) compliance with anti-money laundering, counter-financing of terrorism and counter-proliferation financing requirements; and
 - (C) experience and expertise in financial services, including any letters of reference or similar documents;
 - (iv) details of any other financial services licences held by the applicant in any jurisdiction;
 - (v) where relevant, proof of the applicant's net assets, in the form of an audited financial statement, custodial account statement, or other appropriate documents; and
 - (vi) the applicant's business plan and strategy relating to its function as a Listing Sponsor or Trading Agent; and
- (c) accompanied by the relevant application fee as specified by Fusang on the Fusang Website.

8.4 Interview and further information or document

Fusang may require a Licence applicant to:

- (a) attend interviews;
- (b) give presentations; or

(c) provide any other information or documents,
in order to assess its Licence application.

8.5 Declarations, undertakings and bond

Fusang may require that a Licence applicant:

- (a) make a declaration or undertaking in respect of its application; or
- (b) transfer a specified amount of a Virtual Asset or a Fiat Currency to Fusang as a bond.

8.6 Decision

Fusang will only decide whether to accept or reject an application for a Licence upon receiving all information, and any declarations or undertakings, that are required for Fusang to make a decision.

8.7 Licensing conditions

Fusang may, upon granting a Licence or at any time during the validity of the Licence, impose any conditions on that Licence.

8.8 Renewal of licence

Application for renewal of a Licence must be submitted to Fusang at least twenty (20) Business Days before the expiry of the relevant Licence together with the prevailing fees as specified on the Fusang Website.

8.9 Cessation of business

A Licensee must inform Fusang:

- (a) at least ten (10) Business Day immediately before it intends to suspend or cease its business as a Listing Sponsor or Trading Agent; and
- (b) Immediately if it has suspended or ceased its business as a Listing Sponsor or Trading Agent.

Upon the occurrence of such event in this rule 8.9, Fusang may suspend or terminate the Licence, as it deems fit.

9 Approval of Trading Participants

9.1 Maintenance of eligibility

A Trading Participant must not be:

- (a) a resident of, or incorporated under the laws of an Excluded Jurisdiction; and
- (b) otherwise prohibited or restricted from accessing or using the Fusang Exchange.

9.2 Criteria and qualification for Trading Participants

Approval may be granted to any person that is:

- (a) considered suitable and appropriate by Fusang, having due regard to Fusang's AML/CTF Requirements and the requirement in rule 12.11(c); and
- (b) in the case of an individual, at least 18 years of age.

9.3 Approval application procedure

An Approval application must be:

- (a) submitted to Fusang using the specified application portal that is made available by Fusang through the Fusang Website;
- (b) accompanied by digital copies of the following documents:
 - (i) if the applicant is a corporation or partnership, its constitutive documents; and
 - (ii) if the applicant is an individual, their passport and proof of address;
- (c) if the applicant is an Accredited Investor, evidence of that status; and
- (d) accompanied by the relevant application fee as specified by Fusang on the Fusang Website.

9.4 Further information or documents

Fusang may require a Trading Participant applicant to provide any other information or documents in order to assess its application for Approval.

9.5 Declarations, undertakings and bond

Fusang may require that a Trading Participant applicant:

- (a) make a declaration or undertaking in respect of its application; or
- (b) transfer a specified amount of a Virtual Asset or a Fiat Currency to Fusang as a bond.

9.6 Decision

Fusang will only decide on whether to approve or reject an Approval application after receiving all information, and any declarations or undertakings, that are required for Fusang to make a decision.

9.7 Approval conditions

Fusang may, upon granting an Approval or at any time during the validity of an Approval, impose any conditions on that Approval.

Part 4 **Fusang Depositary Receipts**

10 Depositary

10.1 Fusang acting as Depositary

- (a) Depositary means Fusang or such other approved person, acting as the depositary for establishing a FDR programme under a Deposit Agreement for the deposit of Underlying Assets and the issue of FDRs.
- (b) Depositary may only accept Underlying Assets for the issue of FDRs if such assets meet the following criteria:
 - (i) other than customary requirements, there are no restrictions on the transfer of such assets or, if there are, such restrictions have been validly waived or terminated; and
 - (ii) the assets are determined as eligible by the Fusang Exchange Committee.
- (c) Notwithstanding rule 10.1(b), Fusang may refuse to accept any deposit of asset or may designate that any asset is no longer eligible for a FDR programme, upon giving reasons for such refusal or designation.

10.2 Deposit Agreement

The Deposit Agreement must be in a form acceptable to Fusang and provide for the following:

- (a) Deposited Assets shall be held by the Depositary or its appointed custodian(s) or their nominee as record holder(s) for the benefit of the FDR Holders;
- (b) The status of FDRs as instruments evidencing ownership in relation to the Deposited Assets;
- (c) FDR Holders as the registered owners of the FDRs. FDR Holders and beneficial owners of FDRs shall, upon acceptance of any Depositary Interests in accordance with the Deposit Agreement, be deemed to be bound by the terms and conditions relating to their rights and obligations as FDR Holders and beneficial owners of FDRs as expressly provided in the Deposit Agreement;
- (d) The responsibility of Depositary to keep a register for registration of FDRs and their FDR Holders and the registration of issue, transfer, combination, split-up, withdrawal and cancellation of FDRs;
- (e) The role and duties of Depositary's appointed custodian(s) to hold the Deposited Assets for the account of Depositary on behalf of FDR Holders, segregated from all other property of the custodian;
- (f) The overall mechanism for the issuance and registration of FDRs by Depositary upon receipt of Deposited Assets and the form of the FDRs;
- (g) The right of FDR Holders to surrender FDRs for cancellation in exchange for the delivery of Deposited Assets, subject to payment of any applicable charges and taxes and any legal or regulatory restrictions;
- (h) The right of FDR Holders to receive distributions made on the Deposited Assets which the FDRs represent except in the circumstances (if any) expressly provided in the Deposit Agreement. The Deposit Agreement should clearly address the rights and procedures applying to cash distributions, distributions of assets, and any other distribution accruing to the Deposited Assets;

- (i) The right of FDR Holders to exercise the voting rights attached to the Deposited Assets, if any, and the procedures by which FDR Holders will be informed of shareholder meetings or solicitations of proxy votes and entitlement to issue instructions to Depositary as to how to exercise their voting rights, where permitted;
- (j) The manner in which any change in nominal value, change in par value, split-up, consolidation or any other reclassification of Deposited Assets will be represented by and accrue to the FDRs;
- (k) The procedures by which Depositary or Depositary's appointed custodian at the direction of the Depositary will fix record dates for transactions affecting the FDRs;
- (l) The conditions and process for the issue of new FDRs if any FDR is lost or stolen;
- (m) The obligations of FDR Holders including any liabilities for taxes and other charges and the obligations to disclose the beneficial ownership of the FDRs on request of Depositary or any regulator in accordance with applicable law and customary market practice;
- (n) A clear statement of the fees and charges payable by FDR Holders to Depositary; and
- (o) Governing law of the Deposit Agreement should be that of Labuan, or if another jurisdiction is chosen, one that is generally used in accordance with international practice. The Deposit Agreement must not contain provisions that preclude any party from electing to submit to the jurisdiction of the courts of Labuan for the resolution of any disputes or claims arising from the Deposit Agreement.

10.3 Listing of FDRs

- (a) The application process for listing of FDRs on Fusang Exchange shall be in accordance with these Rules of Exchange.
- (b) FDRs listed on Fusang Exchange may be pursuant to an Issuerless Listing or an Issuer Sponsored FDR.
- (c) All listings of FDRs on Fusang Exchange must be sponsored by a Listing Sponsor.

10.4 List of FDR Holders

Depositary or its agents should keep a register for the registration of FDRs and their FDR Holders and the registration of issue, transfer, combination, split-up, withdrawal and cancellation of FDRs.

10.5 Custody of Deposited Assets

Deposited Assets shall be deposited with and registered in the name of Depositary, Depositary's custodian(s) or a nominee of either of them for the benefit of the FDR Holders.

10.6 Service providers and agents

- (a) Depositary can appoint agents and service providers including but not limited to custodians and sub-custodians to custodise the Deposited Assets.
- (b) The Depositary is not responsible for the performance or non-performance by the custodian, or sub-custodians, in relation to the functions or obligations so delegated, except to the extent that the Depositary has not exercised reasonable care in its selection or oversight of such parties.

Part 5 **Trading on the Fusang Exchange**

11 Obligations

11.1 Conduct of trading activities

A Trading Agent and a Trading Participant must:

- (a) not trade in Assets that have been suspended;
- (b) not trade with Trading Agents or Trading Participants whose access to the Fusang Exchange has been suspended;
- (c) report all disputes between itself and other Trading Agents or Trading Participants to Fusang Immediately, upon the occurrence of such event; and
- (d) in the case of a Trading Agent that is acting as an agent:
 - (i) take reasonable steps to ensure that it does not make any recommendation to its client, or effect or arrange a discretionary transaction with or for its client, unless the recommendation or transaction is suitable for the client having regard to the facts about the client of which it is, or should reasonably be, aware; and
 - (ii) promptly report to Fusang Immediately upon the occurrence of such event and take all necessary correction actions if mistakes are made by it during trading on the Fusang Exchange.

11.2 Client agreements

- (a) A Trading Agent must enter into a legally binding client agreement with its client before dealing with or for that client in respect of the Fusang Exchange.
- (b) A client agreement must in all cases contain:
 - (i) the full name and address of the client and of the Trading Agent;
 - (ii) a description of the nature of services to be provided to or available to the client;
 - (iii) a description of any remuneration (and the basis and means for payment) that is to be paid by the client to the Trading Agent, such as commission, brokerage, and any other fees and charges; and
 - (iv) a statement to the effect that in respect of transactions concluded on the Fusang Exchange, these Rules of Exchange apply to every transaction and are binding on both the Trading Agent and its client:

11.3 Maintenance of records

- (a) A Trading Agent must keep and maintain all records that are necessary for Fusang to establish an audit trail from the receipt of an Order, through to Matching, expiry or withdrawal of that Order, and if Matched, clearing and settlement of the Matched Order.
- (b) The records referred to in rule 11.3(a) must be maintained for at least seven (7) years.

12 Trading parameters

12.1 Trading hours

The Fusang Exchange will be open for trading on such days and at such times as are notified on the Fusang Website.

12.2 Orders

- (a) An Order can only be submitted to the Fusang Exchange by a Trading Agent or a Trading Participant.
- (b) An Order submitted to the Fusang Exchange must contain the following:
 - (i) designation as a Limit Order or a Market Order;
 - (ii) the full name of the Trading Agent or Trading Participant placing the Order, or a unique symbol or number that identifies it;
 - (iii) name or ticker symbol of the Asset;
 - (iv) price in a Fiat Currency or a Virtual Asset;
 - (v) quantity of the Asset that is offered or sought;
 - (vi) the date and time (in hours and minutes) that the Order is submitted to the Fusang Exchange; and/or
 - (vii) such information as is required on the Fusang Exchange.

12.3 Order Matching Engine

- (a) An Order will be Matched based on the time that the Order is placed, with earlier Orders taking priority over later Orders.
- (b) An Order may be Matched with one or more Orders at the same price.
- (c) A Taker Order will be:
 - (i) Matched with the earliest Maker Order for that Asset on the Fusang Exchange; and
 - (ii) if it is not Matched by that Maker Order or is only partially Matched by that Maker Order, Matched with any subsequent Maker Order in accordance with rule 12.3(a).
- (d) The process stated in rule 12.3(c)(ii) is repeated until the Taker Order is completely Matched or withdrawn by the submitted Trading Agent or Trading Participant.

12.4 Limits

- (a) Fusang may from time to time implement a number of electronic filters through the Order Matching Engine for the purpose of implementing position limits or other limits on trading activities on the Fusang Exchange.
- (b) A Trading Agent or Trading Participant may be prevented from submitting an Order at certain times if limits imposed under rule 12.4(a) actions would cause an applicable filter to reject that Order.
- (c) A limit imposed by Fusang under rule 12.4(a) is solely for the protection of Fusang and the Fusang Exchange.

- (d) For the avoidance of doubt, Fusang has no responsibility for monitoring or ensuring any person's compliance with any limits imposed.
- (e) A Trading Agent or Trading Participant must not take any actions that may cause it to violate any limits imposed under rule 12.4(a), including by attempting to place Orders through another person.

12.5 Execution of Matched Orders

- (a) Trading Agents and Trading Participants are responsible for Execution.
- (b) Trading Agents and Trading Participants must, in respect of a Matched Order, notify Fusang of Execution as soon as possible and Immediately after Execution.
- (c) Fusang will only recognise Orders as Executed if those Orders are supported by corresponding Matched Orders.

12.6 Price deviation warning

- (a) The Fusang Exchange will endeavour to display a warning to Trading Agents and Trading Participants that attempt to submit Orders that may completely or partially Match at a price that is more than 2% away from the price specified in the most recently Matched Order in respect of those Assets.
- (b) Despite rule 12.6(a):
 - (i) a Trading Agent is responsible for all Orders that it submits; and
 - (ii) a Trading Participant is responsible for all Orders that it submits.

12.7 Self-Matching prevention

- (a) Where two Orders of the same quantity would result in Self-Matching, Fusang will cancel both Orders.
- (b) Where two Orders of different quantities would result in Self-Matching, Fusang will:
 - (i) cancel the smaller Order;
 - (ii) reduce the larger Order by an amount equivalent to the smaller Order; and
 - (iii) leave the remainder of the larger Order open.

12.8 Trading transparency

- (a) Fusang may publish:
 - (i) Executed Orders; or
 - (ii) such other information that it may deem relevant for the purpose of trading on the Fusang Exchange.
- (b) The Fusang Exchange may delete or amend any published information as and when it deems necessary.

12.9 Restricting, suspending, rejecting or cancelling transactions

- (a) Fusang may, as it considers necessary to maintain fair, efficient and orderly trading on the Fusang Exchange:
 - (i) delay trading in an Asset;

- (ii) restrict or suspend trading in an Asset; and/or
 - (iii) reject or cancel any Order or Matched Order.
- (b) The situations where Fusang may exercise its power under rule 12.9(a) include:
- (i) Mismatching;
 - (ii) major price volatility or conditions of market stress;
 - (iii) information may be made public that may have a significant influence on the price of an Asset; or
 - (iv) any other situation which, in the opinion of Fusang, may compromise fair, efficient and orderly trading on the Fusang Exchange.

12.10 Clearance

- (a) Fusang may designate a clearing house and/or recognise a clearing system on such terms and conditions and with rules and regulations as Fusang may in its absolute discretion determine.
- (b) All Trading Agents and Trading Participants must:
 - (i) settle all Orders through the clearing system as designated by Fusang; and
 - (ii) when using the designated clearing house for a particular Asset, comply with the rules and regulations of the clearing house concerned and where there is an arrangement between the designated clearing house and other clearing agencies, a Trading Agent or Trading Participant must comply with the rules and regulations governing such arrangement.

12.11 Settlement

- (a) The standard settlement period for each Asset must from time to time be determined by Fusang.
- (b) Trading Agents and Trading Participants may request a variation from the standard settlement period for an Asset, but Fusang is not obliged to accede to such request.
- (c) All Trading Agents and Trading Participants are required to operate an account with such banks nominated by Fusang as a settlement bank.

12.12 Depository

Fusang may in its absolute discretion designate a depository or depositories for each Asset.

12.13 Technical issues

- (a) If technical issues or other circumstances prevent or degrade a Trading Agent or Trading Participant's ability to:
 - (i) submit or cancel an Order;
 - (ii) access Fusang Exchange or the Fusang Website; or
 - (iii) comply with its obligations under these Rules of Exchange,
- (iv) then Fusang may take any measure that it deems necessary to protect the integrity of the Fusang Exchange.

- (b) With respect to Trading Agents, the measures that Fusang may take in accordance with rule 12.13(a) include:
 - (i) disabling or restricting access to Fusang Accounts;
 - (ii) disallowing the submission of Orders;
 - (iii) restricting Order types or imposing conditions on Orders;
 - (iv) restricting Trading Agents access to the Fusang Exchange;
 - (v) modifying the operation of the Order Matching Engine; and/or
 - (vi) suspending or limiting trading on the Fusang Exchange.

12.14 Power to restrict

Fusang may restrict:

- (a) a Trading Agent or Trading Participant's access to Fusang Exchange; or
- (b) transfers to or from a Trading Agent or Trading Participant's Fusang Account,

if Fusang has reason to believe that:

- (i) Mismatching has occurred;
- (ii) the Trading Agent or Trading Participant has not complied with these Rules of Exchange; or
- (iii) any applicable law or internal policy requires Fusang to do so.

12.15 Stabilisation

- (a) Notwithstanding any other rule in these Rules of Exchange, Fusang may by notice published on the Fusang Website specify that an Asset will be subject to Stabilisation.
- (b) A notice of Stabilisation given under rule 12.15(a) must state:
 - (i) the Trading Agent that will be responsible for that Stabilisation;
 - (ii) the time period during which that Stabilisation may occur; and
 - (iii) the relevant rules of these Rules of Exchange that will not apply to that Stabilisation.

12.16 Canceling Orders

An Order may be cancelled by the Trading Agent or Trading Participant placing the Order at any time between placing of the Order and Matching of the Order.

12.17 Amending Orders

- (a) The limit price and/or quantity of an Order may be amended by the Trading Agent or Trading Participant prior to the Matching of the Order by cancelling the existing Order (or part thereof) and entering a new Order with the new limit price and/or quantity.
- (b) For any amendment to an Order (or part thereof), the Order will be assigned a new time priority.
- (c) For the avoidance of doubt, no amendment or cancellation can be made to an Order (or part thereof) that has already been Matched.

Part 6 Listing

13 Listing power of Fusang

13.1 Financial Instruments

Fusang may approve a Security for listing as a Financial Instrument following receipt of an application in respect of that Security that is made in accordance with these Rules of Exchange and in form and substance that is acceptable to it.

13.2 Fiat Currencies

Fusang may approve any asset as a Fiat Currency for listing on the Fusang Exchange provided that the asset is:

- (a) legal tender in a country or territory;
- (b) not a Virtual Asset or a Security.

13.3 Virtual Assets

Fusang may approve any virtual asset as a Virtual Asset for inclusion on the Fusang Exchange provided that the virtual asset is:

- (a) expressed as a unit;
- (b) capable of being transferred, stored or traded on a peer-to-peer basis; and
- (c) not a Fiat Currency or a Security.

13.4 Listing generally

Notwithstanding any other rule in this rule 13, Fusang may approve the listing of an asset as a Fiat Currency or as a Virtual Asset on its own initiative.

14 Obligations of Listing Sponsors

14.1 Listing Sponsor role during application process for listing and continuous listing on Fusang Exchange except for Issuerless Listing

- (a) An Applicant Issuer must appoint a Listing Sponsor in connection with an application for listing a:
 - (i) Security that it issues as a Financial Instrument; or
 - (ii) virtual asset that it issues as a Virtual Asset.
- (b) A Listing Sponsor appointed pursuant to rule 14.1(a):
 - (i) is responsible for ensuring that:
 - (A) a complete and proper application is made to Fusang in accordance with these Rules of Exchange; and
 - (B) the Applicant Issuer complies with these Rules of Exchange; and
 - (ii) It will be the Applicant Issuer's principal channel of communication with Fusang throughout the application process.

- (c) Unless exempted in writing by Fusang, an Issuer must retain a Listing Sponsor in connection with a Security or virtual asset that it issues while that Security or virtual asset remains a Financial Instrument or Virtual Asset, as the case may be.
- (d) A Listing Sponsor retained in accordance with rule 14.1(c):
 - (i) is responsible to Fusang for ensuring that the Issuer complies with these Rules of Exchange; and
 - (ii) will be the Issuer's principal channel of communication with Fusang while the:
 - (A) Security in respect of which they are appointed is a Financial Instrument; or
 - (B) virtual asset in respect of which they are appointed is a Virtual Asset, as the case may be.
- (e) A Listing Sponsor must:
 - (i) submit on behalf of the Applicant Issuer or the Issuer to Fusang all the information and documents that are required by Fusang to be submitted to Fusang; and
 - (ii) ensure that its Issuers pay all applicable fees to Fusang.

14.2 Listing Sponsor role during application for Issuerless Listing

A Listing Sponsor that makes an application for an Issuerless Listing is responsible for ensuring that:

- (a) a complete and proper application is made to Fusang in accordance with these Rules of Exchange;
- (b) that it complies with these Rules of Exchange;
- (c) it pays all applicable fees to Fusang;
- (d) it notifies Fusang of any change in particulars as submitted to Fusang in the application for listing; and
- (e) it notifies Fusang of any event or circumstance which may obstruct or affect the proposed timeline in relation to the application for listing.

14.3 Direct communication with the Issuer

- (a) Notwithstanding any other provision of these Rules of Exchange, Fusang may communicate directly with an Applicant Issuer or Issuer, or with any adviser of an Applicant Issuer or Issuer other than a Listing Sponsor, on any matter.
- (b) In the event of communication occurring under rule 14.3(a), an Applicant Issuer or Issuer must ensure that its Listing Sponsor is informed of the communications as soon as practicable thereafter, unless directed otherwise by Fusang.
- (c) Nothing in this rule 14.3 detracts from a Listing Sponsor's responsibility and obligations as set out in these Rules of Exchange.

15 Application procedure for listing of Financial Instruments and Virtual Assets

15.1 Application documents

An application for listing of a:

- (a) Security as a Financial Instrument; or
- (b) virtual asset as a Virtual Asset,

must be:

- (i) submitted to Fusang by a Listing Sponsor; and
- (ii) accompanied by digital copies of the following documents:
 - (A) except for an application for an Issuerless Listing, all relevant corporate and financial documentation in respect of the Applicant Issuer;
 - (B) a description of the Security or virtual asset that sets out why it is or is not a Security by reference to the Labuan Financial Services and Securities Act;
 - (C) a detailed description of the technology that supports the Security or virtual asset (if any);
 - (D) except for an application for an Issuerless Listing, the particulars and operating history of the Applicant Issuer;
 - (E) whether the Security or virtual asset is intended to be identical in all respect with an existing class of Securities or virtual assets listed or available in any jurisdiction; and
 - (F) details of all documentation in respect of the Security or virtual asset;
- (iii) accompanied by the relevant application fee as specified by Fusang on the Fusang Website; and
- (iv) accompanied by a Listing Document.

15.2 Interview and further information or document

Fusang may require an Applicant Issuer and/or Listing Sponsor to:

- (a) attend interviews;
- (b) give presentations; or
- (c) provide any other information or documents,

in order to assess their applications for listing.

15.3 Declarations and undertakings

Fusang may require that an Applicant Issuer and/or Listing Sponsors make a declaration or undertaking in respect of their applications for listing.

15.4 Decision

Fusang will only decide on whether to accept or reject an application for listing of a:

- (a) Security as a Financial Instrument; or
- (b) virtual asset as a Virtual Asset,

upon receiving all information, and any declarations or undertakings, that are required for Fusang to make a decision.

15.5 Listing conditions

Fusang may, upon listing or at any time during listing, impose any conditions on an Asset.

15.6 Power to suspend the application for listing

Fusang may suspend the application for listing on the Fusang Exchange, at any time including during the process of application for listing up to the stage of successful listing, with effect from such time and for such duration as it may determine if, in the opinion of Fusang:

- (a) the reputation, integrity or smooth operation of the Fusang Exchange is, or may be, jeopardised;
- (b) such suspension is necessary to:
 - (i) protect any Issuer, investor, Licensee or Trading Participant; or
 - (ii) perform any upgrade or maintenance in relation to the Fusang Exchange;
- (c) such suspension is required by any applicable law, including any financial crime requirements as provided in the relevant Financial Crime Regulation;
- (d) where the Authority or the Minister of Finance requests Fusang to do so; or
- (e) a Force Majeure Event has occurred.

15.7 Conditions of suspension

If Fusang exercises its power under rule 15.6, it may impose such conditions for lifting the suspension, as it considers appropriate.

15.8 Compliance by applicant

An applicant who is suspended from the application for listing must continue to comply with these Rules of Exchange in so far as they are relevant to it.

15.9 Request for suspension

- (a) Any person may by written notification to Fusang request that Fusang exercises its powers under rule 15.6.
- (b) Any person shall immediately notify Fusang by a written notification upon any changes in its particulars submitted to Fusang under rule 15.9(a).
- (c) The request for suspension may be provided at any time including during the process of application for listing up to the stage of successful listing.
- (d) Fusang will not suspend the application for listing upon request unless it is satisfied that the circumstances justify the suspension.
- (e) A request for suspension under rule 15.9(a) must include:

- (i) the details of the suspension sought;
- (ii) a clear explanation of the background and reasons for the request and the date and time the person requests the suspension to take effect, and to cease (if known);
- (iii) copies of all documents that are relevant to the request;
- (iv) details of any special circumstances or requirements; and
- (v) the name and contact details of the person with whom the Fusang Exchange should communicate with in relation to the request.

15.10 Cancellation of suspension

- (a) Fusang may cancel any suspension of the application for listing under rule 15.6 if it is satisfied that:
 - (i) there are no longer any circumstances that warrant the suspension; or
 - (ii) the circumstances that resulted in, or contributed to, the suspension are no longer applicable and that the application for listing is otherwise appropriate.
- (b) For the avoidance of doubt, Fusang may cancel any suspension granted following a request under rule 15.9 even though the person that requested the suspension has not requested the cancellation of that suspension.

15.11 Request for cancellation of suspension

- (a) Any person may by written notification to Fusang request that Fusang exercises its powers under rule 15.10(a) and 18.5(a).
- (b) Fusang will not cancel a suspension upon request unless it is satisfied that the circumstances justify the cancellation.
- (c) A request for restoration under rule 15.11(a) must include:
 - (i) the details of the suspension that is sought to be cancelled;
 - (ii) a clear description of the background and reasons for the request and the date and time from which the person requests the restoration to take effect; and
 - (iii) the name and contact details of the person with whom Fusang should liaise in relation to the request.

15.12 No impact on other powers

For the avoidance of doubt, nothing in this rule 15.6 to 15.11 affects the powers of:

- (a) Fusang generally or under these Rules of Exchange;
- (b) the Authority, generally or under section 143 of the Labuan Financial Services and Securities Act; and
- (c) the Minister of Finance, generally or under section 144 of the Labuan Financial Services and Securities Act.

16 Listing Document

16.1 Information in the Listing Document

A Listing Document must contain all information that, having regard to the Applicant Issuer (except for an application for an Issuerless Listing) and the Security or virtual asset that is the subject of the application for listing, is necessary to enable an investor to make an informed assessment of:

- (a) the activities, assets and liabilities, financial position, management and prospects of the Applicant Issuer;
- (b) in the case of a Security, its potential profits and losses;
- (c) its key features, including its key features in the case of a virtual asset, its intended or actual utility, including any platform on which it operates or is intended to operate; and
- (d) the characteristics of the Security or virtual asset, including:
 - (i) all relevant risk factors;
 - (ii) details of each material technology upon which its operation and/or transferability relies, including any relevant consensus protocol; and
 - (iii) its terms and conditions.

16.2 Statements in the Listing Document

A Listing Document must contain in a prominent position the following statements:

- (a) In all cases:

“Fusang Exchange Ltd takes no responsibility for the contents of this document, makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this document”.

“Purchasers are advised to exercise caution, read and understand the contents of this document, and obtain all necessary professional advice, before investing.”

“Past performance does not guarantee future results.”

- (b) *In the case of a Virtual Asset or as otherwise required by Fusang:*

“Assets based on emerging technologies, including distributed ledger technologies such as blockchain, can be subject to volatility and risk that greatly exceeds that of traditional assets. You may lose your entire investment.”

16.3 Approval for publication

- (a) A Listing Document must not be published until written approval for publication is obtained from Fusang.
- (b) Under no circumstances must the approval for publication by Fusang be construed as Fusang’s approval of the contents of any Listing Document or endorsement of the Asset or the Issuer.

16.4 Amendment or variation of the Listing Document

A Listing Sponsor must seek directions from Fusang if any amendment or variation is sought in respect of a Listing Document that has already been approved by Fusang.

16.5 Distribution of Listing Document

Listing Documents that are approved for publication by Fusang may only be distributed by:

- (a) Fusang through the Fusang Website;
- (b) other means as approved by Fusang.

17 Post-listing obligations

17.1 Fees

An Issuer must pay fees associated with listing as set out by Fusang on the Fusang Website.

17.2 Disclosure to the market

An Issuer must keep the public, Fusang, Trading Agents and the holders of any Asset that it issues informed of any information:

- (a) relating to its financial position and any Asset that it issues;
- (b) that is necessary to be disclosed in order to avoid the establishment of a false market for any Asset that it issues; or
- (c) that might reasonably be expected to materially affect market activity for and the price of any Asset that it issues.

17.3 Requirement to notify

All Issuers, Applicant Issuers, Promoters, the directors, partners, Senior Management, substantial shareholders, the Controller of such parties and any other party which Fusang shall, in its sole opinion determine without prior notification to any party, agree and undertake that they shall notify Fusang by a written notification by the Next Business Day upon the occurrence of such event in the following circumstances:

- (a) there is a change in the rights attaching to any Asset that it issues;
- (b) there is a proposed alteration to an Issuer's constitution, board of directors or Senior Management;
- (c) an Issuer intends to purchase or sell, directly or indirectly, any Asset that it issues;
- (d) the presentation of any winding-up petition, or equivalent application in the jurisdiction of incorporation or other establishment, or the making of any winding-up order or the appointment of a provisional liquidator in respect of an Issuer, its holding company or any major subsidiary;
- (e) the passing of any resolution by the Issuer, its holding company or any major subsidiary that it be wound up by way of members' or creditors' voluntary winding-up or equivalent;
- (f) the entry into possession of or the sale by any mortgagee of a portion of the Issuer's assets which in aggregate value represents an amount in excess of 15% of the book value of the existing net assets of an Issuer;
- (g) the making of any judgment, declaration or order by any court or tribunal of competent jurisdiction whether in the first instance or on appeal, which may adversely affect the Issuer's enjoyment of any portion of its assets which in aggregate value represents an amount in excess of 15% of the book value of the consolidated net tangible assets of the Issuer;

- (h) any change in its particulars as submitted to Fusang in its application for listing;
- (i) any event or circumstance which may obstruct or affect the proposed timeline in relation to the application for listing (also applicable to Listing Sponsor in Issuerless Listing); or
- (j) any event or circumstance which may adversely affect or impair its ability to execute its business plan and strategy as submitted to Fusang and affect the successful rate of its application for listing.

An Issuer whose Asset is listed on the Private Market is exempted from complying with rules 17.3(c) and (f) unless specifically required by Fusang to do so.

17.4 Announcements, circulars and resolutions

An Issuer must submit to Fusang:

- (a) its audited annual financial statement and any interim financial statement that it publishes;
- (b) announcements or advertisements the subject matter of which involves a change in or relates to or affects arrangements regarding trading in any Asset that it issues;
- (c) circulars to holders of any Asset that it issues, at the same time as the circulars are issued;
- (d) all resolutions, whether binding or not, made by the holders of any Asset that it issues, as soon as possible after they are made; and
- (e) notices of meetings, forms of proxy, notices by advertisement to holders of any Asset that it issues, reports, announcements or other similar documents at the same time as they are issued.

17.5 Rights of Fusang to request information

An Issuer must respond promptly to enquiries made by Fusang by the Next Business Day upon the Issuer's receipt of Fusang's enquiries on any matter in respect of any Asset that it issues.

17.6 Additional obligations

Fusang may require an Issuer to supply further information and impose additional Ongoing Obligations on an Issuer, where it considers that circumstances so justify.

17.7 Fair and quality treatment of Asset holders

An Issuer must ensure equality of treatment for all holders of any Asset that it issues.

17.8 Secondary listing of Financial Instrument

- (a) The listing of a Financial Instrument may be a Secondary Listing.
- (b) With respect to rule 17.8(a), in the event of any conflict between a requirement of these Rules of Exchange and a requirement of the rules of the Primary Exchange, the requirement of the Primary Exchange prevails to the extent of the conflict.
- (c) The Issuer of a Financial Instrument must Immediately inform Fusang upon the occurrence of such event if:
 - (i) rule 17.8(b) applies;
 - (ii) the Financial Instrument ceases to be listed on the Primary Exchange;

- (iii) the Financial Instrument is suspended from trading on the Primary Exchange;
or
- (iv) the Issuer is subject to disciplinary action by the Primary Exchange.

Part 7 **Suspension and delisting**

18 Suspension of trading on the Fusang Exchange

18.1 Power to suspend trading

Fusang may suspend trading on the Fusang Exchange, with effect from such time and for such duration as it may determine:

- (a) in respect of the Fusang Exchange generally; or
- (b) in respect of a particular Asset or a particular person,
- (c) if, in the opinion of Fusang:
 - (i) the reputation, integrity or smooth operation of the Fusang Exchange is, or may be, jeopardised;
 - (ii) such suspension is necessary to:
 - (A) protect any Issuer, Licensee or Trading Participant; or
 - (B) perform any upgrade or maintenance in relation to the Fusang Exchange;
 - (iii) such suspension is required by any applicable law, including any financial crime requirements as provided in the relevant Financial Crime Regulation;
 - (iv) where the Authority or the Minister of Finance requests Fusang to do so; or
 - (v) a Force Majeure Event has occurred.

18.2 Conditions of suspension

If Fusang exercises its power under rule 18.1, it may impose such conditions for lifting the suspension, as it considers appropriate.

18.3 Compliance by Issuers

An Issuer whose Asset is suspended from trading on the Fusang Exchange must continue to comply with these Rules of Exchange in so far as they are relevant to it.

18.4 Request for suspension

- (a) Any person may by written notification to Fusang request that Fusang exercises its powers under rule 18.1.
- (b) The written notification for the request for suspension may be provided at any stage of trading on the Fusang Exchange.
- (c) Fusang will not suspend trading upon request unless it is satisfied that the circumstances justify the suspension.
- (d) A request for suspension under rule 18.4(a) must include:
 - (i) the details of the suspension sought;
 - (ii) a clear explanation of the background and reasons for the request and the date and time the person requests the suspension to take effect, and to cease (if known);

- (iii) copies of all documents that are relevant to the request;
- (iv) details of any special circumstances or requirements; and
- (v) the name and contact details of the person with whom the Fusang Exchange should communicate with in relation to the request.

18.5 Cancellation of suspension

- (a) Fusang may cancel any suspension of trading under rule 18.1 if it is satisfied that:
 - (i) there are no longer any circumstances that warrant the suspension; or
 - (ii) the circumstances that resulted in, or contributed to, the suspension are no longer applicable and that trading is otherwise appropriate.
- (b) For the avoidance of doubt, Fusang may cancel any suspension granted following a request under rule 18.4 even though the person that requested the suspension has not requested the cancellation of that suspension.

18.6 Request for cancellation of suspension

- (a) Any person may by written notification to Fusang request that Fusang exercises its powers under rule 18.5(a).
- (b) Fusang will not cancel a suspension upon request unless it is satisfied that the circumstances justify the cancellation.
- (c) A request for restoration under rule 18.6(a) must include:
 - (i) the details of the suspension that is sought to be cancelled;
 - (ii) a clear description of the background and reasons for the request and the date and time from which the person requests the restoration to take effect; and
 - (iii) the name and contact details of the person with whom Fusang should liaise in relation to the request.

18.7 No impact on other powers

For the avoidance of doubt, nothing in this rule 18 affects the powers of:

- (a) Fusang generally or under these Rules of Exchange;
- (b) the Authority, generally or under section 143 of the Labuan Financial Services and Securities Act; and
- (c) the Minister of Finance, generally or under section 144 of the Labuan Financial Services and Securities Act.

19 Delisting and removal of Assets

19.1 Power to delist

Fusang may delist or remove an Asset if:

- (a) the reputation, integrity or smooth operation of the Fusang Exchange is, or may be, jeopardised by the continued listing of those Asset;

- (b) in the case of a Financial Instrument or Virtual Asset, the relevant Issuer or Listing Sponsor fails to comply with any requirements of these Rules of Exchange; or
- (c) the Asset is, in the opinion of Fusang, no longer suitable for listing or inclusion on the Fusang Exchange.

19.2 Request for delisting

- (a) Any person may request that Fusang exercise its power under rule 19.1.
- (b) Fusang will not delist or remove an Asset upon request unless it is satisfied that the circumstances justify the delisting.
- (c) A request for delisting under rule 19.2(a) must include:
 - (i) the name of the Asset to be delisted;
 - (ii) a clear explanation of the background and reasons for the request and the date and time the person requests the delisting to take effect;
 - (iii) copies of all documents that are relevant to the request;
 - (iv) details of any special circumstances or requirements; and
 - (v) the name and contact details of the person with whom Fusang should liaise in relation to the request.

19.3 Relisting

An application for the listing of a:

- (a) Security as a Financial Instrument; or
- (b) virtual asset as a Virtual Asset,

where that Security or virtual asset had previously been listed as a Financial Instrument or Virtual Asset, will be treated as a new application for the listing of that Security or virtual asset on the Fusang Exchange.

Part 8 Compliance and procedures

20 Compliance

20.1 Primary obligation

Fusang is not obliged to do, or to omit to do, anything that would breach:

- (a) AML/CTF Requirements;
- (b) Financial Crime Regulations;
- (c) applicable law; or
- (d) internal policies and procedures.

20.2 Provision of information and documents

Applicant Issuers, Issuers and Licensees must provide Fusang with all reasonable assistance, documents and information that is requested by Fusang by the Next Business Day to enable Fusang to comply with:

- (a) these Rules of Exchange;
- (b) AML/CTF Requirements;
- (c) Financial Crime Regulations;
- (d) applicable law; and
- (e) internal policies and procedures.

20.3 Compliance to all legal and regulatory requirement

All Issuers, Applicant Issuers, Promoters, Trading Agents, Trading Agent applicants, Listing Sponsors, Listing Sponsor applicants, Trading Participants, Trading Participant applicants, the directors, partners, Senior Management, substantial shareholders, the Controller of such parties and any other party which Fusang shall, in its sole opinion determine, agree and undertake that they shall at all times be solely responsible in respect to the following:

- (a) the compliance with these Rules of Exchange as far as it is relevant or applicable to it;
- (b) the compliance with all legal and regulatory requirements that are applicable, including but not limited to the conduct of its business activities on any licensing requirements imposed by any governmental or regulatory body in any of its respective jurisdiction; and
- (c) the procurement of the relevant licence, registration, filing, consent or such other approvals which may be necessary and as imposed by any governmental or regulatory body in any of its respective jurisdiction.

All Issuers, Applicant Issuers, Promoters, Trading Agents, Trading Agent applicants, Listing Sponsors, Listing Sponsor applicants, Trading Participants, Trading Participants applicants and the directors, partners, Senior Management, substantial shareholders, the Controller of such parties and any other party which Fusang shall in its sole opinion determine, shall:

- (a) warrant and represent that they are in full compliance with all legal and regulatory requirement pursuant to rule 20.3 herein at all times; and

- (b) Immediately upon the failure or inability of it to comply with any of the undertakings set out in this rule 20.3 notify Fusang in writing and such notification shall be deemed as an official notification to Fusang.

20.4 Compliance to obligations of Issuer or Applicant Issuer

The directors, partners, Senior Management or substantial shareholders of the Issuer or Applicant Issuer, the Controller of such parties and such other party which Fusang shall, in its sole opinion determine, agree and undertake that they shall at all times be solely responsible to the relevant parts of the Rules of Exchange applicable to the Issuer or Applicant Issuer, including but not limited to the reporting and notification requirements.

21 Prevention of Market Misconduct

21.1 Prohibition on Market Misconduct

A Licensee or Trading Participant must not engage in Market Misconduct.

21.2 Prohibited Orders

A Trading Agent or Trading Participant must not submit an Order:

- (a) that, if Matched, would constitute a Prohibited Transaction; or
- (b) with a view to concealing or facilitating Market Misconduct by any person.

21.3 Requirement to report Market Misconduct

A Licensee, Trading Participant or Issuer must Immediately contact Fusang if they know, or have reason to believe, that:

- (a) they have engaged in Market Misconduct;
- (b) another Licensee, Trading Participant or Issuer has engaged in Market Misconduct;
- (c) any other person has engaged in Market Misconduct in respect of the Fusang Exchange or an Asset generally; or
- (d) Market Misconduct is otherwise occurring on the Fusang Exchange.

22 Investigations

22.1 Investigation power of Fusang

- (a) Fusang may:
 - (i) on its own initiative; or
 - (ii) upon receiving a complaint or any information from any person;may investigate any matter that relates to the Fusang Exchange.
- (b) Fusang must maintain records of all investigations conducted under rule 22.1.

22.2 Cooperation by Licensees

Without limiting the generality of rule 6.12, a Licensee or Trading Participant must give any necessary assistance to Fusang during an investigation, including by:

- (a) responding to questions and requests from Fusang; and
- (b) where applicable, making its Senior Management and employees available to be interviewed by Fusang.

23 Penalties

23.1 Power of Fusang to impose penalties

Fusang may impose a penalty on a Licensee or Trading Participant that:

- (a) breaches these Rules of Exchange; or
- (b) conducts its business in a manner that is detrimental to, or could reasonably be considered as likely to be prejudicial to, the interests of:
 - (i) in the case of a Licensee, its clients;
 - (ii) the public;
 - (iii) the Fusang Exchange; or
 - (iv) Fusang.

23.2 Types of penalties

The penalties that may be imposed by Fusang under rule 23.1 are:

- (a) public reprimand;
- (b) suspension of Licence;
- (c) termination of Licence;
- (d) deduction of bond; or
- (e) any other lawful penalty as determined by Fusang.

23.3 No requirement to investigate before imposing penalty

Fusang is not required to exercise its powers under rule 22 before imposing any penalty under rule 23.1.

23.4 Requirement to notify the Fusang Exchange Committee

Fusang is required to notify the Fusang Exchange Committee of its intention to impose a penalty under rule 23.1 at least 2 Business Days before imposing that penalty.

23.5 Penalties imposed without prejudice to Fusang's rights

Penalties imposed by Fusang under rule 23.1 are without prejudice to any right of Fusang to commence legal or arbitral proceedings.

24 Appeals

24.1 Right to appeal

- (a) A Licensee or Trading Participant that is aggrieved by a decision made by Fusang may appeal that decision to the Appeals Panel.
- (b) A reference in this rule 24 to a “**decision**” includes:
 - (i) the exercise of a power by Fusang under these Rules of Exchange; and
 - (ii) the imposition of a penalty under rule 23.1.
- (c) For the avoidance of doubt, the rules as to the admissibility of evidence in a court of law or during an arbitral proceeding do not apply to the Appeals Panel.

24.2 Notice of appeal

A Licensee or Trading Participant may commence an appeal under rule 24.1 by submitting a notice of appeal to Fusang within twenty (20) Business Days following the date on which the decision was made by Fusang.

24.3 Requirements for a notice of appeal

A notice of appeal under rule 24.2 must set out:

- (a) the decision that the Licensee is appealing; and
- (b) the principal facts and arguments relied upon by the Licensee or the Trading Participant to support the appeal.

24.4 Referral to Appeals Panel

Fusang must forward all notices of appeal that it receives to the Appeals Panel, regardless of whether that notice of appeal appears to comply with rule 24.3.

24.5 Initial consideration by Appeals Panel

Upon receipt of a notice of appeal forwarded by Fusang under rule 24.4, the Appeals Panel must first consider whether the notice of appeal complies with rule 24.3.

24.6 Non-compliance with appeals procedure

- (a) If the Appeals Panel is not satisfied that a notice of appeal complies with this rule 24, the Appeals Panel may return the notice of appeal to the Licensee or the Trading Participant.
- (b) If a notice of appeal that complies with this rule 24 is not received within twenty (20) Business Days of the return of a notice of appeal under rule 24.6(a), then the initial decision of Fusang is final.

24.7 Reply to notice of appeal

- (a) If satisfied that a notice of appeal complies with this rule 24, the Appeals Panel must request a reply to that notice of appeal from Fusang.
- (b) If no reply is received within twenty (20) Business Days of the request by the Appeals Panel, Fusang will be considered to have waived its right to reply.
- (c) For the avoidance of doubt, Fusang is not required to submit a reply to any notice of appeal.

24.8 Consideration by Appeals Panel

- (a) After receiving a notice of appeal and any reply from Fusang, the Appeals Panel may:
 - (i) request further information, documentation and/or other evidence, from a Licensee, Trading Participant, Issuer, other person or Fusang, as it determines relevant; and/or
 - (ii) require the Licensee, Trading Participant, Issuer, other person or Fusang to attend a hearing before the Appeals Panel.
- (b) Other than as set out in this rule 24, the Appeals Panel may determine the rules and procedure that it will adopt in respect of any particular appeal.

24.9 Votes

- (a) If there is more than one member of the Appeals Panel, the Appeals Panel must reach decisions on an absolute majority basis.
- (b) If there is a deadlock on the Appeals Panel, the Appeals Panel must close the appeal and confirm the decision of Fusang.

24.10 Notice of decision

- (a) The Appeals Panel may declare an appeal closed at any point.
- (b) After declaring an appeal closed, the Appeals Panel may:
 - (i) confirm;
 - (ii) vary; or
 - (iii) cancel,the decision of Fusang.

Part 9 Miscellaneous provisions

25 Waiver and variation of the Rules of Exchange

25.1 Power to waive or vary Rules of Exchange

- (a) Fusang may by notice waive or vary any part of these Rules of Exchange, including any time period that is specified in any rule of these Rules of Exchange
- (b) Fusang may exercise the power granted under rule 25.1:
 - (i) on its own initiative; or
 - (ii) following consideration of an application made in accordance with rule 25.3.

25.2 Scope of waiver or variation

- (a) Any waiver or variation granted by Fusang will apply only:
 - (i) to such persons;
 - (ii) in such circumstances; and
 - (iii) between such dates and times,

as Fusang specifies in the waiver or variation.

- (b) Fusang must at the time of granting the waiver or variation, or at later date, specify the date and time at which any such waiver or variation will cease to have effect, following which the paragraph waived or varied will continue in effect as if no variation or waiver had occurred.

25.3 Application for waiver or variation

- (a) An application for waiver or variation must:
 - (i) be made in writing and addressed to Fusang;
 - (ii) contain a clear explanation of why the waiver or variation is necessary, including details regarding the persons, circumstances and dates and times for which the waiver or variation is sought; and
 - (iii) include copies of all documents that are relevant to the application.
- (b) An application for waiver or variation must be made at least ten (10) Business Days before the proposed waiver or variation is to take effect.

26 Revision of these Rules of Exchange

26.1 Power to revise

- (a) Fusang may revise these Rules of Exchange.
- (b) Revisions to these Rules of Exchange will be published on the Fusang Website and will be effective from the date of publication, or such later date as Fusang may specify.

26.2 No requirement to notify before revising these Rules of Exchange

- (a) Subject to any applicable laws, Fusang may, but is under no requirement to, notify any persons before exercising its power under rule 26.1.
- (b) It is the responsibility of Issuers, Licensees and such other party which these Rules of Exchange shall be relevant to, to regularly check the Fusang Website for updates to these Rules of Exchange.

26.3 Proceedings following amendment or deletion of Rules of Exchange

Where any part of these Rules of Exchange (“**relevant rule**”) is amended or deleted, any proceedings, investigation, disciplinary or enforcement action in respect of:

- (a) a right, privilege, obligation or liability acquired, accrued or incurred under the relevant rule in force at the time it was acquired; or
- (b) a breach of, or act of misconduct under, the relevant rule in force at the time that breach or misconduct occurred,

may be instituted, continued or enforced, and any disciplinary action or penalty in respect of such breach or act of misconduct may be imposed and carried out by Fusang, as if the relevant rule had not been amended or deleted.

27 Contact, complaints and dispute resolution

27.1 Contact

- (a) A Licensee or a Trading Participant may contact Fusang through the dedicated channels provided through the Fusang Website.
- (b) Where a Licensee or Trading Participant contacts Fusang, it must provide Fusang with its:
 - (i) name;
 - (ii) contact details; and
 - (iii) any other information that Fusang may request in order to identify the Licensee or Trading Participant.

27.2 Complaints

- (a) A complaint may be made by any person against:
 - (i) Fusang; or
 - (ii) any other person in respect of activity that occurs on the Fusang Exchange, by submitting a complaint through the channel provided on the Fusang Website.
- (b) Fusang will acknowledge a complaint within three (3) Business Days of its receipt by Fusang.
- (c) Fusang will consider the complaint without prejudice based on the information that the person has provided and any related information that Fusang considers relevant.
- (d) Within twenty (20) Business Days of receipt of a complaint under rule 27.2, Fusang will respond in writing by:
 - (i) requesting further information;
 - (ii) offering to resolve the complaint with the requested solution;
 - (iii) offering to resolve the complaint with an alternative solution; or
 - (iv) making a determination rejecting the complaint, setting out reasons for the rejection.
- (e) Upon receipt of the written response from Fusang, the person will have twenty (20) Business Days to accept or reject the offer in accordance with the instructions set out in the response. If the person fails to respond to the written response from Fusang, Fusang may treat the complaint as withdrawn.

27.3 Submission to arbitration

- (a) Any dispute, controversy, difference or claim arising out of or relating to:
 - (i) trading activity on the Fusang Exchange;
 - (ii) the operation of the Fusang Exchange;

- (iii) these Rules of Exchange, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to these Rules of Exchange,

will be referred to and finally resolved by arbitration administered by the HKIAC under the HKIAC Administered Arbitration Rules in force when the relevant notice of arbitration is submitted.

- (b) The seat of arbitration will be Hong Kong.
- (c) The law of this arbitration clause is Hong Kong law.
- (d) The arbitration proceedings will be conducted in English.
- (e) The number of arbitrators will be three.
- (f) Notwithstanding this arbitration clause or any other rule in these Rules of Exchange, Fusang has the right to apply for injunctive remedies (or an equivalent type of urgent legal relief) in any jurisdiction.

28 Confidential information

28.1 Disclosure of information

Fusang must not disclose any information received by it concerning any Applicant Issuer, Issuer, Licensee or Trading Participant except:

- (a) information that is publicly available;
- (b) to the Authority or the Minister of Finance;
- (c) where under compulsion of law including, where legally obliged, to law enforcement authorities;
- (d) to any regulatory or governmental authority or market operator involved in the supervision of businesses or persons engaged in the Fusang Exchange, where considered necessary by Fusang;
- (e) in accordance with the Personal Data Notice, to the extent applicable;
- (f) where consent from the relevant persons involved has been given to the disclosure of the information concerned;
- (g) to allow Fusang to institute, carry on or defend any legal proceedings; or
- (h) to enable Fusang to publish such information as may be required, including the publication of any list, statistics, market information, notice or other document or publication required or envisaged by these Rules of Exchange.

28.2 Property of Fusang

Subject to the Personal Data Notice, all data and documents submitted to Fusang are the property of Fusang.