

Rules concerning Selection of Stocks Eligible for Standardized Margin Transactions and Loans for Margin Transactions

(as of January 15, 2024)

Tokyo Stock Exchange, Inc.

Rule 1. Purpose

These rules shall prescribe necessary matters concerning the selection of standardized margin transaction issues as well as issues for loans for margin transactions pursuant to the provisions of Rule 7, Paragraph 2, Rule 10, Paragraph 2, and Rule 15 of the Regulations Regarding Margin Transactions and Loans for Margin Transactions (hereinafter referred to as "the Regulations").

Rule 1-2. Definitions

Definition of terms referred to in these Rules shall, unless otherwise provided herein, be subject to those defined in the Securities Listing Regulations.

Rule 2. Criteria for Selecting Issues Eligible for Standardized Margin Transactions related to Stocks, etc.

1. The Exchange shall select from issues other than those already selected as standardized margin transaction issues, a stock, etc. (including preferred stock, etc. and preferred equity investment securities; the same shall apply hereinafter) as a standardized margin transaction issue, if the issue satisfies each requirement prescribed in the following items.
 - (1) Where the first contract price of an issue has been determined after listing.
 - (2) Where the issuer of an issue has positive net assets as of the end of the most recent business year (meaning those specified by Rule 501, Paragraph 6, Item 1 of the Enforcement Rules for Securities Listing Regulations; the same shall apply hereinafter).
 - (3) Where an issue is not deemed to be delisted on and after the selection date prescribed in the provisions of Rule 4.
 - (4) Where an issue is not designated as a Security on Special Alert, a security under supervision, or a security to be delisted.
 - (5) Where an issue is not an issue in the period prescribed in Rule 501, Paragraph 7, Item 1 of the Enforcement Rules for Securities Listing Regulations; (excluding the cases pertaining to the criteria provided for under Rule 501, Paragraph 1, Item 1-b (b), Item 2-b (b), Item 3-b (b), and Item 4-b (b) of the Securities Listing Regulations) and Rule 501, Paragraph 7, Item 5 and Rule 601, Paragraph 5, Item 5 of the same regulations.
 - (6) Where an issue is not subject to regulatory measures for trading or margin transactions.
 - (7) In addition to the above, where an issue is not deemed inappropriate to be a

- standardized margin transaction issue.
2. Notwithstanding the provisions of the preceding paragraph, if a stock, etc. to be listed pursuant to any of the provisions of Rule 207, Rule 213, or Rule 831 of the Securities Listing Regulations and a preferred stock, etc. issued by the issuer of such stock, etc. satisfy Items 1 and 3 through 7 of the same paragraph at the time of the first selection examination (limited to that conducted in a period from listing until the first securities report is submitted after listing), the Exchange shall select such stock, etc. and such preferred stock, etc. as standardized margin transaction issues.
 3. Notwithstanding the provisions of the Paragraph 1, where a stock, etc. to be listed on the Exchange pursuant to any of the provisions of Rule 208, Paragraph 1, Items 1 through 4, Rule 214, Paragraph 1, Items 1 through 4, Rule 220, Items 1 through 4, or Rule 832 of the Securities Listing Regulations (excluding the cases where Rule 208, Paragraph 1, Item 5 is applied mutatis mutandis) as well as a preferred stock, etc. issued by an issuer of such stock, etc. satisfies the provisions of Items 2, 5, and 7 of the preceding paragraph, the Exchange shall select such stock, etc. or such preferred stock as a standardized margin transaction issue at the time of the first selection examination after listing.
 4. Notwithstanding the provisions of Paragraph 1, where a stock, etc. that is to be listed on the Exchange pursuant to the provisions of Rule 303 of the Securities Listing Regulations (including the cases where it is applied mutatis mutandis in Rule 842, Paragraph 3 of the same regulations) satisfies the provisions of Paragraph 1, Items 2, 5, and 7, the Exchange shall select such stock, etc. as a standardized margin transaction issue at the time of the first selection examination after listing.
 5. Notwithstanding the provisions of Paragraph 1, where a listed company, which is not an issuer of a standardized margin transaction issue, absorbs a listed company, which is an issuer of standardized margin transaction issues, through a merger; or where it carries out a stock swap which results in a listed company, which is an issuer of standardized margin transaction issues, becoming its wholly-owned subsidiary, the Exchange shall select the stock, etc. of such merging or surviving company as a standardized margin transaction issue, if the stock, etc. satisfies each of Paragraph 1, Items 2 through 7 at the time of the first selection examination after completion of the merger or stock swap.
 6. Notwithstanding the provisions of Paragraph 1, where a stock, etc. that is listed on other domestic financial instruments exchanges (hereinafter referred to as a "stock listed on another market") satisfies each of Paragraph 1, Items 2 through 7, the Exchange shall select such stock, etc. as a standardized margin transaction issue at the time of the first selection examination after listing.
 7. Notwithstanding the provisions of Paragraph 1, where an issuer whose stock, etc. has been selected as a standardized margin transaction issue issues a new stock, etc. and such new stock, etc. is listed or to be listed on the Exchange, the Exchange may select the new stock, etc. as a standardized margin transaction issue.

Rule 2-2. Criteria for Selecting Real Estate Investment Trust Securities Eligible for Standardized Margin Transactions

1. The Exchange shall select from issues other than those already selected as standardized

margin transaction issues, a real estate investment trust security as a standardized margin transaction issue, if the security satisfies each of the following items.

- (1) Where the first contract price of an issue has been determined after listing.
 - (2) Where the total amount of net assets of the issue is not negative as of the last day of a computation period or business period immediately prior to the current computation period or business period of the security (the provisions of Rule 1206, Paragraph 1 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to calculations; the same shall apply hereinafter).
 - (3) Where an issue is not deemed to be delisted on and after the selection date prescribed in the provisions of Rule 4.
 - (4) Where an issue is not designated as a Security on Special Alert, a security under supervision, or a security to be delisted.
 - (5) Where an issue is not designated as a security placed in the grace period prescribed in Rule 1233, Paragraph 1, Item 1 of the Enforcement Rules for the Securities Listing Regulations.
 - (6) Where an issue is not subject to regulatory measures that restrict securities trading or margin transactions.
 - (7) In addition to the above, where an issue is not deemed inappropriate to be a standardized margin transaction issue.
2. Notwithstanding the provisions of the preceding paragraph, if a real estate investment trust security that is to be listed on the Exchange pursuant to the provisions of Rule 1206 of the Securities Listing Regulations satisfies Items 1 and 3 through 7 of the same paragraph at the time of the first selection examination (see Note below), the Exchange shall select such security as a standardized margin transaction issue.
- (Note) Such selection examination shall be limited to that conducted in a period from listing until the first securities report of such real estate investment trust security is submitted after listing.
3. Notwithstanding the provisions of Paragraph 1, where an investment security that is to be listed on the Exchange pursuant to the provisions of Rule 1207 of the Securities Listing Regulations satisfies Items 2 and 7 of the preceding paragraph, the Exchange shall select such security as a standardized margin transaction issue at the time of the first selection examination after listing.
4. Notwithstanding the provisions of Paragraph 1, where a listed investment corporation (meaning an investment corporation which is an issuer of a real estate investment trust security listed on the Exchange; the same shall apply hereinafter in this paragraph and Rule 3-2, Paragraph 6), which is not an issuer of standardized margin transaction issues, absorbs a listed investment corporation, which is an issuer of standardized margin transaction issues, through a merger, the Exchange shall select an investment security of the merging listed investment corporation as a standardized margin transaction issue, if the investment security satisfies each of Paragraph 1, Items 2 through 7 at the time of the first selection examination after completion of the merger.
5. Notwithstanding the provisions of Paragraph 1, where a real estate investment trust security that is listed on other domestic financial instruments exchanges (hereinafter referred to as a "real estate investment trust security listed on another market") satisfies

each of Paragraph 1, Items 2 to 7, the Exchange shall select such security as a standardized margin transaction issue at the time of the first selection examination after listing.

6. Notwithstanding the provisions of Paragraph 1, where a new real estate investment trust security issued by an issuer, whose real estate investment trust security has been selected as a standardized margin transaction issue, is listed or to be listed on the Exchange, the Exchange may select the new security as a standardized margin transaction issue.

Rule 2-3. Criteria for Selecting ETFs Eligible for Standardized Margin Transactions

1. The Exchange shall select from issues other than those already selected as standardized margin transaction issues, an ETF as a standardized margin transaction issue, if the ETF satisfies each requirement prescribed in the provisions of Rule 2, Paragraph 1, Items 3 through 7.
2. Notwithstanding the provisions of Paragraph 1, where a new beneficiary certificate of an investment trust or new foreign investment security related to an ETF that is a standardized margin transaction issue is listed or to be listed on the Exchange, the Exchange may select the new ETF as a standardized margin transaction issue.

Rule 2-4. Criteria for Selecting ETN Trust Beneficiary Certificates Eligible for Standardized Margin Transactions

1. The Exchange shall select from issues other than those already selected as standardized margin transaction issues, an ETN trust beneficiary certificate as a standardized margin transaction issue, if the ETN trust beneficiary certificate satisfies each of the following items.
 - (1) Where an issue satisfies Rule 2, Paragraph 1, Items 3, 4, 6, and 7.
 - (2) Where an issue does not fall under the periods prescribed in Rule 951, Paragraph 1, Item 2, Sub-item a. through c., or Item 3, Sub-item b. or c. of the Securities Listing Regulations.
2. Notwithstanding the provisions of the preceding paragraph, in the case where the new ETN trust beneficiary certificate pertaining to a standardized margin transaction issue which is an ETN trust beneficiary certificate that is already listed or will be newly listed, the Exchange may select such new ETN trust beneficiary certificate as a standardized margin transaction issue.

Rule 2-5. Criteria for Selecting Standardized Margin Transaction Issues related to Venture Funds

1. The Exchange shall select from issues other than those already selected as standardized margin transaction issues, a venture fund as a standardized margin transaction issue, if such venture fund satisfies each of the following items.
 - (1) Where the first contract price of a venture fund has been determined after listing.
 - (2) Where a venture fund is not deemed to be delisted on and after the selection date prescribed in the provisions of Rule 4.
 - (3) Where a venture fund is not designated as a Security on Special Alert, a security

- under supervision, or a security to be delisted.
- (4) Where a venture fund is not designated as a security placed under the grace period prescribed in Rule 1329, Paragraph 5, Item 1 of the Enforcement Rules for the Securities Listing Regulations.
 - (5) Where a venture fund is not subject to regulatory measures that restrict securities trading or margin transactions.
 - (6) In addition to the above, where an issue is not deemed inappropriate to be a standardized margin transaction issue.
- 2. Notwithstanding the provisions of the preceding paragraph, where a venture fund that is to be listed on the Exchange pursuant to the provisions of Rule 1307 of the Securities Listing Regulations satisfies Item 6 of the same paragraph, the Exchange shall select such venture fund as a standardized margin transaction issue at the time of the first selection examination after listing.
 - 3. Notwithstanding the provisions of Paragraph 1, where a listed investment corporation (meaning an investment corporation which is an issuer of a venture fund listed on the Exchange; the same shall apply to this paragraph and Rule 3-5, Paragraph 5), which is not an issuer of standardized margin transaction issues, absorbs a listed investment corporation, which is an issuer of standardized margin transaction issues, through a merger, the Exchange shall select a venture fund of the merging listed investment corporation as a standardized margin transaction issue, if the venture fund satisfies each of Paragraph 1, Items 2 through 6 at the time of the first selection examination after completion of the merger.
 - 4. Notwithstanding the provisions of Paragraph 1, where a venture fund that is listed on other domestic financial instruments exchanges (hereinafter referred to as a "venture fund listed on another market") satisfies each of Paragraph 1, Items 2 through 6, the Exchange shall select such venture fund as a standardized margin transaction issue at the time of the first selection examination after listing.
 - 5. Notwithstanding the provisions of Paragraph 1, where a new venture fund issued by an issuer, whose venture fund has been selected as a standardized margin transaction issue, is listed or to be listed on the Exchange, the Exchange may select the new security as a standardized margin transaction issue.

Rule 2-6. Criteria for Selecting Standardized Margin Transaction Issues related to Country Funds

- 1. The Exchange shall select from issues other than those already selected as standardized margin transaction issues, a country fund as a standardized margin transaction issue, if such country fund satisfies each of the following items.
 - (1) Where the first contract price of a country fund has been determined after listing.
 - (2) Where a country fund is not deemed to be delisted on and after the selection date prescribed in the provisions of Rule 4.
 - (3) Where a country fund is not designated as a Security on Special Alert, a security under supervision, or a security to be delisted.
 - (4) Where a country fund is not subject to regulatory measures that restrict securities trading or margin transactions.

- (5) In addition to the above, where a country fund is not deemed inappropriate to be a standardized margin transaction issue.
2. Notwithstanding the provisions of preceding paragraph, where a listed investment corporation (meaning an investment corporation which is an issuer of a country fund listed on the Exchange; the same shall apply to this paragraph and Rule 3-6, Item 4), which is not an issuer of standardized margin transaction issues, absorbs a listed investment corporation, which is an issuer of a standardized margin transaction issue, through a merger, the Exchange shall select a country fund of the merging listed investment corporation as a standardized margin transaction issue if the investment security satisfies each of Paragraph 1, Items 2 through 5 at the time of the first selection examination after completion of the merger.
 3. Notwithstanding the provisions of Paragraph 1, where a country fund that is listed on other domestic financial instruments exchanges (hereinafter referred to as a "country fund listed on another market") satisfies each of Paragraph 1, Items 2 through 5, the Exchange shall select such country fund as a standardized margin transaction issue at the time of the first selection examination after listing.
 4. Notwithstanding the provisions of Paragraph 1, where a new country fund issued by an issuer, whose country fund has been selected as a standardized margin transaction issue, is listed or to be listed on the Exchange, the Exchange may select the new country fund as a standardized margin transaction issue.

Rule 2-7. Criteria for Selecting Standardized Margin Transaction Issues Related to Infrastructure Fund

1. When an infrastructure fund satisfies each of the following items, the Exchange shall select it as a standardized margin transaction issue unless such fund has been already selected as a standardized margin transaction issue.
 - (1) Where the first contract price of the infrastructure fund has been determined after listing,
 - (2) Where the total amount of net assets (see Note below) at the end of the immediately prior accounting period or business period of the infrastructure fund is not negative,
(Note) The provisions of Rule 1505, Paragraph 1 of the Enforcement Rules for Securities Listing Regulations shall apply mutatis mutandis for the calculation of such total amount; the same shall apply hereinafter)
 - (3) Where the infrastructure fund is not deemed to be surely delisted on or after the day of selection pursuant to the provisions of Rule 4,
 - (4) Where the infrastructure fund is not designated as a Security on Special Alert, security under supervision, or security to be delisted,
 - (5) Where the infrastructure fund is not in the grace period specified in Rule 1536, Paragraph 1, Item 1 of the Enforcement Rules for Securities Listing Regulations,
 - (6) Where the infrastructure fund is not being subject to regulatory measures that restrict securities trading or margin transactions, and

- (7) Other than the above, where the infrastructure fund is not deemed inappropriate as a standardized margin transaction issue.
2. Notwithstanding the provisions of the preceding paragraph, if an infrastructure fund to be listed pursuant to the provisions of Rule 1506 of the Securities Listing Regulations, such infrastructure fund satisfies Items 1 and 3 through 7 of the same paragraph at the time of the first selection examination (see Note below), the Exchange shall select such infrastructure fund as a standardized margin transaction issue.
- (Note) Such selection examination shall be limited to that conducted during a period from the listing until the first securities report is submitted after listing of such infrastructure fund.
3. Notwithstanding the provisions of Paragraph 1, if an investment security to be listed pursuant to the provisions of Rule 1507 of the Securities Listing Regulations satisfies Items 2 and 7 of the same paragraph at the time of the first selection examination, the Exchange shall select such investment security as a standardized margin transaction issue.
4. Notwithstanding the provisions of Paragraph 1, in the case where a listed investment corporation (meaning an investment corporation which is an issuer of an infrastructure fund listed on the Exchange; the same shall apply for this paragraph and Rule 3-7, Paragraph 6) which is not an issuer of a standardized margin transaction issue absorbs a listed investment corporation which is an issuer of a standardized margin transaction issue, through a merger, if the infrastructure fund which is not an issuer of a standardized margin transaction issue satisfies each of Paragraph 1, Items 2 through 7 at the time of the first selection examination after completion of the merger, the Exchange shall select such infrastructure fund as a standardized margin transaction issue.
5. Notwithstanding the provisions of Paragraph 1, if an infrastructure fund that is listed on other domestic financial instruments exchange(s) (hereinafter referred to as "other market-listed infrastructure") satisfies each of Paragraph 1, Items 2 through 7 at the time of the first selection examination after listing, the Exchange shall select such infrastructure fund as a standardized margin transaction issue.
6. Notwithstanding the provisions of Paragraph 1, where a new infrastructure fund issued by an issuer of an infrastructure fund that is a standardized margin transaction issue is already listed or to be listed, the Exchange may select the new infrastructure fund as a standardized margin transaction issue.

Rule 3. Criteria for Selecting Stocks, etc. Eligible for Loans for Margin Transactions

1. The Exchange shall select from issues other than those already selected as issues for loans for margin transactions, a stock, etc. as an issue for loans for margin transactions, if the stock, etc. satisfies each of the following items.
- (1) Where an issue has been listed for more than six (6) months.
- (1)-2. Where the number of tradable shares is not less than 17,000 units; in the case of a foreign stock, etc. (limited to those listed on multiple markets), where the number of tradable shares is not less than 40,000 units.
- (2) Where the number of shareholders (meaning the number of persons (in the case of a foreign stock, etc. which is listed on multiple markets, the number of

shareholders in Japan holding one or more units of the issue; the same shall apply hereinafter) is not less than 1,700.

- (3) Where the trading volume, etc. during, in principle, the past six (6) months backdated from the last day of the second month immediately following the month containing the last day of the fiscal year of the issuer satisfies the items prescribed in the following a. or b.
- a. The average monthly trading volume (meaning the total trading volume in the market divided by the number of relevant months; the same shall apply hereinafter) is not less than 100 units on the market of the Exchange and the number of active days (meaning the number of days the issue is traded; the same shall apply hereinafter) accounts for 80% or more of the number of trading days during the period.
 - b. With regard to a stock, etc. listed on other domestic financial instruments exchanges as well as the Exchange, where the average monthly trading volume on any such other market is not less than 100 units and its number of active days accounts for 80% or more of the number of trading days on such market, on the market of the Exchange, its average monthly trading volume is not less than 50 units and its number of active days is 40% or more of the number of trading days. However, in the case of a foreign stock, etc., with regard to a stock, etc. that is listed or continuously traded on the Exchange as well as other domestic or foreign financial instruments exchanges, etc., where its average monthly trading volume is not less than 100 units and its number of active days accounts for 80% or more of the number of trading days on any such other market, on the market of the Exchange, its average monthly trading volume is not less than 50 units and its number of active days accounts for 40% or more of the number of trading days.
- (4) Deleted
- (5) Deleted
- (6) Where an issue is not deemed to be delisted on and after the selection date prescribed in the provisions of Rule 4.
- (7) Where an issue is not designated as a Security on Special Alert, a security under supervision, or a security to be delisted.
- (8) Where an issue is not designated as a stock placed under the period prescribed in Rule 501, Paragraph 7, Item 1 (excluding cases pertaining to the criteria provided for under Rule 501, Paragraph 1, Item 1-b (b), Item 2-b (b), Item 3-b (b), and Item 4-b (b) of the Securities Listing Regulations) and Item 5 of the Enforcement Rules for Securities Listing Regulations and Rule 601, Paragraph 5, Item 5 of the same regulations.
- (9) Where an issue is not subject to regulatory measures that restrict securities trading or margin transactions.
- (10) Where an issue is not deemed inappropriate to be an issue for loans for margin transactions according to its number of shares available for loans for margin transactions.

- (11) In addition to the above, where an issue is not deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 212, Paragraph 1, Item 1 of the Enforcement Rules for the Securities Listing Regulations (including the cases where it is applied mutatis mutandis in Rule 825 of the same regulations; the same shall apply hereinafter in this paragraph) shall apply mutatis mutandis to the number of tradable stocks prescribed in Item 1-(2) of the preceding paragraph; the provisions of Rule 212, Paragraph 1, Items 1 through 5, and Item 8 shall apply mutatis mutandis to the number of shareholders prescribed in Item 2 of the preceding paragraph; and the provisions of Rule 501, Paragraph 3, Item 3 of said Enforcement Rules shall apply mutatis mutandis to the trading volume prescribed in Item 3 of the preceding paragraph; (excluding the provisions of Rule 212, Paragraph 1, Items 1 and 2 of said Enforcement Rules as applied mutatis mutandis in Rule 825 of the same rules in the case of a preferred equity investment security). Terms prescribed above shall be deemed to be replaced in accordance to Appendix Table 1.
 3. Notwithstanding the provisions of Paragraph 1, where a stock, etc. that is to be listed on the Exchange pursuant to any of the provisions of Rule 208, Items 1 through 4 or Rule 214, Items 1 through 4, Rule 220, Items 1 through 4, or Rule 832 of the Securities Listing Regulations (excluding cases where it is applied mutatis mutandis in Rule 208, Paragraph 1, Item 5 of the same regulations) as well as a preferred stock, etc. issued by an issuer of such stock, etc. satisfies the provisions of Paragraph 1, Items 1, 1-2, and 2 (limited to cases where a stock, etc. issued by a party who carries out any of activities prescribed in Rule 208, Paragraph 1, Items 1 through 4 or Rule 214, Items 1 through 4, Rule 220, Items 1 through 4, or Rule 832 of the Securities Listing Regulations (excluding the cases where Rule 208, Paragraph 1, Item 5 of the same regulations is applied mutatis mutandis) is an issue for loans for margin transactions), the Exchange shall select such stock, etc. as an issue for loans for margin transactions at the time of the first selection examination after listing. In this regard, however, in the case where the stock, etc. is a foreign stock, etc. and an issuer of the stock, etc. is a parent company of a surviving company prescribed in Rule 208 Item 1 (including cases where it is applied mutatis mutandis pursuant to Rule 832 of the same regulations), Rule 214, Item 1, or Rule 220, Item 1 of the Securities Listing Regulations, or a parent company of another company prescribed in Rule 208, Item 3 (including the cases where it is applied mutatis mutandis pursuant to Rule 832 of the same regulation), Rule 214, Item 3, or Rule 220, Item 3 of the same regulations, the Exchange shall select such stock, etc. as an issue for loans for margin transactions if it satisfies each of the following items at the time of the first selection examination.
 - (1) Where an issue satisfies each of Rule 2, Paragraph 1, Item 2, as well as Paragraph 1, Items 8, 10, and 11 of this rule.
 - (1)-2. Where the number of tradable shares is expected not to fall under the provisions of Rule 6, Paragraph 1, Item 1 by the end of the first business year after listing.
 - (2) Where the number of shareholders of an issue is expected not to fall under the provisions of Rule 6, Paragraph 1, Item 2 by the end of the first business year after listing.
 - (3) Where the average monthly trading volume of an issue is not less than 100 units

- on any other domestic or foreign financial instruments exchanges during, in principle, the past six (6) months backdated from the last day of the month immediately preceding the month containing the listing date of the issue on the Exchange and the number of active days accounts for 80% or more of trading days in such market. Furthermore, the provisions of Rule 501, Paragraph 3, Item 3 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the trading volume prescribed above. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 2.
4. Notwithstanding the provisions of Paragraph 1, where a stock, etc. that is to be listed on the Exchange pursuant to the provisions of Rule 303 of the Securities Listing Regulations (including cases where it is applied mutatis mutandis pursuant to Rule 842, Paragraph 3 of the same regulations) satisfies the provisions of Item 1 of the preceding paragraph (limited to cases where a stock, etc. to be delisted pursuant to Rule 303 of the Securities Listing Regulations is an issue for loans for margin transactions), the Exchange shall select such stock, etc. as an issue for loans for margin transactions at the time of the first selection examination after listing.
 5. Notwithstanding the provisions of Paragraph 1, where a listed company, which is not an issuer of issues for loans for margin transactions, absorbs a listed company, which is an issuer of issues for loans for margin transactions, through a merger; or where it carries out a stock swap which results in a listed company, which is an issuer of issues for loans for margin transactions, becoming its wholly-owned subsidiary, the Exchange shall select the stock, etc. of such merger or surviving company as an issue for loans for margin transactions, if the stock, etc. satisfies each of the following items at the time of the first selection examination upon completion of the merger or stock swap.
 - (1) Where the stock, etc. satisfy each of Rule 2, Paragraph 1, Item 2 and Paragraph 1, Items 6 through 11 of this rule.
 - (1)-2. Where the number of tradable shares is expected not to fall under the provisions of Rule 6, Paragraph 1, Item 1 by the end of the first business year after the merger or stock swap.
 - (2) Where the number of shareholders is expected not to fall under the provisions of Rule 6, Paragraph 1, Item 2 by the end of the first business year after completion of the merger or stock swap.
 6. Notwithstanding the provisions of Paragraph 1, where a stock listed on another market satisfies each of the following items, the Exchange shall select such a stock as an issue for loans for margin transactions at the time of the first selection examination after listing.
 - (1) Where the period between the day on which the issue is listed on another domestic financial instruments exchange to the day on which it is listed on the Exchange exceeds six (6) months.
 - (2) Where an issue satisfies each of Paragraph 1, Items 1-2, 2, and 6 through 11:
 - (3) Where the average monthly trading volume of an issue is no less than 100 units in any other domestic financial instruments exchanges during, in principle, the past six (6) months backdated from the last day of the month immediately preceding

the month containing the listing date of the issue on the Exchange; and, in addition, the number of active days of the issue accounts for 80% or more of the trading days on such market. Furthermore, the provisions of Rule 501, Paragraph 3, Item 3 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the trading volume prescribed above. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 2.

7. Notwithstanding the provisions of Paragraph 1, where a stock, etc. (excluding an issue listed on another domestic financial instruments exchange) satisfies each of Paragraph 1, Items 1-2, 2, and 6 through 11, the Exchange shall select such stock, etc. as an issue for loans for margin transactions at the time of the first selection examination after listing.
8. With regards to the application of the provisions of Paragraph 4, Items 1-2 and 2 pertaining to a company whose shareholder, etc. record date is not the end of a business year, "the end of the first business year after listing" in Items 1-2 and 2 of the same paragraph shall be "the first shareholder, etc. record date after listing"; and, with regards to the application of the provisions of Paragraph 6, Items 1-2 and 2, "the end of the first business year after the merger or stock swap" in Items 1-2 and 2 of the same paragraph shall be "the first shareholder, etc. record date after the merger or stock swap".

Rule 3-2. Criteria for Selecting Real Estate Investment Trust Securities Eligible for Loans for Margin Transactions

1. If a real estate investment trust security which is a standardized margin transaction issue satisfies each of the following items, the Exchange shall select it as an issue for loans for margin transactions, except for cases where such security has been already selected as an issue for loans for margin transactions.
 - (1) Where a real estate investment trust security has been listed for more than six (6) months.
 - (1)-2. Where the number of listed beneficiary right units or the number of listed investment units is at least 20,000.
 - (2) The number of beneficiaries (excluding the major beneficiaries (meaning the top ten beneficiaries in descending order of beneficiary rights held; the same shall apply hereinafter) or the number of investors (excluding the major investors (meaning the top ten investors in descending order of investment units held); hereinafter the same shall apply in this rule, Rule 3-5, Rule 3-7, Rule 6-2, Rule 6-4, and Rule 6-6) is not less than 1,700.
 - (3) Where the trading volume, etc. of an issue during, in principle, the past six (6) months backdated from the last day of the second month immediately following the month containing the last day of the computation period or business period of a real estate investment trust security satisfies either of the following sub-items a. or b.:
 - a. The average monthly trading volume of a real estate investment trust security is not less than 100 units and the number of active days of the security accounts for 80% or more of the trading days on the market of the Exchange; or
 - b. Where the average monthly trading volume of a real estate investment trust

security listed on any such other domestic financial instruments exchanges is not less than 100 and its number of active days is 80% or more of the number of trading days on such market, on the Exchange market, its average monthly trading volume is not less than 50 units and its number of active trading day is 40% or more of the number of trading days.

- (4) Deleted
 - (5) Deleted
 - (6) Where a real estate investment trust security is not deemed to be delisted on and after the selection date prescribed in the provisions of Rule 4.
 - (7) Where a real estate investment trust security is not designated as a Security on Special Alert, a security under supervision, or a security to be delisted.
 - (8) Where a real estate investment trust security is not designated as a security placed under the grace period prescribed in Rule 1233, Paragraph 1, Item 1 of the Enforcement Rules for the Securities Listing Regulations.
 - (9) Where a real estate investment trust security is not subject to regulatory measures that restrict securities trading or margin transactions.
 - (10) Where a real estate investment trust security is not deemed inappropriate to be an issue for loans for margin transactions according to its number of stocks available for loans for margin transactions.
 - (11) In addition to the above, where a real estate investment trust security is not deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 212, Paragraph 1, Items 4 and 8 of the Enforcement Rules for the Securities Listing Regulations shall be applied mutatis mutandis to the number of beneficiaries or the number of investors prescribed in Item 2 of the preceding paragraph respectively. In this case, terms shall be reworded in accordance with Appendix Table 3.
3. Notwithstanding the provisions of Paragraph 1, where a real estate investment trust security for which an initial computation period or business period has not yet been completed, pursuant to a trust deed of an investment trust or rules of an investment corporation, satisfies each of the following items (excluding cases to which the next paragraph and Paragraph 7 apply), the Exchange shall select such a security as an issue for loans for margin transactions at the time of the first selection examination after listing.
- (1) Where a real estate investment trust security satisfies each of Paragraph 1, Items 1, Sub-item 2, Item 2, and Items 6 through 11.
 - (2) Where the trading volume, etc. of a real estate investment trust security during, in principle, the past six (6) months backdated from the last day of the second month immediately following the month containing the last day (hereinafter referred to as the "day subject to examination"), which is obtained by backdating the number of months of a regular computation period or business period of the security from the month containing the last day of an initial computation period or business period of the security in a trust deed of an investment trust or terms and conditions of an investment corporation, satisfies Paragraph 1, Item 3, Sub-items a. and b.
 - (3) Where the total amount of net assets of a real estate investment trust security

is expected to reach JPY 50 billion or more at the time of its listing. In this regard, the provisions of Rule 1206, Paragraph 1 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the calculation of the total amount of assets and the total amount of net assets prescribed above.

4. Notwithstanding the provisions of Paragraph 1, where a real estate investment trust security with 100,000 or more listed beneficiary right units or listed investment units as well as market capitalization of JPY 50 billion or more at the time of listing (meaning an amount calculated by multiplying the lowest price during the five (5) business days from the day on which the first contract price is determined after listing by the number of listed beneficiary right units or listed investment units) satisfies each of Paragraph 1, Items 2, and 6 through 11, the Exchange shall select such security as an issue for loans for margin transactions at the time of the first selection examination after listing (excluding cases to which the provisions of Paragraph 7 apply).
5. Notwithstanding the provisions of Paragraph 1, where an investment security that is to be listed on the Exchange pursuant to the provisions of Rule 1207 of the Securities Listing Regulations satisfies each of the following items (limited to cases where an investment security issued by any party who carries out activities prescribed in Rule 1207 of the Securities Listing Regulations is an issue for loans for margin transactions), the Exchange shall select such security as an issue for loans for margin transactions at the time of the first selection examination after listing.
 - (1) Where an investment security satisfies each of Rule 2-2, Paragraph 1, Item 2 and Paragraph 1, Items 1-2, 10, and 11 of this rule.
 - (2) Where the number of investors is expected not to fall under the provisions of Rule 6-2, Paragraph 1, Item 2 by the end of the first business period after listing.
6. Notwithstanding the provisions of Paragraph 1, where a listed investment corporation, which is not an issuer of issues for loans for margin transactions, absorbs an investment corporation, which is an issuer of issues for loans for margin transactions, through a merger, the Exchange shall select an investment security of such merging listed investment corporation as an issue for loans for margin transactions, if the investment security satisfies each of the following items at the time of the first selection examination after completion of the merger.
 - (1) Where an investment security satisfies each of Rule 2-2, Paragraph 1, Item 2 and Paragraph 1, Items 1-2, and 6 through 11 of this rule.
 - (2) Where the number of investors is expected not to fall under the provisions of Rule 6-2, Paragraph 1, Item 2 by the end of the first business period after completion of the merger.
7. Notwithstanding the provisions of Paragraph 1, where a real estate investment trust security listed on another market satisfies each of the following items, the Exchange shall select such security as an issue for loans for margin transactions at the time of the first selection examination after listing.
 - (1) Where the period between the day on which a real estate investment trust security is listed on another domestic financial instruments exchange and the day on which it is listed on the Exchange exceeds six (6) months.

- (2) Where a real estate investment trust security satisfies each of Paragraph 1, Items 1-2, 2, and 6 through 11.
 - (3) Where the average monthly trading volume is not less than 100 units on another domestic financial instruments exchange during, as a general rule, past six (6) months backdated from the last day of the month immediately preceding the month containing the listing date of the security on the Exchange and the number of active days of the security accounts for 80% or more of the trading days in such market.
8. Notwithstanding the provisions of Paragraph 1, where a listed real estate investment trust security (excluding a real estate investment trust security that had been listed on another domestic financial instruments exchange) satisfies each of Paragraph 1, Items 1-2, 2, and 6 through 11, the Exchange shall select such security as an issue for loans for margin transactions at the time of the first selection examination after listing.

Rule 3-3. Criteria for Selecting ETFs Eligible for Loans for Margin Transactions

The Exchange shall select from issues other than those already selected as issues for loans for margin transactions, an ETF as an issue for loans for margin transactions, if the ETF satisfies each requirement prescribed in the provisions of Rule 3, Paragraph 1, Items 6 through 11.

Rule 3-4. Criteria for Selecting ETN Trust Beneficiary Certificates Eligible for Loans for Margin Transactions

The Exchange shall select issues other than those already selected as loan margin transaction issues, an ETN Trust Beneficiary Certificate as an issue for loans for margin transactions, if the ETN Trust Beneficiary Certificate, which is a standardized margin transaction issue, satisfies each of the following items.

- (1) Where an issue satisfies each of Rule 3, Paragraph 1, Items 6, 7, and 9 through 11.
- (2) Where an issue does not fall under the periods prescribed in Rule 951, Paragraph 1, Item 2, Sub-item a. through c., or Item 3, Sub-item b. or c. of the Securities Listing Regulations.

Rule 3-5. Criteria for Selecting Venture Funds Eligible for Loans for Margin Transactions

1. The Exchange shall select from venture funds other than those already selected as issues for loans for margin transactions, a venture fund as an issue for loans for margin transactions, if the venture fund satisfies each of the following items.
 - (1) Where a venture fund has been listed for more than six (6) months.
 - (2) Where the number of investment units is not less than 20,000.
 - (3) Where the number of investors is not less than 1,700.
 - (4) Where the trading volume, etc. satisfies the following Sub-items a. or b. during, in principle, the past six (6) months backdated from the last day of the second month immediately following the month containing the last day of the business period of the security.
 - a. The average monthly trading volume is not less than 100 units on the market

- of the Exchange and the number of active days accounts for 80% or more of the number of trading days on such market.
- b. The average monthly trading volume of a venture fund listed on other domestic financial instruments exchanges as well as on the Exchange is not less than 100 units and its number of active days accounts for 80% or more of the number of trading days on any such other domestic financial instruments exchanges, on the market of the Exchange, where its average monthly trading volume is not less than 50 units and its number of trading days is 40% or more of the number of trading days on the market of the Exchange.
- (5) Where a venture fund is not deemed to be delisted on and after the selection date prescribed in the provisions of Rule 4.
- (6) Where a venture fund is not designated as a Security on Special Alert, a security under supervision, or a security to be delisted.
- (7) Where a venture fund is not designated as a security placed under the grace period prescribed in Rule 1329, Paragraph 5, Item 1 of the Enforcement Rules for the Securities Listing Regulations.
- (8) Where a venture fund is not subject to regulatory measures that restrict securities trading or margin transactions.
- (9) Where a venture fund is not deemed inappropriate to be an issue for loans for margin transactions according to its number of investment units available for loans for margin transactions.
- (10) In addition to the above, where a venture fund is not deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 212, Paragraph 1, Items 4 and 8 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the number of investors prescribed in Item 3 of the preceding paragraph. Terms prescribed above shall be replaced in accordance with Appendix Table 4.
3. Notwithstanding the provisions of Paragraph 1, where a venture fund with 100,000 or more listed investment units as well as market capitalization of JPY 50 billion or more at the time of its listing (meaning an amount calculated by multiplying the lowest price during the five (5) business days from the day on which the first contract price is determined after listing by the number of listed investment units; the same shall apply to the provisions of Rule 3-6, Paragraph 3) satisfies each of Paragraph 1, Items 3, and 5 through 10, the Exchange shall select such venture fund as an issue for loans for margin transactions at the time of the first selection examination after listing (excluding cases to which the provisions of Paragraph 6 apply).
4. Notwithstanding the provisions of Paragraph 1, where a venture fund that is to be listed on the Exchange pursuant to the provisions of Rule 1307 of the Securities Listing Regulations satisfies each of the following items (limited to cases where a venture fund issued by any party who carries out activities prescribed in Rule 1307 of the Securities Listing Regulations is an issue for loans for margin transactions), the Exchange shall

select such venture fund as an issue for loans for margin transactions at the time of the first selection examination after listing.

- (1) Where a venture fund satisfies each of Paragraph 1, Items 2, 9, and 10
 - (2) Where the number of investors is expected not to fall under the provisions of Rule 6-4, Paragraph 1, Item 2 by the end of the first business period after listing
5. Notwithstanding the provisions of Paragraph 1, where a listed investment corporation which is not an issuer of issues for loans for margin transactions absorbs through a merger an investment corporation which is an issuer of issues for loans for margin transactions, the Exchange shall select a venture fund of such merger corporation as an issue for loans for margin transactions, if the venture fund satisfies each of the following items at the time of the first selection examination after completion of the merger.
- (1) Where a venture fund satisfies each of Paragraph 1, Items 2, and 5 through 10.
 - (2) Where the number of investors is expected not to fall under the provisions of Rule 6-4, Paragraph 1, Item 2 by the end of the first business period after completion of the merger.
6. Notwithstanding the provisions of the preceding Paragraph 1, where a venture fund listed on another market satisfies the following items, the Exchange shall select such security as an issue for loans for margin transactions at the time of the first selection examination after listing.
- (1) Where the period between the day on which an issue is listed on another domestic financial instruments exchange and the day on which it is listed on the Exchange exceeds six (6) months.
 - (2) Where a venture fund satisfies each of Paragraph 1, Items 2, 3, and 5 through 10.
 - (3) Where the average monthly trading volume of an issue is no less than 100 units in any market of other domestic financial instruments exchanges during, in principle, the past six (6) months backdated from the last day of the month immediately preceding the month containing the listing date of the issue on the Exchange and the number of active days of the issue accounts for 80% or more of the number of trading days on such market.
7. Notwithstanding the provisions of Paragraph 1, where a listed venture fund (excluding a venture fund listed on another domestic financial instruments exchange) satisfies each of Paragraph 1, Items 2, 3, and 5 through 10, the Exchange shall select such venture fund as an issue for loans for margin transactions at the time of the first selection examination after listing.

Rule 3-6. Criteria for Selecting Country Funds Eligible for Loans for Margin Transactions

1. The Exchange shall select from country funds other than those already selected as issues for loans for margin transactions, a country fund as an issue for loans for margin transactions, if the venture fund satisfies each of the following items.
 - (1) Where a country fund has been listed for more than six (6) months.
 - (2) Where the number of investment units is not less than 4 million.

- (3) The number of investors in Japan prescribed in the provisions of Rule 1405, Item 2 of the Enforcement Rules for the Securities Listing Regulations ("the number of investors" hereinafter in this rule and Rule 6-5) is not less than 1,700.
 - (4) Where the trading volume, etc. satisfies the items prescribed in the following a. or b. during, in principle, the past six (6) months backdated from the last day of the second month immediately following the month containing the last day of the business period of the security.
 - a. The average monthly trading volume is not less than 100 units on the market of the Exchange and the number of active days accounts for 80% or more of the number of trading days on the market of the Exchange.
 - b. The average monthly trading volume of a country fund listed on other domestic financial instruments exchanges as well as on the Exchange is not less than 100 units in any such other domestic financial instruments exchanges and its number of active days accounts for 80% or more of the number of trading days on such market, on the market of the Exchange, its average monthly trading volume is not less than 50 units and its number of active cases is 40% or more of the number of trading days on the market of the Exchange.
 - (5) Where a venture fund is not deemed to be delisted on and after the selection date prescribed in the provisions of Rule 4.
 - (6) Where a country fund is not designated as a Security on Special Alert, a security under supervision, or a security to be delisted.
 - (7) Where a country fund is not subject to regulatory measures that restrict securities trading or margin transactions.
 - (8) Where a country fund is not deemed inappropriate to be an issue for loans for margin transactions according to its number of investment units available for loans for margin transactions.
 - (9) In addition to the above, where a venture fund is not deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 212, Paragraph 1, Item 4 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the number of investors prescribed in Item 3 of the preceding paragraph. Terms prescribed above shall be replaced in accordance with Appendix Table 5.
3. Notwithstanding the provisions of Paragraph 1, where a country fund with 4 million or more listed investment units as well as market capitalization of JPY 50 billion or more at the time of listing satisfies each of Paragraph 1, Items 3, and 5 through 9, the Exchange shall select such country fund as an issue for loans for margin transactions at the time of the first selection examination after listing (excluding cases to which the provisions of Paragraph 5 apply)..
4. Notwithstanding the provisions of Paragraph 1, where a listed investment corporation, which is not an issuer of issues for loans for margin transactions, absorbs an investment corporation, which is an issuer of issues for loans for margin transactions, through a

merger, the Exchange shall select a country fund of such merging listed investment corporation as an issue for loans for margin transactions, if the country fund satisfies each of the following items at the time of the first selection examination after completion of the merger.

- (1) Where a country fund satisfies each of Paragraph 1, Items 2, and 5 through 9.
 - (2) Where the number of investors is expected not to fall under the provisions of Rule 6-5, Paragraph 1, Item 2 by the end of the first business period after completion of the merger.
5. Notwithstanding the provisions of Paragraph 1, where a country fund that is listed on another domestic financial instruments exchanges satisfies each of the following items, the Exchange shall select such country fund as an issue for loans for margin transactions at the time of the first selection examination after listing.
- (1) Where the period between the day on which a country fund is listed on another domestic financial instruments exchange and the day on which it is listed on the Exchange exceeds six (6) months.
 - (2) Where a country fund satisfies each of Paragraph 1, Items 2, 3, and 5 through 9.
 - (3) Where the average monthly trading volume of a country fund is no less than 100 units in any such other domestic financial instruments exchanges during, in principle, the past six (6) months backdated from the last day of the month immediately preceding the month containing the listing date of the country fund on the Exchange and the number of active days of the issue accounts for 80% or more of the number of trading days on such market.
6. Notwithstanding the provisions of Paragraph 1, where a listed country fund (excluding a country fund listed on another domestic financial instruments exchange) satisfies each of Paragraph 1, Items 2, 3, and 5 through 9, the Exchange shall select such country fund as an issue for loans for margin transactions at the time of the first selection examination after listing.

Rule 3-7. Criteria for Selecting Infrastructure Funds Eligible for Loans for Margin Transactions

1. If an infrastructure fund that is a standardized margin transaction issue satisfies each of the following items, the Exchange shall select the infrastructure fund as an issue for loans for margin transactions unless such fund has been already selected as an issue for loans for margin transactions.
 - (1) Where the infrastructure fund has been listed for more than six (6) months,
 - (2) Where the number of listed beneficiary right units or listed investment units is not less than 2 million,
 - (3) Where the number of beneficiaries or investors is not less than 1,700,
 - (4) Where the trading volume, etc. of the infrastructure fund during, in principle, the past six (6) months before the end of the second month following the month containing the end of the accounting period or business period of the infrastructure

fund satisfy either of the following Sub-item a. or b.,

- a. Where the average monthly trading volume of the infrastructure fund at the Exchange market is not less than 100 units and the number of active days accounts for 80% or more of the trading days at the Exchange market; or
- b. Where the average monthly trading volume of the infrastructure fund listed on the Exchange and other domestic financial instruments exchanges at any of such other exchange is not less than 100 units and the number of active days accounts for 80% or more of the number of trading days at such other exchange and the average monthly trading volume at the Exchange market is not less than 50 units and the number of active trading days accounts for 40% or more of the number of trading days. However, in the case of a foreign infrastructure fund, with regard to an infrastructure fund that is listed on the Exchange and listed on or continuously traded at other domestic financial instruments exchange or a foreign, etc., where the average monthly trading volume is not less than 100 units and the number of active days accounts for 80% or more of the number of trading days at any of such exchange, etc., and the average monthly trading volume is not less than 50 units and the number of active days accounts for 40% or more of the number of trading days at the Exchange market.

(5) Deleted

(6) Deleted

(7) Where the infrastructure fund is not deemed to be surely delisted on or after the day of selection pursuant to the provisions of Rule 4,

(8) Where the infrastructure fund is not designated as a Security on Special Alert, security under supervision, or security to be delisted,

(9) Where the infrastructure fund is not in the grace period specified in Rule 1536, Paragraph 1, Item 1 of the Enforcement Rules for Securities Listing Regulations,

(10) Where the infrastructure fund is not subject to regulatory measures that restrict trading or margin transactions,

(11) Where the infrastructure fund is not deemed inappropriate to be an issue for loans for margin transactions in light of the number of infrastructure funds available for loans for margin transactions, and

(12) Other than the above, where the infrastructure fund is not deemed inappropriate to be an issue for loans for margin transactions.

2. The provisions of Rule 212, Paragraph 1, Items 4 and 8 of the Enforcement Rules for Securities Listing Regulations shall be applied mutatis mutandis to the number of beneficiaries or investors prescribed in Item 3 of the preceding paragraph. In this case, terms shall be reworded in accordance with Appendix Table 6.
3. Notwithstanding the provisions of Paragraph 1, if an infrastructure fund for which a period specified as an initial accounting period or business period by the basic terms and conditions of an investment trust or the certificate of incorporation of an

investment corporation has not yet been completed satisfies each of the following items at the time of the first selection examination after listing (excluding cases where the next paragraph or Paragraph 7 applies), the Exchange shall select such fund as an issue for loans for margin transactions.

- (1) Where the infrastructure fund satisfies each of Paragraph 1, Items 2, 3, and 7 through 12,
 - (2) Where the trading volume, etc. satisfy Paragraph 1, Item 4, Sub-item a. or b. during, in principle, the past six (6) months before the end of the second month following the month containing the day subject to examination, and
 - (3) Where the total amount of net assets of the infrastructure fund is expected to reach at least JPY 50 billion at the time of listing. In this case, the provisions of Rule 1505, Paragraph 1 of the Enforcement Rules for Securities Listing Regulations shall be applied mutatis mutandis to the calculation of the total amount of net assets.
4. Notwithstanding the provisions of Paragraph 1, an infrastructure fund with listed beneficiary right units or listed investment units of at least 100,000 and market capitalization of at least JPY 50 billion at the time of listing (see Note below) satisfies each of Paragraph 1, Items 3, and 7 through 12 at the time of the first selection examination after listing (excluding cases for which the provisions of Paragraph 7 apply), the Exchange shall select such infrastructure fund as an issue for loans for margin transactions.
- (Note) The market capitalization at the time of listing shall be an amount obtained by multiplying the lowest price during five (5) business days from the day on which the first contract price is determined after listing by the number of listed beneficiary right units or listed investment units
5. Notwithstanding the provisions of Paragraph 1, if an investment security to be listed pursuant to the provisions of Rule 1507 of Securities Listing Regulations satisfies each of the following items at the time of the first selection examination after listing, the Exchange shall select such security as an issue for loans for margin transactions (limited to cases where an investment security issued by a party who conducts acts specified in Rule 1507 of Securities Listing Regulations is an issue for loans for margin transactions),
- (1) Where the investment security satisfies each of Rule 2-7, Paragraph 1, Item 2 as well as Paragraph 1, Items 2, 11 and 12 of this rule.
 - (2) Where the number of investors is expected not to fall under the provisions of Rule 6-6, Paragraph 1, Item 2 by the end of the first business period after listing.
6. Notwithstanding the provisions of Paragraph 1, where a listed investment corporation that is not an issuer of an issue for loans for margin transactions absorbs an investment corporation that is an issuer of an issue for loans for margin transactions through a merger, if an investment security of the investment corporation that is not an issuer of such issue for loans for margin transactions satisfies each of the following items at the time of the first selection examination after completion of the merger, the Exchange shall select the investment security of such investment corporation as an issue for loans for margin transactions.
- (1) Where the investment security satisfies each of Rule 2-7, Paragraph 1, Item 2

- and Paragraph 1, Items 2, and 7 through 12 of this rule,
- (2) Where the number of investors is expected not to meet the provisions of Rule 6-6, Paragraph 1, Item 2 by the end of the first business period after completion of the merger.
7. Notwithstanding the provisions of Paragraph 1, if another market-listed infrastructure fund satisfies each of the following items at the time of the first selection examination after listing, the Exchange shall select such fund as an issue for loans for margin transactions.
- (1) Where the period between the day on which an infrastructure fund was listed on another domestic financial instruments exchange and the day on which it was listed on the Exchange exceeds six (6) months.
- (2) Where the infrastructure fund satisfies each of Paragraph 1, Items 2, 3, and 7 through 12,
- (3) Where the average monthly trading volume at another domestic financial instruments exchange is not less than 100 units during, in principle, the past six (6) months before the end of the month immediately preceding the month containing the listing date of the security and the number of active days of the security accounts for 80% or more of the trading days in the Exchange market.
8. Notwithstanding the provisions of Paragraph 1, where a listed infrastructure fund (excluding an infrastructure fund that had been listed on another domestic financial instruments exchange) satisfies each of Paragraph 1, Items 2, 3, and 7 through 12 at the time of the first selection examination after listing, the Exchange shall select such fund as an issue for loans for margin transactions.

Rule 4. Timing of Selection

1. The selection of standardized margin transaction issues pursuant to the provisions of Rule 2, Paragraphs 1 and 2, Rule 2-2, Paragraphs 1 and 2, Rule 2-5, Paragraph 1, Rule 2-6 Paragraph 1, and Rule 2-7, Paragraphs 1 and 2 shall be made, the day immediately following the day on which the first contract price is determined after listing (if such day falls on a non-business day of the Exchange, it shall be moved down accordingly).
2. The selection of issues for loans for margin transactions pursuant to the provisions of Rules 3, 3-2, 3-5, 3-6, and 3-7 shall be made, on a monthly basis, on the first day (if such first day falls on a non-business day of the Exchange, it shall be moved down accordingly; the same shall apply hereinafter) of the fifth month following the month containing the last day of the issuer's business year (in the case of a real estate investment trust security, venture fund, country fund, and infrastructure fund the last day of computation period or business period or the day subject to examination prescribed in Rule 3-2, Paragraph 3, Item 2).
3. Notwithstanding the provisions of the preceding two paragraphs, the selection of standardized margin transaction issues or issues for loans for margin transactions prescribed in each of the following items shall be made on the day specified in said items.
- (1) For the selection of standardized margin transaction issues pursuant to the provisions of Rule 2, Paragraphs 3 and 4, Rule 2-2, Paragraph 3, Rule 2-5, Paragraph 2, and Rule 2-7, Paragraph 3 and issues for loans for margin transactions pursuant to the provisions of Rule 3, Paragraphs 3 and 4, Rule 3-2, Paragraph 5, Rule 3-5, Paragraph 4 and Rule 3-7, Paragraph 5:

The date on which the issue was listed.

- (2) For the selection of standardized margin transaction issues pursuant to the provisions of Rule 2, Paragraph 5, Rule 2-2, Paragraph 4, Rule 2-5, Paragraph 3, Rule 2-6, Paragraph 2, and Rule 2-7, Paragraph 4 as well as issues for loans for margin transactions pursuant to the provisions of Rule 3, Paragraph 5, Rule 3-2, Paragraph 6, Rule 3-5, Paragraph 5, Rule 3-6, Paragraph 4, and Rule 3-7, Paragraph 6:

The date on which a stock, etc., a real estate investment trust security, venture fund, country fund, or infrastructure fund issued due a merger or stock swap was listed.

- (3) For the selection of standardized margin transaction issues pursuant to the provisions of Rule 2, Paragraph 6, Rule 2-2, Paragraph 5, Rule 2-5, Paragraph 4, Rule 2-6, Paragraph 3, and Rule 2-7, Paragraph 5 as well as the selection of issues for loans for margin transactions pursuant to the provisions of Rule 3, Paragraph 6, Rule 3-2, Paragraph 7, Rule 3-5, Paragraph 6, Rule 3-6, Paragraph 5, and Rule 3-7, Paragraph 7:

The date on which the issue was listed.

- (4) For the selection of standardized margin transaction issues pursuant to the provisions of Rule 2, Paragraph 7, Rule 2-2, Paragraph 6, Rule 2-5, Paragraph 5, Rule 2-6, Paragraph 4, and Rule 2-7, Paragraph 6:

- a. In the case where a new stock, etc., a new real estate investment trust security, new venture fund, new country fund, or new infrastructure fund is already listed:

The day on which the stock, etc., real estate investment trust security, venture fund, or country fund of the issuer of the new stock, etc., new real estate investment trust security, new venture fund, new country fund, infrastructure fund is selected as a standardized margin transaction issue.

- b. In the case where a new stock, etc., a new real estate investment trust security, new venture fund, new country fund, or new infrastructure fund is to be listed:

The date on which a new stock, etc., a new real estate investment trust security, new venture fund, new country fund, or new infrastructure fund was listed

- (5) For the selection of issues for loans for margin transactions pursuant to the provisions of Rule 3, Paragraphs 7, Rule 3-2, Paragraphs 3, 4, and 8, Rule 3-5, Paragraphs 3 and 7, Rule 3-6, Paragraphs 3 and 6, and Rule 3-7, Paragraphs 3, 4, and 8:

The date which falls on the sixth day (excluding non-business days) counting from the day on which the first contract price is determined after listing

- (6) The first time of selection as a standardized margin transaction issue following non-selection resulting from the selection examination of a standardized margin transaction issue pursuant to the Paragraph 1 as well as Items 1 through 5 of this paragraph.

A day determined by the Exchange on a case-by-case basis

- (7) The first time of selection as a standardized margin transaction issue following disqualification as a standardized margin transaction issue pursuant to the provisions of Item 1 of the following paragraph or Rule 5-2, Item 1.

A day determined by the Exchange on a case-by-case basis

4. The selection of standardized margin transaction issues pursuant to the provisions of Rules 2-3 and 2-4, as well as the selection of issues for loans for margin transactions pursuant to the provisions of Rules 3-3 and 3-4 shall be made on a day determined by the Exchange on a case-by-case basis.
5. The selection of issues for loans for margin transactions prescribed in Paragraph 2 may be carried out on, in addition to the day specified therein, any day until the last day of the eighth month counting from the month to which such day belongs (If such day falls on a non-business day, it shall be moved up; the same shall apply hereinafter). The selection of issues for loans for margin transactions prescribed in Paragraph 3, Item 3 may be carried out on, in addition to the day specified therein, any day within the period between the day immediately following such specified day and the day in the third month corresponding to such specified day (If such corresponding day does not exist, it shall be the last day of such month; if such corresponding day falls on a non-business day, it shall be moved down accordingly; the same shall apply hereinafter). The selection of issues for loans for margin transactions prescribed in Paragraph 3, Item 5 may be carried out on, in addition to the day specified therein, any day within the period between the day immediately following such specified day and the day in the sixth month corresponding to such specified day.

Rule 5. Criteria for Disqualification of a Stock, etc. as a Standardized Margin Transaction Issue

The Exchange shall disqualify a stock, etc. as a standardized margin transaction issue, if the stock, etc. falls under any of the conditions prescribed in the following items.

- (1) Where an issue is other than issues of which net assets as of the end of the most recent business year are positive (limited to a subsequent business year of the first business year after listing for an issue selected as a standardized margin transaction issue pursuant to the provisions of Rule 2, Paragraph 2).
- (2) Where an issue is determined to be delisted.
- (3) In addition to the above, where an issue is deemed inappropriate to be a standardized margin transaction issue.

Rule 5-2. Criteria for Disqualification of a Real Estate Investment Trust Security as a Standardized Margin Transaction Issue

The Exchange shall disqualify a real estate investment trust security as a standardized margin transaction issue, if the real estate investment trust security falls under any of the conditions prescribed in the following items.

- (1) Where the total amount of net assets is negative at the end of the immediately prior accounting period or the immediately prior business period (limited to an accounting period or business period after the first accounting period or business period after listing for an issue selected as a standardized margin transaction issue pursuant to the provisions of Rule 2-2, Paragraph 2) of the issue.
- (2) Where an issue is determined to be delisted.
- (3) In addition to the above, where an issue is deemed inappropriate to be a

standardized margin transaction issue.

Rule 5-3. Criteria for Disqualification of an ETF or ETN Trust Beneficiary Certificate as a Standardized Margin Transaction Issue

The Exchange shall disqualify an ETF or ETN trust beneficiary certificate as a standardized margin transaction issue, if the ETF or ETN falls under any of the conditions prescribed in Rule 5, Items 2 or 3.

Rule 5-4. Criteria for Disqualification of a Venture Fund as a Standardized Margin Transaction Issue

The Exchange shall disqualify a venture fund as a standardized margin transaction issue, if the venture fund falls under any of the conditions prescribed in the following items.

- (1) Where a venture fund is determined to be delisted.
- (2) In addition to the above, where a venture fund is deemed inappropriate to be a standardized margin transaction issue.

Rule 5-5. Criteria for Disqualification of a Country Fund as a Standardized Margin Transaction Issue

The Exchange shall disqualify a country fund as a standardized margin transaction issue, if the country fund falls under any of the conditions prescribed in the following items.

- (1) Where a country fund is determined to be delisted.
- (2) In addition to the above, where a country fund is deemed inappropriate to be a standardized margin transaction issue.

Rule 5-6. Criteria for Disqualification of an Infrastructure Fund as a Standardized Margin Transaction Issue

The Exchange shall disqualify an infrastructure fund as a standardized margin transaction issue if the infrastructure fund falls under any of the following items.

- (1) Where the total amount of net assets is negative at the end of the immediately prior accounting period or the immediately prior business period (limited to an accounting period or business period after the first accounting period or business period after listing for an issue selected as a standardized margin transaction issue pursuant to the provisions of Rule 2-7, Paragraph 2) of the issue,.
- (2) Where the infrastructure fund is determined to be delisted, or
- (3) Other than the above, where the infrastructure fund is deemed inappropriate to be a standardized margin transaction issue.

Rule 6. Criteria for Disqualification of a Stock, etc. as Issue for Loans for Margin Transactions

1. The Exchange shall disqualify a stock, etc. as an issue for loans for margin transactions, if such a stock, etc. falls under any of the conditions prescribed in the following items.

- (1) Where the number of tradable shares is less than 8,500 units; or in the case of a foreign stock, etc. the number of listed stock, etc. it is less than 20,000 units (limited

- to those listed on multiple markets).
- (2) Where the number of shareholders is less than 1,200.
 - (3) Where the trading volume of a foreign stock, etc. falls under any of the conditions prescribed in the following Sub-items a. or b.
 - a. The average monthly trading volume for each year backdated from the last day of December is less than 10 units; or
 - b. Where no trade was executed for the past three (3) months backdated from the last day of each month.
 - (4) Where an issue is other than issues of which net assets as of the end of the most recent business year are positive (limited to a subsequent business year of the first business year after listing for an issue selected as a standardized margin transaction issue pursuant to the provisions of Rule 2, Paragraph 2).
 - (5) Where an issue is determined to be delisted.
 - (6) In addition to the above, where an issue is deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 212 (including cases where it is applied mutatis mutandis pursuant to Rule 825 of the Enforcement Rules for the Securities Listing Regulations; the same shall apply hereinafter in this paragraph), Paragraph 1, Item 1 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the number of tradable shares prescribed in Item 1 of the preceding paragraph. The provisions of Rule 212, Paragraph 1, Items 1 through 4, and Rule 501, Paragraph 1, Item 4 of the same enforcement rules shall apply mutatis mutandis to the number of shareholders prescribed in Item 2 of the preceding paragraph. The provisions of Rule 501, Paragraph 3 Items 1 through 3 of the same regulations shall apply mutatis mutandis pursuant to the average monthly trading volume for each year backdated from the last day of December prescribed in Item 3, Sub-item a. of the preceding paragraph (excluding the provisions of Rule 212, Paragraph 1, Items 1 and 2 of the same rules as applied mutatis mutandis pursuant to Rule 825 of the same enforcement rules in the case of a preferred equity investment security, and excluding the provisions of Rule 212, Paragraph 1, Items 1 through 4, and Rule 501, Paragraph 1, Item 4 of the same enforcement rules in the case of a foreign stock, etc.). Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 7.

Rule 6-2. Criteria for Disqualification of a Real Estate Investment Trust Security as Issue for Loans for Margin Transactions

1. The Exchange shall disqualify a real estate investment trust security as an issue for loans for margin transactions, if the real estate investment trust security falls under any of the conditions prescribed in the following items.
- (1) Where the number of listed beneficiary right units or listed investment units is less than 20,000.
 - (2) Where the number of beneficiaries or the number of investors is less than 1,200.
 - (3) Where the total amount of net assets is negative at the end of the immediately prior accounting period or the immediately prior business period (limited to an accounting period or business period after the first accounting period or business

period after listing for an issue selected as a standardized margin transaction issue pursuant to the provisions of Rule 2-2, Paragraph 2) of the issue.(4) Where the security is determined to be delisted.

- (5) Other than the above, where the security is deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 1233, Paragraph 2 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the number of listed beneficiary right units or listed investment units prescribed in Item 1 of the preceding paragraph. The provisions of Rule 501, Paragraph 1, Item 4, Sub-item e. of the same enforcement rules shall apply mutatis mutandis to the number of beneficiaries or investors prescribed in Item 2 of the preceding paragraph. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 8.

Rule 6-3. Criteria for Disqualification of an ETF or ETN trust beneficiary certificate as Issue for Loans for Margin Transactions

The Exchange shall disqualify an ETF or ETN trust beneficiary certificate as an issue for loans for margin transactions, if the ETF or ETN falls under any of the conditions prescribed in Rule 6, Paragraph 1, Items 5 or 6.

Rule 6-4. Criteria for Disqualification of a Venture Fund as Issue for Loans for Margin Transactions

1. The Exchange shall disqualify a venture fund as an issue for loans for margin transactions, if the venture fund falls under any of the conditions prescribed in the following items.
- (1) Where the number of listed investment units is less than 20,000.
 - (2) Where the number of investors is less than 1,200.
 - (3) Where a venture fund is determined to be delisted.
 - (4) In addition to the above, where a venture fund is deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 1329, Paragraph 6 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the number of listed investment units prescribed in Item 1 of the preceding paragraph. The provisions of Rule 501, Paragraph 1, Item 4 of the same enforcement rules shall apply mutatis mutandis to the number of investors prescribed in Item 1 of the preceding paragraph. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 9.

Rule 6-5. Criteria for Disqualification of a Country Fund as Issue for Loans for Margin Transactions

1. The Exchange shall disqualify a country fund as an issue for loans for margin transactions, if the country fund falls under any of the conditions prescribed in the following items.
- (1) Where the number of listed investment units is less than 4 million.
 - (2) Where the number of investors is less than 1,200.
 - (3) Where a venture fund is determined to be delisted.

- (4) In addition to the above, where a country fund is deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 501, Paragraph 1, Item 4 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to the number of investors prescribed in Item 1 of the preceding paragraph. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 10.

Rule 6-6. Criteria for Disqualifying Infrastructure Fund as Issue for Loans for Margin Transactions

1. The Exchange shall disqualify an infrastructure fund as an issue for loans for margin transactions if the infrastructure fund falls under any of the following items.
 - (1) Where the number of listed beneficiary right units or listed investment units is less than 20,000,
 - (2) Where the number of beneficiaries or investors is less than 1,200,
 - (3) Where the total amount of net assets is negative at the end of the immediately prior accounting period or the immediately prior business period (limited to an accounting period or business period after the first accounting period or business period after listing for an issue selected as a standardized margin transaction issue pursuant to the provisions of Rule 2-7, Paragraph 2) of the issue,
 - (4) Where the infrastructure fund is determined to be delisted,
 - (5) Other than the above, where the infrastructure fund is deemed inappropriate to be an issue for loans for margin transactions.
2. The provisions of Rule 1536, Paragraph 2 of the Enforcement Rules for Securities Listing Regulations shall be applied mutatis mutandis to the number of listed beneficiary right units or listed investment units prescribed in Item 1 of the preceding paragraph. The provisions of Rule 501, Paragraph 1, Item 4 of the same enforcement rules shall be applied mutatis mutandis to the number of beneficiaries or investors prescribed in Item 2 of the preceding paragraph. In this case, the provisions shall be reworded as specified by Appendix Table 11.

Rule 7. Special Provisions for Criteria for Disqualification of a Stock, etc. as Issue for Loans for Margin Transactions

1. Notwithstanding the provisions of Rule 6, Paragraph 1, the Exchange shall not disqualify a stock, etc. as an issue for loans for margin transactions, in the case where, in principle, the stock, etc. falls under any of the provisions of Item 1 or 2 of the same paragraph, but does not fall under the same provisions again within the period of one (1) year counting from the day immediately following the last day of a business year containing the day on which the issue falls under the same provisions (hereinafter referred to as the "grace period" in this rule; if the last day of the grace period does not fall on the last day of the issuer's business year due to a change in the last day of the business year, it shall be the last day of a business year immediately after the end of the grace period).
2. With regards to the application of the provisions of the preceding paragraph pertaining to an issue whose shareholder, etc. record date is changed to a date other than the end of a business

year within the grace period and an issue whose shareholder, etc. record date is not the end of a business year, the number of shareholders and tradable shares as of the shareholder, etc. record date pertaining to the business year to which the last day of the grace period belongs shall be deemed to be those as of the last day of the grace period.

3. The provisions of Rule 601, Paragraph 1, Items 2 and 3 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to an issue for loans for margin transactions in the grace period that had been applied as a result of falling under any of the provisions of Rule 6, Paragraph 1, Item 1 or 2. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 12.

Rule 7-2. Special Provisions for Criteria for Disqualification of a Real Estate Investment Trust Security as Issue for Loans for Margin Transactions

1. Notwithstanding the provisions of Rule 6-2, Paragraph 1, the Exchange shall not disqualify a listed real estate investment trust security as an issue for loans for margin transactions, in the case where, in principle, the security falls under any of the provisions of Item 1 or 2 of the same paragraph, but does not fall under the same provisions again within the period of one (1) year counting from the day immediately following the last day of computation period or business period containing the day on which the security falls under the same provisions (hereinafter referred to as the "grace period" in this rule, the next rule, Rule 7-4, and Rule 7-5; if the last day of the grace period does not fall on the last day of the issuer's computation period or business period due to a change in the last day of the computation period or business period, it shall be the last day of a computation period or business period immediately after the end of the grace period).
2. The provisions of Rule 601, Paragraph 1, Items 2 and 3 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to a real estate investment trust security in the grace period that had been applied as a result of falling under any of the provisions of Rule 6-2, Paragraph 1, Item 1 or 2. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 13.

Rule 7-3. Special Provisions for Criteria for Disqualification of a Venture Fund as Issue for Loans for Margin Transactions

1. Notwithstanding the provisions of Rule 6-4, Paragraph 1, the Exchange shall not disqualify a venture fund as an issue for loans for margin transactions, in the case where, in principle, the venture fund falls under any of the provisions of Item 1 or 2 of the same paragraph, but does not fall under the same provisions again within the grace period.
2. The provisions of Rule 601, Paragraph 1, Items 2 and 3 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to a venture fund in the grace period that had been applied as a result of falling under any of the provisions of Rule 6-4, Paragraph 1, Item 1 or 2. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 14.

Rule 7-4. Special Provisions for Criteria for Disqualification of a Country Fund as Issue for Loans for Margin Transactions

1. Notwithstanding the provisions of Rule 6-5, Paragraph 1, the Exchange shall not disqualify a country fund as an issue for loans for margin transactions, in the case where, in principle, the country fund falls under any of the provisions of Item 1 or 2 of the same paragraph, but does not fall under the same provisions again within the grace period.
2. The provisions of Rule 601, Paragraph 1, Items 2 and 3 of the Enforcement Rules for the Securities Listing Regulations shall apply mutatis mutandis to a country fund in the grace period that had been applied as a result of falling under any of the provisions of Rule 6-5, Paragraph 1, Item 1 or 2. Terms prescribed above shall be deemed to be replaced in accordance with Appendix Table 15.

Rule 7-5. Special Provisions for Criteria for Disqualification of Infrastructure Fund as Issue for Loans for Margin Transactions

1. Notwithstanding the provisions of Rule 6-6, Paragraph 1, when an issue for loans for margin transactions of an infrastructure fund meets Item 1 or Item 2 of the same paragraph, the Exchange shall not disqualify the infrastructure fund as an issue for loans for margin transactions, unless, as a general rule, such fund is deemed to have met any of these provisions throughout the grace period.
2. The provisions of Rule 601, Paragraph 1, Items 2 and 3 of the Enforcement Rules for Securities Listing Regulations shall be applied mutatis mutandis to an infrastructure fund in the grace period due to meeting Rule 6-6, Paragraph 1, Item 1 or 2. In this case, the provisions shall be reworded as specified by Appendix Table 16.

Rule 8. The Timing of Disqualification of Standardized Margin Transaction Issue / Issue for Loans for Margin Transactions

1. The disqualification of a standardized margin transaction issue or an issue for loans for margin transactions which falls under any of the provisions of Rule 5, Item 1 or 3, Rule 5-2, Item 1 or 3, Rule 5-4, Item 2, Rule 5-5, Item 2, Rule 5-6, Item 1 or 3, Rule 6, Paragraph 1, Item 3, 4, or 6, and Rule 6-2, Paragraph 1, Item 3 or 5, Rule 6-4, Paragraph 1, Item 4, Rule 6-5, Paragraph 1, Item 4, or Rule 6-6, Paragraph 1, Item 3 or 5 (including disqualification pursuant to the provisions of Rule 5-3 or Rule 6-3) shall be made on a day determined by the Exchange on a case-by-case basis.
2. The disqualification of a standardized margin transaction issue or an issue for loans for margin transactions in the grace period pursuant to the provisions from Rule 7 through to the preceding rule due to falling under any of the provisions of Rule 6, Paragraph 1, Item 1 or 2, Rule 6-2, Paragraph 1, Item 1 or 2, Rule 6-4, Paragraph 1, Item 1 or 2, Rule 6-5, Paragraph 1, Item 1 or 2, or Rule 6-6, Paragraph 1, Item 1 or 2 shall be made on the first day of the fifth month counting from the month following the month containing the last day of the grace period.
3. The disqualification of a standardized margin transaction issue or an issue for loans for margin transactions which falls under any of the provisions of Rule 5, Item 2, Rule 5-2, Item 2, Rule 5-4, Item 1, Rule 5-5, Item 1, Rule 5-6, Item 2, Rule 6, Paragraph 1, Item 5, Rule 6-2, Paragraph 1, Item 4, Rule 6-4, Paragraph 1, Item 3, Rule 6-5, Paragraph 1, Item 3, or Rule 6-6, Paragraph 1, Item 4 (including disqualification pursuant to the provisions of Rule 5-3 or Rule 6-3) shall be made on the day

immediately following the day on which such issue is determined to be delisted by the Exchange.

Rule 9. Reference Materials for Selection or Disqualification

1. Any selection pursuant to the provisions of Rule 2 through Rule 3-7, and any disqualification pursuant to the provisions of Rule 5 through Rule 6-6 shall be made according to the actual conditions on the day on which the selection or disqualification is to be made.
2. Notwithstanding the provisions of Paragraph 1, any selection or disqualification prescribed in the following items shall be made with reference to materials prescribed in said items.

- (1) Rule 3, Paragraph 1, Item 2 and Paragraph 5, Item 2; Rule 3-2, Paragraph 1, Item 2 and Paragraph 6, Item 2; Rule 3-5, Paragraph 1, Item 3 and Paragraph 5, Item 2; Rule 3-6, Paragraph 1, Item 3 and Paragraph 4, Item 2; Rule 3-7, Paragraph 1, Item 3 and Paragraph 6, Item 2; Rule 6, Paragraph 1, Item 2; Rule 6-2, Paragraph 1, Item 2; Rule 6-4, Paragraph 1, Item 2; and Rule 6-5, Paragraph 1, Item 2; and Rule 6-6, Paragraph 1, Item 2:

Securities reports, etc.; "Table of Distribution of Stocks, etc." submitted pursuant to the provisions of Rule 423, Paragraph 1 of the Enforcement Rules for the Securities Listing Regulations; or "Table of Distribution of Listed Real Estate Investment Trust Securities" submitted pursuant to the provisions of Rule 1230, Paragraph 5, Item 3 of the same rules; "Table of Distribution of Listed Venture Funds" submitted pursuant to the provisions of Rule 1327, Paragraph 3, Item 3 of the same rules; "Table of Distribution of Listed Infrastructure Funds" submitted pursuant to the provisions of Rule 1531, Paragraph 5, Item 3 of the same rules; and so forth.

- (2) Rule 2, Paragraph 1, Item 2; Rule 2-2, Paragraph 1, Item 2; and Rule 2-7, Paragraph 1, Item 2:

Securities reports, etc.

- (3) Rule 3, Paragraph 3, Item 2; Rule 3-2, Paragraph 5, Item 2; Rule 3-5, Paragraph 4, Item 2; and Rule 3-7, Paragraph 5, Item 2:

"Plan for Distribution of Stocks, etc. on or after the Initial Listing Application Day" submitted pursuant to the provisions of Rule 205, Item 1, Sub-item a. (c) of the Enforcement Rules for the Securities Listing Regulations; or "Plan for Distribution of Investment Units on or after the Initial Listing Application" submitted pursuant to the provisions of Rule 1202, Paragraph 3, Item 1, Sub-item b; "Plan for Distribution of Investment Units on or after the Initial Listing Application" submitted pursuant to the provisions of Rule 1302, Paragraph 4, Item 1, Sub-item b.; or "Plan for Distribution of Investment Units after the Initial Listing Application" submitted pursuant to the provisions of Rule 1502, Paragraph 3, Item 1, Sub-item b.

Rule 10. Form of Listing Determined by the Exchange

Forms separately prescribed by the Exchange pursuant to Rule 15, Paragraph 1 of the

Regulations shall be as listed in the following items.

- (1) An application for delisting of a stock which is a standardized margin transaction issue has been made to another domestic financial instruments exchange.
- (2) A stock, etc., real estate investment trust security, venture fund, or infrastructure fund which is to be selected as a standardized margin transaction issue pursuant to the provisions of Rule 2, Paragraph 3, Rule 2-2, Paragraph 3, Rule 2-5, Paragraph 2, or Rule 2-7, Paragraph 3 is not to be listed on another domestic financial instruments exchange.
- (3) A stock, etc., real estate investment trust security, venture fund, country fund, or infrastructure fund which is to be selected as a standardized margin transaction issue pursuant to the provisions of Rule 2, Paragraph 4, Rule 2-2, Paragraph 3, Rule 2-5, Paragraph 3, Rule 2-6, Paragraph 2, or Rule 2-7, Paragraph 4 is not to be listed on another domestic financial instruments exchange.

Supplementary Provision

The revised rules shall be implemented on January 15, 2024.

Appendix Table 1 (related to Rule 3, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 212, Paragraph 1, Items 1, 2, 4, and 8, as well as Paragraph 5, Items 5 and 6	the initial listing applicant	the listed company
Rule 212, Paragraph 1, Item 4	said record date, etc.	the last day of a business year that is subject to examination (when the shareholder, etc. record date is not the last day of a business year, the shareholder, etc. record date pertaining to a business year that is subject to examination)
Rule 212, Paragraph 1, Items 4 and 8	the last record date, etc.	The last day of a business year that is subject to examination (when the shareholder, etc. record date is not the last day of a business year, the shareholder, etc. record date pertaining to a business year that is subject to examination)
Rule 212, Paragraph 1, Item 5	the record date, etc.	the last day of a business year that is subject to examination (when the shareholder, etc. record date is not the last day of a business year, the shareholder, etc. record date

		pertaining to a business year that is subject to examination)
Rule 501, Paragraph 3, Item 3	on or before the last day of June or the last day of December every year	before the last day of the second month immediately following the month containing the last day of a business year that is subject to examination, in principle

Appendix Table 2 (related to Rule 3, Paragraph 3, Item 3 and Paragraph 6, Item 3)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 501, Paragraph 3, Item 3	on or before the last day of June or the last day of December every year	the last day of the month immediately preceding the month containing the listing date

Appendix Table 3 (related to Rule 3-2, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 212, Paragraph 1, Item 4	shareholders	beneficiaries or investors
	said record date, etc.	the most recent record date
Rule 212, Paragraph 1, Items 4 and 8	the number of shareholders	the number of beneficiaries or investors

	the number of tradable shares	the number of beneficiary right units or investment units
	the last record date, etc.	the most recent record date
	stocks, etc.	a real estate investment trust security
	the initial listing applicant	the issuer of a listed real estate investment trust security
Rule 212, Paragraph 1, Item 8	Table of Distribution of Stocks, etc.	Table of Distribution of Real Estate Investment Trust Securities

Appendix Table 4 (related to Rule 3-5, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 212, Paragraph 1, Item 4	shareholders	investors
	said record date, etc.	the most recent record date
Rule 212, Paragraph 1, Items 4 and 8	the number of shareholders	the number of investors
	the number of tradable shares	the number of investment units
	the last record date, etc.	the most recent record date
	stocks, etc.	venture fund
	the initial listing applicant	the issuer of a listed venture fund
Rule 212, Paragraph 1, Item 8	Table of Distribution of Stocks, etc.	Table of Distribution of Venture Funds

Appendix Table 5 (related to Rule 3-6, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 212, Paragraph 1, Item 4	the number of shareholders	the number of investors
	the number of tradable shares	the number of investment units
	the last record date, etc.	the most recent record date
	shareholders	investors
	stocks, etc.	country fund
	the initial listing applicant	the issuer of a listed country fund
	said record date, etc.	the most recent record date

Appendix Table 6 (related to Rule 3-7, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 212, Paragraph 1, Item 4	shareholders	beneficiaries or investors
	such record date, etc.	the most recent record date
Rule 212, Paragraph 1, Items 4 and 8	the number of shareholders	the number of beneficiaries or investors
	the number of tradable shares	the number of beneficial right units or the number of investment units
	the immediately prior record date, etc.	the most recent record date
	stock, etc.	infrastructure fund
	the initial listing applicant	the issuer of a listed infrastructure fund

Rule 212, Paragraph 1, Item 8	Table for distribution of shares, etc.	Table of Distribution of Infrastructure Funds
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Appendix Table 7 (related to Rule 6, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 212, Paragraph 1, Items 1, 2, and 4	the initial listing applicant	the listed company
Rule 212, Paragraph 1, Item 4	the last record date, etc.	the last day of a business year that is subject to examination (when the shareholder, etc. record date is not the last day of a business year, the shareholder, etc. record date pertaining to a business year that is subject to examination)
	said record date, etc.	the last day of a business year that is subject to examination (when the shareholder, etc. record date is not the last day of a business year, the shareholder, etc. record date pertaining to a business year that is subject to examination)

Appendix Table 8 (related to Rule 6-2, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 501, Paragraph 1, Item 4	the number of shareholders	the number of beneficiaries or investors
	stocks, etc.	real estate investment trust securities
	the listed company	the issuer of a real estate investment trust security
	the shareholder	the beneficiary or investor

Appendix Table 9 (related to Rule 6-4, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 501, Paragraph 1, Item 4	the number of shareholders	the number of investors
	stocks, etc.	venture fund
	the listed company	the issuer of the venture fund
	shareholders	investors

Appendix Table 10 (related to Rule 6-5, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 501, Paragraph 1, Item 4	the number of shareholders	the number of investors

	stocks, etc.	country fund
	the listed company	the issuer of the country fund
	shareholders	investors

Appendix Table 11 (related to Rule 6-6, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 501, Paragraph 1, Item 4	the number of shareholders	the number of beneficiaries or investors
	stock, etc.	infrastructure fund
	listed company	issuer of an infrastructure fund
	shareholders	beneficiaries or investors

Appendix Table 12 (related to Rule 7, Paragraph 3)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 601, Paragraph 1, Item 2	An issue not satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	An issue of which the number of shareholders is less than 1,200
	Improvement period	Grace period
	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1-a, Item 2 a, Item 3 a,	1,200 or more

	or Item 4 a of the regulations	
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Appendix Table 13 (related to Rule 7-2, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 601, Paragraph 1, Items 2 and 3	stocks, etc.	real estate investment trust security
	the listed company	the issuer of a real estate investment trust security
	Improvement period	Grace period
Rule 601, Paragraph 1, Item 2	Number of shareholders	Number of beneficiaries or investors
	An issue not satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	An issue of which the number of beneficiaries or investors is less than 1,200
	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	1,200 or more
Rule 601, Paragraph 1, Item 3	the number of tradable shares	the number of listed beneficiary right units or listed investment units
	tradable shares	beneficiary right units or investment units
	An issue not	An issue of which

	satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 b (a), Item 2 b (a), Item 3 b (a), or Item 4 b (a) of the regulations	the number of listed beneficiary right units or the number of listed investment units is less than 20,000
	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1 b (a), Item 2 b (a), Item 3 b (a), or Item 4 b (a) of the regulations	

Appendix Table 14 (related to Rule 7-3, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 601, Paragraph 1, Items 2 and 3	stocks, etc.	venture fund
	the listed company	the issuer of the venture fund
	Improvement period	Grace period
Rule 601, Paragraph 1, Item 2	the number of shareholders	the number of investors
	An issue not satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	An issue of which the number of investors is less than 1,200

	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	1,200 or more
Rule 601, Paragraph 1, Item 3	the number of tradable shares	the number of listed investment units
	tradable shares	investment unit
	An issue not satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 b (a), Item 2 b (a), Item 3 b (a), or Item 4 b (a) of the regulations	An issue of which the number of listed investment units is less than 20,000
	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1 b (a), Item 2 b (a), Item 3 b (a), or Item 4 b (a) of the regulations	20,000 units or more

Appendix Table 15 (related to Rule 7-4, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
Rule 601, Paragraph 1, Items 2 and 3	the listed company	the issuer of the listed country fund
	Improvement period	Grace period
	stocks, etc.	country fund
Rule 601, Paragraph 1, Item 2	the number of shareholders	the number of investors

	An issue not satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	An issue of which the number of investors is less than 1,200
	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	1,200 or more
Rule 601, Paragraph 1, Item 3	the number of tradable shares	the number of listed investment units
	tradable shares	investment units
	An issue not satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 b (a), Item 2 b (a), Item 3 b (a), or Item 4 b (a) of the regulations	An issue of which the number of listed investment units is less than 4 million
	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1 b (a), Item 2 b (a), Item 3 b (a), or Item 4 b (a) of the regulations	4 million unit or more

Appendix Table 16 (related to Rule 7-5, Paragraph 2)

Corresponding provisions of the Enforcement Rules for the Securities Listing Regulations	Word or Phrase deemed to be replaced	Word or Phrase to replace with
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Rule 601, Paragraph 1, Items 2 and 3	stock, etc.	infrastructure fund
	the listed company	the issuer of a listed infrastructure fund
	Improvement period	Grace period
Rule 601, Paragraph 1, Item 2	the number of shareholders	the number of beneficiaries or investors
	An issue not satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	An issue of which the number of beneficiaries or investors is less than 1,200
	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1 a, Item 2 a, Item 3 a, or Item 4 a of the regulations	1,200 or more
Rule 601, Paragraph 1, Item 2	the number of tradable shares	the number of listed beneficiary right units or listed investment units
	tradable shares	Listed beneficiary right units or listed investment units
	An issue not satisfying the criteria provided for under Rule 501, Paragraph 1, Item 1 b (a), Item 2 b (a), Item 3 b (a), or Item 4 b (a) of the regulations	An issue of which the number of listed beneficiary right units or the number of listed investment units is less than 20,000
	Equally or above the criteria provided for under Rule 501, Paragraph 1, Item 1 b (a), Item 2 b (a), Item 3 b (a), or Item 4 b	20,000 or more

(Reference Translation)

	(a) of the regulations	
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