Outline of Give-Up Rules

As of April 13, 2026

Osaka Exchange, Inc.

Item	Details	Remarks
I. Purpose	− In cases where an investor entrusts trading in futures and options (meaning Japanese Government Bond (JGB) futures, interest rate futures, index futures, commodity futures, securities options, options on JGB futures, index options, and options on commodity futures; the same shall apply hereinafter) to multiple trading participants, it will need to conduct settlement-related operations (meaning transfer of payment and deposit or refund of margin pertaining to futures and options; the same shall apply hereinafter) with each of these trading participants, which imposes an extremely large administrative burden on institutional investors and other market users. − In light of this, Osaka Exchange Inc. (OSE) has introduced give-up rules for futures and options in order to reduce administrative costs pertaining to settlement related operations and the required amount of margin for investors, thereby improving the convenience of futures and options traded on OSE.	− Give-up rules have been adopted by major futures exchanges and other trading venues in the world.
II. Definitions	− A give-up is where an executing participant (as defined below) requests a carrying participant (as defined below) to clear and settle a give-up transaction (as defined below). − A take-up is where a carrying participant accepts a give-up from an executing participant.	− Please refer to Appendix 1 for an illustration of a give-up. − Upon a take-up by a carrying participant, the transaction between OSE and the executing participant is terminated and a transaction with

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	− An executing participant is a trading participant (meaning a futures, etc. trading participant, government bond futures, etc. trading participant, or commodity futures, etc. trading participant; the same shall apply hereinafter) which makes a give-up notification (as specified in III 3(3)) to OSE when it requests another trading participant to clear and settle a give-up transaction. − A carrying participant is a trading participant who clears and settles a give-up transaction. − A give-up transaction is a futures/options transaction which is given up.	the same details is created between OSE and the carrying participant. Accordingly, the entrustment relationship between the customer and its executing participant is terminated for those parts related to settlement, and an entrustment relationship with the same details is established between the customer and the carrying participant.
III. Outline of Give-up Rules		
1. Availability of Give-ups	− Give-ups shall be available for futures and options (including trades for error correction or similar; the same shall apply hereinafter). − Give-ups shall not be available for exercise or assignment of exercise of options (meaning securities options, options on JGB futures, index options, and options on commodity futures) nor JGB futures trades that result from exercising options on JGB futures.	− When a trading participant that is a customer of and has a Futures/Options Trading Account with an executing participant cannot place an order due to a failure of its proprietary system or another reason, for transactions executed by said executing participant on behalf of said trading participant, the trading participant may take up clearing and settlement of the transaction (which is given up by the executing participant) as a carrying participant.
2. Conclusion of Give-Up Agreements	− Before a customer can entrust a give-up transaction to an executing participant, said customer shall be required to open Futures/Options Trading Accounts with	− A standard agreement (written in Japanese) is provided.

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	both the executing participant and the designated carrying participant (meaning a trading participant designated by a customer as its carrying participant; the same shall apply hereinafter). In addition, the executing participant, the customer, and the designated carrying participant shall enter into an agreement in advance specifying commission payments pertaining to give-up transactions and how to handle cases where a give-up does not become valid (such an agreement is referred to as a “give-up agreement” hereinafter).	− Trading participants may also use the standard agreement prepared by the Futures Industry Association (FIA).
	− When an executing participant or carrying participant accepts entrustment of a give-up transaction or settlement pertaining to a give-up transaction from a broker based on the commission of brokerage from an applicant, a give-up agreement between the broker or applicant, the executing participant, and the carrying participant is not necessary. However, a give-up agreement between the applicant, the broker of the give-up transaction (or executing participant in cases where said applicant has entrusted the give-up transaction to them directly), and the broker of the settlement of the give-up transaction (or carrying participant in cases where said applicant has entrusted settlement pertaining to the give-up transaction to them directly) shall be necessary. Note 1: A broker is an entity that has been commissioned to broker entrustments of give-up transactions or settlement pertaining to give-up transactions to trading participants. Note 2: An applicant is an entity that has commissioned brokerage of entrustments of give-up transactions or settlement pertaining to give-up transactions.	− Please refer to Appendix 2.
3. Give-up and Take-up	− Whenever a customer entrusts a give-up transaction, said customer shall provide	− For confirmation numbers, OSE recommends

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Procedures (1) Instructions from Customers when Entrusting Give-up Transactions	the executing participant with, in addition to the necessary instructions for entrustment of a futures or options trade (such as name of contract and trading quantity), the give-up request, the name of the carrying participant, and the customer confirmation number (meaning a number used to check, for example, whether the designated carrying participant has a give-up agreement with said customer; the same shall apply hereinafter).	use of the account number of the Futures/Options Trading Account opened by the customer with its designated carrying participant.
(2) Instructions for Give-Ups from Customers with Prior Consent	− In cases where a customer obtains prior consent from an executing participant and its designated carrying participant, the customer may carry out an instruction by providing the executing participant with the give-up request, the name of the designated carrying participant, and the customer confirmation number by the cut-off time designated by the executing participant, which shall be a time up to 4:45 p.m. after the end of the trading day on which the give-up transaction is executed.	− In cases where a customer obtains prior consent from an executing participant and designated carrying participant, said customer does not have to provide a give-up instruction every time it entrusts a give-up transaction. − A trading day is defined as one cycle from the beginning of night trading (meaning the night session and J-NET trading) to the end of day trading on the next business day (meaning the day session and J-NET trading on the next business day). This is, for most products, from 4:15 p.m. to 4:00 p.m. the next business day. − In cases where a give-up instruction is provided for a contract that has reached its last trading day, it shall be provided by the cut-off time designated by the executing participant up to the times specified below.

<table>
<tr><th>Item</th><th>Details</th><th>Remarks</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><th>Type of product</th><th>Cut-off time</th></tr>
<tr><td>Index futures whose final settlement price is the final value of the underlying index</td><td>4:00 p.m. on last trading day</td></tr>
<tr><td>Options on JGB futures and Index options whose option settlement price is the final value of the underlying index</td><td>4:00 p.m. on last day of exercise period</td></tr>
<tr><td>Securities options</td><td>4:30 p.m. on exercise day</td></tr>
</table>
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<tr><th>Item</th><th>Details</th><th>Remarks</th></tr>
<tr>
<td>(3) Give-Up Notifications from Executing Participants</td>
<td>
− When a give-up transaction is executed, the executing participant shall notify OSE of the following (a) and (b) (this notification is referred to as the “give-up notification” hereinafter) no later than 5:30 p.m. after the end of the trading day on which the give-up transaction is executed.
(a) Name of the designated carrying participant pertaining to the give-up transaction
(b) Details of the give-up transaction (meaning name of contract, purchase or sale, quantity, traded price, trade execution time, and customer confirmation number; the same shall apply hereinafter)
− Executing participants may submit advance give-up notifications when placing orders.
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− Give-up notifications shall be made via the clearing system (excluding those made at the same time as placing an order) and may be made after a certain period of time from when the give-up transaction is executed.
− In cases where a give-up notification is made for a contract that has reached its last trading day, it shall be made by the cut-off times specified below.
<table>
<tr><th>Type of product</th><th>Cut-off time</th></tr>
<tr><td>index futures whose final settlement price is the final value of underlying index</td><td>4:45 p.m. on last trading day</td></tr>
<tr><td>Options on JGB futures</td><td>4:45 p.m. on last day of exercise period</td></tr>
<tr><td>Securities options</td><td>4:45 pm on exercise day</td></tr>
<tr><td>Index options whose option settlement price is the final value of</td><td>4:45 pm on exercise day</td></tr>
</table>
</td>
</tr>
</table>

Item	Details	Remarks
		underlying index |
(4) Notice on Give-Ups to Designated Carrying Participant	− When OSE receives a give-up notification from an executing participant, OSE shall send a notice to the designated carrying participant containing the following a. through c. based on said give-up notification, and the designated carrying participant shall check the details immediately. a. That the notified entity is the designated carrying participant of said give-up transaction b. The name of the executing participant of said give-up transaction c. The details of said give-up transaction	− Notice pertaining to give-up shall be made via the clearing system.

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<tr><th>Item</th><th>Details</th><th>Remarks</th></tr>
<tr>
<td>(5) Notifications Pertaining to Take-Ups</td>
<td>
− When a designated carrying participant receives a notice pertaining to a give-up from OSE, it shall notify OSE of whether or not it accepts (takes up) said give-up no later than 5:45 p.m. after the end of the trading day on which the give-up transaction is executed.
− If OSE does not receive a notification of acceptance or rejection by the cut-off time on the relevant day, it shall deem that the designated carrying participant has rejected the give-up.
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<td>
− Notifications of acceptance and rejection of give-ups shall be made via the clearing system.
− In cases where a notification of acceptance or rejection is made for a contract that has reached its last trading day, it shall be made by the cut-off times specified below.
<table>
<tr><th>Type of product</th><th>Cut-off time</th></tr>
<tr><td>index futures whose final settlement price is the final value of underlying index</td><td>5:00 p.m. on last trading day</td></tr>
<tr><td>Options on JGB futures</td><td>5:00 p.m. on last day of exercise period</td></tr>
<tr><td>Securities options</td><td>5:00 p.m. on exercise day</td></tr>
<tr><td>Index options whose option settlement</td><td>5:00 p.m. on exercise day</td></tr>
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</td>
</tr>
</table>

Item	Details	Remarks
		price is the final value of the underlying index
(6) Validity of Give-Ups	− When OSE receives notification of acceptance or rejection of a give-up from a designated carrying participant, it shall promptly send a notice to the executing participant of this result. − A give-up is considered valid from when OSE receives a notification of acceptance from the designated carrying participant.	− Notices of acceptance or rejection of give-ups shall be sent via the clearing system.
4. Open/Close Notifications by Customers	− When a give-up becomes valid, the customer shall notify the carrying participant of whether the give-up transaction was an opening purchase/sale or a closing purchase/sale by the cut-off time designated by the carrying participant on the day	− Trading participants shall notify OSE of the quantity of offsetting sales and purchases after reflecting valid give-ups.

<table>
<tr><th>Item</th><th>Details</th><th>Remarks</th></tr>
<tr><td></td><td>when the give-up becomes valid.</td><td></td></tr>
<tr><td>5. Clearing and Settlement</td><td>− When a give-up becomes valid due to take-up by a carrying participant, the give-up transaction shall be treated as a futures or options transaction executed by said carrying participant based on entrustment from the customer, meaning that clearing/settlement and deposit of clearing margin shall be carried out between OSE-designated clearing house Japan Securities Clearing Corporation (JSCC) and clearing participants, clearing participants and non-clearing participants (meaning trading participants without a clearing qualification), or trading participants and their customers.</td><td>− Operational procedures for clearing/settlement and deposit of clearing margin pertaining to futures and options shall be the same as that for transactions not given up.</td></tr>
<tr><td>6. Give-up Correction</td><td>− When there is an error in the details of a give-up which was taken up by a carrying participant or a give-up fails to become valid due to an error (or other occurrence) caused by a truly unavoidable reason, the executing participant or carrying participant, depending on the situation, with consent from the other, may correct the give-up (in the case of an error) or conduct the give-up (in the case of a failure to take the necessary operational procedures; these two actions are hereinafter collectively referred to as "Give-Up Correction") upon prior approval from OSE as specified by OSE up to 5:30 p.m. of the third business day after the day when the error or failure occurred.
− However, an executing participant or carrying participant may cancel a give-up or take-up (respectively) up to the notification cut-off time on the same day if said participant obtains consent from the other.</td><td>− For a contract that has reached its last trading day, Give-Up Correction is not available after the cut-off times specified below.<table><tr><th>Type of product</th><th>Cut-off time</th></tr><tr><td>JGB Futures (excluding mini-10-year JGB Futures)</td><td>1:00 p.m. on business day after last trading day</td></tr><tr><td>mini-10-year JGB Futures</td><td>4:45 p.m. on business day after last trading day</td></tr><tr><td>Interest Rate</td><td>4.45 p.m. on business day</td></tr></table></td></tr>
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<tr><th>Item</th><th>Details</th><th>Remarks</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td>Futures</td><td>after last trading day</td></tr>
<tr><td>Index Futures</td><td>4:45 p.m. on business day after last trading day</td></tr>
<tr><td>Commodity Futures (Physically Delivered)</td><td>4:45 p.m. on last trading day</td></tr>
<tr><td>Commodity Futures (Cash-Settled)</td><td>4:45 p.m. on business day after last trading day</td></tr>
<tr><td>Options on JGB Futures</td><td>4:45 p.m. on last day of exercise period</td></tr>
<tr><td>Index Options</td><td>4:45 p.m. on exercise day</td></tr>
<tr><td>Securities Options</td><td>4:45 p.m. on exercise day</td></tr>
<tr><td>Options on Commodity Futures</td><td>4:45 p.m. on exercise day</td></tr>
</table>
− Operational procedures pertaining to Give-Up Correction shall be carried out via the clearing system.
− Adjustments shall be made with JSCC with regards to the difference between the amount
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<tr><th>Item</th><th>Details</th><th>Remarks</th></tr>
<tr><td></td><td></td><td>of money that a clearing participant has already paid/received to/from JSCC and the amount of money that the clearing participant should have paid/received to/from JSCC for futures and options (including those cleared through brokerage for clearing of securities, etc.) connected to the Give-Up Correction.</td></tr>
<tr><td>7. Handling in Case of System Failure</td><td>- In the event of disruption to clearing system operations, give-ups shall not be available except when OSE deems it necessary.</td><td>When a clearing system failure occurs, OSE shall notify trading participants of the handling of give-ups.</td></tr>
<tr><td>IV. Fees Pertaining to Give-Ups</td><td></td><td></td></tr>
<tr><td>1. Give-Up Fees</td><td>− Carrying participants shall pay fees to OSE, which are decided by multiplying the volume of give-ups by the following amounts.
<table>
<tr><th>Type of Derivative</th><th>Multiplier</th></tr>
<tr><td>Nikkei 225 mini, Nikkei 225 micro Futures, mini-TOPIX Futures, JPX-Nikkei 400 Futures, JPX Prime 150 Index Futures, TSE Growth Market 250 Index Futures, TOPIX Core 30 Futures, TSE REIT Index Futures, Nikkei 225 Dividend Index Futures, USD/JPY Futures, CNH/JPY Futures, EUR/JPY Futures, TSE REIT Index Options, Nikkei 225 mini Options, Securities Options, and mini-10-year JGB Futures</td><td>JPY 1</td></tr>
</table></td><td></td></tr>
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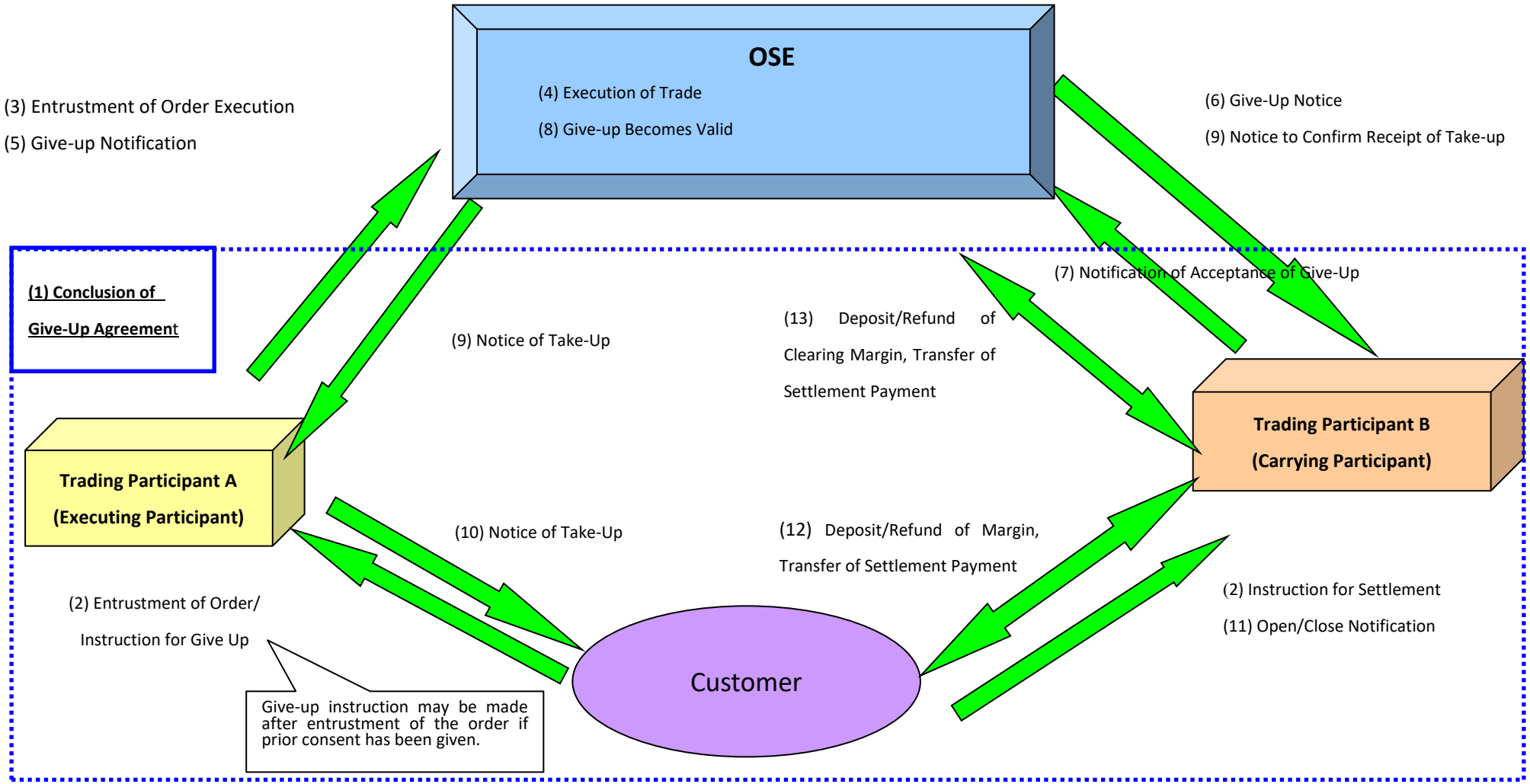
<tr><th>Item</th><th>Details</th><th>Remarks</th></tr>
<tr><td></td><td>
<table>
<tr><td>Pocket Gold 100 Futures, Gold Mini Futures, Gold Rolling-Spot Futures, Pocket Platinum 100 Futures, Platinum Mini Futures, Platinum Rolling-Spot Futures, Options on Gold Futures, and CME Group Petroleum Index Futures</td><td>JPY 2</td></tr>
<tr><td>Others</td><td>JPY 5</td></tr>
</table>
</td><td></td></tr>
<tr><td>2. Payment of Trading Participant Fees When Give-Ups Become Valid</td><td>- Trading participant fees shall be paid by the following parties when a give-up becomes valid.
(1) Trading fees
The executing participant
(2) Clearing fees
The carrying participant (if a carrying participant is a non-clearing participant, payment shall be made by its designated clearing participant)</td><td></td></tr>
<tr><td>V. Other</td><td></td><td></td></tr>
<tr><td>1. Handling of Reporting on Trading by Type of Investor</td><td>– Give-up transactions whose give-up notifications have been taken up by a carrying participant shall be included by the carrying participant in its reporting to OSE on trading by type of investor.</td><td></td></tr>
<tr><td>2. Handling of Trading Volume by Trading Participant</td><td>– Give-up transactions whose give-up notifications have been taken up by a carrying participant shall be treated by OSE as having been traded by the executing participant for the purpose of disclosing trading volume by trading participant.</td><td>– Trading volume by trading participant disclosed by OSE shall not be revised even if the details change due to Give-Up Correction.</td></tr>
</table>

Appendix 1

Illustration of a Give-Up

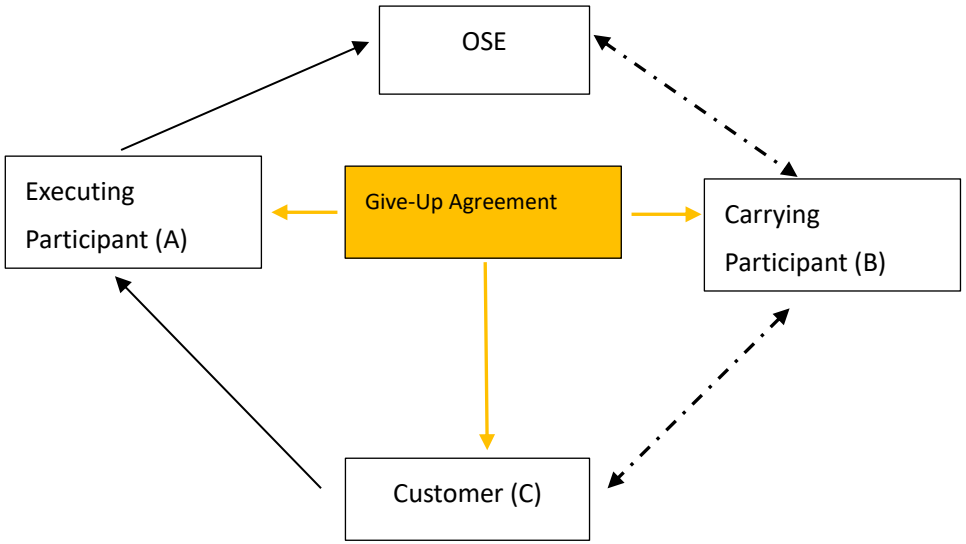


Notes: 1. The above illustration shows a customer entrusting the placing of an order to Trading Participant A and settlement of the transaction with Trading Participant B.

2. (13) is made between JSCC, a clearing house designated by OSE, and Trading Participant B. The same shall apply in Attachment 2.

Appendix 2

(1) Usual Cases (without a broker)

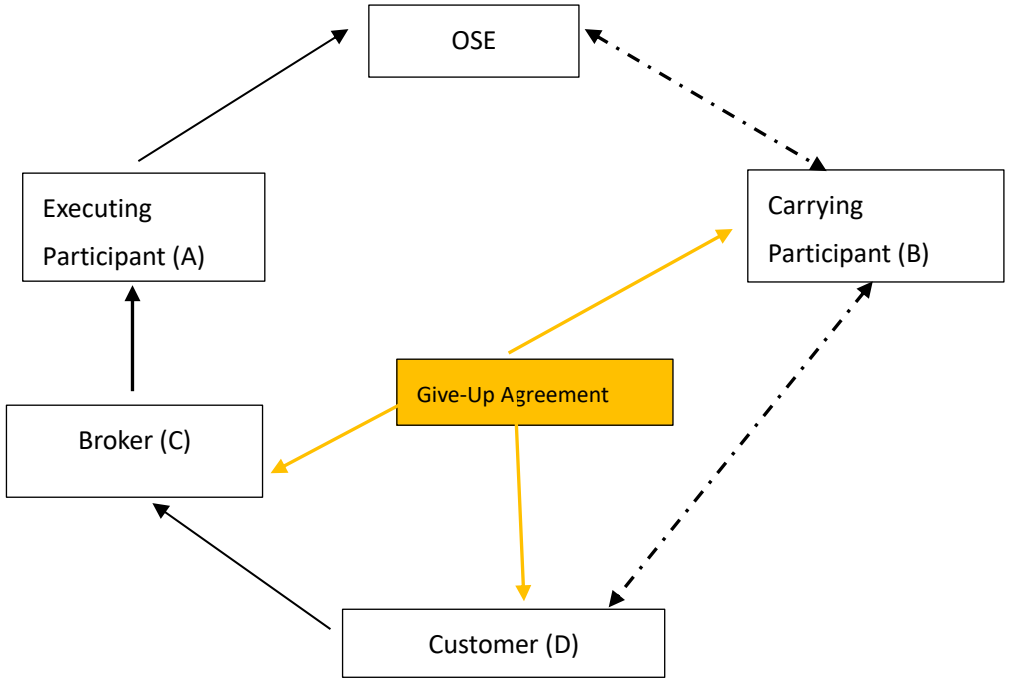


Order

Clearing and Settlement

*An agreement for setting up an account is required to be submitted from C to A, and from C to B respectively.

(2) Where there is a Broker for Execution of Give-Up Transaction



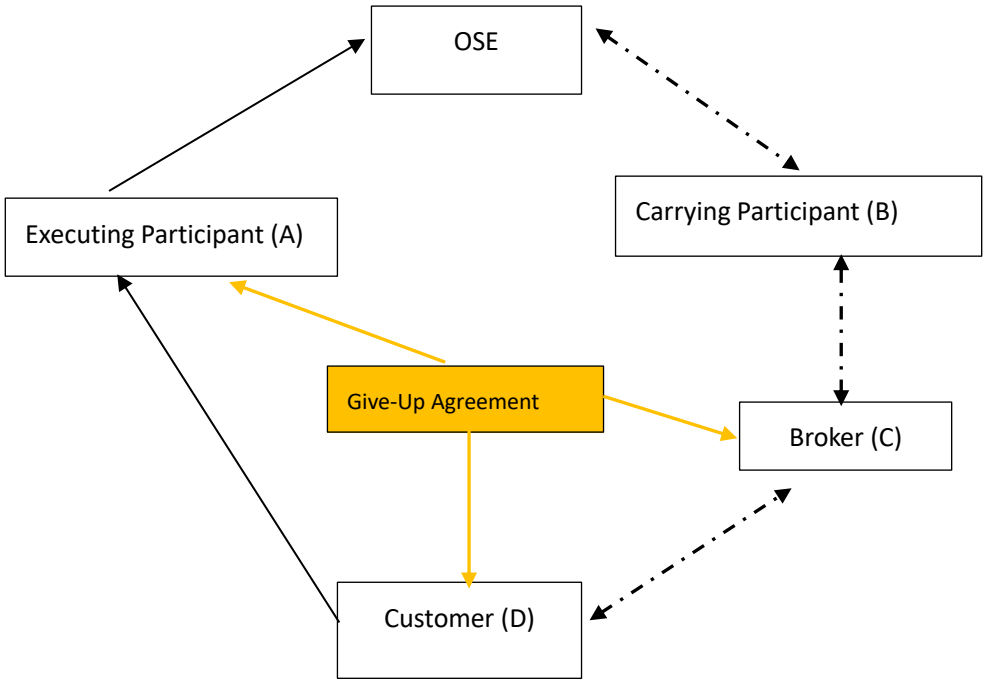
Order

Clearing and Settlement

*An agreement for setting up an account is required to be submitted from D to C, from D to B, and from C to A respectively.

Appendix 2

(3) Where there is a Broker for Settlement of Give-Up Transaction

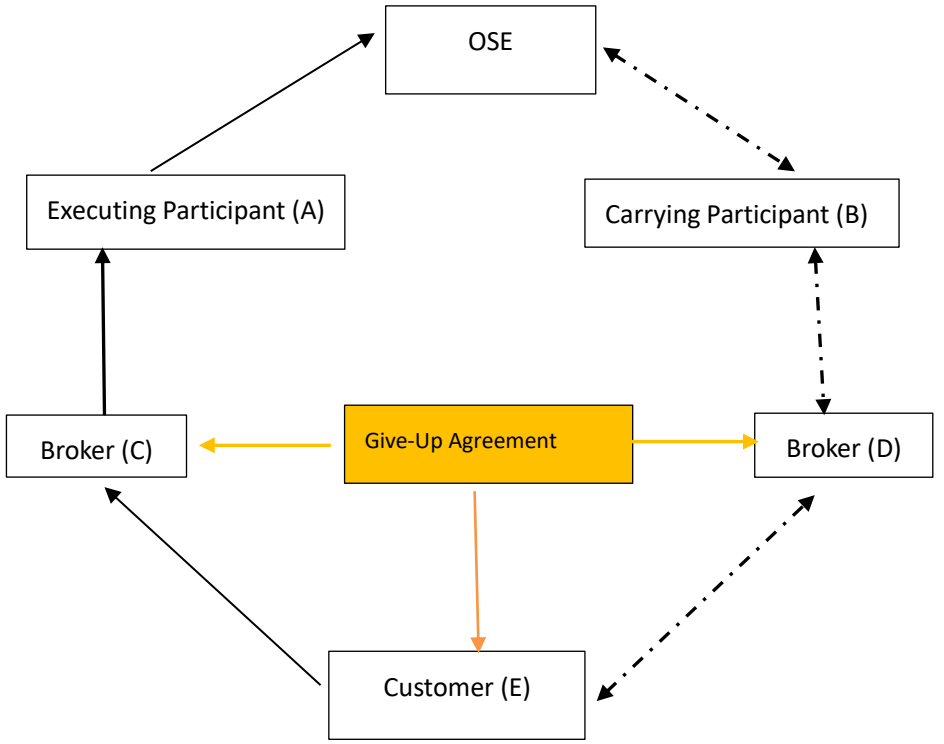


Order

Clearing and Settlement

*An agreement for setting up an account is required to be submitted from D to A, from D to C, and from C to B respectively.

(4) Where there are Brokers for Execution and Settlement of Give-Up Transaction



Order

Clearing and Settlement

*An agreement for setting up an account is required to be submitted from E to C, from E to D, from C to A, and from D to B respectively.