



Partial Rule Change to Circuit Breaker Rule on TSE Futures & Options

June 24, 2009

Tokyo Stock Exchange, Inc.

Items	Contents	Notes
1. Purpose	<ul style="list-style-type: none"> • Tokyo Stock Exchange, Inc. (“TSE”) currently applies the Circuit Breaker rule for both JGB futures/options and Index futures/options. This rule states that trading for futures and options based on such futures shall be suspended when the market price of such futures contracts greatly increase or decrease from the base price of that day. The purpose of the circuit breaker rule is to provide investors with time for calm consideration of investment in such futures contracts. • Currently, TSE judges the circuit breaker’s applicability and enforcement of temporary suspensions on a contract month basis. However, considering the market prices between contract months are co-related and also considering the main purpose of the circuit breaker rule is to provide time for investors to calmly consider investment in such futures and options, TSE considers that the circuit breaker rule should be enforced on a product basis, without regard for contract month. • Therefore, with the aim of both simplifying and enhancing the effectiveness of the rule, TSE will change enforcement of the rule to simultaneously cover all the contract months. 	
2. Amended Rule	<ul style="list-style-type: none"> • If the market price of a contract month reaches the price criteria for circuit breaker response, the trading suspension will apply to the trading of all contract months. • According to this amendment for futures contracts, all contract months for options contracts based on such futures contracts will also be suspended during the time which futures contracts are suspended. 	<ul style="list-style-type: none"> • The price criteria on the circuit breaker rule will not be changed. • If the circuit breaker rule is enforced for a given contract month reaching the price criteria for circuit breaker response, the circuit breaker will not be enacted again even if the market price of another contract month reaches the same price criteria.

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3. Implementati on date	• The implementation date for the rule change above is scheduled for October 2009.	