

Outlines concerning Client Clearing Fee Revision in IRS Clearing Business

October 28, 2019
Japan Securities Clearing Corporation

I. Purpose

As to Clearing Fee for Client Clearing in IRS Clearing Business, JSCC has decided to change the structure of the fee for new Clearing in relation to JPY Cleared Contracts to the one that corresponds to the length of the period from the date of Clearing to the Termination Date of the transaction, and will make necessary framework revisions, in light of the enhancement of competitiveness against overseas CCPs.

II. Outline

Item	Description	Remarks												
1. Client Clearing Fee Revision	<p>• Fee for new Clearing in relation to JPY Cleared Contracts under Client Clearing shall be the sum of the amounts determined by applying the amount shown in below table per Notional Amount of 100 million yen according to the period from the date of Clearing to the Termination Date (tenor).</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: center;">Period from Date of Clearing to Termination Date (Tenor)</th> <th style="text-align: center;">Multiplier per 100mil yen of Notional Amount (yen)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1 year or shorter</td> <td style="text-align: center;">90</td> </tr> <tr> <td style="text-align: center;">Above 1 year up to 3 years</td> <td style="text-align: center;">225</td> </tr> <tr> <td style="text-align: center;">Above 3 years up to 5 years</td> <td style="text-align: center;">405</td> </tr> <tr> <td style="text-align: center;">Above 5 years up to 7 years</td> <td style="text-align: center;">540</td> </tr> <tr> <td style="text-align: center;">Above 7 years up to 10 years</td> <td style="text-align: center;">720</td> </tr> </tbody> </table>	Period from Date of Clearing to Termination Date (Tenor)	Multiplier per 100mil yen of Notional Amount (yen)	1 year or shorter	90	Above 1 year up to 3 years	225	Above 3 years up to 5 years	405	Above 5 years up to 7 years	540	Above 7 years up to 10 years	720	<ul style="list-style-type: none"> • This revision only applies to the fee set forth in Article 5-2.2.(1) of the Rules on Fees for IRS Clearing Business. • Current fee rate is 720 yen per Notional Amount of 100million yen regardless of the tenor. • Fee shall be determined by applying the relevant multiplier per 100million yen of Notional Amount to the total Notional Amount per tenor of the Cleared Contracts executed during the relevant month. • If there is a fraction of less than 100million yen in the total Notional Amount per tenor, such fraction shall be truncated to 100million yen to determine the total Notional Amount per tenor; provided that if such total Notional
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Item	Description		Remarks
	Above 10 years up to 12 years	765	Amount is 1 yen or more but less than 100 million yen, then the total Notional Amount shall be deemed as 100 million yen.
Above 12 years up to 15 years	810		
Above 15 years up to 20 years	1,035		
Above 20 years up to 25 years	1,170		
Above 25 years	1,260		
2. Implementation Timing	• Implementation aimed at April 1, 2020.		

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