Public Consultation Results on Business Outlines of Partial Revision of Clearing Fund Consumption/Calculation/Deposit Segmentation in Listed Derivatives Clearing Service

Japan Securities Clearing Corporation (JSCC) published the Business Outlines of Partial Revision of Clearing Fund Consumption/Calculation/Deposit Segmentation in Listed Derivatives Clearing Service on July 7, 2026 for public consultation, which was closed on August 6.
JSCC sincerely appreciates valuable comments on this. Presented below is a summary of the comments JSCC received and JSCC's view on the comments received.

No.	Summary of Comments	JSCC's View
	1. Revision of Clearing Fund Consumption/Calculation/Deposit Segmentation related to Financial Instruments Market Derivative Transactions	
	(1) Framework	
1	• We are broadly supportive of JSCC's objective of consolidating the clearing fund framework to achieve greater capital efficiency, diversification benefit, and operational simplicity, which is sensible and aligned with international CCP practices.	• Thank you for your supportive comment.
2	• Index Futures and JGB Futures (financial futures segment) currently account for more than 95% of the aggregate clearing fund pertaining to Financial Instruments Market Derivative Transactions*. If participant overlap between this cluster and the commodity-related Clearing Qualifications (Precious Metal Futures, Rubber Futures, Agricultural Futures and Petroleum Futures) is not significant, Clearing Members that are active only in Index Futures and/or JGB Futures would become additionally liable for losses arising in the commodity-related segments under the consolidated framework and vice versa. ＊ JGB F&O, Index F&O, Precious Metals F&O, Rubber Futures, Agricultural Futures and Petroleum Futures • Depending on the outcome of the further quantitative analysis, JSCC could consider maintaining separate or partially separate clearing funds for	• This revision is intended to further enhance both the stability and efficiency of the loss compensation framework. Currently, the risks held by Clearing Participants are calculated separately for each Clearing Qualification for the purposes of clearing fund consumption and calculation. The revised framework will instead calculate such risks across all Clearing Qualifications related to Financial Instruments Market Derivative Transactions. • In addition, where a loss remains in any Clearing Qualification after completion of the consumption of the third-priority loss compensation financial resources (JSCC's contribution), the juniorization rule, which will also be introduced along with this revision, will ensure that losses are covered more closely according to the amount of risk in each market. (The same approach will apply to the First Special

No.	Summary of Comments	JSCC's View
	financial and commodity derivatives. • JSCC could revisit the structure once the aggregate requirement attributable to commodity products represents between 10% and 20% of the overall FIEA Clearing Fund requirement.	Clearing Charge.) In calculating the Total Clearing Fund Requirement Equivalent by Clearing Qualification, the amount of risk in each Clearing Qualification will also be reflected. • Furthermore, JSCC will revise Margin related to Precious Metal Futures/Option Contracts which account for the majority of commodity-related risk and thereby reinforce the defaulter-pays principle. • The revised framework will reflect the risk in each market as its size changes and allocate losses fairly based on the risk in each Clearing Qualification, without placing a disproportionate burden on Clearing Participants in other qualifications. • JSCC determined the revised framework following discussions with Clearing Participants and careful consideration and validation of various data and analyses (see Section 1.(2) for details), including alternative approaches, while seeking an appropriate balance between stability and efficiency.
3	• What are the specific factors that drive Cover-2 sizing under the consolidated framework?	• The exposures of the two Clearing Participants with the largest combined Base PML Amounts related to Financial Instruments Market Derivative Transactions determine the Cover-2 size.
	(2) Assessment of the Soundness of the Revised Framework	
4	• We would like to highlight concerns on suitability of the backtesting period and whether the lower clearing fund requirement is sustainable during periods of volatility, especially for the commodity derivatives segment.	• To verify the soundness and sufficiency of the revised framework, JSCC conducted backtesting covering all days when Gold Standard Futures, the principal commodity product, experienced large price movements of approximately 5% or more since 2020. The results

No.	Summary of Comments	JSCC's View
5	• We would appreciate JSCC's clarification regarding the full scope and detail of the backtesting exercise undertaken, including the specific historical window(s) tested, the key assumptions used, the extent to which the sample is considered representative of stressed conditions, and the results of any sensitivity testing performed.	confirmed the robustness of the framework even under such conditions. • Specifically, based on actual market movements, JSCC assessed potential losses arising from the default of Clearing Participants with the largest loss in commodity-related Clearing Qualifications. Such losses would have been covered by the first-priority loss compensation financial resources (the defaulter's collateral) on almost all days, and by the second-priority loss compensation financial resources (contribution by Exchanges) on the remaining few days. • JSCC also applied additional stress to the actual price movements to validate the robustness of the loss compensation financial resources. The results showed that, on all days tested, the fourth-priority loss compensation financial resources (surviving Clearing Participants' clearing fund contributions) would not have been required unless price movements reached realistically implausible levels. • For stress-testing results under the current methodology, please refer to JSCC's quantitative disclosure under the Principles for Financial Market Infrastructures (PQD References 4.4.4, 4.4.5, 4.4.8 and 4.4.9).
6	• We would appreciate JSCC's clarification regarding a side-by-side comparison of stress test results under the existing segregated funds and the proposed consolidated fund.	
7	• Additional disclosure regarding stress scenario calibration, correlation assumptions, and back-testing results would improve transparency and enable members to better assess the model's robustness.	• The methodology for constructing stress scenarios for each Clearing Qualification will remain unchanged. Stress scenarios for Financial Instruments Market Derivative Transactions will be constructed by comprehensively combining the scenarios across all relevant Clearing Qualifications. • For the backtesting results, please refer to the response above.
	(3) Effects of the Revised Framework on Clearing Fund Requirements	

No.	Summary of Comments	JSCC's View
8	• We would appreciate JSCC's clarification regarding the estimated change in the quantum of the aggregate clearing fund under the proposed framework as compared with the existing level (reported at approximately JPY 467 billion as of Q1 2026).	• Based on a pro forma calculation assuming the revised framework had been in effect as of March 31, 2026, the aggregate clearing fund requirement would have been approximately JPY 397 billion.
9	• We would like JSCC to provide information on the driver behind the reduction in the clearing fund.	• Currently, assumed defaulting Clearing Participants are identified and assessed separately for each Clearing Qualification for clearing fund calculation. The revised framework will instead identify and assess assumed defaulters across all relevant Clearing Qualifications, resulting in a reduction effect of clearing fund requirement. • As of September 30, 2026, the number of Clearing Participants and share of the aggregate clearing fund requirement for Financial Instruments Market Derivative Transactions were as follows: - JGB Futures Clearing Qualification: 78 Clearing Participants (share of clearing fund: 8.1%) - Index Futures Clearing Qualification: 65 Clearing Participants (share of clearing fund: 90.3%) - Precious Metal Futures Clearing Qualification: 17 Clearing Participants (share of clearing fund: 1.5%), of which 10 also held a Clearing Qualification for financial derivatives.
10	• We propose for JSCC to conduct and share an analysis of participant concentration and overlap, i.e., how many Clearing Participants are active in each Clearing Qualification and the overlap between them. We would ask that this analysis weight the overlap assessment by trading volume and risk exposure.	
11	• We request a participant-level impact assessment comparing current and proposed clearing fund contributions, assessment exposure, and ranking clearing fund profile.	• Participant-level pro forma calculations of clearing fund requirements and related amounts are available upon request. Please contact JSCC for details.
	(4) Detailed Calculation Methodology and Operational Procedures (Loss Compensation Financial Resource Consumption Flow)	
12	• It would be helpful if JSCC could provide an illustrative worked example of the determination of the Total Clearing Fund and its allocation between	• Please refer to Annex 2.1-2.3 for the detailed consumption flow. The First Special Clearing Charge will also be consolidated and subject to

No.	Summary of Comments	JSCC's View
	individual Clearing Participants under the proposed methodology, including the resulting impact on liquidity calls, margin, funding costs, capital and risk assessment at a Clearing Participant level.	the juniorization rule, in the same manner as the clearing fund. • Regardless of whether a Clearing Participant holds one or multiple Clearing Qualifications, juniorization of the First Special Clearing Charge will apply to any qualification in which a loss remains after the fourth-priority loss compensation financial resources have been exhausted. Any loss remaining after juniorization will be covered by the remaining First Special Clearing Charges without distinction by Clearing Qualification.
13	• We request worked examples showing how the three-times cap for the assessment would apply to participants active in one, several or all clearing qualifications.	
14	• We would like to understand how JSCC intends to reallocate skin-in-the-game under the consolidated framework.	
15	• We request further clarity on why JSCC allocates the total clearing fund requirement on a pro rata basis according to the average Base PML for each clearing qualification instead of a direct pro rata Cover-2 methodology aligned with the calibration of the total clearing fund requirement.	• The clearing fund is first allocated among Clearing Qualifications to reflect the amount of risk in each qualification. • Maintaining amounts by Clearing Qualification also supports the effective design of the juniorization rule.
	2. Juniorization Rule	
16	• We welcome JSCC's juniorisation mechanism, under which surviving Clearing Participants' clearing fund contributions for the Clearing Qualification in which the default occurs are applied first to absorb losses before contributions for other Clearing Qualifications are used.	• Thank you for your supportive comment.
17	• While this structure appropriately targets loss absorption by Clearing Participants who have exposure in the defaulting segment, it only partially mitigates the contagion risk across the six FIEA Clearing Qualifications. The juniorisation mechanism draws on surviving Clearing Participants' remaining FIEA Clearing Fund Requirement across all six FIEA Clearing Qualifications on a pro-rata basis, regardless of which Clearing Qualification each survivor is actually active in. This creates a transfer of	• Following discussions with Clearing Participants, JSCC designed the revised framework to enhance capital and funding efficiency for Clearing Participants by assessing risk across Clearing Qualifications while securing robust risk management. • The juniorization rule will first use the Clearing Fund Requirement Equivalent by Clearing Qualification to cover losses remaining in the defaulted qualification after the third-priority loss compensation

No.	Summary of Comments	JSCC's View
	risk between fundamentally different and unrelated product segments and undermines the principle that Clearing Participants should primarily bear risks associated with the markets in which they participate.	financial resources have been exhausted. This ensures that Clearing Participants first bear the risks of their respective markets. • JSCC will also reinforce Margin requirements for Precious Metal Futures/Option Contracts, which account for the majority of commodity-related risk, thereby strengthening the defaulter-pays principle.
18	• We wish to highlight that JSCC's overarching objective in consolidating the clearing fund should be to preserve the current transparent, risk-sensitive framework for the allocation of default losses, without creating material cross-product subsidisation between Clearing Qualifications with materially different risk profiles.	
19	• We ask JSCC to consider whether the default waterfall could provide for stronger qualification-specific sequencing before losses are mutualised across the wider clearing fund. This could include making greater use of resources available from participants active in the affected qualification before relying on participants with no activity in that qualification.	
	3. Handling of First Special Clearing Charge (5th Priority Loss Compensation Financial Resources)	
20	• We would prefer applying the same product juniorization mechanism used at the default fund assessment stage to the entire default fund consumption framework.	• The juniorization rule will also apply to the First Special Clearing Charge. • As under the current framework, the First Special Clearing Charge will be capped at three times the clearing fund requirement. Its consumption and calculation segmentations will also be integrated and subject to the juniorization rule, ensuring that Clearing Participants first bear the risks of their respective markets. For the assessment of the framework's soundness and sufficiency, please refer to Section 1.(2) above.
21	• We would like to confirm that the proposed consolidation does not entail any change to the assessment call (Special Clearing Charge) mechanics applicable under the FIEA Clearing Qualifications.	
22	• Based on some estimates comparing the current clearing fund requirement for each qualification with the pro forma consolidated requirement shared by JSCC, the maximum First Special Clearing Charge exposure could be equivalent to approximately 30 times the current JGB Futures clearing fund requirement and 75 times the current commodity clearing fund	

No.	Summary of Comments	JSCC's View
	requirements on a qualification-level comparison.	
	4. Revision of Margin related to Precious Metal Futures/Option Contracts	
	(1) Relationship with the Revision of Clearing Fund Consumption, Calculation and Deposit Segmentations	
23	• We would welcome further information regarding the extent to which the proposed MPOR enhancement for precious metal contracts is separately intended to address the additional cross-product mutualisation risk arising from the Proposal, distinct from remediating the pre-existing coverage shortfall.	• During discussions with Clearing Participants, JSCC received comments on differences between the risk management frameworks for financial and commodity derivatives. In integrating the clearing fund consumption and calculation segmentations, JSCC considers it important to align risk management across Clearing Qualifications, establish a fair loss compensation framework and strengthen the defaulter-pays principle.
24	• We would like to understand how the clearing fund computation for a combined Futures segment would address current differences in initial margin model parameters across segments, including model type (Expected Shortfall versus Value-at-Risk) and look-back period.	• As noted above, JSCC will extend the MPOR for Precious Metal Futures/Option Contracts to two days to enhance the defaulter-pays type collateral, aligning it with financial derivatives. • Other differences appropriately reflect the characteristics of each product and market. JSCC does not currently plan further revisions in connection with this initiative but will continue to monitor market conditions and consult with Clearing Participants where a review is warranted.
	(2) Background and Details of the Margin Revision	
25	• We understand that JSCC's Quantitative Disclosure indicates that initial margin coverage for both Index Futures and Precious Metal Futures fell below the stated 99% target during February 2026. It would be helpful to understand why the MPOR change is limited to precious metals when the reported coverage for Index Futures also fell below the target.	• JSCC revised the Margin model for the Index Futures Clearing Qualification in September 2025 and January 2026. Its quantitative disclosure for the second quarter of 2026 shows that the cumulative coverage rate for the preceding year had recovered to at least 99%.
26	• We propose that JSCC consider whether the MPOR for the other	• Measures to strengthen Margin could materially affect Clearing

No.	Summary of Comments	JSCC's View
	commodity-related contracts within the FIEA Clearing Qualifications, namely Rubber Futures, Agricultural Futures and Petroleum Futures, should similarly be increased to two days, or alternatively provide further explanation for maintaining different MPOR assumptions across commodity product groups.	Participants, investors and other market participants. JSCC therefore implements such measures after careful analysis and coordination with market participants. • Precious Metal Futures/Option Contracts account for the majority of commodity-related risk, and recent sharp price movements caused the Margin model's cumulative coverage rate to fall below the 99% target. JSCC therefore prioritizes the MPOR revision for these contracts.
27	• We request details of the intended implementation approach and timeline, together with a participant-level impact assessment showing how the proposed change would affect margin requirements for participants clearing the relevant precious-metals products.	• The two-day MPOR for Precious Metal Futures/Option Contracts will be implemented at an early date, following advance notice to relevant parties and prior to the clearing fund revision in summer 2027. • This change is expected to increase the margin requirement for Gold Standard Futures by approximately 9% per contract on average.
	5. Other	
	(1) Handling of Clearing Fund	
28	• Since the methodology is driven by the largest and second-largest stressed losses, concentrated exposures among a small number of clearing participants could have a significant impact on fund sizing. Additional concentration-risk monitoring may therefore be warranted.	• JSCC currently monitors risk concentrations at individual Clearing Participants and will continue to do so. • The clearing fund is designed to cover losses arising under extreme but plausible market conditions that exceed the defaulter's collateral. In this calculation, Margin includes all applicable add-ons.
29	• We recommend that liquidity and concentration margin add-ons be excluded from the clearing fund calculation. Specifically, these add-ons should not be deducted when calculating SLOIM.	
30	• To address volatility in default fund requirements, JSCC could consider using anti-procyclicality tools.	• Total Clearing Fund Requirement is the greater of the requirement on the calculation base date and the average requirement over the preceding 120 business days, reducing the possibility of a sharp decline.

No.	Summary of Comments	JSCC's View
31	• We would appreciate JSCC's clarification regarding the frequency with which JSCC intends to review the clearing fund calculation methodology to confirm it remains appropriate, particularly during periods of greater volatility, and the advance notice that would be given to members should any change be required.	• As with Margin, JSCC monitors the sufficiency of the clearing fund on a daily basis and periodically validates the calculation methodology. Based on the results, JSCC will consider and implement revisions where warranted. • Material rule changes will be communicated in accordance with the prescribed procedures, including direct notice to Clearing Participants and public disclosure on JSCC's website.
32	• JSCC could consider a simpler minimum cash requirement expressed as a percentage of each participant's total clearing fund requirement (e.g. 20% or 30%).	• As under the current framework, one-half of the amount obtained by subtracting JPY 1 billion from the Clearing Fund Requirement for each Clearing Participant shall be deposited in JPY cash, enabling JSCC to maintain an appropriate level of cash. • This approach enables JSCC to secure the necessary liquidity while maintaining efficient collateral management for Clearing Participants through the acceptance of a broad range of eligible collateral.
33	• We suggest that the clearing fund requirement be allocated among clearing participants entirely on the basis of SLOIM, rather than the current weighting of 90% initial margin and 10% SLOIM for financial products and 50% initial margin and 50% SLOIM for commodity products. As the clearing fund is intended to mutualise tail risk not covered by initial margin, each participant's contribution should be proportionate to its share of that risk.	• These weights are determined based on market characteristics and other relevant factors. JSCC will continue to monitor market conditions and consult with Clearing Participants where a review is warranted.
34	• We recommend introducing an appropriately calibrated buffer above the calculated clearing fund requirement and a volatility floor limiting the extent to which the requirement may decrease from one month to the next.	• JSCC calculates and updates the clearing fund requirement daily, thereby maintaining the latest Cover-2 amount. • To maintain an appropriate level of loss compensation financial resources, the Total Clearing Fund Requirement is set at the greater of the requirement on the calculation base date and the average

No.	Summary of Comments	JSCC's View
		requirement over the preceding 120 business days.
	(2) Handling of Margin	
35	• We suggest that JSCC ensure that its margin methodology remains sufficiently robust to appropriately capture the risk profile of each Clearing Qualification.	• Thank you for your comment. JSCC continuously monitors and validates its Margin models from multiple perspectives, taking into account the characteristics of each market, and considers and implements revisions as necessary.
36	• We would like to understand how these different MPOR would be aligned with the default management process.	• In a Clearing Participant default, JSCC will apply common procedures to all products, regardless of their MPOR, to ensure a smooth and prompt default management process.
	(3) Handling of SITG (second- and third-priority loss compensation financial resources)	
37	• The proposed waterfall also does not appear to include a second layer of JSCC resources after the initial JSCC contribution has been exhausted. As this approach does not appear to align with practices in other jurisdictions (such as those of European CCPs or with the relevant requirements under EMIR), we would welcome further explanation of JSCC's rationale.	• A second SITG is generally applied after surviving Clearing Participants' clearing fund contributions. JSCC instead concentrates SITG in the second- and third-priority loss compensation financial resources to minimize the likelihood that the fourth-priority loss compensation financial resources (surviving participants' clearing fund contributions) will be required. • JSCC periodically verifies the sufficiency of SITG, taking into account overseas regulatory requirements and practices at major CCPs.
38	• We would welcome further information on how JSCC's skin in the game would be aggregated and calibrated under the consolidated structure, including the methodology used and the resulting absolute amount.	• The SITG framework already provides for consumption across Clearing Qualifications, reflecting market characteristics and other relevant factors, and will remain unchanged. • JSCC contributes an appropriate amount, taking into account overseas regulations and practices at major CCPs.

Comments submitted by:

FIA (1,2,4,5,11~13,15,19,21,22,25~27,29,31~34,37,38), ISDA (1~6,8~10,12,14,16~18,21,23~26,30,31,35,36), Societe Generale Securities Japan (1,7,20,28)

Annex 1-1. Determination of Total Clearing Fund Amount

Abbreviations:
- CF: Clearing Fund
- IM: Initial Margin
- SLOIM: Stress Loss over IM

- ✓ Identify the scenario combination which produces the largest Cover2 across 6 segments (Clearing Qualifications).
  -Combinations are generated from the existing scenario sets (JGB10*IDX20*PME9*RUB2*AGR2*PTL2=14,400)
- ✓ Profit and loss are aggregated across 6 segments when calculating members' Stress Loss over IM (SLOIM).

[Calculation of Cover2]

- ✓ Reiterate until it exhausts all combinations of the stress scenarios for each segment.

■ Member SLOIM by segment and scenario combination

Unit: million yen

	Cover2	Member	Total	JGB	IDX	PME	RUB	AGR	PTL
Combo 1	344,000	A	64,200	-20,000	80,000	4,000	200	0	0
		B	**208,000**	40,000	160,000	8,000	0	0	0
		C	**136,000**	20,000	120,000	-5,200	1,080	120	0
		D	8,000	0	0	7,200	800	0	0

✓ Largest Cover2 becomes total Clearing Fund (upon comparison with 120-day average).

Combo 2	**500,000**	**A**	**202,800**	40,000	160,000	2,400	280	120	0
		B	-31,600	12,000	-40,000	-3,600	0	0	0
		C	**297,200**	50,000	240,000	7,200	0	0	0
		D	-1,600	0	0	-2,000	320	80	0
⋮									
Combo 14,400	430,000	**A**	**234,880**	36,000	200,000	-1,200	0	80	0
		B	-54,200	24,000	-80,000	1,600	200	0	0
		C	**195,120**	32,000	160,000	2,800	320	0	0
		D	1,800	0	0	2,000	-120	-80	0

*Negative value means profit.

© 2026 Japan Exchange Group, Inc., and/or its affiliates

Annex 1-2. Allocation of Total Clearing Fund to segments

- ✓ Sum up all members' Stress Loss over IM (SLOIM) in each segment separately.
- ✓ Allocate the Total Clearing Fund to each segment based on the ratio of total SLOIM among segments.

→ Ensures that risk is allocated fairly based on each market situation to avoid under-allocation .

→ Enables to allocate CF to members in the same manner as today. (see Annex 1-3. for details).

[Allocation of Total Clearing Fund to segments]

Unit: million yen

	JGB	IDX	PME	RUB	AGR	PTL
Member A	25,000	300,000	2,000	2,000	200	0
Member B	15,000	400,000	6,000	1,000	800	0
Member C	30,000	200,000	4,000	4,000	400	0
Member D	0	0	8,000	1,000	600	0
SLOIM total	70,000	900,000	20,000	8,000	2,000	0
Ratio	7%	90%	2%	0.8%	0.2%	0%

Total Clearing Fund: 500,000

Clearing Fund per segment	35,000	450,000	10,000	4,000	1,000	0

© 2026 Japan Exchange Group, Inc., and/or its affiliates

Annex 1-3. Allocation of Clearing Fund to Clearing Members

(Same as at present)

✓ Total CF for each segment is allocated based on the IM ratio and the SLOIM ratio among members.

– Financial Segments : 90% weight on IM, 10% weight on SLOIM

– Commodity Segments : 50% weight on IM, 50% weight on SLOIM

Unit: million yen

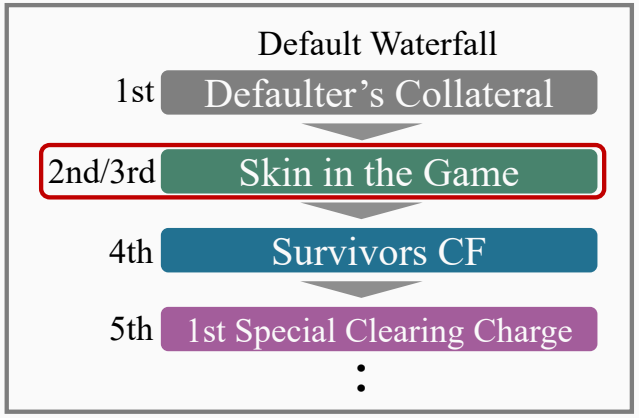
	JGB		IDX		PME		RUB		AGR		PTL	
Clearing Fund	35,000		450,000		10,000		4,000		1,000		0	
	IM	SLOIM	IM	SLOIM	IM	SLOIM	IM	SLOIM	IM	SLOIM	IM	SLOIM
Weighted Total CF	31,500	3,500	405,000	45,000	5,000	5,000	2,000	2,000	500	500		
CF Member A	10,000	1,000	200,000	20,000	1,500	1,800	700	600	250	200	—	
CF Member B	15,000	2,000	55,000	10,000	2,500	2,000	300	200	150	180		
CF Member C	6,500	500	150,000	15,000	1,000	1,200	1,000	1,200	100	120		

✓ Aggregate CF calculated for each segment, per member. The aggregated amount will the member's CF Requirement, which will be notified by JSCC to each member.

	CF requirement =	JGB +	IDX +	PME +	RUB +	AGR +	PTL
Member A	236,050	11,000	220,000	3,300	1,300	450	0
Member B	87,330	17,000	65,000	4,500	500	330	0
Member C	176,620	7,000	165,000	2,200	2,200	220	0

© 2026 Japan Exchange Group, Inc., and/or its affiliates

Annex 2-1. Default waterfall consumption flow – 2nd/3rd resource



2nd/3rd resource – Skin in the Game (SITG)

- ✓In this case, the segments colored in pink still hold default loss after consuming the defaulter's collateral.
- ✓"—" refers to memberships that defaulter does not own.

Unit: 100 million yen

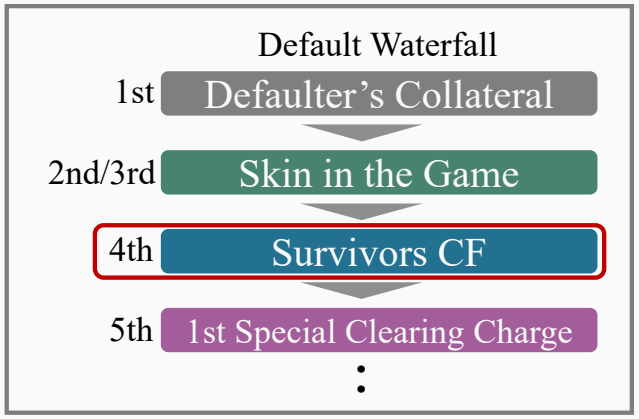
	JGB	IDX	PME	RUB	AGR	PTL
Remaining Loss	600	1,100	250	80	0	—
2nd Exchange's SITG	174.5		91			
Remaining Loss	539	987	181	58	0	—
3rd JSCC's SITG	200		38.7			
Remaining Loss	468	858	152	49	0	—

(Same as at present)

- ✓ SITG is prepared and consumed separately for financial segments and commodity segments.
- ✓ SITG is allocated to each segment's share of the remaining losses.

© 2026 Japan Exchange Group, Inc., and/or its affiliates

Annex 2-2. Default waterfall consumption flow – 4th resource



4th resource - Survivors Clearing Fund

Remaining Loss after SITG depletion	JGB	IDX	PME	RUB	AGR	PTL
	468	858	152	49	0	–

Breakdown of CF per segment

	JGB	IDX	PME	RUB	AGR	PTL
Member A	100	200	–	–	–	–
Member B	50	100	60	50	10	–
Member C	–	50	40	70	15	–

Remaining Loss after juniorization	JGB	IDX	PME	RUB	AGR	PTL
	318	508	52	0	0	–

Remaining CF after juniorization

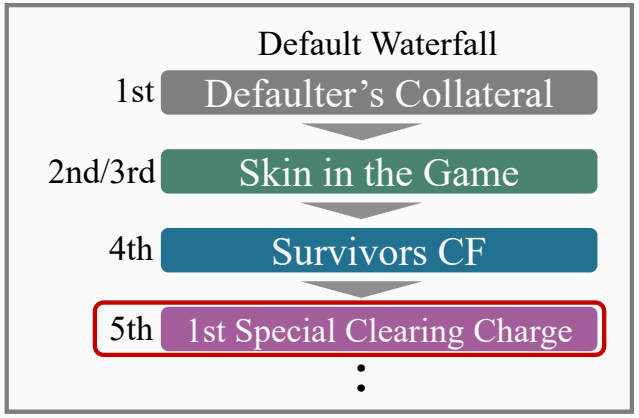
Member A	0
Member B	40
Member C	56
Total	96

Remaining Loss	JGB	IDX	PME	RUB	AGR	PTL
	283	453	46	0	0	–

- ✓ CF derived from the segment with remaining loss will be first consumed to cover the losses, i.e., juniorization.
- ✓ All remaining CF after juniorization will be consumed to cover the remaining losses.
- ✓ Allocate in proportion to each segment's share of the remaining losses.

© 2026 Japan Exchange Group, Inc., and/or its affiliates

Annex 2-3. Default waterfall consumption flow – 5th resource



5th resource - 1st Special Clearing Charge

Breakdown of CF per segment before consumption

	JGB	IDX	PME	RUB	AGR	PTL
Member A	100	200	–	–	–	–
Member B	50	100	60	50	10	–
Member C	–	50	40	70	15	–

~ x3

✓ Calculate 1st Special Clearing Charge based on the CF requirement equivalent derived from the segment (capped at 3 times of CF requirement, same as current).

1st Special Clearing Charge resource pool

Member A	300	600	–	–	–	–
Member B	150	300	180	150	30	–
Member C	–	150	120	210	45	–

I I I

Remaining Loss	JGB	IDX	PME	RUB	AGR	PTL
	283	453	46	0	0	–

II II II

Remaining Loss after juniorization						
	0	0	0	0	0	–

✓ 1st Special Clearing Charge derived from the segment with remaining losses will be first consumed to cover the losses, i.e., juniorization.

✓ Default loss is completely covered through the juniorization in this example, which means 1st Special Clearing Charge derived from other segments remains intact.

© 2026 Japan Exchange Group, Inc., and/or its affiliates