

Rule Revision in relation to the Consolidation of Clearing System Functions

June 25, 2014

Japan Securities Clearing Corporation

Item	Summary	Remarks
<p>I . Purpose</p> <p>II . Outline of Revision</p> <p>1 . Unification of Procedures for Position Transfer</p> <p>2 . Others</p>	<ul style="list-style-type: none"> • IN association with the complete consolidation of clearing system functions to the current JSCC's Clearing System schedule on November 2014, JSCC will make necessary revisions to its rules such as changing position transfer procedures. • For all OSE listed Futures and Option Contracts (excluding Exchange-traded FX contracts) , when position transferor/transferee participants request position transfer, those participant shall submit position transfer request by 7 p.m. on the previous business day of the position transfer date. • When JSCC approves position transfer request, position transfer will be completed at 9 a.m. on the position transfer date. • Other necessary revisions shall be made. 	<ul style="list-style-type: none"> • Complete consolidation of clearing system functions to the current JSCC's Clearing System means consolidation of position management functions for the OSE listed derivatives products, which are currently processed by OSE's Clearing System, to JSCC's Clearing System. • Depending on the type of products, current cut-off time for position transfer request is 7 p.m. on the previous business day of the position transfer date or 2 p.m. on the position transfer date. • Cut-off time for declaration of offsetting sale/purchase and option exercise will not be changed. • Current completion time of position transfer is 9 a.m. or 3 p.m., depending on the type of products. • Since entrustment of clearing fee collection for Futures and Option to OSE is terminated, clearing participants will pay the clearing fee directly to JSCC.

Item	Summary	Remarks
III. Implementation Date	• These revisions are scheduled to be implemented on the date of Clearing System consolidation (scheduled at Nov. 25, 2014) .	

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