

Outline of Revisions to Operational Procedures for Setting SPAN Parameters

Japan Securities Clearing Corporation

1. Outline of Revisions

Parameter	Current Operational Procedures at OSE and JSCC	Operational Procedures to Apply from July 16
Price Scan Range (PSR)	<p>OSE</p> <ul style="list-style-type: none"> • Method to calculate using VI (Volatility Index) Subject Commodity: Nikkei 225, DJIA • Method to adopt 25% of closing price of underlying asset on the reference date Subject Commodity: Nikkei 225 VI • Method to calculate using the greater of the values of price fluctuation ratio of underlying asset covering 99% in 4 weeks and 24 weeks up to the reference date Subject Commodity: OSE Listed Commodities other than above <p>JSCC</p> <ul style="list-style-type: none"> • Method to adopt price fluctuation range of underlying asset during 24 weeks up to the reference date Subject Commodity: All TSE listed Commodities 	<ul style="list-style-type: none"> • Method to calculate using VI (Volatility Index) in underlying index Subject Commodity: Nikkei 225, DJIA • <u>Method to use value obtained by using ratio of historical volatility of each commodity and historical volatility of Nikkei 225 to VI of Nikkei 225</u> Subject Commodity: <u>TOPIX, TOPIXCore30, TOPIX Electric Appliance Index, R/N Prime Index, Nikkei300</u> • <u>Method to calculate using AIV in Option Contracts on the reference date</u> Subject Commodity: <u>10-year JGB</u> • Method to calculate using the greater of the values of price fluctuation <u>ratio</u> of underlying asset covering 99% (class value) in 4 weeks and <u>33 weeks</u> up to the reference date Subject Commodity: <u>TOPIX Banks Index, Nikkei 225 Dividend Index, TOPIX Dividend Index, TOPIXCore30 Dividend Index, Security Options, 5-year JGB</u> • Method to calculate using the greater of the values of price fluctuation <u>ratio</u> of underlying asset covering 99% (class value) in 4 weeks and <u>44 weeks</u> up to the reference date Subject Commodity: <u>TSE REIT Index</u> • Method to adopt 25% of closing price of underlying asset on the reference date Subject Commodity: Nikkei 225 VI
Volatility Scan Range (VSR)	<p>OSE</p> <ul style="list-style-type: none"> • Method to calculate using the greater of the values of fluctuation range of base volatility covering 99% in 4 weeks and 24 weeks up to the reference date <p>JSCC</p> <ul style="list-style-type: none"> • Method to adopt value covering 99% of daily volatility fluctuation range in 24 weeks up to the reference date 	<ul style="list-style-type: none"> • Method to calculate using the greater of the values of fluctuation range of base volatility covering 99% (class value) in 4 weeks and <u>33 weeks</u> up to the reference date

Parameter	Current Operational Procedures at OSE and JSCC	Operational Procedures to Apply from July 16
Intracommodity Spread Charge	<p>OSE</p> <ul style="list-style-type: none"> Method to adopt value covering 99% of daily price differentials between contract months of Futures Contract in Combined Commodity in 4 weeks and 24 weeks up to the reference date Subject Commodity: Nikkei 225, Nikkei300, R/N Prime, DJIA Method to adopt 40% of PSR Subject Commodity: Nikkei 225 VI Method to adopt 10% of PSR Subject Commodity: Security Options <p>JSCC</p> <ul style="list-style-type: none"> Method to adopt twice the value of PSR Subject Commodity: TOPIX Dividend Index , TOPIX Core30 Dividend Index, Nikkei 225 Dividend Index Method to adopt value covering 99% of daily price differentials between contract months of Futures Contract in Combined Commodity in 24 weeks up to the reference date Subject Commodity: All TSE listed Commodities other than above (excluding Security Options) 	<ul style="list-style-type: none"> Method to adopt value covering 99% of daily price differentials between contract months of Futures Contract in Combined Commodity in 4 weeks and <u>33 weeks</u> up to the reference date Subject Commodity: Combined Commodities which contain Futures other than following Combined Commodities Method to adopt value covering 99% of daily price differentials between contract months of Futures Contract in Combined Commodity in 4 weeks and <u>44 weeks</u> up to the reference date Subject Commodity: TSE REIT Index Method to adopt twice the value of PSR Subject Commodity: TOPIX Dividend Index and TOPIX Core30 Dividend Index, Nikkei 225 Dividend Index Method to adopt 40% of PSR Subject Commodity: Nikkei 225 VI Method to adopt 10% of PSR Subject Commodity: Security Options
Intercommodity Delta per Spread Ratio	<p>OSE</p> <ul style="list-style-type: none"> Method to adopt value obtained by simple division using aggregate clearing prices of each commodity during 24 weeks up to the reference date Subject Commodity: Between OSE listed Combined Commodities for which intercommodity subtraction is permitted <p>JSCC</p> <ul style="list-style-type: none"> Method to adopt value obtained through least squares method by using closing price of underlying asset during 24 weeks up to the reference date Subject Commodity: Between TSE listed Combined Commodities for which intercommodity subtraction is permitted 	<ul style="list-style-type: none"> Method to adopt value obtained by <u>simple division</u> using aggregate clearing prices of each commodity during <u>33 weeks</u> up to the reference date Subject Commodity: All Combined Commodities for which intercommodity subtraction is permitted
Intercommodity Spread Credit Rate	<p>OSE</p> <ul style="list-style-type: none"> Method to set parameter based on smallest value covering 99% of daily profit and loss in 4 weeks and 24 weeks up to the reference date Subject Commodity: Between OSE listed Combined Commodities for which intercommodity subtraction is permitted. <p>JSCC</p> <ul style="list-style-type: none"> Method to set parameter based on smallest value covering 99% of daily profit and loss in 24 weeks up to the reference date Subject Commodity: Between TSE listed Combined Commodities for which intercommodity subtraction is permitted 	<ul style="list-style-type: none"> Method to set parameter based on smallest value covering 99% of daily profit and loss in 4 weeks and <u>33 weeks</u> up to the reference date Subject Commodity: All Combined Commodities for which intercommodity subtraction is permitted

Parameter	Current Operational Procedures at OSE and JSCC	Operational Procedures to Apply from July 16
Short Option Minimum Charge	<p>OSE</p> <ul style="list-style-type: none"> • Method to adopt 0.2% of closing price of underlying asset on the reference date Subject Commodity: OSE Combined Commodities containing Option Contracts 	<ul style="list-style-type: none"> • Method to adopt 0.01% of closing price of underlying asset on the reference date Subject Commodity: 10-year JGB • Method to adopt 0.2% of closing price of underlying asset on the reference date Subject Commodity: Combined Commodities containing Option Contracts other than above
	<p>JSCC</p> <ul style="list-style-type: none"> • Method to adopt 2.5% of PSR Subject Commodity: TSE Combined Commodities containing Option Contracts 	
Ad Hoc Modification	<p>OSE</p> <ul style="list-style-type: none"> • If rise/decline in closing price of underlying asset on a day compared to previous day becomes twice the value of PSR, parameters are to be modified on the 3rd business day following the trigger date (deposit date will be immediately following business day) Underlying Commodity: Nikkei 225, Nikkei 225 VI, DJIA 	<ul style="list-style-type: none"> • If rise/decline in closing price of underlying asset on a day compared to previous day becomes twice the value of PSR, parameters are to be modified on the 3rd business day following the trigger date (deposit date will be immediately following business day) Subject Commodity: <u>Nikkei 225, Nikkei 225 VI, TOPIX, 10-year JGB, Nikkei 225 Dividend Index, TOPIX Dividend Index, TOPIXCore30 Dividend Index</u>
	<p>JSCC</p> <p>(When JSCC deems it specifically necessary in such event as sudden change of market conditions, there will be modification of parameters.)</p>	

2. Upcoming Schedule

Dates	Event
From May 22 to June 4	<ul style="list-style-type: none">• Customer Margin Calculation Test (Test Integrated RPF using SPAN parameters determined based on revised Operational Procedures for Setting SPAN Parameters will be distributed daily)
July 8	<ul style="list-style-type: none">• Start publication of SPAN Parameters (live) based on revised Operational Procedures for Setting SPAN Parameters
July 16	<ul style="list-style-type: none">• Start distribution of Integrated RPF including parameters based on revised Operational Procedures for Setting SPAN Parameters in the afternoon of this day

Items	Procedures	Remarks
	<p>② TOPIX Group, TOPIX Core30 Group, TOPIX Electric Appliance Index Group, RN Prime Index Group and Nikkei 300 Group</p> <ul style="list-style-type: none"> • Price Scan Range will be the product of the expected price fluctuation range and X yen. Expected price fluctuation range will be obtained as a product of VI used for calculation of the Price Scan Range of Nikkei Stock Average group and the ratio of historical volatility of underlying instrument in the relevant Combined Commodity during the past 250 business day period up to the reference date to the historical volatility of Nikkei Stock Average during the past 250 business day period up to the reference date. <p>③ 10-year JGB Group</p> <ul style="list-style-type: none"> • Price Scan Range will be the product of expected price fluctuation range calculated by using the average implied volatility related to Options on 10-year JGB Futures on the reference date (calculated on a business day count basis) and X-yen. <p>④ Nikkei 225 VI Group</p> <ul style="list-style-type: none"> • Price Scan Range will be the product of 25% of the closing value of underlying instrument of the relevant Combined Commodity on the reference date (to be rounded up to the integral multiple of the quote unit for auction trading of Nikkei 225 VI Futures) and X-yen. <p>⑤ TSE REIT Index Group</p> <ul style="list-style-type: none"> • Obtain the products of the smallest value of daily price fluctuation ratio of the underlying instrument that exceeds the 99% of such value for each of the following periods a. and b. (calculated on a class value basis, the same shall apply hereinafter) and the closing value of the underlying instrument of the relevant Combined Commodity on the reference date (to be rounded up to the nearest integral multiple of the quote unit for auction trading of TSE REIT Index Futures). Price Scan Range will be the value calculated by multiplying the larger product so obtained by X-yen: <p style="padding-left: 40px;">Period a. 4 weeks up to the reference date</p> 	<p>fluctuation of the underlying instrument follows a normal distribution, and 2.58, by the closing value of the underlying instrument of the relevant Combined Commodity on the reference date (which means the last business day of each week, the same shall apply hereinafter) (such value shall be rounded up to the integral multiple of 30 yen in case of Nikkei Stock Average group, 1.5 point in case of TOPIX group, 0.03 yen in case of 10-year JGB group, and the nearest quote unit of the futures in that Combined Commodity in case of DJIA group, Nikkei 300 group, RN Prime Index group, TOPIX Core30 group, TOPIX Electric Appliance Index group) (the same shall apply hereinafter).</p> <ul style="list-style-type: none"> • X shall be 10,000 for TOPIX group, TOPIX Dividend Index group, TOPIX Core30 Dividend Index group, Nikkei 300 group, RN Prime Index group, Nikkei Stock Average Volatility Index (hereinafter referred to as “Nikkei 225 VI”) group, TOPIX Electric Appliance Index group and TOPIX Banks Index group, 1,000 for Nikkei Stock Average group, TOPIX Core30 group, Nikkei 225 Dividend Index group and TSE REIT Index group, 100 for DJIA Group, 1,000,000 for 5-year JGB

Items	Procedures	Remarks
	<p style="text-align: center;">Period b. 44 weeks up to the reference date</p> <p>⑥ Combined Commodity other than ① to ⑤</p> <ul style="list-style-type: none"> • Obtain the products of the smallest value of daily price fluctuation ratio of the underlying instrument that exceeds the 99% of such value for each of the following period a. and b. and the closing value of the underlying instrument of the relevant Combined Commodity on the reference date (to be rounded up to the nearest integral multiple of the quote unit for auction trading of relevant futures contract if there is futures contract in the relevant Combined Commodity, and to the nearest integral multiple of the quote unit at the closing level of the underlying instrument of the relevant securities group in case of securities group). Price Scan Range will be the value calculated by multiplying the larger product by X-yen: <ul style="list-style-type: none"> <li style="margin-left: 2em;">Period a. 4 weeks up to the reference date <li style="margin-left: 2em;">Period b. 33 weeks up to the reference date <p>However, when JSCC deems it inappropriate to apply the value obtained in the above manner as Price Scan Range in light of the market conditions, etc., or underlying instruments of options have been listed for less than 33 weeks before their selection as the underlying instruments for options, JSCC will set Price Scan Range on a case-by-case basis.</p>	<p>Group and 10-year JGB Group, and the trading unit for securities underlying the option contracts for various securities group. The same shall apply hereinafter.</p> <ul style="list-style-type: none"> • Price fluctuation ratio means a quotient of the absolute value of the difference between the closing value of the underlying instrument on a business day and the previous day (when the previous day falls on a holiday, the preceding business day, the same shall apply hereinafter) and the closing value of the underlying instrument on the previous day.

Items	Procedures	Remarks
<p>2 Volatility Scan Range</p>	<p>(Note)The underlying instrument and its closing value for each Combined Commodity are as follows:</p> <ul style="list-style-type: none"> • Combined commodity containing Index futures and Index options (Underlying instrument) Index (Closing value of the underlying instrument) Last index • Combined commodity containing JGB Futures, Options on JGB Futures and Dividend Index Futures (Underlying instrument) Central contract month of the futures (Closing value of the underlying instrument) Clearing price or clearing price index for the central contract month of the futures • Combined commodity containing Securities options (Underlying instrument) Underlying securities (Closing value of the underlying instrument) The last price of the underlying securities <p>• Obtain the smallest values of daily fluctuation for base volatility of the Combined Commodity that exceeds the 99% of such value for each of the following periods a. and b. Volatility Scan Range shall be the larger value so obtained.</p> <p>Period a. 4 weeks up to the reference date Period b. 33 weeks up to the reference date</p> <p>However, when JSCC deems it inappropriate to apply the value obtained in the above manner as Volatility Scan Range in light of the market conditions, etc., or underlying instruments of options have been listed for less than 33 weeks before their selection as the underlying instruments for options, JSCC will set Volatility</p>	<ul style="list-style-type: none"> • The “central contract month” of the JGB Futures, in principle, shall shift from the current central contract month for auction trading to another contract month for auction trading on the day immediately following the day on which the trading volume of the latter exceeds that of the former (the same shall apply hereinafter) • The “central contract month” of dividend index futures, in principle, is the one with the highest liquidity (the same shall apply hereinafter).

Items	Procedures	Remarks
<p>3 Intracommodity Spread (inter-month) Charge per Net Delta</p>	<p>Scan Range on a case-by-case basis.</p> <p>(Note) Base volatility to calculate Volatility Scan Range shall be applied for each Combined Commodity in the following order:</p> <ul style="list-style-type: none"> ① Average of the implied volatility of options for relevant Combined Commodity; ② If the implied volatility prescribed in ① above is unavailable or JSCC deems it inappropriate, the historical volatility of underlying instrument for each Combined Commodity; ③ If JSCC deems it inappropriate to adopt the historical volatility prescribed in above, applicable volatility set by JSCC on a case-by-case basis. <p>• Intracommodity Spread Charge per Net Delta shall be determined in the following manner:</p> <ul style="list-style-type: none"> ① TSE REIT Index Group <ul style="list-style-type: none"> • Obtain values by multiplying the smallest value of daily price differential between contract months of futures that exceeds 99% of such value for each of the following periods a. and b. by X-yen. The larger value so obtained shall be applied. <p style="margin-left: 40px;">Period a. 4 weeks up to the reference date Period b. 44 weeks up to the reference date</p> ② Nikkei 225 VI Group <ul style="list-style-type: none"> • Value equal to 40% of the Price Scan Range for the relevant Combined Commodity. ③ TOPIX Dividend Index Group, TOPIX Core30 Dividend Index Group and Nikkei 225 Index Dividend Group <ul style="list-style-type: none"> • Value equal to twice the value of the Price Scan Range for the relevant Combined Commodity. 	

Items	Procedures	Remarks
<p>4 Intercommodity Delta Per Spread Ratio</p>	<p>④ Various Securities Group</p> <ul style="list-style-type: none"> • Value equal to 10% of the Price Scan Range for the relevant securities group. <p>⑤ Combined Commodity other than ① to ④</p> <ul style="list-style-type: none"> • Obtain values obtained by multiplying the smallest value of daily price differential between contract months of futures that exceeds 99% of such value for each of the following periods a. and b. by X-yen. The larger value so obtained shall be applied. <p style="margin-left: 40px;">Period a. 4 weeks up to the reference date Period b. 33 weeks up to the reference date</p> <p>However, when JSCC deems it inappropriate to apply the value obtained in the above manner as Intracommodity Spread Charge in light of the market conditions, etc., or when a new commodity is listed, JSCC will set Intracommodity Spread Charge on a case-by-case basis.</p> <p>(Note) Daily price differential between contract months of futures shall be the absolute value of the difference between “fluctuation of the clearing price index for the most current contract month” and “fluctuation of the clearing price index for the second current contract month.”</p> <ul style="list-style-type: none"> • Delta per Spread Ratio for calculating Intercommodity Spread Credits, which JSCC may subtract from its margin requirement, shall be set as follows: <p>① For the period of 33 weeks up to the reference date, calculate the sum of the values obtained as a product of the daily clearing price index of the most current</p>	<ul style="list-style-type: none"> • Fluctuation of clearing price index is the difference between clearing price index on one day and that on the previous day. In the case of JGB Futures, “clearing price index” shall be deemed to be “clearing price” (the same shall apply hereinafter)

Items	Procedures	Remarks
	<p>contract month of the futures contract in the one side of the Combined Commodity (for Combined Commodity without futures contracts, closing value of the underlying instrument of the relevant Combined Commodity) and X-yen, and divide such sum by the sum of the values obtained as a product of daily clearing price index of the futures contract in the other side of the Combined Commodity (for Combined Commodity without futures contracts, closing value of the underlying instrument of the relevant Combined Commodity) and X-yen;</p> <p>② Taking the value calculated in ① above into account, applicable Delta per Spread Ratio is set.</p> <p>However, when JSCC deems it inappropriate to apply the value obtained in the above manner as Delta per Spread Ratio in light of the market conditions, etc., or when a new commodity is listed, JSCC will set Intercommodity Delta per Spread Ratio on a case-by-case basis.</p>	
5 Intercommodity Spread Credit Rate	<ul style="list-style-type: none"> • Intercommodity Spread Credit Rate for calculating Intercommodity Spread Credits, which JSCC may subtract from margin requirement, shall be set as follows: <ul style="list-style-type: none"> ① Calculate the absolute value of daily implicit profit or loss in portfolio that forms a pair of intercommodity spread for the last 33 weeks up to reference date. For the purpose of this calculation, when calculating implicit profit or loss in portfolio forming a:b (a<b) intercommodity spread in which Delta per Spread Ratio is not 1:1, it shall be calculated on an assumption of long b/a unit of the underlying instrument of Combined Commodity on the side with smaller intercommodity Delta per Spread Ratio. ② Among the values calculated in ① above, obtain the smallest values that exceeds the 99% of the values of all trading days for each of the following periods a. and b. <ul style="list-style-type: none"> Period a. 4 weeks up to reference date Period b. 33 weeks up to reference date 	<ul style="list-style-type: none"> • “Implicit profit or loss” refers to the implicit profit or loss resulting from a portfolio of one unit of short position of the most current contract month of futures contract in one side of the Combined Commodity (if large contract and mini contract exist for the same Combined Commodity, it shall be large contract, and for Combined Commodity without any futures contract, the closing value of the underlying instrument multiplied by X-yen is treated as one unit, the

Items	Procedures	Remarks
6 Short Option Minimum Charge	<p>③ Intercommodity Spread Credit Rate applicable to the relevant intercommodity spread shall be calculated by dividing the larger value obtained in ② above by the sum of the Price Scan Range for each Combined Commodity, and then subtracting the quotient from 1. For the purpose of this calculation, when calculating the sum of Price Scan Range of portfolio forming a:b (a<b) intercommodity spread in which Delta per Spread Ratio is not 1:1, the Price Scan Range of Combined Commodity with larger Delta per Spread Ratio shall be adjusted by b/a.</p> <p>However, when JSCC deems it inappropriate to apply the value obtained in the above manner as Intercommodity Spread Credit Rate in light of the market conditions, etc., or when a new commodity is listed, JSCC will set Intercommodity Spread Credit Rate on a case-by-case basis.</p> <ul style="list-style-type: none"> • Short Option Minimum Charge per position shall be the value obtained by 0.2% (0.01% for 10-year JGB group) of the closing value of the underlying instrument on the reference date multiplied by X-yen. <p>However, when JSCC deems it inappropriate to apply the value obtained in the above manner as Short Option Minimum Charge in light of the market conditions, etc., JSCC will set Short Option Minimum Charge on a case-by-case basis.</p>	<p>same shall apply hereinafter), and one unit of long position of the most current contract month of futures contract in the other side of Combined Commodity.</p>
III. Other SPAN parameters	<ul style="list-style-type: none"> • Along with the parameters specified in II above, JSCC also sets the following SPAN parameters. While these parameters are not reviewed regularly, all or part of them shall be modified when JSCC deems it necessary. 	

Items	Procedures	Remarks
1 Delta Weight	<ul style="list-style-type: none"> • For all Combined Commodities, Delta Weights shall be set as follows: <ol style="list-style-type: none"> 1) 0.135 for Scenario 1 and 2; 2) 0.1085 for Scenario 3, 4, 5 and 6; 3) 0.0555 for Scenario 7, 8, 9 and 10; 4) 0.0185 for Scenario 11, 12, 13 and 14. 	
2 Parameters for Scan Risk Scenarios 15 and 16	<ul style="list-style-type: none"> • Among the 16 standard risk scenarios for calculating Risk Array Value, on Scenario 15 and 16, Risk Array Value shall be calculated as the 30% of expected profit or loss assuming that the underlying instrument price fluctuate three times as large as the maximum Scan Range and its volatility remains the same. 	
3 Tier	<ul style="list-style-type: none"> • No tier is set for any Combined Commodity. 	
4 Delta per Spread Ratio (Intracommodity)	<ul style="list-style-type: none"> • Delta per Spread Ratio for the Intracommodity Spread shall be 1:1 for all instruments. 	
5 Delivery Month Charge	<ul style="list-style-type: none"> • Delivery Month Charge is not imposed on any instrument. 	
6 Intercommodity Spread Credit and order of calculation	<ul style="list-style-type: none"> • Intercommodity Spread Credits shall be set as follows. <ol style="list-style-type: none"> 1. Among JGB groups, Intercommodity Spread Credits shall be applied between 5-year JGB group and 10-year JGB group. 2. Among index groups, Intercommodity Spread Credits shall be as per Annex. 	<ul style="list-style-type: none"> • “JGB groups” and “Index groups” are Combined Commodities which refer to a collection of Combined Commodity with the same nature of underlying instruments.

Items	Procedures	Remarks
<p>7 Delta Scaling Factor</p> <p>8 Initial to Maintenance Ratio</p> <p>9 Adjustment Factor for each account type</p>	<ul style="list-style-type: none"> • Delta Scaling Factor shall be 1 for all commodities except Mini 10-year JGB Futures, Mini TOPIX Futures and Nikkei 225 mini. • Delta Scaling Factor shall be 0.1 for Mini 10-year JGB Futures, Mini TOPIX Futures and Nikkei 225 mini. • Initial to Maintenance Ratio shall be 1 for all commodities and account types (hedger, speculator, participant). • Adjustment Factor for each account type shall be 1 for all types of account. 	<ul style="list-style-type: none"> • Regarding TSE REIT Index group, TOPIX Dividend Index group, TOPIX Core30 Dividend Index group, Nikkei 225 Dividend Index group and Nikkei 225 VI group, Intercommodity Spread Credits are not applied between these Index groups and any other Combined Commodities for the time being.

Items	Procedures	Remarks
<p>IV Ad Hoc Modification of SPAN Parameters</p>	<ul style="list-style-type: none"> • In principle, if, on any day (hereinafter referred to as the “Trigger Date”), the value specified in the following items for each Combined Commodity becomes twice the base value of Price Scan Range (which means the value obtained by dividing the Price Scan Range by X-yen, the same shall apply hereinafter), SPAN parameters related to the Combined Commodity falling under the relevant trigger conditions will be subject to ad hoc review and, if modification is considered to be necessary, all or a part of SPAN parameters will be modified on the 3rd business day following the Trigger Date <ol style="list-style-type: none"> ① Nikkei Stock Average Group and TOPIX Group Rise/decline in closing value of Nikkei Stock Average compared to the previous day (absolute value of the difference between the closing value of the Nikkei Stock Average on the relevant day and that on the previous day) or rise/decline in closing value of TOPIX compared to the previous day (absolute value of the difference between the closing value of TOPIX on the relevant day and that on the previous day) ② 10-year JGB Group Rise/decline in clearing price for central contract month of 10-year JGB futures compared to the previous day (absolute value of the difference between clearing price for central contract month on the relevant day and that on the previous day) ③ Nikkei 225 VI Group Rise/decline in closing value of Nikkei 225 VI compared to the previous day (absolute value of the difference between the closing value of Nikkei 225 VI on the relevant day and that on the previous day) ④ TOPIX Dividend Index Group and TOPIX Core30 Dividend Index Group, Nikkei 225 Dividend Index Group Rise/decline in clearing price index for central contract month of any of the products compared to the previous day (absolute value of the difference between the clearing price index for central contract month of such product on the relevant day and that on the previous day) 	<ul style="list-style-type: none"> • Prior notice will be given to clearing participants at the time of ad hoc modification. • Margins based on parameters after modification will be deposited on the fourth business day from the Trigger Date. • SPAN parameters after ad hoc modification will apply, in principle, until SPAN parameters modified as a result of regular review to be published on the first business day of the week immediately following the Trigger Date is started to apply. • On the business day immediately following the Trigger Date, whether or not to conduct ad hoc modification shall be judged based on the base value of Price Scan Range after such modification, in principle. • With respect to Nikkei Stock Average group and TOPIX group, SPAN parameters for both Combined Commodities are to be modified if the conditions are met with respect to either of the Combined Commodities.

Items	Procedures	Remarks
<p>1. Price Scan Range after Ad Hoc Modification</p>	<p>① Nikkei Stock Average Group</p> <ul style="list-style-type: none"> ▪ Price Scan Range will be the value obtained as a product of expected price fluctuation range on the Trigger Date and X-yen. <p>② TOPIX Group</p> <ul style="list-style-type: none"> ▪ Price Scan Range will be the product of the expected price fluctuation range and X yen. Expected price fluctuation range will be obtained as a product of VI used for calculation of the Price Scan Range of Nikkei Stock Average group after ad hoc modification on Trigger Date and the ratio of the historical volatility of TOPIX during the past 250 business days up to the Trigger Date to the historical volatility of Nikkei Stock Average during the past 250 business days up to the Trigger Date. <p>③ 10-year JGB Group</p> <ul style="list-style-type: none"> ▪ Price Scan Range will be the product of expected price fluctuation range obtained by using average implied volatility in Options on 10-year JGB Futures on the Trigger Date and X-yen. <p>④ Nikkei 225 VI Group</p> <ul style="list-style-type: none"> ▪ Price Scan Range will be the product of 25% of the closing value of underlying instrument of the relevant Combined Commodity on the Trigger Date (to be rounded up to the integral multiple of quote unit for auction trading of Nikkei 225 VI Futures) and X-yen. 	<ul style="list-style-type: none"> • With respect to TOPIX Dividend Index group, TOPIX Core30 Dividend Index group and Nikkei 225 Dividend Index group, SPAN parameters for such Combined Commodities are to be modified if the conditions are met with respect to any of the Combined Commodities.

Items	Procedures	Remarks
<p>2. Volatility Scan Range after Ad Hoc Modification</p>	<p>⑤ Combined Commodity other than ① to ④ above subject to Ad Hoc Modification</p> <ul style="list-style-type: none"> • Price Scan Range will be obtained by multiplying the product of the price fluctuation rate of underlying instrument of the relevant Combined Commodity on the Trigger Date and the closing price of the underlying instrument of the relevant Combined Commodity on the Trigger Date by X-yen. <p>However, with respect to any of the Combined Commodities listed above, if the value after modification is smaller comparing to the value before modification, then no modification shall be implemented. Furthermore, if the relevant value is considered inappropriate in light of the market conditions, etc., then Price Scan Range shall be the value JSCC considers appropriate.</p> <ul style="list-style-type: none"> • Volatility Scan Range will be the fluctuation range of base volatility of each Combined Commodity on the Trigger Date. <p>However, if the value after modification is smaller comparing to the value before modification, then no modification shall be implemented. Furthermore, if the relevant value is considered inappropriate in light of the market conditions, etc., then Volatility Scan Range shall be the value JSCC considers appropriate.</p>	

Items	Procedures	Remarks
<p>3. Intracommodity Spread (inter-month) Charge per Net Delta after Ad Hoc Modification</p>	<p>① Nikkei 225 VI Group</p> <ul style="list-style-type: none"> ▪ Intracommodity Spread Charge per Net Delta will be the value equal to 40% of Price Scan Range for the relevant Combined Commodity obtained pursuant to 1 ④ above. <p>② TOPIX Dividend Index Group, TOPIX Core30 Dividend Index Group and Nikkei 225 Dividend Index Group</p> <ul style="list-style-type: none"> ▪ Intracommodity Spread Charge per Net Delta will be the value equal to twice the value of Price Scan Range for the relevant Combined Commodity obtained pursuant to 1 ⑤ above. <p>③ Combined Commodity other than ① and ② above</p> <ul style="list-style-type: none"> ▪ Intracommodity Spread Charge per Net Delta will be the product of the price difference between the contract months of the Futures contained in the relevant Combined Commodity on the Trigger Date and X-yen. <p>However, with respect to any of the Combined Commodities listed above, if the value after modification is smaller comparing to the value before modification, then no modification shall be implemented. Furthermore, if the relevant value is considered inappropriate in light of the market conditions, etc., then Intracommodity Spread Charge per Net Delta shall be the value JSCC considers appropriate.</p>	

Items	Procedures	Remarks
4. Short Option Minimum Charge after Ad Hoc Modification	<ul style="list-style-type: none"> • Short Option Minimum Charge per position will be the product of 0.2% (0.01% for 10-year JGB Group) of the closing value of underlying instrument of each Combined Commodity on the Trigger Date and X-yen. <p>However, if the value after modification is smaller comparing to the value before modification, then no modification shall be implemented. Furthermore, if the relevant value is considered inappropriate in light of the market conditions, etc., then Short Option Minimum Charge per position shall be the value JSCC considers appropriate.</p>	
IV. Other Announcement of modification to SPAN parameters	<ul style="list-style-type: none"> • When all or part of SPAN parameters are modified, JSCC shall announce the content of modification before the modified parameters are applied. 	<ul style="list-style-type: none"> • Notification is posted on JSCC home page, etc.

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List of Order of Calculation related to Intercommodity Spread Credit

Order	Combination of Commodity Groups	
1	Nikkei Stock Average Group	TOPIX Group
2	Nikkei Stock Average Group	TOPIX Core30 Group
3	Nikkei Stock Average Group	RN Prime Index Group
4	Nikkei Stock Average Group	Nikkei 300 Group
5	TOPIX Group	TOPIX Core30 Group
6	TOPIX Group	RN Prime Index Group
7	TOPIX Group	Nikkei 300 Group
8	TOPIX Core30 Group	RN Prime Index Group
9	TOPIX Core30 Group	Nikkei 300 Group
10	RN Prime Index Group	Nikkei 300 Group
11	Nikkei Stock Average Group	TOPIX Banks Index Group
12	TOPIX Group	TOPIX Banks Index Group
13	TOPIX Core30 Group	TOPIX Banks Index Group
14	RN Prime Index Group	TOPIX Banks Index Group
15	Nikkei 300 Group	TOPIX Banks Index Group
16	Nikkei Stock Average Group	TOPIX Electric Appliance Index Group
17	TOPIX Group	TOPIX Electric Appliance Index Group
18	TOPIX Core30 Group	TOPIX Electric Appliance Index Group
19	RN Prime Index	TOPIX Electric Appliance Index Group
20	Nikkei 300 Group	TOPIX Electric Appliance Index Group
21	Nikkei Stock Average Group	Dow Jones Industrial Average Group
22	TOPIX Group	Dow Jones Industrial Average Group
23	TOPIX Core30 Group	Dow Jones Industrial Average Group
24	RN Prime Index Group	Dow Jones Industrial Average Group
25	Nikkei 300 Group	Dow Jones Industrial Average Group