

“Cross Margining Service” enables risk reduction through IM offsetting between cleared IRS and 10-year JGB Futures or cleared IRS and 3-Month TONA Futures.

Reduces Required Initial Margin of IRS by offsetting risk of 10-year JGB futures (※1) and 3-Month TONA Futures (※2)

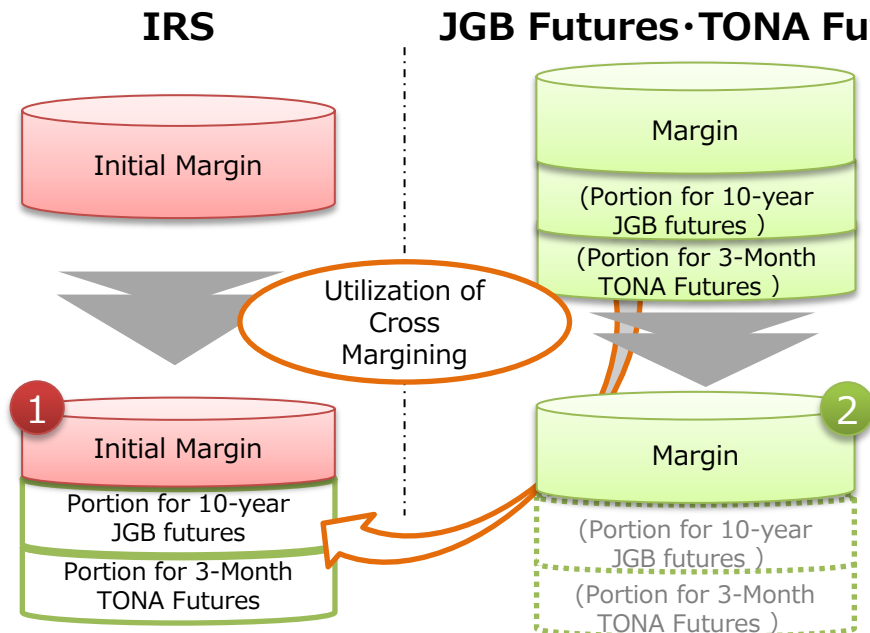
— Regardless of interest rate index or size of cleared JPY IRS swap, Cross Margining can be utilized.

(※1) Front- and second-month contracts of the Cash-settled JGB Futures Contract or Interest Rate Futures Contract listed on Osaka Exchange, Inc.

(※2) Front- and Eighth-month contracts of the 3-Month TONA Futures Contracts listed on Osaka Exchange, Inc.

Customers clearing IRS can also utilize the Cross Margining Service

— JSCC provides Margin Simulation (“What-if Cross Margin” report) for each Customer’s position on a daily basis.



- 1 Margin would be calculated for JPY IRS and 10-year JGB futures, 3-Month TONA Futures, for which a Cross Margining User has made an application (※3) and are eligible for Cross Margining
- 2 Margin related to JGB futures and TONA Futures other than those eligible for Cross Margining will be calculated using VaR method in the same manner as current procedure.

(※3) JSCC accepts an application for Cross Margining only when an offset in risk is expected.