

Rules on Fees for IRS Clearing Business

Original Document Title : 金利スワップ取引清算業務に係る手数料に関する規則

Note : JSCC hereby certifies that to the best of its knowledge, the foregoing is a fair and accurate English translation of a document originally written in Japanese. In the event of any inconsistency between the original Japanese document and this reference English translation, the original Japanese document will prevail.

Table of Contents

Article 1. Purpose	2
Article 2. Types of Fees	3
Article 3. Base Fee	3
Article 4. Clearing Fee related to JPY Cleared Contracts.....	4
Article 4-2. Clearing Fee related to Foreign Currency Cleared Contracts	6
Article 5. Compression Fee	7
Article 5-2. Client Clearing Fee	9
Article 5-2-2. Special Provisions for Client Clearing Fee	11
Article 5-3. Account Opening Fee	13
Article 5-4. Collateral Fee	13
Article 5-5. Foreign Currency Settlement Fee	15
Article 5-6. Special Rules on Fee for Foreign Currency Designated Clearing Participant	16
Article 5-7. LIBOR License Fee	16
Article 5-8. Trade Reporting Fee	16
Article 5-9. Position Transfer Fee	17
Article 6. Special Rules on Base Fee and Clearing Fee related to JPY Cleared Contracts Payable by Shareholder Clearing Participant	17
Article 6-2. Special Rules on Compression Fee Payable by Shareholder Clearing Participant	18
Article 7. Fee Payment Date.....	19

Article 1. Purpose

1 The purpose of these Rules on Fees for IRS Clearing Business (these “Fee Rules”) is to prescribe necessary matters in connection with the fees for IRS Clearing Business that Japan Securities Clearing Corporation (“JSCC”) charges pursuant to the provisions of Article 16 of the Interest Rate Swap Clearing Business Rules (the “Business Rules”) established by JSCC.

2 Unless otherwise stated in these Fee Rules, the defined terms in these Fee Rules shall have the same meaning as those in the Business Rules. The following terms shall prevail in these Fee Rules:

(1) “Affiliated Customer Fee Cap” means the Affiliated Customer Fee Cap set forth in Article 6, Paragraph 2.

(2) “Shareholder Clearing Participant” means a Clearing Participant which is a shareholder of Class C Shares issued by JSCC or is in the same Corporate Group as a shareholder of Class C Shares.

(3) “Fiscal Year” means the period commencing on 1 April of each year and ending on 31 March of the following year.

(4) “Fiscal Second Semi-Annual Period” means the period commencing on 1 October of each year and ending on 31 March of the following year.

(4)-2 “Affiliated Customer Compression Fee Cap” means the Affiliated Customer Compression Fee Cap set forth in Article 6-2.2.

(4)-3 “Proprietary Compression Fee Cap” means the Proprietary Compression Fee Cap set forth in Article 6-2.1.

(5) “Proprietary Fee Cap” means the Proprietary Fee Cap set forth in Paragraph 1 of Article 6.

(5)-2 “Trade Data Repository Reported Cleared Contracts (IRS)” means the Clearing Contracts related to IRS Transaction Clearing Business of which information, such as the parties (and, for a Clearing Contract (Customer Account), Clearing Customer

which is the party to the Clearing Brokerage Contract corresponding to the relevant Clearing Contract (Customer Account)), Notional Amount and other information, has been reported to Trade Data Repository (as such term defined in Paragraph 1 of Article 156 of the Financial Instruments and Exchange Act (Act No. 25 of 1948)).

(6) “HKTR Reported Cleared Contracts” means the Cleared Contracts of which information, such as the parties (and, for a Customer’s Cleared Contract, Customer which is the party to the Clearing Brokerage Contract corresponding to the relevant Customer’s Cleared Contract), Notional Amount and other information, has been reported to Hong Kong Monetary Authority.

(7) “SDR Reported Cleared Contracts (IRS)” means the Cleared Contracts of which information, such as the parties (and, for a Customer’s Cleared Contract, Customer which is the party to the Clearing Brokerage Contract corresponding to the relevant Customer’s Cleared Contract), Notional Amount and other information, has been reported to the Swap Data Repository (as such term defined in the U.S. Commodity Exchange Act, Section 1a (48)).

Article 2. Types of Fees

The fees under Article 16 of the Business Rules shall be the Base Fee (as set forth in Article 3), the Clearing Fees related to JPY Cleared Contracts and Foreign Currency Cleared Contracts (as set forth in Articles 4 and 4-2), the Compression Fee (as set forth in Article 5), the Client Clearing Fee (as set forth in Article 5-2), the Account Opening Fee (as set forth in Article 5-3), the Foreign Currency Settlement Fee (as set forth in Article 5-5), a cross margining fee, the Position Transfer Fee (as set forth in Article 5-9), the Collateral Fee (as set forth in Article 5-4) and the Trade Reporting Fee (as set forth in Article 5-8).

Article 3. Base Fee

1 The Base Fee shall be 5.2 million yen per month, provided that if a Clearing Participant is either newly granted or renounces the IRS Clearing Qualification in the middle of month, the Base Fee payable by that Clearing Participant for that month shall be 5.2 million yen multiplied by a fraction, the denominator of which is the total number of JSCC Business Days in that month and the numerator of which is the number of JSCC Business Days for which it was a Clearing Participant in that month.

2 Notwithstanding Paragraphs 1 of this Article, if the sum of the Base Fee and the Clearing Fee related to JPY Cleared Contracts for Proprietary Cleared Contracts payable by a Shareholder Clearing Participant in a Fiscal Year (if a Clearing Participant was a Shareholder Clearing Participant only for a part of a Fiscal Year, the sum of the above fees payable during that part of the Fiscal Year) reaches the Proprietary Fee Cap, that Shareholder Clearing Participant will not be required to pay the Base Fee above the Proprietary Fee Cap for the rest of that Fiscal Year starting from the following month.

Article 4. Clearing Fee related to JPY Cleared Contracts

1 Clearing Fee related to JPY Cleared Contracts shall consist of a New Clearing Fee related to JPY Cleared Contracts and an Outstanding Cleared Trade Fee related to JPY Cleared Contracts.

2 A New Clearing Fee related to JPY Cleared Contracts and an Outstanding Cleared Trade Fee related to JPY Cleared Contracts for each month shall be, according to the classification of Clearing Participant specified in the following Items, the sum of the amounts calculated for the Proprietary Account and the Customer Account of Affiliated Customer (as defined in Article 54.1 of the Business Rules) of the Clearing Participant as set forth below:

(1) For Shareholder Clearing Participants:

a. New Clearing Fee related to JPY Cleared Contracts

The sum of the fees for JPY Cleared Contracts cleared during that month determined by (a) through (c) below according to the cumulative contract counts of JPY Cleared Contracts cleared during the relevant Fiscal Year:

(a) Up to (and including) the 2,000th JPY Cleared Contract:

5,000 yen per contract

(b) From the 2,001th, up to (and including) the 10,000th JPY Cleared Contract:

1,000 yen per contract

(c) Beyond the 10,000th JPY Cleared Contract:

400 yen per contract

b. Outstanding Cleared Trade Fee related to JPY Cleared Contracts

The sum of the fees for JPY Cleared Contracts determined by (a) through (c) below according to the number of JPY Cleared Contracts outstanding as of the end of the month:

(a) Up to (and including) 8,000th JPY Cleared Contract:

450 yen per contract

(b) From the 8,001th, up to (and including) the 40,000th JPY Cleared Contract:

100 yen per contract

(c) Beyond the 40,000th JPY Cleared Contracts:

35 yen per contract

(2) For other Clearing Participants:

a. New Clearing Fee related to JPY Cleared Contracts:

8,000 yen per JPY Cleared Contract cleared during the month;

b. Outstanding Cleared Trade Fee related to JPY Cleared Contracts:

700 yen per JPY Cleared Contract outstanding as of the end of the month.

3 Notwithstanding Paragraph 2 of this Article, if the sum of the Base Fee and the Clearing Fee related to JPY Cleared Contracts for Proprietary Cleared Contracts payable by a Shareholder Clearing Participant in a Fiscal Year (if a Clearing Participant is a Shareholder Clearing Participant only for a part of a Fiscal Year, the sum of the above fees payable for that part of the Fiscal Year) reaches the Proprietary Fee Cap, that Shareholder Clearing Participant will not be required to pay the Clearing Fee related to JPY Cleared Contracts for the Proprietary Cleared Contracts above the Proprietary Fee Cap during that Fiscal Year.

4 Notwithstanding Paragraph 2 of this Article, if the sum of the Clearing Fee related to JPY Cleared Contracts for Affiliated Customer's Cleared Contracts payable by a Shareholder Clearing Participant in respect of any given Affiliated Customer in a Fiscal Year (if a Clearing Participant was a Shareholder Clearing Participant only for a part of a Fiscal Year, the sum of the above fees payable during that part of the Fiscal Year) reaches the Affiliated Customer Fee Cap, that Shareholder Clearing Participant will not be required to pay the Clearing Fee above the Affiliated Customer Fee Cap in respect of

that Affiliated Customer's Cleared Contracts during that Fiscal Year.

5 The provisions of Paragraphs 1 through 4 shall apply *mutatis mutandis* to the Clearing Fee for JPY Cleared Contracts when Cleared Contracts come into effect as a result of a Per Trade Compression set forth in Article 53 of the Business Rules, a Blended Rates Compression set forth in Article 53-2 of the Business Rules, a Vendor-Initiated Compression set forth in Article 53-2-2 of the Business Rules, a Member-Initiated Compression set forth in Article 53-2-3 of the Business Rules and a JSCC-Initiated Compression set forth in Article 53-2-4 of the Business Rules.

Article 4-2. Clearing Fee related to Foreign Currency Cleared Contracts

1 Clearing Fee related to Foreign Currency Cleared Contracts shall consist of a New Clearing Fee related to Foreign Currency Cleared Contracts and an Outstanding Cleared Trade Fee related to Foreign Currency Cleared Contracts.

2 A New Clearing Fee related to Foreign Currency Cleared Contracts and an Outstanding Cleared Trade Fee related to Foreign Currency Cleared Contracts for each month shall be, according to the classification of Clearing Participant specified in the following Items, the sum of the amounts calculated for the Proprietary Account and the Customer Account of Affiliated Customer of the Clearing Participant as set forth below:

(1) For Shareholder Clearing Participants:

a. New Clearing Fee related to Foreign Currency Cleared Contracts

The sum of the fees for Foreign Currency Cleared Contracts cleared during that month determined by (a) through (c) below according to the cumulative contract counts of Foreign Currency Cleared Contracts cleared during the relevant Fiscal Year:

(b) Up to (and including) the 500th Foreign Currency Cleared Contract:
10,300 yen per contract

(b) From the 501th, up to (and including) the 2,500th Foreign Currency Cleared Contract:
2,000 yen per contract

(c) Beyond the 2,500th Foreign Currency Cleared Contract:

800 yen per contract

b. Outstanding Cleared Trade Fee related to Foreign Currency Cleared Contracts

The sum of the fees for Foreign Currency Cleared Contracts determined by (a) through (c) below according to the number of Foreign Currency Cleared Contracts outstanding as of the end of the month:

(a) Up to (and including) 2,000th Foreign Currency Cleared Contract:

800 yen per contract

(b) From the 2,001th, up to (and including) the 10,000th Foreign Currency Cleared Contract:

180 yen per contract

(c) Beyond the 10,000th Foreign Currency Cleared Contracts:

65 yen per contract

(2) For other Clearing Participants:

a. New Clearing Fee related to Foreign Currency Cleared Contracts:

16,500 yen per Foreign Currency Cleared Contract cleared during the month;

b. Outstanding Cleared Trade Fee related to Foreign Currency Cleared Contracts:

1,250 yen per Foreign Currency Cleared Contract outstanding as of the end of the month.

3 The provisions of Paragraphs 1 and 2 shall apply *mutatis mutandis* to the Clearing Fee for Foreign Currency Cleared Contracts when Cleared Contracts come into effect as a result of a Per Trade Compression set forth in Article 53 of the Business Rules, a Blended Rates Compression set forth in Article 53-2 of the Business Rules, a Vendor-Initiated Compression set forth in Article 53-2-2 of the Business Rules and a Member-Initiated Compression set forth in Article 53-2-3 of the Business Rules.

Article 5. Compression Fee

1 The Compression Fee shall be the sum total of the amounts obtained as set

forth below by each of the Proprietary Account and Customer Accounts according to the type of Compression below:

- (1) Per Trade Compression set forth in Article 53 of the Business Rules and Vendor-Initiated Compression set forth in Article 53-2-2 of the Business Rules
1,200 yen per Cleared Contract terminated as a result of a Per Trade Compression or a Vendor-Initiated Compression ;
- (2) Blended Rates Compression set forth in Article 53-2 of the Business Rules
2,400 yen per Cleared Contract terminated as a result of a Blended Rates Compression; and
- (3) Member-Initiated Compression set forth in Article 53-2-3 of the Business Rules
2,400 yen per Cleared Contract terminated as a result of a Member-Initiated Compression; provided, however, that, in respect of the Cleared Contract subject to one application of the Member-Initiated Compression, the total amount respectively obtained for the Proprietary Account or each Customer Account is less than 5 million yen, then the Compression Fee for the Member-Initiated Compression shall be 5 million yen for each of such Account.
- (4) JSCC-Initiated Compression set forth in Article 53-2-4 of the Business Rules
As to the number of Cleared Contracts obtained by subtracting the number of Cleared Contracts that come into effect as a result of the JSCC-Initiated Compression from the number of the Cleared Contracts terminated as a result of the JSCC-Initiated Compression (hereinafter referred to as "Trade Count subject to JSCC-Initiated Compression Fee"), the amount per contract of Trade Count subject to JSCC-Initiated Compression Fee determined according to the aggregate Trade Count subject to JSCC-Initiated Compression Fee for the fiscal year to which the month of conclusion of the JSCC-Initiated Compression belongs:
 - a. Up to (and including) 2,500th Trade Count subject to JSCC-Initiated Compression Fee for the relevant fiscal year: JPY6,000 per contract;
 - b. From the 2,501st and up to (and including) 5,000th Trade Count subject to JSCC-Initiated Compression Fee for the relevant fiscal year: JPY3,600 per contract;
 - c. Beyond the 5,000th Trade Count subject to JSCC-Initiated Compression Fee

for the relevant fiscal year: JPY1,200 per contract.

2 Notwithstanding Paragraph 1 of this Article, if the total amount of the Compression Fee for Proprietary Cleared Contracts payable by a Shareholder Clearing Participant in a Fiscal Year (if a Clearing Participant was a Shareholder Clearing Participant only for a part of a Fiscal Year, the sum of the above fees payable during that part of the Fiscal Year) reaches the Proprietary Compression Fee Cap, that Shareholder Clearing Participant will not be required to pay the Compression Fee above the Compression Fee Cap in respect of the Proprietary Cleared Contract during that Fiscal Year.

3 Notwithstanding Paragraph 1 of this Article, if the total amount of the Compression Fee for Affiliated Customer's Cleared Contracts payable by a Shareholder Clearing Participant in respect of any given Affiliated Customer in a Fiscal Year (if a Clearing Participant was a Shareholder Clearing Participant only for a part of a Fiscal Year, the sum of the above fee payable during that part of the Fiscal Year) reaches the Affiliated Customer Compression Fee Cap, that Shareholder Clearing Participant will not be required to pay the Compression Fee above the Affiliated Customer Compression Fee Cap in respect of that Customer's Cleared Contracts during that Fiscal Year.

Article 5-2. Client Clearing Fee¹

1 The Client Clearing Fees consist of (i) fee for new Clearing and (ii) fee for outstanding cleared trades in relation to Cleared Contracts under Client Clearing.

2 Fee for new Clearing in relation to Cleared Contracts under Client Clearing for each month shall be, according to the type of Cleared Contracts, the amount set forth below:

(1) JPY Cleared Contract:

Sum of the Japanese yen amount obtained by the following formula for each classification specified below:

Total Notional Amount of Cleared Contracts executed during the relevant month in each classification specified below a. to j. according to the period from the date of application for Clearing to the Termination Date of the Cleared Contract

¹ "Client Clearing" means a Clearing for a Customer which does not belong to the same Corporate Group as its Clearing Broker.

(“JPY New Trades Total Notional Amount”) / 100,000,000 X the value specified in each relevant classification

a. Up to 1 year	90
b. More than 1 year up to 3 years	225
c. More than 3 years up to 5 years	405
d. More than 5 years up to 7 years	540
e. More than 7 years up to 10 years	720
f. More than 10 years up to 12 years	765
g. More than 12 years up to 15 years	810
h. More than 15 years up to 20 years	1,035
i. More than 20 years up to 25 years	1,170
j. More than 25 years	1,260

(2) Foreign Currency Cleared Contract:

Sum of the Japanese yen equivalent of the amount obtained by the following formula converted using quotes of foreign exchange rate prescribed by JSCC in a public notice:

Total Notional Amount by each denomination currency of the Notional Amount of Cleared Contracts executed during the relevant month (“Foreign Currency New Trades Total Notional Amount”) / 1,000,000 X 7.2

3 Fee for outstanding cleared trades in relation to Cleared Contracts under Client Clearing for each month shall be, according to the type of Cleared Contracts, the amount set forth below:

(1) JPY Cleared Contract:

Japanese yen amount obtained by the following formula:

Total Notional Amount of Unaffiliated Customer’s Cleared Contracts outstanding as of the end of the relevant month (“JPY Outstanding Trades Total Notional Amount”) / 100,000,000 X 25

(2) Foreign Currency Cleared Contract:

Sum of the Japanese yen equivalent of the amount obtained by the following formula converted using quotes of foreign exchange rate prescribed by JSCC in a public notice:

Total Notional Amount by each denomination currency of the Notional Amount of Cleared Contracts outstanding as of the end of the relevant month ("Foreign Currency Outstanding Trades Total Notional Amount") / 1,000,000 X 0.25

4 For the purpose of Paragraphs 2 and 3 of this Article, if there is any fraction less than one hundred million yen in the JPY New Trades Total Notional Amount or JPY Outstanding Trades Total Notional Amount, then such fraction shall be discarded, provided that, if the JPY New Trades Total Notional Amount or the JPY Outstanding Trades Total Notional Amount is one yen or more and less than one hundred million yen, then such total amount shall be deemed to be one hundred million yen.

5 The provisions of Paragraph 4 shall apply *mutatis mutandis* when there is any fraction less than one million currency unit in the Foreign Currency New Trades Total Notional Amount or Foreign Currency Outstanding Trades Total Notional Amount, whereby any reference to "one hundred million yen" shall be replaced with "one million currency unit" and any reference to "one yen" shall be replaced with "one hundredth of the currency unit."

6 The provisions of Paragraphs 1 through 5 shall apply *mutatis mutandis* to Client Clearing Fee when Cleared Contract comes into effect as a result of a Per Trade Compression set forth in Article 53 of the Business Rules, a Blended Rates Compression set forth in Article 53-2, a Vendor-Initiated Compression set forth in Article 53-2-2 of the Business Rules, a Member-Initiated Compression set forth in Article 53-2-3 of the Business Rules and a JSCC-Initiated Compression set forth in Article 53-2-4 of the Business Rules.

Article 5-2-2. Special Provisions for Client Clearing Fee

1 Notwithstanding provisions of Article 5-2, when a Clearing Participant has notified JSCC of the Customer Account as applied to this Article (hereinafter referred to as "Notified Customer Account"), in advance, in a form prescribed by JSCC, the Client Clearing Fees shall consist of two types of fees; (i) fee for new Clearing and (ii) Initial Margin-Based fee.

2 In the case set forth in Paragraph 1, the Fee for new Clearing in relation to Cleared Contracts under Client Clearing for each month shall be 3,000 yen per a Cleared Contract which has come into effect and been recorded on the Notified Customer

Account in the relevant month.

3 In the case set forth in Paragraph 1, the Initial Margin–Based Fee in relation to Cleared Contracts under Client Clearing for each month shall be the sum total of the amount obtained by the following formula:

Daily Required Initial Margin (If that day is a Business Holiday, Required Initial Margin notified on the business day immediately preceding such Business Holiday) related to the relevant Notified Customer Account X 0.001 / 365.

4 A notification set forth in Paragraph 1 shall be submitted in March, June, September or December each year. When such notification is submitted, the provisions of this Article shall apply from the Client Clearing for the next month following the month when such notification is submitted.

5 Notwithstanding provisions of Paragraph 4, if a Clearing Participant newly set up a Customer Account related to Client Clearing, such Clearing Participant may submit a notification set forth in Paragraph 1 at the same time when setting up such Customer Account. In this case, the provisions of this Article shall apply from the Client Clearing Fee for the month when a Cleared Contract under Client Clearing has come into effect for the first time.

6 A Clearing Participant may withdraw a notification set forth in Paragraph 1. The above withdrawal may only be made in March, June, September or December each year. When a Clearing Participant has withdrew a notification, the provisions in this Article shall not apply from the Client Clearing Fee for the next month following the month when such withdrawal has been made, but the provisions in Article 5-2 shall apply.

7 Notwithstanding provisions of Paragraphs 1 through 6, in relation to a set-up of a Notified Customer Account, for a month of a period from the starting month (When the provisions in this Article applies in the middle of Fiscal Year, the month when the provisions in this Article apply; the same applies hereinafter) to the relevant month, if the sum total of “the amount equivalent to Client Clearing Fee calculated pursuant to Paragraphs 1 through 3” and “the total amount of the Client Clearing Fee of each month for a period from the start month to the month preceding the relevant month” are less than the amount obtained by multiplying 3,330,000 yen by the number of months elapsed

(hereinafter referred to as “Minimum Fee”) , the Client Clearing Fee in relation to the relevant Notified Customer Account of the relevant month shall be the amount added the difference between the Minimum Fee to the amount equivalent to the Client Clearing Fee calculated pursuant to Paragraphs 1 through 3.

8 The provisions of Paragraphs 1 through 7 shall apply mutatis mutandis to the Client Clearing Fee for Cleared Contracts under Client Clearing which have come into effect and been recorded on the Notified Customer Account as a result of a Per Trade Compression set forth in Article 53 of the Business Rules, a Blended Rates Compression set forth in Article 53-2 of the Business Rules, a Vendor-Initiated Compression set forth in Article 53-2-2 of the Business Rules, a Member-Initiated compression set forth in Article 53-2-3 of the Business Rules and a JSCC-Initiated Compression set forth in Article 53-2-4 of the Business Rules.

Article 5-3. Account Opening Fee

The Account Opening Fee shall be 100,000 yen per account charged at each time JSCC opens a Customer Account for Client Clearing.

Article 5-4. Collateral Fee

1 The Collateral Fee is the amount equivalent to the costs associated with the management of Eligible Securities Collateral deposited by a Clearing Participant with JSCC as IRS Clearing Fund, Initial Margin (including that related to Customer’s Cleared Contracts) and Default Contingent Margin (collectively referred to as “Collateral” in this Article), the costs associated with the money trust to a bank which operates trust business as set forth in Articles 44.1.(1).b and 44.2.(1).b. of the Handling Procedures of Interest Rate Swap Business Rules (hereinafter referred to as “Money Trust”) and other expenses that JSCC has incurred in accommodating a Clearing Participant’s request in connection with the management of Collateral.

2 The Collateral Fee payable by a Clearing Participant shall be the sum of the values obtained as per Items below for a period from but excluding the end of March, June, September or December, or, if that day is a Business Holiday other than an extraordinary holiday, the next day that is not a Business Holiday (each of such date shall be referred to as a “Calculation Date” in this Paragraph) to and including the next Calculation Date (referred to as the “Calculation Period” in this Paragraph):

(1) JGB Management Costs

The value obtained by following formula:

$$(\text{Average Face Value of JGB posted by a Clearing Participant as Collateral during Calculation Period}) \times (\text{Actual Number of Days in Calculation Period}) / 365 \times 0.50 / 10,000$$

(2) US Treasuries Management Costs

The sum of the values obtained by formulae in a. through c. below:

a.
$$(\text{Average of Japanese yen equivalent of the face value of US Treasuries posted by a Clearing Participant as Collateral during the Calculation Period converted into Japanese yen in the manner prescribed by JSCC in public notice}) \times (\text{Actual Number of Days in the Calculation Period}) / 365 \times 0.50 / 10,000$$

b. The sum of the values obtained by below formulae in each month during the Calculation Period
$$(\text{Sum of the Market Value (referring to the amount calculated by JSCC in the manner prescribed in a public notice, then converted into JPY) of US Treasuries posted by a Clearing Participant as Collateral as of the end of each month}) \times (\text{Actual Number of Days in the relevant month}) / 365 \times 1.0 / 10,000$$

c. JPY equivalent of the amount obtained by the formula shown below converted into JPY in a manner prescribed by JSCC in a public notice
$$20 \text{ U.S. dollars} \times (\text{Number of Posting and Withdrawal Instructions given by a Clearing Participant in relation to US Treasuries posted as Collateral during the relevant Calculation Period})$$

- (3) The costs related to Money Trust (applicable only when a negative interest rate applies to a portion of the current account under the Complimentary Deposit Facility of the Bank of Japan and JSCC is to bear the trust fee corresponding to such interest rate)
The sum of the values obtained by below formulae on each day during the Calculation Period
$$(\text{Portion of Collateral posted by a Clearing Participant to JSCC in the$$

form of Cash on the relevant day which is held in the manner of the Money Trust to the bank which operates trust business and is managed in a manner set forth in Article 44-2.1.(3), Article 44-2.1.(4) and Article 44-2.2 of the Handling Procedures of Interest Rate Swap Business Rules) X $\frac{1}{365}$ x (absolute value of the relevant negative interest rate)

- (4) In addition to the costs described in Items (1), (2) and (3) above, other costs incurred by JSCC in fulfilling a Clearing Participant's requests regarding the management of Collateral.

Article 5-5. Foreign Currency Settlement Fee

1 The Foreign Currency Settlement Fee by a Clearing Participant which is a party to any Foreign Currency Cleared Contract on each JSCC Business Day shall be, depending on in how many currencies the Clearing Participant has positions of Foreign Currency Cleared Contracts, the amount specified below:

- (1) One currency: JPY54,000 per month;
- (2) Two currencies: JPY108,000 per month;
- (3) Three currencies: JPY162,000 per month;

provided that when, in the middle of month, a Clearing Participant becomes a party to a Foreign Currency Cleared Contract or becomes a party to a Foreign Currency Cleared Contract in another currency, or ceases to be a party to Foreign Currency Cleared Contract or ceases to be a party in respect of one of the currencies of the Foreign Currency Cleared Contract when it has multiple currency positions of Foreign Currency Cleared Contracts, the Foreign Currency Settlement Amount for that month shall be the above amount multiplied by a fraction, the denominator of which is the total number of JSCC Business Days during that month and the numerator of which is the number of JSCC Business Day on which the number of currencies above applied to the Clearing Participant, or the sum thereof if any of the above Item applies for a part of the month and another Item applies for the rest of the month.

2 When a Clearing Participant has filed a notification set forth in Article 85-4.4 of the Business Rules, the amount of the Foreign Currency Settlement Fee related to such notification shall be the product of the number of the Designated Accounts set forth in Article 85-4.4 of the Business Rules and the account deemed as one Designated

Account pursuant to the provisions of Article 85-4.5 of the Business Rules and 54,000 yen per month. The total Foreign Currency Settlement Fee for such Clearing Participant shall be the sum total of the above amount and the amount obtained pursuant to Paragraph 1 for the Proprietary Account and Customer Account other than the said Designated Account.

Article 5-6. Deleted

Article 5-7. Deleted

Article 5-8. Trade Reporting Fee

Monthly Trade Reporting Fee shall be, according to the classification of the Cleared Contracts in below-items, the amount prescribed in below-item:

- (1) The Trade Reporting Fee related to Trade Data Repository Reported Cleared Contracts (IRS) for each month shall be the amount obtained using the below formula:

(Amount Prescribed by JSCC in the Public Notice as Total Amount of Fee Equivalent corresponding to Number of Trade Data Repository Reported Cleared Contracts (IRS)) X (Number Determined in a manner Prescribed by JSCC in the Public Notice as Number of Outstanding Trade Data Repository Reported Cleared Contracts (IRS) related to a Clearing Participant) / (Number Determined in a manner Prescribed by JSCC in the Public Notice as Total Number of Outstanding Trade Data Repository Reported Cleared Contracts (IRS)).

- (2) HKTR Reported Cleared Contracts:
The Japanese equivalent, converted as prescribed by JSCC in the public notice, of the amount obtained as a product of HKD4.5 per trade and HKTR Reported Cleared Contracts remaining as of the close of business of the last day of each month;

- (3) The Trade Reporting Fee related to SDR Reported Cleared Contracts (IRS) for each month shall be the Japanese yen equivalent, converted as prescribed by JSCC in the public notice, of the amount obtained using the below formula:

(Amount Prescribed by JSCC in the Public Notice as Total Amount of Fee Equivalent corresponding to Number of SDR Reported Cleared Contracts (IRS)) X (Number Determined in a manner Prescribed by JSCC in the Public Notice as Number of Outstanding SDR Reported Cleared Contracts (IRS) related to a Clearing Participant) / (Number Determined in a manner Prescribed by JSCC in the Public Notice as Total Number of Outstanding SDR Reported Cleared Contracts (IRS)).

Article 5-9. Position Transfer Fee

1 The Position Transfer Fee shall be charged at a rate of 2,000 yen per Cleared Contract or Clearing Brokerage Contract subject to transfer, payable in the sum of the amounts calculated respectively for the Proprietary Account and each Customer Account accepting the transfer; provided that no such fee shall be charged up to 100 Cleared Contract or Clearing Brokerage Contract subject to transfer per Fiscal Year.

For the purpose of this provision, “transfer” refers to “Transfer” set forth in Article 2.1.(1) of the Business Rules, “Position Transfer” set forth in Article 2.1.(24)-2 of the Business Rules (but excluding Position Transfer set forth in Articles 94 and 94-2 of the Business Rules) and the take over set forth in Articles 40 through 40-4 of the Business Rules.

2 Notwithstanding the provisions of Paragraph 1 above, the Position Transfer Fee for the Proprietary Account or each Customer Account accepting the transfer shall not be more than 40 million yen per Fiscal Year.

Article 6. Special Rules on Base Fee and Clearing Fee related to JPY Cleared Contracts Payable by Shareholder Clearing Participant

1 The aggregate amount of the Base Fee and the Clearing Fee related to JPY Cleared Contracts for Proprietary Cleared Contracts payable by a Shareholder Clearing Participant in a Fiscal Year (if a Clearing Participant was a Shareholder Clearing Participant only for a part of a Fiscal Year, the sum of the above fee during that part of the Fiscal Year) shall not be more than 102,400,000 yen (“Proprietary Fee Cap”).

2 The Clearing Fee related to JPY Cleared Contracts for Affiliated Customer’s Cleared Contracts payable by a Shareholder Clearing Participant in a Fiscal Year (if a Clearing Participant was a Shareholder Clearing Participant only for a part of a Fiscal Year, that part of the Fiscal Year) shall not be more than 40 million yen per Customer Account on which the relevant Customer Cleared Contracts are recorded (or 20 million yen per Customer Account if it is opened during the Fiscal Second Semi-Annual Period) (“Affiliated Customer Fee Cap”).

3 If a Clearing Participant becomes a Shareholder Clearing Participant during a Fiscal Second Semi-Annual Period, notwithstanding Paragraphs 1 and 2 of this Article, the amount of the Base Fee and the Clearing Fee related to JPY Cleared Contracts payable by such Clearing Participant during the portion of that Fiscal Year in which it was

a Shareholder Clearing Participant shall not be more than the following:

(1) Proprietary Fee Cap: 51.2 million yen

(2) Affiliated Customer Fee Cap related to JPY Cleared Contracts: 20 million yen per Customer Account on which Customer Cleared Contracts are recorded

Article 6-2. Special Rules on Compression Fee Payable by Shareholder Clearing Participant

1 The Compression Fee for Proprietary Cleared Contracts payable by a Shareholder Clearing Participant in a Fiscal Year (if a Clearing Participant was a Shareholder Clearing Participant only for a part of a Fiscal Year, the sum of the above fee during that part of the Fiscal Year) shall not be more than 80,000,000 yen ("Proprietary Compression Fee Cap").

2 The Compression Fee for Affiliated Customer's Cleared Contracts payable by a Shareholder Clearing Participant in a Fiscal Year (if a Clearing Participant was a Shareholder Clearing Participant only for a part of a Fiscal Year, that part of the Fiscal Year) shall not be more than 80,000,000 yen per Customer Account on which the relevant Customer Cleared Contracts are recorded (or 40 million yen per Customer Account if it is opened during the Fiscal Second Semi-Annual Period) ("Affiliated Customer Compression Fee Cap").

3 If a Clearing Participant becomes a Shareholder Clearing Participant during a Fiscal Second Semi-Annual Period, notwithstanding Paragraphs 1 and 2 of this Article, the aggregate amount of the Compression Fee payable by such Clearing Participant during the portion of that Fiscal Year in which it was a Shareholder Clearing Participant shall not be more than the following:

(1) Proprietary Compression Fee Cap: 40 million yen

(2) Affiliated Customer Compression Fee Cap: 40 million yen per Customer Account on which Affiliated Customer's Cleared Contracts are recorded

Article 7. Fee Payment Date

1 Each Clearing Participant shall pay to JSCC the total amount of the Base Fee, the Clearing Fee related to JPY Cleared Contracts and Foreign Currency Cleared Contracts, the Compression Fee, the Client Clearing Fee, the Account Opening Fee, the Foreign Currency Settlement Fee, the Position Transfer Fee and cross margining fee accrued in each month by the 20th day of the following month (if such day is not a JSCC Business Day, the following JSCC Business Day), together with the amount equal to the applicable consumption tax and local consumption tax.

2 A Clearing Participant shall pay to JSCC the Collateral Fee determined for each Calculation Period by the 20th calendar day (or if that day is not a JSCC Business Day, then next JSCC Business Day) of the second month following the month in which the last day of the Calculation Period belongs (or, if the last day of the Calculation Period is deferred beyond the end of March, June, September or December, the next month following the month in which the last day of the Calculation Period belongs), together with the amount equivalent to the applicable consumption tax and local consumption tax.

3 Each Clearing Participant shall pay to JSCC the Trade Reporting Fee accrued in each month by the 20th day of the second month following the month of the fee accrual (if such day is not a JSCC Business Day, the following JSCC Business Day of such day), together with the amount of applicable consumption tax and local consumption tax.

Supplementary Provisions

1 These Fee Rules shall come into force as of October 9, 2012 (hereinafter referred to as the "Date of Enforcement").

2 The first Fiscal Year shall commence on the Date of Enforcement and shall end on next 31 March.

3 Notwithstanding Article 6, Paragraphs 1 through 3, where a Clearing Participant is also a Shareholder Clearing Participant as of the Date of Enforcement, the amount of fee payable by such Clearing Participant for the first Fiscal Year (or where such Clearing Participant ceases to be a Shareholder Clearing Participant during that Fiscal Year, the portion of the Fiscal Year during which it was a Shareholder Clearing Participant) shall not be more than the amount specified below, provided that in such case

“Paragraphs 1, 2 and 3” in Paragraph 4 of Article 6 of these Fee Rules shall be replaced with “Paragraph 3 of the Supplementary Provisions” and “Paragraphs 1, 2, 3 and 4” in Paragraph 5 of Article 6 of these Fee Rules shall be replaced with “Paragraph 3 of the Supplementary Provisions and preceding Paragraph”, respectively:

(1) Proprietary Fee Cap: 50 million yen

(2) Affiliated Customer Fee Cap: 20 million yen per Affiliated Customer

Supplementary Provisions

These amendments shall come into force as of February 24, 2014.

Supplementary Provisions

1 These amendments shall come into force as of February 24, 2014 (“Effective Date”).

2 Notwithstanding the provisions of Article 5-4, Paragraph 2, the initial Calculation Period after the implementation of these amendments shall commence on the Effective Date and end on March 31, 2014.

Supplementary Provisions

1 These amendments shall come into force as of September 24, 2015 (“Effective Date”).

2 Notwithstanding the provisions of Article 3.1, the Base Fee for the month in which the Effective Date belongs shall be 5.05 million yen.

3 Notwithstanding the provisions of Articles 6.1 and 6.3, the Proprietary Fee Cap for the Fiscal Year in which the Effective Date belongs shall be the sum of the total amount of the Base Fee, the Clearing Fee for the Proprietary Cleared Contracts and the voluntary termination fee set forth in Article 5 of these Rules before amendment (hereinafter referred to as “Voluntary Termination Fee”) paid by the Shareholder Clearing Participant during the period from April 1 of the relevant Fiscal Year to the day

immediately preceding the Effective Date and the total amount of the Base Fee and the Clearing Fee related to JPY Cleared Contracts in relation to Proprietary Cleared Contracts payable by such Clearing Participant during the period from the Effective Date to the last day of the Fiscal Year. If a Clearing Participant was a Shareholder Clearing Participant only for a part of the Fiscal Year, the sum of the above fees payable during that part of the Fiscal Year. For this purpose, the reference to “Paragraphs 1, 2 and 3 of this Article” in Article 6.4 of these Rules shall be replaced with “Paragraph 3 of the Supplementary Provisions,” the reference to “Paragraphs 1, 2, 3 and 4” in Article 6.5 of these Rules shall be replaced with “Paragraph 4 of this Article and Paragraph 3 of the Supplementary Provisions” and the reference to “Paragraphs 1 through 5” in Article 6.6 of these Rules shall be replaced with “Paragraphs 3 and 4 of this Article and Paragraph 3 of the Supplementary Provisions.”

4 Notwithstanding the provisions of Articles 6.2 and 6.3, the Affiliated Customer Fee Cap for the Fiscal Year in which the Effective Date belongs shall be the sum of the total amount of the Clearing Fee for the Affiliated Customer’s Cleared Contracts and the Voluntary Termination Fee paid by the Shareholder Clearing Participant during the period from April 1 of the relevant Fiscal Year to the day immediately preceding the Effective Date and the total amount of the Clearing Fee related to Affiliated Customer’s Cleared Contracts other than Foreign Currency Cleared Contracts of the Affiliated Customers payable by such Clearing Participant during the period from the Effective Date to the last day of the Fiscal Year.

5 Each of the Fee Caps set forth in Paragraphs 3 and 4 of these Supplementary Provisions for the Fiscal Year in which the Effective Date belongs shall be as follows:

- (1) Proprietary Fee Cap: 112.5 million yen; and
- (2) Affiliated Customer Fee Cap: 40 million yen.

6 Notwithstanding the provisions of Articles 6-2.1 to 6-2.3, the cap applicable to the total amount of the Compression Fees to be borne by a Shareholder Clearing Participant for the Fiscal Year in which the Effective Date belongs shall be as follows:

- (1) Proprietary Compression Fee Cap: 40 million yen; and
- (2) Affiliated Customer Compression Fee Cap: 40 million yen.

Supplementary Provisions

1. These amendments shall come into force as of April 11, 2016.
2. Notwithstanding the provisions of Paragraph 1, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after April 11, 2016.

Supplementary Provisions

1. These amendments shall come into force as of November 30, 2016 (hereinafter referred to as "Effective Date").
2. Notwithstanding provisions of Paragraph 4 in Article 5-2-2, in the Fiscal Year in which the Effective Date belongs, a Clearing Participant may submit a notification set forth in Paragraph 1 of Article 5-2-2 in each month after the Effective Date.

Supplementary Provisions

These amendments shall come into force as of November 1, 2017.

Supplementary Provisions

1. These amendments shall come into force as of September 25, 2018.
2. Notwithstanding the provisions of Paragraph 1, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after September 25, 2018.

Supplementary Provisions

1. These amendments shall come into force as of December 3, 2018.
2. Notwithstanding the provisions of Paragraph 1, the provisions of Articles 2, 5-9

and 7.1, as amended, shall come into force as of the date designated by JSCC.

(Note: The date designated by JSCC is May 20, 2019.)

3. Notwithstanding the provisions of Article 1.2.(3), in the application of the provisions of Article 5-9, as amended, the Fiscal Year in which the date designated by JSCC as set forth in Paragraph 2 above belongs shall be the period prescribed by JSCC.

(Note: The period prescribed by JSCC is the period commencing on 20 May 2019 and ending on 31 March 2020.)

Supplementary Provisions

1. These amendments shall come into force as of April 1, 2019.

2. Notwithstanding the provisions of Article 5-4.2, the last Calculation Date before these amendments come into force shall be the day immediately preceding the effective date of these amendments.

3. Notwithstanding the provisions of Paragraph 1, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after April 1, 2019.

Supplementary Provisions

1. These amendments shall come into force as of April 15, 2019 ("Effective Date").

2. Notwithstanding the provision of Article 3, Paragraph 1, the Base Fee for the month in which the Effective Date falls ("Effective Month"), related to the JPY Designated Clearing Participant set forth in Article 1, Paragraph 2, Item 1-2 of these Rules before amendment ("JPY Designated Clearing Participant") shall be the amount obtained by subtracting the amount multiplying 200,000 yen by the ratio of the number of JSCC Business Days before Effective Date in the Effective Month to the number of all JSCC Business Days in such month from the Base Fee set forth in Article 3, Paragraph 1.

3. Notwithstanding the provisions of Article 4-2 and Article 5-5, the total amount of

the Clearing Fee and the Foreign Currency Settlement Fee related to Clearing Contract (Own Account)(limited to Foreign Currency Cleared Contract) in the Effective Month borne by the Foreign Currency Designated Clearing Participant set forth in Article 1, Paragraph 2, Item 1-3 of these Rules before amendment shall be the amount obtained by subtracting the amount multiplying the amount set forth in each Item of Article 5-6, Paragraph 1 of these Rules before amendment, according to the Foreign Currency Designated Clearing Participant set forth in the relevant Item, by the ratio of the number of JSCC Business Days before Effective Date in the Effective Month to the number of all JSCC Business Days in the relevant month from the total amount of the Clearing Fee and the Foreign Currency Settlement Fee related to Clearing Contract (Own Account) calculated pursuant to the provisions of Article 4-2 and Article 5-5, whereby the provisions of Article 5-6, Paragraph 2 and Paragraph 3 then in force shall remain applicable.

4. Notwithstanding the provisions of Article 6, Paragraphs 1 and 3, the Proprietary Fee Cap, when the Shareholder Clearing Participant is a JPY Designated Clearing Participant, for the Fiscal Year in which the Effective Date falls shall be the amount obtained by deducting the amount multiplying 200,000 yen by the ratio of the number of JSCC Business Days before Effective Date in the Effective Month to the number of all JSCC Business Days in the Effective Month from the Proprietary Fee Cap set forth in Article 6, Paragraph 1 and 3.

Supplementary Provisions

These amendments shall come into force as of April 1, 2020.

Supplementary Provisions

1. These amendments shall come into force as of January 4, 2022; provided, however, that Paragraph 6 and 7 of this Supplementary Provisions shall come into force as of November 19, 2021.

2. Notwithstanding the provisions of Paragraph 1 (except for the proviso), if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after January 4,

2022.

3. Notwithstanding the provisions of Paragraph 1, the Cleared Contracts that have come into existence in December 2021 shall be subject to the LIBOR License Fee set forth in Article 5-7 and referred to in Article 7.1 before amendment. In this case, in applying the provisions of Article 5-7 before amendment to the Cleared Contracts that have come into existence on and after December 6, 2021, the references to “JPY-LIBOR-BBA” in Article 5-7 before amendment shall be deemed to have been replaced by “JPY-LIBOR.”

4. As to the One Time OIS Conversion and the One Time OIS Conversion of Swaption Resultant Transactions set forth in Paragraph 3 and 6, respectively, of the Supplementary Provisions of the Handling Procedures of Interest Rate Swap Business Rules with respect to the amendment effective as of December 6, 2021, the Clearing Participants shall pay a fee of 3,500 yen per the Cleared Contract subject to such One Time OIS Conversion or the One Time OIS Conversion of Swaption Resultant Transactions, including Customer’s Cleared Contract, to JSCC.

5. When the Floating Rate Option of an IRS Transaction is replaced by JPY-TONA-OIS Compound pursuant to the provisions of Paragraph 7 of the Supplementary Provisions of the Handling Procedures of Interest Rate Swap Business Rules with respect to the amendment effective as of December 6, 2021, the Clearing Participant shall pay a fee of 3,500 yen per IRS Transaction subject to such replacement, including IRS Transaction for a Customer, to JSCC.

6. With respect to the Cleared Contracts designating JPY-LIBOR-BBA as their Floating Rate Option that exist as of the end of October 2021 and the end of November 2021, respectively, including those of Affiliates but excluding those of Clients, the Clearing Participants shall pay a fee of 500 yen per Cleared Contract to JSCC.

7. A Clearing Participant shall pay to JSCC the fee set forth in Paragraph 4 of this Supplementary Provisions by January 20, 2022 together with the amount equal to the applicable consumption tax and local consumption tax, the fee set forth in Paragraph 5 of this Supplementary Provisions by the 20th day of the month immediately following the implementation of such replacement (if such day is not a JSCC Business Day, the following JSCC Business Day) together with the amount equal to the applicable consumption tax and local consumption tax, and the fee set forth in Paragraph 6 of this

Supplementary Provisions by November 22, 2021 for the Cleared Contracts existing as of the end of October 2021 and by December 20, 2021 for the Cleared Contracts existing as of the end of November 2021, together with the amount equal to the applicable consumption tax and local consumption tax.

Supplementary Provisions

1. These amendments shall come into force as of April 1, 2024.
2. Notwithstanding the provisions of Article 5-4.2, the last Calculation Date before these amendments come into force shall be the day immediately preceding the effective date of these amendments.