

Re: Prescribing Terms and Conditions of Customer's Cleared Contracts and Clearing Brokerage Contracts to be transferred under the provisions of Article 94 and Article 94-2 of the Interest Rate Swap Clearing Business Rules

September 5, 2012

Amended on February 24, 2014

Amended on September 24, 2015

Amended on January 30, 2017

Japan Securities Clearing Corporation

In accordance with the provisions of Article 8.4 and Article 8-2.3 of Rules on Default Settlement Regarding Clearing Participants in Relation to IRS Clearing Business, JSCC prescribes the terms and conditions of the Customer's Cleared Contracts and the Clearing Brokerage Contracts to be transferred as per Appendix.

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1. Definitions

The terms used in this Appendix shall be as defined in the Interest Rate Swap Clearing Business Rules established by Japan Securities Clearing Corporation (hereinafter referred to as “JSCC”) as the terms used in the Business Rules, etc.

2. Terms and Conditions of Customer’s Cleared Contracts and Clearing Brokerage Contracts to be transferred.

The terms and conditions of the Customer’s Cleared Contracts and the Clearing Brokerage Contracts to be transferred shall be the same as the claims and obligations relating to the Relevant Cleared Contract between the Defaulting Clearing Participant (or the “Cross Margining Accepting Party” as to the terms and conditions of the claims and obligations of the Customer’s Cleared Contract and the Clearing Brokerage Contract set forth in Article 94-2.1.(1) and (2) of the Interest Rate Swap Clearing Business Rules; the same applies hereinafter) and JSCC and Clearing Brokerage Contracts between the Defaulting Clearing Participant and the Customer, except for the following:

<p>Fixed Rate Payer</p>	<p>With respect to the Customer’s Cleared Contracts to be transferred, Fixed Rate Payer (if such Fixed Rate Payer is the Defaulting Clearing Participant, then the Successor Clearing Participant) in the claims and obligations relating to the Relevant Cleared Contract between the Defaulting Clearing Participant and JSCC (only when either the Defaulting Clearing Participant or JSCC is the Fixed Rate Payer)</p> <p>With respect to the Clearing Brokerage Contract to be transferred, Fixed Rate Payer (if such Fixed Rate Payer is the Defaulting Clearing Participant, then the Successor Clearing Broker) in the claims and obligations relating to the Clearing Brokerage Contract between the Defaulting Participant and the Customer (only when either the Defaulting Clearing Participant</p>
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	<p>or the Customer is the Fixed Rate Payer)</p>
<p>Floating Rate Payer</p>	<p>With respect to the Customer's Cleared Contracts to be transferred, Floating Rate Payer (if such Floating Rate Payer is the Defaulting Clearing Participant, then the Successor Clearing Broker) in the claims and obligations relating to the Relevant Cleared Contract between the Defaulting Clearing Participant and JSCC</p> <p>With respect to the Clearing Brokerage Contract to be transferred, Floating Rate Payer (if such Floating Rate Payer is the Defaulting Clearing Participant, then the Successor Clearing Broker) in the claims and obligations relating to the Clearing Brokerage Contract between the Defaulting Participant and the Customer</p>
<p>Obligor of Upfront Fee Payment</p>	<p>With respect to the Customer's Cleared Contracts to be transferred, the obligor of the upfront fee payment (if such obligor is the Defaulting Clearing Participant, then the Successor Clearing Broker) in the claims and obligations relating to the Relevant Cleared Contract between the Defaulting Clearing Participant and JSCC</p> <p>With respect to the Clearing Brokerage Contract to be transferred, the obligor of the upfront fee payment (if such obligor is the Defaulting Clearing Participant, then the Successor Clearing Broker) in the claims and obligations relating to the Clearing Brokerage Contract between the Defaulting Participant and the Customer</p>

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