

Reference Translation

Re: Prescribing Terms and Conditions of Claims and Obligations Arising as a Result of Transfer under the Provisions of Articles 58-5 and 58-7 of the Interest Rate Swap Clearing Business Rules

April 6, 2018

Japan Securities Clearing Corporation

In accordance with the provisions of Article 35-4-3 of Handling Procedures of Interest Rate Swap Business Rules, JSCC prescribes the terms and conditions of the claims and obligations arising as a result of a Transfer 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”), the terms used in the Business Rules, etc.

2. Terms and Conditions of Claims and Obligations Arising as a Result of Transfer

(1) Terms and Conditions of Claims and Obligations relating to Cleared Contract that Comes into Effect (Articles 58-5.4 and 58-5.6 of Interest Rate Swap Clearing Business Rules)

The terms and conditions of the claims and obligations relating to the Proprietary Cleared Contract between the Receiving Clearing Participant and JSCC (or, when Transferring a Clearing Brokerage Contract to a Receiving Customer whose Clearing Broker is not the same as the Clearing Broker for the Transferring Customer, the Customer’s Cleared Contract between the Clearing Broker for the Receiving Customer and JSCC) that comes into effect as a result of a Transfer shall be the same as the claims and obligations relating to the Customer’s Cleared Contract terminating between the Clearing Broker for the Transferring Customer and JSCC, except for the following:

Fixed Rate Payer	Fixed Rate Payer in the claims and obligations relating to the Customer’s Cleared Contract terminating between the Clearing Broker for the Transferring Customer and JSCC (or, if such Fixed Rate Payer is the Clearing Broker for the Transferring Customer, then the Receiving Clearing Participant (or, when Transferring a Clearing Brokerage Contract to a Receiving Customer whose Clearing Broker is not the same as the Clearing Broker for the Transferring Customer, the Clearing Broker for the Receiving Customer)) (only when either the Clearing Broker for the Transferring Customer or JSCC is the Fixed Rate Payer).
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Floating Rate Payer	Floating Rate Payer in the claims and obligations relating to the Customer's Cleared Contract terminating between the Clearing Broker for the Transferring Customer and JSCC (or, if such Floating Rate Payer is the Clearing Broker for the Transferring Customer, then the Receiving Clearing Participant (or, when Transferring a Clearing Brokerage Contract to a Receiving Customer whose Clearing Broker is not the same as the Clearing Broker for the Transferring Customer, the Clearing Broker for the Receiving Customer)).
Obligor of Upfront Fee Payment	The obligor of the upfront fee payment in the claims and obligations relating to the Customer's Cleared Contract terminating between the Clearing Broker for the Transferring Customer and JSCC (or, if such obligor is the Clearing Broker for the Transferring Customer, then the Receiving Clearing Participant (or, when Transferring a Clearing Brokerage Contract to a Receiving Customer whose Clearing Broker is not the same as the Clearing Broker for the Transferring Customer, the Clearing Broker for the Receiving Customer)).

- (2) Terms and Conditions of Claims and Obligations relating to Customer's Cleared Contract that Comes into Effect (Article 58-7.4 of Interest Rate Swap Clearing Business Rules)

The terms and conditions of the claims and obligations relating to the Customer's Cleared Contract between the Clearing Broker for the Receiving Customer and JSCC that comes into effect as a result of a Transfer shall be the same as the claims and obligations relating to the Proprietary Cleared Contract terminating between Transferring Clearing Participant and JSCC, except for the following:

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Fixed Rate Payer	Fixed Rate Payer in the claims and obligations relating to the Proprietary Cleared Contract terminating between the Transferring Clearing Participant and JSCC (or, if such Fixed Rate Payer is the Transferring Clearing Participant, then the Clearing Broker for the Receiving Customer) (only when either the Transferring Clearing Participant or JSCC is the Fixed Rate Payer).
Floating Rate Payer	Floating Rate Payer in the claims and obligations relating to the Proprietary Cleared Contract terminating between the Transferring Clearing Participant and JSCC (or, if such Floating Rate Payer is the Transferring Clearing Participant, then the Clearing Broker for the Receiving Customer).
Obligor of Upfront Fee Payment	The obligor of the upfront fee payment in the claims and obligations relating to the Proprietary Cleared Contract terminating between the Transferring Clearing Participant and JSCC (or, if such obligor is the Transferring Clearing Participant, then the Clearing Broker for the Receiving Customer)).