

**Partial Amendment to “Business Rules on Business of Assuming Commodity Transaction Debts”
and its Subordinated Rules
in association with Establishment of Dojima Precious Metal Futures Clearing Qualification**

I. Purpose of Amendment

The precious metal market will be established at the Dojima Commodity Exchange Inc. In association with this, JSCC will make necessary amendments to the Business Rules on Business of Assuming Commodity Transaction Debts and its subordinated rules, including an establishment of new Clearing Qualification, Dojima Precious Metal Futures Clearing Qualification, covering the contracts traded in the said market.

II. Amendment Summary

(1) Designated Commodity Market

- Contracts related to the products listed on the precious metal market at the Dojima Commodity Exchange Inc. shall be the Contracts Subject to Clearing.

(2) Clearing Participant Framework

- Establish the Dojima Precious Metal Futures Clearing Qualification.
- Classification, criteria and other matters, such as obligations of Clearing Participants and measures to be taken with respect to Clearing Participants, shall be the same as those for the existing Clearing Qualifications related to Commodity Market.

(3) Settlement of Contracts for Clearing

- Establish the rules addressing the close-out quantity reporting related to the settlement, the settlement price, the settlement and the like with respect to the Contracts Subject to Clearing under the Dojima Precious Metal Futures Clearing Qualification.

(Remarks)

- Article 3 of the Business Rules on Business of Assuming Commodity Transaction Debts

- Articles 5 and 23 of the Business Rules on Business of Assuming Commodity Transaction Debts, Article 12 and Exhibit Form 4 of the Handling of Business Rules on Business of Assuming Commodity Transaction Debts, Article 3 of Disciplinary Measures Assessment Committee Rules

- Articles 55, 56, 61, 61-2,62 and 66 of the Business Rules on Business of Assuming Commodity Transaction

(4) Clearing Fund

- Establish the rules addressing the matters required for the clearing fund related to the Dojima Precious Metal Futures Clearing Qualifications, such as deposit and required amount.

(5) Recovery of Loss Arising from Settlement Failure

- The method of recovery of loss arising from a settlement failure of a Clearing Participant related to the Dojima Precious Metal Futures Clearing Qualification shall be the same as that for the existing Clearing Qualifications related to Commodity Market.

(6) Fees

- Set the clearing fees related to each Rolling Spot Contract on the Dojima Precious Metal Market.
- As to the obligations JSCC assumed during the relevant month, following fee per trading unit shall be charged:
 - Gold Rolling-Spot Futures: 0.9 yen
 - Silver Rolling-Spot Futures: 9 yen
 - Platinum Rolling-Spot Futures: 0.9 yen

Debts, Article 15 of Handling of Business Rules on Business of Assuming Commodity Transaction Debts

- Article 68 of the Business Rules on Business of Assuming Commodity Transaction Debts, Article 2 of, and Appendix to, Rules on Required Amount of Clearing Fund for Business of Assuming Commodity Transaction Debts

- Article 82 of the Business Rules on Business of Assuming Commodity Transaction Debts, Article 26 of the Handling of Business Rules on Business of Assuming Commodity Transaction Debts

- Appendix to the Rules on Fees concerning Business of Assuming Commodity Transaction Debts

(7) Other

- Other necessary amendments shall be made.

- Article 69 of the Business Rules on Business of Assuming Commodity Transaction Debts, Exhibit Forms 2 to 4 of the Handling of the Business Rules on Business of Assuming Commodity Transaction Debts, Article 8 of the Rules on Fees concerning Business of Assuming Commodity Transaction Debts, Article 1 of the Disciplinary Measures Assessment Committee Rules

III. Effective Date

1. These amendments shall come into force on March 27, 2023.
2. Notwithstanding Paragraph 1 above, if an enforcement of these revised Rules on the date prescribed in the preceding Paragraph is inappropriate 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 revised Rules shall come into force as of the date separately designated by JSCC after March 27, 2023.

End of Document

Partial Amendment to “Business Rules on Business of Assuming Commodity Transaction Debts”
and its Subordinated Rules

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Chapter 1 General Provisions

(Article 1 Purpose)

These Business Rules on Business of Assuming Commodity Transaction Debts^{*1*2} set forth matters necessary for the Business of Assuming Commodity Transaction Debts conducted by JSCC pursuant to Article 175 of the Act, and the business ancillary thereto.

(*1 referring to the Business of Assuming Commodity Transaction Debts prescribed under Paragraph 17 of Article 2 of the Commodity Derivatives Act^{*1-1}; same applies hereinafter)

(*1-1 Law No. 239 of 1950; hereinafter referred to as the “Act”)

(*2 hereinafter referred to as these “Business Rules”)

(Article 2 Contracts Subject to Clearing)

The contracts which give rise to the obligations subject to the Business of Assuming Commodity Transaction Debts conducted by JSCC^{*1} shall be the contracts set forth in each Item provided below:

(*1 hereinafter referred to as “Contracts Subject to Clearing”)

(1) Transactions stipulated in Item 1 of Paragraph 3 of Article 2 of the Act^{*1}

(*1 hereinafter referred to as “Physical Settlement Futures Contracts”)

(2) Transactions stipulated in Item 2 of Paragraph 3 of Article 2 of the Act^{*1}

(*1 hereinafter referred to as “Cash Settlement Futures Contracts”)

(Article 3 Designated Commodity Market)

The Contracts Subject to Clearing stipulated in the preceding Article shall be the contracts related to the instruments listed on the Commodity Market^{*1} of the Market Operator designated by JSCC^{*2} as set forth below

(*1 hereinafter referred to as the “Designated Commodity Market”)

(*2 hereinafter referred to as the “Designated Market Operator”)

(1) Tokyo Commodity Exchange, Inc.: Energy market

(2) Tokyo Commodity Exchange, Inc.: Chukyo Oil market

(3) Osaka Dojima Exchange, Inc.: Agricultural market

(4) Osaka Dojima Exchange, Inc.: Sugar market

(5) Osaka Dojima Exchange, Inc.: Precious metal market

(Article 4 Business Day and Non-Business Day)

1 JSCC sets forth the following days as the Non-Business Days, and the other days as the

Business Days:

- (1) Sundays;
- (2) National holidays prescribed by the Act on National Holidays (Act No. 178 of 1948);
- (3) Saturdays;
- (4) January 1;
- (5) January 2;
- (6) January 3; and
- (7) December 31.

2 Notwithstanding the provisions of the preceding two Paragraphs, for the hours stated in the following items, the provisions set forth in each of such items shall apply:

- (1) trading hours within the Non-business Day when the close of trading sessions prescribed by the Designated Market Operator belongs to that Non-business Day:
JSCC shall conduct the Business of Assuming Commodity Transaction Debts;
- (2) trading hours of each trading session opened on the Non-business Day set forth in Paragraph 1^{*1} designated by the Designated Market Operator as the day it opens trading sessions^{*2} and trading hours within the day on which the close of such trading session belongs:

JSCC shall conduct the assumption of obligations related to the Contract Subject to Clearing for the Business of Assuming Commodity Transaction Debts set forth in Article 51 for the Clearing Participants submitted the notification set forth in Paragraph 4 of Article 19.

(*1 excluding Items (1), (3) and (4))

(*2 hereinafter referred to as "Holiday Trading Day")

3 JSCC may, when it deems necessary, have extraordinary Non-Business Days.

4 JSCC may, when it deems necessary, extraordinarily suspend or conduct all or part of the operation with respect to the Business of Assuming Commodity Transaction Debts.

5 In the case of the preceding two Paragraphs, JSCC shall notify in advance Clearing Participants and Designated Market Operators to that effect

Chapter 2 Clearing Participants

Section 1 General Rules

(Article 5 Clearing Participants)

1 A Clearing Participant means a company which holds a qualification to become a counterparty to the Business of Assuming Commodity Transaction Debts JSCC conducts^{*1}.

(*1 hereinafter referred to as “Commodity Transaction Clearing Qualification”)

2 The Commodity Transaction Clearing Qualification prescribed in the preceding Paragraph consists of ~~four~~^{three} categories of qualifications: Energy Futures Clearing Qualification; Dojima Agricultural Futures Clearing Qualification; ~~and~~ Dojima Sugar Futures Clearing Qualification; and Dojima Precious Metal Futures Clearing Qualification. Each of these qualifications is prescribed in the following Items:

(1) Energy Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Business of Assuming Commodity Transaction Debts performed with respect to the Contracts Subject to Clearing^{*1} and its Designated Commodity Markets shall be the energy market and Chkyo oil market of Tokyo Commodity Exchange, Inc.;

(*1 limited to those related to gasoline, kerosene, gasoil, crude oil, electricity and liquefied natural gas)

(2) Dojima Agricultural Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Business of Assuming Commodity Transaction Debts performed with respect to the Contracts Subject to Clearing^{*1} and its Designated Commodity Market shall be the agricultural market of Osaka Dojima Exchange, Inc.;

(*1 limited to those related to soybean, azuki, corn and rice)

(3) Dojima Sugar Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Business of Assuming Commodity Transaction Debts performed with respect to the Contracts Subject to Clearing^{*1} and its Designated Commodity Market shall be the sugar market of Osaka Dojima Exchange, Inc..

(*1 limited to those related to raw sugar)

(4) Dojima Precious Metal Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Business of Assuming Commodity Transaction Debts performed with respect to the Contracts Subject to Clearing^{*1} and its Designated Commodity Market shall be the precious metal market of Osaka Dojima Exchange, Inc..

(*1 limited to those related to gold, silver and platinum)

3 A company that holds Energy Futures Clearing Qualification prescribed in Item (1) of the preceding Paragraph is referred to as “Energy Futures Clearing Participant,” a company that holds Dojima Agricultural Futures Clearing Qualification prescribed in Item (2) of the said Paragraph is referred to as “Dojima Agricultural Futures Clearing Participant,” ~~and~~ a company that holds Dojima Sugar Futures Clearing Qualification prescribed in Item (3) of the said Paragraph is referred to as “Dojima Sugar Futures Clearing Participant,” and a company that holds Dojima Precious Metal Futures Clearing Qualification prescribed in Item (4) of the said Paragraph is referred to as “Dojima Precious Metal Futures Clearing Participant”.

4 Each category of the Commodity Transaction Clearing Qualification prescribed in Paragraph 1 shall be classified into two types of qualifications: one is the clearing qualification that does not authorize the Clearing Participant to operate the Commodity Clearing Transaction^{*1*}²; and the other is the clearing qualification that authorizes the Clearing Participant to operate the Commodity Clearing Transaction pursuant to the provisions of Chapter 3^{*3}. A Clearing Participant with the Principal Clearing Qualification shall be referred to as a Principal Clearing Participant, and a Clearing Participant with the Agency Clearing Qualification shall be referred to as an Agency Clearing Participant.

(*1 referring to the commodity clearing transaction stipulated in Paragraph 20 of Article 2 of the Act; the same applies hereinafter)

(*2 hereinafter referred to as the “Principal Clearing Qualification”)

(*3 hereinafter referred to as the “Agency Clearing Qualification”)

Section 2 Obtaining Commodity Transaction Clearing Qualification

(Article 6. Application and Approval for Commodity Transaction Clearing Qualification)

1 When an entity to obtain a Commodity Transaction Clearing Qualification, it shall apply for the acquisition of the Commodity Transaction Clearing Qualification separately by each type of the Commodity Transaction Clearing Qualification set forth in Paragraph 2 of the preceding Article, by specifying whether it applies for the Principal Clearing Qualification or the Agency Clearing Qualification, in a manner prescribed by JSCC.

2 When applying for the acquisition of the Commodity Transaction Clearing Qualification pursuant to the provisions of the preceding Paragraph, an applicant for the Commodity Transaction Clearing Qualification intends to obtain a guarantee^{*1} of its Parent^{*2} shall submit to JSCC the document concerning the guarantee of the Parent in the form prescribed by JSCC^{*3}.

(*1 hereinafter referred to as "Parental Guarantee")

(*2 referring to the parent company^{*2-1} of the applicant and a subsidiary^{*2-2} of the parent company of the applicant and other person acknowledged by JSCC as a person equivalent thereto; the same applies hereinafter)

(*2-1 referring to another corporation and the like having control over the applicant's financial and business policies, and including the parent company of such other corporation and the like; the same applies hereinafter)

(*2-2 referring to another corporation and the like whose financial and business policies are controlled by the parent company of the applicant and including a subsidiary of such other corporation and the like; the same applies hereinafter)

(*3 including other document deemed by JSCC to have the same contents as such document)

3 When an application for the Commodity Transaction Clearing Qualification has been filed pursuant to the provisions of Paragraph 1 and JSCC deems, as a result of the examination, that the applicant for the Commodity Transaction Clearing Qualification is appropriate to be qualified, JSCC shall approve the relevant Commodity Transaction Clearing Qualification.

4 The approval set forth in the preceding Paragraph shall be granted designating the date on which the applicant is to obtain the Commodity Transaction Clearing Qualification.

(Article 7. Criteria for Commodity Transaction Clearing Qualification)

The examination stipulated in Paragraph 3 of the preceding Article with respect to the

application set forth in Paragraph 1 of the said Article shall be conducted to confirm satisfaction of the criteria for the applicant for the Commodity Transaction Clearing Qualification described in the following Items and other matters which are deemed necessary for the operation of the Business of Assuming Commodity Transaction Debts:

(1) Trading Participant Qualification

For an application for the acquisition of a Principal Clearing Qualification, it is a Member^{*1} of the Designated Market Operator or it is expected to become a Member of the Designated Market Operator by the date on which the relevant Commodity Transaction Clearing Qualification is to be obtained;

(*1 referring to a Member as prescribed in Paragraph 20 of Article 2 of the Act; the same applies hereinafter)

(2) Management Structure

The applicant has a sound management structure^{*1} such that the credibility of JSCC's Business of Assuming Commodity Transaction Debts among the general public can be expected to be sufficiently protected;

(*1 for example, it is not controlled or influenced by a person who is deemed inappropriate taking JSCC's operation of the Business of Assuming Commodity Transaction Debts into account)

(3) Offices

The applicant has an office or a place of business in Japan;

(4) Business Execution Structure

The applicant has an appropriate structure of business execution for the settlement of the contracts subject to the assumption of obligations set forth in Article 52 in respect of the Subject Transaction for Clearing^{*1}, management of the risk of loss and compliance with laws and regulations^{*2}, dispositions of the administrative agencies in accordance with the laws and regulations, and these Business Rules, etc.; and

(*1 hereinafter referred to as "Contracts for Clearing")

(*2 referring to laws and associated ordinances; the same applies hereinafter)

(5) Financial Basis

The applicant meets the criteria set forth in A) or B) below according to the category set forth therein:

A) For entities other than those listed in B) below:

All requirements set forth below are met;

(a) Stable profitability shall be expected;

(b) The amount of its stated capital or the total amount of capital contribution^{*1} is not

less than 300 million yen;

(*1 in the case of a mutual company, the total amount of the foundation fund^{*1-1})

(*1-1 including the amount of reserve for redemption of the foundation fund)

- (c) The amount of its net assets is not less than 2 billion yen^{*1} and is larger than its stated capital or total amount of capital contribution^{*2};

(*1 20 billion yen in the case of the Agency Clearing Qualification)

(*2 in the case of a mutual company, the total amount of the foundation fund^{*2-1})

(*2-1 including the amount of reserve for redemption of the foundation fund)

- (d) For a Commodity Futures Trading Firms^{*1}, to which required net asset ratio is applicable under the provision of Paragraph 1 of Article 211 of the Act, the required net asset ratio^{*2} shall exceed 200 percent;

(*1 referring to the Commodity Futures Trading Firms as prescribed in Paragraph 23 of Article 2 of the Act, the same applies hereinafter)

(*2 referring to required net asset ratio prescribed in Article 211 of the Act, the same applies hereinafter)

- (e) In the case of an entity other than Commodity Futures Trading Firms^{*1}, the status of its equity capital is adequate in light of the assets and the like it owns.

(*1 limited to those subject to the provisions of (d) above)

B) An entity obtains Parental Guarantee

All requirements set forth below are met;

- (a) Stable profitability shall be expected;

- (b) The Parent whose amount of stated capital or the total amount of capital contribution^{*1} is not less than 300 million yen provides the guarantee;

(*1 in the case of a mutual company, the total amount of the foundation fund^{*1-1})

(*1-1 including the amount of reserve for redemption of the foundation fund)

- (c) The Parent whose amount of net assets is not less than 20 billion yen and is larger than its stated capital or total amount of capital contribution^{*1} provides the guarantee;

(*1 in the case of a mutual company, the total amount of the foundation fund^{*1-1})

(*1-1 including the amount of reserve for redemption of the foundation fund)

- (d) For a Commodity Futures Trading Firms, to which required net asset ratio is applicable under the provisions of Paragraph 1 of Article 211 of the Act, the required net asset ratio shall exceed 200 percent.

- (e) In the case of an entity other than Commodity Futures Trading Firms^{*1}, the status of its equity capital is adequate in light of the assets and the like it owns.

(*1 limited to those subject to the provisions of (d) above)

(Article 8. Completion of Procedures for Obtaining Commodity Transaction Clearing Qualification)

1 When JSCC has approved an acquisition of a Commodity Transaction Clearing Qualification pursuant to the provisions of Paragraph 3 of Article 6, JSCC shall cause the applicant for the Commodity Transaction Clearing Qualification to deposit a clearing fund and complete other procedures for obtaining the Commodity Transaction Clearing Qualification as prescribed by JSCC by the day^{*1} which immediately precedes the date designated by JSCC pursuant to the provisions of Paragraph 4 of the said Article.

(*1 if such day falls on a Non-Business Day, the day shall be the immediately preceding business day; the same applies hereinafter)

2 When the applicant did not complete the procedures set forth in the preceding Paragraph by the day immediately preceding the date designated by JSCC pursuant to the provisions of Paragraph 4 of Article 6, the application for the Commodity Transaction Clearing Qualification shall be deemed to have been withdrawn.

(Article 9. Date of Obtaining Commodity Transaction Clearing Qualification)

1 When the applicant for a Commodity Transaction Clearing Qualification has completed the procedures set forth in Paragraph 1 of the preceding Article, JSCC shall grant the Commodity Transaction Clearing Qualification in respect of the relevant application on the date designated by JSCC pursuant to the provisions of Paragraph 4 of Article 6.

2 When JSCC grants the applicant the Commodity Transaction Clearing Qualification pursuant to the preceding Paragraph, JSCC shall notify to that effect to each Clearing Participant having the relevant Clearing Qualification and to the Designated Market Operator related to the relevant Commodity Transaction Clearing Qualification.

(Article 10. Handling of Unsettled Contracts When Non-Clearing Participant Obtains Commodity Transaction Clearing Qualification)

When an entity which is a Member of the Designated Market Operator but is not a Commodity Transaction Clearing Participant of JSCC^{*1} acquires the Commodity Transaction Clearing Qualification under the provisions of Paragraph 1 of the preceding Article and becomes a Clearing Participant, such Non-Clearing Participant shall be transferred the unsettled Contracts for Clearing under the Commodity Clearing Transactions of the relevant Non-Clearing Participant from the Clearing Participant^{*2} designated as standing party for a

commission of the Commodity Clearing Transaction in the manner prescribed by the Designated Market Operator.

(*1 hereinafter referred to as "Non-Clearing Participant")

(*2 hereinafter referred to as "Designated Clearing Participant")

(Article 11. Change to Category of Clearing Qualification)

The Provisions of Article 6, Article 7, Article 9, Article 26 and Article 27 shall apply *mutatis mutandis* when a Clearing Participant changes the category of Clearing Qualification held by it. In such case, the phrase, "obtain a Commodity Transaction Clearing Qualification," in Paragraph 1 of Article 6 shall be deemed to be "change a category of Commodity Transaction Clearing Qualification"; the phrase, "the acquisition of the Commodity Transaction Clearing Qualification," in Paragraph 1 through Paragraph 3 of Article 6 shall be deemed to be "the change of the category of the Commodity Transaction Clearing Qualification"; the phrase, "an applicant for acquisition," in Paragraph 2 of Article 6 shall be deemed to be "an applicant for the change"; the phrase, "applicant for the Commodity Transaction Clearing Qualification," in Paragraph 2 and Paragraph 4 of the said Article, Article 7 and Article 9 shall be deemed to be "applicant for a change of the category of the Commodity Transaction Clearing Qualification"; the phrase, "the date on which the applicant is to obtain the Commodity Transaction Clearing Qualification," in Paragraph 4 of Article 6 and Item (1) of Article 7 shall be deemed to be "the date on which the applicant is to change the category of the Commodity Transaction Clearing Qualification"; the phrase, "the acquisition of a Principal Clearing Qualification," in Item (1) of Article 7 shall be deemed to be "the change of the category of a Principal Clearing Qualification"; the phrase, "grant the Commodity Transaction Clearing Qualification," in Paragraph 1 of Article 9 shall be deemed to be "change the category of the Commodity Transaction Clearing Qualification"; the phrase, "grants the applicant the Commodity Transaction Clearing Qualification," in Paragraph 2 of the said Article shall be deemed to be "changes the category of the Commodity Transaction Clearing Qualification"; the phrase, "renounced," in Paragraph 2 of Article 26 shall be deemed to be "changed the category of the Clearing Qualification to a Principal Clearing Qualification"; the phrase "Contracts for Clearing" in Article 26 shall be deemed to be "Contracts for Clearing related to Non-Clearing Participants," and the phrase, "renunciation," in Article 27 shall be deemed to be "change to the category," respectively.

(Article 12. Handling related to Parental Guarantee)

When a Clearing Participant satisfies the criteria stipulated in Item 5 B) of Article 7, it may

obtain a Parental Guarantee by having the Parent submit a document concerning the guarantee in the form prescribed by JSCC^{*1} to JSCC. In this case, the provisions of these Business Rules^{*2} related to the Parent shall apply to such Parent.

(*1 including other documents deemed by JSCC to have the same contents as such document)

(*2 including any rules and regulations promulgated hereunder)

Section 3 Obligation of Clearing Participants

(Article 13. Conclusion of Clearing Participant Agreement)

A Clearing Participant shall enter into the Clearing Participant Agreement prescribed by JSCC with JSCC.

(Article 14. Clearing Participant's Representative)

1 A Clearing Participant shall, in a manner prescribed by JSCC, register with JSCC in advance an individual, among its representative directors or representative executive officers*¹, who is appropriate to represent the Clearing Participant vis-a-vis JSCC as the Clearing Participant's representative.

(*¹ if a Clearing Participant is a corporation established in accordance with the laws and regulations of a foreign country, from among its representatives in Japan holding a position at least equal to a director or an executive officer)

2 Only the Clearing Participant's representative shall represent the Clearing Participant vis-a-vis JSCC; provided, however, that as for daily routine operations, a Clearing Participant may have a deputy for daily routine operations engaging in those operations specifying in advance the scope of such operations and registering such person with JSCC.

(Article 15. Person in Charge of Settlement Operation)

A Clearing Participant shall designate an individual from among its directors, officers or employees to be in charge of supervising the operation of the settlement of Contracts for Clearing, and register such individual with JSCC in a manner prescribed by JSCC.

(Article 16. Cooperative or Controlling Relationship with Directors, Officers, or Other Persons)

1 Only when JSCC deems that a concerted or controlling relationship of a Clearing Participant with its officer or any other person is inappropriate from the perspective of JSCC's operation of the Business of Assuming Commodity Transaction Debts, JSCC may, after having a hearing for such Clearing Participant and presenting the reason therefor, request changes to such relationship; provided, however, that if the Clearing Participant submits a written statement, such submission may substitute the hearing.

2 The procedures of the hearing set forth in the preceding Paragraph shall be as prescribed by JSCC.

3 When the Clearing Participant refuses the hearing set forth in Paragraph 1 without a

justifiable reason, JSCC may request for the change set forth in the said Paragraph without a hearing.

4 When the Clearing Participant deems that the request for a change pursuant to Paragraph 1 is unwarranted, the Clearing Participant may file a petition in writing against such request with JSCC presenting the reason therefor within 10 days after the receipt of the notice of the request for a change.

5 When JSCC receives the petition set forth in the preceding Paragraph, it shall convene a meeting of its board of directors without delay.

6 If, at the meeting of the board of directors set forth in the preceding Paragraph, it was deemed appropriate to modify or withdraw the request for a change set forth in Paragraph 1, such request for a change shall be immediately modified or withdrawn.

(Article 17. Payment of Fees by Clearing Participant)

A Clearing Participant shall pay the fees prescribed in the rules of JSCC to JSCC in accordance with those rules.

(Article 18. Locus of Responsibility Concerning Business of Assuming Commodity Transaction Debts)

JSCC shall not be held liable to indemnify a Clearing Participant for the damages suffered by it in the course of its business operation in relation to the Business of Assuming Commodity Transaction Debts performed by JSCC unless a willful misconduct or gross negligence on the part of JSCC is found.

(Article 19. Matters to be Notified)

1 When a Clearing Participant intends to carry out any of the following acts, it shall notify JSCC of the details in advance in a manner prescribed by JSCC:

- (1) Withdrawal from the Designated Commodity Market or Renunciation of Trading Qualification;
- (2) For Commodity Futures Trading Firms, discontinuance of the Business of Commodity Futures Transactions^{*1}, and for entities other than Commodity Futures Trading Firms, discontinuance of the operations concerning Commodity Futures Contracts^{*2};

(*1 referring to the Business of Commodity Futures Transactions as prescribed in Paragraph 22 of Article 2 of the Act. The same applies hereinafter)

(*2 referring to the Physical Settlement Futures Contracts and the Cash Settlement Futures Contracts; the same applies hereinafter)

- (3) Merger in which the Clearing Participant becomes a disappearing corporation and is merged into another company, and merger in which the Clearing Participant merges with another company and establishes a new company;
- (4) Dissolution of the Clearing Participant due to any reason other than merger or decision to commence bankruptcy proceeding;
- (5) Succession of all or a part of the business^{*1} to another company due to a demerger; (^{*1} for an entity other than Commodity Futures Trading Firms, referring to the business concerning Commodity Futures Contracts; the same applies hereinafter in this Article)
- (6) Transfer of all or a part of the business;
- (7) Merger in which the Clearing Participant becomes a surviving company after being merged with another company;
- (8) Succession of all or a part of the business from another company due to a demerger;
- (9) Acquisition of all or a part of the business;
- (10) Change in the name or trade name or corporate name^{*1};
(^{*1} including a change in the trade name or corporate name in English)
- (11) Change in the composition of its directors or officers;
- (12) Change in the address of its headquarters or principal office or an office or a place of business concerning the operations under which it becomes a counterparty to JSCC's Business of Assuming of Commodity Transaction Debts; and
- (13) Acquisition of membership of a Designated Market Operator or acquisition of trading qualification.

2 In addition to the provisions set forth in the preceding Paragraph, when an Agency Clearing Participant is to discontinue the operations in respect of the Commodity Clearing Transactions, it shall notify JSCC of the details in advance in a manner prescribed by JSCC.

3 In the case where a Clearing Participant has obtained the Parental Guarantee from its Parent, in addition to the provisions set forth in Paragraph 1, when the Parent is to carry out the acts listed in Item (3) through Item (9) of the said Paragraph and discontinues the operations of granting the Parental Guarantee for the Clearing Participant, it shall notify JSCC of the details thereof in advance in a manner prescribed by JSCC. In such case, the phrase, "the Clearing Participant," in Item (3) and Item (7) of the said Paragraph shall be deemed to be "the Parent of a Clearing Participant^{*1}"; and the phrase, "for any entity other than Commodity Futures Trading Firms, referring to the business concerning Commodity Futures Contracts," in Item (5) of the said Paragraph shall be deemed to be "the operation of granting Parental Guarantee for the Clearing Participant," respectively.

(*1 limited to the Parent provided Parental Guarantee for the relevant Clearing Participant)

- 4 In addition to the provisions of preceding three paragraphs, when it falls under the cases set forth in the items below, the person specified in the relevant item shall give notification to JSCC in advance in a manner prescribed by JSCC:
- (1) When a Clearing Participant commences trading on Holiday Trading Days as a Trading Participant of the Designated Market Operator:
The relevant Clearing Participant;
 - (2) When a Non-Clearing Participant under the Clearing Brokerage Agreement with an Agency Clearing Participant commences the Commodity Clearing Transactions on Holiday Trading Days in association with its commencement of trading on Holiday Trading Days as a Trading Participant of the Designated Market Operator:
The relevant Agency Clearing Participant.

(Article 20. Matters to be Reported)

When a Clearing Participant falls under the circumstances prescribed by JSCC, it shall immediately report the details to JSCC.

(Article 21. Audit on Clearing Participant)

- 1 In any of the events stipulated in each Item below, or if JSCC deems it necessary to do so for its operation of the Business of Assuming of Commodity Transaction Debts, JSCC may request that the Clearing Participant submit a report or document which should serve as reference regarding the business or assets of the Clearing Participant, or may cause its employees to audit the Clearing Participant's business or condition of assets, or books, documents, or other materials:
- (1) In the event that JSCC conducts an examination on the status of the Clearing Participant's compliance with these Business Rules or other rules;
 - (2) In the event that JSCC conducts an examination on the financial condition of the Clearing Participant;
 - (3) In the event that JSCC conducts an examination on the certainty about the performance of the Clearing Participant's obligation owed to JSCC; and
 - (4) In the event that JSCC is requested by the Designated Market Operator to provide information with regards to an examination aiming at securing fairness in the transactions in Commodity Markets, etc.*1, and JSCC deems it appropriate to respond to such request.

(*1 referring to the transactions in Commodity Markets, etc. under Paragraph 21 of Article 2 of the Act)

2 The provisions of the preceding Paragraph shall apply *mutatis mutandis* to the case where JSCC conducts an audit of the financial status of the Parent which provides the Parental Guarantee for such Clearing Participant or otherwise JSCC considers necessary for the operation of JSCC's Business of Assuming Commodity Transaction Debts. In such case, the references to "Clearing Participant" in the preceding Paragraph shall be deemed to be "the Parent"^{*1}.

(*1 only those granting Parental Guarantee for the relevant Clearing Participant)

(Article 22. Inquiry to Clearing Participant Holding Excessive Position in respect of Unsettled Contracts under Commission)

1 When JSCC considers that there is a possibility of excessive position holding in respect of the Commodity Futures Contracts under commission by its customers, brokers, clearing brokerage customers and clearing brokers and Futures and Option Contracts under commission by its customers set forth in Paragraph 1 of Article 21-2 of the Business Rules JSCC prescribes in respect of the Securities and Similar Contracts Clearing Business^{*1*2*3}, JSCC may ask the relevant Clearing Participant to report all or a part of below listed matters:

(*1 including contracts under commission of the Brokerage for Clearing of Securities, etc.^{*1-1} by Non-Clearing Participants; the same applies in this Article)

(*1-1 referring to the Brokerage for Clearing of Securities, etc. prescribed in Paragraph 27 of Article 2 of the Financial Instruments and Exchange Act (Act No. 25 of 1948); the same applies hereinafter)

(*2 hereinafter referred to as "Futures and Option Contracts")

(*3 referring to the case where the Amount Corresponding to Risk^{*3-1} assumed to be owed under the Unsettled Contracts^{*3-2} related to the Futures and Option Contracts of the relevant Clearing Participant is suspected to be excessive, compared to net worth or its financial condition such as cash, etc. of the relevant Clearing Participant^{*3-3})

(*3-1 referring to the amount corresponding to the risk of loss which can result from fluctuations of prices of each issue relating to the contracts in which the relevant Clearing Participant has Unsettled Contracts related to the Futures and Option Contracts; the same applies in Article 31 and Article 32)

(*3-2 referring to the contracts whose settlement has not been completed; the same applies hereinafter)

(*3-3 or the Parent provided the Parental Guarantee in the case where the Clearing Participant has obtained the Parental Guarantee)

- (1) Details of the Unsettled Contracts related to the relevant Commodity Futures Contracts of the customer, broker, clearing broker and clearing brokerage customer, whose required amount of Margin related to the Unsettled Contracts of the Commodity Futures Contracts is the largest*1;

(*1 hereinafter referred to as the "Largest Customer")

- (2) The required amount of Margin and the like related to the Unsettled Contracts of the relevant Commodity Futures Contracts of the Largest Customer;
- (3) status of deposit with or posting to the relevant Clearing Participant of the Margin related to the Unsettled Contracts of the relevant Commodity Futures Contracts of the Largest Customer; and
- (4) The Clearing Participant's customer management framework and other information related to the relevant Commodity Futures Contracts of the Largest Customer.

2 When asked reporting by JSCC pursuant to the provisions of the preceding Paragraph, the Clearing Participant must submit the report by the day that is the third day*1 from and including the day it is asked reporting.

(*1 excluding Non-Business Days; the same applies hereinafter when counting number of days)

3 When JSCC considers it still necessary after receiving report set forth in the preceding Paragraph, JSCC may ask the relevant Clearing Participant to report all or a part of below listed matters in respect of the clearing brokerage customers of the Largest Customer and the customers to clearing broker*1:

(*1 hereinafter referred to as the "Indirect Customer")

- (1) Details of the Unsettled Contracts of the Indirect Customer whose required amount of Margin related to the Unsettled Contracts of the relevant Commodity Futures Contracts is the largest*1;

(*1 hereinafter referred to as the "Largest Indirect Customer")

- (2) The required amount of Margin and the like related to the Unsettled Contracts of the relevant Commodity Futures Contracts of the Largest Indirect Customer;
- (3) Status of deposit with or posting to the Largest Customer or the relevant Clearing Participant of the Margin related to the Unsettled Contracts of the relevant Commodity Futures Contracts of the Largest Indirect Customer; and
- (4) The Largest Customer's customer management framework and other information related to the relevant Commodity Futures Contracts of the Largest Indirect Customer.

- 4 When asked reporting by JSCC pursuant to the provisions of the preceding Paragraph, the Clearing Participant must submit the report to JSCC by the day that is the sixth day from and including the day it is asked reporting.
- 5 If the Clearing Participant fails to submit the report by the deadline set forth in Paragraph 2 or Paragraph 4, as the case may be, JSCC may increase the required amount of Margin related to the Commodity Futures Contracts under commission for the Commodity Clearing Transactions up to 130 percent of such required amount.

Section 4 Renunciation/Forfeiture of Commodity Transaction Clearing Qualification

(Article 23. Application for Renunciation of Commodity Transaction Clearing Qualification)

- 1 When a Clearing Participant intends to renounce its Commodity Transaction Clearing Qualification, it shall apply for the renunciation with respect to each category of the Commodity Transaction Clearing Qualification to be renounced in accordance with the rules of JSCC.
- 2 When a Clearing Participant applied for renunciation of the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification, ~~or~~ Dojima Sugar Futures Clearing Qualification or Dojima Precious Metal Futures Clearing Qualification pursuant to the provisions of the preceding Paragraph, JSCC shall give notice of such effect to each Clearing Participant holding the relevant Commodity Transaction Clearing Qualification and the Designated Market Operator related to the relevant Commodity Transaction Clearing Qualification.

(Article 24. Exception in the case of Merger, etc. of Participant Renouncing Commodity Transaction Clearing Qualification)

- 1 In the event which is set forth in Paragraph 1 of Article 26, the Clearing Participant may choose not to dissolve the unsettled Contracts for Clearing to the extent permitted by JSCC, notwithstanding the provisions of the said Paragraph, if JSCC determines that it is unnecessary to dissolve all of the unsettled Contracts for Clearing pertaining to the relevant Commodity Transaction Clearing Qualification of the Clearing Participant in such circumstances as that, simultaneously with the renunciation of the Commodity Transaction Clearing Qualification, the relevant Clearing Participant is merged into, or causes its business through a demerger to be succeeded by, or causes its business to be transferred to, another company that is going to obtain or has already obtained the Commodity Transaction Clearing Qualification of the same category as that of the relevant Clearing Participant.
- 2 In the event which is set forth in Paragraph 1 of Article 26, the Agency Clearing Participant may choose not to cause every Contract for Commissioning Clearance concluded by it to be terminated to the extent permitted by JSCC, notwithstanding the provisions of the said Paragraph, if JSCC determines that it is unnecessary to terminate all the Contracts for Commissioning Clearance which the Agency Clearing Participant concluded in such circumstances as that, simultaneously with the renunciation of the Agency Clearing Qualification, the relevant Agency Clearing Participant is merged into, or causes its

business through a demerger to be succeeded to by, or causes its business to be transferred to, another company that is going to obtain or has already obtained the Agency Clearing Qualification of the same category as that of the relevant Agency Clearing Participant.

(Article 25. Suspension of Assumption of Obligation for Participant Renouncing Clearing Qualification)

1 On the next day^{*1} following a receipt of an application to renounce the Commodity Transaction Clearing Qualification from a Clearing Participant, JSCC shall suspend assuming obligations for Contracts Subject to Clearing^{*2} relating to the Commodity Transaction Clearing Qualification to which the Clearing Participant is a party, except for the assumption of new obligations in respect of obligations under Subject Transaction for Clearing executed to resolve Contracts for Clearing set forth in Paragraph 1 of the next Article that remain unsettled.

(*1 if such day falls on a Non-Business Day, the next Business Day; the same applies hereinafter)

(*2 including suspension of assuming obligations through conclusion of Give-up set forth in Article 52)

2 Notwithstanding the provisions of the main body of the preceding Paragraph, if JSCC determines that it is unnecessary to dissolve the unsettled Contracts for Clearing of the Clearing Participant in such circumstances as that, simultaneously with the renunciation of the Commodity Transaction Clearing Qualification, the relevant Clearing Participant is merged into, or causes its business through a demerger to be succeeded to by, or causes its business to be transferred to, another company that is going to obtain or has already obtained the Clearing Qualification of the same category as that of the relevant Clearing Participant, JSCC may choose not to stop assuming all or a part of the obligations under the Contracts Subject to Clearing to which the relevant Clearing Participant applying for renouncing the Commodity Transaction Clearing Qualification is a party.

(Article 26. Renunciation of Commodity Transaction Clearing Qualification)

1 When a Clearing Participant applied for a renunciation of its Commodity Transaction Clearing Qualification pursuant to the provisions of Paragraph 1 of Article 23, the Clearing Participant shall renounce its Clearing Qualification at the latest time at which it completed the matters listed below:

(1) The time designated by JSCC on the 30th day from the next day following the date of

such application^{*1}

(*1 if the application for the renunciation is submitted during a Default Settlement Period^{*1-1} or a Default Settlement Period commences during the period between the date of such application and the date of renunciation of the Clearing Qualification that would otherwise become effective in respect of the relevant Clearing Participant, the time designated by JSCC on the last day of the Default Settlement Period)

(*1-1 referring to the Default Settlement Period set forth in Paragraph 1 of Article 77; the same applies hereinafter)

(2) The time at which the Clearing Participant completely dissolved all the Contracts for Clearing pertaining to the relevant Clearing Qualification subject to the application for renunciation which remain unsettled.

(3) When the Clearing Participant is an Agency Clearing Participant, the time at which it terminates all the Contracts for Commissioning Clearance pertaining to the relevant Agency Clearing Qualification.

3 In the event that a Clearing Participant renounced its Commodity Transaction Clearing Qualification pursuant to the provisions of the preceding Paragraph, JSCC shall notify to that effect to all the other Clearing Participants holding the relevant Commodity Transaction Clearing Qualification and to the Designated Market Operator related to the relevant Commodity Transaction Clearing Qualification.

(Article 27. Performance of Obligation upon Renunciation of Commodity Transaction Clearing Qualification)

The entity that has lost its Commodity Transaction Clearing Qualification shall apply the money, securities, Warehouse Receipts and the Like^{*1} or commodities to be returned from JSCC toward the satisfaction of all of its obligations owed to JSCC as Clearing Participant.

(*1 referring to the warehouse receipts and other documents to be exchanged for the settlement by delivery; the same applies hereinafter)

(Article 28. Application of These Business Rules upon Renunciation of Commodity Transaction Clearing Qualification)

When a Clearing Participant renounces its Commodity Transaction Clearing Qualification, if there remain any claim or obligation arising from any cause before such renunciation, the provisions of these Business Rules^{*1} shall apply to such claims and obligations.

(*1 including any rules and regulations promulgated hereunder)

Section 5 Measures to be Taken with respect to Clearing Participants

(Article 29. Measures to be Taken with respect to Clearing Participants)

1 When JSCC deems that a Clearing Participant falls under any of the following Items, JSCC may conduct a hearing for the relevant Clearing Participant and take the measures to issue the Instructions for Improvement*¹, to suspend the assumption of all or a part of the obligations under the Contracts Subject to Clearing to which such Clearing Participant is a party, or to revoke the Clearing Qualification of such Clearing Participant presenting the reason therefor. In such event, the revocation of the Commodity Transaction Clearing Qualification shall require a resolution adopted at the meeting of the board of directors:

(*¹ referring to the instructions issued to the relevant Clearing Participant regarding improvements to be made to its business execution structure, etc., to the extent deemed necessary and appropriate for JSCC's operation of the Business of Assuming Commodity Transaction Debts; the same applies hereinafter)

- (1) When the Clearing Participant does not submit the notification set forth in Article 19, or the report set forth in Article 20, or submits any false notification/report;
- (2) When the Clearing Participant refuses, prevents or evades the examination set forth in Article 21, or does not submit the report/document or submits any false report/document pursuant to such Article;
- (3) When its business execution structure is deemed to be flawed; and
- (4) In addition to the events described in the preceding three Items, when the Clearing Participant violates these Business Rules, other rules, or measures taken pursuant to the foregoing, or when JSCC deems it necessary taking into account its operation of the Business of Assuming Commodity Transaction Debts if the Clearing Participant damages the reputation of JSCC or other Clearing Participants.

2 When a Clearing Participant falls under any of the following Items, JSCC may conduct a hearing for the relevant Clearing Participant and take the measures to suspend the assumption of all or a part of the obligations under the Contracts Subject to Clearing to which such Clearing Participant is a party and/or any other measures deemed necessary and appropriate by JSCC, presenting the reason therefor:

- (1) When the Clearing Participant refuses to comply with a request made pursuant to the provisions of Article 16 to change the cooperative or controlling relationship with a director, officer or other person;
- (2) When a majority of the voting rights*¹ of all the shareholders or a majority of the voting rights relating to capital contributions has come to be held by a person or persons who

is or are deemed to be inappropriate taking JSCC's operation of the Business of Assuming Commodity Transaction Debts into account; or

(*1 including the voting rights pertaining to the shares which are deemed to have voting rights pursuant to Paragraph 3 of Article 879 of the Companies Act (Act No. 86 of 2005), but excluding the voting rights pertaining to the shares whose voting rights cannot be exercised on any of the matters that may be resolved on at general meetings of shareholders)

(3) When any person holding the same or a greater degree of control over the Clearing Participant as or than that held by a director or an executive officer is deemed to be inappropriate, regardless of his or her title such as consultant or advisor or otherwise, from the perspective of JSCC's operation of the Business of Assuming Commodity Transaction Debts.

3 When a Clearing Participant falls under any of the following Items, JSCC may conduct a hearing for the relevant Clearing Participant and take the measures to suspend the assumption of all or a part of the obligations under the Contracts Subject to Clearing to which such Clearing Participant is a party until the relevant condition ceases to exist:

(1) When the amount of its stated capital or the total amount of capital contributions*1 becomes less than 300 million yen and a prompt recovery from such condition cannot be expected;

(*1 in the case of a mutual company, the total amount of the foundation fund*1-1)

(*1-1 including the amount of reserve for redemption of the foundation fund)

(2) When the Clearing Participant's Net Capital Amount becomes less than 1 billion yen*1 and prompt recovery from such condition cannot be expected;

(*1 in the case of an Agency Clearing Participant, 20 billion yen)

(3) For a Commodity Futures Trading Firms, to which required net asset ratio is applicable under the provision of Paragraph 1 of Article 211 of the Act, the required net asset ratio becomes lower than 140 percent*1.

(*1 in the case of an Agency Clearing Participant, becomes lower than 200 percent)

(4) In the case of an entity other than Commodity Futures Trading Firms, JSCC considers that the status of its equity capital is inadequate in light of the assets and the like it owns.

4 In the event that a Clearing Participant has notified JSCC of the matters set forth in Item (1) of Paragraph 1 of Article 19 or has made a public announcement of any of the matters set forth in Item (2) through Item (6) of the said Paragraph*1, but does not apply for the renunciation of its Commodity Transaction Clearing Qualification, JSCC may conduct a

hearing for the relevant Clearing Participant and take the measures to suspend the assumption of all or a part of the obligations under the Contracts Subject to Clearing to which such Clearing Participant is a party.

(*¹ in the case of Item (5) of Paragraph 1 of the said Article, limited to the succession of the entire business, and in the case of Item (6), limited to the transfer of the entire business)

5 In the event that an Agency Clearing Participant has submitted the notification set forth in Paragraph 2 of Article 19 but does not apply for the renunciation of its Agency Clearing Qualification, JSCC may conduct a hearing for the relevant Clearing Participant and take the measures to suspend the assumption of all or a part of the obligations under the Contracts Subject to Clearing*¹ to which such Clearing Participant is a party.

(*¹ limited to the obligations relating to the Commodity Clearing Transactions)

6 When a Parent provided a Parental Guarantee for a Clearing Participant fails to meet the requirements set forth in Item (5) B) (b) of Article 7, JSCC may conduct a hearing for the relevant Clearing Participant and take the measures to suspend the assumption of all or a part of the obligations under the Contracts Subject to Clearing to which such Clearing Participant is a party until the relevant condition ceases to exist.

7 In the event that a Parent provided a Parental Guarantee for a Clearing Participant intends to cancel the Parental Guarantee, has submitted a notification to JSCC in respect of its discontinuance of the operation of granting Parental Guarantee for the Clearing Participant or has made a public announcement under any of Item (4) through Item (6) of Article 19, and does not apply for the renunciation of its Clearing Qualification, JSCC may conduct hearing for the relevant Clearing Participant, and take the measures to suspend the assumption of all or a part of the obligations under the Contracts Subject to Clearing to which such Clearing Participant is a party.

(Article 30. Measures to be Taken with respect to Clearing Participants with Excessive Positions)

1 In the event that a Clearing Participant is deemed to hold excessive positions*¹ or there is deemed to be a real possibility of such event, JSCC may take any of the measures set forth in the following Items and/or any other measures deemed necessary by JSCC:

(*¹ referring to the event where the Amount Corresponding to Risk assumed to be owed under the relevant Clearing Participant's Unsettled Contracts is deemed excessive, compared to the relevant Clearing Participant's*¹⁻¹ net worth or its financial condition such as cash, etc., and such Amount Corresponding to Risk arises from the contracts on the account of such Clearing Participant or the contracts pursuant to the

commissions from a small number of customers, brokers, clearing brokers or clearing brokerage customers^{*1-2*1-3}; the same applies in the following Article)

(^{*1-1} when a Clearing Participant has obtained a Parental Guarantee, the Parent provided the Parental Guarantee)

(^{*1-2} including contracts pursuant to the Commodity Clearing Transactions of, and the commissions of the Brokerage for Clearing of Securities, etc. from, Non-Clearing Participants)

(^{*1-3} hereinafter referred to as "Customers")

(1) Increase in the amount of the Margin and the Like^{*1};

(^{*1} referring to the clearing fund or Margin^{*1-1}; the same applies hereinafter in this Paragraph)

(^{*1-1} referring to the Margin relating to the Commodity Futures Contracts on the Clearing Participant's own account, or the Commodity Futures Contracts pursuant to the commissions by a Customer or the commissions of the Commodity Clearing Transactions of a Non-Clearing Participant)

(2) In the case where securities or warehouse receipts are deposited in lieu of cash as the Margin and the Like, limitations on the issues and the like designated by JSCC; and

(3) In the case where securities or warehouse receipts are deposited in lieu of cash as the Margin and the Like, reduction in the rate by which their market value shall be multiplied when calculating the substituting price.

2 In the event that any of the measures set forth in the preceding Paragraph is taken with respect to the Margin relating to the Commodity Futures Contracts pursuant to the commissions by a Customer or commissions of the Commodity Clearing Transactions of a Non-Clearing Participant, the Clearing Participant which is subject to such measure shall take the measure, which is the same as the above-referenced measure, with respect to the relevant Customer or the relevant Non-Clearing Participant.

(Article 31. Instructions for Improvement on Position Holding)

1 In the event that, even after the increase of the required amount of Margin as set forth in Paragraph 5 of Article 22, the Clearing Participant still fails to submit a report set forth in Paragraph 1 or Paragraph 3, as the case may be, of the said Article, that, even after the measures set forth in the preceding Article are taken, the relevant Clearing Participant is still deemed to hold excessive positions on the date designated by JSCC, or that it is deemed necessary to immediately eliminate the risk relating to the likelihood of the relevant Clearing Participant's performance of its obligations owed to JSCC due to such reason as

an increase in the Amount Corresponding to Risk of the relevant Clearing Participant, JSCC may conduct a hearing for the relevant Clearing Participant and, to the extent necessary, issue the instructions for improvement on position holding pursuant to resolutions adopted at the meeting of the board of directors.

2 The Clearing Participant to which the instructions for improvement on position holding set forth in the preceding Paragraph is issued shall take concrete measures such as enhancing its capital^{*1}, settling its unsettled Contracts for Clearing or transferring them to other Clearing Participants, etc., in order to resolve the matters for which such instructions were issued, on or before the date designated by JSCC in each case.

(*1 in the case where the Clearing Participant has obtained the Parental Guarantee, enhancing capital of the relevant Parent provided the Parental Guarantee)

3 In the event that the relevant Clearing Participant intends to transfer its Unsettled Contracts to such other Clearing Participants in accordance with the provisions of the preceding Paragraph, such Clearing Participant shall obtain in advance the approval of JSCC and such other Clearing Participants.

4 When the preceding Paragraph applies, if the Unsettled Contracts to be transferred are commissioned by a Customer, the relevant Clearing Participant shall obtain such Customer's approval of the transfer of such Unsettled Contracts.

5 When Paragraph 3 applies, if the Unsettled Contracts to be transferred are pursuant to the commissions of the Commodity Clearing Transactions of a Non-Clearing Participant, the relevant Clearing Participant shall obtain such Non-Clearing Participant's approval of the transfer of the Unsettled Contracts.

6 In addition to the matters prescribed in these Business Rules, any matters necessary for the instructions for improvement on position holding shall be prescribed by JSCC at each applicable occasion.

(Article 32 Measures to be Taken with respect to Clearing Participants When their Collateral Deposit Status is Deemed Inappropriate, etc.)

1 In the event that any Clearing Participant deposits with JSCC Stocks And The Like^{*1} in lieu of cash as the Clearing Deposit^{*2} and the Margin^{*3}, if the deposited amount aggregated by issue exceeds the amount equal to 2% of the number of listed shares^{*4} of such issue, JSCC may take the measures set forth in any of the following Items with respect to the relevant Clearing Participant:

(*1 referring to stocks, investment trust beneficiary securities and investment securities; the same applies in this Paragraph)

(*² referring to the Clearing Deposit prescribed in Article 70 and the clearing deposit set forth in Article 74 of the Business Rules JSCC prescribes in connection with the Securities and Similar Contracts Clearing Business: the same applies in this Article)

(*³ limited to the Margin relating to the Futures and Option Contracts on the Clearing Participant's own account, the Margin under commission by Customers that relates to the Futures and Option Contracts on account of persons in the same corporate group^{*3-1} as the relevant Clearing Participant and the persons that are substantially deemed as the persons in the same corporate group as the relevant Clearing Participant^{*3-2} and other Margin prescribed by JSCC; the same applies in this Paragraph)

(*³⁻¹ referring to the corporate group as set forth in Item (2) of Paragraph 1 of Article 5 of the Financial Instruments and Exchange Act; the same applies hereinafter)

(*³⁻² hereinafter referred to as "Affiliates")

(*⁴ in the case of investment trust beneficiary securities, the number of listed units of the beneficiary securities; and in the case of investment securities, the number of listed units of the investment securities; the same applies hereinafter)

- (1) In the case where securities are deposited as Clearing Deposit or securities or warehouse receipts are deposited as the Margin, limitations on the issues and the like designated by JSCC; and
- (2) In the case where securities are deposited as Clearing Deposit or securities or warehouse receipts are deposited as the Margin, reduction in the rate by which their market value shall be multiplied when calculating the substituting price.

2 In the event that any Clearing Participant deposits with JSCC Stocks And The Like in lieu of cash as the Clearing Deposit and the Margin^{*1}, if the deposited amount aggregated by issue exceeds the amount equal to 5% of the number of listed shares of such issue, JSCC may take the measures set forth in any of the following Items with respect to the relevant Clearing Participant:

(*¹ limited to the Margin relating to the Futures and Option Contracts on the Clearing Participant's own account, the Margin for the Futures and Option Contracts on account of Affiliates and other Margin prescribed by JSCC; the same applies in this Paragraph and Paragraph 4)

- (1) In the case where securities are deposited as Clearing Deposit or securities or warehouse receipts are deposited as the Margin, limitations on the issues and the like designated by JSCC; and
- (2) In the case where securities are deposited as Clearing Deposit or securities or warehouse receipts are deposited as the Margin, reduction in the rate by which their

market value shall be multiplied when calculating the substituting price.

3 In the event that the ratio of the total amount of the appraisal value of securities deposited in lieu of cash other than municipal bonds, special bonds, corporate bonds and Japanese yen denominated foreign bonds and warehouse receipts, and the amount of cash to the required amount of collateral relating to the Clearing Deposit and the Margin^{*1} exceeds 80%, JSCC may take the measures set forth in any of the following Items with respect to the relevant Clearing Participant:

(*1 limited to the Margin relating to the Futures and Option Contracts on the Clearing Participant's own account and the Margin for the Futures and Option Contracts on account of Affiliates; the same applies in this Paragraph)

(1) In the case where securities are deposited as Clearing Deposit or securities or warehouse receipts are deposited as the Margin, limitations on the issues and the like designated by JSCC; and

(2) In the case where securities are deposited as Clearing Deposit or securities or warehouse receipts are deposited as the Margin, reduction in the rate by which their market value shall be multiplied when calculating the substituting price.

4 In the event that the securities issued by a Clearing Participant^{*1} are deposited with JSCC in lieu of cash as the Clearing Deposit and the Margin, JSCC may take the measures set forth in any of the Items of Paragraph 2 with respect to such Clearing Participant in connection with the securities issued by such Clearing Participant.

(*1 including securities issued by the parent company^{*1-1} or subsidiary^{*1-2} of the relevant Clearing Participant, or any subsidiary of such parent company)

(*1-1 referring to an entity who is deemed to be the parent company of the relevant Clearing Participant under the provisions of Paragraph 3 of Article 8 of the Regulations Concerning the Terms, Forms and Preparation Methods of Financial Statements, etc. (Ministry of Finance Ordinance No. 59 of 1963; hereinafter referred to as the "Financial Statements, etc. Regulations"); the same applies hereinafter in this Paragraph)

(*1-2 referring to an entity who is deemed to be a subsidiary of the relevant Clearing Participant under the provisions of Paragraph 3 of Article 8 of the Financial Statements, etc. Regulations; the same applies hereinafter in this Paragraph)

5 In addition to the provisions of each of the preceding Paragraphs, if deemed necessary by JSCC in order to ensure the performance by a Clearing Participant of its obligations owed to JSCC, JSCC may take measures set forth in the preceding Paragraphs with respect to the relevant Clearing Participant.

(Article 33. Suspension of Assumption of Obligations of Clearing Participant whose Risk Increased during Specific Time Period)

In the event that, in respect of a Clearing Participant, the Amount Corresponding to Risk calculated in the manner prescribed by JSCC as the risk amount assumed to be owed by such Clearing Participant under normal market conditions exceeds the amount pre-determined by JSCC during the period of time prescribed by JSCC, JSCC may take measures to suspend assumption of all or a part of obligations under the Contracts Subject to Clearing to which the relevant Clearing Participant is a party.

(Article 33-2 Suspension of Assumption of Obligations of Clearing Participant whose Risk Increased in case of Consecutive Non-Business Days on which Designated Market Operator Opens Trading Sessions)

1 When the Designated Market Operator designates Holiday Trading Days during consecutive Non-Business Days^{*1*2}, JSCC shall calculate, at the timing prescribed below, the risk amount assumed to be owed by the Clearing Participants submitted the notification under Paragraph 4 of Article 19 and the indicator value prescribed by JSCC based on Margins and clearing fund the relevant Clearing Participant has deposited:

- (1) The judgment timing prescribed by JSCC^{*3};
- (2) The timing within the Holiday Trading Day immediately following the day to which the timing set forth in the preceding Paragraph belongs, which JSCC designates as deadline.

(*1 including the case where a Non-Business Day not designated as Holiday Trading Day exists during that consecutive Non-Business Days;)

(*2 hereinafter referred to as "Consecutive Holiday Trading Days")

(*3 excluding the last day of the Consecutive Holiday Trading Days)

2 At the timing set forth in Item (1) of the preceding Paragraph, JSCC shall also calculate the excess of such indicator value over the value separately prescribed by JSCC, if any, in addition to the calculation of the indicator value set forth in the preceding Paragraph.

3 At the timing set forth in Item (1) of Paragraph 1, when the indicator value set forth in Paragraph 1 related to a Clearing Participant exceeds the value prescribed by JSCC and the amount of such excess exceeds the amount prescribed by JSCC, JSCC shall notify the relevant Clearing Participant of such amount of excess over the amount prescribed by JSCC and ask the Clearing Participant to take either of the following

actions:

- (1) Deposit the amount equal to such excess with JSCC as the Clearing Participant's house Margin by the timing set forth in Item (2) of Paragraph 1; or
 - (2) Bring down the indicator value set forth in Paragraph 1 so that such value as of the timing set forth in Item (2) of Paragraph 1 is below the value set forth in the preceding Paragraph.
- 4 When JSCC asks a Clearing Participant to take actions set forth in the preceding Paragraph, if the relevant Clearing Participant takes neither of such actions, or otherwise JSCC considers necessary, JSCC may suspend, entirely or partially, an assumption of obligations based on the Contracts Subject to Clearing to which the relevant Clearing Participant is a party during the relevant Consecutive Holiday Trading Days.

(Article 34. Measures against Clearing Participant, the Obligations of which JSCC has Ceased to Assume Due to Failure to Apply for Renouncing Clearing Qualification upon Discontinuation of Business, etc.)

- 1 In the event that JSCC has suspended, pursuant to Paragraph 4, Paragraph 5 or Paragraph 7 of Article 29, assumption of the obligations under the Contracts Subject to Clearing to which the relevant Clearing Participant is a party, JSCC may cause such Clearing Participant to transfer its unsettled Contracts for Clearing to other Clearing Participants or to make other arrangements that JSCC deems necessary.
- 2 JSCC may assume the obligations under the Contracts Subject to Clearing to which the relevant Clearing Participant is a party in order to make the arrangements set forth in the preceding Paragraph or otherwise to the extent that JSCC deems necessary.
- 3 When JSCC deems it necessary, it may cause other Clearing Participants to make the arrangements set forth in Paragraph 1. In such case, an entrustment agreement shall be deemed to have been formed between such other Clearing Participant and the Clearing Participant whose obligations ceased to be assumed by JSCC pursuant to the said Paragraph.

(Article 35. Lifting of the Measures of Suspension of Assumption of Obligation, etc.)

- 1 In the event that JSCC has suspended assumption of obligations^{*1} pursuant to Article 29 without specifying its duration, the Clearing Participant subject to such suspension, when it has eliminated the reason for such suspension, may file a petition with explanatory documents for the lifting of such suspension.

(*1 excluding the suspension of assumption made only in respect of the obligations pertaining to the Commodity Clearing Transactions)

2 When JSCC deems it appropriate to lift the suspension based on the petition set forth in the preceding Paragraph, JSCC shall approve such petition.

3 In the event that the Clearing Participant subject to the suspension set forth in Paragraph 1 fails to obtain the approval set forth in the preceding Paragraph within one year from the day on which it became subject to such suspension, JSCC may revoke the Commodity Transaction Clearing Qualification of the relevant Clearing Participant by a resolution adopted at the meeting of the board of directors.

4 The provisions of the preceding three Paragraphs shall apply *mutatis mutandis* in the case where JSCC suspended assumption of obligations*1 pursuant to Article 29 without specifying its duration. In such case, the phrase “may revoke the Commodity Transaction Clearing Qualification of” in Paragraph 3 shall be deemed to be “may revoke the Agency Clearing Qualification of and grant the Principal Clearing Qualification to”.

(*1 limited to the suspension of assumption made only in respect of the obligations pertaining to the Commodity Clearing Transactions)

5 The provisions of Paragraph 1 and Paragraph 2 shall apply *mutatis mutandis* in the case where any measure set forth in Article 30 through Article 32 is taken.

(Article 36. Making Objection, etc.)

The proviso to Paragraph 1 of Article 16, and the provisions of Paragraph 2 and Paragraph 3 of the said Article shall apply *mutatis mutandis* to the hearing set forth in Article 29 and Article 31, and the provisions of Paragraph 4 through Paragraph 6 of Article 16 shall apply *mutatis mutandis* to the measures set forth in Article 29 through Article 32.

(Article 37. Measures against Clearing Participant Having Ceased to be a Member)

A Clearing Participant shall forfeit its Commodity Transaction Clearing Qualification when any of the following events occurs to it:

- (1) When a Principal Clearing Participant ceases to be a Member of the Designated Market Operator; or
- (2) When it has been dissolved.

(Article 38. Disciplinary Measures Assessment Committee)

1 When JSCC intends to take any of the measures set forth in Article 29, Article 30 or Article 31 with respect to a Clearing Participant, JSCC shall consult with the Disciplinary

Measures Assessment Committee in advance about the appropriateness of taking the relevant measure and respect the opinion of the Committee.

2 Notwithstanding the provisions of the preceding Paragraph, when JSCC intends to take the measure set forth in Article 30^{*1} or when there otherwise is an urgent need therefor, JSCC shall be permitted to take such measure without consulting with the Disciplinary Measures Assessment Committee.

(*1 limited to those relating to contracts on the Clearing Participant's own account)

3 When JSCC takes measures of emergency suspension^{*1}, it shall immediately report such effect to the Disciplinary Measures Assessment Committee.

(*1 referring to a suspension of assumption of all or a part of obligations under Article 33; the same applies hereinafter)

4 In addition to the provisions prescribed in the preceding three Paragraphs, matters concerning the Disciplinary Measures Assessment Committee shall be prescribed in other rules.

(Article 39. Notice of Measures, etc.)

1 When JSCC is to suspend assumption of all or a part of obligations^{*1}, or to revoke Clearing Qualification pursuant to these Business Rules, JSCC shall notify that effect in advance to the Designated Market Operator relating to the Commodity Transaction Clearing Qualification held by the Clearing Participant subject to the relevant measure.

(*1 excluding an emergency suspension)

2 When JSCC took measures of emergency suspension, it shall immediately notify such effect to the Designated Market Operator mentioned in the immediately preceding Paragraph.

3 The provisions of Paragraph 1 shall apply *mutatis mutandis* in the case where a Clearing Participant has forfeited Clearing Qualification pursuant to Article 37. In such case, the word "in advance" in the said Paragraph shall be deemed to be "immediately."

4 When JSCC has, pursuant to these Business Rules, suspended assumption of all or a part of obligations in respect of the Commodity Clearing Transactions of an Agency Clearing Participant, or revoked the Commodity Transaction Clearing Qualification of an Agency Clearing Participant; or when an Agency Clearing Participant has forfeited the Commodity Transaction Clearing Qualification pursuant to the provisions of Article 37, the relevant Agency Clearing Participant shall immediately notify that effect to the Non-Clearing Participants which have entered into the Contract for Commissioning Clearance with it, unless JSCC specifically approves in case of the emergency suspension.

5 When JSCC has taken the measure set forth in Article 30^{*1} or the measure set forth in Article 31 with respect to a Clearing Participant, JSCC shall promptly notify that effect to the Designated Market Operator relating to the contracts which have cross relation to the reason of the relevant measure.

(*1 limited to the measure with respect to the Margin)

6 When JSCC has given a Clearing Participant Instructions for Improvement, suspended assumption of all or a part of obligations, revoked Commodity Transaction Clearing Qualification, or given instructions for improvement on position holding pursuant to these Business Rules, JSCC shall notify that effect to every Clearing Participant or publish that effect not later than 6 months after the day on which such measure was taken; provided, however, that if JSCC deems necessary and appropriate taking into account the possible market impact should it make such notification or publication, JSCC may make such notification or publication not earlier than 6 months after the day on which such measure was taken.

7 In the event that JSCC makes notification or publication prescribed in the preceding Paragraph, JSCC shall set the extent to be notified or published at each applicable occasion taking into account the importance of the measure subject to such notification or publication, or the possible market impact should it make such notification or publication.

8 When a Clearing Participant has forfeited its Commodity Transaction Clearing Qualification pursuant to the provisions of Article 37, JSCC shall notify that effect to each Clearing Participant holding the relevant Commodity Transaction Clearing Qualification.

(Article 40. Treatment of Clearing Participant whose Obligations have Ceased to be Assumed)

1 In the event that JSCC has suspended assumption of all or a part of obligations pursuant to the provisions of this Chapter^{*1}, the relevant Clearing Participant may, obtaining JSCC's approval, transfer its unsettled Contracts for Clearing to other Clearing Participants during the period of suspension.

(*1 excluding an entire or partial suspension of assumption of obligations under the provisions of Article 33-2)

2 In addition to the provisions of the preceding Paragraph, in the event that JSCC has suspended assumption of all or a part of obligations pursuant to Paragraph 1 of Article 29 with respect to a Clearing Participant due to the disobedience of the instructions for improvement on position holding set forth in Article 31, JSCC may cause such Clearing Participant to transfer its unsettled Contracts for Clearing to other Clearing Participants or

to make other arrangements that JSCC deems necessary.

- 3 When JSCC deems it necessary, it may cause other Clearing Participants to make the arrangements set forth in the preceding Paragraph. In such case, an entrustment agreement shall be deemed to have been formed between such other Clearing Participant and the Clearing Participant whose obligations ceased to be assumed by JSCC pursuant to the said Paragraph.

(Article 41. Handling of Unsettled Contracts for Clearing belonging to Entities whose Clearing Qualification have been Revoked or Forfeited)

- 1 When JSCC has, pursuant to these Business Rules, revoked Commodity Transaction Clearing Qualification, or a Clearing Participant has forfeited its Commodity Transaction Clearing Qualification pursuant to Article 37, JSCC may cause the relevant Clearing Participant to transfer its unsettled Contracts for Clearing to other Clearing Participants or to make other arrangements that JSCC deems necessary.
- 2 When JSCC deems it necessary, it may cause other Clearing Participants to make the arrangements set forth in the preceding Paragraph. In such event, an entrustment agreement shall be deemed to have been formed between such other Clearing Participant and the relevant former Clearing Participant.
- 3 The relevant former Clearing Participant set forth in Paragraph 1 shall continue to be regarded as Clearing Participant for the purpose of settling the unsettled Contracts for Clearing belonging to such former Clearing Participant or of making arrangements, or otherwise to the extent JSCC deems necessary.

(Article 42 Recommendation to Clearing Participant)

- 1 When JSCC determines that the operational or financial condition of a Clearing Participant or the financial condition of the Parent provided Parental Guarantee for a Clearing Participant is not appropriate taking JSCC's operations of the Business of Assuming Commodity Transaction Debts into account, JSCC may recommend the relevant Clearing Participant to take appropriate measures.
- 2 In the event that JSCC has made the recommendations set forth in the preceding Paragraph and determines that it is necessary to do so, JSCC may request the relevant Clearing Participant to submit a report with respect to its responsive measures against the recommendations.

Chapter 3 Commodity Clearing Transactions

(Article 43. Conclusion of Contract for Commissioning Clearance with Non-Clearing Participant)

When concluding Commodity Clearing Transactions, an Agency Clearing Participant is required to enter into the Contract for Commissioning Clearance, containing the provisions to the effect that when a Non-Clearing Participant is to form a Contract Subject to Clearing on behalf of a Clearing Participant, such Non-Clearing Participant shall be regarded as applying for the Commodity Clearing Transaction, and such Clearing Participant shall be regarded as accepting the commission for the relevant Commodity Clearing Transaction, and other provisions prescribed by JSCC, with the Non-Clearing Participant which commissions the Commodity Clearing Transactions.

(Article 44. Notification of Conclusion of Contract for Commissioning Clearance)

When an Agency Clearing Participant intends to enter into the Contract for Commissioning Clearance, such Agency Clearing Participant shall notify JSCC of its details in advance in a manner prescribed by JSCC.

(Article 45. Notification of Termination of Contract for Commissioning Clearance)

1 In terminating the Contract for Commissioning Clearance, the Agency Clearing Participant shall notify JSCC of its details as prescribed in the following Items, based on the classification of the termination referenced in each Item:

(1) Termination by agreement

The Agency Clearing Participant shall submit a notice by three days before the day^{*1} on which it intends to terminate the Contract;

(*1 excluding Non-Business Days; the same applies hereinafter when counting the number of days)

(2) Termination resulting from a prior written notice of an intention to terminate the Contract given by the Agency Clearing Participant to the Non-Clearing Participant^{*1}.

(*1 excluding the termination set forth in Item (5))

The Agency Clearing Participant shall submit a notice without delay after it has given the notice of its intention to terminate;

(3) Termination resulting from a prior written notice of an intention to terminate the Contract received by the Agency Clearing Participant from the Non-Clearing Participant.

The Agency Clearing Participant shall submit a notice without delay after it received

the notice of the intention to terminate;

- (4) Termination resulting from the fact that the Non-Clearing Participant has fallen under an acceleration event with regard to the obligations under the contract pursuant to the commissions of the Commodity Clearing Transactions

The Agency Clearing Participant shall submit a notice by the day immediately preceding the day on which it intends to terminate the Contract;

- (5) If the Agency Clearing Participant agreed with the Non-Clearing Participant on the condition that the Agency Clearing Participant may terminate the Contract for Commissioning Clearance taking into account securing the performance of the obligations under the contract pursuant to the commissions of the Commodity Clearing Transactions, termination resulting from a prior written notice of an intention to cancel the Contract given by the Agency Clearing Participant to the Non-Clearing Participant due to the fact that such condition has been fulfilled

The Agency Clearing Participant shall submit a notice immediately after notifying its intention of termination and by the day immediately preceding the day on which it intends to terminate the Contract.

2 In the event that JSCC has received the notice set forth in the preceding Paragraph, JSCC shall notify that effect to the Designated Market Operators with respect to which the Non-Clearing Participant, which is the counterparty to the Contract to be terminated, is a Member.

(Article 46. Segregation of Contracts Subject to Clearing)

An Agency Clearing Participant shall manage the Contracts Subject to Clearing, segregating those pursuant to the Commodity Clearing Transactions from those that are not.

(Article 47. Transfer of Unsettled Contracts for Clearing in the case of Change of Designated Clearing Participant)

1 In the event that a Non-Clearing Participant has changed its Designated Clearing Participant in accordance with the rules of the Designated Market Operator, the unsettled Contracts for Clearing which are under the Commodity Clearing Transactions of the relevant Non-Clearing Participant as of the time of such change shall be transferred from the former Designated Clearing Participant to the new Designated Clearing Participant.

2 In the event that a Clearing Participant renounces its Commodity Transaction Clearing Qualification and designates another Clearing Participant as its Designated Clearing Participant pursuant to the rules of the Designated Market Operator, the unsettled

Contracts for Clearing of the Clearing Participant losing its Commodity Transaction Clearing Qualification existing at the time of such designation shall be transferred from the relevant Clearing Participant to the Clearing Participant newly designated as a Designated Clearing Participant.

(Article 48. Transfer of Unsettled Contracts for Clearing, etc., When Non-Clearing Participant is Suspended from Commissioning Commodity Clearing Transactions)

- 1 In the event that a Designated Market Operator, of which a Non-Clearing Participant is a Member, suspended the Non-Clearing Participant from trading at the Commodity Market or commissioning the Commodity Clearing Transactions or expelled the Non-Clearing Participant, JSCC shall, according to the details of the measures to be taken by the Designated Market Operator, cause the unsettled Contracts for Clearing which are pursuant to the Commodity Clearing Transactions of the relevant Non-Clearing Participant to be transferred to other Clearing Participants or cause other necessary arrangements to be made.
- 2 The provisions of the preceding Paragraph shall not apply in the case where JSCC has suspended assumption of all or a part of obligations or revoked the Commodity Transaction Clearing Qualification of the Designated Clearing Participant of the relevant Non-Clearing Participant.

(Article 49. Transfer of Unsettled Contracts for Clearing, etc., When Clearing Participant is Suspended from Trading at Commodity Market)

- 1 In the event that a Designated Market Operator, of which a Clearing Participant is a Member, suspended or partly restricted the Clearing Participant from trading or the like^{*1} at that Commodity Market or expelled the Clearing Participant, JSCC shall, according to the details of the measures to be taken by the Designated Market Operator, cause the unsettled Contracts for Clearing belonging to such Clearing Participant to be transferred to other Clearing Participants or cause other necessary arrangements to be made.
(*¹ excluding Commodity Clearing Transactions)
- 2 The provisions of the preceding Paragraph shall not apply in the case where JSCC has suspended assumption of all or a part of obligations, or revoked the Commodity Transaction Clearing Qualification of, the relevant Clearing Participant.

(Article 50. Transfer of Unsettled Contracts, etc., When Clearing Participants Receive Instructions for Improvement)

1 In the event that a Clearing Participant which is a Non-Clearing Participant's Designated Clearing Participant receives the instructions for improvement on position holding pursuant to the provisions of Article 31 due to the relevant Non-Clearing Participant's failure to comply with the measure set forth in Paragraph 2 of Article 30 without a justifiable reason, such Clearing Participant shall have the right to request the relevant Non-Clearing Participant to settle its Unsettled Contracts pursuant to the commissions of the Commodity Clearing Transactions of the relevant Non-Clearing Participant or to transfer them to other Clearing Participants.

2 In the event that a Clearing Participant receives the instructions for improvement on position holding set forth in the preceding Paragraph, if it cannot follow such instructions despite its reasonable efforts to do so and if the relevant Non-Clearing Participant fails to comply with the request set forth in the preceding Paragraph without a justifiable reason despite the Clearing Participant's submission of such request to the relevant Non-Clearing Participant in advance setting a reasonable grace period, the Clearing Participant may, to the extent deemed reasonably necessary, execute the Offsetting-Sale^{*1} or Offsetting-Purchase^{*2*3}, on the account of such Non-Clearing Participant, in order to settle such the Unsettled Contracts pursuant to the commissions of the Commodity Clearing Transactions of such Non-Clearing Participant.

(*1 referring to the contract which is the opposite of the Long Position^{*1-1}; the same applies hereinafter)

(*1-1 referring to the amount pertaining to the buying contract, out of the amount^{*1-1-1} under an Unsettled Contract relating to Commodity Futures Contracts; the same applies hereinafter)

(*1-1-1 hereinafter referred to as the "Position")

(*2 referring to the contract which is the opposite of the Short Position^{*2-1}; the same applies hereinafter)

(*2-1 referring to the amount pertaining to the selling contracts out of the Position; the same applies hereinafter)

(*3 including the commission thereof)

Chapter 4 Assumption of Obligations

(Article 51. Assumption of Obligations)

- 1 When a Contract Subject to Clearing is formed pursuant to the rules of the Designated Market Operator, JSCC shall, in respect of the relevant Contract Subject to Clearing, assume the selling Clearing Participant's obligations owed to the buying Clearing Participant which is the selling Clearing Participant's counterparty in such a manner to discharge the relevant selling Clearing Participant from the relevant obligation, and simultaneously such selling Clearing Participant shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC; at the same time, JSCC shall assume the buying Clearing Participant's obligations owed to the selling Clearing Participant which is the buying Clearing Participant's counterparty in such a manner to discharge the relevant buying Clearing Participant from the relevant obligations, and simultaneously such buying Clearing Participant shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC.
- 2 JSCC shall notify the relevant Clearing Participant of the details of the obligations JSCC assumed pursuant to the provisions of the preceding Paragraph and the matters which are necessary for settling those obligations.
- 3 When the Clearing Participant has received the notification set forth in the preceding Paragraph, it shall immediately affirm its contents.

(Article 52. Acquisition and Assumption of Claims and Obligations Cease to Exist and Come into Existence in association with Give-up)

- 1 When a Contract Subject to Clearing ceases to exist or comes into existence as a result of Give-up^{*1}, JSCC shall assume the obligations owed by the Clearing Participant concluded the Subject Transaction for Clearing ceased to exist to the Clearing Participant which concluded the Contracts Subject to Clearing as its counterparty in such a manner to discharge the relevant Clearing Participant from the relevant obligation, and the Clearing Participant concluded the Contracts Subject to Clearing came into existence shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC.
(*¹ referring to the Give-up prescribed by the Designated Market Operator)
- 2 The provisions of Paragraph 2 and Paragraph 3 of the preceding Article shall apply *mutatis mutandis* when the preceding Paragraph applies.

Chapter 5 Management of Commodity Futures Contracts

(Article 53. Management of Transactions of Clearing Participant)

A Clearing Participant must manage the Commodity Futures Contracts that are its Contracts Subject to Clearing^{*1} through any of the account classifications listed below according to the below-listed classification:

(*1 excluding the contracts pursuant to the commission of Commodity Clearing Transactions of Non-Clearing Participants)

(1) Contracts on its own account:

Proprietary account

(2) Contracts commissioned by clients^{*1} that does not fall under the classification of Item (3) below:

(*1 referring to customers; the same applies hereinafter in this Article and the following Article)

A) Omnibus Account^{*1}

(*1 referring to an account for the management of Commodity Futures Contracts of multiple clients or at the level of the granularity into which a client position is arbitrarily split; the same applies hereinafter)

B) Individual Segregated Account^{*2}

(*2 referring to an account for the management of Commodity Futures Contracts of a single client or at the level of the granularity into which client position is arbitrarily split; the same applies hereinafter)

(3) Contracts on Affiliate's account:

A) Affiliate's Omnibus Account

B) Affiliate's Individual Segregated Account

(Article 54. Management of Transactions of Agency Clearing Participant)

An Agency Clearing Participant must manage the Commodity Futures Contracts that are its Contracts Subject to Clearing^{*1} through any of the account classifications listed below according to the below-listed classification:

(*1 limited to the contracts pursuant to the commission of Commodity Clearing Transactions of Non-Clearing Participants)

(1) Contracts on the proprietary account of the relevant Non-Clearing Participant:

Proprietary account of that Non-Clearing Participant;

(2) Contracts under commission by client of the relevant Non-Clearing Participant:

- A) Omnibus Account of that Non-Clearing Participant;
- B) Individual Segregated Account of that Non-Clearing Participant.

Chapter 6 Settlement of Contracts for Clearing

(Article 55. Reporting of Close-out Quantity and the Like)

1 A Clearing Participant shall, in respect of each contract month^{*1} and each rolling-spot futures contract^{*2} of Commodity Futures Contracts, notify JSCC the close-out quantity^{*32} and the amount of Offsetting-Sale or Offsetting-Purchase when it has executed Offsetting-Sale or Offsetting-Purchase^{*3}, by each account as set forth in Article 53 and by the cutoff time set by JSCC.

(*1 referring to contract month prescribed by the Designated Market Operator; the same applies hereinafter in this Chapter)

(*2 referring to rolling-spot futures contracts prescribed by the Designated Market Operator; the same applies hereinafter in this Chapter)

(*32 referring to the settlement quantity when the short position and the long position is held simultaneously in respect of an issue, and all or a part of such position is settled^{*2-1})

(*2-1 excluding the settlement through Offsetting-Sale or Offsetting-Purchase)

(*3 excluding the case stipulated in the following Paragraph)

2 A Clearing Participant shall, in respect of each contract month and each rolling-spot futures contract of Commodity Futures Contracts, notify JSCC the close-out quantity^{*1}, and, when Offsetting-Sale in respect of the long position under the commission of the Commodity Clearing Transactions^{*2} or Offsetting-Purchase in respect of the short position under the commission of the Commodity Clearing Transactions^{*3} has been executed, the amount of Offsetting-Sale or Offsetting-Purchase by a Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing or Short Position Subject To Brokerage for Clearing by each account as set forth in preceding Article, and by the cutoff time set by JSCC. In such case, the Clearing Participant may cause the Non-Clearing Participant relating to such Long Position Subject To Brokerage for Clearing or such Short Position Subject To Brokerage for Clearing to file such notification in lieu of the Clearing Participant.

(*1 limited to those under commission of the Commodity Clearing Transactions)

(*2 hereinafter referred to as "Long Position Subject To Brokerage for Clearing")

(*3 hereinafter referred to as "Short Position Subject To Brokerage for Clearing")

3 When JSCC has received the notification pursuant to the provisions of Paragraph 1, the close-out quantity and the amount of the Offsetting-Sales/Offsetting-Purchases so notified shall be regarded as the amount pertaining to the settlement and such amount shall be subtracted from the Long Position and the Short Position by each account set forth in

Article 53 that is managed by the relevant Clearing Participant.

4 When JSCC has received the notification pursuant to the provisions of Paragraph 2, the close-out quantity and the amount of the Offsetting-Sales/Offsetting-Purchases so notified shall be regarded as the amount pertaining to the settlement and such amount shall be subtracted from the Long Position Subject To Brokerage for Clearing and the Short Position Subject To Brokerage for Clearing by each account set forth in the preceding Article that is managed by the relevant Clearing Participant.

5 When JSCC has received the notification set forth in Paragraph 1 or Paragraph 2, JSCC shall inform the Designated Market Operator of the close-out quantity and the amount of the Offsetting-Sales and/or the Offsetting-Purchases so notified.

(Article 56. Clearing Period)

1 One clearing period for receiving and paying Execution Price Differential and Settlement Price Differential under Article 58 shall be one trading day.

2 One clearing period in the preceding Paragraph shall be prescribed, by the Designated Market Operator, in below Items:

(1) As to the Market Operator stipulated in Item (1) and Item (2) of Article 3, one clearing period shall be one Business Day of opening of the order acceptance for the night trading session that commences after the close of the daytime trading session on the previous day to before opening of the order acceptance for the night trading session that commences on the relevant Business Day of the relevant Market Operator;

(2) As to the Market Operator stipulated in Items (3) ~~to and Item (54)~~ of Article 3, as per A) and B) below:

A) For the Designated Commodity Market stipulated in Item (3) and Item (4) of Article 3, one clearing period shall be the period from opening of the ~~day~~morning trading session to closing of the ~~day~~afternoon trading session on a Business Day of the relevant Market Operator; and

B) For the Designated Commodity Market stipulated in Item (5) of Article 3, one clearing period shall be the period from opening of the night session on the day immediately preceding the relevant Business Day to closing of the day session of the relevant Business Day.

3 Notwithstanding the provisions of the preceding Paragraph, JSCC may change a clearing period on an ad hoc basis when it deems necessary to do so. In such case, JSCC shall notify the Clearing Participants and the Designated Market Operator of such effect in advance.

(Article 57 Settlement Prices)

JSCC shall establish the Settlement Prices for each clearing period as prescribed separately.

(Article 58. Execution Price Differential and Settlement Price Differential)

- 1 For Commodity Futures Contracts, the difference between the Settlement Price for the clearing period and the Contract Price occurring in the clearing period shall be referred to as Contract Price Differential.
- 2 For Commodity Futures Contracts, the difference between the Settlement Price for the clearing period and the Settlement Price for the immediately preceding clearing period shall be referred to as Mark-to-Market Price Differential.

(Article 59. Payment and Receipt of Execution Price Differential and Settlement Price Differential)

In the case where an Execution Price Differential or a Settlement Price Differential arises, the Clearing Participant shall pay or receive such Execution Price Differential or Settlement Price Differential on the next day following the date on which it arises with JSCC. In such case, a Clearing Participant making payment shall pay the money by 11:00 A.M., and a Clearing Participant receiving payment shall receive the money at 1:00 P.M., on the day on which the relevant money is to be paid or received.

Chapter 7 Final Settlement

Section 1 Settlement by Delivery

(Article 60. Settlement by Delivery etc.)

1 The settlement of Physical Settlement Futures Contracts by delivery shall be conducted between JSCC and a Clearing Participant.

2 Notwithstanding the provisions of the preceding Paragraph, when the Designated Market Operator approved the performance of the settlement by delivery related to the Physical Settlement Futures Contracts through ADP^{*1}, the settlement by delivery through ADP shall be deemed to have been completed upon such approval.

(*1 referring to ADP prescribed by the Designated Market Operator; the same applies hereinafter)

3 If a Clearing Participant fails to perform the settlement by delivery related to the Physical Settlement Futures Contracts^{*1}, JSCC shall have the relevant settlement by delivery completed at the relevant delivery price prescribed by the Designated Market Operator by collecting the amount prescribed in below Items according to the relevant situation from the relevant Clearing Participant, and delivering such amount to another Clearing Participant to receive the delivery goods in the relevant delivery; provided, however, that, unless there is unavoidable circumstance, a Clearing Participant may not complete the delivery by such method.

(*1 excluding the settlement by delivery through ADP)

(1) Failure of delivery of delivery goods:

The amount prescribed by JSCC taking into consideration, in respect of the Clearing Participant receiving the delivery goods, costs required for such receipt, costs required for procurement of such delivery goods, a lost profit, amount equivalent to late charge and the like;

(2) Failure of receipt of delivery goods:

The amount prescribed by JSCC taking into consideration, in respect of the Clearing Participant delivering the delivery goods, costs required for such delivery, costs required for sale of such delivery goods, a lost profit, amount equivalent to late charge and the like;

4 In addition to the provisions of the preceding three Paragraphs, matters necessary for the settlement by delivery of the Physical Settlement Futures Contracts shall be separately prescribed by JSCC.

Section 2 Final Settlement of Cash Settlement Futures Contract

(Article 61. Payment and Receipt of Money associated with Method of Final Settlement of Cash-settled Monthly Futures Contracts)

1 In the Final Settlement^{*1} of the Cash-settled Monthly Cash Settlement Futures Contracts^{*2}, if there is a difference between the Final Settlement Price^{*32} and the Settlement Price for the Last Trading Day^{*43}, the Clearing Participant shall pay or receive the amount of money equivalent to such difference with JSCC on the next day following the Final Settlement Day^{*54}. In such case, a Clearing Participant making payment shall pay the money by 11:00 A.M., and a Clearing Participant receiving payment shall receive the money at 1:00 P.M., on the day on which the relevant money is to be paid or received.

(*1 referring to the final settlement prescribed by the Designated Market Operator)

(*2 referring to the monthly Cash-Settlement Futures Contracts prescribed by the Designated Market Operator; the same applies hereinafter)

(*32 referring to the final settlement price specified by the Designated Market Operator)

(*43 referring to the last trading day specified by the Designated Market Operator in respect to the Cash Settlement Futures Contracts)

(*54 referring to the final settlement day for the Cash Settlement Futures Contracts specified by the Designated Market Operator)

2 Notwithstanding the provisions of the preceding Paragraph, when the Designated Market Operator considers it appropriate, the Cash-Settlement Monthly Futures Contracts may be settled through delivery and receipt of delivery goods. In such case, necessary matters shall be separately determined by JSCC.

(Article 61-2. Payment and Receipt of Money associated with Final Settlement of Cash-settled Rolling-Spot Futures Contracts)

In the Cash-settled Rolling-Spot Futures Contracts^{*1}, a Clearing Participant shall pay or receive the total amount of money specified in each of below Items on the next day following the trading day on which there is a Rollover^{*2} or on which the report set forth in Paragraph 1 and Paragraph 2 of Article 55 has been submitted, In such case, the Clearing Participant making payment shall pay the money by 11:00 A.M. on the date of the payment/receipt of such money, and the Clearing Participant receiving money shall receive the money at 1:00 P.M. on date of the payment/receipt of such money:

(*1 referring to the cash-settled rolling-spot futures transactions prescribed by the Designated

Market Operator; the same applies hereinafter)

(*2 referring to the rollover prescribed by the Designated Market Operator; the same applies in hereinafter in this Section)

(1) For the position for which there is a Rollover at the end of the relevant trading day, the amount specified in A) and B) below:

A) As to the position which has been concluded on the relevant trading day, the amount equal to the difference between its contract price and the Settlement Price for the relevant trading day; and

B) As to the position which had been concluded before the relevant trading day, the amount equal to the difference between the Settlement Price for the relevant trading day and the Settlement Price on the preceding trading day.

(2) For the position for which the report set forth in Paragraph 1 and Paragraph 2 of Article 55 has been submitted, the amount specified in A) and B) below:

A) As to the position which has been concluded on the trading day on which such report is submitted, the amount equal to the difference between the contract price of such contract and the contract price of the contract subject to such report; and

B) As to the position which had been concluded before the trading day on which such report is submitted, the amount equal to the difference between the Settlement Price for the preceding trading day and the contract price for the contract subject to such report.

Section 3 Miscellaneous Provisions

(Article 62. Amount of Money to be Paid/Received for Futures Contracts, and Its Method)

1 The payment and receipt of money under the provisions of Article 59 and the preceding two Articles shall be made in the amount set forth in the following Items according to the unit stipulated in such Items:

(1) Unit prescribed in Item (1) and Item (3) of Article 53

The sum of the differences between the amount to be paid and the amount to be received in respect of the accounts set forth in Item (1) and Item (3), A) and B) of Article 53 of the same Clearing Participant;

(2) Unit prescribed in Item (2) of Article 53 and Item (1) and Item (2) of Article 54

The sum of the differences between the amount to be paid and the amount to be received in respect of the accounts set forth in Item (2) of Article 53, Item (1) and Item (2) A) and B) of Article 54 of the same Clearing Participant.

2 The payment/receipt of money set forth in the preceding Paragraph shall be made between the Clearing Participant and JSCC. The payment/receipt in this case shall be performed in a manner prescribed by JSCC.

3 In the case prescribed by JSCC, a Clearing Participant may, in lieu of the payment and receipt of money as set forth in the preceding two Paragraphs, pay and receive, by each account set forth in Article 53 and Article 54 that are managed by that Clearing Participant, the net of the amount to be paid and the amount to be received in respect of the relevant account in a manner prescribed by JSCC.

(Article 63. Application of the Rules in the Event of Give-up)

With respect to the Commodity Futures Contracts which are newly formed as a result of the completion of the Give-up, the Clearing Participant which is also the Trading Participant Executing Clearance^{*1*2} is deemed to have concluded the relevant Commodity Futures Contracts, and the provisions of this Chapter and the following Chapter shall apply accordingly.

(*1 referring to the Trading Participant Executing Clearance prescribed by the Designate Market Operator)

(*2 in the case where the relevant Trading Participant Executing Clearance is a Non-Clearing Participant, referring to its Designated Clearing Participant)

(Article 64. Locus of Responsibility in the case where Settlement Price is not able to be

Calculated, etc.)

A Clearing Participant is not entitled to seek indemnity against JSCC, the Designated Market Operator and the entity calculating such published price for any damages suffered by it as a result of an inability, delay or error regarding the calculation or distribution of the Settlement Price or the published price prescribed by the Designated Market Operator, or as a result of a change in the Final Settlement Price.

Chapter 8 Succession of Margin and Unsettled Contract

(Article 65. Succession of Margin and Unsettled Contract)

The matters with respect to handling of the Margin under the Business of Assuming Commodity Transaction Debts performed by JSCC, money, securities and other articles deposited for a settlement by delivery related to transactions in a Commodity market, and the Unsettled Contracts in the event of the suspension of assumption of obligations due to insolvency shall be prescribed in the Rules on Margins and the Like for Business of Assuming Commodity Transaction Debts.

Chapter 9 Position Transfers

(Article 66. Position Transfers)

- 1 In addition to the cases stipulated separately in these Business Rules, a Clearing Participant may, after obtaining JSCC's approval, transfer its Unsettled Contracts to other Clearing Participants.
- 2 When a Clearing Participant transfers its Unsettled Contracts pursuant to the provisions of the preceding Paragraph*¹, it shall obtain acknowledgment of another Clearing Participant as to the Position Transfer and submit an application to JSCC by the cutoff time prescribed by JSCC in a manner prescribed by JSCC.
(*¹ hereinafter referred to as the "Position Transfer" in this Chapter)
- 3 In the case of the preceding Paragraph, the Position Transfer shall become effective when JSCC approves such Position Transfer.
- 4 When implementing the Position Transfer, the Settlement Price of each contract month contract or rolling-spot Futures Contract on the Trading Day which ends on the day immediately preceding the day on which the relevant Position Transfer is to be implemented shall be used as the Contract Price.
- 5 In the event that an Agency Clearing Participant received a notification from a Non-Clearing Participant concerning the Position Transfer in accordance with the rules prescribed by the Designated Market Operator, such Agency Clearing Participant shall submit to JSCC an application setting forth the content thereof by the cutoff time prescribed by JSCC and in a manner prescribed by JSCC, and obtain JSCC's approval.

(Article 67. Suspension of Position Transfers)

In the event that JSCC determines it difficult to permit Position Transfer on a continuing basis due to failure of operation of the system for Position Transfers or other reason, JSCC may suspend Position Transfers.

Chapter 10 Clearing Deposit

(Article 68. Deposit of Clearing Fund)

1 A Clearing Participant shall deposit with JSCC, in a manner prescribed by JSCC, the clearing funds, by each category prescribed in each of the following Items, for the purpose of ensuring performance of its obligations owed to JSCC, and applying to the compensation for any loss suffered by JSCC as set forth in these Business Rules in the event of JSCC acknowledging default and the like of any other Clearing Participant:

- (1) A clearing fund relating to Energy Futures Clearing Qualification;
- (2) A clearing fund relating to Dojima Agricultural Futures Clearing Qualification; ~~and~~
- (3) A clearing fund relating to Dojima Sugar Futures Clearing Qualification; and
- (4) A clearing fund relating to Dojima Precious Metal Futures Clearing Qualification.

2 When the deposited balance of the clearing fund set forth in the preceding Paragraph falls short of the required amount of the clearing fund as prescribed by the rules of JSCC, the Clearing Participant shall deposit with JSCC an amount at least equal to such shortfall by 2:00 P.M. on the day immediately following the day on which such shortfall occurs.

3 A Clearing Participant must deposit the amount determined by JSCC in respect of the clearing fund as set forth in Paragraph 1^{*1} in Japanese yen cash.

(*¹ hereinafter referred to as "Clearing Fund Cash Requirement")

4 A Clearing Participant may deposit a portion of a clearing fund exceeding the Clearing Fund Cash Requirement in the currency designated by JSCC. In this case, when a Clearing Participant deposits cash in any currency other than Japanese yen, its appraisal value shall be the amount equal to the value of cash in that currency converted to Japanese yen at the telegraphic transfer spot buying rate per 1 unit of that currency in the Tokyo foreign exchange market on the day which is two days before the date of deposit multiplied by a certain rate determined by JSCC.

5 Notwithstanding the provisions of the immediately preceding Paragraph, securities^{*1} may be deposited in lieu of cash as to the portion of the clearing fund exceeding the Clearing Fund Cash Requirement in a manner prescribed by JSCC.

(*¹ limited to the securities which are deemed appropriate by JSCC taking the liquidity and other factors into account)

6 The substituting price of the securities prescribed in the preceding Paragraph shall be calculated by multiplying the market price determined by JSCC as of the day which is two days before the date of the deposit of the relevant securities by a certain rate determined by JSCC; provided, however, that when JSCC deems it specifically necessary, such as an

excessive fluctuation in the market, JSCC may extraordinarily change the substituting price.
7 In addition to the provisions of the preceding two Paragraphs, matters concerning the securities to be deposited in lieu of cash as clearing fund shall be prescribed by JSCC.

(Article 69. Special Provisions for Clearing Fund in Default Settlement Period)

1 Notwithstanding the provisions of Paragraph 1 of the preceding Article, the required amount of clearing fund for each Clearing Participant by a type of Clearing Qualification during the Default Settlement Period*¹ shall be the required amount of clearing fund for each of the Commodity Transaction Clearing Qualifications of each such Clearing Participant on the day immediately preceding the date on which such Default Settlement Period commences.
(*¹ excluding the last day of such period)

2 In the case where a clearing fund is applied in whole or in part during the Default Settlement Period pursuant to ~~Item (2) of Paragraph 1~~ of Article 82, notwithstanding the provisions of Paragraph 2 of the preceding Article, a Clearing Participant shall not be obliged to make additional deposit of a clearing fund in the amount equivalent to such application until the relevant Default Settlement Period ends.

(Article 70. Clearing Deposit)

The clearing fund prescribed in the preceding two Articles, which JSCC shall receive from Clearing Participants in order to ensure the performance of their obligations, shall be the Clearing Deposit prescribed in Article 180 of the Act.

(Article 71. Management of Clearing Deposit)

JSCC shall hold the Clearing Deposit set forth in the preceding Article by segregating it from its proprietary assets through such methods as utilizing a separate account, and manage it on a book in respect of each Clearing Participant.

(Article 72. Refund of Clearing Fund upon Renunciation of Clearing Qualification)

1 When a Clearing Participant renounces its Commodity Transaction Clearing Qualification*¹, in whole or in part, JSCC shall refund the clearing fund related to the renounced Commodity Transaction Clearing Qualification after the date of the renunciation; provided, however, that if there remains unsettled Contracts for Clearing of the Clearing Participant which has renounced such Clearing Qualification, or if JSCC otherwise deems it necessary, JSCC may suspend the refund of the clearing fund related to the renounced Commodity Transaction Clearing Qualification until such reason ceases to exist.

(*1 including the renunciation due to a revocation of Clearing Qualification; the same applies hereinafter in this Article and the following Article)

2 Notwithstanding the provisions of the preceding Paragraph, in the event that an application for the renunciation of the Commodity Transaction Clearing Qualification of a Clearing Participant is submitted during a Default Settlement Period set forth in Paragraph 1 of Article 77 or in the event that a Default Settlement Period commences during the period from the date of such application to the day on which the renunciation of the Clearing Qualification of the relevant Clearing Participant becomes effective, and when a loss is recovered by the clearing funds of the Clearing Participants other than the Default Clearing Participant set forth in Paragraph 1 of Article 82 in a Default Settlement Period, JSCC shall refund the clearing fund after deducting the amount used for such recovery of loss from the clearing fund for each category of the Clearing Qualification on and after the date of the renunciation by the relevant Clearing Qualification.

Chapter 11 Measures in Case of Failure of Settlement by Clearing Participant

Section 1 General Rules

(Article 73. Use of Clearing Fund for Settlement at the Time of Settlement Default)

1 When a Clearing Participant fails to perform its settlement of Contracts for Clearing and JSCC considers it difficult to have such Clearing Participant complete the settlement of Contracts for Clearing through borrowing from other persons or any other means, JSCC may use the clearing fund*¹ deposited by Clearing Participants other than the Clearing Participant caused such failure*² as of the date of occurrence of such failure*³ to complete the settlement of the Contracts for Clearing*⁴.

(*¹ limited to those deposited in Japanese yen cash; the same applies in the following Article)

(*² hereinafter referred to as “Clearing Participants on Settlement Use Commencement Date”)

(*³ hereinafter referred to as “Settlement Use Commencement Date”)

(*⁴ hereinafter referred to as “Settlement Use”)

2 The Settlement Use will be performed to the extent JSCC deems necessary in the amount up to the required amount of clearing fund in respect of the Clearing Participants on Settlement Use Commencement Date as of the day immediately preceding the Settlement Use Commencement Date.

3 When JSCC implemented the Settlement Use, JSCC shall notify such effect to the Clearing Participants on Settlement Use Commencement Date without delay.

(Article 74. Refund of Clearing Fund upon Settlement Use)

When implementing the Settlement Use, JSCC may suspend a refund of clearing fund to the Clearing Participants on Settlement Use Commencement Date until the termination of the Settlement Use pursuant to the provisions of the following Article.

(Article 75. Termination of Settlement Use)

1 The Settlement Use shall terminate when JSCC considers that the settlement of Contracts for Clearing to which the Settlement Use relates has been completed.

2 Upon termination of the Settlement Use pursuant to the provisions of the immediately preceding Paragraph, JSCC shall notify such effect to the Clearing Participants on Settlement Use Commencement Date without delay.

3 Upon termination of the Settlement Use pursuant to the provisions of Paragraph 1, JSCC shall pay the amount prescribed by JSCC to the Clearing Participants on Settlement Use Commencement Date in a manner prescribed by JSCC.

(Article 76. Measures in case of Settlement Default)

1 When a Clearing Participant fails to perform the settlement of Contracts for Clearing or JSCC deems there is a real possibility that a Clearing Participant does not perform the settlement of Contracts for Clearing, JSCC shall implement the measures, to the extent and for the period that JSCC deems necessary, to suspend assumption of obligations under the Contracts Subject to Clearing to which such Clearing Participant^{*1} is a party and to suspend such Clearing Participant from receiving all or a part of the securities, Warehouse Receipts and the Like and money which were to be received from JSCC.

(*1 hereinafter referred to as the "Default Clearing Participant")

2 In the event that the Default Clearing Participant fails to perform the settlement of Contracts for Clearing, JSCC may cause other Clearing Participants it designates to sell or buy the securities, Warehouse Receipts and the Like or Commodities or to perform similar acts which are necessary for the handling of the relevant default.

3 JSCC may apply the securities, Warehouse Receipts and the Like, Commodities and money, the receipt of which was suspended pursuant to the provisions of Paragraph 1, to satisfy the obligations pertaining to the default of the settlement of Contracts for Clearing by the Default Clearing Participant.

4 The Default Clearing Participant which has become subject to the measure of suspending assumption of obligations pursuant to the provisions of Paragraph 1 may, after obtaining JSCC's approval, transfer its unsettled Contracts for Clearing pertaining to the Contracts Subject to Clearing gave rise to the obligations which became subjected to such measure to other Clearing Participants during the duration of such measure; provided, however, that the foregoing shall not apply in the case where the measure of suspending assumption was imposed against all the obligations under the Contracts Subject to Clearing to which the Default Clearing Participant is a party pursuant to the provisions of the following Paragraph.

5 In the event that JSCC has taken the measure set forth in Paragraph 1, if the Default Clearing Participant became insolvent, or if JSCC deems that there is a real possibility for the Default Clearing Participant to become insolvent or otherwise it is specifically necessary to do so^{*1}, notwithstanding the provisions of the said Paragraph, JSCC may impose the measure of suspending assumption of all the obligations under the Contracts

Subject to Clearing to which the Default Clearing Participant is a party and of suspending the Default Clearing Participant from receiving securities, Warehouse Receipts and the Like, Commodities and money which were to be received from JSCC, until the cause thereof ceases to exist.

(*1 hereinafter referred to as “Determination of Insolvency”)

6 The provisions of Paragraph 3 shall apply *mutatis mutandis* to the securities, Warehouse Receipts and the Like, Commodities and money the receiving of which was suspended pursuant to the provisions of the preceding Paragraph.

7 In the event that JSCC has suspended assumption of all the obligations under the Contracts Subject to Clearing to which the Default Clearing Participant is a party pursuant to the provisions of Paragraph 5, JSCC may, taking into consideration the composition and size of the Default Clearing Participant’s portfolio of Unsettled Contracts*1 and market conditions, cause the Default Clearing Participant to transfer to other Clearing Participants, perform Offsetting Sale or Offsetting Purchase of, or execute hedge transactions*2 on the account of the relevant Default Clearing Participant in respect of, the relevant Defaulted Contracts and cause other arrangements that JSCC deems necessary to be made.

(*1 hereinafter referred to as “Defaulted Contracts”)

(*2 referring to Contracts Subject to Clearing to be executed to avoid all or part of losses that JSCC may incur up to the time when the arrangement set forth in this Paragraph is made)

8 If the Defaulted Contracts remain, or is likely to remain, even after the implementation of the measures set forth in the preceding Paragraph, and only when JSCC considers it necessary to prevent emergence or expansion of loss set forth in Paragraph 1 of the following Article, JSCC may hold a Default Settlement Auction*1.

(*1 referring to an auction process to have transactions for the purpose of the liquidation of the Defaulted Contracts executed; the same applies hereinafter)

9 Notwithstanding the provisions of Paragraph 7, in the case where JSCC has suspended assumption of all the obligations under the Contracts Subject to Clearing to which the Default Clearing Participant is a party pursuant to the provisions of Paragraph 5, if there are Defaulting Delivery Positions*1 of the relevant Default Clearing Participant, JSCC shall perform the liquidation for the completion of the settlement of the relevant Defaulting Delivery Positions and hold a Default Settlement Auction in a manner prescribed by JSCC.

(*1 referring to the Defaulted Contracts which have already been determined to be settled by delivery related to Physical Settlement Futures Contracts as prescribed in these Business Rules; the same applies hereinafter)

- 10 Only to the extent necessary to make the arrangements set forth in Paragraph 7, JSCC may assume, from the Default Clearing Participant which has become subject to the measure of suspending assumption of all the obligations pursuant to the provisions of Paragraph 5, the obligations under the relevant Default Clearing Participant's Contracts Subject to Clearing.
- 11 When JSCC deems it necessary to do so, JSCC may cause other Clearing Participants to make the arrangements set forth in Paragraph 7.
- 12 In the case of Paragraph 2 and the preceding Paragraph, an entrustment agreement shall be deemed to have been formed between such other Clearing Participant and the Clearing Participant subject to the suspension of assumption of obligations.

(Article 77. Setting Default Settlement Period)

- 1 JSCC shall set the Default Settlement Period defined in the following Paragraph.
- 2 A Default Settlement Period shall be a period of 30 days from the date of the Determination of Insolvency of a Clearing Participant^{*1}; provided, however, that if another Clearing Participant becomes subject to the Determination of Insolvency during such period, such period shall be extended until the day on which JSCC deems that the settlement of default of such other Clearing Participant completes, and if any further Clearing Participant becomes subject to the Determination of Insolvency during such extended period, such period shall be further extended in the same manner.
- (*1 except where the Default Settlement Period has already commenced at the time of such Determination)

(Article 78. Consultation to Avoid Early Termination)

- 1 When a Default Settlement Auction is held in respect of the Defaulted Contracts related to the Default Clearing Participant, where it is threatened that the losses arising out of the Determination of Insolvency of the Default Clearing Participant fixed by successfully concluding the Default Settlement Auction cannot be recovered in full under the provisions of Paragraph 1 and Paragraph 3 of Article 83, JSCC, the Designated Market Operator of which the Default Clearing Participant is a Member and the Clearing Participants shall consult on the responsive measures as to the settlement and the like of such loss in a manner prescribed by JSCC.
- 2 When, as a result of the consultation pursuant to the provisions of the preceding Paragraph, all of the requirements stipulated in the following Items are satisfied among JSCC, the Designated Market Operator of which the Default Clearing Participant is a Member and all

Clearing Participants, an agreement on how to settle losses is considered to have reached and JSCC shall settle such losses in accordance with such agreement. In such case, the settlement shall enable JSCC to recover such losses in full and to continue its Clearing Business related to each Clearing Qualification.

(1) At least two-thirds of the Clearing Participants other than Default Clearing Participant existing during the Default Settlement Period^{*1}, in terms of the ratio of the required amount of clearing fund for the Default Settlement Period to the aggregate amount of such required amount of clearing fund for all Clearing Participants for Default Settlement Period, is for the method of settlement submitted to the consultation.

(*1 hereinafter referred to as "Clearing Participant for Default Settlement Period")

(2) The consent of the Clearing Participants to bear additional burden if the proposed method is taken, JSCC and the Designated Market Operator of which the Default Clearing Participant is a Member is obtained.

2 In addition to the preceding two Paragraphs, matters necessary for the consultation prescribed in this Article shall be set by JSCC at each applicable occasion.

(Article 79. Early Termination)

1 In the case where the consultation is conducted pursuant to the provisions of Paragraph 1 of the preceding Article, when an agreement on how to settle losses under Paragraph 2 of the said Article cannot be reached, the position subject to Defaulted Contracts, and the position related to Contracts Subject to Clearing of the Clearing Participants for Default Settlement Period designated by JSCC to be allocated, shall terminate early as a matter of course at the time JSCC designates at each occasion without any specific expression of intention from JSCC or Clearing Participants.

2 The early termination described in the preceding Paragraph refers to a process of terminating the Contracts for Clearing before its Last Trading Day^{*1} due to cause other than notification of Clearing Participants given pursuant to the provisions of these Business Rules.

(*1 referring to the Last Trading Day prescribed by the Designated Market Operator)

3 Upon early termination of the Contracts for Clearing, a notification of Offsetting-Sale or Offsetting-Purchase quantity concerning the position subject to the early termination shall be deemed to have been submitted by the Default Clearing Participant or the Clearing Participant for Default Settlement Period, as the case may be.

4 In the event of the preceding Paragraph, the Clearing Participant shall settle the early termination charge with JSCC in a manner prescribed by JSCC.

- 5 The early termination charge described in the preceding Paragraph shall be the amount JSCC calculates, as to the position allocated to the Clearing Participants for Default Settlement Period pursuant to the provisions of Paragraph 1, by deeming that the offsetting transactions against Unsettled Contracts, such as Offsetting Sale or Offsetting Purchase, has been executed at the Settlement Price for the date of the early termination.
- 6 In addition to each of the preceding Paragraphs, the matters necessary for the early termination shall be set by JSCC at each applicable occasion.

(Article 80. Notification of Imposition of Measure to Suspend Assumption of Obligations)

In the event that JSCC has imposed the measure of suspending assumption of obligations under the Contracts Subject to Clearing to which a Clearing Participant is a party pursuant to the provisions of Paragraph 1 or Paragraph 5 of Article 76, JSCC shall notify that effect to all the other Clearing Participants having Clearing Qualification of the same category as that of the relevant Clearing Participant.

(Article 81. Compensation for Loss Caused by Settlement Default)

1 In the event that JSCC has suffered loss^{*1} as a result of the nonperformance of the settlement of the Contracts for Clearing by the Default Clearing Participant, each of the following deposit^{*2} shall be applied to compensate for such loss according to the purpose thereof:

(*1 including the loss JSCC incurred in the course of the settlement of such default^{*1-1})

(*1-1 including the settlement which takes place when JSCC deems that there is a real possibility of default)

(*2 in case of securities in lieu of cash or warehouse receipts^{*2-1}, the amount obtained through liquidation of such Securities in Lieu of Cash in a manner prescribed by JSCC)

(*2-1 hereinafter referred to as "Securities in Lieu of Cash")

- (1) Margin for the proprietary account deposited with JSCC by the Default Clearing Participant;
- (2) Margin in respect of which the Default Clearing Participant has a claim for refund^{*1} (*1 excluding the Margin set forth in the preceding Item);
- (3) Clearing fund deposited with JSCC by the Default Clearing Participant; and
- (4) Other deposit and the like deposited with JSCC by the Default Clearing Participant.

2 In addition to the sources set forth in the immediately preceding Paragraph, JSCC shall be compensated for its loss from the following sources:

- (1) Regarding the deposit set forth in each Item of the preceding Paragraph, if there is any

residual amount after being used for its original purpose, such residual amount;

(2) Other deposits that the Default Clearing Participant has deposited with JSCC^{*1}; and

(*1 if JSCC has used it for its original purpose, the remaining amount)

(3) Excess collateral^{*1} that the Default Clearing Participant has deposited with JSCC in connection with any Other Clearing Business^{*2}

(*1 referring to the margin, clearing fund or other collateral^{*1-1} which the Default Clearing Participant has deposited with JSCC in connection with any Other Clearing Business, that remains after the application to the payment of the obligations of the Default Clearing Participant in accordance with the provisions of the business rules of such Other Clearing Business)

(*1-1 limited only to those of which the Default Clearing Participant has the claim for refund)

(*2 referring to the Financial Instruments Obligation Assumption Business conducted by JSCC and businesses pertaining thereto; the same applies hereinafter)

3 If any part of the loss remains uncompensated after the operation of the provisions of the preceding two Paragraphs, the participant bond^{*1} which the relevant Default Clearing Participant has deposited with the Designated Market Operator of which it is a Member shall be applied to compensate for the remaining loss.

(*1 if the customer has exercised the preferential right to receive payment in respect of the bond, its balance)

(1) By the Designated Commodity Market, apply the participant bond related to the relevant Designated Commodity Market;

(2) In the case where there is a Designated Commodity Market which compensated for all losses, the participant bond of the relevant Designated Commodity Market shall be applied to the loss from other Designated Commodity Market that the Designated Market Operator operates in connection with the relevant Designated Commodity Market;

(3) If any part of the loss remains uncompensated after the operation of the provisions of the preceding two Items, the remaining amount of the participant bond applied to the loss pursuant to the preceding two Item shall be applied to compensate for the remaining loss; provided, however, that if the loss remains uncompensated for two or more Designated Commodity Markets, the amount of loss remaining uncompensated for each of the Designated Commodity Market shall be compensated for by the amount of the participant bond prorated according to the amount of such remaining loss.

4 If any part of the loss in respect of each category of Clearing Qualification remains

uncompensated after the operation of the provisions of the preceding three Paragraphs, and if there is any money to be received as a result of a third party guarantee against loss or other money or other assets with the particular purpose to compensate for the relevant loss^{*1}, JSCC shall be compensated with such money and assets.

(*1 excluding the charge set forth in Paragraph 7 and the following Article)

- 5 If any part of the loss in respect of each category of Clearing Qualification remains uncompensated after the operation of the provisions of Paragraph 1 through the preceding Paragraph, JSCC shall be compensated from the Commodity Futures Contracts Settlement Guarantee Reserve maintained by JSSC.
- 6 The amount of the Commodity Futures Contracts Settlement Guarantee Reserve maintained by JSSC referred to in the preceding Paragraph shall be the amount reserved or otherwise set aside in a manner prescribed by JSCC.
- 7 The matters necessary for the loss compensation prescribed in each of the preceding Paragraphs shall be set by JSCC on each applicable occasion.

(Article 82. Compensation for Loss with Clearing Fund of Non-Default Clearing Participants)

1 In the case where any portion of the loss^{*1} related to Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification, ~~or Dojima Sugar Futures Clearing Qualification~~ or Dojima Precious Metal Futures Clearing Qualification which JSCC has incurred as a result of the nonperformance by a Default Clearing Participant of the settlement of Contracts for Clearing existing between JSCC and such Default Clearing Participant still remains uncompensated even after the operation of the provisions of the preceding Article, such loss shall be compensated for with the amount representing the required amount of clearing fund for each Clearing Qualification set forth in Article 69, deposited by the Clearing Participants for Default Settlement Period with JSCC on the day immediately preceding the date on which the Default Settlement Period related to the relevant loss commences in a manner prescribed by JSCC.

(*1 including the loss JSCC has incurred in performing the settlement pursuant to the provisions of Article 75; the same applies hereinafter in this Article and the following Article)

2 In the event of the immediately preceding Paragraph, when JSCC held the Default Settlement Auction, the clearing fund shall be applied to the loss remaining uncompensated as per the preceding Paragraph in the order from the clearing fund deposited by the Clearing Participants for Default Settlement Period other than the Successful Bidder Participants^{*1} in the relevant Default Settlement Auction and then those

deposited by the Successful Bidder Participants.

(*1 referring to the Clearing Participants bid in the Default Settlement Auction which won the bid; the same applies hereinafter)

- 3 In the case where JSCC deems it difficult to calculate the uncompensated loss as referred to in Paragraph 1 for a considerable period, JSCC may regard the amount which is provisionally estimated and calculated by JSCC as such uncompensated loss, and compensate for such amount in the manners prescribed in Paragraph 1. In such case, when such uncompensated loss is firmly determined, the difference between such firmly determined amount and the provisional amount calculated by JSCC shall be paid/received between the Clearing Participants for Default Settlement Period and JSCC.
- 4 When JSCC has made collection from the Default Clearing Participant against its claim pertaining to the loss which was compensated for pursuant to Paragraph 1, JSCC shall repay such collected amount to the Clearing Participants for Default Settlement Period by prorating it among them.

(Article 83. Special Clearing Charge)

- 1 Regarding the loss which JSCC has incurred as a result of the nonperformance by a Default Clearing Participant of the settlement of Contracts for Clearing with JSCC, in the case where any portion of such loss still remains uncompensated even after the operation of the provisions of the preceding Article, all Clearing Participants for Default Settlement Period shall pay the First Special Clearing Charge in a manner prescribed by JSCC. In such case, JSCC shall apply such First Special Clearing Charge to the recovery of such uncompensated loss.
- 2 The amount of the First Special Clearing Charge set forth in the preceding Paragraph shall be, for each category of the Clearing Qualification, the amount equal to the uncompensated loss stipulated in the said Paragraph prorated in a manner prescribed by JSCC among the Clearing Participants for Default Settlement Period; provided, however, that the amount of the First Special Clearing Charge shall be capped at three times of the required amount of clearing fund of the Clearing Participants for Default Settlement Period on the day immediately preceding the day on which the Default Settlement Period commences.
- 3 In the case where any portion of the loss remains uncompensated even after the application of the First Special Clearing Charge, all Clearing Participants for Default Settlement Period shall pay the Second Special Clearing Charge in a manner prescribed by JSCC. In such

case, JSCC shall apply such Second Special Clearing Charge for compensating for such uncompensated loss.

- 4 The amount of the Second Special Clearing Charge under the preceding Paragraph shall be obtained by prorating the amount of the loss remaining uncompensated after the application of the First Special Clearing Charge according to the net receivable^{*1} of the amount prescribed by JSCC as the amount equivalent to the VM/OP Premium^{*2} that should have been settled, in respect of the Clearing Participants for Default Settlement Period, during the period from the date of the Determination of Insolvency of the Default Clearing Participant to the date of completion of the liquidation related to the relevant Determination of Insolvency^{*3}.

(*1 only when the relevant amount is positive value)

(*2 including the amount equivalent to the VM/OP Premium arising in association with the Default Settlement Auction prescribed in Paragraph 8 of Article 76 and the early termination charge prescribed in Paragraph 4 of Article 79; hereinafter referred to as "VM/OP Premium Equivalent")

(*3 hereinafter referred to as "Liquidation Period")

- 5 If any of the Clearing Participants for Default Settlement Period does not pay the First Special Clearing Charge set forth in Paragraph 1, the Second Special Clearing Charge set forth in Paragraph 3 or the early termination charge set forth in Paragraph 4 of Article 79, such Clearing Participant for Default Settlement Period shall be regarded as having failed to perform the settlement of Contracts for Clearing on the date on which the default occurred^{*1} with respect to such unpaid amount, and the provisions from Article 76 to this Article shall be applied accordingly.

(*1 including the day on which it is acknowledged that there is a real possibility of a default)

- 6 The provisions of Paragraph 3 and Paragraph 4 of the preceding Article shall apply *mutatis mutandis* in the case where JSCC deems it difficult to calculate the amount of loss which remains uncompensated as referred to in Paragraph 1 for a considerable period. In such case, the phrase, "(JSCC may) compensate for such amount in the manners prescribed in Paragraph 1," in the first sentence of Paragraph 3 of the said Article shall be deemed to be "(JSCC may) demand payment of the First Special Clearing Charge and the Second Special Clearing Charge on the day set by JSCC."

Chapter 12 Miscellaneous Provisions

(Article 84. Extraordinary Change of Settlement Cutoff Time)

When JSCC deems it necessary, JSCC may extraordinarily change the settlement cutoff time in respect of Contracts for Clearing between JSCC and a Clearing Participant. In such case, JSCC shall notify Clearing Participants to that effect in advance.

(Article 85. Postponement of Settlement Date Due to System Failure, etc.)

- 1 In the case where JSCC deems it impossible or difficult to carry out the settlement of Contracts for Clearing by using the systems set up by JSCC or other institutions, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, due to an occurrence of a system failure to those systems or some other unavoidable reasons, JSCC may defer all or a part of the settlement to the following day or later. In such case, JSCC shall notify Clearing Participants to that effect in advance.
- 2 Matters necessary for the postponement of the settlement date set forth in the preceding Paragraph shall be prescribed by JSCC at each applicable occasion.

(Article 86. Extraordinary Measures in Cases of Natural Disaster, etc.)

- 1 If circumstances lead up to the event that the settlement of Contracts for Clearing is deemed to be impossible or extraordinarily difficult due to a natural disaster, economic upheaval, a shortage of goods or other unavoidable reasons, JSCC may set new conditions of the settlement for the relevant contract through a resolution adopted at the meeting of the board of directors of JSCC.
- 2 When JSCC has set the new conditions of the settlement pursuant to the preceding Paragraph, the Clearing Participants shall comply with them.
- 3 In the case of the event stipulated in Paragraph 1 and when JSCC acknowledges urgent need therefor, JSCC may set new conditions of the settlement without the resolution of the board of directors' meeting.

(Article 87. Application of Excess Collateral relating to Business of Assuming Commodity Transaction Debts and Associated Business to Other Clearing Business)

JSCC may apply the excess collateral deposited by a Default Clearing Participant in relation to the Business of Assuming Commodity Transaction Debts and Associated Business*¹ to the payment of any other obligations owed by such Default Clearing Participant to JSCC in accordance with the provisions of the business rules of the Other Clearing Businesses as

applicable.

(*1 referring to the Margin, delivery price, Clearing Deposit or other collateral of which the Default Clearing Participant has the right to claim refund from JSCC in connection with the Business of Assuming Commodity Transaction Debts, that remains after the application to the payment of the obligations of the Default Clearing Participant in accordance with the provisions of these Business Rules*1-1)

(*1-1 including any rules and regulations promulgated hereunder)

(Article 88. Payment of Fees by Designated Market Operator)

A Designated Market Operator shall pay JSCC the fees prescribed by JSCC in its rules in accordance with such rules.

(Article 89. Prohibition of Transfer of Claims)

A Clearing Participant may not transfer or commit to transfer to a third person, or furnish as collateral, any and all claims prescribed in these Business Rules*1 unless otherwise provided herein; provided, however, that this provision shall not apply when a Clearing Participant furnishes the right to claim refund of the Clearing Deposit to National Future Protection Fund as collateral.

(*1 including any rules and regulations promulgated hereunder; the same applies hereinafter in this Article)

(Article 90. Entrustment of Operations)

- 1 JSCC may delegate such administrative works related to the Business of Assuming Commodity Transaction Debts as are specified by JSCC to an entity designated by JSCC.
- 2 In addition to these Business Rules, Clearing Participants shall comply with the rules in respect of the administrative work described in the preceding Paragraph which are set by the entity designated pursuant to the said Paragraph and are approved by JSCC.
- 3 The provisions of Article 18 shall apply *mutatis mutandis* to the case set forth in Paragraph 1.

(Article 91. Stipulation of Necessary Matters Regarding Business of Assuming Commodity Transactions Debts)

In addition to the matters prescribed in these Business Rules, when JSCC deems it necessary regarding the Business of Assuming Commodity Transaction Debts, JSCC may stipulate rules concerning required operations.

(Article 92. Incidental Business)

JSCC shall conduct the businesses incidental to the Business of Assuming Commodity Transaction Debts.

(Article 93. Financial Instruments Obligation Assumption Business and Related Businesses)

JSCC engages in the Financial Instruments Obligation Assumption Services, etc. prescribed in Item 6 of Paragraph 1 of Article 156-3 of the Financial Instruments and Exchange Act.

(Article 94. Authority to Make Amendments)

Amendments to these Business Rules shall be made by resolutions adopted at the meetings of the board of directors; provided, however, that the foregoing shall not apply when the amendments are not material.

Supplementary Provisions

- 1 These Business Rules shall come into effect on July 27, 2020;
- 2 If JSCC considers it inappropriate to apply the provisions of these Business 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 Contracts for Clearing, handling of the assumption of obligations and other necessary matters shall be decided by JSCC at each applicable occasion.
- 3 In respect of the matters listed in each of the below Items and all necessary procedures and other actions concerning such matters, JSCC may perform such matters in accordance with these Business Rules even before the effective date of these Business Rules*1.
(*1 hereinafter referred to as the "Effective Date")
 - (1) Approval of the acquisition of the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification or Dojima Sugar Futures Clearing Qualification for the applicant pursuant to the provisions of Paragraph 3 of Article 6;
 - (2) The examination pursuant to the provisions of Article 7
- 4 When a person falling under any of the below Items applies for an acquisition of the Clearing Qualification specified in the relevant Item in a manner prescribed by JSCC*1, JSCC will not perform the examination on the matters set forth in Item (5) A) 3 of Article 7:
(*1 Only in case of acquisition of Principal Clearing Qualification)
 - (1) An entity holding the clearing qualification of Japan Commodity Clearing House Co., Ltd.*1 relating to the energy market or Chukyo Oil market at Tokyo Commodity Exchange, Inc.
(*1 hereinafter referred to as "JCCH")
 - Energy Futures Clearing Qualification;
 - (2) An entity holding the clearing qualification of JCCH relating to the agricultural market at Osaka Dojima Commodity Exchange
Dojima Agricultural Futures Clearing Qualification; and
 - (3) An entity holding the clearing qualification of JCCH relating to the sugar market at Osaka Dojima Commodity Exchange
Dojima Sugar Futures Clearing Qualification.
- 5 The entity applied for acquisition of the Clearing Qualification pursuant to the provisions of the preceding Paragraph which falls under any of the Items of Paragraph 3 of Article 29 must eliminate such event within the period of one (1) year after the Effective Date, and if

it is unable to do so, JSCC may implement a measure of revocation of the Clearing Qualification for such entity.

6 As to the Dojima Agricultural Futures Clearing Participants and Dojima Sugar Futures Clearing Participants, the matters set forth in the provisions from Article 53 through Article 55 shall be performed in a manner it performed in its capacity as a clearing participant of JCCH before the Effective Date for the time being.

7 In addition to the provisions of Paragraph 2 through the preceding Paragraph, matters regarding the handling of the assumption of obligations at the time these Business Rules come into effect and other necessary matters shall be set by JSCC at each applicable occasions.

Supplementary Provisions

These revised Rules shall come into effect on April 1, 2021.

Supplementary Provisions

These revised Rules shall come into effect on the later of (i) the date on which the amendment to the Articles of Incorporation of Osaka Dojima Commodity Exchange, Inc. related to its trade name change becomes effective, or (ii) the date on which the authorizations of the Minister of Agriculture, Forestry and Fisheries and the Minister of Economy, Trade and Industry are granted.

Supplementary Provisions

These revised Rules shall come into effect on the later of April 4, 2022 or the date on which the authorizations of the Minister of Agriculture, Forestry and Fisheries and the Minister of Economy, Trade and Industry are granted.

Supplementary Provisions

1 These revised Rules shall come into effect on the later of September 21, 2022 or the date on which the authorizations of the Minister of Agriculture, Forestry and Fisheries and the Minister of Economy, Trade and Industry are granted.

2 Notwithstanding the provisions of the preceding Paragraph, if an enforcement of these revised Rules on the date prescribed in the preceding Paragraph is

inappropriate 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 revised Rules shall come into force as of the date separately designated by JSCC within 3 months after such date.

Supplementary Provisions

- 1 These revised Rules shall come into effect on March 27, 2023.
- 2 Notwithstanding the provisions of the preceding Paragraph, if an enforcement of these revised Rules on the date prescribed in the preceding Paragraph is inappropriate 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 revised Rules shall come into force as of the date separately designated by JSCC within 3 months after such date.
- 3 In respect of the matters listed in each of the below Items and all necessary procedures and other actions concerning such matters, JSCC may perform such matters in accordance with the revised Rules even before the effective date of these revised Rules:
 - (1) Approval of an acquisition of Dojima Precious Metal Futures Clearing Qualification by an applicant pursuant to the provisions of Paragraph 3 of Article 6; and
 - (2) Examination for an acquisition of Dojima Precious Metal Futures Clearing Qualification pursuant to the provisions of Article 7.

(Article 1 Purpose)

These Rules set forth the matters to be prescribed by JSCC pursuant to the Business Rules on Business of Assuming Commodity Transaction Debts (hereinafter referred to as the “Business Rules”) as well as the matters necessary for the implementation of the Business Rules.

(Article 2. Application for Acquisition of Commodity Transaction Clearing Qualification)

1 The application for obtaining the Commodity Transaction Clearing Qualification prescribed in Paragraph 1 of Article 6 of the Business Rules shall be made by way of a Commodity Transaction Clearing Qualification applicant’s submission to JSCC of a written application for the Commodity Transaction Clearing Qualification in a prescribed form containing the information listed in the following Items:

- (1) Category of Commodity Transaction Clearing Qualification to be obtained, and whether it is the Principal Clearing Qualification or the Agency Clearing Qualification;
- (2) Trade name or corporate name*¹;
(*¹ including the trade name or corporate name in English)
- (3) Address of the headquarters or principal office;
- (4) Name of the representative; and
- (5) Reason for an application for acquisition of Commodity Transaction Clearing Qualification.

2 Documents deemed necessary by JSCC shall be attached to the written application for the Commodity Transaction Clearing Qualification set forth in the preceding Paragraph.

(Article 3. Document concerning Parental Guarantee)

The form to be prescribed by JSCC as set forth in Paragraph 2 of Article 6 and Article 12 of the Business Rules shall be the form attached hereto as Exhibit Form 1.

(Article 4. Procedures for Obtaining Commodity Transaction Clearing Qualification)

1 The procedures for obtaining the Commodity Transaction Clearing Qualification prescribed in Paragraph 1 of Article 8 of the Business Rules shall be the payment of the fee for obtaining the Clearing Qualification and other procedures deemed necessary by JSCC.

2 The fee for obtaining the Clearing Qualification set forth in the preceding Paragraph shall be 1 million yen for each category of the Commodity Transaction Clearing Qualification to be obtained, which shall be paid together with the corresponding consumption tax and local consumption tax; provided, however, that in the event that more than one category of the Clearing Qualifications set forth in the Business Rules and the business rules prescribed in respect of the Securities and Similar Contracts Clearing Business are to be obtained simultaneously, the fee shall be 1

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(Article 5. Matters to be Notified)

Notifications prescribed in Article 14, Article 15, Article 19, Article 44 and Article 45 of the Business Rules to JSCC shall be submitted by the date and time prescribed by JSCC by way of submission of the prescribed notification forms, to which the documents deemed necessary by JSCC shall be attached.

(Article 6. Procedures for Hearings)

The procedures relating to the hearing stipulated in Paragraph 2 of Article 16 of the Business Rules shall be as prescribed in the following Items:

- (1) JSCC shall notify the Clearing Participant subject to the hearing of the topics and the date of the hearing in advance.
- (2) The relevant Clearing Participant shall have the right to give a statement at the hearing, and JSCC shall prepare records of the topics of the hearing, contents of the statements made thereat and other matters.

(Article 7. Matters to be Reported)

1 The circumstances to be prescribed by JSCC as set forth in Article 20 of the Business Rules shall be those listed in the following Items, and the reports shall be submitted in the prescribed forms, to which the documents deemed necessary by JSCC shall be attached:

- (1) When the Clearing Participant prescribed or amended the method of managing the risk of loss, the method of division of duties or the details or methods of other operations;
- (2) When the Clearing Participant suspends or restarts the commodity derivatives business if it is a Commodity Futures Trading Firm, or the operations relating to the Commodity Futures Contracts if it is any other entity.
- (3) When the Clearing Participant has filed a petition for the commencement of bankruptcy proceedings, the commencement of rehabilitation proceedings, the commencement of corporate reorganization proceedings or the commencement of a special liquidation proceedings^{*1} or its liquidation process has commenced, or it became aware that such fact^{*2};
(*1 including any equivalent petition under the laws and regulations of a foreign country)
(*2 including any equivalent fact under the laws and regulations of a foreign country)
- (4) When the Clearing Participant becomes, or is likely to become, insolvent;
- (5) When it has been decided that the license of the Commodity Futures Trading Firm will not be granted^{*1} or the license is conditional or such conditions to the license have been changed;
(*1 including any renewal of the license)

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(6) When the Clearing Participant became aware that a majority of the voting rights^{*1} of all shareholders or a majority of the voting rights relating to capital contributions has come to be held by a single individual, a single legal entity or another organization;

(*1 including the voting rights pertaining to the shares which are deemed to have voting rights pursuant to Paragraph 3 of Article 879 of the Companies Act (Act No. 86 of 2005), but excluding the voting rights pertaining to the shares whose voting rights cannot be exercised on any of the matters that may be resolved on at general meetings of shareholders)

(7) When there has been any change in the composition of the top 10 major shareholders^{*1} of the Clearing Participant;

(*1 referring to the 10 shareholders ranked in the order of the number of shares owned in their own names or in other persons' names)

(8) When any of directors or officers of the Clearing Participant became, or ceased to be, a director or officer of another corporation or other legal entity;

(9) For a Commodity Futures Trading Firm, to which required net asset ratio is applicable under the provision of Paragraph 1 of Article 211 of the Act, when the required net asset ratio becomes lower than 140 percent^{*1}, or when it breached the threshold concerning the financial conditions set forth in any other law or the Financial Instruments and Exchange Act (Act No. 25 of 1948), and filed a notification with the competent authority;

(*1 in the case of an Agency Clearing Participant, becomes lower than 200 percent)

(10) When the Clearing Participant has become subject to a disposition pursuant to the provisions of the Act, the Financial Instruments and Exchange Act or any equivalent laws and regulations of a foreign country, or an opportunity to participate in a hearing or to present a defense in connection with such disposition has been granted;

(11) In association with a disposition set forth in the preceding Item, when the Clearing Participant reported an improvement plan and the like to an administrative agency;

(12) When the Clearing Participant has become subject to a disposition by a Commodity Exchange^{*1}, Financial Instruments Exchange established under the Financial Instruments and Exchange Act^{*2} or a Financial Instruments Clearing Organization^{*3}, the wholesale electricity exchange designated pursuant to the Electricity Business Act (Act 170 of 1964)^{*4} or any equivalent exchange or the like of a foreign country, or an opportunity to participate in a hearing or to present a defense in connection with such disposition has been granted;

(*1 referring to the Commodity Exchange under Paragraph 4 of Article 2 of the Act; the same applies hereinafter)

(*2 hereinafter referred to as "Financial Instruments Exchange")

(*3 hereinafter referred to as "Financial Instruments Clearing Organization")

(*4 hereinafter referred to as "Wholesale Electricity Exchange")

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- (13) When an officer of the Clearing Participant falls under any of (a) through (k) of Item (1) of Paragraph 2 of Article 15 of the Act;
- (14) When a lawsuit^{*1} involving a civil case has been filed, if a decision, etc., has been entered by a court in such lawsuit^{*2}, if a petition for mediation^{*3} under the Act for Conciliation of Civil Affairs has been filed, or if such mediation has been concluded;
- (*¹ excluding cases where the value of the object of the lawsuit is less than 300 million yen)
- (*² including appeal)
- (*³ excluding cases where the value of the subject matter of the mediation is less than 300 million yen)
- (15) When a Non-Clearing Participant which has designated the relevant Clearing Participant as its Designated Clearing Participant failed to perform the settlement or there is a real possibility that such Non-Clearing Participant will fail to perform the settlement;
- (16) When the amount of its stated capital or the total amount of capital contributions^{*1} becomes less than 300 million yen or its net asset becomes less than 1 billion yen^{*2};
- (*¹ in the case of a mutual company, the total amount of the foundation fund^{*1-1})
- (*¹⁻¹ including the amount of reserve for redemption of the foundation fund)
- (*² in the case of an Agency Clearing Participant, 20 billion yen)
- (17) When the Clearing Participant has become subject to a disposition or exemplary attachment for late payment of taxes; or becoming subject to an attachment, provisional action or other preservative action ordered by a court;
- (18) When the Clearing Participant has been indicted for a criminal charge^{*1};
- (*¹ including an indictment against the officers of the Clearing Participant)
- (19) When the Clearing Participant prepared the report concerning its affiliated companies prescribed by JSCC;
- (20) When the Clearing Participant prepared a Business Report^{*1};
- (*¹ for a Company with Financial Auditor, the Business Report to which the audit report by the financial auditor on financial statements attached to the Business Report is attached)
- (21) When the Clearing Participant prepared fact sheets prescribed by JSCC regarding financial results or interim financial results;
- (22) For a Commodity Futures Trading Firm, when the Clearing Participant prepared a monthly report^{*1};
- (*¹ referring to the document prescribed as Form No. 12 under the Ordinance for Enforcement of the Commodity Derivatives Act (Ministerial Order No. 3 of 2005 issued by the Ministry of Agriculture, Forestry and Fisheries and Ministry of Economy Trade and Industry); hereinafter referred to as the "Ordinance")
- (23) When the Clearing Participant agreed or changed, with a Non-Clearing Participant, the conditions to the effect that the Contracts for Commissioning Clearance can be canceled,

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from a viewpoint of the certainty of the performance of obligations relating to the contracts pursuant to the commission of the Commodity Clearing Transactions;

(24) When the Clearing Participant changes its fiscal year end date;

(25) When the Clearing Participant filed a notification concerning a transfer of position with the Designated Market Operator.

2 As to the report concerning an affiliated companies set forth in Item (19) of the preceding Paragraph, a report regarding its affiliated companies pursuant to the provisions of Paragraph 2 of Article 46-3 of the Financial Instruments and Exchange Act in the case of a Financial Instruments Business Operator; a report regarding its affiliated companies pursuant to the provisions of Paragraph 2 of Article 48-2 of the said Act in the case of a Registered Financial Institution; or a report regarding its affiliated companies pursuant to the provisions of Paragraph 2 of Article 49-3 of the said Act in the case of a foreign Financial Instruments Business Operator shall be submitted;

3 Business Report set forth in Item (20) of Paragraph 1 shall be as follows:

(1) If the Clearing Participant is a Commodity Futures Trading Firm, the document prepared pursuant to Article 116 of the Ordinance; and

(2) If the Clearing Participant is not a Commodity Futures Trading Firm, the document prepared pursuant to Article 116 of the Ordinance or the document set forth in any of the below Items according to the classification set forth below:

a. An entity that prepares the Securities Report defined in Article 24 the Financial Instruments and Exchange Act:

Such Report

b. An entity that prepares a business report pursuant to the provisions of Article 46-3 of the Financial Instruments and Exchange Act*¹:

(*¹ other than those listed in a. above)

Such Report

c. An entity that prepares business report pursuant to the provisions of Article 19 of the Banking Act (Act No. 59 of 1984)*¹:

(*¹ other than those listed in a. or b. above)

Such Report

d. An entity that prepares the financial statements and business reports and annexed detailed statements thereto pursuant to the provisions of Paragraph 2 of Article 435 of the Companies Act (Act No. 86 of 2005)*¹:

(*¹ other than those listed in a., b. or c. above)

Financial Statements and the like relating to each fiscal year

e. For entities other than those listed in a. through d above;

Balance sheet, profit and loss statement and other documents deemed necessary by

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JSCC relating to each fiscal year.

4 A submission of the monthly report set forth in Item (22) of Paragraph 1 is not required when the Clearing Participant has submitted the monitoring survey sheet pursuant to the provisions of Article 56-2 of the Financial Instruments and Exchange Act as set forth in Item (15) of Paragraph 1 of Article 8 of the handling of business rules prescribed in connection with the Securities and Similar Contracts Clearing Business.

5 For a Clearing Participant under a Parental Guarantee, events prescribed under Article 20 of the Business Rules shall be, in addition to those listed in Paragraph 1^{*1}, those listed in the following Items, and the Clearing Participant shall report such event using the form prescribed by JSCC together with documents which JSCC deems necessary:

(*1 excluding Item (16) of the said Paragraph)

(1) When the Parent^{*1} falls under any of the events set forth in Item (3), Item (4), Item (14), Item (16), Item (19) or Item (20) of Paragraph 1. In such case, the phrase, "its net asset becomes less than 1 billion yen*2," in Item (16) shall be deemed to be "its net asset becomes less than 20 billion yen."

(*1 limited to the Parent provided the Parental Guarantee for the relevant Clearing Participant; the same applies hereinafter in this Article)

(2) When the Parent suspended or resumed all of its businesses.

(Article 8. Reporting Method in response to Inquiry to Clearing Participant Holding Excessive Position)

The report set forth in Paragraph 1 and Paragraph 3 of Article 22 of the Business Rules shall be submitted using the prescribed form and attaching the documents JSCC considers necessary.

(Article 9. Application for Renunciation of Commodity Transaction Clearing Qualification)

1 The application for renunciation of the Commodity Transaction Clearing Qualification prescribed in Article 23 of the Business Rules shall be made by way of submission by the Commodity Transaction Clearing Qualification renunciation applicant to JSCC of a written application for renunciation of the Commodity Transaction Clearing Qualification in a prescribed form, containing the information set forth in the following Items:

(1) Category of the Commodity Transaction Clearing Qualification to be renounced, and whether it is the Principal Clearing Qualification or the Agency Clearing Qualification;

(2) Trade name or corporate name^{*1};

(*1 including the trade name or corporate name in English)

(3) Address of the headquarters or principal office;

(4) Name of the representative; and

(5) Reason for applying for renunciation of the Commodity Transaction Clearing Qualification.

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2 Documents set forth in the following Items shall be attached to the written application for renunciation of the Commodity Transaction Clearing Qualification set forth in the preceding Paragraph:

- (1) Schedule for the renunciation of the Commodity Transaction Clearing Qualification; and
- (2) Other documents deemed necessary by JSCC.

(Article 10. Margins with Respect to which Measures are Taken)

1 The Margin to be prescribed by JSCC as set forth in Paragraph 1 of Article 32 of the Business Rules shall be the Margins listed in Paragraph 1 of Article 12-2^{*1} and Item (2) of Article 22 of the Rules on Margin for Business of Assuming Commodity Transaction Debts.

(*1 excluding Margins under Paragraph 3 of Article 12-2 that relates to the accounts set forth in Item (2) of Article 53 and Item (2) of Article 54 of the Business Rules)

2 The Margin to be prescribed by JSCC as set forth in Paragraph 2 of Article 32 of the Business Rules shall be the Margins listed in Paragraph 1 of Article 12-2^{*1} and Item (2), Item (5) and Item (9) of Article 22 of the Rules on Margin for Business of Assuming Commodity Transaction Debts.

(*1 excluding Margins under Paragraph 3 of Article 12-2 that relates to the accounts set forth in Item (2) of Article 53 and Item (2) of Article 54 of the Business Rules)

(Article 11. Hours subject to Emergency Suspension)

The period of time to be prescribed by JSCC as set forth in Article 33 of the Business Rules shall be from 1:00 P.M. to 9:00 A.M. on the following day^{*1}.

(*1 if such day falls on a Non-Business Day, the day shall be the immediately following Business Day)

(Article 11-2 Indicator Value Calculation Method on Consecutive Holiday Trading Days)

1 The indicator value to be prescribed by JSCC as set forth in Paragraph 1 of Article 33-2 of the Business Rules shall be the value obtained by dividing the Total Risk Equivalent under Normal Market Conditions set forth in Paragraph 2 of Article 30 of the Rules on Margin for Business of Assuming Commodity Transaction Debts by the sum of the deposited amount of Margin for the Clearing Participant's house account and the deposited amount of clearing fund.

2 The judgment timing to be prescribed by JSCC as set forth in Item (1) of Paragraph 1 of Article 33-2 of the Business Rules shall be 16:00, and the timing JSCC designates as deadline as set forth in Item (2) of Paragraph 1 of Article 33-2 shall be 11:00.

3 The value to be separately prescribed by JSCC as set forth in Paragraph 2 of Article 33-2 of the Business Rules shall be 1.

4 The amount to be prescribed by JSCC as set forth in Paragraph 3 of Article 33-2 of the Business Rules shall be the money to be received as a third party guarantee against loss set forth in

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Paragraph 4 of Article 81 of the Business Rules the purpose of which is a recovery of loss from any settlement failure on a Holiday Trading Day.

(Article 12. Contract for Commissioning Clearance)

The Contract for Commissioning Clearance stipulated in Article 44 of the Business Rules shall be, according to the category of the Clearing Qualification of the Agency Clearing Participant set forth in each of the following Items, in the form of the applicable Exhibit Form referenced in the applicable Item:

(1) Energy Futures Clearing Qualification;

Exhibit Form 2

(2) Dojima ~~Agricultural Sugar~~ Futures Clearing Qualification.

Exhibit Form 3

(3) Dojima Sugar Futures Clearing Qualification.

Exhibit Form 4

(4) Dojima Precious Metal Futures Clearing Qualification.

Exhibit Form 5

(Article 13. Allocation Report and the Like)

1 When allocating the Unsettled Contracts related to Futures Contracts managed under one of the accounts^{*1} set forth in Article 53 and Article 54 of the Business Rules to another account with the same account classification, the Clearing Participant shall submit the report of such allocation^{*2} to JSCC first, and then perform such allocation or transfer of Position related to the Futures Contracts.

(*1 excluding the account set forth in Item (1) of Article 53 of the Business Rules)

(*2 hereinafter referred to as the "Allocation Report")

2 When the preceding Paragraph applies, the Allocation Report shall be submitted by 6:00 P.M. on the day on which the trading day of the conclusion of the Futures Contract related to the Unsettled Contract ends.

3 Notwithstanding the provisions of the preceding Paragraph, when JSCC deems a submission of the Allocation Report impossible or difficult due to problems affecting the operation of the systems set up by JSCC or another institution which are necessary for the submission of the Allocation Report or due to any other unavoidable cause, the Clearing Participants shall submit the Allocation Report by the time prescribed by JSCC at each applicable occasion. In such event, prior notice of such cutoff time shall be provided to the Clearing Participants.

(Article 14. Cutoff Time for Close-out Quantity Report and the Like in Respect of Futures Contracts)

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1 The notification set forth in Article 55 of the Business Rules^{*1} shall be made by 7:00 P.M.^{*2} on the day on which the trading day of the performance of the settlement ends.

(*1 hereinafter referred to as "Close-out Quantity Report")

(*2 as to the last trading day of the current contract month of Physical Settlement Futures Contracts, 5:00 P.M.)

2 When JSCC deems a submission of a Close-out Quantity Report impossible or difficult due to problems affecting the operation of the systems set up by JSCC or another institution which are necessary for the submission of the Close-out Quantity Report or due to any other unavoidable cause, the cutoff time prescribed in the preceding Paragraph shall be the time prescribed by JSCC on each applicable occasion. In such event, prior notice of such cutoff time shall be provided to the Clearing Participants.

(Article 15 Settlement Prices)

The Settlement Price to be prescribed by JSCC as set forth in Article 57 of the Business Rules shall be as prescribed in the following Items, based on the classification referenced in each Item; provided, however, that JSCC shall determine the Settlement Price at each applicable occasion, in the event that JSCC deems it inappropriate to determine the Settlement Price pursuant to each of such Items:

(1) Market prescribed in Item (1) and Item (2) of Article 3 of the Business Rules

a. Physical Settlement Futures Contracts^{*1}:

(*1 excluding those prescribed in the following Item)

The last contract price^{*1} of the Physical Settlement Futures Contracts in respective clearing period that is in the auction trading during the period from the commencement of the night session to the end of the day session prescribed by the Designated Market Operator; provided, however, that in the event that no such contract price exists, the Settlement Price shall be the Settlement Price for the immediately preceding clearing period^{*2}.

(*1 excluding the contract price under Strategy Contracts^{*1-1}; the same applies hereinafter in this Item)

(*1-1 referring to the strategy contracts prescribed by the Designated Market Operator: the same applies hereinafter)

(*2 for the contract month contract on the first trading day, the Settlement Price for the contract month contract whose last trading day is the nearest to that of the relevant contract month)

b. Physical Settlement Futures Contracts (only the current contract month on the last trading day)

The weighted average price^{*1} of the Physical Settlement Futures Contracts during the day session on the last trading day; provided, however, that in the event that no such contract

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(*¹ referring to the price obtained through the weighted average in a manner of multiplying the contract price by the contract quantity^{*1-1}, and then dividing the resultant value by the aggregate contract quantity)

(*¹⁻¹ excluding the contract price under Strategy Contracts; the same applies hereinafter in this Item)

c. Cash Settlement Futures Contract

The last contract price^{*1} in a clearing period concluded through Individual Auction prescribed by the Designated Market Operator, and in the event that no contract price exists during the relevant clearing period, the Settlement Price for the immediately preceding clearing period^{*2}.

(*¹ excluding the contract price under Strategy Contracts)

(*² as to the first day of each contract month, the Settlement Price for the contract month contract whose last trading day is the nearest to that of the relevant contract month)

(2) Market prescribed in Item (3) and Item (4) of Article 3 of the Business Rules

a. The weighted average price^{*1} during the period from 1:00 P.M. through 3:00 P.M.^{*2} of a clearing period; provided, however, that in the event that no contract price exists during the relevant period of time, the last contract price during the same clearing period, and in the event that no contract price exists during the same clearing period, the Settlement Price for the immediately preceding clearing period^{*3}.

(*¹ referring to the price obtained through weighted average of the contract price and contract quantity concluded through Individual Auction prescribed by the Designated Market Operator)

(*² on the last trading day, from 9:00 A.M. through 3:00 P.M. with respect to the current contract month)

(*³ in the event that no Settlement Price exists for the immediately preceding clearing period, the Settlement Price related to the latest contract month)

b. In the event that JSCC deems the Settlement Price determined as per the provisions of a. above inappropriate, it shall be the price obtained according to (a) and (b) below:

(a) When a selling order which designates the price lower than the Settlement Price for the immediately preceding clearing period exists at the close of the trading session, the price of such selling order which designated the lowest price;

(b) When a buying order which designates the price higher than the Settlement Price for the immediately preceding clearing period exists at the close of the trading session, the price of such buying order designated the highest price.

(3) Market prescribed in Item (5) of Article 3 of the Business Rules

Theoretical spot price prescribed by the Designated Market Operator.

(Article 16. Payment/Receipt of Money)

1 The payment and receipt of money set forth in Article 62 of the Business Rules shall be performed according to the manner set forth below:

(1) A Clearing Participant making a payment of money shall open an account at the bank^{*1} which is selected by the Clearing Participant from the banks designated by JSCC or the Bank of Japan, and shall make a remittance from such account to the account held in the name of JSCC at such Fund Settling Bank.

(*1 hereinafter referred to as the "Fund Settling Bank")

(2) A Clearing Participant receiving a payment of money shall open an account at the Fund Settling Bank and receive it at such account.

2 The case to be prescribed by JSCC as set forth in Paragraph 3 of Article 62 of the Business Rules shall be the case where a Clearing Participant submits a request to JSCC for each account set forth in Article 53 and Article 54 of the Business Rules, and JSCC approves such request.

3 The payment and receipt of money to be prescribed by JSCC as set forth in Paragraph 3 of Article 62 of the Business Rules shall be performed according to the manner set forth below:

(1) The Clearing Participant making a payment of money shall make payment to JSCC with the money^{*1} deposited to the account approved by JSCC pursuant to the provisions of the preceding Paragraph;

(*1 only in Japanese yen)

(2) The Clearing Participant receiving a payment of money shall receive money^{*1} at the account approved by JSCC pursuant to the provisions of the preceding Paragraph. In this case, money the Clearing Participant received shall be deemed to have been deposited to the relevant account.

(*1 only in Japanese yen)

(Article 17. Cutoff Time for Application Concerning Position Transfer)

1 The cutoff time to be prescribed by JSCC as set forth in Paragraph 2 and Paragraph 5 of Article 66 of the Business Rules shall be 2:00 P.M. on the day on which the Position Transfer is to be implemented

2 When JSCC deems a submission of the applications prescribed in Paragraph 2 and Paragraph 5 of Article 66 of the Business Rules to JSCC impossible or difficult due to problems affecting the operation of the systems set up by JSCC or another institution which are necessary for submission of such applications, or due to any other unavoidable cause, the cutoff time prescribed in the preceding two Paragraphs shall be the time prescribed by JSCC at each

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(Article 18. Currencies Designated by JSCC)

- 1 The currencies to be designated by JSCC as set forth in Paragraph 4 of Article 68 of the Business Rules shall be Japanese yen and the currency of the United States of America.
- 2 The certain rate to be prescribed by JSCC as set forth in Paragraph 4 of Article 68 of the Business Rules shall be 95 percent in the case of the currency of the United States of America.

(Article 19. Securities Deposited in lieu of Cash)

Matters regarding the securities to be deposited in lieu of cash as set forth in Paragraph 5 through Paragraph 7 of Article 68 of the Business Rules shall be set forth in Appendix 1.

(Article 20. Termination of Settlement Use)

The amount to be prescribed by JSCC as set forth in Paragraph 3 of Article 75 of the Business Rules shall be the amount equivalent to the cost required, in the ordinary course of business, for JSCC to procure the money in the amount of clearing fund related to the Settlement Use, prorated according to the Clearing Fund Cash Requirement on the day immediately preceding the Settlement Use Commencement Date for each of the Clearing Participants on Settlement Use Commencement Date.

(Article 21. Liquidation for Completion of Settlement and Default Settlement Auction related to Default Delivery Position)

- 1 When holding a Default Settlement Auction in respect of the Default Delivery Position in accordance with the provisions of Paragraph 9 of Article 76 of the Business Rules, JSCC shall decide the Clearing Participants to perform the Settlement by Delivery related to the Physical Settlement Futures Contract with the Default Delivery Position^{*1} and the position of such Clearing Participant^{*2} in a manner set forth below:

(*1 hereinafter referred to as "Counterparty to Default Delivery Position")

(*2 hereinafter referred to as "Offsetting Position to Default Delivery Position")

- (1) When the Clearing Participant to be a counterparty to the Settlement by Delivery related to the Physical Settlement Futures Contracts related to the Default Delivery Position has not been decided as of the Determination of Insolvency of the Default Clearing Participant:

A portion of the Default Delivery Position to be allocated to each Clearing Participant holding the offsetting position to the Default Delivery Position shall be determined by prorating the Default Delivery Position^{*1} according to the quantity of the offsetting position held by each Clearing Participant^{*2}. The Counterparty to Default Delivery Position shall be the Clearing

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Participant to which a portion so determined is allocated, and the Offsetting Position to Default Delivery Position shall be the offsetting delivery position of the Counterparty to Default Delivery Position^{*2} equivalent to the quantity so allocated; provided, however, that if there is any fraction less than the delivery unit in the quantity so allocated, it shall be the quantity obtained by rounding such fraction to the nearest delivery unit with 0.5 delivery unit being rounded upwards^{*3}.

(*¹ excluding a cross-position^{*1-1})

(*¹⁻¹ referring to the quantity for which the quantity of the delivery position related to short position and the quantity of the delivery position related to long position matches)

(*² including a cross-position)

(*³ if there arises any excess or deficit in the aggregate number of the Offsetting Position to Default Delivery Position due to such rounding, the quantity determined by an adjustment of the Offsetting Position to Default Settlement through JSCC's lottery performed to make the quantity of the Offsetting Position to Default Delivery Position the same as the quantity of the Default Delivery Position)

(2) When the Clearing Participant to be a counterparty to the Settlement by Delivery related to the Physical Settlement Futures Contracts related to the Default Delivery Position has been decided as of the Determination of Insolvency of the Default Clearing Participant:

The Clearing Participant that has decided to be the counterparty shall be the Counterparty to Default Delivery Position and the offsetting position of the relevant Counterparty to Default Delivery Position for which the delivery has been decided shall be the Offsetting Position to Default Delivery Position.

2 The Default Settlement Auction for the Default Delivery Position set forth in the preceding Paragraph shall be held in a manner set forth below:

(1) The quantity of Default Delivery Position subject to the Default Settlement Auction shall be the quantity of the Default Delivery Position minus the quantity of the cross-position;

(2) The unit of the quantity for bid shall be the unit equivalent to the trading unit of the issue related to the Default Delivery Position prescribed by the Designated Market Operator;

(3) The unit of selling offer price for the quantity for bid shall be the unit equivalent to the delivery unit of the issue related to the Default Delivery Position;

(4) The price for which Clearing Participants may bid on the Default Settlement Auction shall be floored at the price obtained by subtracting bid acceptable price range^{*1} from the delivery price related to the Default Delivery Position and capped at the price obtained by adding the bid acceptable price range to the delivery price; provided, however, that when JSCC deems it necessary, JSCC may extraordinarily change the price range for which bid can be submitted; and

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(*1 it shall be the value obtained by multiplying the delivery price by 10/100; the same applies hereinafter)

- (5) In addition to each of the preceding Items, the matters necessary for the Default Settlement Auction related to Default Delivery Position shall be set by JSCC at each applicable occasion.
- 3 As to the quantity of the cross-position of the Default Delivery Position excluded from the subject of the Default Settlement Auction pursuant to the provisions of the preceding Paragraph, JSCC deems that its Offsetting-Sale or Offsetting-Purchase at the delivery price related to the relevant Default Delivery Position has been executed and its settlement has been completed on the date designated by JSCC.
- 4 When a Clearing Participant wins the bid for the Default Delivery Position at the Default Settlement Auction for the Default Delivery Position and the relevant Default Settlement Auction has been successfully concluded, JSCC shall have the Settlement by Delivery related to the Physical Settlement Futures Contracts performed between the Default Delivery Position of the Clearing Participant who won the bid and the Offsetting Position to Default Delivery Position of the Counterparty to Default Delivery Position set forth in Paragraph 1 in a manner prescribed by JSCC.
- 5 No bid on the Default Delivery Position is successful at a Default Settlement Auction for a Default Delivery Position and the Default Settlement Auction is unsuccessful, JSCC deems that an Offsetting-Sale or Offsetting-Purchase has been performed between the relevant Default Delivery Position and the Offsetting Position to Default Delivery Position of the Counterparty to Default Delivery Position set forth in Paragraph 1 at the delivery price and its settlement has been completed on the date designated by JSCC.
- 6 When a settlement is deemed to have been completed pursuant to the provisions of the preceding Paragraph, the Counterparty to Default Delivery Position may claim against JSCC an amount of money required for recovery of the benefit which could have been enjoyed by it had such completion of settlement not occurred and the Settlement by Delivery related to the Physical Settlement Future Contracts of the Offsetting Position to Default Delivery Position been performed*1.
- (*1 hereinafter referred to as "Reestablishment Cost")
- 7 When the Counterparty to Default Delivery Position claims the Reestablishment Cost against JSCC pursuant to the provisions of the preceding Paragraph, the relevant Counterparty to Default Delivery Position shall submit the document evidencing the Reestablishment Cost to JSCC.
- 8 Only when JSCC considers the document submitted by the Counterparty to Default Delivery Position pursuant to the provisions of the preceding Paragraph as justifiable, JSCC will pay the Reestablishment Cost to the relevant Counterparty to Default Delivery Position.

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- 9 The Reestablishment Cost to be paid by JSCC pursuant to the provisions of the preceding Paragraph shall be capped at the amount equal to 10 percent of the delivery price related to the Offsetting Position to Default Delivery Position; provided, however, that JSCC may raise such cap only when it deems it specifically necessary.
- 10 In addition to the matters prescribed in Paragraph 6 through the preceding Paragraph, matters necessary for the claim and payment of the Reestablishment Cost shall be prescribed by JSCC at each applicable occasion.

(Article 22. Details of Measures in case of Settlement Default)

- 1 Upon consultation under the provisions of Paragraph 1 of Article 78 of the Business Rules, the Clearing Participants shall have its Representative of Clearing Participant or any person representing or acting on behalf of the Clearing Participant instead of such person participate in the consultation under Paragraph 1 of the said Article and give consent under Paragraph 2 of the said Article.
- 2 The consultation set forth in Paragraph 1 of Article 78 of the Business Rules shall be held within 24 hours after the bid results of the Default Settlement Auction is identified; provided, however, that if JSCC deems it necessary to do so, JSCC may extend such time period.
- 3 The early termination set forth in Paragraph 1 of Article 79 of the Business Rules shall be implemented, as a result of the Default Settlement Auction, in respect of the position related to the Defaulted Contracts which JSCC deems necessary^{*1}, and such position related to Contracts for Clearing^{*2} of the Clearing Participants other than the Default Clearing Participant during the Default Settlement Period^{*3} that are for the method of settlement of loss submitted to the consultation as set forth in Paragraph 1 of Article 78 of the Business Rules as designated by JSCC, by each account of the Clearing Participant for Default Settlement Period, according to the priority set forth in below Items:

(*1 hereinafter referred to as "Early Termination Position")

(*2 hereinafter referred to as "Early Termination Allocated Position")

(*3 hereinafter referred to as "Clearing Participant for Default Settlement Period")

- (1) By an account of each Clearing Participant for Default Settlement Period, as to the issue in which the Early Termination Position exists, obtain the quantity of net position^{*1} by issue which is an offsetting position against the Early Termination Position^{*2};

(*1 i.e., position obtained by netting long position and short position in the relevant account)

(*2 hereinafter referred to as "Net Quantity per Issue")

- (2) The quantity obtained by prorating the quantity of the Early Termination Position according to the total Net Quantity by Issue as to all accounts held by each Clearing Participant for Default Settlement Period shall be the quantity allocated to each of the Clearing Participants for Default Settlement Period.

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- (3) The position in the quantity allocated by prorating the quantity allocated to each of the Clearing Participants for Default Settlement Period under the preceding Item according to the Net Quantity by Issue for each account of the relevant Clearing Participant for Default Settlement Period shall be the Early Termination Allocated Position.

(Article 23. Method of Using Margin or Clearing Fund to Compensate for Loss)

1 When using the Margin prescribed in Item (1) of Paragraph 1 of Article 81 of the Business Rules to compensate for loss incurred by JSCC, for each category of the Commodity Transaction Clearing Qualification, pursuant to the provisions of the said Paragraph, such Margin shall be so used after it is prorated according to the required amount of the Margin for each category of the Commodity Transaction Clearing Qualification^{*1}.

(*1 referring to the required amount of the Margin which is calculated in accordance with the provisions of the Rules on Margin for Business of Assuming Commodity Transaction Debts based on the position for the proprietary account with respect to each category of the Commodity Transaction Clearing Qualification for the relevant Default Clearing Participant^{*1-1} on the day immediately preceding the day of the occurrence of the relevant default^{*1-2})

(*1-1 referring to "Default Clearing Participant" defined in Paragraph 1 of Article 76 of the Business Rules; the same applies hereinafter)

(*1-2 hereinafter referred to as the "Default Day")

2 The provisions of the preceding Paragraph shall apply mutatis mutandis when using the Margin prescribed in Item (2) of Paragraph 1 of Article 81 of the Business Rules to compensate for loss. In such event, the phrase, "the position for the proprietary account" shall be deemed to be "the position^{*1}".

(*1 excluding any position for the proprietary account)

3 The loss incurred by JSCC shall be compensated for by the clearing fund prescribed in Item (3) of Paragraph 1 of Article 81 of the Business Rules, for each category of the Commodity Transaction Clearing Qualification, pursuant to the provisions of the said Paragraph.

4 If any amount of the Margin and the like for proprietary account remains after it is used to compensate for loss pursuant to the provisions of the preceding three Paragraphs, if the Default Clearing Participant participates in a merger, or if JSCC otherwise deems it necessary, the Margin and the like for proprietary account shall be used to compensate for loss incurred by JSCC, after it is prorated in a manner prescribed by JSCC at each applicable occasion.

(Article 24. Liquidation Method of Securities in lieu of Cash for Compensation for Loss Caused by Settlement Default)

The liquidation of the Securities in lieu of Cash set forth in Paragraph 1 of Article 81 of the Business Rules shall be performed, when the Default Clearing Participant becomes, or is threatened to

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(Article 25. Accumulation and Use of Commodity Futures Settlement Guarantee Reserve)

- 1 As the Commodity Futures Settlement Guarantee Reserve, JSCC shall set aside the amount of 2,370,000,000 yen.
- 2 When the Commodity Futures Settlement Guarantee Reserve is used in whole or in part in accordance with the provisions of the Business Rules and the business rules JSCC prescribes for the Securities and Similar Contracts Clearing Business, JSCC shall set aside the Commodity Futures Settlement Guarantee Reserve in the same amount as the amount so used. The accumulated amount of the reserve under this Paragraph shall not exceed 2,370,000,000 yen.
- 3 Notwithstanding the provisions of the preceding Paragraph, when the Default Settlement Period set forth in Paragraph 1 of Article 77 of the Business Rules or Paragraph 1 of Article 76-2 of the business rules JSCC prescribes for the Securities and Similar Contracts Clearing Business and all or a part of the Commodity Futures Settlement Guarantee Reserve is used in respect of the default occurred for the said Default Settlement Period, JSCC will set aside the Commodity Futures Settlement Guarantee Reserve set forth in the preceding Paragraph at each time when the relevant Default Settlement Period ends.

(Article 26. Method of Compensation for Loss Using Clearing Funds)

1 The compensation prescribed in Paragraph 1 and Paragraph 2 of Article 81 of the Business Rules shall be made in a manner set forth in the following Items according to the classification of the loss listed in such Items.

(1) Uncompensated Loss relating to Energy Futures Clearing Qualification^{*1}:

(*1 referring to the uncompensated loss prescribed in Paragraph 1 of Article 81 of the Business Rules which relates to the Energy Futures Clearing Qualification; the same applies hereinafter)

a. In the case where the amount of the Uncompensated Loss relating to Energy Futures Clearing Qualification is greater than the aggregate required amount of clearing fund relating to the Energy Futures Clearing Qualification^{*1}:

(*1 referring to the total sum of the required amounts of clearing fund relating to Energy Futures Clearing Qualification with respect to the Clearing Participants for Default Settlement Period as of the day immediately preceding the first day of the Default Settlement Period; the same applies hereinafter)

The entire amount of such aggregate required amount of clearing fund relating to Energy Futures Clearing Qualification shall be applied to the compensation for the Uncompensated Loss relating to Energy Futures Clearing Qualification;

b. Other than a. above

The amount obtained by prorating the Uncompensated Loss relating to Energy Futures Clearing Qualification according to the required amount of clearing fund relating to the Energy Futures Clearing Qualification for each of the Clearing Participant for Default Settlement Period as of the day immediately preceding the first day of the Default Settlement Period^{*1*2} shall be applied to the compensation for such Uncompensated Loss relating to Energy Futures Clearing Qualification; provided, however, that, when JSCC holds the Default Settlement Auction^{*3} related to the Energy Futures Clearing Qualification, the compensation for the Uncompensated Loss relating to Energy Futures Clearing Qualification shall be performed in the order of clearing fund related to the Energy Futures Clearing Qualification under Item (a) and (b) below, in a manner set forth in the relevant Item:

(*1 hereinafter referred to as “Clearing Participant Contribution Cap”)

(*2 or the amount equal to the Clearing Participant Contribution Cap, if such amount is greater than the Clearing Participant Contribution Cap)

(*3 referring to the Default Settlement Auction set forth in Paragraph 8 of Article 76 of the Business Rules)

(a) Clearing fund related to the Energy Futures Clearing Qualification deposited with JSCC by the Clearing Participants for Default Settlement Period other than the successful bidder participants^{*1}:

The amount of Uncompensated Loss relating to Energy Futures Clearing Qualification prorated according to the Clearing Participant Contribution Cap for each Clearing Participant for Default Settlement Period other than the Successful Bidder Participants^{*2} shall be used to compensate for Uncompensated Loss relating to Energy Futures Clearing Qualification;

(*1 referring to the Successful Bidder Participants set forth in Paragraph 2 of Article 82 of the Business Rules; the same applies hereinafter)

(*2 or the amount equal to the Clearing Participant Contribution Cap, if such amount is greater than the Clearing Participant Contribution Cap)

(b) Clearing fund related to the Energy Futures Clearing Qualification deposited with JSCC by the Successful Bidder Participants:

The amount remaining after deducting the total amount set forth in (a) above from the Uncompensated loss relating to Energy Futures Clearing Qualification prorated according to the Clearing Participant Contribution Cap for each of the Successful Bidder Participants^{*1} shall be used to compensate for the Uncompensated loss relating to Energy Futures Clearing Qualification.

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(*1 or the amount equal to the Clearing Participant Contribution Cap, if such amount is greater than the Clearing Participant Contribution Cap)

(2) Uncompensated Loss relating to Dojima Agricultural Futures Clearing Qualification*1:

(*1 referring to the uncompensated loss prescribed in Paragraph 1 of Article 82 of the Business Rules which relates to the Dojima Agricultural Futures Clearing Qualification)

The provisions of the preceding Item shall apply mutatis mutandis. In such case, in the preceding Item, the phrase "Energy Futures Clearing Qualification," shall be deemed to be "Dojima Agricultural Futures Clearing Qualification".

(3) Uncompensated Loss relating to Dojima Sugar Futures Clearing Qualification*1:

(*1 referring to the uncompensated loss prescribed in Paragraph 1 of Article 82 of the Business Rules which relates to the Dojima Sugar Futures Clearing Qualification)

The provisions of Item (1) shall apply mutatis mutandis. In such case, in Item (1), the phrase "Energy Futures Clearing Qualification," shall be deemed to be "Dojima Sugar Futures Clearing Qualification".

(4) Uncompensated Loss relating to Dojima Precious Metal Futures Clearing Qualification*1:

(*1 referring to the uncompensated loss prescribed in Paragraph 1 of Article 82 of the Business Rules which relates to the Dojima Precious Metal Futures Clearing Qualification)

The provisions of Item (1) shall apply mutatis mutandis. In such case, in Item (1), the phrase "Energy Futures Clearing Qualification," shall be deemed to be "Dojima Precious Metal Futures Clearing Qualification".

(Article 27. Compensation for Loss by Collection of Special Clearing Charge)

1 In the event that the uncompensated loss prescribed in Paragraph 2 of Article 83 of the Business Rules is prorated among the Clearing Participants for Default Settlement Period for each category of the Commodity Transaction Clearing Qualification in accordance with the provisions of the said Paragraph, such excess amount shall be first prorated according to the amount of uncompensated loss for each category of the Commodity Transaction Clearing Qualification, and then such prorated amount shall be further prorated according to the required amount of the clearing fund relating to the relevant Commodity Transaction Clearing Qualification for each Clearing Participant for Default Settlement Period on the day immediately preceding the first day of the Default Settlement Period.

2 In the event that the uncompensated loss prescribed in Paragraph 4 of Article 83 of the Business Rules is prorated among the Clearing Participants for Default Settlement Period for each category of the Commodity Transaction Clearing Qualification in accordance with the provisions of the said Paragraph, such excess amount shall be first prorated according to the amount of uncompensated loss for each category of the Commodity Transaction Clearing Qualification, and then such prorated amount shall be further prorated according to the amount obtained by

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(*1 hereinafter referred to as "Liquidation Period")

(*2 but only when such amount is positive)

3 If the Clearing Participant participates in a merger or if JSCC otherwise deems it necessary, the amount of money prescribed by JSCC at each applicable occasion shall be the required amount of the clearing fund in respect of the relevant Commodity Transaction Clearing Qualification set forth in the preceding two Paragraphs.

(Article 29. Operations Entrusted by JSCC)

In accordance with the provisions of Paragraph 1 of Article 90 of the Business Rules, JSCC shall entrust the administrative work such as receiving Close-out Quantity Report relating to the transactions in the Commodity Market operated by the Designated Market Operator to such Designated Market Operator.

Supplementary Provisions

- 1 These Rules shall come into effect on July 27, 2020.
- 2 If JSCC considers it inappropriate to apply the provisions of these 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 Contracts for Clearing, handling of the assumption of obligations and other necessary matters shall be decided by JSCC at each applicable occasion.
- 3 The fee for obtaining the Clearing Qualification set forth in Article 4 shall be zero when the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification or Dojima Sugar Futures Clearing Qualification is acquired on the date on which these Rules come into effect.

Supplementary Provisions

These revised Rules shall come into effect on October 5, 2020.

Supplementary Provisions

These revised Rules shall come into effect on January 12, 2021.

Supplementary Provisions

These revised Rules shall come into effect on April 1, 2021.

Supplementary Provisions

These revised Rules shall come into effect on April 5, 2021.

Supplementary Provisions

These revised Rules shall come into effect on July 5, 2021.

Supplementary Provisions

These revised Rules shall come into effect on the later of (i) the date on which the amendment to the Articles of Incorporation of Osaka Dojima Commodity Exchange, Inc. related to its trade name change becomes effective, and (ii) the date on which the authorizations of

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Supplementary Provisions

These revised Rules shall come into effect on October 11, 2021.

Supplementary Provisions

These revised Rules shall come into effect on January 11, 2022.

Supplementary Provisions

These revised Rules shall come into effect on April 4, 2022.

Supplementary Provisions

These revised Rules shall come into effect on July 4, 2022.

Supplementary Provisions

These revised Rules shall come into effect on September 21, 2022.

Supplementary Provisions

These revised Rules shall come into effect on October 11, 2022.

Supplementary Provisions

These revised Rules shall come into effect on December 12, 2022.

Supplementary Provisions

1 These revised Rules shall come into effect on March 27, 2023.

2 The fee for obtaining the Clearing Qualification set forth in Article 4 shall be zero when a Clearing Participant already holding any other Clearing Qualification acquires Dojima Precious Metal Clearing Qualification, for the time being after the date on which these revised Rules come into effect.

<Exhibit Form 1> Form of Document concerning Guarantee

Guarantee

Date:

To [], President & CEO of Japan Securities Clearing Corporation

Address:

Trade Name or Company Name:

Name of Representative: (Seal)

[] (hereinafter referred to as the "Company") confirms and accepts the details of the Business Rules on Business of Assuming Commodity Transaction Debts prescribed by JSCC (hereinafter referred to as the "Business Rules") and other rules in advance and submits this Guarantee (hereinafter referred to as this "Guarantee") to JSCC through [] (hereinafter referred to as the "Clearing Participant") in accordance with the provisions of Article [] of the Business Rules.

The terms used in this Guarantee shall have the meanings prescribed in the Business Rules unless otherwise provided in this Guarantee.

1. The Company is a Parent of the Clearing Participant.
2. The Company shall guarantee jointly and severally with the Clearing Participant to JSCC all current and future obligations borne by the Clearing Participant against JSCC in connection with the JSCC's Clearing Business relating to [] Clearing Qualification (including but not limited to the obligations relating to the Contracts for Clearing to which the Clearing Participant is a party and the indemnity obligation in the case of an acknowledgment of a default and the like of the Clearing Participant by JSCC).
3. The Company shall cooperate with the report or submission of documents by the Clearing Participant or the audit by JSCC when JSCC requests the Clearing Participant to report or submit documents to JSCC or conducts an audit in respect of the matters concerning the Company pursuant to the provisions of Article 21 of the Business Rules (in the case the said Article is amended in accordance with the Business Rules, the provisions as amended).

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4. This Guarantee shall be governed by and construed in accordance with the laws of Japan.

5. The Company agrees to the exclusive jurisdiction of the Tokyo District Court of Japan for the first instance if any lawsuit arises between JSCC and the Company in relation to this Guarantee.

End of Document

Contract for Commissioning Clearance Relating to Energy Futures

_____ (hereinafter referred to as "Party A") and _____ (hereinafter referred to as "Party B") agree as follows with regard to the Commodity Clearing Transactions conducted by Party A pursuant to the commission from Party B. The terms used in this Contract shall have the meanings prescribed in the Business Rules on Business of Assuming Commodity Transaction Debts (hereinafter referred to as "Business Rules") and other rules of Japan Securities Clearing Corporation (hereinafter referred to as "JSCC").

(Article 1 Contracts Subject to Commodity Clearing Transaction)

The Contracts subject to this Contract (hereinafter referred to as "subject contracts") shall be, among the Designated Market Operators and the Designated Commodity Markets prescribed in the Business Rules of JSCC, the transactions in Energy Market and Chukyo Oil Market of the Tokyo Commodity Exchange.

(Article 2. Designation of Designated Clearing Participant)

With respect to the subject contracts, Party B may in its discretion designate Party A as the Clearing Participant which is always commissioned the Commodity Clearing Transactions (hereinafter referred to as the "Designated Clearing Participant"). In such case, Party A shall submit to JSCC, and Party B shall submit to the Designated Market Operator, an advance notification (and obtain approval, if an approval of the Designated Market Operator is required).

(Article 3. Transfer of Unsettled Contracts upon Designation)

- 1 If Party B has designated a Clearing Participant other than Party A to act as its Designated Clearing Participant but elects to change such designation to Party A, Party A shall take over the unsettled Contracts for Clearing pertaining to Party B's subject contracts (only those relating to the Contracts for Clearing) pursuant to the commission of the Commodity Clearing Transactions from the former Designated Clearing Participant.
- 2 In the case where Party B has lost its Energy Futures Clearing Qualification, if Party B designates Party A as its Designated Clearing Participant, Party A shall take over Party B's unsettled Contracts for Clearing.

(Article 4. Transfer of Unsettled Contracts upon Change of Designation, etc.)

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- 1 In the case where Party B has designated Party A as its Designated Clearing Participant, if Party B changes such designation to another Clearing Participant in accordance with the rules prescribed by the Designated Market Operator, Party A shall transfer the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions to such other Clearing Participant which is newly designated by Party B as its Designated Clearing Participant.
- 2 In the case where Party B has designated Party A as its Designated Clearing Participant, if Party B obtains the Energy Futures Clearing Qualification of JSCC, Party A shall transfer to Party B the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions.

(Article 5. Conclusion of Commodity Clearing Transactions)

- 1 A Commodity Clearing Transaction, where Party A is designated by Party B as its Designated Clearing Participant, shall be executed by Party B on behalf of Party A.
- 2 When the preceding Paragraph applies, with respect to the commission of the Commodity Clearing Transaction pertaining to the subject contract, when Party B executed the transaction in accordance with the rules prescribed by the Designated Market Operator, Party B shall be deemed to have submitted to Party A an application for the commission of the Commodity Clearing Transaction, and Party A shall be deemed to have accepted the commission of the Commodity Clearing Transaction.

(Article 6. Commodity Clearing Transaction Account)

All of the Margin, the money to be paid and received for the mark to market purpose*1, and other securities and money to be paid/received, in connection with the contracts pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions shall be processed at the Commodity Clearing Transaction account which is set up by Party B at Party A.

(Article 7. Acceleration of Performance of Obligations)

- 1 Upon the occurrence of any of the events described in the following Items with respect to Party B, the obligations which Party B owes to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions shall automatically become immediately due and payable without any notification, demand or the like from Party A, and Party B shall perform such obligations immediately:
 - (1) If Party B suspends payment, or a petition for a commencement of bankruptcy proceedings, a commencement of rehabilitation proceedings, a commencement of corporate reorganization proceedings or a commencement of a special liquidation involving Party B is

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filed;

- (2) If the note clearinghouse takes any measure to suspend Party B's contracts or an Electronic Monetary Claim Recording Institution defined in Paragraph 2 of Article 2 of the Electronically Recorded Monetary Claims Act (Act No. 102 of 2007) suspends Party B's transactions;
- (3) If an order or notice of provisional attachment, preservative attachment or attachment is issued with respect to any receivable relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions or any other receivable, which is held by Party B against Party A;
- (4) If procedures for attachment or auction are commenced with respect to the collateral provided or deposited for Party B's obligations owed to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions; or
- (5) If any event which is the same as or similar to any of the events described in the preceding Items occurs under laws and regulations of a foreign country.

2 Upon the occurrence of any of the events described in the following Items with respect to Party B, upon Party A's request therefor, the obligations which Party B owes to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions shall become immediately due and payable, and Party B shall perform such obligations immediately:

- (1) If Party B delays the performance of any of the obligations owed by Party B to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions (except when the delay results from Party B's failure to comply with the measures set forth in Paragraph 2 of Article 30 of the Business Rules of JSCC); or
- (2) If procedures for attachment or auction are commenced (including the case where any equivalent or similar event occurs under laws and regulations of a foreign country) with respect to the collateral posted for Party B's obligations owed to Party A (excluding the obligations relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions).

(Article 8. Handling in Cases Involving Suspension of Payment)

1 When Party B becomes subject to the acceleration of the obligations under the preceding Article, Party A may notify its intention to, or its intention to have other Clearing Participants Party A designates to, liquidate the unsettled Contracts for Clearing pertaining to all of Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions to the relevant

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Designated Market Operator pursuant to the rules prescribed by the Designated Market Operator.

- 2 When Party A submitted the notification set forth in the preceding Paragraph, it must report such effect to JSCC immediately.
- 3 In case where the Designated Market Operator deems Party B as a defaulter based on the notification of Paragraph 1, and then Party A or the Clearing Participant designated by Party A incurs a loss as a result of the Offsetting-Sale or Offsetting-Purchase of Party B's Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including consignment thereof), Party B shall immediately pay money in the amount equal to the amount of such loss to Party A.
- 4 Notwithstanding the provisions of Paragraph 1, if Party B has become subject to a suspension of transactions in Commodity Market or consignment of Commodity Clearing Transactions, or expulsion from membership, imposed by the Designated Market Operator, Party A shall comply with such action in the manner prescribed by the Designated Commodity Exchange imposed such action and JSCC and Party B shall comply with such action and the rules of the Designated Market Operator imposed such ~~such~~-action.

(Article 9. Handling in Cases Where Measures to Increase the Collateral are Taken with respect to Party A)

In the event that Party A takes the measures set forth in Paragraph 2 of Article 30 of the Business Rules of JSCC with respect to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions, Party B shall comply with the relevant measures.

(Article 10. Offsetting-Sale, Offsetting-Purchase and the Like in the event of Issuance to Party A of Instructions for Improvement on Position Holding)

- 1 In the event that Party A receives the Instructions for Improvement on Position Holding pursuant to the Business Rules of JSCC (hereinafter referred to as the "Instructions for Improvement" in this Article) due to Party B's failure to comply with the measures set forth in the preceding Article without a justifiable reason, Party A may request Party B to settle the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions or to transfer them to other Clearing Participants.
- 2 If Party A is unable to comply with the Instructions for Improvement even after making reasonable efforts to comply with the Instructions for Improvement, and if Party B fails to comply with the request set forth in the preceding Paragraph without a justifiable reason in spite of Party A's issuance of such request in advance providing a reasonable grace period, Party A may, to the extent deemed reasonably necessary, execute the Offsetting-Sale or Offsetting-Purchase

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(including the consignment thereof) on Party B's account, relating to Party B's subject contracts in order to settle the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions by Party B to Party A.

- 3 Even if Party B incurs damages as a result of Party A's execution of the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) referenced in, and pursuant to, the provisions of the preceding Paragraph, Party B shall not claim any compensation for such damages against Party A or JSCC; provided, however, that in the event that a willful misconduct or gross negligence on the part of Party A or JSCC is recognized, the foregoing shall not apply to any claim made against the person who committed such willful misconduct or gross negligence.

(Article 11. Measures in case of Clearing Participant's Settlement Default)

- 1 In the case where the Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions are designated to be the Early Termination Allocated Position set forth in Paragraph 1 of Article 79 of the Business Rules of JSCC, Party A may execute an Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) relating to the subject contracts on Party B's account to settle the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions by Party B to Party A.
- 2 Even if Party B incurs damages as a result of Party A's execution of the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) referenced in, and pursuant to, the provisions of the preceding Paragraph, Party B shall not claim any compensation for such damages against Party A or JSCC; provided, however, that in the event that a willful misconduct or gross negligence on the part of Party A or JSCC is recognized, the foregoing shall not apply to any claim made against the person who committed such willful misconduct or gross negligence.

(Article 12. Netting of Amounts)

- 1 If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, and if Party B is required to perform its obligations owed to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions as a result thereof, Party A may set off such obligations against any and all receivables, including the receivables held by Party B against Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions at any time and regardless of the due dates of such receivables.
- 2 When the setoff set forth in the preceding Paragraph is available, Party A may also receive a refund of any and all types of deposits on behalf of Party B and appropriate them to the performance of the obligations without prior notice and without following prescribed procedures.

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3 For the calculation of the setoff in accordance with the provisions of the preceding two Paragraphs, interest on the receivables and obligations, delay penalty and the like shall accrue during the period ending on the date of such calculation, and the interest rates applicable to such receivables and obligations and the delay penalty rate applicable to the obligations owed to Party A shall be the rates prescribed by Party A.

(Article 13. Liquidation of Securities in lieu of Cash)

If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, Party A may, on Party B's account, dispose of the Securities in lieu of Cash (referring to the Securities in lieu of Cash set forth in Article 12 of the Rules on Margin for Business of Assuming Commodity Transaction Debts of JSCC) provided or deposited by Party B as the Margin for the purpose of ensuring the performance of obligations relating to the contracts pertaining to the subject contracts pursuant to the Commodity Clearing Transactions in such manner, at such time and place, for such price and on such other terms as may be determined by Party A in its discretion, without any notice or demand and without following legally prescribed procedures, and appropriate the proceeds thereof, after deducting therefrom related expenses, to the performance of such obligations regardless of the legally prescribed priority; and in the event that any obligation remains unsatisfied after such appropriation of the proceeds, Party B shall immediately perform such obligation.

(Article 14. Disposition of Property in Possession)

If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, Party A may dispose of Party B's movable properties in Party A's possession, as well as Party B's securities and the like in Party A's possession or recorded in Party A's account in accordance with the Act on Transfer of Bonds, Stocks, etc. (Law No. 75 of 2001); in such event, Party A shall dispose them in accordance with the provisions of the preceding Article.

(Article 15. Order of Appropriation in Debt Repayment)

In the case of performance of obligation or the setoff in accordance of Article 12, if they are not sufficient for full satisfaction of Party B's obligations owed to Party A relating to the contracts pursuant to the commission of the Commodity Clearing Transactions, Party A may apply them to Party B's obligations in such order and manner as Party A deems appropriate.

(Article 16. Payment of Delay Penalty)

In the event that Party B fails to perform any of its obligations owed to Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing

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Handling of Business Rules on Business of Assuming Commodity Transaction Debts Transactions, upon Party A's request, Party B shall pay to Party A a delay penalty accruing at the rate prescribed by Party A for the period commencing on the day immediately following the due date and ending on the date of actual performance.

(Article 17. Prohibition against Assignment of Receivables)

Party B may neither assign to, nor pledge for, any other person any of the claims which Party B has against Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions.

(Article 18. Termination of Contract)

1 Party A and Party B may, upon mutual consultation, terminate this Contract by mutual agreement.

2 In addition to the provisions of the preceding Paragraph, each of Party A and Party B shall have the right to terminate this Contract by issuing to the other party written notice of its intention of termination not less than ___ month(s) prior to the intended date of termination.

3 In addition to the provisions of the preceding two Paragraphs, whenever any of the Items under Paragraph 1 or under Paragraph 2 of Article 7 becomes applicable to Party B, Party A may terminate this Contract.

4 When intending to terminate this Contract pursuant to the provisions of the preceding three Paragraphs, Party A shall provide JSCC, and Party B shall provide the Designated Market Operator, with prior notice. In such event, such notice shall be submitted on or before the day which is not later than three days before the intended date of termination (excluding Non-Business Days) in the case of termination pursuant to Paragraph 1, without delay after Party A's issuance or receipt of the written notice of the intention of termination to or from the other party in the case of the termination pursuant to Paragraph 2, or on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended date of termination in the case of termination pursuant to the preceding Paragraph.

5 The provisions of this Contract shall continue to apply to the Commodity Clearing Transactions pertaining to the subject contracts, which are formed prior to the termination of this Contract (including the case where the Designated Market Operator regards Party B as the defaulter, and then the Offsetting-Sale or Offsetting-Purchase relating to the Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including the consignment thereof) is executed pursuant to the notification of Paragraph 1 of Article 8; and including the case where the Offsetting-Sale or Offsetting-Purchase relating to the Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including the consignment thereof) in a manner prescribed by the Designated Market Operator and/or JSCC is executed pursuant to the

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provisions of Paragraph 4 of the said Article).

6 Notwithstanding the provisions of Paragraph 1 through Paragraph 3, the termination of this Contract shall not become effective if Party A fails to provide the notice set forth in Paragraph 4.

(Article 19. Special Termination)

1 Notwithstanding the provisions of the preceding Article, in the event that Party A and Party B have previously agreed upon the conditions, upon the satisfaction of which this Contract may be terminated, from viewpoint of certainty of the performance of obligations relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, if any of such conditions becomes applicable to Party B, Party A may terminate this Contract by issuing written notice of its intention of termination to Party B on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended date of termination.

2 When intending to terminate this Contract pursuant to the provisions of the preceding Paragraph (such termination is hereinafter referred to as the "Special Termination"), Party A shall notify JSCC immediately after issuing to Party B the written notice of its intention of the Special Termination, and on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended effective date of such Special Termination.

3 The provisions of this Contract shall continue to apply to the Commodity Clearing Transactions pertaining to the subject contracts (including the Offsetting-Sale or Offsetting-Purchase relating to the Special Termination), which are formed prior to the Special Termination.

4 In addition to the provisions of the preceding Paragraph, the provisions of this Contract shall continue to apply to the contracts which are deemed by JSCC to be particularly necessary in order to secure the performance of settlement.

5 Notwithstanding the provisions of Paragraph 1, the Special Termination shall not become effective if Party A fails to issue the notice set forth in Paragraph 2.

(Article 20. Special Provision for Settlement of Positions in Current Contract Month)

1 Party A and Party B shall provide for special provisions about the matters listed in the following Items from viewpoint of certainty of performance of obligations pertaining to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions:

(1) To report to Party A, by the date and time designated by Party A, the necessary matters, such as whether or not there is a settlement by delivery relating to the position in the current contract

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month held by Party B, status of procurement of the delivery goods;

- (2) Warehouse receipts and the like relating to the sale to be settled by delivery or the date and time of payment of the aggregate trading value relating to purchase; and
- (3) Limit on the quantity relating to the contracts pertaining to the subject contracts pursuant to commission of the Commodity Clearing Transactions.

2 Notwithstanding the provision of the preceding Paragraph, Party A and Party B may provide for special provisions about non-delivery with respect to the current contract month positions held by Party B or settlement of positions held by Party B through Offsetting-Sale or Offsetting-Purchase by a certain date specified in advance.

3 When Party B breaches any of the special provisions under the preceding two Paragraphs, Party A may, in order to settle any unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions, dispose of positions pertaining to the said unsettled Contracts for Clearing at Party A's discretion and on the account of Party B through Offsetting-Sale or Offsetting-Purchase or transfer them to a Member of the Designated Market Operator designated by Party A.

4 The provisions of Paragraph 3 of Article 8 shall apply mutatis mutandis to the case set forth in the preceding Paragraph.

(Article 21. Reports)

1 Party B shall, without delay upon Party A's request therefor, submit to Party A reports concerning the matters necessary in relation to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions.

2 When any of the events set forth in the Items under Paragraph 1 or under Paragraph 2 of Article 7 occurs, or when the Designated Market Operator suspends Party B's transactions in Commodity Markets or suspends Party B from commissioning the Commodity Clearing Transactions, or expels Party B (limited to those related to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions under this Contract), Party B shall immediately report such effect in writing to Party A.

(Article 22. Obligations of Party B)

If a replacement deposit is placed by Party B or a Clearing Broker relating to Party B, Party B shall notify such effect to Party A, and shall also notify Party A of the necessary matters pursuant to the Rules on Margin prescribed by JSCC.

(Article 23. Confidentiality Obligations)

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Party A and Party B shall maintain the confidentiality of the other party's business information obtained in the course of business operations in connection with this Contract, and shall not use such information for any other purpose. In addition, neither Party A nor Party B may divulge such information to any third party, except when responding to investigations conducted by the Designated Market Operator or JSCC, or when any other justifiable cause exists.

(Article 24. Notice of Changes Concerning Notified Matters)

Whenever any change is made to Party B's trade name or name, representative, seal impression and/or signature registered with Party A, address or office location, or any other matter, Party B shall immediately provide Party A with written notice thereof.

(Article 25. Disclaimer)

- 1 Party A shall not be liable for any damage caused by a delay in the return of collateral pursuant to Party B's request therefor, due to force majeure such as a natural disaster.
- 2 Party A shall not be liable for any damage resulting from a loss or deterioration of, or damage to, the collateral due to the cause described in the preceding Paragraph.
- 3 Party A shall not be liable for any damage caused by forgery, falsification or other incident involving notifications or other documents, if Party A verifies the seal impression or signature used on such documents against the registered seal impression or signature with due care, and takes actions based on its belief that such seal impression or signature is genuine.

(Article 26. Effectiveness of Notice)

In the event that any type of notice given by Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, addressed to Party B's address or office location previously provided to Party A, is delayed or fails to be delivered due to any cause attributable to Party B, such notice shall be deemed to have been delivered at the time when it should ordinarily have been delivered.

(Article 27. Reports and the Like Submitted by Electromagnetic Means)

When Party A's approval is obtained, in lieu of written reports to be submitted pursuant to the provisions of Paragraph 2 of Article 21 or written notification (other than those relating to changes to seal impressions or signatures) to be submitted pursuant to the provisions of Article 24, Party B may provide the information which is to be set forth in such reports or notification by the method involving the use of electronic information processing systems or other information communication technology. In such event, Party B shall be deemed to have provided such reports or notification in writing.

(Article 28. Applicable Law)

This Contract shall be governed by, and construed in accordance with, the laws of Japan.

(Article 29. Agreed Jurisdiction)

The court having jurisdiction over the area where Party A's headquarters or _____ branch is located shall have the jurisdiction over any lawsuit relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions under this Contract.

(Article 30. Consent for Execution of Agreements for Give-ups)

1 Party B shall obtain the prior written consent of Party A for any instance involving the execution by Party B of an agreement for Give-ups.

2 Upon cancellation of an agreement for Give-ups, Party B shall notify Party A of such fact without delay.

In witness whereof, Party A and Party B have prepared two counterparts of this Contract and affixed their names and seal impressions thereon, and shall retain one counterpart each.

Date: year / month / date

Party A (Energy Futures Clearing Participant)

Address:

Trade Name or Name:

Representative: (Seal)

Party B (Energy Futures Non-Clearing Participant)

Address:

Trade Name or Name:

Representative: (Seal)

Note 1 In the blank space in “___ month(s)” appearing in Paragraph 2 of Article 18, the number of month(s) which shall not be less than one month shall be inserted upon the agreement between Party A and Party B.

Note 2 Article 19 may be deleted from this Contract, if Party A and Party B do not prescribe in advance the conditions referenced in Paragraph 1 of Article 19, upon the satisfaction of which this Contract may be terminated, from viewpoint of certainty of the performance of obligations.

Note 3 Upon the agreement by and between Party A and Party B, revisions which are deemed

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appropriate may be made to the provisions concerning the agreed jurisdiction in Article 29.

Contract for Commissioning Clearance Relating to Dojima Agricultural Futures

_____ (hereinafter referred to as "Party A") and _____ (hereinafter referred to as "Party B") agree as follows with regard to the Commodity Clearing Transactions conducted by Party A pursuant to the commission from Party B. The terms used in this Contract shall have the meanings prescribed in the Business Rules on Business of Assuming Commodity Transaction Debts (hereinafter referred to as "Business Rules") and other rules of Japan Securities Clearing Corporation (hereinafter referred to as "JSCC").

(Article 1 Contracts Subject to Commodity Clearing Transaction)

The Contracts subject to this Contract (hereinafter referred to as "subject contracts") shall be, among the Designated Market Operators and the Designated Commodity Markets prescribed in the Business Rules of JSCC, the transactions in Agricultural Market of Osaka Dojima Exchange, Inc..

(Article 2. Designation of Designated Clearing Participant)

With respect to the subject contracts, Party B may in its discretion designate Party A as the Clearing Participant which is always commissioned the Commodity Clearing Transactions (hereinafter referred to as the "Designated Clearing Participant"). In such case, Party A shall submit to JSCC, and Party B shall submit to the Designated Market Operator, an advance notification (and obtain approval, if an approval of the Designated Market Operator is required).

(Article 3. Transfer of Unsettled Contracts upon Designation)

1 If Party B has designated a Clearing Participant other than Party A to act as its Designated Clearing Participant but elects to change such designation to Party A, Party A shall take over the unsettled Contracts for Clearing pertaining to Party B's subject contracts (only those relating to the Contracts for Clearing) pursuant to the commission of the Commodity Clearing Transactions from the former Designated Clearing Participant.

2 In the case where Party B has lost its Dojima Agricultural Futures Clearing Qualification, if Party B designates Party A as its Designated Clearing Participant, Party A shall take over Party B's unsettled Contracts for Clearing.

(Article 4. Transfer of Unsettled Contracts upon Change of Designation, etc.)

1 In the case where Party B has designated Party A as its Designated Clearing Participant, if Party

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B changes such designation to another Clearing Participant in accordance with the rules prescribed by the Designated Market Operator, Party A shall transfer the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions to such other Clearing Participant which is newly designated by Party B as its Designated Clearing Participant.

2 In the case where Party B has designated Party A as its Designated Clearing Participant, if Party B obtains the Dojima Agricultural Futures Clearing Qualification of JSCC, Party A shall transfer to Party B the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions.

(Article 5. Conclusion of Commodity Clearing Transactions)

1 A Commodity Clearing Transaction, where Party A is designated by Party B as its Designated Clearing Participant, shall be executed by Party B on behalf of Party A.

2 When the preceding Paragraph applies, with respect to the commission of the Commodity Clearing Transaction pertaining to the subject contract, when Party B executed the transaction in accordance with the rules prescribed by the Designated Market Operator, Party B shall be deemed to have submitted to Party A an application for the commission of the Commodity Clearing Transaction, and Party A shall be deemed to have accepted the commission of the Commodity Clearing Transaction.

(Article 6. Commodity Clearing Transaction Account)

All of the Margin, the money to be paid and received for the mark to market purpose*1, and other securities and money to be paid/received, in connection with the contracts pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions shall be processed at the Commodity Clearing Transaction account which is set up by Party B at Party A.

(Article 7. Acceleration of Performance of Obligations)

1 Upon the occurrence of any of the events described in the following Items with respect to Party B, the obligations which Party B owes to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions shall automatically become immediately due and payable without any notification, demand or the like from Party A, and Party B shall perform such obligations immediately:

- (1) If Party B suspends payment, or a petition for a commencement of bankruptcy proceedings, a commencement of rehabilitation proceedings, a commencement of corporate reorganization proceedings or a commencement of a special liquidation involving Party B is filed;

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- (2) If the note clearinghouse takes any measure to suspend Party B's contracts or an Electronic Monetary Claim Recording Institution defined in Paragraph 2 of Article 2 of the Electronically Recorded Monetary Claims Act (Act No. 102 of 2007) suspends Party B's transactions;
- (3) If an order or notice of provisional attachment, preservative attachment or attachment is issued with respect to any receivable relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions or any other receivable, which is held by Party B against Party A;
- (4) If procedures for attachment or auction are commenced with respect to the collateral provided or deposited for Party B's obligations owed to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions; or
- (5) If any event which is the same as or similar to any of the events described in the preceding Items occurs under laws and regulations of a foreign country.

2 Upon the occurrence of any of the events described in the following Items with respect to Party B, upon Party A's request therefor, the obligations which Party B owes to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions shall become immediately due and payable, and Party B shall perform such obligations immediately:

- (1) If Party B delays the performance of any of the obligations owed by Party B to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions (except when the delay results from Party B's failure to comply with the measures set forth in Paragraph 2 of Article 30 of the Business Rules of JSCC); or
- (2) If procedures for attachment or auction are commenced (including the case where any equivalent or similar event occurs under laws and regulations of a foreign country) with respect to the collateral posted for Party B's obligations owed to Party A (excluding the obligations relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions).

(Article 8. Handling in Cases Involving Suspension of Payment)

1 When Party B becomes subject to the acceleration of the obligations under the preceding Article, Party A may notify its intention to, or its intention to have other Clearing Participants Party A designates to, liquidate the unsettled Contracts for Clearing pertaining to all of Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions to the relevant Designated Market Operator pursuant to the rules prescribed by the Designated Market Operator.

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- 2 When Party A submitted the notification set forth in the preceding Paragraph, it must report such effect to JSCC immediately.
- 3 In case where the Designated Market Operator deems Party B as a defaulter based on the notification of Paragraph 1, and then Party A or the Clearing Participant designated by Party A incurs a loss as a result of the Offsetting-Sale or Offsetting-Purchase of Party B's Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including consignment thereof), Party B shall immediately pay money in the amount equal to the amount of such loss to Party A.
- 4 Notwithstanding the provisions of Paragraph 1, if Party B has become subject to a suspension of transactions in Commodity Market or consignment of Commodity Clearing Transactions, or expulsion from membership, imposed by the Designated Market Operator, Party A shall comply with such action in the manner prescribed by the Designated Commodity Exchange imposed such action and JSCC and Party B shall comply with such action and the rules of the Designated Market Operator imposed such ~~such~~ action.

(Article 9. Handling in Cases Where Measures to Increase the Collateral are Taken with respect to Party A)

In the event that Party A takes the measures set forth in Paragraph 2 of Article 30 of the Business Rules of JSCC with respect to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions, Party B shall comply with the relevant measures.

(Article 10. Offsetting-Sale, Offsetting-Purchase and the Like in the event of Issuance to Party A of Instructions for Improvement on Position Holding)

- 1 In the event that Party A receives the Instructions for Improvement on Position Holding pursuant to the Business Rules of JSCC (hereinafter referred to as the "Instructions for Improvement" in this Article) due to Party B's failure to comply with the measures set forth in the preceding Article without a justifiable reason, Party A may request Party B to settle the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions or to transfer them to other Clearing Participants.
- 2 If Party A is unable to comply with the Instructions for Improvement even after making reasonable efforts to comply with the Instructions for Improvement, and if Party B fails to comply with the request set forth in the preceding Paragraph without a justifiable reason in spite of Party A's issuance of such request in advance providing a reasonable grace period, Party A may, to the extent deemed reasonably necessary, execute the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) on Party B's account, relating to Party B's subject contracts

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in order to settle the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions by Party B to Party A.

- 3 Even if Party B incurs damages as a result of Party A's execution of the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) referenced in, and pursuant to, the provisions of the preceding Paragraph, Party B shall not claim any compensation for such damages against Party A or JSCC; provided, however, that in the event that a willful misconduct or gross negligence on the part of Party A or JSCC is recognized, the foregoing shall not apply to any claim made against the person who committed such willful misconduct or gross negligence.

(Article 11. Measures in case of Clearing Participant's Settlement Default)

- 1 In the case where the Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions are designated to be the Early Termination Allocated Position set forth in Paragraph 1 of Article 79 of the Business Rules of JSCC, Party A may execute an Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) relating to the subject contracts on Party B's account to settle the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions by Party B to Party A.
- 2 Even if Party B incurs damages as a result of Party A's execution of the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) referenced in, and pursuant to, the provisions of the preceding Paragraph, Party B shall not claim any compensation for such damages against Party A or JSCC; provided, however, that in the event that a willful misconduct or gross negligence on the part of Party A or JSCC is recognized, the foregoing shall not apply to any claim made against the person who committed such willful misconduct or gross negligence.

(Article 12. Netting of Amounts)

- 1 If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, and if Party B is required to perform its obligations owed to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions as a result thereof, Party A may set off such obligations against any and all receivables, including the receivables held by Party B against Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions at any time and regardless of the due dates of such receivables.
- 2 When the setoff set forth in the preceding Paragraph is available, Party A may also receive a refund of any and all types of deposits on behalf of Party B and appropriate them to the performance of the obligations without prior notice and without following prescribed procedures.
- 3 For the calculation of the setoff in accordance with the provisions of the preceding two Paragraphs,

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(Article 13. Liquidation of Securities in lieu of Cash)

If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, Party A may, on Party B's account, dispose of the Securities in lieu of Cash (referring to the Securities in lieu of Cash set forth in Article 12 of the Rules on Margin for Business of Assuming Commodity Transaction Debts of JSCC) provided or deposited by Party B as the Margin for the purpose of ensuring the performance of obligations relating to the contracts pertaining to the subject contracts pursuant to the Commodity Clearing Transactions in such manner, at such time and place, for such price and on such other terms as may be determined by Party A in its discretion, without any notice or demand and without following legally prescribed procedures, and appropriate the proceeds thereof, after deducting therefrom related expenses, to the performance of such obligations regardless of the legally prescribed priority; and in the event that any obligation remains unsatisfied after such appropriation of the proceeds, Party B shall immediately perform such obligation.

(Article 14. Disposition of Property in Possession)

If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, Party A may dispose of Party B's movable properties in Party A's possession, as well as Party B's securities and the like in Party A's possession or recorded in Party A's account in accordance with the Act on Transfer of Bonds, Stocks, etc. (Law No. 75 of 2001); in such event, Party A shall dispose them in accordance with the provisions of the preceding Article.

(Article 15. Order of Appropriation in Debt Repayment)

In the case of performance of obligation or the setoff in accordance of Article 12, if they are not sufficient for full satisfaction of Party B's obligations owed to Party A relating to the contracts pursuant to the commission of the Commodity Clearing Transactions, Party A may apply them to Party B's obligations in such order and manner as Party A deems appropriate.

(Article 16. Payment of Delay Penalty)

In the event that Party B fails to perform any of its obligations owed to Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, upon Party A's request, Party B shall pay to Party A a delay penalty accruing at the

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(Article 17. Prohibition against Assignment of Receivables)

Party B may neither assign to, nor pledge for, any other person any of the claims which Party B has against Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions.

(Article 18. Termination of Contract)

- 1 Party A and Party B may, upon mutual consultation, terminate this Contract by mutual agreement.
- 2 In addition to the provisions of the preceding Paragraph, each of Party A and Party B shall have the right to terminate this Contract by issuing to the other party written notice of its intention of termination not less than ___ month(s) prior to the intended date of termination.
- 3 In addition to the provisions of the preceding two Paragraphs, whenever any of the Items under Paragraph 1 or under Paragraph 2 of Article 7 becomes applicable to Party B, Party A may terminate this Contract.
- 4 When intending to terminate this Contract pursuant to the provisions of the preceding three Paragraphs, Party A shall provide JSCC, and Party B shall provide the Designated Market Operator, with prior notice. In such event, such notice shall be submitted on or before the day which is not later than three days before the intended date of termination (excluding Non-Business Days) in the case of termination pursuant to Paragraph 1, without delay after Party A's issuance or receipt of the written notice of the intention of termination to or from the other party in the case of the termination pursuant to Paragraph 2, or on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended date of termination in the case of termination pursuant to the preceding Paragraph.
- 5 The provisions of this Contract shall continue to apply to the Commodity Clearing Transactions pertaining to the subject contracts, which are formed prior to the termination of this Contract (including the case where the Designated Market Operator regards Party B as the defaulter, and then the Offsetting-Sale or Offsetting-Purchase relating to the Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including the consignment thereof) is executed pursuant to the notification of Paragraph 1 of Article 8; and including the case where the Offsetting-Sale or Offsetting-Purchase relating to the Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including the consignment thereof) in a manner prescribed by the Designated Market Operator and/or JSCC is executed pursuant to the provisions of Paragraph 4 of the said Article).

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6 Notwithstanding the provisions of Paragraph 1 through Paragraph 3, the termination of this Contract shall not become effective if Party A fails to provide the notice set forth in Paragraph 4.

(Article 19. Special Termination)

1 Notwithstanding the provisions of the preceding Article, in the event that Party A and Party B have previously agreed upon the conditions, upon the satisfaction of which this Contract may be terminated, from viewpoint of certainty of the performance of obligations relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, if any of such conditions becomes applicable to Party B, Party A may terminate this Contract by issuing written notice of its intention of termination to Party B on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended date of termination.

2 When intending to terminate this Contract pursuant to the provisions of the preceding Paragraph (such termination is hereinafter referred to as the "Special Termination"), Party A shall notify JSCC immediately after issuing to Party B the written notice of its intention of the Special Termination, and on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended effective date of such Special Termination.

3 The provisions of this Contract shall continue to apply to the Commodity Clearing Transactions pertaining to the subject contracts (including the Offsetting-Sale or Offsetting-Purchase relating to the Special Termination), which are formed prior to the Special Termination.

4 In addition to the provisions of the preceding Paragraph, the provisions of this Contract shall continue to apply to the contracts which are deemed by JSCC to be particularly necessary in order to secure the performance of settlement.

5 Notwithstanding the provisions of Paragraph 1, the Special Termination shall not become effective if Party A fails to issue the notice set forth in Paragraph 2.

(Article 20. Special Provision for Settlement of Positions in Current Contract Month)

1 Party A and Party B shall provide for special provisions about the matters listed in the following Items from viewpoint of certainty of performance of obligations pertaining to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions:

- (1) To report to Party A, by the date and time designated by Party A, the necessary matters, such as whether or not there is a settlement by delivery relating to the position in the current contract month held by Party B, status of procurement of the delivery goods;

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- (2) Warehouse receipts and the like relating to the sale to be settled by delivery or the date and time of payment of the aggregate trading value relating to purchase; and
 - (3) Limit on the quantity relating to the contracts pertaining to the subject contracts pursuant to commission of the Commodity Clearing Transactions.
- 2 Notwithstanding the provision of the preceding Paragraph, Party A and Party B may provide for special provisions about non-delivery with respect to the current contract month positions held by Party B or settlement of positions held by Party B through Offsetting-Sale or Offsetting-Purchase by a certain date specified in advance.
- 3 When Party B breaches any of the special provisions under the preceding two Paragraphs, Party A may, in order to settle any unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions, dispose of positions pertaining to the said unsettled Contracts for Clearing at Party A's discretion and on the account of Party B through Offsetting-Sale or Offsetting-Purchase or transfer them to a Member of the Designated Market Operator designated by Party A.
- 4 The provisions of Paragraph 3 of Article 8 shall apply mutatis mutandis to the case set forth in the preceding Paragraph.

(Article 21. Reports)

- 1 Party B shall, without delay upon Party A's request therefor, submit to Party A reports concerning the matters necessary in relation to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions.
- 2 When any of the events set forth in the Items under Paragraph 1 or under Paragraph 2 of Article 7 occurs, or when the Designated Market Operator suspends Party B's transactions in Commodity Markets or suspends Party B from commissioning the Commodity Clearing Transactions, or expels Party B (limited to those related to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions under this Contract), Party B shall immediately report such effect in writing to Party A.

(Article 22. Obligations of Party B)

If a replacement deposit is placed by Party B or a Clearing Broker relating to Party B, Party B shall notify such effect to Party A, and shall also notify Party A of the necessary matters pursuant to the Rules on Margin prescribed by JSCC.

(Article 23. Confidentiality Obligations)

Party A and Party B shall maintain the confidentiality of the other party's business information

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Handling of Business Rules on Business of Assuming Commodity Transaction Debts obtained in the course of business operations in connection with this Contract, and shall not use such information for any other purpose. In addition, neither Party A nor Party B may divulge such information to any third party, except when responding to investigations conducted by the Designated Market Operator or JSCC, or when any other justifiable cause exists.

(Article 24. Notice of Changes Concerning Notified Matters)

Whenever any change is made to Party B's trade name or name, representative, seal impression and/or signature registered with Party A, address or office location, or any other matter, Party B shall immediately provide Party A with written notice thereof.

(Article 25. Disclaimer)

- 1 Party A shall not be liable for any damage caused by a delay in the return of collateral pursuant to Party B's request therefor, due to force majeure such as a natural disaster.
- 2 Party A shall not be liable for any damage resulting from a loss or deterioration of, or damage to, the collateral due to the cause described in the preceding Paragraph.
- 3 Party A shall not be liable for any damage caused by forgery, falsification or other incident involving notifications or other documents, if Party A verifies the seal impression or signature used on such documents against the registered seal impression or signature with due care, and takes actions based on its belief that such seal impression or signature is genuine.

(Article 26. Effectiveness of Notice)

In the event that any type of notice given by Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, addressed to Party B's address or office location previously provided to Party A, is delayed or fails to be delivered due to any cause attributable to Party B, such notice shall be deemed to have been delivered at the time when it should ordinarily have been delivered.

(Article 27. Reports and the Like Submitted by Electromagnetic Means)

When Party A's approval is obtained, in lieu of written reports to be submitted pursuant to the provisions of Paragraph 2 of Article 21 or written notification (other than those relating to changes to seal impressions or signatures) to be submitted pursuant to the provisions of Article 24, Party B may provide the information which is to be set forth in such reports or notification by the method involving the use of electronic information processing systems or other information communication technology. In such event, Party B shall be deemed to have provided such reports or notification in writing.

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Handling of Business Rules on Business of Assuming Commodity Transaction Debts

(Article 28. Applicable Law)

This Contract shall be governed by, and construed in accordance with, the laws of Japan.

(Article 29. Agreed Jurisdiction)

The court having jurisdiction over the area where Party A's headquarters or _____ branch is located shall have the jurisdiction over any lawsuit relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions under this Contract.

(Article 30. Consent for Execution of Agreements for Give-ups)

1 Party B shall obtain the prior written consent of Party A for any instance involving the execution by Party B of an agreement for Give-ups.

2 Upon cancellation of an agreement for Give-ups, Party B shall notify Party A of such fact without delay.

In witness whereof, Party A and Party B have prepared two counterparts of this Contract and affixed their names and seal impressions thereon, and shall retain one counterpart each.

Date: year / month / date

Address:

Party A (Dojima Agricultural Futures Clearing Participant) Trade Name or Name:

Representative: (Seal)

Address:

Party B (Dojima Agricultural Futures Non-Clearing Participant) Trade Name or Name:

Representative: (Seal)

Note 1 In the blank space in “___ month(s)” appearing in Paragraph 2 of Article 18, the number of month(s) which shall not be less than one month shall be inserted upon the agreement between Party A and Party B.

Note 2 Article 19 may be deleted from this Contract, if Party A and Party B do not prescribe in advance the conditions referenced in Paragraph 1 of Article 19, upon the satisfaction of which this Contract may be terminated, from viewpoint of certainty of the performance of obligations.

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Note 3 Upon the agreement by and between Party A and Party B, revisions which are deemed appropriate may be made to the provisions concerning the agreed jurisdiction in Article 29.

Contract for Commissioning Clearance Relating to Dojima Sugar Futures

_____ (hereinafter referred to as "Party A") and _____ (hereinafter referred to as "Party B") agree as follows with regard to the Commodity Clearing Transactions conducted by Party A pursuant to the commission from Party B. The terms used in this Contract shall have the meanings prescribed in the Business Rules on Business of Assuming Commodity Transaction Debts (hereinafter referred to as "Business Rules") and other rules of Japan Securities Clearing Corporation (hereinafter referred to as "JSCC").

(Article 1 Contracts Subject to Commodity Clearing Transaction)

The Contracts subject to this Contract (hereinafter referred to as "subject contracts") shall be, among the Designated Market Operators and the Designated Commodity Markets prescribed in the Business Rules of JSCC, the transactions in Sugar Market of Osaka Dojima Exchange, Inc..

(Article 2. Designation of Designated Clearing Participant)

With respect to the subject contracts, Party B may in its discretion designate Party A as the Clearing Participant which is always commissioned the Commodity Clearing Transactions (hereinafter referred to as the "Designated Clearing Participant"). In such case, Party A shall submit to JSCC, and Party B shall submit to the Designated Market Operator, an advance notification (and obtain approval, if an approval of the Designated Market Operator is required).

(Article 3. Transfer of Unsettled Contracts upon Designation)

- 1 If Party B has designated a Clearing Participant other than Party A to act as its Designated Clearing Participant but elects to change such designation to Party A, Party A shall take over the unsettled Contracts for Clearing pertaining to Party B's subject contracts (only those relating to the Contracts for Clearing) pursuant to the commission of the Commodity Clearing Transactions from the former Designated Clearing Participant.
- 2 In the case where Party B has lost its Dojima Sugar Futures Clearing Qualification, if Party B designates Party A as its Designated Clearing Participant, Party A shall take over Party B's unsettled Contracts for Clearing.

(Article 4. Transfer of Unsettled Contracts upon Change of Designation, etc.)

- 1 In the case where Party B has designated Party A as its Designated Clearing Participant, if Party

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B changes such designation to another Clearing Participant in accordance with the rules prescribed by the Designated Market Operator, Party A shall transfer the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions to such other Clearing Participant which is newly designated by Party B as its Designated Clearing Participant.

2 In the case where Party B has designated Party A as its Designated Clearing Participant, if Party B obtains the Dojima Sugar Futures Clearing Qualification of JSCC, Party A shall transfer to Party B the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions.

(Article 5. Conclusion of Commodity Clearing Transactions)

1 A Commodity Clearing Transaction, where Party A is designated by Party B as its Designated Clearing Participant, shall be executed by Party B on behalf of Party A.

2 When the preceding Paragraph applies, with respect to the commission of the Commodity Clearing Transaction pertaining to the subject contract, when Party B executed the transaction in accordance with the rules prescribed by the Designated Market Operator, Party B shall be deemed to have submitted to Party A an application for the commission of the Commodity Clearing Transaction, and Party A shall be deemed to have accepted the commission of the Commodity Clearing Transaction.

(Article 6. Commodity Clearing Transaction Account)

All of the Margin, the money to be paid and received for the mark to market purpose*1, and other securities and money to be paid/received, in connection with the contracts pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions shall be processed at the Commodity Clearing Transaction account which is set up by Party B at Party A.

(Article 7. Acceleration of Performance of Obligations)

1 Upon the occurrence of any of the events described in the following Items with respect to Party B, the obligations which Party B owes to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions shall automatically become immediately due and payable without any notification, demand or the like from Party A, and Party B shall perform such obligations immediately:

- (1) If Party B suspends payment, or a petition for a commencement of bankruptcy proceedings, a commencement of rehabilitation proceedings, a commencement of corporate reorganization proceedings or a commencement of a special liquidation involving Party B is filed;

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- (2) If the note clearinghouse takes any measure to suspend Party B's contracts or an Electronic Monetary Claim Recording Institution defined in Paragraph 2 of Article 2 of the Electronically Recorded Monetary Claims Act (Act No. 102 of 2007) suspends Party B's transactions;
- (3) If an order or notice of provisional attachment, preservative attachment or attachment is issued with respect to any receivable relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions or any other receivable, which is held by Party B against Party A;
- (4) If procedures for attachment or auction are commenced with respect to the collateral provided or deposited for Party B's obligations owed to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions; or
- (5) If any event which is the same as or similar to any of the events described in the preceding Items occurs under laws and regulations of a foreign country.

2 Upon the occurrence of any of the events described in the following Items with respect to Party B, upon Party A's request therefor, the obligations which Party B owes to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions shall become immediately due and payable, and Party B shall perform such obligations immediately:

- (1) If Party B delays the performance of any of the obligations owed by Party B to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions (except when the delay results from Party B's failure to comply with the measures set forth in Paragraph 2 of Article 30 of the Business Rules of JSCC); or
- (2) If procedures for attachment or auction are commenced (including the case where any equivalent or similar event occurs under laws and regulations of a foreign country) with respect to the collateral posted for Party B's obligations owed to Party A (excluding the obligations relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions).

(Article 8. Handling in Cases Involving Suspension of Payment)

1 When Party B becomes subject to the acceleration of the obligations under the preceding Article, Party A may notify its intention to, or its intention to have other Clearing Participants Party A designates to, liquidate the unsettled Contracts for Clearing pertaining to all of Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions to the relevant Designated Market Operator pursuant to the rules prescribed by the Designated Market Operator.

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- 2 When Party A submitted the notification set forth in the preceding Paragraph, it must report such effect to JSCC immediately.
- 3 In case where the Designated Market Operator deems Party B as a defaulter based on the notification of Paragraph 1, and then Party A or the Clearing Participant designated by Party A incurs a loss as a result of the Offsetting-Sale or Offsetting-Purchase of Party B's Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including consignment thereof), Party B shall immediately pay money in the amount equal to the amount of such loss to Party A.
- 4 Notwithstanding the provisions of Paragraph 1, if Party B has become subject to a suspension of transactions in Commodity Market or consignment of Commodity Clearing Transactions, or expulsion from membership, imposed by the Designated Market Operator, Party A shall comply with such action in the manner prescribed by the Designated Commodity Exchange imposed such action and JSCC and Party B shall comply with such action and the rules of the Designated Market Operator imposed such ~~such~~ action.

(Article 9. Handling in Cases Where Measures to Increase the Collateral are Taken with respect to Party A)

In the event that Party A takes the measures set forth in Paragraph 2 of Article 30 of the Business Rules of JSCC with respect to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions, Party B shall comply with the relevant measures.

(Article 10. Offsetting-Sale, Offsetting-Purchase and the Like in the event of Issuance to Party A of Instructions for Improvement on Position Holding)

- 1 In the event that Party A receives the Instructions for Improvement on Position Holding pursuant to the Business Rules of JSCC (hereinafter referred to as the "Instructions for Improvement" in this Article) due to Party B's failure to comply with the measures set forth in the preceding Article without a justifiable reason, Party A may request Party B to settle the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions or to transfer them to other Clearing Participants.
- 2 If Party A is unable to comply with the Instructions for Improvement even after making reasonable efforts to comply with the Instructions for Improvement, and if Party B fails to comply with the request set forth in the preceding Paragraph without a justifiable reason in spite of Party A's issuance of such request in advance providing a reasonable grace period, Party A may, to the extent deemed reasonably necessary, execute the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) on Party B's account, relating to Party B's subject contracts

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in order to settle the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions by Party B to Party A.

- 3 Even if Party B incurs damages as a result of Party A's execution of the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) referenced in, and pursuant to, the provisions of the preceding Paragraph, Party B shall not claim any compensation for such damages against Party A or JSCC; provided, however, that in the event that a willful misconduct or gross negligence on the part of Party A or JSCC is recognized, the foregoing shall not apply to any claim made against the person who committed such willful misconduct or gross negligence.

(Article 11. Measures in case of Clearing Participant's Settlement Default)

- 1 In the case where the Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions are designated to be the Early Termination Allocated Position set forth in Paragraph 1 of Article 79 of the Business Rules of JSCC, Party A may execute an Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) relating to the subject contracts on Party B's account to settle the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions by Party B to Party A.

- 2 Even if Party B incurs damages as a result of Party A's execution of the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) referenced in, and pursuant to, the provisions of the preceding Paragraph, Party B shall not claim any compensation for such damages against Party A or JSCC; provided, however, that in the event that a willful misconduct or gross negligence on the part of Party A or JSCC is recognized, the foregoing shall not apply to any claim made against the person who committed such willful misconduct or gross negligence.

(Article 12. Netting of Amounts)

- 1 If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, and if Party B is required to perform its obligations owed to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions as a result thereof, Party A may set off such obligations against any and all receivables, including the receivables held by Party B against Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions at any time and regardless of the due dates of such receivables.

- 2 When the setoff set forth in the preceding Paragraph is available, Party A may also receive a refund of any and all types of deposits on behalf of Party B and appropriate them to the performance of the obligations without prior notice and without following prescribed procedures.

- 3 For the calculation of the setoff in accordance with the provisions of the preceding two Paragraphs,

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(Article 13. Liquidation of Securities in lieu of Cash)

If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, Party A may, on Party B's account, dispose of the Securities in lieu of Cash (referring to the Securities in lieu of Cash set forth in Article 12 of the Rules on Margin for Business of Assuming Commodity Transaction Debts of JSCC) provided or deposited by Party B as the Margin for the purpose of ensuring the performance of obligations relating to the contracts pertaining to the subject contracts pursuant to the Commodity Clearing Transactions in such manner, at such time and place, for such price and on such other terms as may be determined by Party A in its discretion, without any notice or demand and without following legally prescribed procedures, and appropriate the proceeds thereof, after deducting therefrom related expenses, to the performance of such obligations regardless of the legally prescribed priority; and in the event that any obligation remains unsatisfied after such appropriation of the proceeds, Party B shall immediately perform such obligation.

(Article 14. Disposition of Property in Possession)

If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, Party A may dispose of Party B's movable properties in Party A's possession, as well as Party B's securities and the like in Party A's possession or recorded in Party A's account in accordance with the Act on Transfer of Bonds, Stocks, etc. (Law No. 75 of 2001); in such event, Party A shall dispose them in accordance with the provisions of the preceding Article.

(Article 15. Order of Appropriation in Debt Repayment)

In the case of performance of obligation or the setoff in accordance of Article 12, if they are not sufficient for full satisfaction of Party B's obligations owed to Party A relating to the contracts pursuant to the commission of the Commodity Clearing Transactions, Party A may apply them to Party B's obligations in such order and manner as Party A deems appropriate.

(Article 16. Payment of Delay Penalty)

In the event that Party B fails to perform any of its obligations owed to Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, upon Party A's request, Party B shall pay to Party A a delay penalty accruing at the

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(Article 17. Prohibition against Assignment of Receivables)

Party B may neither assign to, nor pledge for, any other person any of the claims which Party B has against Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions.

(Article 18. Termination of Contract)

- 1 Party A and Party B may, upon mutual consultation, terminate this Contract by mutual agreement.
- 2 In addition to the provisions of the preceding Paragraph, each of Party A and Party B shall have the right to terminate this Contract by issuing to the other party written notice of its intention of termination not less than ___ month(s) prior to the intended date of termination.
- 3 In addition to the provisions of the preceding two Paragraphs, whenever any of the Items under Paragraph 1 or under Paragraph 2 of Article 7 becomes applicable to Party B, Party A may terminate this Contract.
- 4 When intending to terminate this Contract pursuant to the provisions of the preceding three Paragraphs, Party A shall provide JSCC, and Party B shall provide the Designated Market Operator, with prior notice. In such event, such notice shall be submitted on or before the day which is not later than three days before the intended date of termination (excluding Non-Business Days) in the case of termination pursuant to Paragraph 1, without delay after Party A's issuance or receipt of the written notice of the intention of termination to or from the other party in the case of the termination pursuant to Paragraph 2, or on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended date of termination in the case of termination pursuant to the preceding Paragraph.
- 5 The provisions of this Contract shall continue to apply to the Commodity Clearing Transactions pertaining to the subject contracts, which are formed prior to the termination of this Contract (including the case where the Designated Market Operator regards Party B as the defaulter, and then the Offsetting-Sale or Offsetting-Purchase relating to the Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including the consignment thereof) is executed pursuant to the notification of Paragraph 1 of Article 8; and including the case where the Offsetting-Sale or Offsetting-Purchase relating to the Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including the consignment thereof) in a manner prescribed by the Designated Market Operator and/or JSCC is executed pursuant to the provisions of Paragraph 4 of the said Article).

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Handling of Business Rules on Business of Assuming Commodity Transaction Debts

6 Notwithstanding the provisions of Paragraph 1 through Paragraph 3, the termination of this Contract shall not become effective if Party A fails to provide the notice set forth in Paragraph 4.

(Article 19. Special Termination)

1 Notwithstanding the provisions of the preceding Article, in the event that Party A and Party B have previously agreed upon the conditions, upon the satisfaction of which this Contract may be terminated, from viewpoint of certainty of the performance of obligations relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, if any of such conditions becomes applicable to Party B, Party A may terminate this Contract by issuing written notice of its intention of termination to Party B on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended date of termination.

2 When intending to terminate this Contract pursuant to the provisions of the preceding Paragraph (such termination is hereinafter referred to as the "Special Termination"), Party A shall notify JSCC immediately after issuing to Party B the written notice of its intention of the Special Termination, and on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended effective date of such Special Termination.

3 The provisions of this Contract shall continue to apply to the Commodity Clearing Transactions pertaining to the subject contracts (including the Offsetting-Sale or Offsetting-Purchase relating to the Special Termination), which are formed prior to the Special Termination.

4 In addition to the provisions of the preceding Paragraph, the provisions of this Contract shall continue to apply to the contracts which are deemed by JSCC to be particularly necessary in order to secure the performance of settlement.

5 Notwithstanding the provisions of Paragraph 1, the Special Termination shall not become effective if Party A fails to issue the notice set forth in Paragraph 2.

(Article 20. Special Provision for Settlement of Positions in Current Contract Month)

1 Party A and Party B shall provide for special provisions about the matters listed in the following Items from viewpoint of certainty of performance of obligations pertaining to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions:

- (1) To report to Party A, by the date and time designated by Party A, the necessary matters, such as whether or not there is a settlement by delivery relating to the position in the current contract month held by Party B, status of procurement of the delivery goods;

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- (2) Warehouse receipts and the like relating to the sale to be settled by delivery or the date and time of payment of the aggregate trading value relating to purchase; and
 - (3) Limit on the quantity relating to the contracts pertaining to the subject contracts pursuant to commission of the Commodity Clearing Transactions.
- 2 Notwithstanding the provision of the preceding Paragraph, Party A and Party B may provide for special provisions about non-delivery with respect to the current contract month positions held by Party B or settlement of positions held by Party B through Offsetting-Sale or Offsetting-Purchase by a certain date specified in advance.
- 3 When Party B breaches any of the special provisions under the preceding two Paragraphs, Party A may, in order to settle any unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions, dispose of positions pertaining to the said unsettled Contracts for Clearing at Party A's discretion and on the account of Party B through Offsetting-Sale or Offsetting-Purchase or transfer them to a Member of the Designated Market Operator designated by Party A.
- 4 The provisions of Paragraph 3 of Article 8 shall apply mutatis mutandis to the case set forth in the preceding Paragraph.

(Article 21. Reports)

- 1 Party B shall, without delay upon Party A's request therefor, submit to Party A reports concerning the matters necessary in relation to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions.
- 2 When any of the events set forth in the Items under Paragraph 1 or under Paragraph 2 of Article 7 occurs, or when the Designated Market Operator suspends Party B's transactions in Commodity Markets or suspends Party B from commissioning the Commodity Clearing Transactions, or expels Party B (limited to those related to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions under this Contract), Party B shall immediately report such effect in writing to Party A.

(Article 22. Obligations of Party B)

If a replacement deposit is placed by Party B or a Clearing Broker relating to Party B, Party B shall notify such effect to Party A, and shall also notify Party A of the necessary matters pursuant to the Rules on Margin prescribed by JSCC.

(Article 23. Confidentiality Obligations)

Party A and Party B shall maintain the confidentiality of the other party's business information

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Handling of Business Rules on Business of Assuming Commodity Transaction Debts obtained in the course of business operations in connection with this Contract, and shall not use such information for any other purpose. In addition, neither Party A nor Party B may divulge such information to any third party, except when responding to investigations conducted by the Designated Market Operator or JSCC, or when any other justifiable cause exists.

(Article 24. Notice of Changes Concerning Notified Matters)

Whenever any change is made to Party B's trade name or name, representative, seal impression and/or signature registered with Party A, address or office location, or any other matter, Party B shall immediately provide Party A with written notice thereof.

(Article 25. Disclaimer)

- 1 Party A shall not be liable for any damage caused by a delay in the return of collateral pursuant to Party B's request therefor, due to force majeure such as a natural disaster.
- 2 Party A shall not be liable for any damage resulting from a loss or deterioration of, or damage to, the collateral due to the cause described in the preceding Paragraph.
- 3 Party A shall not be liable for any damage caused by forgery, falsification or other incident involving notifications or other documents, if Party A verifies the seal impression or signature used on such documents against the registered seal impression or signature with due care, and takes actions based on its belief that such seal impression or signature is genuine.

(Article 26. Effectiveness of Notice)

In the event that any type of notice given by Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, addressed to Party B's address or office location previously provided to Party A, is delayed or fails to be delivered due to any cause attributable to Party B, such notice shall be deemed to have been delivered at the time when it should ordinarily have been delivered.

(Article 27. Reports and the Like Submitted by Electromagnetic Means)

When Party A's approval is obtained, in lieu of written reports to be submitted pursuant to the provisions of Paragraph 2 of Article 21 or written notification (other than those relating to changes to seal impressions or signatures) to be submitted pursuant to the provisions of Article 24, Party B may provide the information which is to be set forth in such reports or notification by the method involving the use of electronic information processing systems or other information communication technology. In such event, Party B shall be deemed to have provided such reports or notification in writing.

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(Article 28. Applicable Law)

This Contract shall be governed by, and construed in accordance with, the laws of Japan.

(Article 29. Agreed Jurisdiction)

The court having jurisdiction over the area where Party A's headquarters or _____ branch is located shall have the jurisdiction over any lawsuit relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions under this Contract.

(Article 30. Consent for Execution of Agreements for Give-ups)

1 Party B shall obtain the prior written consent of Party A for any instance involving the execution by Party B of an agreement for Give-ups.

2 Upon cancellation of an agreement for Give-ups, Party B shall notify Party A of such fact without delay.

In witness whereof, Party A and Party B have prepared two counterparts of this Contract and affixed their names and seal impressions thereon, and shall retain one counterpart each.

Date: year / month / date

Address:

Party A (Dojima Sugar Futures Clearing Participant)
Trade Name or Name:

Representative: (Seal)

Address:

Party B (Dojima Sugar Futures Non-Clearing Participant)
Trade Name or Name:

Representative: (Seal)

Note 1 In the blank space in “___ month(s)” appearing in Paragraph 2 of Article 18, the number of month(s) which shall not be less than one month shall be inserted upon the agreement between Party A and Party B.

Note 2 Article 19 may be deleted from this Contract, if Party A and Party B do not prescribe in advance the conditions referenced in Paragraph 1 of Article 19, upon the satisfaction of which this Contract may be terminated, from viewpoint of certainty of the performance of obligations.

Note 3 Upon the agreement by and between Party A and Party B, revisions which are deemed

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appropriate may be made to the provisions concerning the agreed jurisdiction in Article 29.

<Exhibit Form 5>

Contract for Commissioning Clearance Relating to Dojima Precious Metal Futures

_____ (hereinafter referred to as “Party A”) and _____ (hereinafter referred to as “Party B”) agree as follows with regard to the Commodity Clearing Transactions conducted by Party A pursuant to the commission from Party B. The terms used in this Contract shall have the meanings prescribed in the Business Rules on Business of Assuming Commodity Transaction Debts (hereinafter referred to as “Business Rules”) and other rules of Japan Securities Clearing Corporation (hereinafter referred to as “JSCC”).

(Article 1 Contracts Subject to Commodity Clearing Transaction)

The Contracts subject to this Contract (hereinafter referred to as “subject contracts”) shall be, among the Designated Market Operators and the Designated Commodity Markets prescribed in the Business Rules of JSCC, the transactions in Precious Metal Market of Osaka Dojima Exchange, Inc.

(Article 2. Designation of Designated Clearing Participant)

With respect to the subject contracts, Party B may in its discretion designate Party A as the Clearing Participant which is always commissioned the Commodity Clearing Transactions (hereinafter referred to as the “Designated Clearing Participant”). In such case, Party A shall submit to JSCC, and Party B shall submit to the Designated Market Operator, an advance notification (and obtain approval, if an approval of the Designated Market Operator is required).

(Article 3. Transfer of Unsettled Contracts upon Designation)

1 If Party B has designated a Clearing Participant other than Party A to act as its Designated Clearing Participant but elects to change such designation to Party A, Party A shall take over the unsettled Contracts for Clearing pertaining to Party B's subject contracts (only those relating to the Contracts for Clearing) pursuant to the commission of the Commodity Clearing Transactions from the former Designated Clearing Participant.

2 In the case where Party B has lost its Dojima Precious Metal Futures Clearing Qualification, if Party B designates Party A as its Designated Clearing Participant, Party A shall take over

Party B's unsettled Contracts for Clearing.

(Article 4. Transfer of Unsettled Contracts upon Change of Designation, etc.)

1 In the case where Party B has designated Party A as its Designated Clearing Participant, if Party B changes such designation to another Clearing Participant in accordance with the rules prescribed by the Designated Market Operator, Party A shall transfer the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions to such other Clearing Participant which is newly designated by Party B as its Designated Clearing Participant.

2 In the case where Party B has designated Party A as its Designated Clearing Participant, if Party B obtains the Dojima Precious Metal Futures Clearing Qualification of JSCC, Party A shall transfer to Party B the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions.

(Article 5. Conclusion of Commodity Clearing Transactions)

1 A Commodity Clearing Transaction, where Party A is designated by Party B as its Designated Clearing Participant, shall be executed by Party B on behalf of Party A.

2 When the preceding Paragraph applies, with respect to the commission of the Commodity Clearing Transaction pertaining to the subject contract, when Party B executed the transaction in accordance with the rules prescribed by the Designated Market Operator, Party B shall be deemed to have submitted to Party A an application for the commission of the Commodity Clearing Transaction, and Party A shall be deemed to have accepted the commission of the Commodity Clearing Transaction.

(Article 6. Commodity Clearing Transaction Account)

All of the Margin, the money to be paid and received for the mark to market purpose*1, and other securities and money to be paid/received, in connection with the contracts pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions shall be processed at the Commodity Clearing Transaction account which is set up by Party B at Party A.

(Article 7. Acceleration of Performance of Obligations)

1 Upon the occurrence of any of the events described in the following Items with respect to Party B, the obligations which Party B owes to Party A in connection with the contracts

pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions shall automatically become immediately due and payable without any notification, demand or the like from Party A, and Party B shall perform such obligations immediately:

- (1) If Party B suspends payment, or a petition for a commencement of bankruptcy proceedings, a commencement of rehabilitation proceedings, a commencement of corporate reorganization proceedings or a commencement of a special liquidation involving Party B is filed;
- (2) If the note clearinghouse takes any measure to suspend Party B's contracts or an Electronic Monetary Claim Recording Institution defined in Paragraph 2 of Article 2 of the Electronically Recorded Monetary Claims Act (Act No. 102 of 2007) suspends Party B's transactions;
- (3) If an order or notice of provisional attachment, preservative attachment or attachment is issued with respect to any receivable relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions or any other receivable, which is held by Party B against Party A;
- (4) If procedures for attachment or auction are commenced with respect to the collateral provided or deposited for Party B's obligations owed to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions; or
- (5) If any event which is the same as or similar to any of the events described in the preceding Items occurs under laws and regulations of a foreign country.

2 Upon the occurrence of any of the events described in the following Items with respect to Party B, upon Party A's request therefor, the obligations which Party B owes to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions shall become immediately due and payable, and Party B shall perform such obligations immediately:

- (1) If Party B delays the performance of any of the obligations owed by Party B to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions (except when the delay results from Party B's failure to comply with the measures set forth in Paragraph 2 of Article 30 of the Business Rules of JSCC); or
- (2) If procedures for attachment or auction are commenced (including the case where any

equivalent or similar event occurs under laws and regulations of a foreign country) with respect to the collateral posted for Party B's obligations owed to Party A (excluding the obligations relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions).

(Article 8. Handling in Cases Involving Suspension of Payment)

1 When Party B becomes subject to the acceleration of the obligations under the preceding Article, Party A may notify its intention to, or its intention to have other Clearing Participants Party A designates to, liquidate the unsettled Contracts for Clearing pertaining to all of Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions to the relevant Designated Market Operator pursuant to the rules prescribed by the Designated Market Operator.

2 When Party A submitted the notification set forth in the preceding Paragraph, it must report such effect to JSCC immediately.

3 In case where the Designated Market Operator deems Party B as a defaulter based on the notification of Paragraph 1, and then Party A or the Clearing Participant designated by Party A incurs a loss as a result of the Offsetting-Sale or Offsetting-Purchase of Party B's Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including consignment thereof), Party B shall immediately pay money in the amount equal to the amount of such loss to Party A.

4 Notwithstanding the provisions of Paragraph 1, if Party B has become subject to a suspension of transactions in Commodity Market or consignment of Commodity Clearing Transactions, or expulsion from membership, imposed by the Designated Market Operator, Party A shall comply with such action in the manner prescribed by the Designated Commodity Exchange imposed such action and JSCC and Party B shall comply with such action and the rules of the Designated Market Operator imposed such action.

(Article 9. Handling in Cases Where Measures to Increase the Collateral are Taken with respect to Party A)

In the event that Party A takes the measures set forth in Paragraph 2 of Article 30 of the Business Rules of JSCC with respect to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions, Party B shall comply with the relevant measures.

(Article 10. Offsetting-Sale, Offsetting-Purchase and the Like in the event of Issuance to Party A of Instructions for Improvement on Position Holding)

1 In the event that Party A receives the Instructions for Improvement on Position Holding pursuant to the Business Rules of JSCC (hereinafter referred to as the "Instructions for Improvement" in this Article) due to Party B's failure to comply with the measures set forth in the preceding Article without a justifiable reason, Party A may request Party B to settle the unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions or to transfer them to other Clearing Participants.

2 If Party A is unable to comply with the Instructions for Improvement even after making reasonable efforts to comply with the Instructions for Improvement, and if Party B fails to comply with the request set forth in the preceding Paragraph without a justifiable reason in spite of Party A's issuance of such request in advance providing a reasonable grace period, Party A may, to the extent deemed reasonably necessary, execute the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) on Party B's account, relating to Party B's subject contracts in order to settle the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions by Party B to Party A.

3 Even if Party B incurs damages as a result of Party A's execution of the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) referenced in, and pursuant to, the provisions of the preceding Paragraph, Party B shall not claim any compensation for such damages against Party A or JSCC; provided, however, that in the event that a willful misconduct or gross negligence on the part of Party A or JSCC is recognized, the foregoing shall not apply to any claim made against the person who committed such willful misconduct or gross negligence.

(Article 11. Measures in case of Clearing Participant's Settlement Default)

1 In the case where the Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions are designated to be the Early Termination Allocated Position set forth in Paragraph 1 of Article 79 of the Business Rules of JSCC, Party A may execute an Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) relating to the subject contracts on Party B's account to settle the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions by Party B to Party A.

2 Even if Party B incurs damages as a result of Party A's execution of the Offsetting-Sale or Offsetting-Purchase (including the consignment thereof) referenced in, and pursuant to, the provisions of the preceding Paragraph, Party B shall not claim any compensation for such damages against Party A or JSCC; provided, however, that in the event that a willful misconduct or gross negligence on the part of Party A or JSCC is recognized, the foregoing shall not apply to any claim made against the person who committed such willful misconduct or gross negligence.

(Article 12. Netting of Amounts)

1 If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, and if Party B is required to perform its obligations owed to Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions as a result thereof, Party A may set off such obligations against any and all receivables, including the receivables held by Party B against Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions at any time and regardless of the due dates of such receivables.

2 When the setoff set forth in the preceding Paragraph is available, Party A may also receive a refund of any and all types of deposits on behalf of Party B and appropriate them to the performance of the obligations without prior notice and without following prescribed procedures.

3 For the calculation of the setoff in accordance with the provisions of the preceding two Paragraphs, interest on the receivables and obligations, delay penalty and the like shall accrue during the period ending on the date of such calculation, and the interest rates applicable to such receivables and obligations and the delay penalty rate applicable to the obligations owed to Party A shall be the rates prescribed by Party A.

(Article 13. Liquidation of Securities in lieu of Cash)

If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, Party A may, on Party B's account, dispose of the Securities in lieu of Cash (referring to the Securities in lieu of Cash set forth in Article 12 of the Rules on Margin for Business of Assuming Commodity Transaction Debts of JSCC) provided or deposited by Party B as the Margin for the purpose of ensuring the performance of obligations relating to the contracts pertaining to the subject contracts pursuant to the Commodity Clearing Transactions in such

manner, at such time and place, for such price and on such other terms as may be determined by Party A in its discretion, without any notice or demand and without following legally prescribed procedures, and appropriate the proceeds thereof, after deducting therefrom related expenses, to the performance of such obligations regardless of the legally prescribed priority; and in the event that any obligation remains unsatisfied after such appropriation of the proceeds, Party B shall immediately perform such obligation.

(Article 14. Disposition of Property in Possession)

If Party B's obligations become immediately due and payable pursuant to the provisions of Article 7, Party A may dispose of Party B's movable properties in Party A's possession, as well as Party B's securities and the like in Party A's possession or recorded in Party A's account in accordance with the Act on Transfer of Bonds, Stocks, etc. (Law No. 75 of 2001); in such event, Party A shall dispose them in accordance with the provisions of the preceding Article.

(Article 15. Order of Appropriation in Debt Repayment)

In the case of performance of obligation or the setoff in accordance of Article 12, if they are not sufficient for full satisfaction of Party B's obligations owed to Party A relating to the contracts pursuant to the commission of the Commodity Clearing Transactions, Party A may apply them to Party B's obligations in such order and manner as Party A deems appropriate.

(Article 16. Payment of Delay Penalty)

In the event that Party B fails to perform any of its obligations owed to Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, upon Party A's request, Party B shall pay to Party A a delay penalty accruing at the rate prescribed by Party A for the period commencing on the day immediately following the due date and ending on the date of actual performance.

(Article 17. Prohibition against Assignment of Receivables)

Party B may neither assign to, nor pledge for, any other person any of the claims which Party B has against Party A in connection with the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions.

(Article 18. Termination of Contract)

- 1 Party A and Party B may, upon mutual consultation, terminate this Contract by mutual agreement.
- 2 In addition to the provisions of the preceding Paragraph, each of Party A and Party B shall have the right to terminate this Contract by issuing to the other party written notice of its intention of termination not less than ____ month(s) prior to the intended date of termination.
- 3 In addition to the provisions of the preceding two Paragraphs, whenever any of the Items under Paragraph 1 or under Paragraph 2 of Article 7 becomes applicable to Party B, Party A may terminate this Contract.
- 4 When intending to terminate this Contract pursuant to the provisions of the preceding three Paragraphs, Party A shall provide JSCC, and Party B shall provide the Designated Market Operator, with prior notice. In such event, such notice shall be submitted on or before the day which is not later than three days before the intended date of termination (excluding Non-Business Days) in the case of termination pursuant to Paragraph 1, without delay after Party A's issuance or receipt of the written notice of the intention of termination to or from the other party in the case of the termination pursuant to Paragraph 2, or on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended date of termination in the case of termination pursuant to the preceding Paragraph.
- 5 The provisions of this Contract shall continue to apply to the Commodity Clearing Transactions pertaining to the subject contracts, which are formed prior to the termination of this Contract (including the case where the Designated Market Operator regards Party B as the defaulter, and then the Offsetting-Sale or Offsetting-Purchase relating to the Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including the consignment thereof) is executed pursuant to the notification of Paragraph 1 of Article 8; and including the case where the Offsetting-Sale or Offsetting-Purchase relating to the Physical Settlement Futures Contracts and Cash Settlement Futures Contracts (including the consignment thereof) in a manner prescribed by the Designated Market Operator and/or JSCC is executed pursuant to the provisions of Paragraph 4 of the said Article).
- 6 Notwithstanding the provisions of Paragraph 1 through Paragraph 3, the termination of this Contract shall not become effective if Party A fails to provide the notice set forth in Paragraph 4.

(Article 19. Special Termination)

1 Notwithstanding the provisions of the preceding Article, in the event that Party A and Party B have previously agreed upon the conditions, upon the satisfaction of which this Contract may be terminated, from viewpoint of certainty of the performance of obligations relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, if any of such conditions becomes applicable to Party B, Party A may terminate this Contract by issuing written notice of its intention of termination to Party B on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended date of termination.

2 When intending to terminate this Contract pursuant to the provisions of the preceding Paragraph (such termination is hereinafter referred to as the "Special Termination"), Party A shall notify JSCC immediately after issuing to Party B the written notice of its intention of the Special Termination, and on or before the day (if such day is a Non-Business Day, the immediately preceding Business Day) immediately preceding the intended effective date of such Special Termination.

3 The provisions of this Contract shall continue to apply to the Commodity Clearing Transactions pertaining to the subject contracts (including the Offsetting-Sale or Offsetting-Purchase relating to the Special Termination), which are formed prior to the Special Termination.

4 In addition to the provisions of the preceding Paragraph, the provisions of this Contract shall continue to apply to the contracts which are deemed by JSCC to be particularly necessary in order to secure the performance of settlement.

5 Notwithstanding the provisions of Paragraph 1, the Special Termination shall not become effective if Party A fails to issue the notice set forth in Paragraph 2.

(Article 20. Special Provision for Settlement of Positions in Current Contract Month)

1 Party A and Party B shall provide for special provisions about the matters listed in the following Items from viewpoint of certainty of performance of obligations pertaining to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions:

- (1) To report to Party A, by the date and time designated by Party A, the necessary matters, such as whether or not there is a settlement by delivery relating to the position in the current contract month held by Party B, status of procurement of the delivery goods;

(2) Warehouse receipts and the like relating to the sale to be settled by delivery or the date and time of payment of the aggregate trading value relating to purchase; and

(3) Limit on the quantity relating to the contracts pertaining to the subject contracts pursuant to commission of the Commodity Clearing Transactions.

2 Notwithstanding the provision of the preceding Paragraph, Party A and Party B may provide for special provisions about non-delivery with respect to the current contract month positions held by Party B or settlement of positions held by Party B through Offsetting-Sale or Offsetting-Purchase by a certain date specified in advance.

3 When Party B breaches any of the special provisions under the preceding two Paragraphs, Party A may, in order to settle any unsettled Contracts for Clearing pertaining to Party B's subject contracts pursuant to the commission of the Commodity Clearing Transactions, dispose of positions pertaining to the said unsettled Contracts for Clearing at Party A's discretion and on the account of Party B through Offsetting-Sale or Offsetting-Purchase or transfer them to a Member of the Designated Market Operator designated by Party A.

4 The provisions of Paragraph 3 of Article 8 shall apply mutatis mutandis to the case set forth in the preceding Paragraph.

(Article 21. Reports)

1 Party B shall, without delay upon Party A's request therefor, submit to Party A reports concerning the matters necessary in relation to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions.

2 When any of the events set forth in the Items under Paragraph 1 or under Paragraph 2 of Article 7 occurs, or when the Designated Market Operator suspends Party B's transactions in Commodity Markets or suspends Party B from commissioning the Commodity Clearing Transactions, or expels Party B (limited to those related to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions under this Contract), Party B shall immediately report such effect in writing to Party A.

(Article 22. Obligations of Party B)

If a replacement deposit is placed by Party B or a Clearing Broker relating to Party B, Party B shall notify such effect to Party A, and shall also notify Party A of the necessary matters pursuant to the Rules on Margin prescribed by JSCC.

(Article 23. Confidentiality Obligations)

Party A and Party B shall maintain the confidentiality of the other party's business information obtained in the course of business operations in connection with this Contract, and shall not use such information for any other purpose. In addition, neither Party A nor Party B may divulge such information to any third party, except when responding to investigations conducted by the Designated Market Operator or JSCC, or when any other justifiable cause exists.

(Article 24. Notice of Changes Concerning Notified Matters)

Whenever any change is made to Party B's trade name or name, representative, seal impression and/or signature registered with Party A, address or office location, or any other matter, Party B shall immediately provide Party A with written notice thereof.

(Article 25. Disclaimer)

1 Party A shall not be liable for any damage caused by a delay in the return of collateral pursuant to Party B's request therefor, due to force majeure such as a natural disaster.

2 Party A shall not be liable for any damage resulting from a loss or deterioration of, or damage to, the collateral due to the cause described in the preceding Paragraph.

3 Party A shall not be liable for any damage caused by forgery, falsification or other incident involving notifications or other documents, if Party A verifies the seal impression or signature used on such documents against the registered seal impression or signature with due care, and takes actions based on its belief that such seal impression or signature is genuine.

(Article 26. Effectiveness of Notice)

In the event that any type of notice given by Party A relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions, addressed to Party B's address or office location previously provided to Party A, is delayed or fails to be delivered due to any cause attributable to Party B, such notice shall be deemed to have been delivered at the time when it should ordinarily have been delivered.

(Article 27. Reports and the Like Submitted by Electromagnetic Means)

When Party A's approval is obtained, in lieu of written reports to be submitted pursuant to the provisions of Paragraph 2 of Article 21 or written notification (other than those relating to changes to seal impressions or signatures) to be submitted pursuant to the provisions of

Article 24, Party B may provide the information which is to be set forth in such reports or notification by the method involving the use of electronic information processing systems or other information communication technology. In such event, Party B shall be deemed to have provided such reports or notification in writing.

(Article 28. Applicable Law)

This Contract shall be governed by, and construed in accordance with, the laws of Japan.

(Article 29. Agreed Jurisdiction)

The court having jurisdiction over the area where Party A's headquarters or _____ branch is located shall have the jurisdiction over any lawsuit relating to the contracts pertaining to the subject contracts pursuant to the commission of the Commodity Clearing Transactions under this Contract.

(Article 30. Consent for Execution of Agreements for Give-ups)

1 Party B shall obtain the prior written consent of Party A for any instance involving the execution by Party B of an agreement for Give-ups.

2 Upon cancellation of an agreement for Give-ups, Party B shall notify Party A of such fact without delay.

In witness whereof, Party A and Party B have prepared two counterparts of this Contract and affixed their names and seal impressions thereon, and shall retain one counterpart each.

Date: ___ year / ___ month / ___ date

Address:

Party A (Dojima Precious Metal Futures Clearing Participant) Trade Name or Name:

Representative: ___ (Seal)

Address:

Party B (Dojima Precious Metal Futures Non-Clearing Participant) Trade Name or Name:

Representative: ___ (Seal)

Note 1 In the blank space in “ month(s)” appearing in Paragraph 2 of Article 18, the number of month(s) which shall not be less than one month shall be inserted upon the agreement between Party A and Party B.

Note 2 Article 19 may be deleted from this Contract, if Party A and Party B do not prescribe in advance the conditions referenced in Paragraph 1 of Article 19, upon the satisfaction of which this Contract may be terminated, from viewpoint of certainty of the performance of obligations.

Note 3 Upon the agreement by and between Party A and Party B, revisions which are deemed appropriate may be made to the provisions concerning the agreed jurisdiction in Article 29.

<Appendix 1> Table Concerning Types of Securities Deposited in lieu of Cash and their Substituting Prices, etc.

1 The types of securities deemed appropriate by JSCC, their market prices and rates prescribed by JSCC pursuant to the provisions of Paragraph 5 and Paragraph 6 of Article 68 of the Business Rules shall be as follows:

Type of Securities		Market Price	The rate by which the market price is to be multiplied
Japanese Government Bonds (For Inflation-Indexed Bonds, only those eligible for Clearing under OTC JGB Clearing Service)	Whose Reference Statistical Prices for OTC Bond Transactions are published by the Japan Securities Dealers Association	Average of the relevant Reference Statistical Prices for OTC Bond Transactions (For Inflation-Indexed Bonds, the value obtained by multiplying such average by the indexation coefficient published by the Ministry of Finance)	(1) Interest-bearing Japanese government bond and discount government bond (excluding government bond with floating rate, Inflation-Indexed Bonds and STRIPs) a Years to maturity of less than 1 year 99% b Years to maturity over 1 year and less than 5 years 98% c Years to maturity over 5 year and less than 10 years 98% d Years to maturity over 10year and less than 20 years 96% e Years to maturity over 20 year and less than 30 years 94% f Years to maturity over 30 years 92% (2) Government bond with floating rate a Years to maturity of less than 1 year 99% b Years to maturity over 1 year and less than 5 years 99% c Years to maturity over 5 year and less than 10 years 99% d Years to maturity over 10 year and less than 20 years 99% (3) Inflation-Indexed Bonds a Years to maturity of less than 1 year 99% b Years to maturity over 1 year and less than 5 years 96% c Years to maturity over 5 year and less than 10 years 96% d Years to maturity over 10year and less than 20 years 96% e Years to maturity over 20 year and less than 30 years 96% f Years to maturity over 30 years 96% (4) STRIPs
	Which are listed on a domestic Financial Instruments Exchange, but whose Reference Statistical Prices for OTC Bond Transactions are not published	The closing price (*1) in the Financial Instruments Exchange (*2)	

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			<p>a Years to maturity of less than 1 year 99%</p> <p>b Years to maturity over 1 year and less than 5 years 98%</p> <p>c Years to maturity over 5 year and less than 10 years 98%</p> <p>d Years to maturity over 10year and less than 20 years 96%</p> <p>e Years to maturity over 20 year and less than 30 years 93%</p> <p>f Years to maturity over 30 years 91%</p>
<p>Bonds guaranteed by the Japanese Government</p> <p>Yen denominated bonds which are the bonds stipulated in Article 2-11 of the Enforcement Ordinance of the Financial Instruments and Exchange Act (*3)</p>	<p>Whose Reference Statistical Prices for OTC Bond Transactions are published by the Japan Securities Dealers Association</p>	<p>Average of the relevant Reference Statistical Prices for OTC Bond Transactions</p>	<p>(1) Years to maturity of less than 1 year 99%</p> <p>(2) Years to maturity over 1 year and less than 5 years 98%</p> <p>(3) Years to maturity over 5 year and less than 10 years 98%</p> <p>(4) Years to maturity over 10year and less than 20 years 95%</p> <p>(5) Years to maturity over 20 year and less than 30 years 93%</p> <p>(6) Years to maturity over 30 years 91%</p>
	<p>Which are listed on a domestic Financial Instruments Exchange, but whose Reference Statistical Prices for OTC Bond Transactions are not published</p>	<p>The closing price (*1) in the Financial Instruments Exchange (*2)</p>	
<p>Foreign Government Bonds</p>	<p>U.S. Treasury Bonds/Notes/Bills</p>	<p>The last quote in the New York market on the immediately preceding day</p>	<p>(1) Years to maturity of less than 1 year 94%</p> <p>(2) Years to maturity over 1 year and less than 5 years 93%</p> <p>(3) Years to maturity over 5 year and less than 10 years 92%</p> <p>(4) Years to maturity over 10 year and less than 20 years 90%</p> <p>(5) Years to maturity over 20 year and less than 30 years 88%</p> <p>(6) Years to maturity over 30 years 88%</p>
	<p>GBP denominated bonds issued by the United Kingdom of Great Britain and Northern Ireland</p>	<p>The last quote in the London market on the immediately preceding day</p>	<p>(1) Years to maturity of less than 1 year 90%</p> <p>(2) Years to maturity over 1 year and less than 5 years 89%</p> <p>(3) Years to maturity over 5 year and less than 10 years 88%</p> <p>(4) Years to maturity over 10 year and less than 20 years 86%</p> <p>(5) Years to maturity over 20 year</p>

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			and less than 30 years 84% (6) Years to maturity over 30 years 82%
	EUR denominated bonds issued by Federal Republic of Germany	The last quote in the Frankfurt market on the immediately preceding day	(1) Years to maturity of less than 1 year 93% (2) Years to maturity over 1 year and less than 5 years 91% (3) Years to maturity over 5 year and less than 10 years 90% (4) Years to maturity over 10 year and less than 20 years 88% (5) Years to maturity over 20 year and less than 30 years 85% (6) Years to maturity over 30 years 82%
	EUR denominated bonds issued by French Republic	The last quote in the Paris market on the immediately preceding day	(1) Years to maturity of less than 1 year 93% (2) Years to maturity over 1 year and less than 5 years 91% (3) Years to maturity over 5 year and less than 10 years 90% (4) Years to maturity over 10 year and less than 20 years 87% (5) Years to maturity over 20 year and less than 30 years 83% (6) Years to maturity over 30 years 80%
Municipal bonds (*3)	Whose Reference Statistical Prices for OTC Bond Transactions are published by the Japan Securities Dealers Association	Average of the relevant Reference Statistical Prices for OTC Bond Transactions	(1) Years to maturity of less than 1 year 99% (2) Years to maturity over 1 year and less than 5 years 98% (3) Years to maturity over 5 year and less than 10 years 97% (4) Years to maturity over 10 year and less than 20 years 94% (5) Years to maturity over 20 year and less than 30 years 92% (6) Years to maturity over 30 years 92%
	Which are listed on a domestic Financial Instruments Exchange, but whose Reference Statistical Prices for OTC Bond Transactions are not published	The closing price (*1) in the Financial Instruments Exchange (*2)	
Special bonds (excluding bonds guaranteed by the Japanese Government) (*4)	Whose Reference Statistical Prices for OTC Bond Transactions are published by the Japan Securities	Average of the relevant Reference Statistical Prices for OTC Bond Transactions	(1) Years to maturity of less than 1 year 99% (2) Years to maturity over 1 year and less than 5 years 98% (3) Years to maturity over 5 year and less than 10 years 97%

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Corporate Bonds (excluding bonds with stock acquisition rights) (*3) (*4)	Dealers Association		(4) Years to maturity over 10year and less than 20 years 94% (5) Years to maturity over 20 year and less than 30 years 92% (6) Years to maturity over 30 years 90%
	Which are listed on a domestic Financial Instruments Exchange, but whose Reference Statistical Prices for OTC Bond Transactions are not published	The closing price (*1) in the Financial Instruments Exchange (*2)	
Yen-denominated bonds issued by foreign juridical persons (<i>SAMURAI Bonds</i>) (excluding Yen denominated bonds which are the bonds stipulated in Article 2-11 of the Enforcement Ordinance of the Financial Instruments and Exchange Act (*3) (*4)	Whose Reference Statistical Prices for OTC Bond Transactions are published by the Japan Securities Dealers Association	Average of the relevant Reference Statistical Prices for OTC Bond Transactions	(1) Years to maturity of less than 1 year 99% (2) Years to maturity over 1 year and less than 5 years 98% (3) Years to maturity over 5 year and less than 10 years 97% (4) Years to maturity over 10year and less than 20 years 97% (5) Years to maturity over 20 year and less than 30 years 97% (6) Years to maturity over 30 years 97%
	Which are listed on a domestic Financial Instruments Exchange, but whose Reference Statistical Prices for OTC Bond Transactions are not published	The closing price (*1) at the Financial Instruments Exchange (*2)	
Stocks Preferred equity capital contribution securities Depository receipts for foreign stocks Depository receipts for foreign stocks Beneficiary securities of foreign investment trusts Foreign investment securities Beneficiary securities of beneficiary securities issuing	Which are listed on a domestic Financial Instruments Exchange	The closing price (*1) in the Financial Instruments Exchange (*2)	70/100

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trust			
Beneficiary securities of foreign beneficiary securities issuing trust			
Beneficiary securities of investment trusts	Which are listed on a domestic Financial Instruments Exchange	The closing price (*1) in the Financial Instruments Exchange (*2)	
Investment securities			

(*1) With respect to an issue that is listed on multiple Financial Instruments Exchanges, referring to the Financial Instruments Exchange selected in accordance with the order of priority prescribed by JSCC.

(*2) In the case where a final quote is posted in the applicable Financial Instruments Exchange, the closing price refers to such final quote.

(*3) Limited to those with respect to which an underwriting contract is executed by a Financial Instruments Business Operator in connection with their issuance.

(*4) With respect to Special bonds*¹, Corporate Bonds*² and Yen-denominated bonds issued by foreign juridical persons (*SAMURAI Bonds*) *³, limited to those deemed appropriate by JSCC taking the issuing company's creditworthiness and other circumstances into account(e.g. all ratings obtained from Eligible Rating Agencies*⁴ are A or above, etc.).

(*¹ excluding bonds guaranteed by the Japanese Government)

(*² excluding bonds with stock acquisition rights)

(*³ excluding Yen denominated bonds which are the bonds stipulated in Article 2-11 of the Enforcement Ordinance of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965))

(*⁴ referring to the Credit Rating Agencies stipulated in Paragraph 36 of Article 2 of the Financial Instruments and Exchange Act and the Specified Related Corporations stipulated in Paragraph 2 of Article 116-3 of the Ordinance of Cabinet Office Concerning Financial Instruments Business, etc. (Ordinance of Cabinet Office No. 52 of 2007).)

2 The provisions of Paragraph 3 of Article 11 shall apply *mutatis mutandis* to the selection of a Financial Instruments Exchange in accordance with the order of priority prescribed by JSCC pursuant to the provisions of the preceding Paragraph. In such event, the phrase, "such preceding day," in Paragraph 3 of such Article shall be deemed to be "the day which is two days before the day of deposit or the settlement day".

3 Deposits of Japanese Government Bonds shall be made by way of book-entry transfers to the accounts held in the name of JSCC at the Bank of Japan.

4 Deposits of the securities set forth in the following Items shall be made by way of book-entry transfers to the accounts held in the name of JSCC at JASDEC:

- (1) Stocks, preferred equity capital contribution securities, depositary receipts for foreign stocks, beneficiary securities of investment trusts, beneficiary securities of foreign investment trusts, foreign investment securities, beneficiary securities of beneficiary securities issuing trusts, beneficiary securities of foreign beneficiary securities

issuing trusts, bonds^{*1}; and

(*1excluding Japanese Government Bonds and bonds with stock acquisition rights)

(2) Investment securities that are listed on any of the domestic Financial Instruments Exchanges.

6 JSCC shall entrust the task of submitting to JASDEC reports concerning the deposited securities prescribed in the following Item to the Clearing Participant which has deposited such securities, and the Clearing Participant so entrusted with the task shall submit the relevant reports to JASDEC. In such event, the Clearing Participant so entrusted with the task may cause third parties to submit the relevant reports.

(1) Reports concerning the entrustment status of management for Special Shareholders in connection with stocks issued by domestic corporations;

(2) Reports concerning the entrustment status of management for Special Holders of Preferred Equity Capital Contribution Securities in connection with equity capital contribution securities;

(3) Reports concerning the entrustment status of management for Special Holders of Beneficiary Securities in connection with investment trust beneficiary securities;

(4) Reports concerning the entrustment status of management for Special Holders of Investment Securities in connection with investment securities; and

(5) Reports concerning the entrustment status of management for Special Holders of Beneficiary Securities in connection with beneficiary securities of beneficiary securities issuing trust.

7 Notwithstanding the provisions of Paragraph 1, in the event that any stock^{*1} that is listed on one or more domestic Financial Instruments Exchange(s) comes to meet, in all of such domestic Financial Instruments Exchanges where it is listed, any of the delisting criteria prescribed by such Financial Instruments Exchange(s)^{*2}, JSCC shall exclude such stock and the Corporate Bonds issued by the issuer of such stock^{*3} from the securities which may be deposited in lieu of cash, commencing on the day immediately following the day on which such delisting criteria are met:

(*1 including preferred equity capital contribution securities, depositary receipts for foreign stocks, beneficiary securities of investment trusts, beneficiary securities of foreign investment trusts, investment securities, foreign investment securities, beneficiary securities of beneficiary securities issuing trust and beneficiary securities of foreign beneficiary securities issuing trust; the same applies hereinafter in this Paragraph)

(*2 except in the events prescribed by the following Items)

(*³ excluding the relevant depositary receipts for foreign stocks, beneficiary securities of investment trusts, beneficiary securities of foreign investment trusts, beneficiary securities of beneficiary securities issuing trust and beneficiary securities of foreign beneficiary securities issuing trust)

(1) In the event where the issuer of the relevant stock becomes a wholly-owned subsidiary of another corporation whose stock is listed in a Designated Financial Instruments Market*¹ through a share exchange or equity transfer;

(*¹ hereinafter referred to as the “Listed Company”)

(2) In the event where the issuer of the relevant stock merges with a Listed Company through an absorption-type merger; or

(3) In the event not described above, where the relevant stock is to be delisted and where the stock which is to be granted in exchange for such stock is expected to be listed immediately on a domestic Financial Instruments Exchange.

8 The provisions of the preceding Paragraph shall apply *mutatis mutandis* to bonds where the obligations relating to the bonds of the issuer of such bonds become immediately due and payable

(Article 1. Purpose)

These Rules set forth the required amount of clearing fund pursuant to the provisions of Article 68 of the Business Rules on Business of Assuming Commodity Transaction Debts.

(Article 2. Required Amount of Clearing Fund)

- 1 The required amount of clearing fund in respect of each category of the Commodity Transaction Clearing Qualification under the provisions of Article 68 of the Business Rules on Business of Assuming Commodity Transaction Debts shall be determined in accordance with Appendix "Table Concerning Calculation of Required Amount of Clearing Fund."
- 2 Notwithstanding the provisions of the preceding Paragraph, the required amount of clearing fund that is to be deposited in respect of each category of the Commodity Transaction Clearing Qualification by an entity that has newly obtained the Commodity Transaction Clearing Qualification shall be the amount determined by JSCC, on a case-by-case basis taking into account such information as (i) the scale of the business of the relevant applicant for the Commodity Transaction Clearing Qualification, (ii) its trading record and trading prospects, and (iii) the amount of money obtained by dividing the sum total of the required amount of clearing fund in respect of the relevant Commodity Transaction Clearing Qualification for each Clearing Participant holding the same Commodity Transaction Clearing Qualification on the date on which applications for the Commodity Transaction Clearing Qualification were submitted by the number of such Clearing Participants, and such required amount of clearing fund shall be applied for the period JSCC deems necessary.
- 3 JSCC shall calculate the required amount of clearing fund of each Clearing Participant in respect of the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification, ~~and~~ Dojima Sugar Futures Clearing Qualification and Dojima Precious Metal Futures Clearing Qualification on every Business Day as a base date for calculation of required amount of clearing fund and notify each Clearing Participant thereof on the next day.
- 4 The required amount of clearing fund of each Clearing Participant related to the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification, ~~and~~ Dojima Sugar Futures Clearing Qualification and Dojima Precious Metal Futures Clearing Qualification calculated in accordance with the preceding Paragraph shall be applied from the next day following the base date for calculation of required amount of clearing fund.

5 The amount to be prescribed by JSCC as set forth in Paragraph 3 of Article 68 of the Business Rules on Business of Assuming Commodity Transaction Debts shall be the sum total of the amount^{*1} obtained by respectively deducting 1 billion yen from the amount required for clearing fund for each category of the Commodity Transaction Clearing Qualification and dividing such value by 2; provided that if the resultant value is negative, then such amount shall be deemed to be zero.

(*1 if there is any fraction less than whole yen amount, it shall be rounded upwards)

(Article 3. Ad Hoc Change of Required Amount of Clearing Fund)

Notwithstanding the provisions of the preceding Article, in the case where a Clearing Participant merges, a Clearing Participant newly becomes a Designated Clearing Participant of a Non-Clearing Participant or JSCC otherwise determines it necessary to do so, the required amount of clearing fund by each category of the Commodity Transaction Clearing Qualification for the relevant Clearing Participant may be changed on an ad hoc basis.

Supplementary Provisions

- 1 These Rules shall come into effect on July 27, 2020.
- 2 The required amount of clearing fund for each Clearing Participant relating to the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification or Dojima Sugar Futures Clearing Qualification to apply on the day on which these Rules come into effect^{*1} shall be the amount obtained through the method stipulated in Appendix as the day before the Effective Date as the base date for calculation of required amount of clearing fund set forth in Paragraph 3 of Article 2.
(*1 hereinafter referred to as the "Effective Date")
- 3 Notwithstanding the provisions of Appendix, when the Period Average Base PML Amount is obtained for any day preceding the day before the Effective Date as the Calculation Period for the purpose of calculation of the required amount of clearing fund for the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification and Dojima Sugar Futures Clearing Qualification, the Daily Largest Base PML Amount, Individual Company Prorated Base IM Amount and Total Prorated Base IM Amounts shall be the amounts calculated by JSCC through the method stipulated in Appendix based on the position at the energy market and Chukyo oil market in the Tokyo Commodity Exchange and the agricultural market and sugar market in Osaka Dojima Commodity Exchange in the relevant Calculation Period, respectively.
- 4 If JSCC considers it inappropriate to apply the provisions of these 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 Contracts for Clearing, handling of the required amount of clearing fund and other necessary matters shall be decided by JSCC at each applicable occasion.
- 5 Notwithstanding the provisions of Appendix, in the calculation of the required amount of clearing fund for the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification or Dojima Sugar Futures Clearing Qualification, the amount obtained by subtracting the amount prescribed by JSCC as the money to be received from a third party as set forth in Paragraph 4 of Article 81 of the Business Rules on Business of Assuming Commodity Transaction Debts and the amount prescribed by JSCC as JSCC's Commodity Futures Contracts Settlement Guarantee Reserve as set forth in Paragraph 5 of Article 81 of the said Rules from the Period Average Base PML Amount shall be deemed to be the Period Average Base PML Amount.

6 Notwithstanding the provisions of Paragraph 2 of Article 2, the required amount of clearing fund for the Energy Futures Clearing Qualification, the required amount of clearing fund for the Dojima Agricultural Futures Clearing Qualification or the required amount of clearing fund for the Dojima Sugar Futures Clearing Qualification for an entity obtaining the Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification or Dojima Sugar Futures Clearing Qualification on the Effective Date^{*1} shall be subject to the provisions of Paragraph 1 of the said Article.

(*1 limited to the Principal Clearing Qualification relating to each Commodity Transaction Clearing Qualification)

Supplementary Provisions

These revised Rules shall come into effect on September 21, 2022.

Supplementary Provisions

1 These revised Rules shall come into effect on March 27, 2023.

2 Notwithstanding the provisions of Appendix, in the calculation of the required amount of clearing fund for the Dojima Precious Metal Futures Clearing Qualification, the amount obtained by subtracting the amount prescribed by JSCC as the money to be received from a third party as set forth in Paragraph 4 of Article 81 of the Business Rules on Business of Assuming Commodity Transaction Debts and the amount prescribed by JSCC as JSCC's Commodity Futures Contracts Settlement Guarantee Reserve as set forth in Paragraph 5 of Article 81 of the said Rules from the Period Average Base PML Amount shall be deemed to be the Period Average Base PML Amount.

3 Notwithstanding the provisions of Paragraph 2 of Article 2, the required amount of clearing fund for the Dojima Precious Metal Futures Clearing Qualification for an entity obtaining the Dojima Precious Metal Futures Clearing Qualification on the effective date^{*1} shall be subject to the provisions of Paragraph 1 of the said Article.

(*1 limited to the Principal Clearing Qualification)

<Appendix>

*Table Concerning Calculation of Required Amount of Clearing Fund*1 Required Amount of Clearing Fund for Energy Futures Clearing Qualification^{*1}(*¹ hereinafter referred to as “Required Amount of Clearing Fund for Energy Futures”)

Required Amount of Clearing Fund for Energy Futures shall be the amount calculated in accordance with the formula set forth below; provided, however, that if such amount is less than 10 million yen, Required Amount of Clearing Fund for Energy Futures shall be 10 million yen — the terms used in the formula shall have the meanings set forth in A) through C) below.

Required Amount of Clearing Fund for Energy Futures

$$= (\text{Greater of Period Average Base PML Amount}_{\text{ENG}} \text{ and Daily Largest Base PML}_{\text{ENG}}) \\ \times \text{Individual Company Prorated Base IM Amount}_{\text{ENG}} \\ / \text{Total Prorated Base IM Amounts}_{\text{ENG}}$$

A) Period Average Base PML Amount_{ENG} means the average amount during the Calculation Period of Daily Largest Base PML Amount_{ENG}.

(Note 1) Daily Largest Base PML Amount_{ENG} refers to the largest of the Largest Base PML Amounts_{ENG} per Stress Scenario on each day.

(Note 1-1) Largest Base PML Amount_{ENG} per Stress Scenario refers to the total sum of Base PML Amounts_{ENG} of the Clearing Participant^{*1} whose Base PML Amount_{ENG} becomes the largest in each stress scenario and Base PML Amounts_{ENG} in such stress scenario of five (5) Clearing Participants with the lowest amounts of net worth.

(*¹ if any subsidiary or affiliate, or the parent company of such Clearing Participant, or any subsidiary or affiliate of the parent company (“Affiliated Company”) also is a Clearing Participant, the sum of Base PML Amounts_{ENG} of the Clearing Participant and such Affiliated Company)

(Note 1-1-1) Base PML Amount_{ENG} shall be sum total of the amount^{*1} obtained, in respect of each account^{*2} related to the Energy Futures Clearing Qualification, by subtracting the amount equivalent to the amount required for Margin related to the Energy Futures Clearing Qualification^{*3} from the loss amount arising from the Unsettled Contracts under the stress scenarios.

(*¹ positive value only, for accounts other than the account set forth in Item (1) of

Article 53 of the Business Rules on Business of Assuming Commodity Transaction Debts)

(*² referring to each account set forth in Article 53 and Article 54 of the said Rules)

(*³ excluding the amount of the preliminary Margin add-on set forth in Paragraph 1 of Article 12-2 of the Rules on Margin for Business of Assuming Commodity Transaction Debts)

B) Individual Company Prorated Base IM Amount_{ENG} means the average of the aggregate of the amount equivalent to the amount required for Margin^{*1} of each Clearing Participant in relation to the Energy Futures Clearing Qualification on each trading day during the one month period preceding the base date for calculation of required amount of clearing fund.

(*¹ referring to the total sum of the amount equivalent to the amount required for Margin related to the Energy Futures Clearing Qualification for accounts set forth in Article 53 and Article 54 of the Business Rules on Business of Assuming Commodity Transaction Debts that are managed by each Clearing Participant^{*1-1})

(*¹⁻¹ excluding the amount of the preliminary Margin add-on set forth in Paragraph 1 of Article 12-2 of the Rules on Margin for Business of Assuming Commodity Transaction Debts)

C) Total Prorated Base IM Amounts_{ENG} means the sum total of the Individual Company Prorated Base IM Amounts_{ENG} set forth in B) above of all the Energy Futures Clearing Participants.

2 Required Amount of Clearing Fund for Dojima Agricultural Futures Clearing Qualification^{*1}

(*¹ hereinafter referred to as “Required Amount of Clearing Fund for Dojima Agricultural Futures”)

Required Amount of Clearing Fund for Dojima Agricultural Futures shall be the amount calculated in accordance with the formula set forth below — the terms used in the formula shall have the meanings set forth in A) through C) below.

Required Amount of Clearing Fund for Dojima Agricultural Futures

= (Greater of Period Average Base PML Amount_{DAGR} and Daily Largest Base PML_{DAGR})
x Individual Company Prorated Base IM Amount_{DAGR}

/ Total Prorated Base IM Amounts_{DAGR}

A) Period Average Base PML Amount_{DAGR} means the average amount during the Calculation Period of Daily Largest Base PML Amount_{DAGR}.

(Note 1) Daily Largest Base PML Amount_{DAGR} refers to the largest of the Largest Base PML Amounts_{DAGR} per Stress Scenario on each day.

(Note 1-1) Largest Base PML Amount_{DAGR} per Stress Scenario refers to the total sum of Base PML Amounts_{DAGR} of the Clearing Participant*¹ whose Base PML Amount_{DAGR} becomes the largest in each stress scenario and Base PML Amounts_{DAGR} in such stress scenario of five (5) Clearing Participants with the lowest amounts of net worth.

(*¹ if any Affiliated Company of such Clearing Participant also is a Clearing Participant, the sum of Base PML Amounts_{DAGR} of the Clearing Participant and such Affiliated Company)

(Note 1-1-1) Base PML Amount_{DAGR} shall be sum total of the amount*¹ obtained, in respect of each account*² related to the Dojima Agricultural Futures Clearing Qualification, by subtracting the amount equivalent to the amount required for Margin related to the Dojima Agricultural Futures Clearing Qualification from the loss amount arising from the Unsettled Contracts under the stress scenarios.

(*¹ positive value only, for accounts other than the account set forth in Item (1) of Article 53 of the Business Rules on Business of Assuming Commodity Transaction Debts)

(*² referring to each account set forth in Article 53 and Article 54 of the the said Rules)

B) Individual Company Prorated Base IM Amount_{DAGR} means the average of the aggregate of the amount equivalent to the amount required for Margin*¹ of each Clearing Participant in relation to the Dojima Agricultural Futures Clearing Qualification on each trading day during the one month period preceding the base date for calculation of required amount of clearing fund.

(*¹ referring to the total sum of the amount equivalent to the amount required for Margin related to the Dojima Agricultural Futures Clearing Qualification for accounts set forth in Article 53 and Article 54 of the Business Rules on Business of Assuming Commodity Transaction Debts that are managed by each Clearing Participant)

C) Total Prorated Base IM Amounts_{DAGR} means the sum total of the Individual Company Prorated Base IM Amounts_{DAGR} set forth in B) above of all the Dojima Agricultural

Futures Clearing Participants.

3 Required Amount of Clearing Fund for Dojima Sugar Futures Clearing Qualification^{*1}

(*1 hereinafter referred to as “Required Amount of Clearing Fund for Dojima Sugar Futures”)

Required Amount of Clearing Fund for Dojima Sugar Futures shall be the amount calculated in accordance with the formula set forth below — the terms used in the formula shall have the meanings set forth in A) through C) below.

Required Amount of Clearing Fund for Dojima Sugar Futures

$$= (\text{Greater of Period Average Base PML Amount}_{\text{DSGR}} \text{ and Daily Largest Base PML}_{\text{DSGR}}) \\ \times \text{Individual Company Prorated Base IM Amount}_{\text{DSGR}} \\ / \text{Total Prorated Base IM Amounts}_{\text{DSGR}}$$

A) Period Average Base PML Amount_{DSGR} means the average amount during the Calculation Period of Daily Largest Base PML Amount_{DSGR}.

(Note 1) Daily Largest Base PML Amount_{DSGR} refers to the largest of the Largest Base PML Amounts_{DSGR} per Stress Scenario on each day.

(Note 1-1) Largest Base PML Amount_{DSGR} per Stress Scenario refers to the total sum of Base PML Amounts_{DSGR} of the Clearing Participant^{*1} whose Base PML Amount_{DSGR} becomes the largest in each stress scenario and Base PML Amounts_{DSGR} in such stress scenario of five (5) Clearing Participants with the lowest amounts of net worth.

(*1 if any Affiliated Company of such Clearing Participant also is a Clearing Participant, the sum of Base PML Amounts_{DSGR} of the Clearing Participant and such Affiliated Company)

(Note 1-1-1) Base PML Amount_{DSGR} shall be sum total of the amount^{*1} obtained, in respect of each account^{*2} related to the Dojima Sugar Futures Clearing Qualification, by subtracting the amount equivalent to the amount required for Margin related to the Dojima Sugar Futures Clearing Qualification from the loss amount arising from the Unsettled Contracts under the stress scenarios.

(*1 positive value only, for accounts other than the account set forth in Item (1) of Article 53 of the Business Rules on Business of Assuming Commodity Transaction Debts)

(*2 referring to each account set forth in Article 53 and Article 54 of the said Rules)

B) Individual Company Prorated Base IM Amount_{DSGR} means the average of the aggregate of the amount equivalent to the amount required for Margin^{*1} of each Clearing Participant in relation to the Dojima Sugar Futures Clearing Qualification on each trading day during the one month period preceding the base date for calculation of required amount of clearing fund.

(*1 referring to the total sum of the amount equivalent to the amount required for Margin related to the Dojima Sugar Futures Clearing Qualification for accounts set forth in Article 53 and Article 54 of the Business Rules on Business of Assuming Commodity Transaction Debts that are managed by each Clearing Participant)

C) Total Prorated Base IM Amounts_{DSGR} means the sum total of the Individual Company Prorated Base IM Amounts_{DSGR} set forth in B) above of all the Dojima Sugar Futures Clearing Participants.

4 Required Amount of Clearing Fund for Dojima Precious Metal Futures Clearing Qualification^{*1}

(*1 hereinafter referred to as "Required Amount of Clearing Fund for Dojima Precious Metal Futures")

Required Amount of Clearing Fund for Dojima Precious Metal Futures shall be the amount calculated in accordance with the formula set forth below — the terms used in the formula shall have the meanings set forth in A) through C) below.

Required Amount of Clearing Fund for Dojima Precious Metal Futures

= (Greater of Period Average Base PML Amount_{DPME} and Daily Largest Base PML_{DPME})
x Individual Company Prorated Base IM Amount_{DPME}
/ Total Prorated Base IM Amounts_{DPME}

D) Period Average Base PML Amount_{DPME} means the average amount during the Calculation Period of Daily Largest Base PML Amount_{DPME}.

(Note 1) Daily Largest Base PML Amount_{DPME} refers to the largest of the Largest Base PML Amounts_{DPME} per Stress Scenario on each day.

(Note 1-1) Largest Base PML Amount_{DPME} per Stress Scenario refers to the total sum of Base PML Amounts_{DPME} of the Clearing Participant^{*1} whose Base PML Amount_{DPME} becomes the largest in each stress scenario and Base PML Amounts_{DPME} in such stress scenario of five (5) Clearing Participants with the lowest amounts of net worth.

(*1 if any Affiliated Company of such Clearing Participant also is a Clearing Participant, the sum of Base PML Amounts_{DPME} of the Clearing Participant and such Affiliated Company)

(Note 1-1-1) Base PML Amount_{DPME} shall be sum total of the amount^{*1} obtained, in respect of each account^{*2} related to the Dojima Precious Metal Futures Clearing Qualification, by subtracting the amount equivalent to the amount required for Margin related to the Dojima Precious Metal Futures Clearing Qualification from the loss amount arising from the Unsettled Contracts under the stress scenarios.

(*1 positive value only, for accounts other than the account set forth in Item (1) of Article 53 of the Business Rules on Business of Assuming Commodity Transaction Debts)

(*2 referring to each account set forth in Article 53 and Article 54 of the said Rules)

E) Individual Company Prorated Base IM Amount_{DPME} means the average of the aggregate of the amount equivalent to the amount required for Margin^{*1} of each Clearing Participant in relation to the Dojima Precious Metal Futures Clearing Qualification on each trading day during the one month period preceding the base date for calculation of required amount of clearing fund.

(*1 referring to the total sum of the amount equivalent to the amount required for Margin related to the Dojima Precious Metal Futures Clearing Qualification for accounts set forth in Article 53 and Article 54 of the Business Rules on Business of Assuming Commodity Transaction Debts that are managed by each Clearing Participant)

F) Total Prorated Base IM Amounts_{DPME} means the sum total of the Individual Company Prorated Base IM Amounts_{DPME} set forth in B) above of all the Dojima Precious Metal Futures Clearing Participants.

(Article 1 Purpose)

These Rules on Fees concerning Business of Assuming Commodity Transaction Debts set forth necessary matters concerning the fees JSCC collects in accordance with the provisions of Article 17 and Article 88 of the Business Rules on Business of Assuming Commodity Transaction Debts.

(Article 2. Clearing Fees)

- 1 A Clearing Participant shall pay the clearing fees to JSCC.
- 2 The clearing fees (monthly fees) stipulated in the preceding Paragraph shall be as stipulated in the Appendix attached hereto.
- 3 Notwithstanding the provisions of the preceding Paragraph, so long as the measures to avoid reduction in JSCC's profit are taken, JSCC may change the clearing fee rates and the like stipulated in the Appendix or offer a rebate of the clearing fees for a certain period of time in a manner separately prescribed by JSCC. In this case, a notification to that effect shall be given to Clearing Participants in advance.

(Article 3. Fixed Fee)

- 1 A Clearing Participant shall pay the fixed fees to JSCC.
- 2 The fixed fee (monthly fees) stipulated in the preceding Paragraph shall be 50,000 yen regardless of the number of Commodity Transaction Clearing Qualifications held by the relevant Clearing Participant.

(Article 4. Fees for Position Transfer)

- 1 In the case where Position Transfer is completed pursuant to the provisions of Paragraph 1 of Article 66 of the Business Rules on Business of Assuming Commodity Transaction Debts, a Clearing Participant to whom such Position is transferred^{*1} shall pay the amount obtained by multiplying the amount of Position pertaining to such Position Transfer by 5 yen to JSCC.

(*1 in the case where it is a Non-Clearing Participant, referring to the Designated Clearing Participant of such Non-Clearing Participant)

- 2 In the case where an Agency Clearing Participant obtains an approval from JSCC concerning a Position Transfer pursuant to the provisions of Paragraph 5 of Article 66 of the Business Rules on Business of Assuming Commodity Transaction Debts^{*1}, such Agency Clearing Participant shall pay to JSCC the amount obtained by multiplying the

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amount of Position pertaining to such Position Transfer by 5 yen.

(*1 excluding the case where Position Transfer is completed pursuant to the provisions of Paragraph 1 of the said Article)

(Article 5. Inspection Fees related to Soybeans)

When JSCC conducted an inspection related to a claim of deficiency pursuant to the provisions of Paragraph 1 of Article 8 of the Rules on Handling concerning Settlement by Delivery related to Products Listed on Osaka Dojima Exchange., the Delivering Dojima Agricultural Futures Clearing Participant or the Receiving Dojima Agricultural Futures Clearing Participant as applicable under the respective Item of Article 9 of the said Rules shall pay JSCC the inspection fee in the amount of 3,000 yen per delivery unit.

(Article 6. Inspection Fees and Weight Inspection Fees related to Azuki)

When JSCC conducted an advance inspection related to Azuki pursuant to the provisions of Paragraph 1 of Article 17 of the Rules on Handling concerning Settlement by Delivery related to Products Listed on Osaka Dojima Exchange or when JSCC conducted an inspection related to a claim of deficiency pursuant to the provisions of Paragraph 1 of Article 19 of the said Rules, the Delivering Dojima Agricultural Futures Clearing Participant or the Receiving Dojima Agricultural Futures Clearing Participant as applicable under the respective Item of Paragraph 2 of Article 21 of the said Rules shall pay JSCC the inspection fees or the weight inspection fees prescribed below:

(1) Inspection Fee

When performing a delivery at the designated warehouse located within Hyogo Prefecture or City of Osaka^{*1}: 800 yen per delivery unit

When performing a delivery at the designated warehouse located outside of Hyogo Prefecture or City of Osaka^{*2}: 900 yen per delivery unit

(*1 hereinafter referred to as "In-City")

(*2 hereinafter referred to as "Out-of-City")

(2) Weight Inspection Fee

When performing a delivery at the designated warehouse located In-City: 800 yen per delivery unit

When performing a delivery at the designated warehouse located Out-of-City: 900 yen per delivery unit

(Article 7. Inspection Fees related to Rice)

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When JSCC conducted an inspection related to a claim of deficiency pursuant to the provisions of Article 48 of the Rules on Handling concerning Settlement by Delivery related to Products Listed on Osaka Dojima Exchange, the Delivering Dojima Agricultural Futures Clearing Participant or the Receiving Dojima Agricultural Futures Clearing Participant as applicable under the respective Item of Paragraph 2 of Article 50 of the said Rules shall pay JSCC the inspection fee in the amount of 13,000 yen per delivery unit for an inspection of quality and in the amount of 7,000 yen per delivery unit for an inspection of weight, packaging or other problem.

(Article 8. Issue Management Fees)

1 The Designated Market Operator shall pay JSCC the issue management fees.

2 The issue management fee (monthly fees) of the Designated Market Operator prescribed in the preceding Paragraph shall be, with respect to the contracts listed in Item (1) and Item (2) of Article 2 of the Business Rules on Business of Assuming Commodity Transaction Debts, the sum of the amount obtained by multiplying the number of the subject commodities related to the relevant contract at each Designated Market Operator as of the end of month^{*1} by 60,000 yen.

(^{*1} excluding those for which neither contract month nor rolling-spot contract is ~~not~~-set)

(Article 9. Fee for Handling New Instruments)

The Designated Market Operator shall pay JSCC the fee for handling new instruments as an amount equivalent to the expenses JSCC temporarily bears for an addition of a Contract Subject to Clearing and/or other system changes at a request of the relevant Designated Market Operator; provided, however, that when a similar system change and the like is implemented within one (1) year after the relevant system change, the fee for handling new instruments therefor shall be prescribed by JSCC at each applicable occasion.

(Article 10. Fee Payment Timing)

1 The date of payment of the fees prescribed in Article 2 through Article 8 to JSCC shall be 20th day^{*1} of each month, and such fee for the previous month shall be paid together with the amount of consumption tax and the amount of local consumption tax.

(^{*1} if such day falls on a Non-Business Day, it shall be the immediately following Business Day)

2 The date of payment of the fee for handling new instruments prescribed in the preceding Article shall be prescribed by JSCC at each applicable occasion, and such fee shall be

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paid together with the amount of consumption tax and the amount of local consumption tax.

Supplementary Provisions

- 1 These Rules shall come into effect on July 27, 2020; provided, however, that the provisions of Paragraph 2 of Article 8 shall come into effect on August 1, 2020.
- 2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply the provisions of these Rules due to an unavoidable reason, such as failure of the system installed by JSCC or other institution which is necessary for settlements between JSCC and Clearing Participants in relation to Contracts for Clearing, handling of the assumption of obligations and other necessary matters shall be decided by JSCC at each applicable occasion.
- 3 Notwithstanding the provisions of Paragraph 2 of Article 3, the Fixed Fee for July 2020 shall be 8,064 yen*¹.
(*¹ if the sum of the clearing fees related to the Contracts Subject to Clearing listed in Item (1) and Item (2) of Article 2 of the Business Rules on Business of Assuming Commodity Transaction Debts and the clearing fees related to the contracts subject to clearing listed in Item (6)-2 and Item (6)-3 of Paragraph 2 of Article 3 of the Business Rules prescribed in connection with the Securities and Similar Contracts Clearing Business for July 2020 is equal to or less than 100,000 yen, 0 yen)
- 4 The provisions of Paragraph 2 of Article 3 shall not apply, for a time being for the fees after August 2020, to the Clearing Participant with respect to which the sum of the clearing fees related to the Contracts Subject to Clearing listed in Item (1) and Item (2) of Article 2 of the Business Rules on Business of Assuming Commodity Transaction Debts to be calculated pursuant to Appendix and the clearing fees related to the contracts subject to clearing listed in Item (6)-2 and Item (6)-3 of Paragraph 2 of Article 3 of the Business Rules prescribed in connection with the Securities and Similar Contracts Clearing Business to be calculated pursuant to the Appendix to the Rules on Fees related to the Securities and Similar Contracts Clearing Business is equal to or less than 100,000 yen.
- 5 The Fixed Fee prescribed in Paragraph 2 of Article 3 shall be 0 yen for the Clearing Participant paying the Fixed Fee prescribed in Item (4) of Paragraph 2 of Article 2-2 of the Rules on Fees related to the Securities and Similar Contracts Clearing Business.

Supplementary Provisions

These revised Rules shall come into effect on November 10, 2020.

Supplementary Provisions

These revised Rules shall come into effect on April 1, 2021.

Supplementary Provisions

These revised Rules shall come into effect on the later of (i) the date on which the amendment to the Articles of Incorporation of Osaka Dojima Commodity Exchange, Inc. related to its trade name change becomes effective, and (ii) the date on which the authorizations of the Minister of Agriculture, Forestry and Fisheries and the Minister of Economy, Trade and Industry are granted.

Supplementary Provisions

These revised Rules shall come into effect on April 4, 2022.

Supplementary Provisions

1. These revised Rules shall come into effect on June 23, 2022.
2. These revised Rules shall not apply to the delivery of Rice 2022 June contract month.

Supplementary Provisions

These revised Rules shall come into effect on March 27, 2023.

<Appendix>

Basis for Calculation of Clearing Fees and Clearing Fee Rates

The basis for the calculation of clearing fees and the clearing fee rates related to the contracts listed in Item (1) and Item (2) of Article 2 of the Business Rules on Business of Assuming Commodity Transaction Debts shall be as follows:

Classification of Contracts Subject to Clearing		Basis for Calculation	Clearing Fee Rate
Physical Settlement Futures Contracts listed in Item (1) of Article 2 of the Business Rules on Business of Assuming Commodity Transaction Debts	Berge Gasoline Futures Contracts, Barge Kerosene Futures Contracts, Barge Gasoil Futures Contracts, Chukyo Lorry Gasoline Futures Contracts, Chukyo Lorry Kerosene Futures Contracts (Note 1)	Trade Amount	As to the obligations JSCC assumed during the relevant month (Note 2): 9 yen per trading unit (Note 3)
		Amount of Settlement by Delivery	As to the total amount of the settlement by delivery during the relevant month with respect to the short position for which no Offsetting-Purchase has been executed and long position for which no Offsetting-Sale has been executed by the last trading day of each contract month: 145 yen per delivery unit

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	Contracts related to the Contracts listed on the Commodity Market listed in Item (3) and Item (4) of Article 3 of	Trade Amount	As to the obligations JSCC assumed during the relevant month (Note 2): 9 yen per trading unit (Note 3)
	the Business Rules on Business of Assuming Commodity Transaction Debts. (Note 1)	Amount of Settlement by Delivery	As to the total amount of the settlement by delivery during the relevant month with respect to the short position for which no Offsetting-Purchase has been executed and long position for which no Offsetting-Sale has been executed by the last trading day of each contract month: 101 yen per delivery unit
Cash Settlement Futures Contracts listed in Item (2) of Article 2 of the Business Rules on Business of Assuming Commodity Transaction Debts.	East Area Baseload Electricity Futures Contracts, West Area Baseload Electricity Futures Contracts (Note 1)	Trade Amount	As to the obligations JSCC assumed during the relevant month (Note 2): 73 yen per trading unit (Note 3)
		Amount related to Final Settlement	As to the amount related to the final settlement during the relevant month: 219 yen per trading unit

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	East Area Peakload Electricity Futures Contracts, West Area Peakload Electricity Futures Contracts (Note 1)	Trade Amount	As to the obligations JSCC assumed during the relevant month (Note 2): 24 yen per trading unit (Note 3)
		Amount related to Final Settlement	As to the amount related to the final settlement during the relevant month: 72 yen per trading unit
	Platts Dubai Crude Oil Futures Contracts (Note 1)	Trade Amount	As to the obligations JSCC assumed during the relevant month (Note 2): 9 yen per trading unit (Note 3)
		Amount related to Final Settlement	As to the amount related to the final settlement during the relevant month: 83 yen per trading unit
	LNG (PLATTS JKM) Futures Contracts (Note 1)	Trade Amount	As to the obligations JSCC assumed during the relevant month (Note 2): 9 yen per trading unit (Note 3)

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Rules on Fees concerning Business of Assuming Commodity Transaction Debts

		Amount related to Final Settlement	As to the amount related to the final settlement during the relevant month: 50 yen per trading unit
	<u>Gold Rolling-Spot Futures Contracts and Platinum Rolling-Spot Futures Contracts out of the Contracts listed on the Commodity Market listed in Item (5) of Article 3 of the Business Rules on Business of Assuming Commodity Transaction Debts. (Note 1)</u>	Contract quantity	<u>As to the obligations JSCC assumed during the relevant month (Note 2):</u> <u>0.9 yen per trading unit</u> <u>(Note 3)</u>

Reference Translation

Rules on Fees concerning Business of Assuming Commodity Transaction Debts

<u>Silver Rolling-Spot Futures Contracts out of the Contracts listed on the Commodity Market listed in Item (5) of Article 3 of the Business Rules on Business of Assuming Commodity Transaction Debts. (Note 1)</u>	<u>Contract quantity</u>	<u>As to the obligations JSCC assumed during the relevant month (Note 2): 9 yen per trading unit (Note 3)</u>
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(Note 1) Meaning of the terms shall be as prescribed by the Designated Market Operators.

(Note 2) When a Give-up is concluded pursuant to the rules prescribed by the Designated Market Operator, the obligations that ceased to exist pursuant to the provisions of Article 52 of the Business Rules on Business of Assuming Commodity Transaction Debts shall be excluded for the Clearing Participant that is an order executing trading participant*¹ and the obligations newly assumed pursuant to the said Article shall be included for the Clearing Participant that is a clearing executing trading participant*².

(*1 if the relevant order executing trading participant is a Non-Clearing Participant, its Designated Clearing Participant)

(*2 if the relevant clearing executing trading participant is a Non-Clearing Participant, its Designated Clearing Participant)

(Note 3) The aggregate trade amount shall be the aggregate trade amount from the trading day ending on the first day*¹ of each month to the trading day ending on the last day*² of the relevant month

(*1 if such day falls on a Non-Business Day, it shall be the immediately following Business Day)

(*2 if such day falls on a Non-Business Day, it shall be the immediately preceding Business Day)

(Article 1 Purpose)

These rules set forth the matters necessary for the Disciplinary Measures Assessment Committee in accordance with the provisions of Article 33-2 of the Business Rules, Article 36 of the CDS Clearing Business Rules (hereinafter referred to as the "CDS Business Rules"), Article 36 of the Interest Rate Swap Clearing Business Rules (hereinafter referred to as the "IRS Business Rules"), Article 33 of the Japanese Government Bond Over-the-Counter Transaction Clearing Business Rules (hereinafter referred to as the "JGB OTC Business Rules") and Article ~~39~~38 of the Business Rules on Business of Assuming Commodity Transaction Debts (hereinafter referred to as the "Commodity Business Rules").

(Article 2 Establishment of Disciplinary Measures Assessment Committee)

JSCC shall establish the Disciplinary Measures Assessment Committee as an advisory committee of the board of directors of JSCC.

(Article 3 Matters for Consultation)

1 When JSCC seeks to take the measures or make the judgements listed below for Clearing Participants, etc., JSCC shall consult with the Disciplinary Measures Assessment Committee.

(¹qualified for any of Securities Clearing Qualification, JGB Futures Clearing Qualification, Index Futures Clearing Qualification, Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification, Petroleum Futures Clearing Qualification, FX Clearing Qualification or ETF Special Clearing Qualification prescribed in Article 5 Paragraph 2 of Business Rules, CDS Clearing Qualification prescribed in Article 2 (60) of CDS Clearing Business Rules, IRS Clearing Qualification prescribed in Article 2 (12) of Interest Rate Swap Clearing Business Rules, JGB OTC Transaction Clearing Qualification prescribed in Article 5 Paragraph 2 of Japanese Government Bond Over-the-Counter Transaction Clearing Business Rules or Energy Futures Clearing Qualification, Dojima Agricultural Futures Clearing Qualification, ~~or Dojima Sugar Futures Clearing Qualification~~ or Dojima Precious Metal Futures Clearing Qualification prescribed in Article 5 Paragraph 2 of the Commodity Business Rules set forth below¹, or a registered party pursuant to the provision of Article 10-4 Paragraph 1 of Business Rules.)

(¹referred to as "Clearing Participants". The same applies hereinafter.)

(1) The measures set forth in Article 29, Article 29-2 or Article 29-3 of the Business Rules or judgement about the petition of objection set forth in Paragraph 5 of Article 14 of the Business Rules which applies *mutatis mutandis* in Article 32 of the said rules

(2) The measures set forth in Article 28, Article 30 or Article 31 of the CDS Business Rules or judgement about the petition of objection set forth in Paragraph 5 of Article 15 of the CDS Business Rules which applies *mutatis mutandis* in Article 35 of the said rules

(3) The measures set forth in Article 28, Article 30 or Article 31 of the IRS Business Rules, judgement about the petition of objection set forth in Paragraph 5 of Article 15 of the IRS Business Rules which applies *mutatis mutandis* in Article 35 of the IRS Business Rules or judgement about the cancellation of the appointment of any

member of the committee as set forth in Paragraph 2 of Article 5 of the IRS Management Committee Rules (excluding those due to Default, etc. of such member of the committee having been determined or such member of the committee no longer falling under either of the categories set forth in each Item of Paragraph 1 of the said Article).

(4) The measures set forth in Article 28 of the JGB OTC Business Rules, judgement about the petition of objection set forth in Paragraph 4 of Article 13 of the JGB OTC Business Rules which applies *mutatis mutandis* in Article 31 of the JGB OTC Business Rules or judgement about the cancellation of the appointment of any member of the committee as set forth in Paragraph 3 of Article 5 of the JGB OTC Management Committee Rules (excluding those due to Default, etc. of such member of the committee having been determined or such member of the committee no longer falling under either of the categories set forth in each Item of Paragraph 1 of the said Article).

(5) The measures set forth in Article 30 through Article 32 of the Commodity Business Rules or judgement about the petition of objection set forth in Paragraph 5 of Article 16 of the Commodity Business Rules which applies *mutatis mutandis* in Article 3 of the Commodity Business Rules.

- 2 The provision of the preceding Paragraph shall not apply to cases where the measures prescribed in Article 29-2 of the Business Rules, Article 30 of the CDS Business Rules, Article 30 of the IRS Business Rules and Article 31 of the Commodity Business Rules (limited to those in respect of contracts entered into on Participant's own account) or where there is an urgent need therefor. In this case, JSCC shall report the details of the measures to the Disciplinary Measures Assessment Committee without delay after it takes such measures, etc.
- 3 The Disciplinary Measures Assessment Committee may, in connection with the measures or judgement prescribed in Paragraph 1 of this Article, respond to JSCC's consultation or state its opinion thereon. In such case, JSCC shall respect the opinion of the Disciplinary Measures Assessment Committee.

(Article 4 Committee Members)

- 1 The Disciplinary Measures Assessment Committee shall consist of not less than three (3) but not more than five (5) committee members.
- 2 Members of the Disciplinary Measures Assessment Committee shall be commissioned to serve by the Director and President of JSCC from persons set forth below, provided, however, that majority of the members of the Disciplinary Measures Assessment Committee is required to be the person relevant to Paragraph 2 (hereinafter referred to as "Committee Member other than Clearing Participants").
 - (1) Persons who are officers or employees engaged in ordinary affairs of Clearing Participants, etc. and who have deep insight into the matters for consultation as prescribed in the preceding Article and able to make fair judgement.
 - (2) Persons who are not officers or employees engaged in ordinary affairs of Clearing Participants, etc. and who have deep insight into the matters for consultation as

prescribed in the preceding Article and able to make fair judgement.

- 3 In case where the composition of the member of the Disciplinary Measures Assessment Committee has become no longer compliant with the requirements in exceptional clause in the preceding Paragraph, the Director and President of JSCC shall commission a new member from Committee Member other than Clearing Participants without delay.
- 4 The term of office of the committee members shall be one year from the date on which he/she was commissioned to serve; provided that, when JSCC deems it necessary in light of the time of commission and other circumstances, the term of office shall be the period prescribed by JSCC, which shall not be longer than one year.

(Article 5 Committee Chairperson)

- 1 The Disciplinary Measures Assessment Committee shall be equipped with a Chairperson.
- 2 The Chairperson shall be commissioned to serve by the Director and President of JSCC from the Committee Member other than Clearing Participants.
- 3 The Chairperson shall deal with the affairs of the Committee.
- 4 When the position of Chairperson is vacant or the Chairperson is unable to act, the Committee member appointed by the chairperson in advance shall perform its duties or act on its behalf.

(Article 6 Convocation of Committee Meetings)

A meeting of the Disciplinary Measures Assessment Committee shall be convened by the Director and President of JSCC, provided, however, that it shall not preclude the convocation of a meeting by a resolution of the board of directors of JSCC.

(Article 7 Method of Holding a Meeting)

- 1 Where the Director and President or the board of directors of JSCC deem it necessary, a meeting of the Disciplinary Measures Assessment Committee may be held via telephone or other means, or a committee member may attend a meeting via telephone or other means.
- 2 Where the Director and President of JSCC or the board of directors of JSCC deems it necessary, a resolution of the Disciplinary Measures Assessment Committee may be adopted in writing in lieu of holding a meeting.

(Article 8 Method of Resolutions)

- 1 The Disciplinary Measures Assessment Committee may not start proceedings unless at least half of the committee members (excluding committee members who are not able to participate in the deliberation pursuant to the provisions of Paragraph 3 of this

Article; the same applies to the following Paragraph) are in attendance.

- 2 In the proceedings of the Disciplinary Measures Assessment Committee, the majority of vote of attending members is required to pass a resolution. In case of a tie, a resolution shall be passed by the Chairperson.
- 3 A committee member may not participate in deliberations on the matter in which such committee member has special interests.

(Article 9 Hearings)

The Disciplinary Measures Assessment Committee may, when deemed necessary to make appropriate judgement on the matters for consultation prescribed in Article 3 hereof, require a Participant or witness in connection with the relevant case to attend a meeting for a hearing.

(Article 10 Committee Members' Duty of Confidentiality)

A committee member or any person who once was a committee member may not divulge to a third party or use for any other purposes any confidential information (meaning the fact which is not known to the public and entails objectively reasonable interests for not being known to others) obtained in the performance of his/her duties unless he/she is required to disclose or provide such confidential information in accordance with orders or requests from courts, supervisory authorities or other public institutions or provisions of laws and regulations, or without any other justifiable grounds.

Supplementary Provisions

These Rules shall come into effect on June 16, 2008.

Supplementary Provisions

- 1 Amendment to these Rules shall be enforced from 19 July 2011.
- 2 The obligations of the committee members appointed before the amendment of these Rules shall follow the previous procedures only to the extent of the terms of such committee members.

Supplementary Provisions

Amendment to these Rules shall be enforced from 9 October 2012.

Supplementary Provisions

Amendment to these Rules shall be enforced from 1 October 2013.

Supplementary Provisions

Amendment to these Rules shall be enforced from 21 June 2017.

Supplementary Provisions

- 1 Amendment to these Rules shall be enforced from 27 July 2020.
- 2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC or other institutions, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the amendment to these Rules shall be enforced on the day set by JSCC which is not earlier than 27 July 2020.

Supplementary Provisions

- 1 Amendment to these Rules shall be enforced from 27 July 2020.
- 2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC or other institutions, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing

Participant, or some other unavoidable reasons, the amendment to these Rules shall be enforced on the day set by JSCC which is not earlier than 27 July 2020.

Supplementary Provisions

1 Amendment to these Rules shall be enforced from 18 January 2021.

2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC or other institutions, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the amendment to these Rules shall be enforced on the day set by JSCC which is not earlier than 18 January 2021.

Supplementary Provisions

1 Amendment to these Rules shall be enforced from 21 September 2021.

2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC or other institutions, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the revised Rules shall come into effect on the day set by JSCC which is not earlier than 21 September 2021.

Supplementary Provisions

1 Amendment to these Rules shall be enforced from 27 March 2023.

2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC or other institutions, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the revised Rules shall come into effect on the day set by JSCC which is not earlier than 27 March 2023.