Partial Amendment to Business Rules and Rules on Fees in association with Addition of Actively Managed ETFs Creation/Redemption to Contracts subject to Clearing

I. Purpose of Amendment

JSCC makes necessary amendments to the Business Rules and the Rules on Fees as per Annex attached hereto in association with an addition of the actively managed ETFs Creation/Redemption to Contracts subject to Clearing.

II. Outline of Amendment	(Remarks)
1. Contracts subject to Clearing	
・In light of the amendment to the "Subject Transactions of Financial Instruments Obligation Assumption Service (Article 1-19)" under the Order for Enforcement of the Financial Instruments and Exchange Act, JSCC amends the Business Rules to add the actively managed ETFs Creation/Redemption to the Contracts subject to Clearing.	・ Business Rules, Article 3, Paragraph 2, Item (12)
2. Other	
・Other necessary amendments are made.	・ Rules on Fees, Appendix 1, Appendix 2

III. Effective Date

The amended rules shall come into force on December 8, 2025.

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Business Rules

Japan Securities Clearing Corporation

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Business Rules

(In effect as of December 8, 2025)

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Business Rules

Chapter 1 General Provisions

(Article 1 Purpose)

1 These Business Rules set forth the matters necessary for the Financial Instruments Obligation Assumption Business and related businesses and the businesses incidental thereto*1, for which the subject contracts shall be the contracts stipulated in each Item of Paragraph 2 of Article 3*2, and each of which is conducted by Japan Securities Clearing Corporation*3.

(*1 hereinafter referred to as "Securities and Similar Contracts Clearing Business")

(*2 hereinafter referred to as "Securities and Similar Contracts")

(*3 hereinafter referred to as "JSCC")

2 These Business Rules*1 shall apply only to the Securities and Similar Contract Clearing Business conducted by JSCC, and shall not apply to the Financial Instruments Obligation Assumption Business and the like conducted in relation to any contracts subject to clearing other than the Securities and Similar Contracts or any other businesses conducted by JSCC.

(*1 including any rules and regulations promulgated hereunder)

(Article 2 Financial Instruments Obligation Assumption Business and Related Businesses)

JSCC shall engage in the Financial Instruments Obligation Assumption Business which covers the Securities and Similar Contracts conducted pursuant to these Business Rules and the business prescribed in Paragraph 1 of Article 156-6 of the Financial Instruments and Exchange Act (Act No.25 of 1948; hereinafter referred to as "the Act") which relates to the foregoing.

(Article 3 Contracts Subject to Clearing)

1 The financial instruments which are the subject of the contract*1 constituting the obligation subject to the Securities and Similar Contract Clearing Business conducted by JSCC shall be the financial instruments set forth in each Item provided below:

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

(1) Stocks issued by domestic corporations*1;

(*1 including stock acquisition right securities, preferred equity capital contribution securities*1-1 and capital contribution securities*1-2 issued by a domestic corporation)

(*1-1 referring to those issued by a cooperative-organization-type financial institution; the same applies hereinafter)

(*1-2 referring to those issued by a corporation established under a special law*1-2-1)

(*1-2-1 excluding preferred equity capital contribution securities)

(2) Stocks issued by foreign corporations*1;

(*1 including stock acquisition right securities issued by foreign a corporation and depositary receipts for foreign stocks*1-1)

(*1-1 referring to those which represent the rights in respect of the stock issued by a foreign corporation; the same applies hereinafter)

(3) Investment trust beneficiary securities*1, investment securities*2, foreign investment trust beneficiary securities and foreign investment securities;

(*1 referring to the beneficiary securities of investment trusts; the same applies hereinafter)

(*2 including Investment securities acquisition right securities)

(4) Beneficiary securities of beneficiary securities issuing trusts and beneficiary securities of foreign beneficiary securities issuing trusts*1;

(*1 referring to securities or certificates which have the characteristics of beneficiary securities of beneficiary securities issuing trusts and issued by a foreign corporation; the same applies hereinafter)

(5) Covered warrants*1;

(*1 referring to the securities stipulated in Item (19) of Paragraph 1 of Article 2 of the Act; the same applies hereinafter)

(6) Bonds;

(7) Gold;

(8) Silver;

(9) Platinum;

(10) Palladium;

(11) Ribbed Smoked Sheet*1;

(12) Technically Specified Rubber*2;

(13) Soybean;

(14) Azuki;

(15) Corn;

(16) Gasoline;

(17) Gas Oil;

(18) Crude Oil;

(19) Standardized instruments which are created by a Financial Instruments Exchange for Market Transactions of Derivatives by standardizing interest rates, maturity periods and/or other conditions of Financial Instruments; and

(20) Interest on monetary claim.

(*1 hereinafter referred to as “RSS”)

(*2 hereinafter referred to as “TSR”)

2 The Contracts Subject to Clearing*1 shall consist of the contracts set forth in each of the following Items:

(*1 limited to the contracts prescribed by JSCC)

(1) Buying and selling securities in a market prescribed in (a) or (b) below*1 which is operated and managed by a market operator*2 designated by JSCC;

(*1 hereinafter referred to as “Designated Financial Instruments Market”)

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

(a) Financial Instruments Exchange Market

(b) Proprietary Trading System*1

(*1 referring to an institution similar to a Financial Instruments Exchange Market, which is conducted through the electronic data processing system stipulated in Item (10) of Paragraph 8 of Article 2 of the Act; the same applies hereinafter)

(2) Security Option Contract*1in a Designated Financial Instruments Market;

(*1 referring to the contract stipulated in Item (3) of Paragraph 21 of Article 2 of the Act in respect of buying and selling stock and the contract stipulated in the said Item that is prescribed by the Designated Market Operator as corresponding to a contract stipulated in Item (2) of the same Paragraph*1-1); the same applies hereinafter)

(*1-1 limited to those related to securities)

(3) JGB Futures Contract*1 in a Designated Financial Instruments Market;

(*1 referring to the securities futures contract stipulated in Item (1) of Paragraph 21 of Article 2 of the Act on standardized instruments in respect of Japanese Government Bonds, or the securities futures contract stipulated in Item (2) of the same Paragraph in respect of the price of the relevant standardized instruments; the same applies hereinafter)

(4) Option Contract on JGB Futures*1 in a Designated Financial Instruments Market;

(*1 referring to the securities option contract stipulated in Item (3) of Paragraph 21 of Article 2 of the Act in respect of JGB Futures Contract; the same applies hereinafter)

(4)-2 Interest Rate Futures Contracts*1 in a Designated Financial Instruments Market:

(*1 referring to the transactions stipulated in Item (2) of Paragraph 21 of Article 2 of the Act that relate to the financial indicator calculated based on an interest on monetary claim; the same applies hereinafter)

(5) Index Futures Contract*1 in a Designated Financial Instruments Market;

(*1 referring to the index*1-1 contract stipulated in Item 2 of Paragraph 21 of Article 2 of the Act; the same applies hereinafter)

(*1-1 including index related to Commodity*1-1-1 *1-1-2)

(*1-1-1 referring to commodities stipulated in Item (3)-3 of Paragraph 24 of Article 2 of the Act; the same applies hereinafter)

(*1-1-2 hereinafter referred to as “Commodity Index”)

(6) Index Option Contract*1 in a Designated Financial Instruments Market;

(*1 referring to the index option contract stipulated in Item 3 of Paragraph 21 of Article 2 of the Act and prescribed by the Designated Market Operator as corresponding to a contract stipulated in Item 2 of the same Paragraph*1-1; the same applies hereinafter)

(*1-1 limited to those related to index)

(6)-2 Commodity Futures Contract*1 in a Designated Financial Instruments Market;

(*1 referring to the transactions stipulated in Item 1 or Item 2 of Paragraph 21 of Article 2 of the Act that relate to Commodity; the same applies hereinafter)

(6)-3 Option Contract on Commodity Futures*1 in a Designated Financial Instruments Market;

(*1 referring to the transactions stipulated in Item 3 of Paragraph 21 of Article 2 of the Act and prescribed by the Designated Market Operator as corresponding to a contract stipulated in Item 2 of the same Paragraph*1-1; the same applies hereinafter)

(*1-1 limited to those related to Commodities)

(7) Lending and borrowing*1 of cash, Stocks And The Like*2 that are necessary for settling the buying/selling set forth in Item (1), and the buying/selling of the underlying securities resulting from the exercise of the option under Security Option Contract;

(*1 limited to the lending made by the Designated Securities Finance Company to a Clearing Participant in accordance with the Rules for Money/Securities Loan Transaction through the settlement system of the Designated Market Operator; hereinafter referred to as the "Money/Securities Loan Transaction")

(*2 referring to the stocks and the like stipulated in the Lending Rules for Lending/Borrowing Transaction*2-1 prescribed by the Securities Finance Company*2-2 which the Designated Market Operator designated and notified to JSCC as the entity to conduct the operations prescribed in Paragraph 1 of Article 156-24 of the Act through the settlement system of that Market; the same applies hereinafter in this Article)

(*2-1 herein referred to simply as the "Rules for Money/Securities Loan Transaction")

(*2-2 must be a Clearing Participant*2-2-1; herein referred to as the "Designated Securities Finance Company")

(*2-2-1 referring to the Clearing Participant prescribed in Article 5; the same applies hereinafter in this Article and the following Article)

(8) Lending and borrowing of Stocks And The Like that is necessary for the Money/Securities Loan Transaction*1;

(*1 limited to the lending made by a Clearing Participant to the Designated Securities Finance Company in accordance with the Rules for Money/Securities Loan Transaction through the settlement system of the Designated Market Operator; hereinafter referred to as the "Securities Lending Transaction")

(9) Transfer of the Collateral, etc.*1 for the Money/Securities Loan Transaction or the Securities Lending Transaction;

(*1 referring to the stocks and the like collateralizing a cash loan, and the cash collateralizing a stock loan and the like under the Money/Securities Loan Transaction and the cash collateralizing a stock borrowing and the like under the Securities Lending Transaction, both of which are prescribed by the Rules for Money/Securities Loan Transaction; the same applies hereinafter)

(10) Buying and selling resulting from Buy-In*1; and

(*1 referring to the Buy-In prescribed in Article 63; the same applies hereinafter until Article 54)

(11) Exchange FX Contract*1.

(*1 referring to the contract set forth in Item 2 of Paragraph 21 of Article 2 of the Act which relates to currency prices; the same applies hereinafter)

(12) Delivery/receipt of exchange traded fund beneficiary certificate or payment /receipt of money or delivery/receipt of exchange traded fund component stocks related to creation*1 of securities investment trust*2, partial redemption of principal of securities investment trust or exchange of exchange traded fund beneficiary certificate*3 for exchange traded fund component stocks*4

(*1 including additional creation; the same applies hereinafter)

(*2 Referring to securities investment trust set forth in Paragraph 4 of Article 2 of the Act on Investment Trusts and Investment Corporations*2-1, for which it is provided in the basic terms and conditions of the investment trust prescribed in Paragraph 1 of Article 4 of the said Act that the beneficiary certificate of the securities investment trust is listed on the Financial Instruments Exchange; the same applies hereinafter)

(*2-1 Act No. 198 of 1951, hereinafter referred to as "Investment Trust Act")

(*3 referring to beneficiary certificate for securities investment trust; the same applies hereinafter)

(*4 referring to respective issue covered by investment of the relevant securities investment trust or belongs to its trust property, among Listed Securities etc. set forth in Item 1 of Article 1-10 the Order for Enforcement of the Financial Instruments and Exchange Act; the same applies hereinafter）

(13) Delivery/receipt of exchange traded fund beneficiary certificate or payment/receipt of money or delivery/receipt of exchange traded fund component stocks to perform obligations under the contracts listed in the preceding Item.

3 In these Business Rules*1, the term “stocks and other securities” means, depending on their types, the stocks and other securities stipulated in Paragraph 1 of Article 2 of the Act and the rights which are deemed to constitute such stocks and other securities under the provisions of Paragraph 2 of such Article.

(*1 including other rules that are prescribed pursuant to these Business Rules)

(Article 4 Non-business Days)

1 JSCC shall have the days set forth in each of the following Items as its holidays*1 in respect of the Contracts Subject to Clearing set forth in Item (1) through Item (10) and Item (12) and Item (13) of Paragraph 2 of the preceding Article:

(1) Sundays;

(2) National holidays;

(3) When a national holiday falls on Sunday, the immediately following day which is not a national holiday;

(4) The day which immediately follows and at the same time immediately precedes national holidays;

(5) Saturdays;

(6) January 1;

(7) January 2;

(8) January 3; and

(9) December 31.

(*1hereinafter simply referred to as “Non-business Days”)

2 JSCC shall have the days set forth in each of the following Items as its Non-business Days in respect of the Contract Subject to Clearing set forth in Item (11) of Paragraph 2 of the preceding Article*1:

(1) Sundays;

(2) Saturdays;

(3) January 1; and

(4) When January 1 falls on Sunday, the immediately following day.

(*1hereinafter referred to as “FX Non-business Days”)

3 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 Securities and Similar Contract Clearing Business;

(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 Securities and Similar Contract Clearing Business set forth in Article 46 for the Clearing Participants submitted the notification set forth in Paragraph 5 of Article 19.

(*1 excluding Items (1), (5) and (6))

(*2 hereinafter referred to as “Holiday Trading Day”)

4 JSCC may, when it deems necessary, have extraordinary Non-business Days or FX Non-business Days.

5 JSCC may, when it deems necessary, extraordinarily suspend or conduct all or part of the operation with respect to the Securities and Similar Contract Clearing Business.

6 In the case of the preceding two Paragraphs, JSCC shall notify in advance Clearing Participants, trust company, etc. registered pursuant to the provisions of Paragraph 1 of

Article 10-4 and Designated Market Operators to that effect.

(*1 hereinafter referred to as "Registered ETF Trust Bank" and together with Clearing Participant, collectively referred to as "Clearing Participant, etc. ")

Chapter 2 Clearing Participants

Section 1 General Clauses

(Article 5 Clearing Participants)

1 A Clearing Participant means a company which has obtained JSCC's Clearing Qualification.

2 The Clearing Qualification prescribed in the preceding Paragraph consists of nine categories of qualifications: 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 and ETF Special Clearing Qualification. Each of these qualifications is prescribed in the following Items:

(1) Securities Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect to the Contracts Subject to Clearing listed in Item (1) ,Item (7) through Item (10), Item (12) and Item (13) of Paragraph 2 of Article 3, and to become a counterparty in the buying/selling transaction in respect of the underlying securities resulting from the exercise of the option under Security Option Contract;

(2) JGB Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect to the Contracts Subject to Clearing listed in Items (3) to (4)-2 of Paragraph 2 of Article 3;

(3) Index Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect to the Contracts Subject to Clearing listed in Item (2), Item (5) and Item (6) of Paragraph 2 of Article 3[*1];

([*1] with respect to the Contracts Subject to Clearing listed in Item (5), excluding those related to Commodity Index)

(4) Precious Metal Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect to the Contracts Subject to Clearing listed in Item (6)-2 and Item (6)-3 of Paragraph 2 of Article 3[*1];

([*1] only those related to gold, silver, platinum and palladium);

(5) Rubber Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect to the Contracts Subject to Clearing listed in Item (6)-2 of Paragraph 2 of Article 3[*1];

([*1] only those related to RSS and TSR).

(6) Agricultural Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect

to the Contracts Subject to Clearing listed in Item (6)-2 of Paragraph 2 of Article 3[*1];
([*1] only those related to Soybean, Azuki and Corn)

(7) Petroleum Futures Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect to the Contracts Subject to Clearing listed in Item (5) of Paragraph 2 of Article 3[*1];
([*1] only those related to Commodity Index[*1-1])
([*1-1] only those related to Gasoline, Gas Oil and Crude Oil)

(8) FX Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect to the Contracts Subject to Clearing listed in Item (11) of Paragraph 2 of Article 3.

(9) ETF Special Clearing Qualification is the qualification to become a counterparty in JSCC's Financial Instruments Obligation Assumption Business performed with respect to the Contracts Subject to Clearing listed in Item (10), Item (12) and Item (13) of Paragraph 2 of Article 3.
([*1] contracts listed in Item (10) shall be limited to buying)

3 In these Business Rules, a company that has obtained Securities Clearing Qualification prescribed in Item (1) of the immediately preceding Paragraph is referred to as "Securities Clearing Participant", a company that has obtained JGB Futures Clearing Qualification prescribed in Item (2) of said Paragraph is referred to as "JGB Futures Clearing Participant", a company that has obtained Index Futures Clearing Qualification prescribed in Item (3) of said Paragraph is referred to as "Index Futures Clearing Participant", a company that has obtained Precious Metal Futures Clearing Qualification prescribed in Item (4) of said Paragraph is referred to as "Precious Metal Futures Clearing Participant", a company that has obtained Rubber Futures Clearing Qualification prescribed in Item (5) of said Paragraph is referred to as "Rubber Futures Clearing Participant", a company that has obtained Agricultural Futures Clearing Qualification prescribed in Item (6) of said Paragraph is referred to as "Agricultural Futures Clearing Participant", a company that has obtained Petroleum Futures Clearing Qualification prescribed in Item (7) of said Paragraph is referred to as "Petroleum Futures Clearing Participant", a company that has obtained any of the Clearing Qualifications prescribed in Items (4) through (7) is referred to as "Commodity Futures Clearing Participant" ,a company that has obtained FX Clearing Qualification prescribed in Item (8) of said Paragraph is referred to as "FX Clearing Participant" and ETF Special Clearing Qualification prescribed in Item (9) of said Paragraph is referred to as "ETF Special Clearing Participant".

4 With regard to JSCC's Securities and Similar Contract Clearing Business, each category of the Clearing Qualification prescribed in Items (1) through (7) of Paragraph 2 shall be classified into two types of qualifications: one is the clearing qualification that does not

authorize the Clearing Participant to operate the Brokerage for Clearing of Securities, etc.*1; and the other is the clearing qualification that authorizes the Clearing Participant to operate the Brokerage for Clearing of Securities in accordance with Chapter 3*2. 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 hereinafter referred to as the “Principal Clearing Qualification”)

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

Section 2 Obtaining Clearing Qualification, etc.

(Article 6 Application and Approval for Clearing Qualification, etc.)

1 A Financial Instruments Business Operator[*1] may apply to JSCC separately by each type of Clearing Qualification it intends to obtain, by specifying whether it applies for the Principal Clearing Qualification or the Agency Clearing Qualification, in accordance with the relevant rules of JSCC. To apply for any of the Clearing Qualifications listed below, only a person who satisfies the requirement set forth in the relevant Item may apply for such Clearing Qualification:

([*1]limited to those who conduct Type 1 Financial Instruments Business Operator or Type 2 Financial Instruments Business Operator; the same applies hereinafter)

(1) Securities Clearing Qualification or JGB Futures Clearing Qualification

An entity which has obtained registration of the operation with respect to the acts prescribed in Item 1 of Paragraph 1 of Article 28 of the Act:

(2) Index Futures Clearing Qualification

An entity which has obtained registration of the operation with respect to the acts prescribed in Item 1 of Paragraph 1 of Article 28 of the Act [*1]:

([*1] in the case where an entity which has trading qualification relating to Security Option Contracts intends to apply for Index Futures Clearing Qualification, limited to an entity which has obtained registration of the said operation and either holds Securities Clearing Qualification or has designated a Designated Securities Clearing Participant[*1-1])([*1-1] referring to a Clearing Participant[*1-1-1] (i) which has been designated with respect to a transaction relating to Securities Clearing Qualification as an entity to which the Brokerage for Clearing of Securities, etc. is always commissioned in accordance with the rules of the Designated Market Operator by an entity[*1-1-2] which is a trading participant[*1-1-3] or a member of a Designated Market Operator, but (ii) which does not have JSCC's Clearing Qualification corresponding to the category of such trading qualification[*1-1-4] or membership that such entity holds; the same applies hereinafter)

([*1-1-1] hereinafter referred to as "Designated Clearing Participant")

([*1-1-2] hereinafter referred to as "Non-Clearing Participant")

([*1-1-3] in the case where the Designated Market Operator is an institution operating Proprietary Trading System, referring to an entity which is qualified to participate in buying and selling securities; the same applies hereinafter)

([*1-1-4] in the case where the Designated Market Operator is an institution operating Proprietary Trading System, referring to the qualification to participate in buying and selling securities; the same applies hereinafter)

(3) Precious Metal Futures Clearing Qualification[*1], Rubber Futures Clearing Qualification[*1], Agricultural Futures Clearing Qualification[*1] or Petroleum Futures Clearing Qualification[*1];

([*1] Agency Clearing Qualification only)

An entity which has obtained registration of the operation with respect to the acts prescribed in Item 1Item (12) of Paragraph 1 of Article 28 of the Act:

(4) FX Clearing Qualification

An entity which has obtained registration of operation with respect to the acts prescribed in Item 3 of Paragraph 2 of Article 28 of the Act[*1]

([*1]in the case of a person who intends to be commissioned an Exchange FX Contract, registration of such operation as well as the operation with respect to the act prescribed in Paragraph 5 of the said Article):

2 A Registered Financial Institution[*1] may apply to JSCC, according to the category of the Clearing Qualification shown below, separately by each type of Clearing Qualification it intends to obtain, by specifying whether it applies for such category of Clearing Qualification as the Principal Clearing Qualification or the Agency Clearing Qualification, in accordance with the relevant rules of JSCC:

([*1] referring to the Registered Financial Institution prescribed in Paragraph 11 of Article 2 of the Act; the same applies hereinafter)

(1) Securities Clearing Qualification or Index Futures Clearing Qualification[*1]; or

([*1] Agency Clearing Qualification only)

(2) JGB Futures Clearing Qualification, Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification, Petroleum Futures Clearing Qualification or FX Clearing Qualification.

3 A Securities Finance Company may apply to JSCC for Securities Clearing Qualification in accordance with the relevant rules of JSCC specifying its intention to apply for the Principal Clearing Qualification which is subject to the condition that the scope of the Contracts Subject to Clearing be limited to the transactions listed in each of Item (7) through Item (10) of Paragraph 2 of Article 3.

4 A person engaging in the business of buying/selling of Commodities, its brokerage, intermediary or agency, manufacturing, processing or use of Commodities[*1] may apply for the acquisition of Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification or Petroleum Futures Clearing Qualification separately by type of the Clearing Qualification it intends to obtain by representing that it intends to acquire Principal Clearing Qualification through procedures prescribed by JSCC.

([*1] hereinafter referred to as “Commercials”)

5 When applying for acquisition of Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification or Petroleum Futures Clearing Qualification according to the provisions of Paragraph 1, Paragraph 2 or the preceding Paragraph, the applicant for an acquisition of a 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 of the applicant for an acquisition of a Clearing Qualification*2-1 and a subsidiary of the parent company of the applicant for an acquisition of a Clearing Qualification*2-2 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 financial and business policies of the applicant for an acquisition of a Clearing Qualification, and including the parent company of such other corporation; 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 for an acquisition of a Clearing Qualification 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)

6 Settlor company of an investment trust*1 and a party who intends to be a settlor company of an investment trust may apply for the ETF Special Clearing Qualification, in a manner prescribed by JSCC.

(*1 referring to a settlor company of an investment trust set forth in Paragraph 11 of Article 2 of Investment Trust Act; the same applies hereinafter)

7 When an application for Clearing Qualification has been filed pursuant to the provisions of each of the preceding Paragraphs and JSCC deems as a result of examination that the applicant for the Clearing Qualification is appropriate to be qualified, JSCC shall approve the relevant Clearing Qualification.

8 Notwithstanding the provisions of Paragraphs 1 through 5, a Specified Successor Financial Institution*1 may apply to JSCC for a Clearing Qualification according to the procedures as prescribed by JSCC. If such application is made, JSCC may approve the acquisition of the relevant Clearing Qualification by such applicant.

(*1 referring to a Specified Successor Financial Institution prescribed in Item (5) of Paragraph 3 of Article 126-34 of the Deposit Insurance Act (Act No. 34 of 1971); the same applies hereinafter)

9 The approval set forth in the preceding two Paragraphs shall be granted designating the date on which the applicant is to obtain the Clearing Qualification.

10 In the case where a new applicant for Securities Clearing Qualification simultaneously applies for Index Futures Clearing Qualification, Item (2) of Paragraph 1 shall be applied by deeming that the applicant has Securities Clearing Qualification. Also, in the case where a new applicant for Index Futures Clearing Qualification is expected to designate a Designated Securities Clearing Participant simultaneously with the application for such Clearing Qualification, Item (2) of Paragraph 1 shall be applied by deeming that the applicant has designated a Designated Securities Clearing Participant.

11 Trust company, etc.*1 may, by representing it is a trustee of securities investment trust*2 or it intends to be a trustee of securities investment trust, apply for registration of Registered ETF Trust Bank with JSCC, in a manner prescribed by JSCC.

(*1referring to a trust company, etc. set forth in Article 3 of Investment Trust Act; the same applies hereinafter)

(*2when trust company, etc. which has executed a trust agreement between the trustee in respect of the relevant securities investment trust to which an administrative operation has been delegated exists, the relevant trust company, etc.; the same applies hereinafter)

12JSCC shall, when an application for registration of Registered ETF Trust Bank pursuant to the provisions of the preceding Paragraph is made and JSCC deems an applicant for registration is appropriate by examination, approve the registration of the relevant Registered ETF Trust Bank.

(Article 7 Criteria for Clearing Qualification)

1 The examination stipulated in Paragraph 7 of the immediately preceding Article with respect to the application set forth in Paragraph 1 or Paragraph 2 of said Article*1 shall be conducted on the matters described in the following Items in respect of the applicant for Clearing Qualification and other matters which are deemed to be necessary for the operation of the Securities and Similar Contract Clearing Business:

(*1 excluding the application related to Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification or Petroleum Futures Clearing Qualification)

(1) Management Structure

The applicant has a sound management structure (e.g., it is not controlled or influenced by a person who is deemed inappropriate taking JSCC's operation of the Securities and Similar Contract Clearing Business into account) such that the credibility of JSCC's Securities and Similar Contract Clearing Business among the general public can be expected to be sufficiently protected;

(2) Financial Basis

The applicant is expected to fulfill the requirements set forth in either of A) or B) below in accordance with the classification of A) and B), and to have stable profitability as Clearing Participant by the date on which the applicant is to obtain the Clearing Qualification;

A) Financial Instruments Business Operator:

(a) The amount of its stated capital is not less than 300 million yen;

(b) The amount of its net worth is not less than 2 billion yen*1 and is larger than its stated capital;

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

(c) The Capital-to-Risk Ratio*1 is more than 200 percent; and

(*1 in the case of an entity which does not engage in the act set forth in Item (1) of Paragraph 1 of Article 28 of the Act as business, referring to the ratio determined by applying *mutatis mutandis* Paragraph 1 of Article 46-6 of the Act; the same applies hereinafter)

(d) In the case of a Special Financial Instruments Business Operator*1, the consolidated Capital-to-Risk Ratio is more than 200 percent.

(*1 limited to a person filed the notification under Paragraph 2 of Article 57-5 of the Act; the same applies hereinafter)

B) Registered Financial Institutions:

(a) 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)

(b) 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)

(c) In the case of the Registered Financial Institution subject to Uniform International Standards, , it satisfies the requirements set forth in a. to c. below (in the case where it is a foreign bank, the requirements equivalent thereto):

a. Its non-consolidated or consolidated Common Equity Tier 1 ratio*1 exceeds 4.5 percent;

(*1 for a institution which operates with investment from its members, its non-consolidated or consolidated common capital contribution Tier 1 ratio; the same shall apply hereinafter)

b. Its non-consolidated or consolidated Tier 1 ratio exceeds 6 percent; and

c. Its non-consolidated or consolidated Total Capital ratio exceeds 8 percent; and

(d) In the case of a Registered Financial Institution other than those subject to Uniform International Standards, foreign banks and insurance companies*1, its non-consolidated or consolidated capital adequacy ratio under the domestic standards exceeds 4 percent; and

(*1 hereinafter referred to as “Financial Institution subject to Japanese Standard”)

(e) In the case where the Registered Financial Institution is an insurance company, its non-consolidated or consolidated solvency margin ratio exceeds 400 percent.

(3) Business Execution Structure

The applicant has an appropriate structure for business execution regarding the settlement of the Contracts Subject to Clearing in respect of the assumption of obligations set forth in Article 46*1; the management of the risk of loss; and the compliance with the Laws and Regulations*2, dispositions of the administrative agencies based on the Laws and Regulations, these Business Rules and other rules.

(*1 including buying/selling and transactions of the underlying securities resulting from the exercise of the option under Security Option Contract, JGB Futures Contract

resulting from the exercise of the option under Option Contract on JGB Futures prescribed in Item (4) of Paragraph 2 of Article 3, the transaction resulting from the exercise of the option under Index Option Contract prescribed in Item (6) of said Paragraph, the transaction set forth in Item (12) and Item (13) of the said Paragraph in respect of an investment trust, the transaction with respect to the obligation which is newly incurred as a result of the completion of the Give-up prescribed in Article 46-2, and the securities borrowing/lending pursuant to the provisions of Article 64)

(*2 referring to the Act and related laws and regulations; the same applies hereinafter)

2 The examination stipulated in Paragraph 7 of the immediately preceding Article with respect to the application set forth in Paragraph 3 of said Article shall be conducted on the matters described in the following Items in respect of the applicant for Clearing Qualification and other matters which are deemed necessary for the operation of the Securities and Similar Contract Clearing Business:

(1) Financial Basis

The applicant is expected to fulfill the requirements set forth below and to have stable profitability as Clearing Participant by the date on which it is to obtain the Clearing Qualification:

A) The amount of its stated capital is not less than 100 million yen;

B) The amount of its net assets is not less than 2 billion yen and is larger than its stated capital; and

(2) The matters set forth in Item (1) and Item (3) of the preceding Paragraph.

3 The examination stipulated in Paragraph 7 of the preceding Article with respect to the application set forth in Paragraphs 1, 2 or 4 of said Article that relates to an application for acquisition of Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification or Petroleum Futures Clearing Qualification shall be conducted on the matters described in the following Items in respect of the applicant for Clearing Qualification and other matters which are deemed to be necessary for the operation of the Securities and Similar Contract Clearing Business:

(1) Management Structure

The applicant has a sound management structure (e.g., it is not controlled or influenced by a person who is deemed inappropriate taking JSCC's operation of the Securities and Similar Contract Clearing Business into account) such that the credibility of JSCC's Securities and Similar Contract Clearing Business among the general public can be expected to be sufficiently protected;

(2) Financial Basis

The applicant is expected to fulfill the requirements set forth in A), B) or C) below in accordance with the classification of A), B) and C), and to have stable profitability as Clearing Participant by the date on which the applicant is to obtain the Clearing Qualification;

A) In the case of a Financial Instruments Business Operator:

(a) The amount of its stated capital is not less than 300 million yen;

(b) The amount of its net worth is not less than 2 billion yen[*1] and is larger than its stated capital;

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

(c) Its Capital-to-Risk Ratio is more than 200%.

(d) In the case of a Special Financial Instruments Business Operator, the consolidated Capital-to-Risk Ratio is more than 200 percent.

B) In the case of a Registered Financial Institution:

(a) 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)

(b) 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)

(c) In the case of a Registered Financial Institution subject to Uniform International Standards, when it falls under conditions specified in i to iii. below[*1]

([*1] in the case of a foreign bank, when it shall fall under the conditions equivalent thereto):

i its non-consolidated or consolidated Common Equity Tier 1 ratio exceeds 4.5%;

ii its non-consolidated or consolidated Tier 1 ratio exceeds 6 percent; and

iii Its non-consolidated or consolidated Total Capital ratio exceeds 8 percent; and

(d) In the case of a Registered Financial Institution subject to Japanese Standard, when its non-consolidated or consolidated capital adequacy ratio under the Japanese Standard exceeds 4%.

(e) In the case where the Registered Financial Institution is an insurance company, its non-consolidated or consolidated solvency margin ratio exceeds 400 percent.

C) Commercials

(a) The amount of its stated capital is not less than 300 million yen;

(b) The amount of its net assets is not less than 2 billion yen;

(c) Through a screening as prescribed by JSCC, it is confirmed that the status of its stockholders' equity is appropriate vis-à-vis the assets and the like it owns.

(3) Financial Basis of Parent

When an applicant for an acquisition of a Clearing Qualification has submitted a document prescribed in Paragraph 5 of the preceding Article, the applicant is expected to fulfill the requirements set forth in A). (c) or (d) , B). (c), (d) or (e) or C). (c) of the preceding Item, and the amount of stated capital or the total amount of capital contribution[*1] of the Parent of the applicant for an acquisition of a Clearing Qualification[*2] is not less than 300 million yen and

the amount of its net assets[*3] is not less than 2 billion yen and is larger than its stated capital or total amount of capital contribution[*3];

([*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] only the Parent who grants Parental Guarantee for the applicant tor an acquisition of a Clearing Qualification)

([*3] in the case of a Financial Instruments Business Operator, net worth)

([*4] in the case of a mutual company, the total amount of the foundation fund[*4-1])

([*3-1] including the amount of reserve for redemption of the foundation fund)

(4) Business Execution Structure

The applicant has an appropriate structure for business execution regarding the settlement of the Contracts Subject to Clearing in respect of the assumption of obligations set forth in Article 46[*1]; the management of the risk of loss; and the compliance with the Laws and Regulations, dispositions by the administrative agencies based on the Laws and Regulations, these Business Rules and other rules.

([*1] including transactions that come into existence from the exercise of the Option on Commodity Futures prescribed in Item (6)-3 of Paragraph 2 of Article 3)

(5) Trading Participant Qualifications

To apply for Principal Clearing Qualification, it is a trading participant or a member of the Designated Market Operator, or expects to become a trading participant or a member of the Designated Market Operator by the date on which the relevant Clearing Qualification should be acquired.

(6) Office

Have an office or place of business within Japan.

4 Examination set forth in Paragraph 7 of preceding Article related to an application in Paragraph 6 of the said Article, , shall be conducted for the items listed in Item (1) or Item (3) of Paragraph 1, with respect to an applicant and for other items which JSCC deems necessary for the operation of Securities and Similar Contracts Clearing Business.

(Article 8 Completion of Procedures for Obtaining Clearing Qualification)

1 When JSCC has approved Clearing Qualification pursuant to the provisions of Paragraph 7 of Article 6, JSCC shall cause the applicant for the Clearing Qualification[*1]to deposit a clearing fund and complete other procedures for obtaining the Clearing Qualification as prescribed by JSCC by the day[*2] which immediately precedes the date designated by JSCC pursuant to the provisions of Paragraph 9 of said Article.

([*1] excluding applicants to acquire the ETF Special Clearing Qualification)

([*2]if such day falls on a Non-business Day, the day shall be the immediately preceding business day; the same applies hereinafter except for Item (2) and Item (4) of Paragraph 3 of Article 64)

2 When the applicant[*1] 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 9 of Article 6, the application for the Clearing Qualification shall be deemed to have been withdrawn.

([*1] Excluding an applicant who is a Specified Successor Financial Institution)

3 When JSCC approves the Clearing Qualification pursuant to Paragraph 8 of Article 6, JSCC shall have the applicant for the Clearing Qualification deposit Clearing Funds and follow other procedures for acquisition of Clearing Qualification as required by JSCC.

(Article 9 Date of Obtaining Clearing Qualification)

1 When the applicant for Clearing Qualification has completed the procedures set forth in Paragraph 1 or 3 of the preceding Article[*1], JSCC shall grant the Clearing Qualification in respect of the relevant application on the date designated by JSCC pursuant to the provisions of Paragraph 9 of Article 6.

([*1] in respect of the procedures under Paragraph 3 of the preceding Article, the provisions of this Paragraph shall apply only for the procedures which JSCC requires the applicant to follow by the date designated by JSCC pursuant to the provisions of Paragraph 6 of Article 6)

2 When JSCC grants the applicant Clearing Qualification pursuant to the preceding Paragraph, JSCC shall notify to that effect to each Clearing Participant having the Clearing Qualification of the same category, each Registered ETF Trust Bank[*1] and to each Designated Market Operator which operates the Financial Instruments Market with respect to the Contracts Subject to Clearing pertaining to that category of the Clearing Qualification.

([*1] limited to the cases when the Securities Clearing Qualification or the ETF Special Clearing Qualification is granted)

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

When a Non-Clearing Participant becomes a Clearing Participant by obtaining the Clearing Qualification corresponding to such trading qualification or membership pursuant to Paragraph 1 of the preceding Article, such Non-Clearing Participant shall take over its unsettled Contracts for Clearing, which are pursuant to the commissions of the Brokerage for Clearing of Securities, etc.,[*1] from the Designated Clearing Participant.

([*1] referring to the contracts prescribed in Item (3) of Paragraph 1 of Article 7 and contracts prescribed in Item (4) of Paragraph 3 of said Article; the same applies hereinafter)

(Article 10-2 Change to Category of Clearing Qualification)

Provisions of Paragraph 1, Paragraph 2, Paragraph 4 and Paragraph 5 and Paragraph 7 through Paragraph 9 of Article 6, Article 7, Article 9, Paragraph 2 of Article 23 and Article 26 shall apply *mutatis mutandis* to the case when a Clearing Participant changes the category

of Clearing Qualification held by it. In such case, the phrase “apply for Clearing Qualification” in Paragraph 1, Paragraph 2, Paragraph 4, Paragraph 5 and Paragraph 7 of Article 6 shall be deemed to be “apply for change to the category of Clearing Qualification”, the phrase “applicant for Clearing Qualification” in the Paragraph 9 of Article 6 and Article 7 and Article 9 shall be deemed to be “applicant for change to the category of Clearing Qualification”, the phrase “date on which the applicant is to obtain the Clearing Qualification” in Paragraph 9 of Article 6 and Item (2) of Paragraph 1 and Item (2) of Paragraph 3 of Article 7 shall be deemed to be “date on which the applicant is to change the category of the Clearing Qualification”, the phrase “grant the Clearing Qualification” in Paragraph 1 of Article 9 shall be deemed to be “change the category of the Clearing Qualification”, the phrase “grants the applicant Clearing Qualification” in Paragraph 2 of such Article shall be deemed to be “changes the category of the Clearing Qualification”, the phrase “applies for renouncing” in Paragraph 2 of Article 23 shall be deemed to be “applies for change to the category of Clearing Qualification to Principal Clearing Qualification”, and the word “renunciation” in Article 26 shall be deemed to be “change to the category” respectively.

(Article 10-3 Handling related to Parental Guarantee)

When a Commodity Futures Clearing Participant satisfies the criteria stipulated in Item (3) of Paragraph 3 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)

(Article 10-4 Registration of Registered ETF Trust Bank)

1 Examination set forth in Paragraph 7 of the preceding Article related to an application in Paragraph 6 of the said Article shall be for the items listed in Item (1) or Item (3) of Paragraph 1 and other items which JSCC deems necessary for the operation of the Securities and Similar Contracts Clearing Business in respect of an applicant for registration as the Registered ETF Trust Bank .

2 JSCC shall, when it registers an applicant as the Registered ETF Trust Bank pursuant to the provisions in the preceding Item, notify Securities Clearing Participant, ETF Special Clearing Participant and each Registered ETF Trust Bank to that effect

Section 3 Obligation, etc. of Clearing Participants

(Article 11 Conclusion of Clearing Participant Agreement)

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

(Article 12 Clearing Participant's Representative)

1 A Clearing Participant shall, in accordance with the rules of 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-à-vis JSCC as the Clearing Participant's representative.

(*1 if a Clearing Participant is a corporation established in accordance with the laws and ordinances 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 Clearing Participant's representative shall represent the Clearing Participant vis-à-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 13 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 accordance with the rules of JSCC.

(Article 14 Cooperative or Controlling Relationship with Directors, Officers, or Other Persons)

1 When JSCC deems that a cooperative or controlling relationship with a director, officer or other person of a Clearing Participant is inappropriate taking into account JSCC's operation of the Securities and Similar Contract Clearing Business, JSCC may conduct a hearing to the Clearing Participant and request for a change presenting the reason therefore; provided, however, that if the Clearing Participant submits a written statement, such submission may substitute the hearing.

2 The procedures of the hearing prescribed in the preceding Paragraph shall be in accordance with the rules of 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 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 15 Payment of Fees by Clearing Participant, etc.)

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

(Article 15-2 Deposit of Initial Margin)

1 A Clearing Participant*1 shall deposit with JSCC, in accordance with the rules of JSCC, the initial margin, by each category prescribed in each of the following Items, for the purpose of ensuring performance of its obligations owed to JSCC:

(*1 excluding an ETF Special Clearing Participant; the same applies hereinafter in this Article)

(1) An initial margin relating to Securities Clearing Qualification; and

(2) An initial margin relating to JGB Futures Clearing Qualification.

2 When the deposited balance of the initial margin falls short of the required amount of the initial margin as prescribed by the rules of JSCC, the Clearing Participant shall deposit with JSCC an amount at least equal to such shortfall by 2 P.M. on the day*1 which immediately follows the day on which such shortfall occurs.

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

3 Cash may be deposited as initial margin, but only in any of the currencies designated by JSCC. In this case, the appraisal value of the cash initial margin in a currency other than Japanese yen 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 day on which the initial margin is deposited*1 multiplied by a certain rate determined by JSCC.

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

4 Securities*1 may be deposited in lieu of cash as initial margin in accordance with the rules of JSCC.

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

5 The substituting price of the securities stipulated in the preceding Paragraph shall be calculated by multiplying the market price, as determined by JSCC,*1 as of the day*1 which precedes the date of the deposit by two days, by a certain rate determined by JSCC*2;

provided, however, that JSCC may extraordinarily change the substituting price, when JSCC deems it particularly necessary to do so, such as in the case of an excessive fluctuation in the market.

(*1 in the case where the applicable securities are foreign government bonds*1-1, an amount equal to their market price, converted to Japanese yen at the telegraphic transfer spot buying rate per 1 unit of the currency used for appraisal of each foreign government bonds in the Tokyo foreign exchange market on the day which is two days before the day on which the Margin is deposited; the same applies hereinafter)

(*1-1 referring to the securities listed in Item (17) of Paragraph 1 of Article 2 of the Act that have characteristics described in Item (1) of Paragraph 1 of Article 2 of the Act)

(*2 when a Clearing Participant utilizes the foreign book-entry transfer institution*2-1 designated by JSCC for the deposit of such securities, the value determined pursuant to the provisions of the contract between the relevant Clearing Participant, JSCC and the relevant foreign book-entry transfer institution; the same applies hereinafter)

(*2-1 referring to a person engaging in the book-entry transfer business or business of custody or book-entry transfer of bonds in a foreign country in accordance with laws and regulations of a foreign country)

6 In addition to the provisions of the preceding two Paragraphs, matters concerning the securities to be deposited in lieu of cash as initial margin shall be prescribed by JSCC.

(Article 15-3 Intraday Deposit of Initial Margin relating to Securities Clearing Qualification)

1 If an event occurs which is prescribed by JSCC as an event that the market of transaction relating to Securities Clearing Qualification has shown excessive fluctuation during any day session or if JSCC otherwise determines it necessary to do so, when the deposited balance of the initial margin relating to Securities Clearing Qualification deposited with JSCC falls short of the required amount of initial margin (the intraday amount) relating to Securities Clearing Qualification as prescribed by the rules of JSCC, the relevant Clearing Participant shall additionally deposit with JSCC an amount at least equal to such shortfall by 4:00 P.M. of the same day.

2 Notwithstanding the provisions of the preceding Paragraph, a Clearing Participant with respect to which the required amount of initial margin (the intraday amount) relating to Securities Clearing Qualification minus the required amount of initial margin relating to Securities Clearing Qualification set forth in Paragraph 2 of the preceding Article is less than 30,000,000 yen shall not be obligated to make additional deposit of the initial margin relating to Securities Clearing Qualification as required under the preceding Paragraph.

3 When JSCC causes to be made an additional deposit of initial margin relating to Securities Clearing Qualification pursuant to the provisions of Paragraph 1, it shall notify the relevant Clearing Participant to such effect promptly after 11:00 A.M. of the same day.

(Article 15-4 Increase in Required Amount of Initial Margin relating to Securities Clearing Qualification)

1 If the Risk Amount[*1] considered to be attached to Unsettled Contracts[*2] in transactions relating to Securities Clearing Qualification of a Clearing Participant exceeds Margin Increase Trigger Base Amount[*3], JSCC may increase the required amount of initial margin relating to Securities Clearing Qualification as prescribed by the rules of JSCC.
([*1] referring to the amount prescribed by the rules of JSCC; the same applies in this Article.)
([*2] referring to the contracts which remain unsettled; the same applies hereinafter.)
([*3] referring to the amount prescribed by the rules of JSCC.)

2 The Risk Amount set forth in the preceding Paragraph shall be calculated for transactions relating to Securities Clearing on each business day and after the close of the morning session on each business day, and JSCC will determine whether to increase the required amount of initial margin relating to Securities Clearing Qualification based on the calculation result of such Risk Amount.

3 If, due to an increase of the required amount of initial margin relating to Securities Clearing Qualification as a result of the calculation of the Risk Amount for a business day as set forth in the preceding Paragraph, the deposited balance of initial margin relating to Securities Clearing Qualification deposited by a Clearing Participant with JSCC falls short of the required amount of initial margin relating to Securities Clearing Qualification after the increase, the relevant Clearing Participant shall additionally deposit with JSCC an amount at least equal to such shortfall by 2:00P.M. on the next day following the day such shortfall occurred.

4 If, due to an increase of the required amount of initial margin relating to Securities Clearing Qualification as a result of the calculation of the Risk Amount after the close of the morning session on a business day as set forth in Paragraph 2, the deposited balance of initial margin relating to Securities Clearing Qualification deposited by a Clearing Participant with JSCC falls short of the required amount of initial margin relating to Securities Clearing Qualification after the increase, the relevant Clearing Participant shall additionally deposit with JSCC an amount at least equal to such shortfall by 4:00P.M. on the same day.

(Article 16 Deposit of Clearing Fund)

1 A Clearing Participant[*1] shall deposit with JSCC, in accordance with the rules of 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 compensation for any loss suffered by JSCC as set forth in these Business Rules in the event of JSCC acknowledging default, etc. of any other Clearing Participant:
(1) A clearing fund relating to Securities Clearing Qualification;
(2) A clearing fund relating to JGB Futures Clearing Qualification;
(3) A clearing fund relating to Index Futures Clearing Qualification;

(4) A clearing fund relating to Precious Metal Futures Clearing Qualification;
(5) A clearing fund relating to Rubber Futures Clearing Qualification;
(6) A clearing fund relating to Agricultural Futures Clearing Qualification
(7) A clearing fund related to Petroleum Futures Clearing Qualification; and
(8) A clearing fund relating to FX Clearing Qualification.
(*1excluding an ETF Special Clearing Participants; the same applies hereinafter in this Article)

2 When the deposited balance of the clearing fund set forth in the immediately 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 P.M. on the day which immediately follows 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 an amount 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, it’s 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 clearing fund exceeding the Clearing Fund Cash Requirement in accordance with the rules of 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 stipulated in the preceding Paragraph shall be calculated by multiplying the market price, as determined by JSCC, as of the day which precedes the date of the deposit by two days, by a certain rate determined by JSCC; provided, however, that JSCC may extraordinarily change the substituting value, when JSCC deems it particularly necessary to do so, such as in the case of an excessive fluctuation in the market.

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 17 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[*1] for each Clearing Participant by type of Clearing Qualification during the Default Settlement Period[*2] shall be the required amount of clearing fund for each of the Clearing Qualifications of each such Clearing Participant on the day immediately preceding the date on which such Default Settlement Period commences.

([*1] excluding those listed in Items (1) and (8) of Paragraph 1 of the preceding Article; the same applies hereinafter in this Article)

([*2] referring to the Default Settlement Period set forth in Paragraph 1 of Article 76-2; the same applies hereinafter; but excluding the last day of the Default Settlement 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 78-2, notwithstanding the provisions of Paragraph 2 of the preceding Article, a Clearing Participant shall not be obliged to make additional deposit of clearing fund in the amount equivalent to such application until the relevant Default Settlement Period ends.

(Article 17-2 Obligation of Registered ETF Trust Bank)

1 A Registered ETF Trust Bank shall submit a letter of undertaking to JSCC that it shall comply with this Business Rules and other rules in the form prescribed by JSCC.

2 Provisions in Article11 through Article 14 shall apply *mutatis mutandis* to a Registered ETF Trust Bank. In this case, the reference to "Clearing Participant", "Clearing Participant Agreement" or "Clearing Participant Representative" shall be deemed to be "Registered ETF Trust Bank", "Registered ETF Trust Bank Agreement" and "Registered ETF Trust Bank Representative".

(Article 18 Liability for Securities and Similar Contract Clearing Business)

JSCC shall not be held liable to indemnify Clearing Participant, etc. for the damages suffered by it in the course of its business operation in relation to the Securities and Similar Contract Clearing Business performed by JSCC unless a willful misconduct or gross negligence on the part of JSCC is found.

(Article 19 Matters to be Notified)

When a Clearing Participant, etc. intends to carry out any of the following acts, it shall notify JSCC of the details in advance in accordance with the rules of JSCC:

(1) The acts set forth in A) through E) below according to the category of the Clearing Participant, etc. as set forth therein:

A) Securities Clearing Participant, JGB Futures Clearing Participant or Index Futures Clearing Participant - any of the acts set forth in (a) through (c) below according to the category set forth therein within which it falls:

(a) In the case of a Financial Instruments Business Operator:

Discontinuance of the operations prescribed in Item 1 of Paragraph 1 of Article 28 of the Act

(b) In the case of a Registered Financial Institution:

Discontinuance of the Registered Financial Institution Business*1

(*1referring to the Registered Financial Institution Business prescribed in Item (3) of Paragraph 1 of Article 33-5 of the Act; the same shall apply hereinafter)

(c) In the case of a Securities Finance Company:

Discontinuance of the operations prescribed in Paragraph 1 of Article 156-24 of the Act

B) Commodity Futures Clearing Participant;

The acts set forth in (a) through (c) below according to the category set forth therein:

(a) In the case of a Financial Instruments Business Operator:

Discontinuance of the operations prescribed in Item (12) of Paragraph 1 of Article 28 of the Act

(b) In the case of a Registered Financial Institution:

Discontinuance of the Registered Financial Institution Business or discontinuance of the operations concerning Commodity Futures Contracts and Option on Commodity Futures

(c) Commercials

Discontinuance of the operations concerning Commodity Futures Contracts and Option on Commodity Futures

C) FX Clearing Participant - any of the acts set forth in (a) through (c) below according to the category set forth therein within which it falls:

(a) In the case of a Financial Instruments Business Operator*1:

(*1excluding those falling within the category of (b) below)

Discontinuance of the operations prescribed in Item (3) of Paragraph 2 of Article 28 of the Act

(b) In the case of a Financial Instruments Business Operator*1:

(*1limited to those to whom an Exchange FX Contract is commissioned)

Discontinuance of the operations prescribed in Item (3) of Paragraph 2 of Article 28 of the Act or Paragraph 5 of the same Article

(c) In the case of a Registered Financial Institution:

Discontinuance of the Registered Financial Institution Business

D) ETF Special Clearing Participant

Discontinuance of the operations prescribed in Item (2) of Paragraph 4 of Article 28 of the Act

E) Registered ETF Trust Bank

Discontinuance of the operations prescribed in Paragraph 1 of Article 2 of the Trust Business Act (Act No. 154 of June 4, 2004)

(2) Merger in which the Clearing Participant, etc. becomes a disappearing corporation and

is merged into another company, and merger in which the Clearing Participant, etc. merges with another company and establishes a new company;

(3) Dissolution of the Clearing Participant due to any reason other than merger or decision to commence bankruptcy proceeding;

(4) Succession by another company of all or a part of the Business*1 of the Clearing Participant due to a corporate divestiture;

(*1 referring to the business relating to the Registered Financial Institution Business or the business relating to Commodity Futures Contracts and Option Contract on Commodity Futures in the case of a Registered Financial Institution, to the business relating to the operations prescribed in Paragraph 1 of Article 156-24 of the Act in the case of a Securities Finance Company, and to the business relating to Commodity Futures Contracts and Option Contract on Commodity Futures in the case of a Commercials; the same applies in this Article and Paragraph 5 of Article 29)

(5) Transfer of all or a part of the Business;

(6) Merger in which the Clearing Participant, etc. becomes a surviving company after being merged with another company;

(7) Succession of all or a part of the Business from another company due to a corporate divestiture;

(8) Acquisition of all or a part of the Business;

(9) Change in the trade name or corporate name*1;

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

(10) Change in the composition of its directors or officers; or

(11) Change in the address of its headquarters or principal office*1.

(*1 as to Commodity Futures Clearing Participants, including an office or a place of business concerning Commodity Futures and Option Contract on Commodity Futures)

(12) In case of a Commodity Futures Clearing Participant, when it has joined or withdrawn from a Designated Market Operator*1;

(*1 including when it has obtained or lost the 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 Brokerage for Clearing of Securities, etc., it shall notify JSCC of the details in advance in accordance with the rules of JSCC.

3 In case where a Clearing Participant has obtained the Parental Guarantee from its Parent, in addition to the provisions set forth in the preceding two Paragraphs, when the Parent is to discontinue acts listed in Item (2) through Item (8) of Paragraph 1 and the operations of granting the Parental Guarantee, it shall notify JSCC of the details of such discontinuation in advance in accordance with the rules prescribed by JSCC. In such case, the references to “Clearing Participant” in Item (2) and Item (6) of the said Paragraph shall be deemed to be “the Parent*1,” and the phrase “to the business relating to the Registered Financial Institution

Business or the business relating to Commodity Futures Contracts and Option Contract on Commodity Futures in the case of a Registered Financial Institution, to the business relating to the operations prescribed in Paragraph 1 of Article 156-24 of the Act in the case of a Securities Finance Company; and to the business relating to Commodity Futures Contracts and Option Contract on Commodity Futures in the case of a Commercials" in Item (4) of the said Paragraph shall be deemed to be "to the operations of granting Parental Guarantee for the Clearing Participant."

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

4 In addition to the provisions set forth in Paragraph 1, when ETF Special Clearing Participant and/or Registered ETF Trust Bank intends to add or delete the issue of exchange traded fund beneficiary certificate subject to Clearing by JSCC , it shall notify JSCC of the issues to be added or deleted in advance in a manner prescribed by JSCC, in respect to Creation Of Securities Investment Trust, etc.*1.

(*1 delivery/receipt of exchange traded fund beneficiary certificate or payment/receipt of money or delivery/receipt exchange traded fund beneficiary securities related to creation of securities investment trust, partial redemption of principal of securities investment trust or exchange of exchange traded fund beneficiary certificate and exchange traded fund component stocks; the same applies hereinafter)

5 In addition to the provisions set forth in Paragraphs 1 through 3, 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 Brokerage for Clearing of Securities, etc. 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.

(3) When a JGB Futures Clearing Participant commences or suspends trading in Interest Rate Futures Contracts as a Trading Participant of the Designated Market Operator:
The relevant JGB Futures Clearing Participant

(4) When a Non-Clearing Participant under the Clearing Brokerage Agreement with an Agency Clearing Participant*1 commences or suspends Brokerage for Clearing of Securities, etc. in association with its commencement or suspension of trading in the relevant Interest Rate Futures Contracts:
The relevant Agency Clearing Participant
(*1 applies only to a JGB Futures Clearing Participant)

(Article 20 Matters to be Reported)

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

(Article 21 Examination on Clearing Participant, etc.)

1 In the event which is stipulated in each Item provided below[*1], or if JSCC deems it necessary to do so for its operation of the Securities and Similar Contract Clearing Business, JSCC may request Clearing Participant, etc. to submit a report or document which should serve as reference regarding the business, operation, or assets of the Clearing Participant, or may cause its employees to inspect the Clearing Participant, etc.'s business, operation, financial condition, books, documents, or other materials:

([*1] for the ETF Special Clearing Participants and the Registered ETF Trust Banks, the cases stipulated in Item (1) and (3))

(1) In the event JSCC conducts an examination on the status of the Clearing Participant, etc.'s compliance with these Business Rules or other rules;

(2) In the event JSCC conducts an examination on the financial condition of the Clearing Participant;

(3) In the event JSCC conducts an examination on the certainty about the performance of the Clearing Participant, etc.'s obligation owed to JSCC; and

(4) In the event JSCC is requested by Designated Market Operator to provide information with regards to an examination aiming at securing fairness in buying/selling securities, other transactions and the like, and JSCC deems it appropriate to respond to such request.

2 The provisions of the preceding Paragraph shall apply *mutatis mutandis* to the case where JSCC conducts examination 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 Securities and Similar Contracts Clearing Business. In such case, the references to "Clearing Participant" or "Clearing Participant, etc." in the preceding Paragraph shall be deemed to be "the Parent[*1]."

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

(Article 21-2 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 Futures and Option Contracts[*1 *2] and Contracts Subject to Clearing prescribed in Article 2 of the Business Rules on Business of Assuming Commodity Transaction Debts[*3*4] under commission by its customers[*5], JSCC may ask the relevant Clearing Participant[*6] to report all or a part of below listed matters:

([*1] referring to Securities Option Contracts, JGB Futures Contracts, Option Contracts on JGB

Futures Contracts, Interest Rate Futures Contracts, Index Futures Contracts, Index Option Contracts, Commodity Futures Contracts and Option Contract on Commodity Futures; the same applies hereinafter)

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

(*3 including the transactions under commission of commodity clearing transactions*3-1 by Non-Clearing Participants)

(*3-1 referring to commodity clearing transactions prescribed in Item (20) of Article 2 of the Commodity Derivatives Act*3-1-1; the same applies hereinafter)

(*3-1-1 Act No.239 of 1950)

(*4 hereinafter referred to as "Futures, Option and the Like")

(*5 referring to the case where the Amount Corresponding to Risk*5-1 assumed to be owed under the Unsettled Contracts related to the Futures, Option and the Like of the relevant Clearing Participant is suspected to be excessive, compared to the relevant Clearing Participant's net worth*5-2 or its financial condition such as cash, etc. *5-3)

(*5-1 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*5-1-1 has Unsettled Contracts related to the Futures, Option and the Like; the same applies in Article 29-2 and Article 29-3)

(*5-1-1 in case where the Clearing Participant has obtained Parental Guarantee, the Parent granted the Parental Guarantee)

(*5-2 in the case of a Registered Financial Institution or Commercials, the amount of its net assets)

(*5-3 including contracts pursuant to the commissions of the Brokerage for Clearing of Securities, etc. from Non-Clearing Participants)

(*6 excluding ETF Special Clearing Participant; the same applies hereinafter in this Article)

(1) details of the Unsettled Contracts related to the relevant Futures and Option Contracts of the customer whose required amount of Margin related to the Unsettled Contracts of the Futures and Option 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 Futures and Option Contracts of the Largest Customer;

(3) status of deposit with or posting to JSCC of the Margin related to the Unsettled Contracts of the relevant Futures and Option Contracts of the Largest Customer; and

(4) the Clearing Participant's customer management framework and other information related to the relevant Futures and Option Contracts of the Largest Customer.

2 When asked reporting by JSCC pursuant to the provisions of the immediately 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 when counting number of days hereinafter)

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

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

(1) details of the Unsettled Contracts related to the relevant Futures and Option Contracts of the Indirect Customer whose required amount of Margin related to the Unsettled 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 Futures and Option Contracts of the Largest Indirect Customer;

(3) status of deposit with or posting to JSCC of the Margin related to the Unsettled Contracts of the relevant Futures and Option Contracts of the Largest Indirect Customer; and

(4) the Largest Customer's customer management framework and other information related to the relevant Futures and Option Contracts of the Largest Indirect Customer.

4 When asked reporting by JSCC pursuant to the provisions of the immediately 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 4, as the case may be, JSCC may increase the required amount of Margin related to the Futures and Option Contracts under commission by customers or commission through the Brokerage for Clearing of Securities by a Non-Clearing Participant up to 130 percent of such required amount.

Section 4 Renunciation/Forfeiture, etc. of Clearing Qualification

(Article 22 Application for Renouncing Clearing Qualification)

1 When a Clearing Participant intends to renounce its Clearing Qualification, it shall apply for the renunciation with respect to each category of the Clearing Qualification to be renounced in accordance with the rules of JSCC.

2 When an Index Futures Clearing Participant*1 intends to renounce its Securities Clearing Qualification, such Index Futures Clearing Participant shall simultaneously apply for renouncing its Index Futures Clearing Qualification, unless such Index Futures Clearing Participant is expected to designate a Designated Securities Clearing Participant simultaneously with the renouncement of its Securities Clearing Qualification.

(*1excluding an Index Futures Clearing Participant which does not hold a trading qualification relating to a Security Option Contract)

3 When an Index Futures Clearing Participant*1 intends to terminate a Contract for Commissioning Clearance*2 entered into with a Designated Securities Clearing Participant, it shall apply for renouncing its Index Futures Clearing Qualification prior to the termination, unless such Index Futures Clearing Participant obtains Securities Clearing Qualification or designates another Clearing Participant as Designated Securities Clearing Participant simultaneously with the termination of the Contract for Commissioning Clearance.

(*1excluding an Index Futures Clearing Participant which does not hold a trading qualification relating to a Security Option Contract)

(*2 referring to the Contract for Commissioning Clearance prescribed in Article 39; the same applies hereinafter until Article 34)

4 In the event that a Clearing Participant applies for renouncing its Futures Clearing Qualification*1, JSCC shall notify to that effect to all the other Clearing Participants having the Clearing Qualification of the same category and to the Designated Market Operator which operates the Financial Instruments Market with regards to the Contracts Subject to Clearing pertaining to the relevant Clearing Qualification.

(*1 referring to JGB Futures Clearing Qualification, Index Futures Clearing Qualification, Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification or Petroleum Futures Clearing Qualification; the same applies hereinafter)

(Article 22-2 Exceptional Treatment of Application for Renouncing Clearing Qualification Associated with Secession of Exchange FX Contracts)

When a Designated Market Operator intends to cease trading of Exchange FX Contracts*1, and no other Designated Market Operator operates a market for Exchange FX Contracts, then, notwithstanding the provisions of Paragraph 1 of the preceding Article, Clearing Participants holding FX Clearing Qualification at the time of such secession shall be

deemed to have applied for renouncing such FX Clearing Qualification as of the date designated by JSCC.

(*1 referring to a secession of Exchange FX Contracts stipulated by the Designated Market Operator)

(Article 23 Handling of Unsettled Contract of Participant Renouncing Securities Clearing Qualification, FX Clearing Qualification or ETF Special Clearing Qualification)

1 When a Securities Clearing Participant, a FX Clearing Participant or an ETF Special Clearing Qualification applies for renouncing its Clearing Qualification, it shall completely dissolve beforehand all the Contracts for Clearing pertaining to the relevant Clearing Qualification which remain unsettled.

2 When an Agency Clearing Participant related to Securities Clearing Qualification or FX Clearing Qualification applies for renouncing the Agency Clearing Qualification, it shall beforehand terminate all the Contracts for Commissioning Clearance pertaining to the relevant Clearing Qualification.

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

1 The Clearing Participant may choose not to dissolve the unsettled Contracts for Clearing to the extent permitted by JSCC notwithstanding the provisions of Paragraph 1 of the preceding Article and Paragraph 2 of Article 26 if JSCC determines that it is unnecessary to dissolve all of the unsettled Contracts for Clearing pertaining to the relevant Clearing Qualification of the Clearing Participant in such circumstances as that, simultaneously with the renunciation of the Clearing Qualification, the relevant Clearing Participant is merged into, or causes its business through a corporate divestiture to be succeeded 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.

2 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 Paragraph 2 of the preceding Article and Paragraph 2 of Article 26 if JSCC determines that it is unnecessary to terminate all the Contracts for Commissioning Clearance pertaining to the relevant Agency Clearing Qualification of the Agency Clearing Participant 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 corporate divestiture 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 the Participant Renouncing Clearing Qualification)

1 From the day immediately following the day on which JSCC receives an application for renouncing Clearing Qualification from a Clearing Participant*1, JSCC shall stop assuming new obligations*2 under the Contracts Subject to Clearing which pertain to the relevant Clearing Qualification and to which the relevant Clearing Participant is a party, except for the assumption of new obligations under the Contract Subject to Clearing executed by a Clearing Participant holding the Futures Clearing Qualification for the purpose of liquidation of the Contracts for Clearing prescribed in Paragraph 2 of Article 26 that are unsettled.

(*1 where the Clearing Qualification for which renunciation is applied is a 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 or ETF Special Clearing Qualification and such day falls on a Non-business Day, or where the Clearing Qualification for which renunciation is applied is an FX Clearing Qualification and such day falls on an FX Non-business Day, it shall be the immediately following business day)

(*2 including the obligation to be incurred as a result of the completion of the Give-up prescribed in Article 46-2, the same applies hereinafter)

2 Notwithstanding the provisions 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 Clearing Qualification, the relevant Clearing Participant is merged into, or causes its business through a corporate divestiture to be succeeded 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 Clearing Qualification is a party.

(Article 26 Approval for Renunciation of Clearing Qualification)

1 The approval of the renunciation of Securities Clearing Qualification, FX Clearing Qualification or ETF Special Clearing Qualification shall be made by JSCC by designating a particular date in the future and the relevant Clearing Qualification shall be nullified on that date.

2 If a Clearing Participant applies for renouncing its Futures Clearing Qualification pursuant to Paragraph 1 of Article 22, 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 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)

(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 terminate all the Contracts for Commissioning Clearance pertaining to the relevant Agency Clearing Qualification.

3 In the event JSCC has approved the renunciation of Clearing Qualification pursuant to Paragraph 1 or a Clearing Participant renounces its Clearing Qualification pursuant to Paragraph 2, JSCC shall notify to that effect to all the other Clearing Participants having the Clearing Qualification*1 of the same category and Registered ETF Trust Banks*2 and to the Designated Market Operator which operates the Financial Instruments Market with regards to the Contracts Subject to Clearing pertaining to the relevant Clearing Qualification.

*1(including ETF Special Clearing Participants in case of the renunciation of Securities Clearing Qualification and Securities Clearing Participant in case of the renunciation of ETF Special Clearing Qualification, respectively)

*2 (limited to the case of renunciation of Securities Clearing Qualification or ETF Special Clearing Qualification)

(Article 26-2 Revocation of Registration as a Registered ETF Trust Bank)

1 When a Registered ETF Trust Bank intends revocation of its registration, it shall apply for revocation of the registration as a Registered ETF Trust Bank, in a manner prescribed by JSCC.

2 When an application prescribed in the preceding Item is made, JSCC shall designate a future particular date and revoke its registration of the relevant Registered ETF Trust Bank on such date.

3 JSCC shall, when it accepts application set forth in Paragraph 1, notify to that effect to each Securities Clearing Participant and each ETF Special Clearing Participant.

(Article 27 Refund of Clearing Fund upon Renunciation of Clearing Qualification)

1 When a Clearing Participant renounces all or a part the Clearing Qualifications *1, JSCC shall refund the clearing fund related to the renounced 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 Qualifications, or if JSCC

otherwise deems it necessary, JSCC may suspend the refund of the clearing fund related to the renounced Clearing Qualification until such reason ceases to exist.

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

2 Notwithstanding the provisions of Paragraph 1, in the case where an application for renunciation of a Futures Clearing Qualification of a Clearing Participant is submitted during the Default Settlement Period prescribed in Paragraph 1 of Article 76 or in the case where the Default Settlement Period commences during the period from the date of such application to the time of renunciation of the Clearing Qualification that would otherwise become effective in respect of the relevant Clearing Participant, and when the compensation for loss by the clearing fund of Clearing Participants other than the Default Clearing Participant occurs, JSCC shall refund the clearing fund by each type of Clearing Qualification listed in Article 17 after deducting the amount required for such compensation of loss on and after the date of renunciation by the relevant Clearing Qualification.

(Article 28 Performance of Obligation upon Nullification of Clearing Qualification)

The entity that has lost its Clearing Qualification shall apply the money, securities, warehouse receipts and the like*1 or Commodity to be returned from JSCC toward the satisfaction of all of its obligations owed to JSCC as Clearing Participant.

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

(Article 28-2 Application of These Business Rules upon Renunciation, etc. of Clearing Qualification)

When a Clearing Participant renounces its Clearing Qualification or the registration of a Registered ETF Trust Bank is revoked, if there remain any claim or obligation arising from any cause before such renunciation or revocation, 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, etc.

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

1 When JSCC deems that a Clearing Participant, etc. falls under any of the following Items, JSCC may conduct a hearing for the relevant Clearing Participant, etc. and take the measures to prohibit the Cross Margining Request*1, to issue the Instructions for Improvement*2, 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 or the registration presenting the reason therefor. In such event, the revocation of the Clearing Qualification or the registration shall require a resolution adopted at the meeting of the board of directors:

(*1 referring to the Cross Margining Request set forth in Paragraph 1 of Article 73-15-2; the same applies in Article 34)

(*2 referring to the instructions issued to the relevant Clearing Participant, etc. regarding improvements to be made to its business execution structure, etc., to the extent deemed necessary and appropriate for JSCC's operation of the Securities and Similar Contract Clearing Business; 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 Article 21-2, 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 Items, when the Clearing Participant, etc. 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 Securities and Similar Contract Clearing Business if the Clearing Participant, etc. damages the reputation of JSCC or other Clearing Participants, etc..

2 When a Clearing Participant, etc. falls under any of the following Items*1, JSCC may conduct a hearing for the relevant Clearing Participant, etc. 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, etc. is a party and/or any other measures deemed necessary and appropriate by JSCC, presenting the reason therefor:

*1(including the case the provisions of Paragraph 2 of Article 17 shall apply *mutatis mutandis*)

(1) When the Clearing Participant refuses to comply with a request made pursuant to the provisions of Article 14 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 Securities and Similar Contract Clearing Business 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 a person holding the same or greater degree of control over the Clearing Participant, etc. as or than that held by a director or an executive officer —whether such person holds a title of consultant, advisor or otherwise— is deemed to be inappropriate taking JSCC's operation of the Securities and Similar Contract Clearing Business into account.

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*2 and a swift 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 in the case of a Securities Finance Company which has obtained the Clearing Qualification pursuant to the application made under Paragraph 3 of Article 6, 100 million yen)

(2) When the amount of its net worth*1 becomes less than 300 million yen*2 and a swift recovery from such condition cannot be expected;

(*1 in the case of a Registered Financial Institution, a Securities Finance Company, and a Commercials, the amount of its net assets)

(*2 in the case of a Commodity Futures Clearing Participant, 1 billion yen)

(3) In the case of a Financial Instruments Business Operator, when its Capital-to-Risk Ratio becomes less than 120 percent and a swift recovery from such condition cannot be expected;

(4) In the case of a Special Financial Instruments Business Operator, when its consolidated Capital-to-Risk Ratio becomes less than 120 percent and a swift recovery from such condition cannot be expected;

(5) In the case of a Registered Financial Institution subject to Uniform International Standards, when any one of the events set forth in A) to C) below occurs with respect to it*1:

(*1in the case of a foreign bank, any event equivalent thereto occurs and JSCC determines it necessary)

A) Its non-consolidated or consolidated Common Equity Tier 1 ratio becomes less than 2.25 percent and a swift recovery from such condition cannot be expected;

B) Its non-consolidated or consolidated Tier 1 ratio becomes less than 3 percent and a swift recovery from such condition cannot be expected; or

C) Its non-consolidated or consolidated Total Capital ratio becomes less than 4 percent and a swift recovery from such condition cannot be expected;

(6) In the case of a Financial Institution subject to Japanese Standard*1, when its non-consolidated or consolidated capital adequacy ratio under the domestic standards becomes less than 2 percent and a swift recovery from such condition cannot be expected;

(*1 excluding any Registered Financial Institution which has obtained the Clearing Qualification pursuant to the application made under Paragraph 3 of Article 6, if such Registered Financial Institution is a Securities Finance Company)

(7) In the case of an insurance company, when its non-consolidated or consolidated solvency margin ratio becomes less than 100 percent and a swift recovery from such condition cannot be expected; and

(8) In the case of a Commercials, when JSCC considers, as prescribed by JSCC, that status of shareholders' equity is not adequate vis-à-vis the assets and the like it owns.

4 In the case where a Clearing Participant is an Agency Clearing Participant and 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*1 under the Contracts Subject to Clearing to which such Clearing Participant is a party until the relevant condition ceases to exist:

(*1 limited to the obligations relating to the Brokerage for Clearing of Securities, etc.)

(1) When the amount of its net worth*1 becomes less than 20 billion yen and a swift recovery from such condition cannot be expected;

(*1 in the case of a Registered Financial Institution, the amount of its net assets)

(2) In the case of a Financial Instruments Business Operator, when its Capital-to-Risk Ratio becomes less than 200 percent and a swift recovery from such condition cannot be expected;

(3) In the case of a Special Financial Instruments Business Operator, when its consolidated Capital-to-Risk Ratio becomes less than 200 percent and a swift recovery from such condition cannot be expected;

(4) In the case of a Registered Financial Institution subject to Uniform International Standards, when any one of the events set forth in A) to C) below occurs with respect to it*1:

(*1 in the case of a foreign bank, when any event equivalent thereto occurs and JSCC

determines it necessary)

A) Its non-consolidated or consolidated Common Equity Tier 1 ratio becomes less than 4.5 percent and a swift recovery from such condition cannot be expected;

B) Its non-consolidated or consolidated Tier 1 ratio becomes less than 6 percent and a swift recovery from such condition cannot be expected; or

C) Its non-consolidated or consolidated Total Capital ratio becomes less than 8 percent and a swift recovery from such condition cannot be expected;

(5) In the case of a Financial Institution subject to Japanese Standard, when its non-consolidated or consolidated capital adequacy ratio under the domestic standards becomes less than 4 percent, and a swift recovery from such condition cannot be expected; and

(6) In the case of an insurance company, when its non-consolidated or consolidated solvency margin ratio becomes less than 400 percent and a swift recovery from such condition cannot be expected.

5 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 (5) of Paragraph 1 of the said Article*1, but does not apply for the renunciation of its 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 (4) of Paragraph 1 of the said Article, limited to the succession of the entire Business, and in the case of Item (5), limited to the transfer of the entire Business)

6 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 measure 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 Brokerage for Clearing of Securities, etc.)

7 When the Parent granting the Parental Guarantee for a Clearing Participant falls under either Item (1) or Item (2) of Paragraph 3, 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. In such case, the phrase “in the case of a Commodity Futures Clearing Participant, 1 billion yen” in Item (2) of the said Paragraph shall be deemed to be “in the case of the Parent granting Parental Guarantee for a Commodity Futures Clearing Participant, 20 billion yen.”

8 In the event that the Parent granting the Parental Guarantee for a Clearing Participant intends

to cancel the Parental Guarantee or a Clearing Participant gave a notification to JSCC on discontinuation of the operation of granting the Parental Guarantee for the Clearing Participant or the Parent made a public announcement under any of Item (3) through Item (5) of Article 19, but does not apply for renouncing its Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification or Petroleum Futures Clearing Qualification, JSCC may, following consultation with the Clearing Participant, suspend the assumption of all or a part of the obligations under the Contracts Subject to Clearing to which such Clearing Participant is a part.

(Article 29-2 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*1-2 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*1-3; the same applies in the following Article)

(*1-1 in case where the Clearing Participant obtains a Parental Guarantee, the Parent granted the Parental Guarantee)

(*1-2 in the case of a Registered Financial Institution, a Securities Finance Company or a Commercials, the amount of its net assets)

(*1-3 including contracts pursuant to the commissions of the Brokerage for Clearing of Securities, etc. and commodity clearing transactions from Non-Clearing Participants)

(1) Increase in the required amount of the Margin and the Like*1;

(*1 referring to the initial margin, clearing fund or Margin*1-1; the same applies hereinafter in this Paragraph)

(*1-1 referring to the Margin relating to the Future and Option Contracts on the Clearing Participant's own account, or the Futures and Option Contracts pursuant to the commissions from a customer or commissions of the Brokerage for Clearing of Securities, etc. from a Non-Clearing Participant, or the Margin relating to the Exchange FX Contracts on the Clearing Participant's own account, or the Exchange FX Contracts pursuant to the commissions from a customer or commissions of the Brokerage for Clearing of Securities, etc. from 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 securities 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 the securities' 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 Futures and Option Contracts or the Margin relating to the Exchange FX Contracts pursuant to the commissions from a customer or commissions of the Brokerage for Clearing of Securities, etc. from 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 29-3 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 21-2, the Clearing Participant still fails to submit report set forth in Paragraph 1 or 3, as the case may be, of Article 21-2, 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 an increase in the Amount Corresponding to Risk of the relevant Clearing Participant, etc., JSCC may conduct a hearing for the relevant Clearing Participant and, to the extent necessary, issue the instructions for improvement on position holding*[1] pursuant to resolutions adopted at the meeting of the board of directors.

(*[1] limited to those relating to Futures and Option Contracts or Exchange FX Contracts)

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 case where the Clearing Participant obtained Parental Guarantee, enhancing the capital of the Parent granted 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 Brokerage for Clearing of Securities, etc. from 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 on each applicable occasion.

(Article 29-4 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*3 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, preferred equity capital contribution securities, investment trust beneficiary securities and investment securities; the same applies in this Article)

(*2 referring to the Clearing Deposit prescribed in Article 74 and the Clearing Deposit prescribed in Article 70 of the Business Rules on Business of Assuming Commodity Transaction Debts: 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 Act; the same applies hereinafter)

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

(*3 in the case of preferred equity capital contribution securities, the number of listed units of the preferred equity capital contribution securities; 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 in lieu of cash as the Clearing Deposit and in the case where securities or warehouse receipts are deposited in lieu of cash as Margin, limitations on securities designated by JSCC; and

(2) In the case where securities are deposited in lieu of cash as the Clearing Deposit and in the case where securities or warehouse receipts are deposited in lieu of cash as Margin,

reduction in the rate by which the securities' 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 in lieu of cash as the Clearing Deposit and in the case where securities or warehouse receipts are deposited in lieu of cash as Margin, limitations on securities designated by JSCC; and

(2) In the case where securities are deposited in lieu of cash as the Clearing Deposit and in the case where securities or warehouse receipts are deposited in lieu of cash as Margin, reduction in the rate by which the securities' 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 ,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 in lieu of cash as the Clearing Deposit and in the case where securities or warehouse receipts are deposited in lieu of cash as Margin, limitations on securities designated by JSCC; and

(2) In the case where securities are deposited in lieu of cash as the Clearing Deposit and in the case where securities or warehouse receipts are deposited in lieu of cash as Margin, reduction in the rate by which the securities' 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.*1-1-1; the same applies hereinafter in this Paragraph)

(*1-1-1 Ministry of Finance Ordinance No. 59 of 1963; hereinafter referred to as the "Financial Statements, etc. Regulations")

(*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 cases described in 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 each of the preceding Paragraphs with respect to the relevant Clearing Participant.

(Article 29-5 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 of suspension of assumption of all or a part of obligations under the Contracts Subject to Clearing to which the relevant Clearing Participant is a party.

(Article 29-6 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 5 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 30 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 5, Paragraph 6 or Paragraph 8 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 said Paragraph.

(Article 31 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 Brokerage for Clearing of Securities, etc.)

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 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 was subjected to such suspension, JSCC may revoke the 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* to 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 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 Brokerage for Clearing of Securities, etc.)

5 The provisions of Paragraph 1 and Paragraph 2 shall apply *mutatis mutandis* to the case where any measure set forth in Article 29-2 through Article 29-4 is taken.

(Article 32 Making Objection, etc.)

The proviso of Paragraph 1 of Article 14, and the provisions of Paragraph 2 and Paragraph 3 of said Article shall apply *mutatis mutandis* to the hearing set forth in Article 29 and Article 29-3, and the provisions of Paragraph 4 through Paragraph 6 of Article 14 shall apply *mutatis mutandis* to the measures set forth in Article 29 through Article 29-4. In this case, the reference to "Clearing Participant" shall be deemed to be "Clearing Participant, etc."

(Article 33 Measures against Clearing Participant, etc. Having Ceased to be a Financial Instruments Business Operator)

A Clearing Participant, etc. shall forfeit its Clearing Qualification set forth in each of the following Items or have its registration of Registered ETF Trust Bank revoked when the event described in the relevant Item occurs to it:

(1) When a Securities Clearing Participant, JGB Futures Clearing Participant or Index Futures Clearing Participant ceases to be a Financial Instruments Business Operator or Registered Financial Institution which has obtained registration of the operation with respect to the acts prescribed in Item (1) of Paragraph 1 of Article 28 of the Act*1: Securities Clearing Qualification, JGB Futures Clearing Qualification or Index Futures Clearing Qualification; or

(*1 in the case of a Securities Finance Company which has obtained Clearing

Qualification pursuant to the application made under Paragraph 3 of Article 6, when it ceases to be a Securities Finance Company)

(2) When a Commodity Futures Clearing Participant becomes none of a Financial Instruments Business Operator registered in respect of the business related to the acts listed in Item (12) of Paragraph 1 of Article 28 of the Act, Registered Financial Institution or a trading participant or member of the Designated Market Operator:

Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification or Petroleum Futures Clearing Qualification;

(3) When an FX Clearing Participant ceases to be a Financial Instruments Business Operator or Registered Financial Institution which has obtained registration of the operation with respect to the acts prescribed in Item (3) of Paragraph 2 of Article 28 of the Act*1:

FX Clearing Qualification;

(*1 or, in the case where such FX Clearing Participant is an entity accepting commission of an Exchange FX Contract, registration of such business as well as the business relating to the act set forth in Paragraph 5 of the said Article)

(4) When an ETF Special Clearing Participant ceases to be a settlor company of an investment trust:

ETF Special Clearing Qualification;

(5) When a Registered ETF Trust Bank ceases to be a trust company, etc.:

Registration as a Registered ETF Trust Bank; or

(6) When it has been dissolved:

All Clearing Qualifications and registration as a Registered ETF Trust Bank.

(Article 33-2 The Disciplinary Measures Assessment Committee)

1 When JSCC intends to take any of the measures set forth in Article 29, Article 29-2 or Article 29-3 with respect to a Clearing Participant, etc., 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 29-2*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 suspension of assumption of all or a part of obligations under Article 29-5; 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 34 Notice of Measures, etc.)

1 When JSCC is to suspend assumption of all or a part of obligations, or to revoke Clearing Qualification or the registration pursuant to these Business Rules*1, JSCC shall notify to that effect in advance to the Designated Market Operator, in respect of which either the relevant Clearing Participant, etc. or a Non-Clearing Participant which has entered into the Contract for Commissioning Clearance with such Clearing Participant has a trading qualification or a membership, and also to its Designated Securities Finance Company*2.

(*1 excluding the emergency suspension)

(*2 in the case where the relevant Clearing Participant is a Securities Finance Company*2-1, to the Designated Market Operator which designated such Securities Finance Company as the Designated Securities Finance Company)

(*2-1 limited to the one which has obtained the Clearing Qualification pursuant to the application made under Paragraph 3 of Article 6)

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* to the case where a Clearing Participant has forfeited Clearing Qualification pursuant to Article 33 and to the case where the registration as a Registered ETF Trust Bank is revoked In such case, the word “in advance” in 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 the obligations in respect of the Brokerage for Clearing of Securities, etc., or revoked Clearing Qualification of an Agency Clearing Participant; or when an Agency Clearing Participant has forfeited Clearing Qualification pursuant to the provisions of Article 33, the relevant Agency Clearing Participant shall immediately notify to 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 prohibits the Cross Margining Request pursuant to the provisions of Paragraph 1 of Article 29, the Clearing Participant subject to such measures must immediately notify the Cross Margining User*1 and the Cross Margining Accepting Party*2 under its Cross Margining Request of such effect.

(*1 as such term defined in Article 2.1.(13)-9 of the Interest Rate Swap Clearing Business Rules (hereinafter referred to as “IRS Business Rules”); the same applies hereinafter)

(*2 referring to an entity which gives notice of acceptance of a Cross Margining Request pursuant to the provisions of IRS Business Rules; the same applies hereinafter)

6 When JSCC has taken the measure set forth in Article 29-2*1 or the measure set forth in Article 29-3 with respect to a Clearing Participant, JSCC shall immediately notify to 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)

7 When JSCC has prohibited Cross Margining Request, given a Clearing Participant, etc. Instructions for Improvement, suspended assumption of all or a part of obligations, revoked Clearing Qualification or the registration, or given instructions for improvement on position holding pursuant to these Business Rules, JSCC shall notify to that effect to every Clearing Participant, etc. or publish to 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.

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

9 When a Clearing Participant has forfeited its Clearing Qualification pursuant to the provisions of Article 33, JSCC shall notify to that effect to each Clearing Participant*1,and when registration of Registered ETF Trust Bank is revoked pursuant to the provision of said Article, JSCC shall notify to that effect to the Securities Clearing Participant and the ETF Special Clearing Participant, respectively.

(*1including the ETF Special Clearing Participant, in case of renunciation of the Securities Clearing Qualification, Securities Clearing Participant, in case of the ETF Special Clearing Qualification, respectively)

(Article 35 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 the 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 Paragraph 4 of Article 29-6)

2 In addition to the provisions of the preceding Paragraph, in the event that JSCC has suspended assumption of the obligations pursuant to Paragraph 1 Article 29 with respect to a Clearing Participant due to the disobedience of the instructions for improvement on position holding set forth in Article 29-3, 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 said Paragraph.

(Article 36 Handling of Unsettled Contracts for Clearing belonging to such Entities as Those whose Clearing Qualification have been Revoked)

1 When JSCC has, pursuant to these Business Rules, revoked Clearing Qualification, or a Clearing Participant has forfeited its Clearing Qualification pursuant to Article 33, 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 37 Recommendation to Clearing Participant, etc.)

1 When JSCC determines that the operational or financial condition of a Clearing Participant, etc., or the financial condition of the Parent granted the Parental Guarantee for a Clearing Participant etc. is not appropriate taking JSCC's operations of the Securities and Similar Contract Clearing Business into account, JSCC may recommend the relevant Clearing Participant to take appropriate measures.

2 In the event 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 etc. to submit a report with respect to its handling of the recommendations.

Chapter 3 Brokerage for Clearing of Securities, etc.

(Article 38 Contracts Eligible for Brokerage for Clearing of Securities, etc.)

1 The contracts which can be subject of the Brokering for Clearing of Securities, etc. to be executed by an Agency Clearing Participant are the Contracts Subject to Clearing set forth in Paragraph 2 of Article 3*1.

(*1 limited to those in respect of Item (1) through Item (9), Item (11) and Item (13) of said Paragraph)

2 Each of the following contracts shall be regarded as being resulted from the Brokerage for Clearing of Securities, etc., and these Business Rules shall apply to these contracts accordingly: of the buying/selling and transactions of the underlying stocks resulting from the exercise of the option under Security Option Contract, those resulting from the exercise of the option under Security Option Contract by the entity which does not hold the Securities Clearing Qualification*1 and from the exercise of the option under Security Option Contract through the Brokerage for Clearing of Securities, etc.; of JGB Futures Contracts resulting from the exercise of the option under Option Contract on JGB Futures set forth in Item (4) of Paragraph 2 of Article 3, those resulting from the exercise of the option under Option Contract on JGB Futures through the Brokerage for Clearing of Securities, etc.; of the transactions resulting from the exercise of the option under Index Option Contract set forth in Item (6) of said Paragraph, those resulting from the exercise of the option under Index Option Contract through the Brokerage for Clearing of Securities, etc.; and of the Commodity Futures Contracts resulting from the exercise of the option under Option Contract on Commodity Futures set forth in Item (6)-3 of the said Paragraph, those resulting from the exercise of the option under Option Contract on Commodity Futures through the Brokerage for Clearing of Securities, etc. Provided, however, that the foregoing does not apply to the buying/selling of the underlying stocks resulting from the exercise of the option under Security Option Contract pursuant to the commission of the Brokerage for Clearing of Securities, etc. from a Securities Clearing Participant.

(*1 limited to those give rise to buying/selling of the underlying stocks)

3 Of the contracts prescribed in Item (2) through Item (6)-3 of Paragraph 2 of Article 3, the contracts between JSCC and the Designated Clearing Participant of a Non-Clearing Participant resulting from the completion of the Give-up*1 under which the relevant Non-Clearing Participant is also a Trading Participant Executing Clearance*2 shall be regarded as resulting from the Brokerage for Clearing of Securities, etc., and these Business Rules shall apply to such contracts accordingly.

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

(*1-1 limited to the Designated Market Operator which operates the Designated Financial Instruments Market prescribed in Item (2) through Item (6)-3 of Paragraph 2 of Article

3)

(*2 referring to the Trading Participant Executing Clearance prescribed in item (1) of Paragraph 1 of Article 46-2)

(Article 39 Conclusion, etc. of Contract for Commissioning Clearance with Non-Clearing Participant)

1 An Agency Clearing Participant to operate the Brokerage for Clearing of Securities for contracts listed in Items (1) through (9) and Item (11) of Paragraph 2 of Article 3, etc. is required to enter into the Contract for Commissioning Clearance— containing the provisions to the effect that when an 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 Brokerage for Clearing of Securities, etc., and such Clearing Participant shall be regarded as accepting the application, and other provisions prescribed by JSCC — with the Non-Clearing Participant which commissions the Brokerage for Clearing of Securities, etc.

2 An Agency Clearing Participant may become the counterparty of a Non-Clearing Participant who does not own Securities Clearing Qualification with respect to the Contracts Subject to Clearing set forth in Item (13) of Paragraph 2 of Article 3 for commissioning of the Brokerage for Clearing of Securities, etc., only when it is designated as the Designated Clearing Participant with respect to a contract related to the Securities Clearing Qualification by the relevant Non-Clearing Participant.

3 An Agency Clearing Participant shall, when it operates the Brokerage for Clearing of Securities, etc. set forth in the preceding Paragraph, confirm that Non-Clearing Participant which is its counterparty, has designated items listed in the following Items in advance for each of subject contracts.

(1) ETF Special Clearing Participant who becomes a counterparty with respect to the relevant Contracts Subject to Clearing.

(2) Classification of receipt or delivery of exchange traded fund beneficiary certificate and money and exchange traded fund component stocks with respect to the contract which is a basis for the relevant subject contracts.

(3) Issue and quantity of exchange traded fund beneficiary certificate and exchange traded fund component stocks.

(4) Amount of money related to relevant Contracts Subject to Clearing.

(5) Date on which exchange traded fund beneficiary certificate is delivered/received, money is paid/receipt and/or exchange traded fund component stocks are delivered/received.

4 JSCC may request the relevant Agency Clearing Participant to submit a report with respect to the contracts under the Brokerage for Clearing of Securities, etc. set forth in the preceding Paragraph, the name of Non-Clearing Participant and other items which JSCC deems as

necessary in terms of its risk management.

(Article 40 Notification of Conclusion of Contract for Commissioning Clearance)

When an Agency Clearing Participant intends to enter into the Contract for Commissioning Clearance set forth in Paragraph 1 of the preceding Article, such Agency Clearing Participant shall notify JSCC of its details in advance in accordance with the rules of JSCC.

(Article 41 Notification of Termination of Contract for Commissioning Clearance)

1 In terminating the Contract for Commissioning Clearance, the Agency Clearing Participant set forth in Paragraph 1 of Article 39 shall notify JSCC of its details as prescribed in the following Items, based on the classification of 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 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 intention to terminate.

(3) Termination resulting from a prior written notice of 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 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 Brokerage for Clearing of Securities, etc.

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 Brokerage for Clearing of Securities, etc., termination resulting from a prior written notice of 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 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 to 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, has the trading qualification in respect of the transactions covered by the relevant Contract or a membership.

(Article 42 Segregation of Contracts Subject to Clearing)

Agency Clearing Participant shall manage the Contracts Subject to Clearing, segregating those pursuant to the Brokerage for Clearing of Securities, etc. from those that are not.

(Article 43 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 pursuant to the commissions of the Brokerage for Clearing of Securities, etc., from the relevant Non-Clearing Participant at 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, which is a trading participant or a member of a Designated Market Operator, has forfeited its Clearing Qualification, and other Clearing Participant is to be designated as the Designated Clearing Participant pursuant to the rules of the Designated Market Operator, the Contracts for Clearing, belonging to the Clearing Participant forfeiting its Clearing Qualification which remain unsettled at the time of such designation, shall be transferred from the Clearing Participant forfeiting its Clearing Qualification to the Clearing Participant which is newly designated as the Designated Clearing Participant.

(Article 44 Transfer of Unsettled Contracts for Clearing, etc., When Non-Clearing Participant is Suspended from Commissioning the Brokerage for Clearing of Securities, etc.,)

1 In the event that a Designated Market Operator, with respect to which a Non-Clearing Participant has its trading qualification or membership, suspended or partly restricted the Non-Clearing Participant from commissioning the Brokerage for Clearing of Securities, etc., suspended or restricted the Non-Clearing Participant's membership, revoked the Non-Clearing Participant's trading qualification, 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 commissions of the Brokerage for Clearing of Securities, etc., from 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 to the case where JSCC has suspended assumption of all or a part of the obligations or revoked the Clearing Qualification of the Designated Clearing Participant of the relevant Non-Clearing Participant.

(Article 45 Transfer of Unsettled Contracts for Clearing, etc., When Clearing Participant is Suspended from Trading in Securities, etc.,)

1 In the event that a Designated Market Operator, with respect to which a Clearing Participant has its trading qualification or membership, suspended or partly restricted the Clearing Participant from buying/selling securities, etc.*1, suspended or restricted the Clearing Participant's membership, revoked the Clearing Participant's trading qualification, 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 referring to buying/selling of securities and Market Transactions of Derivatives)

2 The provisions of the preceding Paragraph shall not apply to the case where JSCC has suspended assumption of all or a part of the obligations or revoked the Clearing Qualification of the relevant Clearing Participant.

(Article 45-2 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 29-3 due to the relevant Non-Clearing Participant's failure to comply with the measure set forth in Paragraph 2 of Article 29-2 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 Brokerage for Clearing of Securities, etc. from the 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 such Instructions cannot be complied with in spite of reasonable efforts to comply with such Instructions and if the relevant Non-Clearing Participant fails to comply with the request set forth in the preceding Paragraph without a justifiable reason in spite of the Clearing Participant's submission of such request to the relevant Non-Clearing Participant in advance to provide a reasonable grace period, the Clearing Participant may, to the extent deemed reasonably necessary, execute the Offsetting-Sale*1 or Offsetting-Purchase*2, or exercise the option*3 on the account of such Non-Clearing Participant, in order to settle such the Unsettled Contracts pursuant to the commissions of the Brokerage for Clearing of Securities, etc. from 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 Futures and Option Contracts or Exchange FX 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 45-3 Application etc. for Assumption of Obligations for Contracts Subject to Clearing listed in Item (12) or Item (13) of Paragraph 2 of Article 3)

1 When a Securities Clearing Participant and an ETF Clearing Participant request JSCC to assume the obligations under the contracts listed in Item (12) or Item (13) of Paragraph 2 of Article 3, the application and acceptance listed in each of the following Items and application for the assumption of obligations to JSCC shall be made in a manner prescribed by JSCC:

(1) Application made by the Securities Clearing Participant or the ETF Special Customer[*1] to the ETF Special Clearing Participant for the contracts listed in Item (12) of Paragraph 2 of Article 3

([*1] Non-Clearing Participant who commissions the Brokerage for Clearing of Securities etc. to an Agency Clearing Participant, pursuant to the provisions of Paragraph 2 of Article 39; the same applies hereinafter)

(2) Acceptance by the ETF Special Clearing Participant who has received an application set forth in the preceding Item to the Securities Clearing Participant or the relevant ETF Special Customer.

2 An agreement among the related parties in a form of application and acceptance set forth in the Item (1) of the preceding Paragraph[*1] shall be listed in the following Items, according to the category listed in each Item.

([*1] limited to the applications and acceptance associated with the application for the assumption of obligations set forth in the said Paragraph)

(1) Creation of securities investment trust[*1]

When a Statement[*2] is fixed between a Securities Clearing Participant who has made an application listed in Item (1) of the preceding Paragraph[*3] or an ETF Special Customer[*4] and an ETF Special Clearing Participant who has made an acceptance listed in Item (2) of the preceding Paragraph, the said agreement shall be deemed as an agreement to owe obligations set forth in following sub-item a though c, according to the contract category listed in each Item

([*1] excluding those listed in the immediately following Item)

([*2] referring to the document in which each Items of Paragraph 3 of Article 39 and the items necessary to specify other contract details related to Contracts Subject to Clearing set forth in Item (12) of Paragraph 2 of Article 3 are written; prepared by an ETF Special Clearing Participant in a manner prescribed by JSCC; the same applies hereinafter)

([*3]hereinafter referred to as "Beneficiary Certificate, etc. Applying Clearing Participant")

([*4]hereinafter collectively referred to as "Beneficiary Certificate, etc. Applicant" together with Beneficiary Certificate, etc. Applying Clearing Participant)

A) Creation of securities investment trust

Below listed obligations related to creation of securities investment trust.

(a) Payment obligation of money and delivery obligation of exchange traded fund component stocks owed by the Beneficiary Certificate, etc. Applicant to the ETF Special Clearing Participant

(b) Delivery obligation of exchange traded fund beneficiary certificate owed by the ETF Special Clearing Participant to the Beneficiary Certificate, etc. Applicant.

B) Partial redemption of principal of securities investment trust

Below listed obligations related to partial redemption of principal of securities investment trust

(a) Delivery obligation of exchange traded fund beneficiary certificate owed by the Beneficiary Certificate, etc. Applicant to the ETF Special Clearing Participant.

(b) Payment obligation of money owed by the ETF Special Clearing Participant to the Beneficiary Certificate, etc. Applicant.

C) Exchange of exchange traded fund beneficiary certificate for exchange traded fund component stocks

Below listed obligations related to exchange of exchange traded fund beneficiary certificate and exchange traded fund component stocks

(a) Delivery obligation of exchange traded fund beneficiary certificate owed by the Beneficiary Certificate, etc. Applicant to the ETF Special Clearing Participant.

(b) Delivery obligation of exchange traded fund component stocks owed by the ETF Special Clearing Participant to the Beneficiary Certificate, etc. Applicant

(c) Delivery obligation of exchange traded fund beneficiary certificate owed by the ETF Special Clearing Participant to the Beneficiary Certificate, etc. Applicant for Residual Number of ETF Shares to be Returned*1 .

(*1Number of shares stated in the Statement as the number of shares to be returned from the ETF Special Clearing Participant to the Beneficiary Certificate, etc. Applicant among the number of shares of exchange traded fund beneficiary certificate set forth in the preceding sub-item (a); the same applies hereinafter)

(2) Cash type securities investment trust*1

When the ETF Special Clearing Participant has made the relevant acceptance between Beneficiary Certificate, etc. Applicant who has made an application prescribed in Item (1) of the preceding Paragraph and the ETF Special Clearing Participant who has made an acceptance listed in Item (2) of the preceding Paragraph, the said acceptance shall be deemed as the agreement to owe obligations set forth in following sub-Items A) through C) of the preceding Item, according to the contract category listed in each sub-Item, based on the content of the relevant Statement, if the Statement is fixed by the day immediately following the day on which the relevant acceptance is made*2, or the content of the reporting in the manner prescribed by JSCC, if the Statement is not fixed

by the day immediately following the Cash Type Securities Investment Trust Acceptance Date.

(*1 referring to an investment trust managed under instructions from the settlor company of an investment trust set forth in Paragraph 1 of Article 8 of Investment Trust Act; the same applies hereinafter)

(*2 hereinafter referred to as the "Cash Type Securities Investment Trust Acceptance Date")

(Article 46 Assumption of Obligations)

1 The assumption of obligations by JSCC as the Securities and Similar Contract Clearing Business shall be done as prescribed in the following Items, based on the classification referenced in each Item:

(1) Contract Subject to Clearing listed in Item (1), Item (3), Item (4)-2, Item (5), Item (6)-2, Item (10) or Item (11) of Paragraph 2 of Article 3;

When a Contract Subject to Clearing is formed pursuant to the rules of the Designated Market Operator*1, 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.

(*1 in the case of the Contract Subject to Clearing prescribed in Item (10) of Paragraph 2 of Article 3, pursuant to the rules of JSCC)

(2) Contract Subject to Clearing listed in Item (2), Item (4), Item (6) or Item (6)-3 of Paragraph 2 of Article 3;

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, succeed to the position*1 of the option seller in respect of the option held by the buying Clearing Participant which is the selling Clearing Participant's counterparty, and simultaneously such selling Clearing Participant shall hold the position of the seller of a new option opposite to JSCC which is equivalent to the one which was succeeded to by JSCC. In such case, JSCC shall assume the relevant buying Clearing Participant's obligations to pay the contract price owed to the relevant selling Clearing Participant in such a manner to discharge such 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.

(*1 excluding the right to claim for the contract price)

(3) Contract Subject to Clearing listed in Item (7) through Item (9) of Paragraph 2 of Article 3.

When JSCC has received the notification made in accordance with the rules of JSCC from a Designated Securities Finance Company regarding the details of the obligations which should be assumed by JSCC, JSCC shall, after affirming the contents of the notification and pursuant to the contents, assume the Designated Securities Finance Company's obligations*1 owed to the Clearing Participant which is the Designated Securities Finance Company's counterparty in such a manner to discharge the Designated Securities Finance Company from the relevant obligations, and such Designated Securities Finance Company shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC; at the same time, JSCC shall assume the Clearing Participant's obligations*2 owed to the Designated Securities Finance Company which is the Clearing Participant's counterparty in such a manner to discharge the Clearing Participant from the relevant obligations, and such Clearing Participant shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC.

(*1 referring to the monetary obligations or the obligations to deliver Stocks And The Like in respect of: a lending under the Money/Securities Loan Transaction; a return of the Collateral, etc. resulting from a return of the lent object under the Money/Securities Loan Transaction*1-1; a delivering of the Collateral, etc. resulting from the borrowing under the Securities Lending Transaction; and a return of the borrowed object under the Securities Lending Transaction)

(*1-1 in the case of returning the Collateral, etc. in respect of a lending/borrowing of Stocks And The Like*1-1-1, referring to the return of the Cash Collateralizing a Loan (lending) of Stock and the Like*1-1-2 in the amount which should be returned on the date of the return of the lent object as prescribed by the Rules for Money/Securities Loan Transaction)

(*1-1-1 referring to the Stocks And The Like prescribed in Item (7) of Paragraph 2 of Article 3; the same applies in this Article)

(*1-1-2 referring to the cash collateralizing a lending of stocks and the like made by the Designated Securities Finance Company as stipulated in the Rules for Money/Securities Loan Transaction)

(*2 referring to the monetary obligations or the obligations to deliver Stocks And The Like in respect of: a lending under the Securities Lending Transaction; a return of the Collateral, etc. resulting from a return of the lent object under the Securities Lending Transaction*2-1; a delivering of the Collateral, etc. resulting from a borrowing under the Money/Securities Loan Transaction, and a return of the borrowed object under the

Money/Securities Loan Transaction*2-2)

(*2-1 referring to the return of the Cash Collateralizing a Loan (borrowing) of Stock and the Like*2-1-1 in the amount which should be returned on the date of the return of the lent object as prescribed by the Rules for Money/Securities Loan Transaction)

(*2-1-1 referring to the cash collateralizing a borrowing of stocks and the like made by the Designated Securities Finance Company as stipulated in the Rules for Money/Securities Loan Transaction)

(*2-2 in the case of returning the money borrowed under a cash loan, referring to the repayment of money in the amount which should be repaid on the repayment date pursuant to the Rules for Money/Securities Loan Transaction)

(4) Contracts Subject to Clearing listed in Item (12) of Paragraph 2 of Article3

A) Contracts Subject to Clearing related to creation of securities investment trust

JSCC shall, after affirming the contents of the obligations to be assumed by JSCC*1in a manner prescribed by JSCC and pursuant to the contents, assume the Beneficiary Certificate, etc. Applying Clearing Participant's obligations owed to the ETF Special Clearing Participant, which is the Beneficiary Certificate, etc. Applying Clearing Participant's counterparty Participant pursuant to the provisions of Item (1), sub-item A), sub-sub-item (a) of, Paragraph 2 of Article 45-3*2, in such a manner to discharge the relevant Beneficiary Certificate, etc. Applying Clearing Participant from the relevant obligations, and simultaneously such Beneficiary Certificate, etc. Applying 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 ETF Special Clearing Participant's obligations owed to the Beneficiary Certificate, etc. Applying Clearing Participant which is the ETF Special Clearing Participant's counterparty, pursuant to the provision of Item (1), sub-item A), sub-sub-item (b) *2 of the said Paragraph, in such a manner to discharge the relevant ETF Special Clearing Participant from the relevant obligations, and simultaneously such ETF Special Clearing Participant shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC.

(*1 including Clearing Qualification Criteria set forth in the following Paragraph and for cash type securities investment trust, excluding the fixed amount of payment obligation of money)

(*2 including the case set forth in the provisions of Item (2) of the said paragraph)

B) Contracts Subject to Clearing related to partial redemption of principal of securities investment trust

JSCC shall, after affirming the contents of the obligations to be assumed by JSCC*1in a manner prescribed by JSCC and pursuant to the contents, assume the Beneficiary Certificate, etc. Applying Clearing Participant's obligations owed to the ETF Special Clearing Participant, which is the Beneficiary Certificate, etc. Applying Participant's

counterparty, pursuant to the provisions of Item (1), sub-item B), sub-sub-item (a) [*2] of the preceding Paragraph, in such a manner to discharge the relevant Beneficiary Certificate, etc. Applying Clearing Participant from the relevant obligations, and simultaneously such Beneficiary Certificate, etc. Applying 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 ETF Special Clearing Participant's obligations owed to the Beneficiary Certificate, etc. Applying Clearing Participant which is the ETF Special Clearing Participant's counterparty, pursuant to the provision of Item (1), sub-item B), sub-sub-item (b) [*2] of the preceding Paragraph in such a manner to discharge the relevant ETF Special Clearing Participant from the relevant obligations, and simultaneously such ETF Special Clearing Participant shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC.

([*1]including Clearing Qualification Criteria set forth in the following Paragraph and for cash type securities investment trust, excluding the fixed amount of payment obligation of money)

([*2] including the case set forth in the provisions of Item (2) of the said paragraph)

C) Contracts Subject to Clearing related to exchange of exchange traded fund beneficiary certificate and exchange traded fund component stocks.

JSCC shall, after affirming the contents of the obligations to be assumed by JSCC[*1] in a manner prescribed by JSCC and pursuant to the contents, assume the Beneficiary Certificate, etc. Applying Clearing Participant's obligations owed to the ETF Special Clearing Participant, which is the Beneficiary Certificate, etc. Applying Clearing Participant's counterparty, pursuant to the provisions of Item (1), sub-item C), sub-sub-item (a) of Paragraph 2 of the preceding Article, in such a manner to discharge the relevant Beneficiary Certificate, etc. Applying Clearing Participant from the relevant obligations, and simultaneously such Beneficiary Certificate, etc. Applying 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 ETF Special Clearing Participant's obligations owed to the Beneficiary Certificate, etc. Applying Clearing Participant which is the ETF Special Clearing Participant's counterparty, pursuant to the provision of sub-sub-item (b) and (c) of sub-item C) of the said Item, in such a manner to discharge the relevant ETF Special Clearing Participant from the relevant obligations, and simultaneously such ETF Special Clearing Participant shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC.

([*1] including Clearing Qualification Criteria set forth in the following Paragraph)

(5) Contracts Subject to Clearing set forth in Item (13) of Paragraph 2 of Article 3

JSCC shall, after affirming the contents of the obligations to be assumed by JSCC[*1] in a manner prescribed by JSCC and pursuant to the contents, assume the obligations owed by the Agency Clearing Participant, who acts as a Clearing Broker for the ETF Special Customer, to the ETF Special Clearing Participant which is the counterparty of the Agency Clearing Participant in such a manner to discharge the relevant Agency Clearing Participant from the relevant obligations, and simultaneously such Agency 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 ETF Special Clearing Participant's obligations owed to the Agency Clearing Participant who is the ETF Special Clearing Participant's counterparty in such a manner to discharge the relevant ETF Special Clearing Participant from the relevant obligations, and simultaneously such ETF Special Clearing Participant shall newly incur the obligations owed to JSCC which are equivalent to those assumed by JSCC.

([*1] including Clearing Qualification Criteria set forth in the following Paragraph and for cash type securities investment trust, excluding the fixed amount of payment obligation of money)

2 In respect of the contracts set forth in Item (12) and (13) of Paragraph 2 of Article 3, only contracts which satisfy all of criteria[*1] listed in each of the following Items shall be subject to the assumption of obligations pursuant to the preceding Paragraph.

([*1] hereinafter referred to as "Clearing Qualification Criteria")

(1) The trustee of the relevant securities investment trust is a Registered ETF Trust Bank and has not applied for the revocation of registration set forth in provision of Article 26-2. In this case, in the event that the Registered ETF Trust Bank that is the trustee of the relevant securities investment trust 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 (5) of Paragraph 1 of the said Paragraph[1], JSCC may deem that the trustee of the relevant securities investment trust has applied for the revocation of its registration.

([*1] limited to succession of all its business as for Item (4) of the said Paragraph, and transfer of all of its business as for Item (5)).

(2) In respect of the delivery/receipt related to creation, (i) the Statement Fixing Date[*1*2] falls on or after the second preceding Business Day prior to the listing date[*3] of the exchange traded fund beneficiary certificate with respect to the creation and (ii) the settlement date stated in the Statement[*4*5] falls on the second following Business Day of the Statement Fixing Date.

([*1] the date on which the Statement prepared by an ETF Special Clearing

Participant is fixed after obtaining an approval from the Registered ETF Trust Bank; the same applies hereinafter in this Paragraph)

(*2 if the relevant securities investment trust is cash type securities investment trust, referring to the Cash Type Securities Investment Trust Acceptance Date; the same applies hereinafter in this Paragraph)

(*3 the earliest day of the listing date for each market, when listed in multiple Designated Market Operators; the same applies hereinafter)

(*4 hereinafter referred to as "ETF Settlement Date")

(*5 if the relevant securities investment trust is cash type securities investment trust, the Cash Type Securities Investment Trust Acceptance Date; the same applies hereinafter in this Paragraph and Item (1), sub-item A) of Paragraph 1 of Article 50)

(3) In respect of the delivery/receipt related to partial redemption of principal and exchange, (i) the Statement Fixing Date falls on or after the preceding Business Day of the listing date of the exchange traded fund beneficiary certificate with respect to the partial redemption of principal and exchange and (ii) ETF Settlement Date is the second following Business Day of the Statement Fixing Date.

(4) When a decision for de-listing of the exchange traded fund beneficiary certificate has been made, the Statement Fixing Date falls on or before the date*1 designated by the Designated Market Operator as the final trading day of the relevant beneficiary certificate.

(*1when multiple Designated Market Operators make a decision for de-listing, the latest day designated by each Designated Market Operator as the final trading day)

(5) Exchange traded fund component stocks are eligible securities for buying/selling set forth in Item (1) of Paragraph 2 of Article 3*1

(*1limited to the cases where the securities investment trust falls into beneficiary securities of investment trusts listed in Item (1) or Item (2) of Article 12 of the Enforcement Order of the Act of Investment Trusts and Investment Corporations (Act No. 480 of 2000))

(6) Filing set forth in Paragraph 4 of Article 19 has been made related to the relevant Creation Of Securities Investment Trust, etc..

3JSCC shall notify the relevant Clearing Participant of the details of the obligations JSCC assumed pursuant to the provisions of the Paragraph 1 and the matters which are necessary for settling those obligations.

4When the Clearing Participant has received the notification set forth in the preceding Paragraph, it shall immediately affirm its contents.

(Article 46-2 Extinguishment and New Incurrence of Obligations Resulting from Completion of the Give-up)

1 In the event where the Give-up is completed in accordance with the rules prescribed by the Designated Market Operator*1, the provisions of the following Items shall apply to the obligations set forth in Paragraph 1 of the preceding Article, depending upon the classifications set forth in such Items:

(*1 limited to a Designated Market Operator which establishes the Designated Financial Instruments Market set forth in Item (2) through Item (6)-3 of Paragraph 2 of Article 3; the same applies hereinafter in this Article)

(1) Contracts Subject to Clearing listed in Item (3), Item (4)-2, Item (5) or Item (6)-2 of Paragraph 2 of Article 3

When the Give-up is completed in accordance with the rules prescribed by the Designated Market Operator, with respect to the Contract Subject to Clearing which is extinguished as a result of the completion of the Give-up, JSCC's obligations owed to the Clearing Participant*1 which is also the Trading Participant Executing Trade*2 pursuant to the provisions of Item (1) of Paragraph 1 of the preceding Article and the obligations of such Clearing Participant which is also the Trading Participant Executing Trade owed to JSCC shall become extinguished prospectively; at the same time, with respect to the Contract Subject to Clearing which is extinguished as a result of the completion of the Give-up, JSCC shall newly incur obligations owed to the Clearing Participant*3 which is also the Trading Participant Executing Clearance*4, which are equivalent to those which JSCC owed to the relevant Clearing Participant which is also the Trading Participant Executing Trade, and the relevant Clearing Participant which is also the Trading Participant Executing Clearance shall newly incur obligations owed to JSCC which are equivalent to those which the relevant Clearing Participant which is also the Trading Participant Executing Trade owed to JSCC.

(*1 in the case where the relevant Trading Participant Executing Trade is a Non-Clearing Participant, referring to its Designated Clearing Participant; the same applies hereinafter in this Article)

(*2 referring to the Trading Participant Executing Trade prescribed by the Designated Market Operator; the same applies hereinafter)

(*3 in the case where the relevant Trading Participant Executing Clearance is a Non-Clearing Participant, referring to its Designated Clearing Participant; the same applies hereinafter in this Article)

(*4 referring to the Trading Participant Executing Clearance prescribed by the Designated Market Operator; the same applies hereinafter)

(2) Contracts Subject to Clearing listed in Item (2), Item (4), Item (6) or Item (6)-3 of Paragraph 2 of Article 3

A) In the case where the Trading Participant Executing Trade is a selling Clearing Participant

When the Give-up is completed in accordance with the rules prescribed by the Designated Market Operator, with respect to the Contract Subject to Clearing which is extinguished as a result of the completion of the Give-up, the position of the option seller opposite to JSCC that is held by the Clearing Participant which is also the Trading Participant Executing Trade and JSCC's obligations owed to the relevant Clearing Participant which is also the Trading Participant Executing Trade, pursuant to the provisions of Item (2) of Paragraph 1 of the preceding Article, shall become extinguished prospectively; at the same time, with respect to the Contract Subject to Clearing which is extinguished as a result of the completion of the relevant Give-up, the Clearing Participant which is also the Trading Participant Executing Clearance shall newly hold the position which is equivalent to that of the option seller opposite to JSCC held by the relevant Clearing Participant which is also the Trading Participant Executing Trade, and JSCC shall newly incur obligations owed to the relevant Clearing Participant which is also the Trading Participant Executing Clearance, which are equivalent to those which JSCC owed to the relevant Clearing Participant which is also the Trading Participant Executing Trade.

B) In the case where the Trading Participant Executing Trade is a buying Clearing Participant

When the Give-up is completed in accordance with the rules prescribed by the Designated Market Operator, with respect to the Contract Subject to Clearing which is extinguished as a result of the completion of the Give-up, the position of the option seller which is succeeded by JSCC from the selling Clearing Participant and the obligations owed to JSCC by the Clearing Participant which is also the Trading Participant Executing Trade, pursuant to the provisions of Item (2) of Paragraph 1 of the preceding Article, shall become extinguished; at the same time, with respect to the Contract Subject to Clearing which is extinguished as a result of the completion of the relevant Give-up, JSCC shall newly hold the position opposite to the Clearing Participant which is also the Trading Participant Executing Clearance, which is equivalent to that of the option seller which JSCC had succeeded from the selling Clearing Participant, and the relevant Clearing Participant which is also the Trading Participant Executing Clearance shall newly incur obligations owed to JSCC, which are equivalent to those which the relevant Clearing Participant which is also the Trading Participant Executing Trade owed to JSCC.

2 The provisions of Paragraph 2 and Paragraph 3 of the preceding Article shall apply *mutatis mutandis* when the preceding Paragraph applies.

Chapter 4-2 Management of Futures and Option Contracts

(Article 46-3 Management of Clearing Participant's Futures and Option Contracts)

A Clearing Participant must manage the Futures and Option 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 contracts under commission of the Brokerage for Clearing of Securities, etc. of Non-Clearing Participants)

(1) Contracts on its own account:
Proprietary account

(2) Contracts commissioned by customers that does not fall under the classification of Item (3) below:
   a. Omnibus Account*1
   b. Individual Segregated Account*2
   (*1 referring to an account for the management of Futures and Option Contracts of multiple customers or at the level of the granularity into which a customer position is arbitrarily split; the same applies hereinafter)
   (*2 referring to an account for the management of Futures and Option Contracts of a single customer or at the level of the granularity into which a customer position is arbitrarily split; the same applies hereinafter)

(3) Contracts on Affiliate's account:
   a. Affiliate's omnibus account
   b. Affiliates Individual Segregated Account

(Article 46-4 Management of Agency Clearing Participant's Futures and Option Contracts)

An Agency Clearing Participant must manage the Futures and Option 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 contracts under commission of the Brokerage for Clearing of Securities, etc. 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 customer of the relevant Non-Clearing Participant
   a. Omnibus account of that Non-Clearing Participant
   b. Individual Segregated Account of that Non-Clearing Participant

Chapter 5 Settlement of Contracts for Clearing

Section 1 Settlement of Contracts for Clearing on Stocks, etc.

(Article 47 Classification of Settlement Method)

1 Contracts for Clearing*1 shall be settled either by the settlement method in which the securities are delivered to the receiving Securities Clearing Participant, etc. *2 by JSCC only to the extent of the amount and the like of securities and money delivered to JSCC by such Securities Clearing Participant, etc. pursuant to Article 53*3, or by other settlement methods*4.

(*1 limited to the contracts on securities*1-1 and excluding the securities lending/borrowing prescribed in Article 64; the same applies hereinafter in this Section)

(*1-1 excluding Japanese Government Bonds)

(*2 referring to a receiving Securities Clearing Participant and a receiving ETF Special Clearing Participant; the same applies hereinafter)

(*3hereinafter referred to as “DVP Settlement”)

(*4 hereinafter referred to as “Non-DVP Settlement”)

2 The settlement of the Contracts for Clearing on the securities listed in each of the following Items*1 shall be conducted by DVP Settlement, and the settlement of the Contracts for Clearing on the securities other than the Securities Eligible for DVP Settlement shall be conducted by Non-DVP Settlement:

(*1 hereinafter referred to as the “Securities Eligible for DVP Settlement”)

(1) Stocks issued by domestic corporations*1;

(*1 including stock acquisition right securities and preferred equity capital contribution issued by a domestic corporation)

(2) Stocks issued by foreign corporations*1;

(*1 including stock acquisition right securities and depositary receipts for foreign stocks issued by a foreign corporation)

(3) Investment trust beneficiary securities, investment securities*1, foreign investment trust beneficiary securities and foreign investment securities;

(*1 including Investment securities acquisition right securities)

(4) Beneficiary securities of beneficiary securities issuing trusts and beneficiary securities of foreign beneficiary securities issuing trusts;

(5) Covered warrants; and

(6) Convertible Bonds*1*2.

(*1 referring to the convertible-bond-type corporate bonds with stock acquisition rights where the object of the capital contribution to be made upon the exercise of the right under such stock acquisition right is the corporate bond in respect of such corporate bond with stock acquisition rights; the same applies hereinafter)

(*2 excluding the one not handled by the Japan Securities Depositary Center*2-1 for its book-

entry transfer business*2-2)

(*2-1 hereinafter referred to as "JASDEC")

(*2-2 hereinafter referred to as the "Convertible Bonds Not Handled by JASDEC")

3 Notwithstanding the provisions of the preceding Paragraph, the settlement listed in each of the following Items shall be conducted in accordance with the provisions of the relevant Item.

(1) Settlement of Contracts for Clearing in respect of a buying/selling transaction which is to be settled on the day of its conclusion*1 and in respect of When-Issued Transaction*2

(*1 hereinafter referred to as the "Same-Day Transaction")

(*2 referring to the when-issued transactions prescribed in Paragraph 2 of Article 1 of Ordinance of Cabinet Office Concerning the Transaction Stipulated in Article 161-2 of the Financial Instruments and Exchange Act and the Security Money Therefor (Ordinance of the Ministry of Finance No. 75 of 1953); the same applies hereinafter)

The settlement shall be conducted by Non-DVP Settlement.

(2) Settlement of purchase for Buy-In

DVP Settlement and Non-DVP Settlement shall be applied respectively to different occasions: the delivery/receipt of money and securities prescribed in Paragraph 3 of Article 50 shall be conducted by DVP Settlement; the payment/receipt of money prescribed in Item (2) of Paragraph 1 of Article 54 shall be conducted by Non-DVP Settlement.

(3) Settlement of the sale against the purchase for Buy-In

The settlement shall be conducted by Non-DVP Settlement.

(4) In the event buying/selling was realized as a result of Buy-In, delivery of the securities*1 to the receiving Securities Clearing Participant which requested for Buy-In and the accompanying payment/receipt of money to be made on the day of the settlement of such buying/selling*2

(*1 limited to the delivery of the securities that was deferred pursuant to Article 62 due to Delivery Failures and limited to the volume corresponding to the volume of the securities in respect of which buying/selling was realized as a result of such Buy-In)

(*2 hereinafter referred to as the "Settlement of Failed Transaction by Buy-In")

The settlement shall be conducted by Non-DVP Settlement.

(5) Settlement of the obligation under the buying/selling of the underlying securities resulting from the exercise of the option under Security Option Contract*1

(*1 limited to the buying/selling in respect of Security Option other than the Security Option which enables the buying or selling to be realized in the Trading Units*1-1 at the exercise price)

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

DVP Settlement and Non-DVP Settlement shall be applied respectively to different occasions: the delivery/receipt of money and securities prescribed in Item (1) A) of Paragraph 1 of Article 55 shall be conducted by DVP Settlement, and the payment/receipt

of money prescribed in Item (1) B) and Item (2) of said Paragraph shall be conducted by Non-DVP Settlement.

(6) Delivery of exchange traded fund beneficiary certificate for Residual Number of ETF Shares to be Returned to a receiving Securities Clearing Participant related to Contracts Subject to Clearing listed in Item (12) or Item (13) of Paragraph 2 of Article 3

The settlement shall be conducted by Non-DVP Settlement.

(Article 48 Settlement Cutoff Time)

1 Settlement Cutoff Time for DVP Settlement shall be in accordance with each of the following Items:

(1) As for a payment/receipt of money, payment shall be completed by 2:15 P.M. and receipt shall be completed at 2:45 P.M.;

(2) As for a delivery/receipt of securities*1, delivery shall be completed by 1:00 P.M. and receipt shall be completed by 2:15 P.M.

(*1 excluding a delivery/receipt set forth in the following Item)

(3) As for a delivery/receipt of exchange traded fund beneficiary certificate related to Contracts Subject to Clearing to/from ETF Special Clearing Participants listed in Item (12) or Item (13) of Paragraph 2 of Article 3, new recording in JSCC's account of JASDEC set forth in the provisions of Item (1) sub-item (c) of Paragraph 3 of Article 56 shall be completed by 1:00 P.M. and deletion of records in JSCC's account of JASDEC set forth in the provisions of Item (3) sub-item (a) of the said Paragraph shall be completed by 3:30 P.M.

2 Settlement Cutoff Time for Non-DVP Settlement shall be in accordance with each of the following Items:

(1) As for a payment/receipt of money, payment shall be completed by 1:00 P.M. and receipt shall be completed at 2:45 P.M.;

(2) Delivery and receipt of securities shall be completed by 2:45 P.M.; provided that receipt of exchange traded fund beneficiary certificate for Residual Number of ETF Shares to be Returned shall be completed by 3:30 P.M.

3 The provisions of the preceding Paragraph shall not apply to the Same-Day Transaction.

(Article 49 Uniform DVP Settlement Price)

JSCC shall set a Uniform DVP Settlement Price in respect of each issue to be settled by DVP Settlement on a daily basis in accordance with the rules of JSCC.

(Article 50 Money and Securities Transferred for DVP Settlement)

1 The amount of money and the quantity of securities to be delivered or received by a Securities Clearing Participant and an ETF Special Clearing Participant*1 for DVP Settlement shall be in accordance with each of the following Items. In this case, the amount

of money paid/received and quantity of securities delivered/received by ETF Special Clearing Participants shall be calculated by each Registered ETF Trust Bank which is a trustee of securities investment trust, having the relevant ETF Special Clearing Participant as a settlor, for each of the creation and redemption category for securities investment trust*2, and shall be paid/received or delivered/received according to the respective category set forth therein:

(*1hereinafter referred to as "Securities Clearing Participants, etc. ")

(*2including partial redemption of principal of securities investment trust)

(1) The amount of money shall be the amount stipulated in (a) below plus/minus the amount stipulated in B) through E) :

A) The difference between the Total Value of the securities sold and the Total Value of the securities purchased, calculated at Uniform DVP Settlement Prices

The difference between the Total Value*1 of the securities for sale*2 and the Total Value of the securities for purchase*3 in respect of the relevant Securities Clearing Participant, etc.'s Contracts Subject to Clearing having that given day as their settlement day*4;

(*1 referring to the total sum of the products of Uniform DVP Settlement Price of each issue as for the settlement day multiplied by the number of the security*1-1; the same applies hereinafter)

(*1-1 in the case of an interest-bearing Convertible Bond, add Unit-Based Accrued Interest*1-1-1 in respect of that Bond as of that settlement day except where such day falls on the interest payment date)

(*1-1-1 referring to the product of Accrued Interest*1-1-1-1 per trading unit multiplied by the number obtained by dividing the relevant number of the security by the number of the security comprising one trading unit; the same applies hereinafter)

(*1-1-1-1 referring to the accrued interest prescribed by the Designated Market Operator in respect of buying/selling of an interest-bearing Convertible Bond; the same applies hereinafter in this Section)

(*2 in the case of the Contracts Subject to Clearing prescribed in Item (7) through Item (9) and Item (12) and Item (13) of Paragraph 2 of Article 3, the securities to be delivered)

(*3 in the case of the Contracts Subject to Clearing prescribed in Item (7) through Item (9) and Item (12) and Item (13) of Paragraph 2 of Article 3, the securities to be received)

(*4 referring to the settlement day*4-1 prescribed by the Designated Market Operator in respect of the Contracts Subject to Clearing*4-2 or the ETF Settlement Date; the same applies hereinafter)

(*4-1 in the case of the Contracts Subject to Clearing prescribed in Item (7) through Item (9) and Item (12) and Item (13) of Paragraph 2 of Article 3, the delivery

day prescribed by the Designated Securities Finance Company)

(*4-2 only with respect to the Contracts Subject to Clearing prescribed in Item (1) and Item (7) through Item (10) of Paragraph 2 of Article 3, and the buying/selling of the underlying securities formed as a result of the exercise of the option under Security Option Contract are included; the same applies hereinafter until Article 52)

B) The difference between contract price and Uniform DVP Settlement Price

In respect of the relevant Securities Clearing Participant's Contracts Subject to Clearing having that given day as their settlement day, the value equivalent to the difference between their respective contract prices*1 and their respective Uniform DVP Settlement Prices as for that settlement day; and

(*1 in the case of the Contracts Subject to Clearing prescribed in Item (7) through Item (9) of Paragraph 2 of Article 3, referring to the lending/borrowing prices set by each Designated Securities Finance Company and in the case of the Contracts Subject to Clearing set forth in Item (12) and Item (13) of the said Paragraph, referring to the price of exchange traded fund beneficiary certificate or exchange traded fund component stocks*1-1 stated in the Statement; the same applies hereinafter)

(*1-1 in the case of the Contracts Subject to Clearing related to cash type securities investment trust of a Securities Clearing Participant, referring to the DVP Settlement Price related to the relevant exchange traded fund beneficiary certificate on the day immediately following the Cash Type Securities Investment Trust Acceptance Date)

C) The difference between Accrued Interest and Unit-Based Accrued Interest

In respect of the relevant Securities Clearing Participant's Contracts Subject to Clearing on an interest-bearing Convertible Bond having that given day as their settlement day, the value equivalent to the difference between the Accrued Interest and Unit-Based Accrued Interest in respect of each issue.

D) The difference related to creation of securities investment trust

In respect to Contracts Subject to Clearing of the relevant Securities Clearing Participant, etc. having that given day as the contract settlement day*1, the aggregate amount of delivery obligation of exchange traded fund beneficiary securities owed by an ETF Special Clearing Participant to a Beneficiary Certificate, etc. Applicant stated in the relevant Statement deducting the amount of delivery obligation of exchange traded fund component stocks and money payment obligations owed by a Beneficiary Certificate, etc. Applicant to an ETF Special Clearing Participant stated in the relevant Statement*2

(*1limited to those with delivery/receipt of exchange traded fund component stocks among creation of securities investment trust)

(*2hereinafter referred to as "Market Value Adjustment Amount (Creation)")

E) The difference related to exchange of exchange traded fund beneficiary certificate and exchange traded fund component stocks

With respect to Contracts Subject to Clearing of the relevant Securities Clearing Participant, etc. having that given day as the contract settlement day, the aggregate amount of delivery obligation of exchange traded fund component stocks owed by an ETF Special Clearing Participant to a Beneficiary Certificate, etc. Applicant stated in the relevant Statement deducting the amount of delivery obligation of exchange traded fund beneficiary certificate owed by a Beneficiary Certificate, etc. Applicant to an ETF Special Clearing Participant stated in the relevant Statement

(*1limited to those related to exchange of exchange traded fund beneficiary certificate and exchange traded fund component stocks)

(*2hereinafter referred to as "Market Value Adjustment Amount (Redemption)")

(2) In respect of the relevant Securities Clearing Participant's Contracts Subject to Clearing, having that given day as their settlement day, the quantity of the securities shall be the difference between the quantity for delivery and that for receipt in respect of each issue.

2 In the case where delivery of securities and accompanied payment/receipt of money are deferred to that given day pursuant to the provisions of Article 62 due to Delivery Failures occurred on the day immediately preceding that given day*1*2, the amount of money and quantity of securities prescribed in each of the following Items shall be included, as pertaining to such deferment, in the computation of the amount of money and the quantity of securities to be transferred for DVP Settlement set forth in the preceding Paragraph:

(*1 in the case of an interest-bearing Convertible Bond, if such given day falls on the interest payment date*1-1, Delivery Failures occurred on the second preceding day; the same applies in Item (7) of Paragraph 1 of Article 53)

(*1-1 when the interest payment date falls on a bank holiday and the interest is paid before that interest payment date, the date on which the relevant interest is paid; the same applies hereinafter in this Section)

(*2 excluding money and securities pertaining to the Settlement of Failed Transaction by Buy-In to be conducted on that day)

(1) The amount of money set forth below*1:

(*1 in the case of an interest-bearing Convertible Bond, if such day falls on the interest payment date, the amount of money prescribed in (a) and (b) below)

A) The Total Value of the securities the delivery of which was deferred pursuant to the provisions of Paragraph 1 of Article 62 in the case of a delivering Securities Clearing Participant, etc. *1 *2and the Total Value of the securities the receipt of which was deferred pursuant to the provisions of Paragraph 2 of the same Article in the case of a receiving Securities Clearing Participant, etc.*3;

(*1 hereinafter referred to as the "Securities Failed to be Delivered" in this Chapter)

(*2 the delivering Securities Clearing Participants and the delivering ETF Special Clearing Participants; the same applies hereinafter)

(*3hereinafter referred to as the "Securities Failed to be Received" in this Chapter)

B) The value equivalent to the difference between the Uniform DVP Settlement Price as of that given day and the Uniform DVP Settlement Price as of the day immediately preceding day*1 in respect of the Securities Failed to be Delivered and the Securities Failed to be Received; and

(*1 in the case of an interest-bearing Convertible Bond, if that given day falls on the interest payment date, the Uniform DVP Settlement Price as of the second preceding day; the same applies hereinafter in Item (1) (b) of Paragraph 3 of this Article, Item (7) and Item (9) of Paragraph 1 of Article 53, and Item (2) and Item (4) of Paragraph 1 of Article 54)

C) In the case of an interest-bearing Convertible Bond, the value equivalent to the difference between the Unit-Based Accrued Interest as of that given day and the Unit-Based Accrued Interest as of the day immediately preceding day in respect of the Securities Failed to be Delivered and the Securities Failed to be Received.

(2) The quantity of the Securities Failed to be Delivered and/or the quantity of the Securities Failed to be Received in respect of each issue.

3 In the event that the purchasing for Buy-In has been formed, the amount of the money and the quantity of the securities prescribed in each of the following Items shall be included in the computation set forth in Paragraph 1 for the amount of the money and the quantity of the securities to be delivered or received for the DVP Settlement in respect of the Securities Clearing Participant, etc. which performed the purchasing for Buy-In:

(1) The amount of money listed below*1:

(*1 in the case of an interest-bearing Convertible Bond, if such day falls on an interest payment date, the amount of money prescribed in (a) and (b) below)

A) The Total Value of the securities purchased for Buy-In which are to be settled on that day pursuant to Paragraph 2 of Article 63;

B) The value equivalent to the difference between the Uniform DVP Settlement Price as of that given day and the Uniform DVP Settlement Price as of the day immediately preceding day in respect of the securities purchased for Buy-In which are to be settled on that day pursuant to Paragraph 2 of Article 63; and

C) In the case of an interest-bearing Convertible Bond, the value equivalent to the difference between the Unit-Based Accrued Interest as of that given day and the Unit-Based Accrued Interest as of the day immediately preceding day in respect of the securities purchased for Buy-In which are to be settled on that day pursuant to Paragraph 2 of Article 63.

(2) The quantity of the securities in respect of each issue purchased for Buy-In which are to be settled on that day pursuant to Paragraph 2 of Article 63.

4 With respect to Contracts Subject to Clearing having that given day as their settlement day related to cash type securities investment trust of the relevant Securities Clearing Participant, the amount calculated by deducting the DVP Settlement Price related to the relevant Contracts Subject to Clearing on the immediately following day of the Cash Type Securities Investment Trust Acceptance Date from the price of the relevant exchange traded fund beneficiary certificate stated in the Statement[*1] falls in the case set forth in each of the following Items, the relevant NPV Adjustment Amount shall be included in calculation of the amount of money paid/received for the DVP Settlement set forth in Item (1) of Paragraph 1, according to the category listed in each Item; except for the case where the Statement is not fixed by the immediately following day of the Cash Type Securities Investment Trust Acceptance Date.

([*1] hereinafter referred to as "NPV Adjustment Amount")

(1) When NAV Adjustment Amount is positive value

A) In case of Contracts Subject to Clearing related to creation of cash type securities investment trust, the amount equivalent to the absolute value of the relevant NAV Adjustment Amount shall be added to the amount of cash payable by the relevant Securities Clearing Participant to JSCC.

B) In case of Contracts Subject to Clearing related to redemption of cash type securities investment trust, the amount equivalent to the absolute value of the relevant NAV Adjustment Amount shall be added to the amount of cash payable by JSCC to the relevant Securities Clearing Participant.

(2) When NAV Adjustment Amount is negative value

A) In case of Contracts Subject to Clearing related to creation of cash type securities investment trust, the amount equivalent to the absolute value of the relevant NAV Adjustment Amount shall be added to the amount of cash payable by JSCC to the relevant Securities Clearing Participant.

B) In case of Contracts Subject to Clearing related to redemption of cash type securities investment trust, the amount equivalent to the absolute value of the relevant NAV Adjustment Amount shall be added to the amount of cash payable by the relevant Securities Clearing Participant to JSCC.

5 In the case where delivery of securities and the accompanied payment/receipt of money are to be deferred pursuant to Article 62 due to an occurrence of Delivery Failures on that day, the amount of the money and the quantity of the securities prescribed in each of the following Items shall be excluded, as pertaining to such deferment, from the computation set forth in Paragraph 1 for the amount of money and the quantity of securities to be delivered or received for DVP Settlement:

(1) The Total Value of the Securities Failed to be Delivered and the Total Value of the Securities Failed to be Received;

(2) The quantity of the Securities Failed to be Delivered and/or the quantity of the Securities

Failed to be Received in respective of each issue.

(Article 51 Provisional Payment for DVP Settlement)

1 In the case where the NPV Adjustment Amount does not arise and the amount of money to be paid or received for DVP Settlement which is provisionally calculated in accordance with the preceding Article*1 on the assumption that no Delivery Failure will occur on that given day*2 turns out to be payable by an Securities Clearing Participant, etc., such Securities Clearing Participant, etc. shall deposit the Provisional Payment Amount for DVP Settlement with JSCC by 1:00 P.M. on that day in order to secure the performance of the obligation of such Securities Clearing Participant under the Contracts Subject to Clearing owed to JSCC.
(*1 excluding Paragraph 4 and Paragraph 5)
(*2 hereinafter referred to as the "Provisional Payment Amount for DVP Settlement")

2 Upon the final determination of the amount of money to be paid or received for DVP Settlement prescribed in the preceding Article*1, the Provisional Payment Amount for DVP Settlement deposited with JSCC pursuant to the provisions of the preceding Paragraph shall be applied toward the payment of the Payment Amount for DVP Settlement. In such case, if the Payment Amount for DVP Settlement turns out to be less than the Provisional Payment Amount for DVP Settlement deposited with JSCC pursuant to the provisions of the preceding Paragraph due to an occurrence of NPV Adjustment Amount or an occurrence of Delivery Failures on that day, the Securities Clearing Participant, etc. shall receive from JSCC a refund of the money equivalent to the surplus portion of the Provisional Payment Amount for DVP Settlement at 2:45 P.M. on that day.
(*1 hereinafter referred to as the "Payment Amount for DVP Settlement")

3 The payment and receipt set forth in the preceding two Paragraphs shall be made in accordance with the rules of JSCC.

(Article 52 Settlement-Facilitating Security Money for DVP Settlement)

1 In respect of DVP Settlement, a Securities Clearing Participant may deposit with JSCC Security Money for Facilitating DVP Settlement until 2 P.M. on the settlement day in order to secure the performance of the obligation of such Securities Clearing Participant under the Contracts Subject to Clearing owed to JSCC so that such Securities Clearing Participant will be able to receive securities before making a deposit of the Provisional Payment Amount for DVP Settlement and/or delivery of securities.

2 Cash may be deposited as the Security Money for Facilitating DVP Settlement, but only in any of the currencies designated by JSCC. In this case, the appraisal value of the cash deposited in a currency other than Japanese yen 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.

3 The Security Money for Facilitating DVP Settlement may be deposited in the form of securities*1 in lieu of cash in accordance with the rules of JSCC.

(*1 limited to those JSCC deems appropriate taking the liquidity and other factors into account)

4 The substituting value of the securities prescribed in the preceding Paragraph shall be calculated by multiplying the market price, as determined by JSCC, of the relevant securities as of the day which precedes the settlement day by two days, by a certain rate determined by JSCC; provided, however, that in cases such as an excessive fluctuation in the market, JSCC may extraordinarily change the substituting value when JSCC deems it particularly necessary to do so.

5 In addition to the provisions set forth in the preceding two Paragraphs, matters concerning the securities in lieu of cash for the Security Money for Facilitating DVP Settlement shall be prescribed by JSCC.

(Article 53 Limitation on Delivery of Securities from JSCC to Receiving Securities Clearing Participant, etc. in DVP Settlement)

1 In DVP Settlement, the delivery of the securities from JSCC to the receiving Securities Clearing Participant, etc. shall be made in accordance with the rules of JSCC to the extent that the Total Value of the securities to be so delivered does not exceed the amount obtained by; subtracting the amount stipulated in Item (4) from the total sum of the values stipulated in Item (1) through Item (3), and then adding or subtracting the values stipulated in Item (5) through Item (12)*1 to or from the difference:

(*1 in the case of an interest-bearing Convertible Bond, if the given day falls on the interest payment date, excluding Item (8) and Item (10))

(1) The Total Value of the securities delivered to JSCC by the relevant receiving Securities Clearing Participant;

(2) The amount of money the relevant receiving Securities Clearing Participant deposited with JSCC as the Provisional Payment Amount for DVP Settlement plus the amount of money it paid to JSCC as the Payment Amount for DVP Settlement*1;

(*1 excluding the portion of the amount which is applied toward the payment pursuant to the provisions of Paragraph 2 of Article 51)

(3) The value of the Security Money for Facilitating DVP Settlement deposited with JSCC by the relevant receiving Securities Clearing Participant in accordance with the provisions of the preceding Article;

(4) The Total Value of the securities delivered to the relevant receiving Securities Clearing Participant by JSCC*1;

(*1 the value is calculated by excluding the securities to which the provisions of the following Paragraph applies)

(5) The value equivalent to the difference between the contract prices and the Uniform DVP

Settlement Prices on that given day, as prescribed in Item (1) (b) of Paragraph 1 of Article 50;

(6) In respect of an interest-bearing Convertible Bond, the value equivalent to the difference between the Accrued Interest and the Unit-Based Accrued Interest as of that given day, as prescribed in Item (1) (c) of Paragraph 1 of Article 50;

(7) The value equivalent to the difference between the Uniform DVP Settlement Prices as of that given day and the Uniform DVP Settlement Prices as of the day immediately preceding day in respect of the Delivery Failures which occurred on such immediately preceding day, as prescribed in Item (1) (b) of Paragraph 2 of Article 50;

(8) In respect of an interest-bearing Convertible Bond, the value equivalent to the difference between the Unit-Based Accrued Interest as of that given day and the Unit-Based Accrued Interest as of the day immediately preceding day in respect of the Delivery Failures which occurred on such immediately preceding day, as prescribed in Item (1) (c) of Paragraph 2 of Article 50;

(9) The value equivalent to the difference between the Uniform DVP Settlement Price as of that given day and the Uniform DVP Settlement Price as of the day immediately preceding day in respect of the securities purchased for Buy-In which are to be settled on that given day, as prescribed in Item (1) (b) of Paragraph 3 of Article 50; and

(10) In respect of an interest-bearing Convertible Bond, the value equivalent to the difference between the Unit-Based Accrued Interest as of that given day and the Unit-Based Accrued Interest as of the immediately preceding day in respect of the securities purchased for Buy-In which are to be settled on that given day, as prescribed in Item (1) (c) of Paragraph 3 of Article 50.

(11) Market Value Adjustment Amount (Creation)

(12) Market Value Adjustment Amount (Redemption)

2 Notwithstanding the provisions of the preceding Paragraph, the delivery by JSCC to a receiving Securities Clearing Participant of the Convertible Bonds in respect of which that given day falls on the days*1 prescribed in Item (2) or Item (3) of Paragraph 3 of Article 64 shall be made in accordance with the rules of JSCC.

(*1 if such day falls on a Non-business Day, the day immediately preceding such day)

3 Notwithstanding the provisions of the preceding two Paragraphs, the delivery of securities by JSCC to a receiving ETF Special Clearing Participant shall be made in accordance with the rules of JSCC.

(Article 54 Money and Securities Transferred for Non-DVP Settlement)

1 The amount of money and the quantity of securities delivered or received by a Securities Clearing Participant, etc. for Non-DVP Settlement shall be in accordance with each of the following Items:

(1) Settlement of Same-Day Transaction

In respect of the same Securities Clearing Participant, the difference between the total amount of sales proceeds and the total amount of purchase money, and the difference between the quantity of securities sold and the quantity of securities purchased in respect of each issue.

(2) Settlement of purchase for Buy-In

The value equivalent to the difference between the contract price for the relevant purchases with the same settlement day made by the same Securities Clearing Participant, etc., and the Uniform DVP Settlement Price as of the day immediately preceding the settlement day*1

(*1 in respect of an interest-bearing Convertible Bond, including the value equivalent to the difference between the Accrued Interest on that given day and the Unit-Based Accrued Interest on the immediately preceding day*1-1)

(*1-1 excluding the case where that given day falls on the interest payment date)

(3) Settlement of sale opposite the purchase for Buy-In

In respect of the same Securities Clearing Participant, the total selling price of sales, and the quantity of the securities sold in respect of each issue, having the same settlement day.

(4) In the event that a buying/selling was formed as a result of Buy-In, the Settlement of Failed Transaction by Buy-In to be conducted on the settlement day of such buying/selling transaction

The amount of money prescribed in (a) below and the quantity of securities prescribed in (b) below:

(a) In respect of the quantity of securities prescribed in (b) below, the total sum of the products of the quantity of the securities multiplied by the Uniform DVP Settlement Price as of the immediately preceding day in respect of each issue*1; and

(*1 in respect of an interest-bearing Convertible Bond, including the Unit-Based Accrued Interest as of the immediately preceding day*1-1)

(*1-1 excluding the case where such day falls on the interest payment date)

(b) The quantity of the securities in respect of each issue to be received as a result of the Settlement of Failed Transaction by Buy-In to be conducted on the same settlement date by the same Securities Clearing Participant, etc.

(5) Settlement of exchange traded fund beneficiary certificate for Residual Number of ETF Shares to be Returned

In respect of Contracts Subject to Clearing related to exchange of exchange traded fund beneficiary certificate and exchange traded fund component stocks having the day as settlement date, the Residual Number of ETF Shares to be Returned stated in the relevant Statement related to redemption.

(6) Settlement other than those set forth in each of the preceding Items

In respect of the same Securities Clearing Participant, the difference between the total

amount of sales proceeds*1 and the total amount of purchase money*2, and the difference between the total quantity of securities sold*3 and the total quantity of securities purchased*4 in respect of each issue, which are to be settled on the same day.

(*1 in the case of the Contracts Subject to Clearing prescribed in Item (7) through Item (9) of Paragraph 2 of Article 3, the total amount of money to be received)

(*2 in the case of the Contracts Subject to Clearing prescribed in Item (7) through Item (9) of said Paragraph, the total amount of money to be paid)

(*3 in the case of the Contracts Subject to Clearing prescribed in Item (7) through Item (9) of said Paragraph, the total quantity of securities to be delivered)

(*4 in the case of the Contracts Subject to Clearing prescribed in Item (7) through Item (9) of said Paragraph, the total quantity of securities to be received)

2 The amounts of money prescribed in Item (2) through Item (4) of the preceding Paragraph shall be paid or received, being included in the amount of money prescribed in Item (5) of said Paragraph, and the quantities of the securities prescribed in Item (3) and Item (4) of said Paragraph shall be delivered or received after they are offset against each other.

(Article 55 Money and Securities Transferred for Settlement of Buying/Selling Underlying Securities Resulting from the Exercise of Security Option)

1 Notwithstanding the provisions of Paragraph 1 of Article 50 and the preceding Article, the amount of money and the quantity of securities to be delivered or received by the Securities Clearing Participant for the settlement of the Contracts for Clearing in respect of the selling/buying of the underlying securities resulting from the exercise of Security Option Contract*1 shall be as prescribed in the following Items, based on the classification referenced in each Item:

(*1 limited to the buying/selling in respect of Security Option other than the Security Option which enables the buying or selling to be realized in the Trading Units at the exercise price)

(1) In the case where the quantity in respect of the buying/selling of the underlying security resulting from the exercise of the minimum unit of option exceeds the quantity comprising the Trading Unit of the relevant underlying security:

A) Portion Corresponding to the Trading Unit Quantity*1

(*1 referring to the quantity obtained by subtracting the quantity of the underlying security which fall short of comprising its trading unit, from the quantity of the underlying security to be bought/sold as a result of the exercise of the minimum unit of the option; the same applies hereinafter in this Article)

(a) The difference between the Total Value of securities sold and the Total Value of securities bought calculated at the Uniform DVP Settlement Prices

In respect of the buying/selling of the underlying securities resulting from the exercise of options by the relevant Securities Clearing Participant which are to be

settled on the given day, the difference between the Total Value*1 of securities for sale and the Total Value of securities for purchase;

(*1 referring to the total amount, in respect of each issue of the underlying securities, obtained by multiplying the Trading Unit Quantity by the Uniform DVP Settlement Price as of the given day, and then multiplying the resulting product by the number of the Security Option exercised; the same applies hereinafter)

(b) The difference between exercise price and Uniform DVP Settlement Price

In respect of the buying/selling of the underlying securities resulting from the exercise of option by the relevant Securities Clearing Participant which is to be settled on the given day, the value equivalent to the difference between the exercise price and the Uniform DVP Settlement Price as of the given day pertaining to the Trading Unit Quantity;

(c) The quantity of securities obtained by multiplying the Trading Unit Quantity by the number of Security Option exercised.

B) Portion Corresponding to the Residual Quantity Less Than One Trading Unit Quantity*1

(*1 referring to the quantity obtained by subtracting the Trading Unit Quantity from the quantity of the underlying securities to be bought/sold as a result of the exercise of the minimum unit of the option; the same applies hereinafter in this Article)

(a) The price of the buying/selling of the underlying securities resulting from the exercise of option*1

(*1 referring to the value obtained by multiplying Residual Quantity Less Than One Trading Unit Quantity by the exercise price, and then multiplying the resulting product*1-1 by the number of the Security Option exercised)

(*1-1 fraction less than 1 yen shall be rounded down)

(b) The amount of money equivalent to the value which is obtained by multiplying Residual Quantity Less Than One Trading Unit Quantity by the Option Settlement Price*1, and then multiplying the resulting product*2 by the number of the Security Option exercised

(*1 in respect of the buying/selling of the underlying securities resulting from the exercise of the option under Security Option Contract, referring to the Option Settlement Price prescribed in Paragraph 5 of Article 73-4; the same applies hereinafter in this Article)

(*2 fraction less than 1 yen shall be rounded down)

(2) In the case where the quantity in respect of the buying/selling of the underlying security resulting of the exercise of the minimum unit of the option is less than the quantity comprising the Trading Unit of the relevant underlying security:

A) The price of the buying/selling of the underlying securities resulting from the exercise of option*1

(*1 referring to the value obtained by multiplying the quantity in respect of the buying/selling of the underlying securities resulting of the exercise of the minimum unit of the option by the exercise price, and then multiplying the resulting product*1-1 by the number of the Security Option exercised)

(*1-1 fraction less than 1 yen shall be rounded down)

B) The amount of money equivalent to the value which is obtained by multiplying the quantity in respect of the buying/selling of the underlying securities resulting of the exercise of the minimum unit of the option by the Option Settlement Price, and then multiplying the resulting product*1 by the number of the Security Option exercised

(*1 fraction less than 1 yen shall be rounded down)

2 The amount of money and the quantity of securities to be delivered or received pursuant to Item (1) A) of the preceding Paragraph shall be included in the amount of money and the quantity of securities to be delivered or received for DVP Settlement prescribed in Paragraph 1 of Article 50, and the amount of money to be paid or received pursuant to Item (1) B) and Item (2) of the preceding Paragraph shall be included in the amount of money to be paid or received for Non-DVP Settlement prescribed in Item (5) of Paragraph 1 of the preceding Article. In such cases, the money prescribed in Item (1) B) (b) or (2) B) of the preceding Paragraph shall be included in the total amount of purchase money which is prescribed in Item (5) of Paragraph 1 of the preceding Article if the Participant is the selling Securities Clearing Participant in respect of the buying/selling of the underlying securities resulting from the exercise of option; and shall be included in the total amount of sales proceeds which is prescribed in the same Item if the Participant is the buying Securities Clearing Participant in respect of the relevant buying/selling.

(Article 56 Settlement Method)

1 The payment and receipt of money for settling Contracts for Clearing shall be made between Clearing Participant and JSCC, and receipt and payment of money in this case shall be governed in accordance with the rules of JSCC.

2 The delivery and receipt of securities for settling Contracts for Clearing shall be made as prescribed in the following Items, based on the classification of securities referenced in each Item:

(1) Securities Eligible for DVP Settlement;

It shall be made through the book-entry transfer carried out in JASDEC between Clearing Participant and JSCC. In such case, the request for a transfer from the account of the delivering Securities Clearing Participant to the account of JSCC shall be made to JASDEC by JSCC on behalf of the delivering Securities Clearing Participant, and the request for a transfer from the account of JSCC to the account of the receiving Securities Clearing Participant shall be made to JASDEC by JSCC;

(2) Bonds*1; and

(*1 excluding Japanese Government Bonds and corporate bonds with stock acquisition rights)

It shall be made between Clearing Participant and JSCC by the book-entry transfer between the accounts held at JASDEC;

(3) Securities other than those stipulated in the preceding two Items.

It shall be made between Clearing Participant and JSCC by delivering and receiving the certificate of securities.

3 Notwithstanding the provisions of preceding two Paragraphs, the payment/receipt of money and the delivery/receipt of securities for settling Contracts for Clearing between JSCC and an ETF Special Clearing Participant shall be made in the manner set forth in each Item, according to the respective category set forth therein.

(1) Creation of securities investment trust

(a) Delivery/receipt of exchange traded fund component stocks

A Registered ETF Trust Bank*1 shall receive them on behalf of ETF Special Clearing Participants and the delivery/receipt shall be carried out through the book-entry transfer between JSCC and a Registered ETF Trust Bank in JASDEC. In this case, JSCC shall make a transfer request from JSCC's account to the Registered ETF Trust Bank's account to JASDEC.

(*1 limited to the Registered ETF Trust Bank which is a trustee of the relevant securities investment trust; same applies hereinafter in this Paragraph)

(b) Payment/receipt of money

A Registered ETF Trust Bank shall receive money on behalf of an ETF Special Clearing Participant and payment is executed between JSCC and the Registered ETF Trust Bank. In this case, payment/receipt of money shall be made in a manner prescribed by JSCC.

(c) Delivery/receipt of exchange traded fund beneficiary certificate

The delivery/receipt shall be executed by new recoding in JSCC's account at JASDEC. In this case, an ETF Special Clearing Participant shall notify JASDEC of the new records.

(2) Partial redemption of principal of securities investment trust

(a) Delivery/receipt of exchange traded fund beneficiary certificate

The delivery/receipt shall be executed by a deletion of records in JSCC's account at JASDEC. In this case, JSCC shall notify JASDEC of the records scheduled to be deleted at the redemption.

(b) Payment/receipt of money

The payment/receipt shall be executed between JSCC and a Registered ETF Trust Bank. In this case, payment/receipt of money shall be executed in a manner prescribed by JSCC.

(3) The following securities related to exchange of exchange traded fund beneficiary certificate and exchange traded fund component stocks

(a) Delivery/receipt of exchange traded fund beneficiary certificate

The delivery/receipt shall be executed by a deletion of records in JSCC's account at JASDEC as for the number of shares excluding Residual Number of ETF Shares to be Returned, which shall not be delivered/received. In this case, JSCC shall notify JASDEC of the records scheduled to be deleted at the redemption.

(b) Delivery/receipt of exchange traded fund component stocks

The delivery/receipt shall be executed by the book-entry transfer between JSCC's account and a Registered ETF Trust Bank's account at JASDEC. In this case, JSCC shall make a transfer request to JASDEC on behalf of the Registered ETF Trust Bank in respect to the transfer from a Registered ETF Trust Bank's account to JSCC's account.

4 Obligations related to the relevant exchange traded fund beneficiary certificate assumed by JSCC pursuant to Item (4) sub-item (b) or sub-item (c) or Item (5) of Paragraph 1 of Article 46 shall cease to effect, when a deletion of records set forth in Item (2), sub-item (a) and Item (3), sub-item (a) of the preceding Paragraph is made.

(Article 57) Deleted

(Article 58 Combination of Certificates of Securities to be Delivered)

The combination of the kinds of the certificate of securities to be delivered by the delivering Securities Clearing Participant for the settlement of the securities stipulated in Item (3) of Paragraph 2 of Article 56 shall be governed by the rules of JSCC.

(From Article 59 to Article 61) Deleted

(Article 62 Handling of Delivery Failure in DVP Settlement)

1 In respect of DVP Settlement, in the event that the delivering Securities Clearing Participant, etc. fails to deliver the securities by the cutoff time for the DVP Settlement*1 due to an unavoidable reason*2, the delivery of the relevant securities and the accompanied payment/receipt of money shall be deferred to the immediately following day*3.

(*1 including the delivery of the securities the settlement of which was deferred on the day immediately preceding this settlement day*1-1 pursuant to the provisions of this Article)

(*1-1 in the case of an interest-bearing Convertible Bond, if this settlement day falls on the interest payment date, on the day which precedes this settlement day by two days)

(*2 hereinafter referred to as “the Case of Delivery Failure” in this Section)

(*3 in the case of an interest-bearing Convertible Bond, if that immediately following day falls on the day which immediately precedes the interest payment date, the second following day*3-1; the same applies hereinafter in this Article and the following Article)

(*3-1 if such day falls on a Non-business Day, it shall be the immediately following business day)

2 In the case where a delivery of securities from the Securities Clearing Participant, etc. that has made the Delivery Failure to JSCC was deferred pursuant to the preceding Paragraph, the delivery to the receiving Securities Clearing Participant, etc. of the securities designated by JSCC on each applicable occasion in respect of the relevant deferment and the accompanied payment/receipt of money shall be deferred to the following day.

(Article 62-2 Prohibition, etc. of Causing Delivery Failure in DVP Settlement)

1 Securities Clearing Participant, etc. is prohibited from causing Delivery Failure in settlement of securities on the days designated by JSCC as necessary.

2 In addition to the provisions of the preceding Paragraph, Securities Clearing Participant, etc. is prohibited from causing Delivery Failure in settlement of securities without good reason.

(Article 62-3 Other Handlings of Delivery Failure)

In addition to the provisions of the preceding two Articles, matters necessary for the handling of the Case of Delivery Failure shall be prescribed in the rules of JSCC.

(Article 63 Buy-In)

1 Buy-In is a purchase of securities in the Case of Delivery Failure in order to complete the settlement of the unsettled Contracts for Clearing, and is carried out at the request of the receiving Securities Clearing Participant, etc. in respect of the relevant Delivery Failure in accordance with the rules of JSCC by and on the account of the Securities Clearing Participant, etc. that has made the relevant Delivery Failure.

2 The settlement of the buying/selling resulting from Buy-In shall be carried out on the day immediately following the day on which the buying/selling contract was concluded; provided, however, that in respect of buying/selling of an interest-bearing Convertible Bond resulting from Buy-In, in the case where such following day falls on the day stipulated in Item (4) of Paragraph 3 of the following Article, the settlement shall be carried out on the day*1 which follows the day on which the buying/selling contract was concluded by two days.

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

3 The matters necessary for Buy-In shall be prescribed in the rules of JSCC.

(Article 64 Settlement by Due Bills)

1 In respect of Non-DVP Settlement*1, in the event that the delivering Securities Clearing Participant, etc. is not able to deliver the securities by the cutoff time for the Non-DVP Settlement due to an unavoidable reason, and has proven the relevant reason to JSCC and obtained an approval from the Securities Clearing Participant which is designated by JSCC

as the receiver of a due bill*2, such delivering Securities Clearing Participant may issue a due bill to JSCC, and JSCC may deliver the due bill to DB-Receiving Securities Clearing Participant. In this case, the settlement of the securities shall be deemed to have been completed by the delivery of such due bill.

(*1 excluding settlement of When-Issued Transaction and delivery of exchange traded fund beneficiary certificate for Residual Number of ETF Shares to be Returned)

(*2 hereinafter referred to as "DB-Receiving Securities Clearing Participant")

2 In addition to the provisions of the preceding Paragraph, in respect of the settlement of Contracts for Clearing on a When-Issued Transaction delivery of exchange traded fund beneficiary certificate for Residual Number of ETF Shares to be Returned in the event that the delivery of the securities cannot be made by the cutoff time for the Non-DVP Settlement, and if JSCC especially deems it necessary to do so, the delivering Securities Clearing Participant, after obtaining an approval from the DB-Receiving Securities Clearing Participant, may deliver a due bill to JSCC and JSCC may deliver the due bill to the DB-Receiving Securities Clearing Participant. In this case, the settlement of securities shall be deemed to have been completed by the delivery of such due bill.

3 The settlement of the securities lending/borrowing pertaining to due bills shall be carried out by the third business day after the day on which such due bills were issued*1; provided, however, that in the case where any day listed in each of the following Items arrives during the time between the day on which such due bills are issued and the Settlement Cutoff Date for Securities Lending/Borrowing Pertaining to Due Bill, the settlement of the securities lending/borrowing pertaining to the due bills shall be carried out by the day immediately preceding*2 the day listed in each of the following Items, except for the case where an approval by the DB-Receiving Securities Clearing Participant has been granted:

(*1 hereinafter referred to as the "Settlement Cutoff Date for Securities Lending/Borrowing Pertaining to Due Bill" in this Article)

(*2 when the day listed in each of the following Items falls on a Non-business Day, the day preceding by two days)

(1) Record date, etc. for fixing the shareholders*1;

(*1 including preferred equity holders, capital subscribers, beneficiaries, investment unit holders and owners)

(2) The day immediately preceding the day on which a change*1 in the consideration for the acquisition set by the issuer of classified stock is to be made*2; the day immediately preceding*3 the day*4 on which a change in the number of shares represented by a depositary receipt for foreign stocks set by the depositary facility is to be made; the day immediately preceding the day on which a change*5 in the conditions for the exercise of the right under a Convertible Bond set by its issuer is to be made*6; and the day immediately preceding the day on which a change*7 in the exchanging condition of an Exchangeable Corporate Bond*8 set by its issuer is to be made;

(*1 including the suspension of the period during which a demand for acquisition may be made)

(*2 in respect of a stock with put option, if the intermediary of the demand for acquisition is restricted in JASDEC on such preceding day, referring to the last day on which the demand for acquisition may be made under the original condition before such change)

(*3 in the case where JSCC deems it necessary to designate a day other than such preceding day, the day designated by JSCC in each case)

(*4 in the case where the relevant depositary facility sets the period during which an exchange between the depositary receipt for foreign stocks and the stocks issued by the foreign corporation pertaining to the rights represented by such depositary receipt for foreign stocks is suspended or restricted, referring to such period's commencement day)

(*5 including the suspension of the exercise period)

(*6 if the intermediary of the demand for exercise of the right is restricted in JASDEC on such preceding day, referring to the last day on which the demand for exercise of the right may be made under the original condition before such change)

(*7 including the suspension of the period during which a demand for exchange may be made)

(*8 referring to the securities stipulated in Item 5 of Paragraph 1 of Article 2 of the Act or the securities stipulated in Item (17) of the same Paragraph having the characteristics of the securities stipulated in Item 5 of the same Paragraph*8-1, which are redeemable in exchange for the stocks of a specific company other than the issuer at the request of the holder of the Corporate Bond; the same applies hereinafter)

(*8-1 hereinafter referred to as "Corporate Bond" in this Item.)

(3) The last day of the period during which the demand for redemption before maturity may be made in respect of the Convertible Bond/Exchangeable Corporate Bond embedded with the right to demand redemption before maturity;

(4) The day immediately preceding the interest payment date in respect of an interest-bearing bond*1 or an interest-bearing Convertible Bond*2.

(*1 excluding Japanese Government Bonds and corporate bonds with stock acquisition rights)

(*2 excluding the Convertible Bonds Not Handled by JASDEC)

(5) In respect of investment trust beneficiary securities, in the event that the intermediary of demand for beneficiary registration is processed in JASDEC, the record date for the beneficiary; and

(6) The exercise date in respect of covered warrant.

4 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC specifically deems it necessary, the delivering Securities Clearing Participant, etc. may, after

obtaining an approval from the DB-Receiving Securities Clearing Participant, change the Settlement Cutoff Date for Securities Lending/Borrowing pertaining to Due Bill to the date JSCC deems appropriate.

5 Notwithstanding the provisions of Paragraph 1, the delivery of securities to JSCC to be made pursuant to the provisions of Item (3) of Paragraph 1 of Article 54 cannot be settled pursuant to this Article by delivering a due bill.

(Article 64-2 Prohibition of the abuse of Due Bills)

Securities Clearing Participant, etc. is prohibited from issuing due bills abusively.

(Article 64-3 Other Handlings of Due Bills)

In addition to the preceding two Articles, necessary matters concerning due bills shall be prescribed in the rules of JSCC.

(Article 65 Exchange of Delivered/Received Securities Pertaining to Redemption by Drawing)

In the case where the bond which has been decided to be redeemed as a result of drawing*1 was delivered for settlement after the day on which the relevant "winning" number had been published, the Securities Clearing Participant which has received the relevant Bond Drawn for Redemption may, pursuant to the rules prescribed by JSCC, demand the Securities Clearing Participant which delivered the relevant Bond Drawn for Redemption to JSCC to exchange it for other bond of the same issue.

(*1 excluding the bond which is handled by JASDEC as its book-entry transfer business and Japanese Government Bonds; hereinafter referred to as the "Bond Drawn for Redemption" in this Article)

(Article 66 Settlement Price for When-Issued Transaction)

JSCC shall set a Settlement Price on a daily basis in accordance with the rules of JSCC for each issue in respect of which When-Issued Transaction is transacted.

(Article 67 Payment/Receipt of Difference between Contract Price of and Settlement Price for When-Issued Transaction)

1 In respect of When-Issued Transaction, if there is any difference in amount between the contract price and the Settlement Price as of the day of the conclusion of the relevant buying/selling contract, the Securities Clearing Participant shall, in accordance with the rules of JSCC, pay/receive money equivalent to such difference to/from JSCC by the Settlement Cutoff Time for Non-DVP Settlement on the third day following the day on which the When-Issued Transaction was formed.

2 The amount of money stipulated in the preceding Paragraph shall be included in the value prescribed in Item (5) of Paragraph 1 of Article 54.

(Article 68 Payment/Receipt of Difference between Settlement Prices for When-Issued Transaction)

1 If there is any difference in amount between the Settlement Price as of the given day and the Settlement Price on the immediately preceding day, the Securities Clearing Participant shall, in accordance with the rules of JSCC, pay/receive money equivalent to such difference to/from JSCC by the Settlement Cutoff Time for Non-DVP Settlement on the third day following such given day.

2 The provisions of Paragraph 2 of the preceding Article shall apply *mutatis mutandis* to the payment/receipt of money prescribed in the preceding Paragraph.

(Article 69 Final Settlement Price for When-Issued Transaction)

The final Settlement Price for When-Issued Transaction shall be the Settlement Price on the last trading day*1 of the relevant When-Issued Transaction.

(*1 referring to the last trading day set by each Designated Market Operator)

(Article 70 Margin for When-Issued Transaction)

1 A Securities Clearing Participant shall deposit with JSCC the Margin for When-Issued Transaction in the amount not less than the amount calculated in accordance with the rules of JSCC by 2 P.M. on the third day following the day on which the relevant When-Issued Transaction was formed; provided, however, that in the case where the Securities Clearing Participant has any buying/selling position which is opposed to the selling/buying position of the same issue, the deposit of the Margin in the amount calculated in respect of the difference between the total quantity of selling position and the total quantity of buying position shall be sufficient.

2 Cash may be deposited as the Margin for When-Issued Transaction, but only in any of the currencies designated by JSCC. In this case, the appraisal value of the cash deposited in a currency other than Japanese yen 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 day on which the date of deposit multiplied by a certain rate determined by JSCC.

3 Securities*1 may be deposited in lieu of cash as the Margin in accordance with the rules of JSCC.

(*1 limited to the securities JSCC deems appropriate taking into account the liquidity and other factors)

4 The substituting value of the securities prescribed in the preceding Paragraph shall be calculated by multiplying the market price determined by JSCC as of the day which precedes the day of the deposit by two days by a certain rate determined by JSCC.

5 In addition to the provisions of the preceding two Paragraphs, matters concerning the

securities to be deposited in lieu of cash as the Margin shall be prescribed by JSCC.

6 JSCC may extraordinarily change the amount, time and date prescribed in Paragraph 1, and the substituting value prescribed in Paragraph 3, when JSCC deems it particularly necessary to do so in cases such as there is an excessive fluctuation in the market.

Section 2 Settlement of Contracts for Clearing on Japanese Government Bonds.

(Article 71 Money and JGBs to be Delivered/Received for Settlement)

The amount of money and the quantity of Japanese Government Bonds to be delivered or received by Securities Clearing Participant between JSCC in order to settle Contracts for Clearing on Japanese Government Bonds*1 shall be the price for the buying/selling and the quantity of Japanese Government Bonds in respect of each conclusion of the buying/selling contract.

(Article 72 Settlement Cutoff Time and Settlement Method)

1 The delivery and receipt of money and Japanese Government Bonds for settling Contracts for Clearing on Japanese Government Bonds shall be carried out between Clearing Participant and JSCC through the DVP Settlement in BOJ-NET JGB Service System in accordance with each of the following Items:

(1) The Securities Clearing Participant delivering Japanese Government Bond shall, in accordance with the rules of JSCC, deliver it by 1:30 P.M. on the settlement day and receive the money;

(2) The Securities Clearing Participant making payment shall, in accordance with the rules of JSCC, pay the money by 2:00 P.M. on the settlement day and receive the Japanese Government Bonds.

2 In carrying out the settlement pursuant to the provisions of the preceding Paragraph, the Securities Clearing Participant shall make efforts to ensure a smooth settlement.

(Article 73 Handling of the Case of Delivery Failure)

1 In respect of the settlement of Contracts for Clearing on Japanese Government Bonds, if the delivering Securities Clearing Participant did not deliver the Japanese Government Bonds by the cutoff time prescribed in Item (1) of Paragraph 1 of the preceding Article on the settlement day*1, the relevant settlement shall be deferred to the following day or later.
(*1 hereinafter referred to as “the Case of Delivery Failure” in this Article)

2 In the case of the event stipulated in the preceding Paragraph, the Securities Clearing Participant that has made the Delivery Failure shall carry out the settlement by the fourth day following the original settlement day. In such case, the relevant Securities Clearing Participant that has made the Delivery Failure shall notify JSCC in advance of the day on which the settlement is to be carried out, and such day shall constitute the settlement day for the Case of Delivery Failure.

3 In the event that the settlement between the delivering Securities Clearing Participant and JSCC has been deferred pursuant to the provisions of Paragraph 1, the part of the settlement specified by JSCC between JSCC and the receiving Securities Clearing Participant shall be

carried out on the settlement day for the Case of Delivery Failure as set forth in the preceding Paragraph.

4 With regards to the application of the provisions of the preceding Article to the Case of Delivery Failure, the words “the settlement day” shall be interpreted to mean “the settlement day for the Case of Delivery Failure”.

5 In addition to each of the preceding Paragraphs, matters necessary for handling in the Case of Delivery Failure shall be prescribed in the rules of JSCC.

Section 3 Settlement of Security Option Contract

(Article 73-2 Reporting Close-out Quantity and the Like)

1 An Index Futures Clearing Participant shall, in respect of each issue of Security Option Contract, notify JSCC the close-out quantity*1 and the amount of Offsetting Sale or Offsetting Purchase when it has executed Offsetting-Sale or Offsetting-Purchase*2, by each account as set forth in Article 46-3 and by the cutoff time set by JSCC.

(*1 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*1-2)

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

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

2 An Index Futures Clearing Participant shall notify, in respect of each issue of Security Option Contract, JSCC the close-out quantity*1, and, when Offsetting-Sale in respect of the Long Position which are pursuant to the commissions of the Brokerage for Clearing of Securities, etc.*3 or Offsetting-Purchase in respect of the Short Position which are pursuant to the commissions of the Brokerage for Clearing of Securities, etc.*4 has been executed, the amount of Offsetting Sale or Offsetting Purchase by an Index Futures Non-Clearing Participant*2 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 Article 46-4 and by the cutoff time set by JSCC. In such case, an Index Futures Clearing Participant may cause the Index Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing or the relevant Short Position Subject To Brokerage for Clearing to make such notification in place of Index Futures Clearing Participant's own notification.

(*1 limited to those under commission of the Brokerage for Clearing of Securities, etc.)

(*2 referring to the entity which has the trading qualification in respect of Security Option Contract but does not have Index Futures Clearing Qualification; the same applies hereinafter in this Section)

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

(*4 hereinafter referred to as the "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 46-3 that is managed by the relevant Index Futures 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 Article 46-4 that is managed by the relevant Index Futures Clearing Participant.

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

(*1 referring to the Designated Market Operator operating the Designated Financial Instruments Market prescribed in Item (2) of Paragraph 2 of Article 3; the same applies hereinafter in this Section)

(Article 73-3 Payment/Receipt of Contract Price)

When a Contract for Clearing in respect of Security Option Contract is formed, the Index Futures Clearing Participant shall pay/receive the contract price therefor to/from JSCC on the day immediately following the day of the conclusion of the trading contract*1. In such case, an Index Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and an Index Futures Clearing Participant receiving payment shall receive the money at 1:00 P.M. of the day on which the relevant money is to be paid or received.

(*1 for Flexible Contract Months prescribed by the Designated Market Operator, the day on which the trading day*1-1 of the conclusion of the trading contract ends)

(*1-1 referring to the trading day prescribed as to the Flexible Contract Months by the Designated Market Operator)

(Article 73-4 Notification of Exercise of Option)

1 An exercise of the option pertaining to the Long Position*1 of Security Option Contract shall be done by the Index Futures Clearing Participant's notifying JSCC of the amount pertaining to the exercise in respect of each issue by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC which precedes the expiration time of the Security Option Contract specified by the Designated Market Operator.

(*1 excluding the Long Position Subject To Brokerage for Clearing)

2 An exercise of the option pertaining to the Long Position*1 of Security Option Contract shall be done by the Index Futures Clearing Participant's notifying JSCC of the amount pertaining to the exercise in respect of each issue and each Index Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing, and by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC which precedes the expiration time of the Security Option Contract specified by the Designated Market Operator. In such case, an Index Futures Clearing Participant may cause the Index Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing to make such notification in place

of Index Futures Clearing Participant's own notification.

(*1 limited to the Long Position Subject To Brokerage for Clearing)

3 Regarding the issue which falls under any of the following Items on the Exercise Date*1*2, the Index Futures Clearing Participant cannot make the notification of the exercise of the right set forth in the preceding two Paragraphs:

(*1 referring to the exercise date specified by the Designated Market Operator in respect of the Security Option Contract; the same applies hereinafter in this Section)

(*2 limited to the Security Option Contracts under which, as a result of exercise, the money will be paid/received based on the difference between the exercise price and the actual price*2-1*2-2)

(*2-1 referring to the actual price prescribed by the Designated Market Operator; the same applies hereinafter)

(*2-2 hereinafter referred to as "Cash Settled Security Option Contract")

(1) In respect of Security Put Option, in the case where the exercise price is at the Option Settlement Price*1 or lower;

(*1 referring to the Option Settlement Price set forth in Paragraph 6; the same applies hereinafter in this Section)

(2) In respect of Security Call Option, in the case where the exercise price is at the Option Settlement Price or higher.

4 Regarding the issue which falls under any of the following Items on the Exercise Date, the notification of the exercise of the option on that issue shall be deemed to have been made even though the notification of the exercise of the option set forth in Paragraph 1 or Paragraph 2 is not made on the relevant day by the cutoff time set by JSCC under Paragraph 1 or Paragraph 2; provided, however, that the foregoing shall not apply in the case where the Index Futures Clearing Participant notified by such cutoff time to the effect that it will not exercise the option in respect of such issue:

(1) In respect of Individual Put Option, in the case where the exercise price exceeds the Option Reference Price;

(2) In respect of Individual Call Option, in the case where the exercise price is lower than the Option Reference Price.

5 In the case where JSCC deems it inappropriate to regard the notification of the exercise of option as having been made pursuant to the provisions in the main clause of the preceding Paragraph due to a system failure in the Designated Market Operator's trading system or some other unavoidable reasons, such provisions of the main clause in said Paragraph shall not apply.

6. Option Reference Price shall be the last price*1 of the underlying security on the Exercise Date, and in the case where there is no contract price*2 on that Exercise Date, the Option Reference Price shall be the latest contract price; provided, however, that in the case where there is no contract price after the last ex-right day of that underlying security, the Option

Reference Price shall be the price set by JSCC on each applicable occasion.

(*1 referring to the last price of the underlying security in the Financial Instruments Market designated by the Designated Market Operator, and including the final quote that is posted in accordance with the rules of the operator of such Financial Instruments Market)

(*2 including the final quote that is posted in accordance with the rules of the Designated Market Operator; the same applies hereinafter in this Article)

7 When JSCC has received the notification of the exercise of option prescribed in Paragraph 1 or Paragraph 2*1, JSCC shall inform the detail of the exercise of option so notified to the Designated Market Operator.

(*1 including the case where the notification of the exercise of option is deemed to have been received pursuant to the provisions of Paragraph 4)

8 An Index Futures Clearing Participant which has designated a Designated Securities Clearing Participant, when it has filed the notification of the exercise of option pursuant to the provisions of Paragraph 1*1, shall notify such Designated Securities Clearing Participant to such effect without delay.

(*1 including the case where the notification of the exercise of option is deemed to have been received pursuant to the provisions of Paragraph 4, except for the notification of the exercise of Cash Settled Security Option Contract)

(Article 73-5 Assignment of Exercised Option)

1 When an Index Futures Clearing Participant notifies the exercise of option, JSCC shall make the assignment of the quantity of the exercised option in respect of each issue in accordance with the rules of JSCC.

2 When JSCC makes the assignment of the exercised option pursuant to the provisions in the preceding Paragraph, JSCC shall notify the Index Futures Clearing Participant to whom such assignment is made*1 of the quantity of the relevant assignment by separating those for the proprietary account from those pursuant to the commissions by its customers.

(*1 in the case where the exercised option is assigned to the Short Position Subject To Brokerage for Clearing, the assigned quantity of each Index Futures Non-Clearing Participant pertaining to the relevant Short Position Subject To Brokerage for Clearing by separating those for the proprietary account from those pursuant to the commissions by its customers)

3 The Index Futures Clearing Participant which received the notification of the assignment to the Short Position Subject To Brokerage for Clearing pursuant to the provisions of the preceding Paragraph shall notify each Index Futures Non-Clearing Participant pertaining to the relevant Short Position Subject To Brokerage for Clearing of such assigned quantity by separating those for the proprietary account from those pursuant to the commissions by its customers.

4 When JSCC makes the assignment of the quantity of the exercised option pursuant to the

provisions of Paragraph 1, JSCC shall notify the detail of such assignment to the Designated Market Operator.

5 An Index Futures Clearing Participant which has designated a Designated Securities Clearing Participant, when it has received the notification of assignment of the exercised option pursuant to the provisions of Paragraph 2*1, shall notify such Designated Securities Clearing Participant to such effect without delay.

(*1 excluding the assignment of the exercised option related to the Cash Settled Security Option Contract)

(Article 73-5-2 Payment/Receipt on the Settlement of Exercised Option)

When the right pertaining to Cash Settled Security Option Contract is exercised, the Index Futures Clearing Participant shall pay/receive the money equivalent to the difference between its exercise price and the Option Settlement Price to/from JSCC on the day following the day on which the relevant right is exercised. In such case, an Index Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and an Index Futures Clearing Participant receiving payment shall receive the money at 1:00 P.M. on the day on which the relevant money to be paid/received.

(Article 73-5-3 Locus of Responsibility in the case where Option Reference Price is not able to be calculated, etc.)

An Index Futures Clearing Participant is not entitled to seek indemnity against JSCC and the Designated Market Operator referred to in Paragraph 6 of Article 73-4 for any damages suffered by it as a result of an inability, delay or error regarding the calculation of, or as a result of a change in, the Option Reference Price.

Section 4 Settlement of JGB Futures Contract and Interest Rate Futures Contract.

(Article 73-6 Reporting Close-out Quantity and the Like)

1 AJGB Futures Clearing Participant shall, in respect of JGB Futures Contract and Interest Rate Futures Contract for each contract month*1, notify JSCC the close-out quantity and the amount of Offsetting Sale or Offsetting Purchase when it has executed Offsetting-Sale or Offsetting-Purchase*2, by each account as set forth in Article 46-3 and by the cutoff time set by JSCC.

(*1 referring to the contract month set by the Designated Market Operator*2-1; the same applies hereinafter in this Section)

(*2-1 referring to the Designated Market Operator operating the Designated Financial Instruments Market prescribed in Item (3) or Item (4)-2 of Paragraph 2 of Article 3; the same applies hereinafter in this Section)

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

2 A JGB Futures Clearing Participant shall, in respect of JGB Futures Contract and Interest Rate Futures Contract for each contract month, notify JSCC the close-out quantity*1, and, when Offsetting-Sale in respect of the Long Position Subject To Brokerage for Clearing or Offsetting-Purchase in respect of the Short Position Subject To Brokerage for Clearing has been executed, the amount of Offsetting Sale or Offsetting Purchase by an JGB Futures Non-Clearing Participant*2 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 Article 46-4 and by the cutoff time set by JSCC. In such case, a JGB Futures Clearing Participant may cause the JGB Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing or Short Position Subject To Brokerage for Clearing make such notification in place of JGB Futures Clearing Participant's own notification.

(*1 limited to those under commission of brokerage for clearing of securities, etc.)

(*2 referring to the entity who has the trading qualification in respect of JGB Futures Contract and Interest Rate Futures Contract but does not have JGB Futures Clearing Qualification; the same applies hereinafter)

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 46-3 that is managed by the relevant JGB Futures 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 Article 46-4 that is managed by the relevant JGB Futures 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 73-7 Settlement Price)

For each Trading Day*1, JSCC shall set the Settlement Price for JGB Futures Contract and Interest Rate Futures Contract in respect of each contract month in accordance with the rules of JSCC.

(*1 referring to the trading day specified by the Designated Market Operator in respect of JGB Futures Contract and Interest Rate Futures Contract; the same applies hereinafter in this Section)

(Article 73-8 Payment/Receipt of Difference between Contract Price and Settlement Price)

If there is any difference between the contract price of a JGB Futures Contract or an Interest Rate Futures Contract and the Settlement Price as of the Trading Day on which the relevant trading contract was concluded, the JGB Futures Clearing Participant shall pay/receive the money equivalent to such difference to/from JSCC on the day immediately following the day on which the relevant Trading Day ends. In this case, the JGB Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and the JGB Futures 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/received.

(Article 73-9 Payment/Receipt of Difference between Settlement Prices)

If there is any difference between the Settlement Price on the given Trading Day and the Settlement Price on the immediately preceding Trading Day, the JGB Futures Clearing Participant shall pay/receive the money equivalent to such difference to/from JSCC on the day immediately following the day on which such given Trading Day ends. In this case, the JGB Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and the JGB Futures 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/received.

(Article 73-9-2 Payment/Receipt upon Final Settlement)

Upon the Final Settlement on Cash-settled JGB Futures Contract*1 or Interest Rate Futures Contract*2, if there is any difference between the Final Settlement Price*3 and the Settlement Price on the Last Trading Day*4, the JGB Futures Clearing Participant shall pay/receive the money equivalent to such difference to/from JSCC on the Final Settlement Day*5. In this case, the JGB Futures Clearing Participant making payment shall pay the money by 11:00

A.M., and the JGB Futures 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/received.

(*1 referring to the Cash-settled futures contract in respect of JGB Futures Contract prescribed by the Designated Market Operator; the same applies hereinafter)

(*2 referring to the final settlement of the Cash-settled JGB Futures Contract or the Interest Rate Futures Contract prescribed by the Designated Market Operator)

(*3 referring to the final settlement price set by the Designated Market Operator)

(*4 referring to the last trading day specified by the Designated Market Operator in respect of Cash-settled JGB Futures Contract or Interest Rate Futures Contract)

(*5 referring to the final settlement day specified by Designated Market Operator in respect of Cash-settled JGB Futures Contract or Interest Rate Futures Contract)

(Article 73-10 Locus of Responsibility in the case where Option Reference Price is not able to be calculated, etc.)

A JGB Futures Clearing Participant is not entitled to seek indemnity against JSCC, the Designated Market Operator or the party calculating the interest rate for any damages suffered by it as a result of an inability, delay or error regarding the calculation or distribution of, or as a result of a change in, the interest rate.

(Article 73-11 Money and Securities Delivered and Received for Settlement by Physical Delivery and Payment)

The amount of money and the quantity of Japanese Government Bonds to be delivered or received by JGB Futures Clearing Participant for the Settlement by Physical Delivery and Payment*1 shall be in accordance with each of the following Items:

(*1 referring to the settlement of Physically-delivered JGB Futures Contract*1-1 by physical delivery and payment prescribed by the Designated Market Operator; the same applies hereinafter)

(*1-1 referring to the Physically-delivered futures contract in respect of JGB Futures Contract prescribed by the Designated Market Operator; the same applies hereinafter)

(1) The quantity of Japanese Government Bonds shall be the difference between the Final Short Position*1 and the Final Long Position*2 in respect of each classification of tax treatment on the Accrued Interest determined by JSCC pursuant to the provisions of Paragraph 1 of the preceding Article;

(*1 referring to the total amount of the Short Position in respect of Physically-delivered JGB Futures Contract for each contract month for which no report set forth in Paragraphs 1 and 2 of Article 73-6 has been submitted by the Last Trading Day*1-1)

(*1-1 referring to the last trading day specified by the Designated Market Operator in respect of Physically-delivered JGB Futures Contract; the same applies hereinafter in this Article)

(*2 referring to the total amount of the Long Position in respect of Physically-delivered JGB Futures Contract for each contract month for which no report set forth in Paragraphs 1 and 2 of Article 73-6 has been submitted by the Last Trading Day)

(2) The amount of money shall be the price*1 of the Issues Qualified for Delivery*2 for the Settlement by Physical Delivery and Payment in respect of the difference in the amount of Japanese Government Bonds set forth in the preceding Item.

(*1 referring to the price for the Settlement by Physical Delivery and Payment set by the Designated Market Operator)

(*2 referring to the issues qualified to be delivered which are specified by the Designated Market Operator; the same applies hereinafter)

(Article 73-12 Settlement Cutoff Time and Settlement Method of Settlement by Physical Delivery and Payment)

1 The delivery and receipt of money and Japanese Government Bonds in respect of Settlement by Physical Delivery and Payment shall be made between Clearing Participant and JSCC through the DVP Settlement in BOJ-NET JGB Service System in accordance with each of the following Items:

(1) The JGB Futures Clearing Participant delivering Japanese Government Bonds shall, in accordance with the rules of JSCC, deliver it by 1:30 P.M. on the relevant Day of Settlement by Physical Delivery and Payment*1 and receive the money;

(*1 referring to the day specified by the Designated Market Operator on which the Settlement by Physical Delivery and Payment is to be carried out; the same applies hereinafter)

(2) The JGB Futures Clearing Participant making payment shall, in accordance with the rules of JSCC, pay the money by 2:00 P.M. on the relevant Day of Settlement by Physical Delivery and Payment and receive the Japanese Government Bonds.

2 In carrying out the Settlement by Physical Delivery and Payment pursuant to the provisions of the preceding Paragraph, the JGB Futures Clearing Participant shall make effort to ensure a smooth settlement.

(Article 73-12-2 JGB Futures Pair-off Netting)

1 Notwithstanding the provisions in the immediately preceding Article, as for settlement related to combination of JGB Futures Pair-off Netting*1 concluded pursuant to the provisions of the following Paragraph, delivery and receipt of money and Japanese Government Bonds in respect of Settlement by Physical Delivery and Payment set forth in Paragraph 1 of the immediately preceding Article, shall be deemed to have been completed at scheduled starting time of the relevant settlement. However, if a difference arises between the money amount equivalent to Settlement by Physical Delivery and Payment and market value of security settlement obligation related to Individual Issue Transaction, the difference amount

will be paid/received between JSCC and a Clearing Participant pursuant to the provisions of Article 68 of the JGB OTC Transaction Business Rules.

(*1 referring to deeming of Settlement by Physical Delivery and Payment and settlement related to Individual Issue Transaction*1-1 to have been settled pursuant to the provisions of this Article; the same applies hereinafter)

(*1-1 referring to Individual Issue Transaction set forth in Article 2, Item (37) of "Japanese Government Bond Over-the-Counter Transaction Clearing Business Rules"*1-1-1; the same applies hereinafter)

(*1-1-1 hereinafter referred to as "JGB OTC Transaction Business Rules"; the same applies heinafter)

2 JSCC shall have a combination of the JGB Futures Pair-off Netting concluded for Settlement by Physical Delivery and Payment and an Individual Issue Settlement*1 for a Pair-off Netting Applying Participant*2 in a manner prescribed by JSCC. However, if JSCC deems it is not adequate to conclude JGB Futures Pair-off Netting due to the unavoidable reason, including an occurrence of failure in calculation for conclusion of JGB Futures Pair-off Netting, this shall not apply.

(*1 referring to Individual Issue Settlement set forth in Article 50-12, Paragraph 2 of the JGB OTC Transaction Business Rules)

(*2 referring to a party who has made an application stipulated in Paragraph 4; the same applies hereinafter in this Article)

3 Even if a combination of JGB Futures Pair-off Netting is concluded pursuant to the provisions of the immediately preceding Paragraph, if JSCC has determined the Pair-off Netting Applying Participant has become insolvent*1 or JSCC has determined an occurrence of Default, Etc. as stipulated in Article 2, Item (90) of the JGB OTC Transaction Business Rules with respect to the Pair-off Netting Applying Participant before the settlement is deemed to have completed pursuant to the provision of Paragraph 1, JSCC may revoke the concluded combination of JGB Futures Pair-off Netting.

(*1 referring to Determination of Insolvency as stipulated in Article 76, Paragraph 5)

4 A JGB Futures Clearing Participant*1 shall, when it desires to utilize JGB Future Pair-off Netting, apply for utilization of JGB Future Pair-off Netting in advance in a manner prescribed by JSCC.

(*1 limited to a party with JGB OTC Transaction Clearing Qualification set forth in Article 2, Item (33) of the JGB OTC Transaction Clearing Business Rules)

(Article 73-13 Combination of Securities Subject to Settlement)

The securities subject to the Settlement by Physical Delivery and Payment may be combined to constitute a number which is an integral multiple of the trading unit in respect of each Issue Qualified for Delivery at the election of the delivering JGB Futures Clearing Participant.

(Article 73-14 Notification of Securities Subject to Settlement)

The delivering JGB Futures Clearing Participant shall notify JSCC of the issue and quantity of the Japanese Government Bonds to be delivered for the Settlement by Physical Delivery and Payment by the cutoff time set by JSCC.

(Article 73-15 Handling of the Case of Delivery Failure)

1 In respect of the Settlement by Physical Delivery and Payment, if the delivering JGB Futures Clearing Participant has failed to deliver Japanese Government Bonds by the cutoff time prescribed in Item (1) of Paragraph 1 of Article 73-12 on the Day of Settlement by Physical Delivery and Payment*[1], such settlement shall be deferred to the immediately following day or later.

(*[1] hereinafter referred to as “the Case of Delivery Failure” in this Article)

2 In the case of the event stipulated in the preceding Paragraph, the JGB Futures Clearing Participant that has made the Delivery Failure shall carry out the Settlement by Physical Delivery and Payment by the fourth day following the Day of Settlement by Physical Delivery and Payment. In such case, the JGB Futures Clearing Participant that has made the Delivery Failure shall notify in advance JSCC of the day on which the Settlement by Physical Delivery and Payment is to be carried out, and such day shall constitute the settlement day for the Case of Delivery Failure.

3 In the event that the Settlement by Physical Delivery and Payment between the delivering JGB Futures Clearing Participant and JSCC was deferred pursuant to the provisions of Paragraph 1, the Settlement by Physical Delivery and Payment designated by JSCC among those between JSCC and the receiving JGB Futures Clearing Participants shall be carried out on the settlement day for the Case of Delivery Failure as set forth in the preceding Paragraph.

4 With regards to the application of the provisions of Article 73-12 to the Case of Delivery Failure, the words “the Day of Settlement by Physical Delivery and Payment” shall be interpreted to mean “the settlement day for the Case of Delivery Failure”.

5 In addition to each of the preceding Paragraphs, matters necessary for handling in the Case of Delivery Failure shall be prescribed in the rules of JSCC.

Section 4-2 Cross Margining

(Article 73-15-2 Cross Margining Request by JGB Futures Clearing Participant)

1 If a JGB Futures Clearing Participant falls on any of the following, it may make request to JSCC to cover its Position in JGB Futures Contracts or Interest Rate Futures Contracts on an account of a Cross Margining User under the Cross Margining[*1] in a manner prescribed by JSCC[*2]:

([*1] referring to the Cross Margining set forth in Article 2.1.(13)-5 of IRS Business Rules; the same applies hereinafter)

([*2] hereinafter referred to as the "Cross Margining Request")

(1) When the relevant JGB Futures Clearing Participant is a Cross Margining User, and intends to cover all or a part of its Position in JGB Futures Contracts or Interest Rate Futures Contracts on its own account under the Cross Margining;

(2) When a Customer of the JGB Futures Clearing Participant or a JGB Futures Non-Clearing Participant which commissions the Brokerage for Clearing of Securities, etc. to the relevant JGB Futures Clearing Participant is a Cross Margining User, and the JGB Futures Clearing Participant has received an application for Cross Margining Request from such Cross Margining User;

(3) When a Customer of a JGB Futures Non-Clearing Participant which commissions the Brokerage for Clearing of Securities, etc. to the relevant JGB Futures Clearing Participant is a Cross Margining User, and the JGB Futures Clearing Participant has received, from the JGB Futures Non-Clearing Participant, an application for Cross Margining Request made through such JGB Futures Non-Clearing Participant.

2 The request set forth in the immediately preceding Paragraph may only be made when the criteria prescribed by JSCC have been satisfied.

(Article 73-15-3 Restrictions on Cross Margining Request)

A JGB Futures Clearing Participant making the Cross Margining Request pursuant to the provisions of the immediately preceding Article[*1] may not make any Cross Margining Request on behalf of any of the Cross Margining Users listed in each item below on the day that is one or two days preceding the date specified in the relevant item if:

([*1] hereinafter referred to as the "Cross Margining Requestor")

(1) in respect of a Cross Margining User, its Cross Margining Accepting Party has submitted a notification to change the Cross Margining Requestor or the JGB Futures Non-Clearing Participant to which the Cross Margining User commissions the brokerage of the JGB Futures Contracts or Interest Rate Futures Contracts[*1]:
Date on which the change so notified becomes effective:

([*1] limited to the case where the Cross Margining User is a customer of the JGB Futures Non-Clearing participant)

(2) in respect of a Cross Margining User, its Cross Margining Accepting Party submitted a notification for discontinuance of using Cross Margining by the relevant Cross Margining User pursuant to the provisions of Article 84-3 of IRS Business Rules:
Day on which the usage of the Cross Margining is discontinued.

(Article 73-15-4 Claims and Obligations related to Cross Margined JGB Futures Cleared Contracts Cease to Exist)

1 If an entity listed in each of the Items below is a Cross Margining User related to the Cross Margined JGB Futures Cleared Contract[*1] or the Cross Margined Interest Rate Futures Cleared Contract[*2] and falls on any of the events set forth in the Items below, the claims and obligations[*3] related to the Cross Margined JGB Futures Cleared Contracts or the Cross Margined Interest Rate Futures Cleared Contracts between the Cross Margining Requestor and JSCC shall cease to exist and have no future effect:

([*1] referring to the Cross Margined JGB Futures Cleared Contracts set forth in Article 2.1.(13)-7 of IRS Business Rules; the same applies hereinafter)

([*2] referring to the Cross Margined Interest Rate Futures Cleared Contracts set forth in Article 2.1.(13)-6 of IRS Business Rules; the same applies hereinafter)

([*3] excluding the claims and obligations set forth in Paragraph 4)

(1) Cross Margining Requestor

a. When the Cross Margining User becomes subject to the measures of suspending assumption of all the obligations taken by JSCC pursuant to the provisions of Paragraph 5 of Article 76, or a petition for commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, commencement of reorganisation proceedings or commencement of special liquidation or acknowledgement of foreign insolvency proceedings is filed (including the petitions equivalent thereto under any foreign laws and regulations) against the Cross Margining User:

b. When the Cross Margining User become subject to the measures of suspension of all or a part of assumption of obligations taken by JSCC, when JSCC has revoked the JGB Futures Clearing Qualification of the Cross Margining User or its Clearing Qualification has been renounced pursuant to the provisions of Article 33, and JSCC has decided to cause other Clearing Participant to settle unsettled Clearing Contracts of such person;

c. When the Cross Margining User had its Market Transactions of Derivatives suspended by the Designated Market Operator as it is judged to be insolvent or likely to be insolvent;

d. When a Default in respect of the Cross Margining User has been determined by JSCC pursuant to the provisions of IRS Business Rules;

e. When, in respect of the Cross Margining User, the Clearing Brokerage Contracts under the Interest Rate Swap Clearing Brokerage Agreement executed pursuant to the provisions of Article 43 of IRS Business Rules terminate on the Early Termination Date pursuant to the provisions of the said Clearing Brokerage Agreement;

f. When a Default in respect of the Cross Margining Accepting Party for the Cross Margining User has been determined by JSCC pursuant to the provisions of IRS Business Rules, when the Cross Margining Accepting Party for the Cross Margining User falls on any of the events set forth in Article 38.2 of IRS Business Rules or a petition for commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, commencement of reorganisation proceedings or commencement of special liquidation or acknowledgement of foreign insolvency proceedings is filed (including the petitions equivalent thereto under any foreign laws and regulations) against the Cross Margining Accepting Party.

(2) Customer of Cross Margining Requestor

a. In respect of the commission of a brokerage for the JGB Futures Contracts related to the Cross Margined JGB Futures Cleared Contracts or the Interest Rate Futures Contracts related to the Cross Margined Interest Rate Futures Cleared Contracts, the Cross Margining User has its obligations accelerated as a matter of course pursuant to the provisions of the Agreement for Setting Up Futures/Options Trading Account prescribed by the Designated Market Operator;

b. When the Cross Margining Request for the Cross Margining User falls on any of the events set forth in sub-items a. to c. of the immediately preceding Item, in which case the references to “the Cross Margining User” in sub-items a. to c. of the said Item shall be replaced with the “Cross Margining Requestor”;

c. When the Cross Margining Accepting Party for the Cross Margining User falls on the event set forth in sub-item f. of the immediately preceding Item.

(3) JGB Futures Non-Clearing Participant

a. When the Cross Margining User had its obligations accelerated as a matter of course pursuant to the provisions of the Contract for Commissioning Clearance related to JGB Futures, etc. executed with the Cross Margining Requestor for the commission of the Brokerage for Clearing of Securities, etc. for the JGB Futures Contracts related to the Cross Margined JGB Futures Cleared Contracts or the Interest Rate Futures Contracts related to the Cross Margined Interest Rate Futures Cleared Contracts pursuant to the provisions of Article 39;

b. When the Cross Margining User becomes subject to the measures of suspension of a commission of the Brokerage for Clearing of Securities, etc. for Market Transactions of Derivatives by the Designated Market Operator as it is judged to be insolvent or likely to be insolvent;

c. When the Cross Margining Requestor for the Cross Margining User falls on any of the events set forth in sub-items a. to c. of Item (1), in which case, the references to “the Cross Margining User” in sub-items a. to c. of the said Item shall be replaced with “the Cross Margining Requestor”;

d. When the Cross Margining Accepting Party for the Cross Margining User falls on the event set forth sub-item f of Item (1);

(4) Customer of JGB Futures Non-Clearing Participant

a. When the Cross Margining Requestor for the Cross Margining User falls on any of the events set forth in sub-items a. to c. of Item (1), in which case, the references to “the Cross Margining User” in sub-items a. to c. of the said Item shall be replaced with “the Cross Margining Requestor”;

b. When the Cross Margining Accepting Party for the Cross Margining User falls on the event set forth sub-item f of Item (1);

c. When the Cross Margining User falls on any of the events set forth in sub-item (a). of Item (2);

d. When the JGB Futures Non-Clearing Participant to which the brokerage for the JGB Futures Contracts or the Interest Rate Futures Contracts are commissioned by the Cross Margining User falls on any of the events set forth in sub-item (a). or b. of the immediately preceding Item; in which case, the references to “the Cross Margining User” in sub-item (a). and b. of the said Item shall be replaced with “the JGB Futures Non-Clearing Participant to which the brokerage for the JGB Futures Contracts or the Interest Rate Futures Contracts are commissioned by the Cross Margining User.”

2 When the claims and obligations cease to exist pursuant to the provisions of the immediately preceding Paragraph, JSCC may cause the Cross Margined JGB Futures Cleared Contracts or the Cross Margined Interest Rate Futures Cleared Contracts of the Cross Margining Requestor under the said Paragraph to be settled through offsetting purchases or sale, Listed Futures Position Transfer set forth in Article 2.1.(15)-3 of IRS Business Rules, or any other method considered necessary pursuant to the provisions of IRS Business Rules.

3 When JSCC deems it necessary, JSCC may have another Clearing Participant perform the settlement set forth in the immediately preceding Paragraph, in which case, the entrustment agreement shall be deemed to have been concluded between such Clearing Participant and the Cross Margining User under Paragraph 1.

4 The claims and obligations to be excluded from the claims and obligations cease to exist as set forth in Paragraph 1 shall be the claims and obligations related to cash to be paid/received between JSCC and the Cross Margining Requestor under Paragraph 1 in respect of the Cross Margined JGB Futures Cleared Contracts or the Cross Margined Interest Rate Futures Cleared Contracts pursuant to the provisions of Article 73-8 or Article 73-9, which have already become due at the time when the Cross Margining Requestor, the Cross Margining Accepting Party, the Cross Margining User or the JGB Futures Non-Clearing Participant to which the Cross Margining User commissions the brokerage for the JGB Futures Contract or the Interest Rate Futures Contracts, as applicable, referred to in Paragraph 1 falls on the event set forth in the relevant Item of Paragraph 1.

(Article 73-15-5 Application of the provisions of IRS Business Rules related to Listed Futures

Position Transfer, etc.)

1 The Listed Futures Position Transfer set forth in Paragraph 2 of the preceding Article shall be prescribed by Article 94-3 of IRS Business Rules.

2 The designation of Listed Futures Backup Clearing Broker set forth in Article 2.1.(15)-8 of IRS Business rules shall be prescribed by Article 45-3 of IRS Business Rules.

Section 5 Settlement of Option Contract on JGB Futures.

(Article 73-16 Reporting Close-out Quantity and the Like)

1 A JGB Futures Clearing Participant shall, in respect of each issue of Option Contract on JGB Futures, notify JSCC the close-out quantity and the amount of Offsetting Sale or Offsetting Purchase when it has executed Offsetting-Sale or Offsetting-Purchase*1, by each account as set forth in Article 46-3, and by the cutoff time set by JSCC.

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

2 A JGB Futures Clearing Participant shall, in respect of each issue of Option Contract on JGB Futures, notify JSCC the close-out quantity*1, and, when Offsetting-Sale in respect of the Long Position Subject To Brokerage for Clearing or Offsetting-Purchase in respect of the Short Position Subject To Brokerage for Clearing has been executed, the amount of Offsetting Sale or Offsetting Purchase by an JGB Futures 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 Article 46-4, and by the cutoff time set by JSCC. In such case, a JGB Futures Clearing Participant may cause the JGB Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing or Short Position Subject To Brokerage for Clearing make such notification in place of JGB Futures Clearing Participant's own notification.

(*1 limited to those under commission of brokerage for clearing of securities, etc.)

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 46-3 that is managed by the relevant JGB Futures 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 Article 46-4 that is managed by the relevant JGB Futures Clearing Participant.

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

(*1 referring to the Designated Market Operator operating the Designated Financial Instruments Market prescribed in Item (4) of Paragraph 2 of Article 3; the same applies hereinafter in this Section except for Article 73-19-2)

(Article 73-17 Payment/Receipt of Contract Price)

When a Contract for Clearing in respect of an Option on JGB Futures is formed, the JGB Futures Clearing Participant shall pay/receive the contract price for Option Contract on JGB Futures to/from JSCC on the day immediately following the day on which the Trading Day*1 during which the relevant contract was concluded ends. In such case, the JGB Futures Clearing Participant making payment shall pay the money by 11:00 A.M. and the JGB Futures Clearing Participant receiving payment shall receive the money at 1:00 P.M. of the day on which the relevant money is to be paid/received.

(*1 referring to the trading day specified by the Designated Market Operator in respect of the Option Contract on JGB Futures; the same applies hereinafter in this Section)

(Article 73-18 Notification of Exercise of Option)

1 An exercise of the right pertaining to the Long Position*1 of Option Contract on JGB Futures shall be done by the JGB Futures Clearing Participant's notifying JSCC of the amount pertaining to the exercise in respect of each issue comprising the Long Position*2, which exists at the end of the Trading Day on which the right of the option is to be exercised, by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC which precedes the expiration time of the Option Contract on JGB Futures specified by the Designated Market Operator.

(*1 excluding the Long Position Subject To Brokerage for Clearing)

(*2 excluding the Long Position Subject To Brokerage for Clearing)

2 An exercise of the right pertaining to the Long Position*1 of Option Contract on JGB Futures shall be done by the JGB Futures Clearing Participant's notifying JSCC of the amount pertaining to the exercise in respect of each issue comprising the Long Position Subject To Brokerage for Clearing which exists at the end of the Trading Day on which the option is to be exercised and each JGB Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing, and by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC which precedes the expiration time of the Option Contract on JGB Futures specified by the Designated Market Operator. In such case, a JGB Futures Clearing Participant may cause the JGB Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing make such notification in place of JGB Futures Clearing Participant's own notification.

(*1 limited to the Long Position Subject To Brokerage for Clearing)

3 Regarding the issue which falls under any of the following Items on the expiration date of the Exercise Period*1, the notification of the exercise of the option on that issue shall be deemed to have been made even though the notification of the exercise of the right set forth in the preceding two Paragraphs is not made by the cutoff time set by JSCC under said Paragraphs; provided, however, that the foregoing shall not apply in the case where the JGB Futures Clearing Participant notified by such cutoff time to the effect that it will not

exercise the right in respect of such issue:

(*1 referring to the exercise period of Option Contract on JGB Futures specified by the Designated Market Operator; the same applies hereinafter in this Section)

(1) In respect of Put Option on JGB Futures, in the case where the exercise price exceeds the Settlement Price*1 of the Underlying Contract Month of JGB Futures*2 on the Trading Day which ends on the expiration date of the Exercise Period;

(*1 referring to the Settlement Price prescribed in Article 73-7; the same applies hereinafter in this Section)

(*2 referring to the contract month of JGB Futures specified by the Designated Market Operator which underlies the Option on JGB Futures; the same applies hereinafter)

(2) In respect of Call Option on JGB Futures, in the case where the exercise price is lower than the Settlement Price of the Underlying Contract Month of JGB Futures on the Trading Day which ends on the expiration date of the Exercise Period.

4 In the case where JSCC deems it inappropriate to regard the notification of the exercise of option as having been made pursuant to the provisions in the main clause of the preceding Paragraph due to a system failure in the Designated Market Operator's trading system or some other unavoidable reasons, such provisions of the main clause in said Paragraph shall not apply.

5 When JSCC has received the notification of the exercise of option prescribed in Paragraph 1 or Paragraph 2*1, JSCC shall inform the detail of the exercise of option so notified to the Designated Market Operator.

(*1 including the case where the notification of the exercise of option is deemed to have been received pursuant to the provisions of Paragraph 3)

(Article 73-19 Assignment of Exercised Option)

1 When a JGB Futures Clearing Participant notifies the exercise of option, JSCC shall make the assignment of the quantity of the exercised option in respect of each issue in accordance with the rules of JSCC at the end of the Trading Day ending on the day on which such notification is made.

2 When JSCC makes the assignment of the quantity of the exercised option pursuant to the provisions in the preceding Paragraph, the quantity pertaining to the relevant notification of the exercise of option and to the assignment shall be regarded as the quantity pertaining to the settlement and such quantity shall be subtracted from the amount of the Long Position or the Short Position*1 of the relevant JGB Futures Clearing Participant at the end of the Trading Day ending on the day on which such notification is made.

(*1 in the case where the exercised/assigned option pertains to the Long Position Subject To Brokerage for Clearing/Short Position Subject To Brokerage for Clearing, referring to the Long Position Subject To Brokerage for Clearing or the Short Position Subject To Brokerage for Clearing of each JGB Futures Non-Clearing Participant pertaining to such

Long Position Subject To Brokerage for Clearing or Short Position Subject To Brokerage for Clearing)

3 When JSCC makes the assignment of the exercised option pursuant to the provisions in Paragraph 1, JSCC shall notify the JGB Futures Clearing Participant to whom such assignment is made*1 of the quantity of the relevant assignment by separating those for the proprietary account from those pursuant to the commissions by its customers.

(*1 in the case where the exercised option is assigned to the Short Position Subject To Brokerage for Clearing, the assigned quantity of each JGB Futures Non-Clearing Participant pertaining to the relevant Short Position Subject To Brokerage for Clearing by separating those for the proprietary account from those pursuant to the commissions by its customers)

4 The JGB Futures Clearing Participant which received the notification of the assignment to the Short Position Subject To Brokerage for Clearing pursuant to the provisions of the preceding Paragraph shall notify each JGB Futures Non-Clearing Participant pertaining to the relevant Short Position Subject To Brokerage for Clearing of such assigned quantity by separating those for the proprietary account from those pursuant to the commissions by its customers.

5 When JSCC makes the assignment of the quantity of the exercised option pursuant to the provisions of Paragraph 1, JSCC shall notify the detail of such assignment to the Designated Market Operator.

(Article 73-19-2 Locus of Responsibility in the case where Settlement Price of Contract Month Contract of JGB Futures subject to Exercise is not able to be calculated, etc.)

A JGB Futures Clearing Participant is not entitled to seek indemnity against JSCC and the Designated Market Operator which operates the Designated Financial Instruments Market referred to in Item (3) of Paragraph 2 of Article 3 for any damages suffered by it as a result of an inability, delay or error regarding the calculation of, or as a result of a change in, the Settlement Price of the Contract Month Contract of JGB Futures subject to exercise.

Section 6 Settlement of Index Futures Contract.

(Article 73-20 Reporting Close-out Quantity and the Like)

1 An Index Futures Clearing Participant or a Petroleum Futures Clearing Participant shall, in respect of Index Futures Contract for each Contract Month*1, notify JSCC the close-out quantity and the amount of Offsetting Sale or Offsetting Purchase when it has executed Offsetting-Sale or Offsetting-Purchase*2, by each account as set forth in Article 46-3 and by the cutoff time set by JSCC.

(*1 referring to a contract month and a flexible contract month set by the Designated Market Operator*2-1; the same applies hereinafter in this Section)

(*1-1 referring to the Designated Market Operator operating the Designated Financial Instruments Market prescribed in Item (5) of Paragraph 2 of Article 3; the same applies hereinafter in this Section)

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

2 An Index Futures Clearing Participant or a Petroleum Futures Clearing Participant shall, in respect of Index Futures Contract for each Contract Month, notify JSCC the close-out quantity*1, and, when Offsetting-Sale in respect of the Long Position Subject To Brokerage for Clearing or Offsetting-Purchase in respect of the Short Position Subject To Brokerage for Clearing has been executed, the amount of Offsetting Sale or Offsetting Purchase by an Index Futures Non-Clearing Participant*2 or a Petroleum Futures Non-Clearing Participant*3 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 Article 46-4 and by the cutoff time set by JSCC. In such case, an Index Futures Clearing Participant or a Petroleum Futures Clearing Participant may cause the Index Futures Non-Clearing Participant or Petroleum Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing or Short Position Subject To Brokerage for Clearing make such notification in place of Index Futures Clearing Participant's own notification.

(*1 limited to those under commission of brokerage for clearing of securities, etc.)

(*2 referring to the entity who has the trading qualification in respect of Index Futures Contract*2-1 but does not have Index Futures Clearing Qualification; the same applies hereinafter in this Section)

(*2-1 excluding those related to Commodity Index)

(*3 referring to the entity who has the trading qualification in respect of Index Futures Contract*3-1 but does not have Petroleum Futures Clearing Qualification)

(*3-1 limited to Commodity Index related to Gasoline, Gas Oil and Crude Oil)

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

46-3 that is managed by the relevant Index Futures Clearing Participant or Petroleum Futures 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 Article 46-4 that is managed by the relevant Index Futures Clearing Participant or Petroleum Futures 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 73-21 Settlement Price)

For each Trading Day*1, JSCC shall set the Settlement Price for Index Futures Contract in respect of each Contract Month in accordance with the rules of JSCC.

(*1 referring to the trading day specified by the Designated Market Operator in respect of Index Futures Contract; the same applies hereinafter in this Section)

(Article 73-22 Payment/Receipt of Difference between Contract Price and Settlement Price)

If there is any difference between the contract price*1 of an Index Futures Contract and the Settlement Price as of the Trading Day on which the relevant trading contract was concluded, the Index Futures Clearing Participant or the Petroleum Futures Clearing Participant shall pay/receive the money equivalent to such difference to/from JSCC on the day immediately following the day on which the relevant Trading Day ends. In this case, the Index Futures Clearing Participant or the Petroleum Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and the Index Futures Clearing Participant or the Petroleum Futures 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/received.

(*1 referring to the contract price index or contract price set by the Designated Market Operator; the same applies hereinafter)

(Article 73-23 Payment/Receipt of Difference between Settlement Prices)

If there is any difference between the Settlement Price on the given Trading Day and the Settlement Price on the day immediately preceding Trading Day, the Index Futures Clearing Participant or the Petroleum Futures Clearing Participant shall pay/receive the money equivalent to such difference to/from JSCC on the day immediately following the day on which such given Trading Day ends. In this a case, the Index Futures Clearing Participant or the Petroleum Futures Clearing Participant making payment shall pay the money by 11:00 A.M. and the Index Futures Clearing Participant or the Petroleum Futures 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/received.

(Article 73-24 Payment/Receipt upon Final Settlement)

Upon the Final Settlement on Index Futures Contract*1, if there is any difference between the Final Settlement Price *2 and the Settlement Price on the Last Trading Day*3, the Index Futures Clearing Participant or the Petroleum Futures Clearing Participant shall pay/receive the money equivalent to such difference to/from JSCC on the Final Settlement Day*4. In this case, the Index Futures Clearing Participant or the Petroleum Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and the Index Futures Clearing Participant or the Petroleum Futures 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/received.

(*1 referring to the final settlement in respect of Index Futures Contract prescribed by the Designated Market Operator)

(*2 referring to the final settlement price set by the Designated Market Operator; the same applies hereinafter in the following Article)

(*3 referring to the last trading day specified by the Designated Market Operator in respect of Index Futures Contract)

(*4 referring to the final settlement day specified by the Designated Market Operator in respect of Index Futures Contract)

(Article 73-25 Locus of Responsibility in the case where Settlement Price is not able to be calculated, etc.)

Index Futures Clearing Participant is not entitled to seek indemnity against JSCC, Designated Market Operator and/or the entity calculating index*1 for any damages suffered by it as a result of an inability, delay or error regarding the calculation or distribution of index or as a result of a change in the Final Settlement Price.

(*1 including the entity to whom the calculation of index is deputed by that former entity)

Section 7 Settlement of Index Option Contract.

(Article 73-26 Reporting of Close-out Quantity and the Like)

1 An Index Futures Clearing Participant shall, in respect of any issue of Index Option Contract, notify JSCC the close-out quantity and the amount of Offsetting Sale or Offsetting Purchase when it has executed Offsetting-Sale or Offsetting-Purchase*1, by each account as set forth in Article 46-3, by the cutoff time set by JSCC.

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

2 An Index Futures Clearing Participant shall, in respect of any issue of Index Option Contract, notify JSCC the close-out quantity*1, and, when Offsetting-Sale in respect of the Long Position Subject To Brokerage for Clearing or Offsetting-Purchase in respect of the Short Position Subject To Brokerage for Clearing has been executed, the amount of Offsetting Sale or Offsetting Purchase by an JGB Futures Non-Clearing Participant*2 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 Article 46-4, and by the cutoff time set by JSCC. In such case, an Index Futures Clearing Participant may cause the Index Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing or Short Position Subject To Brokerage for Clearing make such notification in place of Index Futures Clearing Participant's own notification.

(*1 limited to those under commission of brokerage for clearing of securities, etc.)

(*2 referring to the entity which holds trading qualification relating to Index Option Contract but does not hold Index Futures Clearing Qualification; the same applies hereinafter in this Section)

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 46-3 that is managed by the relevant Index Futures 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 Article 46-4 that is managed by the relevant Index Futures Clearing Participant.

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

(*1 referring to the Designated Market Operator operating the Designated Financial Instruments Market prescribed in Item (6) of Paragraph 2 of Article 3; the same applies

hereinafter in this Section)

(Article 73-27 Payment/Receipt of Contract Price)

When a Contract for Clearing in respect of Index Option Contract is formed, the Index Futures Clearing Participant shall pay/receive the contract price for Index Option Contract to/from JSCC on the day immediately following the day on which the Trading Day*1 during which the relevant contract is concluded ends. In such case, an Index Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and an Index Futures Clearing Participant receiving payment shall receive the money at 1:00 P.M. of the day on which the relevant money is to be paid/received.

(*1 referring to the trading day specified by the Designated Market Operator in respect of the Index Option Contract; the same applies hereinafter in this Section)

(Article 73-28 Notification of Exercise of Option)

1 An exercise of the right pertaining to the Long Position*1 of Index Option Contract shall be done by the Index Futures Clearing Participant's notifying JSCC of the amount pertaining to the exercise in respect of each issue by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC which precedes the expiration time of the Index Option Contract specified by the Designated Market Operator

(*1 excluding the Long Position Subject To Brokerage for Clearing)

2 An exercise of the right pertaining to the Long Position*1 of Index Option Contract shall be done by the Index Futures Clearing Participant's notifying JSCC of the amount pertaining to the exercise in respect of each issue and each Index Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing, and by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC which precedes the expiration time of the Index Option Contract specified by the Designated Market Operator. In such case, an Index Futures Clearing Participant may cause the Index Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing make such notification in place of Index Futures Clearing Participant's own notification.

(*1 limited to the Long Position Subject To Brokerage for Clearing)

3 Regarding the issue which falls under any of the following Items on the Exercise Date*1, the Index Futures Clearing Participant cannot make the notification of the exercise of the right set forth in the preceding two Paragraphs:

(*1 referring to the exercise date specified by the Designated Market Operator in respect of Index Option Contract; the same applies hereinafter in this Section)

(1) In respect of Index Put Option, in the case where the exercise price is at the Option Settlement Price*1 or lower;

(*1 referring to the Option Settlement Price set by the Designated Market Operator; the same applies hereinafter in this Section)

(2) In respect of Index Call Option, in the case where the exercise price is at the Option Settlement Price or higher.

4 Regarding the issue which falls under any of the following Items on the Exercise Date, the notification of the exercise of the option on that issue shall be deemed to have been made even though the notification of the exercise of the right is not made by the cutoff time on the relevant day set by JSCC under Paragraph 1 or Paragraph 2; provided, however, that the foregoing shall not apply in the case where the Index Futures Clearing Participant notified by such cutoff time to the effect that it will not exercise the right in respect of such issue:

(1) In respect of Index Put Option, in the case where the exercise price exceeds the Option Settlement Price;

(2) In respect of Index Call Option, in the case where the exercise price is lower than the Option Settlement Price.

5 When JSCC has received the notification of the exercise of option prescribed in Paragraph 1 or Paragraph 2*1, JSCC shall inform the detail of the exercise of option so notified to the Designated Market Operator.

(*1 including the case where the notification of the exercise of option is deemed to have been received pursuant to the provisions of the preceding Paragraph)

(Article 73-29 Assignment of Exercised Option)

1 When an Index Futures Clearing Participant notifies the exercise of option, JSCC shall make the assignment of the quantity of the exercised option in respect of each issue in accordance with the rules of JSCC.

2 When JSCC makes the assignment of the quantity of the exercised option pursuant to the provisions of the preceding Paragraph, JSCC shall notify the Index Futures Clearing Participant to whom such assignment is made*1, of the quantity of the relevant assignment by separating those for the proprietary account from those pursuant to the commissions by its customers.

(*1 in the case where the exercised option is assigned to the Short Position Subject To Brokerage for Clearing, the assigned quantity of each Index Futures Non-Clearing Participant pertaining to the relevant Short Position Subject To Brokerage for Clearing by separating those for the proprietary account from those pursuant to the commissions by its customers)

3 The Index Futures Clearing Participant which received the notification of the assignment to the Short Position Subject To Brokerage for Clearing pursuant to the provisions of the preceding Paragraph shall notify each Index Futures Non-Clearing Participant pertaining to the relevant Short Position Subject To Brokerage for Clearing of the assigned quantity by separating those for the proprietary account from those pursuant to the commissions by its

customers.

4 When JSCC makes the assignment of the quantity of the exercised option pursuant to the provisions of Paragraph 1, JSCC shall notify the detail of such assignment to the Designated Market Operator.

(Article 73-30 Payment/Receipt on the Settlement of Exercised Option)

When the right pertaining to Index Option Contract is exercised, the Index Futures Clearing Participant shall pay/receive the money equivalent to the difference between its exercise price and the Option Settlement Price to/from JSCC on the day following the day on which the relevant right is exercised. In such case, an Index Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and an Index Futures Clearing Participant receiving payment shall receive the money at 1:00 P.M. on the day on which the relevant money to be paid/received.

(Article 73-31 Locus of Responsibility in the case where Option Settlement Price is not able to be calculated, etc.)

Index Futures Clearing Participant is not entitled to seek indemnity against JSCC, Designated Market Operator and/or the entity calculating index*1 for any damages suffered by it as a result of an inability, delay or error regarding the calculation or distribution of index or as a result of a change in the Option Settlement Price.

(*1 including the entity to whom the calculation of index is deputed by that former entity)

Section 7-2 Settlement of Commodity Futures Contracts

Subsection 1 Notification related to Contracts for Clearing

(Article 73-31-2 Reporting of Close-out Quantity and the Like)

1 A Commodity Futures Clearing Participant shall, in respect of each contract month contract[*1] and each Rolling-Spot Futures Contracts[*2] of Commodity Futures Contract, notify JSCC the close-out quantity 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 46-3 and by the cutoff time set by JSCC.

([*1] referring to the contract month contract set by the Designated Market Operator[*1-1]; the same applies hereinafter in this Section)

([*1-1] referring to the Designated Market Operator operating the Designated Financial Instruments Market prescribed in Item (6)-2 of Paragraph 2 of Article 3; the same applies hereinafter in this Section)

([*2] referring to the rolling-spot futures transaction set by the Designated Market Operator; the same applies hereinafter in this Section)

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

2 A Commodity Futures Clearing Participant shall, in respect of each contract month contract and each rolling spot contract of Commodity Futures Contract, notify JSCC the close-out quantity[*1], and, when Offsetting-Sale in respect of the Long Position Subject To Brokerage for Clearing or Offsetting-Purchase in respect of the Short Position Subject To Brokerage for Clearing has been executed, the amount of Offsetting Sale or Offsetting Purchase by a Commodity Futures Non-Clearing Participant[*2] 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 Article 46-4 and by the cutoff time set by JSCC. In such case, a Commodity Futures Clearing Participant may cause the Commodity Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing or Short Position Subject To Brokerage for Clearing make such notification in place of its own notification.

([*1] limited to those under commission of Brokerage for Clearing of Securities, etc.)

([*2] referring to the entity who has the trading qualification in respect of Precious Metal Futures Contract[*2-1] but does not have Precious Metal Futures Clearing Qualification; the entity who has the trading qualification in respect of Rubber Futures Contract[*2-2] but does not have Rubber Futures Clearing Qualification; or the entity who has the trading qualification in respect of Agricultural Futures Contract[*2-3] but does not have Agricultural Futures Clearing Qualification; the same applies hereinafter in this Section)

([*2-1] referring to Contracts Subject to Clearing related to gold, silver, platinum and palladium)

([*2-2] referring to Contracts Subject to Clearing related to RSS and TSR)

([*2-3] referring to Contracts Subject to Clearing related to Soybean, Azuki and Corn)

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 46-3 that is managed by the relevant Commodity Futures Clearing Participant as those subject to a settlement.

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 Article 46-4 that is managed by the relevant Commodity Futures Clearing Participant as those subject to a settlement.

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.

Subsection 2 Settlement of Contracts for Clearing on Commodity Futures Contracts

(Article 73-31-3 Settlement Price)

For each Trading Day[*1], JSCC shall set the Settlement Price for Commodity Futures Contract in respect of each contract month in accordance with the rules of JSCC.

([*1] referring to the trading day specified by the Designated Market Operator in respect of Commodity Futures Contract; the same applies hereinafter in this Section)

(Article 73-31-4 Payment/Receipt of Money Equal to Difference between Contract Price and Settlement Price)

If there is any difference between the contract price of a Commodity Futures Contract and the Settlement Price as of the Trading Day on which the relevant trading contract was concluded, the Commodity Futures Clearing Participant shall pay/receive the money equivalent to such difference to/from JSCC on the day immediately following the day on which the relevant Trading Day ends. In this case, the Commodity Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and the Commodity Futures 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/received.

(Article 73-31-5 Payment/Receipt of Money Equal to Difference between Settlement Prices)

If there is any difference between the Settlement Price on the given Trading Day and the Settlement Price on the immediately preceding Trading Day, the Commodity Futures Clearing Participant shall pay/receive the money equivalent to such difference to/from JSCC on the day immediately following the day on which such given Trading Day ends. In this case, the Commodity Futures Clearing Participant making payment shall pay the money by 11:00 A.M., and the Commodity Futures 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/received.

Subsection 3 Settlement by Delivery of Physical Settlement Futures

Division 1 Gold, Silver, Platinum and Palladium

(Article 73-31-6 Delivery Goods and Money Delivered/Paid and Received for Settlement by Delivery related to Precious Metals)

The quantity of the delivery goods and the amount of money to be delivered/paid or received by a Precious Metal Futures Clearing Participant for the Settlement by Delivery*1 shall be in accordance with each of the following Items:

(*1 referring to the settlement by delivery related to Physical Settlement Futures Contracts*1-1; the same applies hereinafter in this Subsection)

(*1-1 referring to the Physical Settlement Futures Contracts in respect of Commodity Futures Contract prescribed by the Designated Market Operator; the same applies hereinafter)

(1) The quantity of the delivery goods shall be as set forth in A) and B) below according to the category set forth therein:

A) Delivery of Delivery Goods

The quantity obtained by dividing the Final Short Position*1 or the short position related to the Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery*2 or Declared Delivery*3 by the Delivery Unit Multiplier*4;

(*1 referring to the Short Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day*1-1)

(*1-1 referring to the last trading day specified by the Designated Market Operator in respect of Physical Settlement Futures Contract*1-1-1; the same applies hereinafter in this Sub-subsection)

(*1-1-1 only those related to precious metals; the same applies hereinafter in this Sub-subsection)

(*2 referring to the Early Delivery prescribed by the Designated Market Operator; the same applies hereinafter)

(*3 referring to the Declared Delivery prescribed by the Designated Market Operator; the same applies hereinafter)

(*4 referring to the ratio of the delivery unit to the trading unit set by the Designated Market Operator in respect of the Commodity Futures Contracts)

B) Receipt of Delivery Goods

The quantity obtained by dividing the Final Long Position*1 or the long position related to Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery or Declared Delivery by the delivery multiplier.

(*1 referring to the Long Position for which no report set forth in Paragraph 1 and Paragraph

2 of Article 73-31-2 has been submitted by the Last Trading Day; the same applies hereinafter in this Sub-subsection)(2) The amount of money shall be the difference between the total amount of the Price for Settlement by Delivery and the Like[*1] related to the Final Short Position or short position set forth in Sub-item A) of the preceding Item and the total amount of the Price for Settlement by Delivery and the Like related to the Final Long Position or long position set forth in Sub-item B) of the said Item, calculated by each unit described in A) and B) below:

(*1 referring to the sum of the price for the Settlement by Delivery and the amount equivalent to consumption tax thereon[*1-2]; the same applies hereinafter)

(*1-2 including local consumption tax; the same applies hereinafter)

A) Unit prescribed in Item (1) and Item (3) of Article 46-3;

B) Unit prescribed in Item (2) of Article 46-3 and Item (1) and Item (2) of Article 46-4.

(Article 73-31-7 Determine Delivery Goods related to Precious Metals)

1 Each delivery goods to be received by the Precious Metal Futures Clearing Participant to receiving the delivery goods[*1] in the Settlement by Delivery related to Precious Metals shall be allocated according to the rules prescribed by JSCC.

(*1 hereinafter referred to as “Receiving Precious Metal Futures Clearing Participant”)

2 When the Precious Metal Futures Clearing Participants which is Agency Clearing Participant allocates the delivery goods to a Non-Clearing Participant, such allocation shall be performed in a fair manner through lottery or other method decided by the relevant Precious Metal Futures Clearing Participant in advance.

(Article 73-31-8 Settlement Cutoff Time and Settlement Method of Settlement by Delivery related to Precious Metals)

1 The delivery/payment and receipt of the delivery goods and money in respect of the Settlement by Delivery related to precious metals shall be made between the Clearing Participant and JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Precious Metal Futures Clearing Participant delivering the delivery goods[*1] shall deliver the warehouse receipts for the delivery goods[*2*3] by 3:00 P.M. on the day before the relevant day of Settlement by Delivery and the Receiving Precious Metal Futures Clearing Participant shall receive the relevant warehouse receipt by 2:45 P.M. on the day of Settlement by Delivery;

(*1 hereinafter referred to as “Delivering Precious Metal Futures Clearing Participant”)

(*2 only those satisfy the criteria prescribed by the Designated Market Operator; the same applies hereinafter)

(*3 when there is a consent of the Receiving Precious Metal Futures Clearing Participant, the delivery order[*3-1]; the same applies hereinafter in this Sub-subsection)

(*3-1 only those issued within 3 months; the same applies hereinafter)

(2) The Precious Metal Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the relevant day of Settlement by Delivery, and the Precious Metal Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

(Article 73-31-9 Loss or Damage after the Submission of delivery goods related to Precious Metals)

1 In cases where all, or part of the delivery goods, are lost or damaged due to any event not attributable to the parties to the delivery, after the Delivering Precious Metal Futures Clearing Participant has submitted the warehouse receipt to JSCC for delivery, but before JSCC submits it to the Receiving Precious Metal Futures Clearing Participant, the Delivering Precious Metal Futures Clearing Participant shall bear the loss.

2 In the case prescribed in the preceding Paragraph, the Delivering Precious Metal Futures Clearing Participant shall immediately notify JSCC of the loss or damage. In addition, the Delivering Precious Metal Futures Clearing Participant shall perform the delivery by submitting a warehouse receipt for substitutes for the delivery goods lost or damaged by the fifth day from the day immediately following the date of said notification.

3 Notwithstanding the provisions of the preceding Paragraph, in cases where the Delivering Precious Metal Futures Clearing Participant is unable to perform the delivery by of all or part of the damaged or lost delivery goods through substitutes, it may be discharged from the delivery obligation, subject to the approval of JSCC. In this case, JSCC and the Receiving Precious Metal Futures Clearing Participant are not required to deliver the delivery goods and pay money related to the portion for which the delivery has not been performed.

4 As to the handling related to the delivery prescribed in the preceding 2 Paragraphs, the Receiving Precious Metal Futures Clearing Participant may not reject such handling.

(Article 73-31-10 Early Delivery related to Precious Metals)

1 When performing the Settlement by Delivery related to precious metals through Early Delivery, notwithstanding the provisions of Article 73-31-8, the Settlement by Delivery shall be performed on the date determined to be the day for Settlement by Delivery via Early Delivery as prescribed by the Designated Market Operator*1 in accordance with each of the following Items in a manner prescribed by JSCC:

(*1 hereinafter referred to as “Early Delivery Day”)

(1) The Delivering Precious Metal Futures Clearing Participant shall deliver the warehouse receipts for the delivery goods by 11:00 A.M. on Early Delivery Day and the Receiving Precious Metal Futures Clearing Participant shall receive the relevant warehouse receipt by 2:45 P.M. on the same day;

(2) The Precious Metal Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the Early Delivery Day, and the Precious Metal Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of the preceding Article shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Early Delivery set forth in the preceding Paragraph.

(Article 73-31-11 Declared Delivery related to Precious Metals)

1 When performing the Settlement by Delivery related to precious metals through Declared Delivery, notwithstanding the provisions of Article 73-31-8, the Settlement by Delivery shall be performed with JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Precious Metal Futures Clearing Participant shall submit the document or the like promising the delivery by 3:00 P.M. on the day before the Declared Delivery Day[*1] and the Receiving Precious Metal Futures Clearing Participant shall receive the relevant document or the like by 2:45 P.M. on the Declared Delivery Day;

([*1] The day agreed as the date for the Settlement by Delivery subject to the Declared Delivery between the Delivering Precious Metal Futures Clearing Participant and the Receiving Precious Metal Futures Clearing Participant pursuant to the rules prescribed by the Designated Market Operator; the same applies hereinafter in this Article)

(2) The Precious Metal Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the Declared Delivery Day, and the Precious Metal Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of Article 73-31-4 and Article 73-31-5 shall not apply to the short position and the long position subject to the Declared Delivery as prescribed in the preceding Paragraph on and after the next trading day following the date of conclusion of the Declared Delivery.

3 The provisions of Article 73-31-9 shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Declared Delivery set forth in Paragraph 1.

(Article 73-31-12 Customized Delivery related to Precious Metals)

1 When performing the Settlement by Delivery related to precious metals through Customized Delivery[*1], notwithstanding the provisions of Article 73-31-8, the Settlement by Delivery shall be performed with JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

([*1] referring to the Customized Delivery prescribed by the Designated Market Operator; the same applies hereinafter)

(1) The Delivering Precious Metal Futures Clearing Participant shall deliver the document or the like promising the delivery by 3:00 P.M. on the day before the day of the Settlement by Delivery and the Receiving Precious Metal Futures Clearing Participant shall receive the

relevant document or the like by 2:45 P.M. on the day of the Settlement by Delivery;

(2) The Precious Metal Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the day of the Settlement by Delivery, and the Precious Metal Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of Article 73-31-9 shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Customized Delivery set forth in the preceding Paragraph.

3 In respect of the Settlement by Delivery through Customized Delivery related to precious metals, matters not prescribed in these Business Rules or otherwise prescribed by JSCC shall be determined through mutual agreement between the parties to the delivery.

(Article 73-31-13 ADP related to Precious Metals)

1 When the Designated Market Operator approved the performance of the Settlement by Delivery related to the precious metals through ADP[*1], the Settlement by Delivery between the Delivering Precious Metal Futures Clearing Participant and Receiving Precious Metal Futures Clearing Participant subject to the relevant ADP shall be deemed to have been completed upon such approval.

([*1] referring to ADP (Alternative Delivery Procedure) prescribed by the Designated Market Operator; the same applies hereinafter)

2 The exchange of the delivery goods and money between the Delivering Precious Metal Futures Clearing Participant and Receiving Precious Metal Futures Clearing Participant related to ADP as per the preceding Paragraph shall be performed, notwithstanding the provisions of Article 73-31-8 and Article 73-31-9, between the parties to the relevant delivery through the method determined between them.

(Article 73-31-14 Delivery Goods and Money Delivered and Received for Settlement by Delivery related to RSS)

The quantity of the delivery goods and the amount of money to be delivered/paid or received by a Rubber Futures Clearing Participant for the Settlement by Delivery shall be in accordance with each of the following Items:

(1) Quantity of Delivery Goods

The quantity of the delivery goods shall be as set forth in A) and B) below according to the category set forth therein:

A) Delivery of Delivery Goods

The quantity of the Final Short Position*1 or the short position related to the Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery or Declared Delivery;

(*1 referring to the Short Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day*1-1)

(*1-1 referring to the last trading day specified by the Designated Market Operator in respect of Physical Settlement Futures Contract*1-1-1; the same applies hereinafter in this Sub-subsection)

(*1-1-1 only those related to RSS; the same applies hereinafter in this Sub-subsection)

B) Receipt of Delivery Goods

The quantity of the Final Long Position*1 or the long position related to Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery or Declared Delivery.

(*1 referring to the Long Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day; the same applies hereinafter in this Sub-subsection)

(2) Amount of Money

The amount of money shall be the difference between the total amount of the Price for Settlement by Delivery and the Like related to the Final Short Position or short position set forth in sub-Item A) of the preceding Item and the total amount of the Price for Settlement by Delivery and the Like related to the Final Long Position or long position set forth in Sub-item B) of the said Item, calculated by each unit described in A) and B) below. In this case, the amount of freight charge and insurance premium prescribed by the Designated Market Operator shall be added to or subtracted from the Price for Settlement by Delivery:

A) Unit prescribed in Item (1) and Item (3) of Article 46-3;

B) Unit prescribed in Item (2) of Article 46-3 and Item (1) and Item (2) of Article 46-4.

(Article 73-31-15 Determine Delivery Goods related to RSS)

1 Each delivery goods to be received by the Rubber Futures Clearing Participant to receive the delivery goods[*1] in the Settlement by Delivery related to RSS shall be allocated according to the rules prescribed by JSCC.

([*1] hereinafter referred to as "Receiving Rubber Futures Clearing Participant")

2 When the Rubber Futures Clearing Participants which is Agency Clearing Participant allocates the delivery goods to a Non-Clearing Participant, such allocation shall be performed in a fair manner through lottery or other method decided by the relevant Rubber Futures Clearing Participant in advance.

(Article 73-31-16 Settlement Cutoff Time and Settlement Method of Settlement by Delivery related to RSS)

1 The delivery/payment and receipt of the warehouse receipts and money in respect of the Settlement by Delivery related to RSS shall be made between the Clearing Participant and JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Rubber Futures Clearing Participant delivering the delivery goods[*1] shall deliver the warehouse receipts for the delivery goods[*2] by 1:00 P.M. on the day before the relevant day of Settlement by Delivery and the Receiving Rubber Futures Clearing Participant shall receive the relevant warehouse receipt by 2:45 P.M. on the day of Settlement by Delivery;

([*1] hereinafter referred to as "Delivering Rubber Futures Clearing Participant")

([*2] when there is a consent of the Receiving Rubber Futures Clearing Participant, the delivery order; the same applies hereinafter in this Sub-subsection)

(2) The Rubber Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the relevant day of Settlement by Delivery, and the Rubber Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

(Article 73-31-17 Loss or Damage after the Submission of Delivery Goods related to RSS)

1 In cases where all, or part of the delivery goods, are lost or damaged due to any event not attributable to the parties to the delivery, after the Delivering Rubber Futures Clearing Participant has submitted the warehouse receipt to JSCC for delivery, but before JSCC submits it to the Receiving Rubber Futures Clearing Participant, the Delivering Rubber Futures Clearing Participant shall bear the loss.

2 In the case prescribed in the preceding Paragraph, the Delivering Rubber Futures Clearing Participant shall immediately notify JSCC of the loss or damage. In addition, the Delivering Rubber Futures Clearing Participant shall perform the delivery by submitting a warehouse receipt for substitutes for the delivery goods lost or damaged by the fifth day from the day immediately following the date of said notification.

3 Notwithstanding the provisions of the preceding Paragraph, in cases where the Delivering Rubber Futures Clearing Participant is unable to perform the delivery by of all or part of the damaged or lost delivery goods through substitutes, it may be discharged from the delivery obligation, subject to the approval of JSCC. In this case, JSCC and the Receiving Rubber Futures Clearing Participant are not required to deliver the delivery goods and pay money related to the portion for which the delivery has not been performed.

4 As to the handling of the delivery prescribed in the preceding 2 Paragraphs, the Receiving Rubber Futures Clearing Participant may not reject such handling.

(Article 73-31-18 Early Delivery related to RSS)

1 When performing the Settlement by Delivery related to RSS through Early Delivery, notwithstanding the provisions of Article 73-31-16, the Settlement by Delivery shall be performed on the Early Delivery Day in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Rubber Futures Clearing Participant shall deliver the warehouse receipts for the delivery goods by 11:00 A.M. on Early Delivery Day and the Receiving Rubber Futures Clearing Participant shall receive the relevant warehouse receipt by 2:45 P.M. on the same day;

(2) The Rubber Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the Early Delivery Day, and the Rubber Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of the preceding Article shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Early Delivery set forth in the preceding Paragraph.

(Article 73-31-19 Declared Delivery related to RSS)

1 When performing the Settlement by Delivery related to RSS through Declared Delivery, notwithstanding the provisions of Article 73-31-16, the Settlement by Delivery shall be performed with JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Rubber Futures Clearing Participant shall submit the document or the like promising the delivery by 1:00 P.M. on the day before the Declared Delivery Day[*1] and the Receiving Rubber Futures Clearing Participant shall receive the relevant document or the like by 2:45 P.M. on the Declared Delivery Day;

([*1] The day agreed as the date for the Settlement by Delivery subject to the Declared Delivery between the Delivering Rubber Futures Clearing Participant and the Receiving Rubber Futures Clearing Participant pursuant to the rules prescribed by the Designated Market Operator; the same applies hereinafter in this Article, Article 73-31-27 and Article 73-31-56)

(2) The Rubber Futures Clearing Participant making payment shall pay the money by 11:00

A.M. on the Declared Delivery Day, and the Rubber Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of Article 73-31-4 and Article 73-31-5 shall not apply to the short position and the long position subject to the Declared Delivery as prescribed in the preceding Paragraph on and after the next trading day following the date of conclusion of the Declared Delivery.

3 The provisions of Article 73-31-17 shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Declared Delivery set forth in Paragraph 1.

(Article 73-31-20 Customized Delivery related to RSS)

1 When performing the Settlement by Delivery related to RSS through Customized Delivery, notwithstanding the provisions of Article 73-31-16, the Settlement by Delivery shall be performed with JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Rubber Futures Clearing Participant shall deliver the document or the like promising the delivery by 1:00 P.M. on the day before the day of the Settlement by Delivery and the Receiving Rubber Futures Clearing Participant shall receive the relevant document or the like by 2:45 P.M. on the day of the Settlement by Delivery;

(2) The Rubber Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the day of the Settlement by Delivery, and the Rubber Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of Article 73-31-17 shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Customized Delivery set forth in the preceding Paragraph.

3 In respect of the Settlement by Delivery through Customized Delivery related to RSS, matters not prescribed in these Business Rules or otherwise prescribed by JSCC shall be determined through mutual agreement between the parties to the delivery.

(Article 73-31-21 ADP related to RSS)

1 When the Designated Market Operator approved the performance of the Settlement by Delivery related to the RSS through ADP, the Settlement by Delivery between the Delivering Rubber Futures Clearing Participant and the Receiving Rubber Futures Clearing Participant subject to the relevant ADP shall be deemed to have been completed upon such approval.

2 The exchange of the delivery goods and money between the Delivering Rubber Futures Clearing Participant and the Receiving Rubber Futures Clearing Participant related to ADP as per the preceding Paragraph shall be performed, notwithstanding the provisions of Article 73-31-16 and Article 73-31-17, between the parties to the relevant delivery through the method determined between them.

(Article 73-31-22 Inspection and the Like related to RSS)
Matters required in connection with the inspection and measuring relating to the delivery goods and handling of deficiency shall be separately prescribed by JSCC.

(Article 73-31-23 Deferment of Settlement Caused by Handling of Deficiency related to RSS)
1 With respect to deliveries where JSCC recognizes that the settlement cannot be completed by the cut-off time set forth in Article 73-31-16, due to the inspection or measuring or handling of the deficiency under the preceding Article, JSCC shall require the Receiving Rubber Futures Clearing Participant submit the Price for Settlement by Delivery and the Like and the Delivering Rubber Futures Clearing Participant to submit the warehouse receipt or delivery order to JSCC by said cut-off time according to the provisions of the said Article, and defer the settlement until the delivery becomes possible.
2 When the delivery is to be performed after the day of the Settlement by Delivery pursuant to the provisions of the preceding Paragraph and the custody fee and insurance premium related to the period in which the date of delivery belongs shall be newly charged, it shall be borne by the Delivering Rubber Futures Clearing Participant.

Division 3 TSR

(Article 73-31-24 Delivery Goods and Money Delivered/Paid and Received for Settlement by Delivery related to TSR)

The quantity of the delivery goods and the amount of money to be delivered/paid or received by a Rubber Futures Clearing Participant for the Settlement by Delivery related to TSR shall be in accordance with each of the following Items:

(1) Quantity of Delivery Goods

The quantity of the delivery goods shall be as set forth in A) and B) below according to the category set forth therein:

A) Delivery of Delivery Goods

The quantity obtained by dividing the Final Short Position*1 or the short position related to the Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Declared Delivery by the Delivery Unit Multiplier;

(*1 referring to the Short Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day*1-1)

(*1-1 referring to the last trading day specified by the Designated Market Operator in respect of Physical Settlement Futures Contract*1-1-1; the same applies hereinafter in this Sub-subsection)

(*1-1-1 only those related to TSR; the same applies hereinafter in this Sub-subsection)

B) Receipt of Delivery Goods

The quantity obtained by dividing the Final Long Position*1 or the long position related to Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Declared Delivery by the Delivery Multiplier.

(*1 referring to the Long Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day; the same applies hereinafter in this Sub-subsection)

(2) Amount of Money

The amount of money shall be the difference between the total amount of the price for Settlement by Delivery related to the Final Short Position or short position set forth in sub-Item A) of the preceding Item and the total amount of the price for Settlement by Delivery related to the Final Long Position or long position set forth in Sub-item B) of the said Item, with the same delivery day, calculated by each unit described in A) and B) below:

A) Unit prescribed in Item (1) and Item (3) of Article 46-3;

B) Unit prescribed in Item (2) of Article 46-3 and Item (1) and Item (2) of Article 46-4.

(Article 73-31-25 Determine Delivery Goods related to TSR)

1 In the Settlement by Delivery related to TSR, if there are two (2) or more Rubber Futures Clearing Participants holding the Final Long Position[*1], the delivery goods to be received by each Receiving Rubber Futures Clearing Participant shall be allocated through consultation, lottery or other method prescribed by JSCC.

([*1] excluding the Final Long Position to be settled by delivery pursuant to Article 73-31-28 and Article 73-31-29)

2 When the Rubber Futures Clearing Participants which is Agency Clearing Participant allocates the delivery goods to a Non-Clearing Participant, such allocation shall be performed in a fair manner through lottery or other method decided by the relevant Rubber Futures Clearing Participant in advance.

(Article 73-31-26 Settlement Cutoff Time and Settlement Method of Settlement by Delivery related to TSR)

1 The delivery/payment and receipt of the delivery goods and money in respect of the Settlement by Delivery related to TSR shall be made between the Clearing Participant and JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) Delivery and Receipt of delivery goods

The delivery method shall be free on board (“FOB”) and the delivery and receipt of the delivery goods by the parties to the delivery shall be performed in accordance with A) through D) below:

A) The Delivering Rubber Futures Clearing Participant shall load the delivery goods on the shipping date and to the vessels designated by the Receiving Rubber Futures Clearing Participant at the delivery location it designates in a manner prescribed by JSCC;

B) The Delivering Rubber Futures Clearing Participant and the Receiving Rubber Futures Clearing Participant shall co-sign and submit the delivery advice prescribed by JSCC to JSCC by noon on the fifth day from the next day following the shipping date specified in A) above in a manner prescribed by JSCC;

C) The Delivering Rubber Futures Clearing Participant shall deliver the bill of landing and other delivery documents designated by the Receiving Rubber Futures Clearing Participant by 11:00 A.M. on the fourth day from the date of submission of the delivery advice specified in B) above in a manner prescribed by JSCC, and the Receiving Rubber Futures Clearing Participant shall receive the relevant delivery documents on the day of Settlement by Delivery;

D) The Receiving Rubber Futures Clearing Participant shall submit the notice of delivery completion prescribed by JSCC by 3:30 P.M. on the second day following the day of Settlement by Delivery[*1].

([*1] if it falls on a Non-Business Day, the immediately following business day)

(2) Payment and Receipt of Money

The Rubber Futures Clearing Participant making payment shall pay the money by 11:00

A.M. on the shipping date specified in A) of the preceding Item, and the Rubber Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the next day following the date of submission of the notice of delivery completion specified in D) of the same item.

(Article 73-31-27 Declared Delivery related to TSR)

1 When performing the Settlement by Delivery related to TSR through Declared Delivery, notwithstanding the provisions of Item (1) of the preceding Article, the delivery location, the shipping date and other conditions shall be decided through an agreement between the parties to the delivery in a manner prescribed by the Designated Market Operator

2 When the delivery report is submitted to JSCC by noon on the day before the Declared Delivery Date as prescribed by JSCC through an agreement between the parties to the Settlement by Delivery through Declared Delivery, notwithstanding the provisions of Item (1) of the preceding Article, no submission of the delivery advice under B) of the said Item, the delivery document under C) of the said Item and the notice of delivery completion under D) of the said Item is required. In such case, in the application of the provisions of Item (2) of the said Article, the reference to “the notice of delivery completion under D) of the said Item” shall be deemed to be “delivery report.”

3 The provisions of Article 73-31-4 and Article 73-31-5 shall not apply to the short position and the long position subject to the Declared Delivery as prescribed in Paragraph 1 on and after the next trading day following the date of conclusion of the Declared Delivery.

(Article 73-31-28 Customized Delivery related to TSR)

1 When performing the Settlement by Delivery related to TSR through Customized Delivery, notwithstanding the provisions of Item (1) of Article 73-31-26, the delivery location, shipping date and other conditions shall be determined through an agreement between the parties to the delivery in a manner prescribed by the Designated Market Operator.

2 When the delivery report is submitted to JSCC by noon on the day before the Customized Delivery Date as prescribed by JSCC through an agreement between the parties to the Settlement by Delivery through Customized Delivery, notwithstanding the provisions of Item (1) of Article 73-31-26, no submission of the delivery advice under B) of the said Item, the delivery document under C) of the said Item and the notice of delivery completion under D) of the said Item is required. In such case, in the application of the provisions of Item (2) of the said Article, the reference to “the notice of delivery completion under D) of the said Item” shall be deemed to be “delivery report.”

3 In addition to the preceding two Paragraphs, the procedures required for the Customized Delivery as specified in Paragraph 1 shall be prescribed by JSCC.

4 In respect of the Settlement by Delivery through Customized Delivery related to TSR, matters not prescribed in these Business Rules or otherwise prescribed by JSCC shall be

determined through mutual agreement between the parties to the delivery.

(Article 73-31-29 ADP related to TSR)

1 When the Designated Market Operator approved the performance of the Settlement by Delivery related to the TSR through ADP, the Settlement by Delivery between the Delivering Rubber Futures Clearing Participant and Receiving Rubber Futures Clearing Participant subject to the relevant ADP shall be deemed to have been completed upon such approval.

2 The exchange of the delivery goods and money between the Delivering Rubber Futures Clearing Participant and Receiving Rubber Futures Clearing Participant related to ADP as per the preceding Paragraph shall be performed, notwithstanding the provisions of Article 73-31-26, between the parties to the relevant delivery through the method determined between them.

(Article 73-31-30 Scope of Responsibilities of Delivering Rubber Futures Clearing Participant related to TSR)

1 The Delivering Rubber Futures Clearing Participant shall bear loss or damage of all or part of the delivery goods by the point in time when all of the delivery goods has been loaded.

2 Notwithstanding the provisions of the preceding Paragraph, when the delivery related to TSR is performed through Declared Delivery, Customized Delivery of ADP with the good delivery material or at the delivery location other than those specified by the Designated Market Operator, bearing of the loss set forth in the preceding Paragraph shall be determined through an agreement between the parties to the delivery.

(Article 73-31-31 Inspection and the Like related to TSR)

Matters required in connection with the inspection and measuring relating to the delivery goods and handling of deficiency shall be separately prescribed by JSCC.

(Article 73-31- 32 Other)

In addition to the provisions set forth in Article 73-31-24 thorough the preceding Article, the matters required for the Settlement by Delivery related to TSR shall be separately prescribed by JSCC.

Division 4 Soybean

(Article 73-31-33 Delivery Goods and Money Delivered/Paid and Received for Settlement by Delivery related to Soybean)

The quantity of the delivery goods and the amount of money to be delivered/paid or received by an Agricultural Futures Clearing Participant for the Settlement by Delivery related to Soybean shall be in accordance with each of the following Items:

(1) Quantity of Delivery Goods

The quantity of the delivery goods shall be as set forth in A) and B) below according to the category set forth therein:

A) Delivery of Delivery Goods

The quantity of the Final Short Position*1 or the short position related to the Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery or Declared Delivery;

(*1 referring to the Short Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day*1-1)

(*1-1 referring to the last trading day specified by the Designated Market Operator in respect of Physical Settlement Futures Contract*1-1-1; the same applies hereinafter in this Sub-subsection)

(*1-1-1 only those related to Soybean; the same applies hereinafter in this Sub-subsection)

B) Receipt of Delivery Goods

The quantity of the Final Long Position*1 or the long position related to Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery or Declared Delivery.

(*1 referring to the Long Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day; the same applies hereinafter in this Sub-subsection)

(2) Amount of Money

The amount of money shall be the difference between the total amount of the Price for Settlement by Delivery and the Like related to the Final Short Position or the short position set forth in sub-Item A) of the preceding Item and the total amount of the Price for Settlement by Delivery and the Like related to the Final Long Position or long position set forth in Sub-item B) of the said Item, with the same delivery day, calculated by each unit described in A) and B) below:

A) Unit prescribed in Item (1) and Item (3) of Article 46-3;

B) Unit prescribed in Item (2) of Article 46-3 and Item (1) and Item (2) of Article 46-4.

(Article 73-31-34 Determine Delivery Goods related to Soybean)

1 In the Settlement by Delivery related to Soybean, if there are two (2) or more Agricultural Futures Clearing Participants holding Final Long Position[*1], each delivery goods to be received by the Agricultural Futures Clearing Participant to receive the delivery goods[*2] shall be allocated through consultation, lottery or other method prescribed by JSCC.

([*1] excluding the Final Long Position to be settled by delivery pursuant to Article 73-31-40)

([*2] hereinafter referred to as "Receiving Agricultural Futures Clearing Participant")

2 When the Agricultural Futures Clearing Participants which is Agency Clearing Participant allocates the delivery goods to a Non-Clearing Participant, such allocation shall be performed in a fair manner through lottery or other method decided by the relevant Agricultural Futures Clearing Participant in advance.

(Article 73-31-35 Settlement Cutoff Time and Settlement Method of Settlement by Delivery related to Soybean)

1 The delivery/payment and receipt of the delivery goods and money in respect of the Settlement by Delivery related to Soybean shall be made between the Clearing Participant and JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Agricultural Futures Clearing Participant[*1] shall deliver the warehouse receipts for the delivery goods by 11:00 A.M. on the relevant day of Settlement by Delivery and the Receiving Agricultural Futures Clearing Participant shall receive the relevant warehouse receipts by 2:45 P.M. on the same day;

([*1] referring to the Agricultural Futures Clearing Participant delivering the delivery goods; the same applies hereinafter in this Sub-subsection, Sub-subsection 5 and Sub-subsection 6)

(2) The Agricultural Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the relevant day of Settlement by Delivery, and the Agricultural Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

(Article 73-31-36 Loss or Damage after the Submission of Delivery Goods related to Soybean)

1 In cases where all, or part of the delivery goods, are lost or damaged due to any event not attributable to the parties to the delivery, after the Delivering Agricultural Futures Clearing Participant has submitted the warehouse receipt to JSCC for delivery, but before JSCC submits it to the Receiving Agricultural Futures Clearing Participant, the Delivering Agricultural Futures Clearing Participant shall bear the loss.

2 In the case prescribed in the preceding Paragraph, the Delivering Agricultural Futures Clearing Participant shall immediately notify JSCC of the loss or damage. In addition, the Delivering Agricultural Futures Clearing Participant shall perform the delivery by submitting a warehouse receipt for substitutes for the delivery goods lost or damaged by the third day

from the day immediately following the date of said notification.

3 Notwithstanding the provisions of the preceding Paragraph, in cases where the Delivering Agricultural Futures Clearing Participant is unable to perform the delivery by of all or part of the damaged or lost delivery goods through substitutes, it may be discharged from the delivery obligation, subject to the approval of JSCC. In this case, JSCC and the Receiving Agricultural Futures Clearing Participant are not required to deliver the delivery goods and pay money related to the portion for which the delivery has not been performed.

4 As to the handling of the delivery prescribed in the preceding 2 Paragraphs, the Receiving Agricultural Futures Clearing Participant may not reject such handling.

5 The Delivering Agricultural Futures Clearing Participant who completes the delivery by providing substitute goods as prescribed in Paragraph 2 shall pay to JSCC a penalty for late delivery equivalent to 1% of the Price for Settlement by Delivery for the substitute portion, and, upon receipt of such penalty payment for late delivery, JSCC shall deliver it to the Receiving Agricultural Futures Clearing Participant without delay.

(Article 73-31-37 Early Delivery related to Soybean)

1 When performing the Settlement by Delivery related to Soybean through Early Delivery, notwithstanding the provisions of Article 73-31-35, the Settlement by Delivery shall be performed on the Early Delivery Day in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Agricultural Futures Clearing Participant shall deliver the warehouse receipts for the delivery goods by 11:00 A.M. on the Early Delivery Day and the Receiving Agricultural Futures Clearing Participant shall receive the relevant warehouse receipt by 2:45 P.M. on the same day;

(2) The Agricultural Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the Early Delivery Day, and the Agricultural Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of the preceding Article shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Early Delivery set forth in the preceding Paragraph.

(Article 73-31-38 Declared Delivery related to Soybean)

1 When performing the Settlement by Delivery related to Soybean through Declared Delivery, notwithstanding the provisions of Article 73-31-35, the Settlement by Delivery shall be performed with JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Agricultural Futures Clearing Participant shall submit the warehouse receipts for the delivery goods or the delivery documents JSCC deems appropriate by 11:00 A.M. on the Declared Delivery Day[*1] and the Receiving Agricultural Futures Clearing Participant shall receive the relevant warehouse receipt or the relevant documents by 2:45

P.M. on the same day;

(*1 The day agreed as the day of the Settlement by Delivery subject to the Declared Delivery between the Delivering Agricultural Futures Clearing Participant and the Receiving Agricultural Futures Clearing Participant pursuant to the rules prescribed by the Designated Market Operator; the same applies hereinafter in this Article)

(2) The Agricultural Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the Declared Delivery Day, and the Agricultural Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of Article 73-31-4 and Article 73-31-5 shall not apply to the short position and the long position subject to the Declared Delivery as prescribed in the preceding Paragraph on and after the next trading day following the date of conclusion of the Declared Delivery.

3 The provisions of Article 73-31-36 shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Declared Delivery set forth in Paragraph 1.

(Article 73-31-39 Customized Delivery related to Soybean)

1 When performing the Settlement by Delivery related to Soybean through Customized Delivery, notwithstanding the provisions of Article 73-31-35, the Settlement by Delivery shall be performed with JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Agricultural Futures Clearing Participant shall deliver the warehouse receipts for the delivery goods or the delivery documents JSCC deems appropriate by 11:00 A.M. on the day of the Settlement by Delivery and the Receiving Agricultural Futures Clearing Participant shall receive the relevant warehouse receipt or the relevant documents by 2:45 P.M. on the same day;

(2) The Agricultural Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the day of the Settlement by Delivery, and the Agricultural Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of Article 73-31-36 shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Customized Delivery set forth in the preceding Paragraph.

3 In respect of the Settlement by Delivery through Customized Delivery related to Soybean, matters not prescribed in these Business Rules or otherwise prescribed by JSCC shall be determined through mutual agreement between the parties to the delivery.

(Article 73-31-40 ADP related to Soybean)

1 When the Designated Market Operator approved the performance of the Settlement by Delivery related to the Soybean through ADP, the Settlement by Delivery between the Delivering Agricultural Futures Clearing Participant and Receiving Agricultural Futures Clearing Participant subject to the relevant ADP shall be deemed to have been completed

upon such approval.

2 The exchange of the delivery goods and money between the Delivering Agricultural Futures Clearing Participant and Receiving Agricultural Futures Clearing Participant related to ADP as per the preceding Paragraph shall be performed, notwithstanding the provisions of Article 73-31-35 and Article 73-31-36, between the parties to the relevant delivery through the method determined between them.

(Article 73-31-41 Inspection and the Like related to Soybean)

Matters required in connection with the inspection relating to the delivery goods and handling of deficiency shall be separately prescribed by JSCC.

Division 5 Azuki

(Article 73-31-42 delivery goods and Money Delivered/Paid and Received for Settlement by Delivery related to Azuki)

The quantity of the delivery goods and the amount of money to be delivered/paid or received by an Agricultural Futures Clearing Participant for the Settlement by Delivery related to Azuki shall be in accordance with each of the following Items:

(1) Quantity of Delivery Goods

The quantity of the delivery goods shall be as set forth in A) and B) below according to the category set forth therein:

A) Delivery of Delivery Goods

The quantity of the Final Short Position*1 or the short position related to the Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery;

(*1 referring to the Short Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day*1-1)

(*1-1 referring to the last trading day specified by the Designated Market Operator in respect of Physical Settlement Futures Contract*1-1-1; the same applies hereinafter in this Sub-subsection)

(*1-1-1 only those related to Azuki; the same applies hereinafter in this Sub-subsection)

B) Receipt of Delivery Goods

The quantity of the Final Long Position*1 or the long position related to Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery.

(*1 referring to the Long Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day; the same applies hereinafter in this Sub-subsection)

(2) Amount of Money

The amount of money shall be the difference between the total amount of the Price for Settlement by Delivery and the Like related to the Final Short Position or the short position set forth in sub-Item A) of the preceding Item and the total amount of the Price for Settlement by Delivery and the Like related to the Final Long Position or the long position set forth in Sub-item B) of the said Item, calculated by each unit described in A) and B) below, plus the amount of the transit fee specified by the Designated Market Operator:

A) Unit prescribed in Item (1) and Item (3) of Article 46-3;

B) Unit prescribed in Item (2) of Article 46-3 and Item (1) and Item (2) of Article 46-4.

(Article 73-31-43 Determine Delivery Goods related to Azuki)

1 In the Settlement by Delivery related to Azuki, if there are two (2) or more Agricultural Futures Clearing Participants holding Final Long Position[*1], each delivery goods to be received by the Receiving Agricultural Futures Clearing Participant shall be allocated through mutual consultation, lottery or other method prescribed by JSCC.

([*1] excluding the Final Long Position to be settled by delivery pursuant to Article 73-31-47)

2 When the Agricultural Futures Clearing Participants which is Agency Clearing Participant allocates the delivery goods to a Non-Clearing Participant, such allocation shall be performed in a fair manner through lottery or other method decided by the relevant Agricultural Futures Clearing Participant in advance.

(Article 73-31-44 Settlement Cutoff Time and Settlement Method of Settlement by Delivery related to Azuki)

1 The delivery/payment and receipt of the delivery goods and money in respect of the Settlement by Delivery related to Azuki shall be made between the Clearing Participant and JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Agricultural Futures Clearing Participant shall deliver the warehouse receipts for the delivery goods by 11:00 A.M. on the relevant day of Settlement by Delivery and the Receiving Agricultural Futures Clearing Participant shall receive the relevant warehouse receipt by 2:45 P.M. on the same day;

(2) The Agricultural Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the relevant day of Settlement by Delivery, and the Agricultural Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

(Article 73-31-45 Loss or Damage after the Submission of Delivery Goods related to Azuki)

1 In cases where all, or part of the delivery goods, are lost or damaged due to any event not attributable to the parties to the delivery, after the Delivering Agricultural Futures Clearing Participant has submitted the warehouse receipt to JSCC for delivery, but before JSCC submits it to the Receiving Agricultural Futures Clearing Participant, the Delivering Agricultural Futures Clearing Participant shall bear the loss.

2 In the case prescribed in the preceding Paragraph, the Delivering Agricultural Futures Clearing Participant shall immediately notify JSCC of the loss or damage. In addition, the Delivering Agricultural Futures Clearing Participant shall perform the delivery by submitting a warehouse receipt for substitutes for the delivery goods lost or damaged by the third day from the day immediately following the date of said notification.

3 Notwithstanding the provisions of the preceding Paragraph, in cases where the Delivering Agricultural Futures Clearing Participant is unable to perform the delivery by of all or part of the damaged or lost delivery goods through substitutes, it may be discharged from the

delivery obligation, subject to the approval of JSCC. In this case, JSCC and the Receiving Agricultural Futures Clearing Participant are not required to deliver the delivery goods and pay money related to the portion for which the delivery has not been performed.

4 As to the handling of the delivery prescribed in the preceding 2 Paragraphs, the Receiving Agricultural Futures Clearing Participant may not reject such handling.

5 The Delivering Agricultural Futures Clearing Participant who complete delivery by providing substitute goods as prescribed in Paragraph 2 shall pay to JSCC a penalty for late delivery equivalent to 1% of the delivery payment for the substitute portion, and, upon receipt of such penalty payment for late delivery, JSCC shall deliver it to the Receiving Agricultural Futures Clearing Participant without delay.

(Article 73-31-46 Early Delivery related to Azuki)

1 When performing the Settlement by Delivery related to Azuki through Early Delivery, notwithstanding the provisions of Article 73-31-44, the Settlement by Delivery shall be performed on the Early Delivery Day in accordance with each of the following Items in a manner prescribed by JSCC:

(1) The Delivering Agricultural Futures Clearing Participant shall deliver the warehouse receipts for the delivery goods by 11:00 A.M. on Early Delivery Day and the Receiving Agricultural Futures Clearing Participant shall receive the relevant warehouse receipt by 2:45 P.M. on the same day;

(2) The Agricultural Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the Early Delivery Day, and the Agricultural Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of the preceding Article shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Early Delivery set forth in the preceding Paragraph.

(Article 73-31-47 ADP related to Azuki)

1 When the Designated Market Operator approved the performance of the Settlement by Delivery related to the Azuki through ADP, the Settlement by Delivery between the Delivering Agricultural Futures Clearing Participant and Receiving Agricultural Futures Clearing Participant subject to the relevant ADP shall be deemed to have been completed upon such approval.

2 The exchange of the delivery goods and money between the Delivering Agricultural Futures Clearing Participant and Receiving Agricultural Futures Clearing Participant related to ADP as per the preceding Paragraph shall be performed, notwithstanding the provisions of Article 73-31-44 and Article 73-31-45, between the parties to the relevant delivery through the method determined between them.

(Article 73-31-48 Inspection and the Like related to Azuki)

Matters required in connection with the inspection and measuring relating to the delivery goods and handling of deficiency shall be separately prescribed by JSCC.

Division 6 Corn

(Article 73-31-49 Delivery Goods and Money Delivered/Paid and Received for Settlement by Delivery related to Corn)

The quantity of the delivery goods and the amount of money to be delivered/paid or received by an Agricultural Futures Clearing Participant for the Settlement by Delivery related to Corn shall be in accordance with each of the following Items:

(1) Quantity of Delivery Goods

The quantity of the delivery goods shall be as set forth in A) and B) below according to the category set forth therein:

A) Delivery of Delivery Goods

The quantity of the Final Short Position*1 or the short position related to the Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery;

(*1 referring to the Short Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day*1-1)

(*1-1 referring to the last trading day specified by the Designated Market Operator in respect of Physical Settlement Futures Contract*1-1-1; the same applies hereinafter in this Sub-subsection)

(*1-1-1 only those related to Corn; the same applies hereinafter in this Sub-subsection)

B) Receipt of Delivery Goods

The quantity of the Final Long Position*1 or the long position related to Physical Settlement Futures Contracts for which the Settlement by Delivery is performed through Early Delivery.

(*1 referring to the Long Position for which no report set forth in Paragraph 1 and Paragraph 2 of Article 73-31-2 has been submitted by the Last Trading Day; the same applies hereinafter in this Sub-subsection)

(2) Amount of Money

The amount of money shall be the difference between the total amount of the Price for Settlement by Delivery related to the Final Short Position or the short position set forth in sub-Item A) of the preceding Item and the total amount of the Price for Settlement by Delivery related to the Final Long Position or the long position set forth in Sub-item B) of the said Item, calculated by each unit described in A) and B) below, with the same delivery day:

A) Unit prescribed in Item (1) and Item (3) of Article 46-3;

B) Unit prescribed in Item (2) of Article 46-3 and Item (1) and Item (2) of Article 46-4.

(Article 73-31-50 Determine Delivery Goods related to Corn)

1 In the Settlement by Delivery related to Corn, if there are two (2) or more Agricultural Futures Clearing Participants holding Final Long Position[*1], each delivery goods to be received by the Receiving Agricultural Futures Clearing Participant shall be allocated through mutual consultation, lottery or other method prescribed by JSCC.

([*1] excluding the Final Long Position to be settled by delivery pursuant to Article 73-31-55)

2 When the Agricultural Futures Clearing Participants which is Agency Clearing Participant allocates the delivery goods to a Non-Clearing Participant, such allocation shall be performed in a fair manner through lottery or other method decided by the relevant Agricultural Futures Clearing Participant in advance.

(Article 73-31-51 Settlement Cutoff Time and Settlement Method of Settlement by Delivery related to Corn)

1 The delivery/payment and receipt of the delivery goods and money in respect of the Settlement by Delivery related to Corn shall be made between the Clearing Participant and JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) Delivery and Receipt of Delivery Goods

The delivery method shall be Cost Insurance and Freight and the delivery and receipt of the delivery goods between the parties to the delivery shall be performed in accordance with A) through C) below:

A) The Delivering Agricultural Futures Clearing Participant shall submit the delivery goods details advice prescribed by JSCC to JSCC by noon on the seventh day before the scheduled arrival day of the carrying vessel at the port of delivery;

B) The Delivering Agricultural Futures Clearing Participant shall deliver the delivery documents[*1] for the delivery goods by 11:00 A.M. on the relevant date of Settlement by Delivery, and the Receiving Agricultural Clearing Participant shall receive the relevant delivery documents by 2:45 P.M. on the same day;

([*1] referring to the private delivery order and other documents prescribed by JSCC; the same applies hereinafter)

C) Promptly upon completion of the unloading of the delivery goods, the Receiving Agricultural Futures Clearing Participant shall notify JSCC of such effect.

(2) Payment and Receipt of Money

The Agricultural Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the relevant day of Settlement by Delivery, and the Agricultural Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the next day following the date on which the notification set forth in C) of the preceding Item is given to JSCC, respectively in a manner prescribe by JSCC.

(Article 73-31-52 Early Delivery related to Corn)

1 When performing the Settlement by Delivery related to Corn through Early Delivery,

notwithstanding the provisions of the preceding Article, the Settlement by Delivery shall be performed on the Early Delivery Day in accordance with each of the following Items in a manner prescribed by JSCC. In such case, the place of delivery may be the port[*1] agreed between the parties to the delivery:

([*1] only a port within Japan)

(1) Delivery and Receipt of Delivery Goods

A) The Delivering Agricultural Futures Clearing Participant shall deliver the delivery documents for the delivery goods by 11:00 A.M. on the Early Delivery Day in a manner prescribed by JSCC and the Receiving Agricultural Futures Clearing Participant shall receive the relevant delivery documents by 2:45 P.M. on the same day;

B) Promptly upon completion of the unloading of the delivery goods, the Receiving Agricultural Futures Clearing Participant shall notify JSCC of such effect.

(2) Payment and Receipt of Money

The Agricultural Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the Early Delivery Day, and the Agricultural Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the next day following the date on which the notification set forth in B) of the preceding Item is given to JSCC, respectively in a manner prescribe by JSCC.

(Article 73-31-53 Adjustment Due to the Weight of Delivery Goods related to Corn)

1 The Receiving Agricultural Futures Clearing Participant shall promptly inform JSCC of the net landing weight measured by the inspection organizations designated by the Designated Market Operator without delay after the delivery of the delivery goods.

2 The adjustment of the price for delivery goods related to difference between the net landing weight and the quantity of the delivery goods and other necessary adjustment shall be performed in a manner prescribed by JSCC.

(Article 73-31-54 Responsibility of Various Delivery Costs related to Corn)

The responsibility for various costs arising from the Settlement by Delivery related to Corn shall be subject to the rules prescribed by JSCC.

(Article 73-31-55 ADP related to Corn)

1 When the Designated Market Operator approved the performance of the Settlement by Delivery related to the Corn through ADP, the Settlement by Delivery between the Delivering Agricultural Futures Clearing Participant and Receiving Agricultural Futures Clearing Participant subject to the relevant ADP shall be deemed to have been completed upon such approval.

2 The exchange of the delivery goods and money between the Delivering Agricultural Futures Clearing Participant and Receiving Agricultural Futures Clearing Participant related to ADP

as per the preceding Paragraph shall be performed, notwithstanding the provisions of Article 73-31-51 and the preceding two Articles, between the parties to the relevant delivery through the method determined between them.

Division 7 Other

(Article 73-31-56 Handling of Inability to Deliver due to Accident Involving Carrying Vessel or the Like)

1 In the Settlement by Delivery[*1] of Commodity Futures Contracts, if the delivery is not made on the day of the Settlement by Delivery, the Early Delivery Day or the Declared Delivery Day[*2] because of an accident involving the carrying vessel or other event designated by JSCC as an event that is not attributable to the parties to the delivery, the parties to the delivery shall hold discussions and set another delivery date that falls within the delivery period specified by the Designated Market Operator in respect of the transactions involving the relevant delivery or a period approved by JSCC and shall make delivery; provided, however, that JSCC considers that it is impossible or inefficient to make delivery through this method, the delivery shall be considered to have been completed through settlement using the delivery price set by the Designated Market Operator.

([*1] excluding the Settlement by Delivery through ADP)

([*2] only those prescribed by JSCC)

2 When the exchange of the delivery goods pursuant to the provisions of the preceding Paragraph is performed after the day of the Settlement by Delivery, the Early Delivery Day or the Declared Delivery Day, the Commodity Futures Clearing Participant delivering the delivery goods shall pay 1% of the Price for the Settlement by Delivery per day[*1] for the delay as a penalty and, upon receipt of such money, JSCC shall pay such amount to the Commodity Futures Clearing Participant receiving the delivery goods without delay, unless otherwise prescribed by JSCC.

([*1] including Non-Business Days)

3 The parties to the delivery may not object to the method for handling non-delivery prescribed in the preceding two Paragraphs.

(Article 73-31-57 Completion of Physical Settlement Futures Contracts by Cash Settlement)

1 If a Clearing Participant fails to perform the delivery related to the Physical Settlement Futures Contracts as prescribed in this Section[*1], JSCC shall have the relevant delivery completed by deeming that Offsetting Sale or Purchase of the position subject to such delivery has been concluded at the delivery price specified by the Designated Market Operator by collecting the amount separately determined by JSCC from the relevant Clearing Participant, and delivering such amount to another Clearing Participant to receive the delivery goods in the relevant delivery. In such case, matters necessary for this shall be separately prescribed by JSCC.

([*1] excluding the Settlement by Delivery through ADP)

2 Unless there is unavoidable circumstance, a Clearing Participant may not complete the

delivery according to the provisions of the preceding Paragraph.

Subsection 4 Final Settlement for Cash Settlement Futures Contracts

(Article 73-31-58 Payment and Receipt of Money associated with Final Settlement of Cash-settled Monthly Futures Contracts)

In the Final Settlement[*1] of the Cash-settled Monthly Futures Contracts[*2], if there is a difference between the Final Settlement Price[*3] and the Settlement Price for the Last Trading Day[*4], the Commodity Futures Clearing Participant shall pay or receive the amount of money equivalent to such difference with JSCC on the Final Settlement Date[*5]. In such case, the Commodity Futures 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 Commodity Futures 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 final settlement prescribed by the Designated Market Operator)

([*2] referring to the cash-settled monthly futures transactions prescribed by the Designated Market Operator; the same applies hereinafter)

([*3] referring to the final settlement price specified by the Designated Market Operator; the same applies hereinafter)

([*4] referring to the last trading day specified by the Designated Market Operator in respect to the Cash-settled Monthly Futures Contracts)

([*5] referring to the final settlement date for the Cash-settled Monthly Futures Contract specified by the Designated Market Operator)

(Article 73-31-59 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 Commodity Futures 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 73-31-2 has been submitted, or the next day following the trading day on which the Delivery on Request[*3] has been agreed. In such case, the Commodity Futures 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 Commodity Futures 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)

([*3] referring to the delivery on request prescribed by the Designated Market Operator; the same applies hereinafter)

(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 73-31-2 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.

(3) For the position as to which the Delivery on Request has been agreed, the amount specified in A) and B below:

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

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

(Article 73-31-60 Delivery on Request under Cash-settled Rolling-Spot Futures Contracts)

1 In the case of the Settlement by Delivery by a Precious Metal Futures Clearing Participant through the Delivery on Request of Cash-settled Rolling-Sport Futures Contract, the quantity of the delivery goods and the amount of money to be delivered/paid or received shall be in accordance with each of the following Items:

(1) The quantity of the delivery goods shall be as set forth in A) and B) below:

A) For a delivery of the delivery goods, the quantity obtained by dividing the total quantity of the short position subject to the Delivery on Request by the Delivery Multiplier

B) For a receipt of the delivery goods, the quantity obtained by dividing the total quantity of the long position subject to the Delivery on Request by the Delivery Multiplier

(2) The amount of money shall be the difference between the total amount of the Price for Settlement by Delivery and the Like related to the short position subject to the Delivery on Request and the total amount of the Price for Settlement by Delivery and the Like related to the long position, calculated by each unit described in A) and B) below:

A) Unit prescribed in Item (1) and Item (3) of Article 46-3;

B) Unit prescribed in Item (2) of Article 46-3 and Item (1) and Item (2) of Article 46-4.

2 The delivery/payment and receipt of the delivery goods and money under the Delivery on Request set forth in the preceding Paragraph shall be performed with JSCC in accordance with each of the below Items in a manner prescribed by JSCC by setting the day determined as the day of the Settlement by Delivery up to the second day[*1] following the date on which such Delivery on Request becomes effective as the delivery day[*2]

([*1] if it falls on a Non-Business Day, the next business day)

([*2] hereinafter referred to as “Date of Delivery on Request”)

(1) Delivery and Receipt of Delivery Goods

A) Delivery and Receipt of Gold

To be performed by a transfer of the title concerning the delivery goods from the Delivering Precious Metal Futures Clearing Participant to the Receiving Precious Metal Futures Clearing Participant at the Approved Warehouse

B) Delivery and Receipt of Platinum

The Delivering Precious Metal Futures Clearing Participant shall delivery the warehouse receipt[*1] of the delivery goods by 11:00 A.M. on the Date of Delivery on Request, and the Receiving Precious Metal Futures Clearing Participant shall receive the relevant warehouse receipt at 2:45 P.M. on the same day.

([*1] when there is a consent of the Receiving Precious Metal Futures Clearing Participant, the delivery order; the same applies hereinafter in this Sub-subsection)

(2) Payment and Receipt of Money

The Precious Metal Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the day before the Date of Delivery on Request, and the Precious Metal Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

(Article 73-31-61 Customized Delivery for Delivery on Request under Cash-settled Rolling Spot Futures Contracts)

1 When performing the Delivery on Request set forth in the preceding Article through Customized Delivery, notwithstanding the provisions of Paragraph 2 of the said Article, the delivery/payment and receipt of the delivery goods and money shall be performed on the Date of Delivery on Request with JSCC in accordance with each of the following Items in a manner prescribed by JSCC:

(1) Delivery and Receipt of Delivery Goods

The Delivering Precious Metal Futures Clearing Participant shall deliver the warehouse receipts for the delivery goods by 11:00 A.M. on the Date of Delivery on Request and the Receiving Precious Metal Futures Clearing Participant shall receive the relevant warehouse receipt by 2:45 P.M. on the same day;

(2) Payment and Receipt of Money

The Precious Metal Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the day before the Date of Delivery on Request, and the Precious Metal Futures Clearing Participant receiving money shall receive the money at 1:00 P.M. on the same day.

2 The provisions of Article 73-31-9 shall apply *mutatis mutandis* when the Settlement by Delivery is performed through Customized Delivery set forth in the preceding Paragraph.

3 Matters not prescribed in these Business Rules or otherwise prescribed by JSCC shall be determined through mutual agreement between the parties to the delivery.

Subsection 5 Miscellaneous Clauses

(Article 73-31-62 Locus of Responsibility in the case where Settlement Price is not able to be calculated, etc.)

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

Section 7-3 Settlement of Option Contract on Commodity Futures Contract

(Article 73-31-63 Reporting Close-out Quantity and the Like)

1 A Commodity Futures Clearing Participant shall, in respect of each issue of Option Contract on Commodity Futures, notify JSCC the close-out quantity and the amount of Offsetting Sale or Offsetting Purchase when it has executed Offsetting-Sale or Offsetting-Purchase[*1], by each account as set forth in Article 46-3 and by the cutoff time set by JSCC.

([*1] excluding the case stipulated in the following Paragraph)

2 A Commodity Futures Clearing Participant shall notify, in respect of each issue of Option Contract on Commodity Futures, JSCC the close-out quantity*[1], and, when Offsetting-Sale in respect of the Long Position Subject To Brokerage for Clearing or Offsetting-Purchase in respect of the Short Position Subject To Brokerage for Clearing has been executed, the amount of Offsetting Sale or Offsetting Purchase by a Commodity Futures 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 Article 46-4 and by the cutoff time set by JSCC. In such case, a Commodity Futures Clearing Participant may cause the Commodity Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing or the relevant Short Position Subject To Brokerage for Clearing to make such notification in place of Commodity Futures Clearing Participant's own notification.

(*[1] limited to those under commission of the Brokerage for Clearing of Securities, etc.)

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 46-3 that is managed by the relevant Commodity Futures 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 Article 46-4 that is managed by the relevant Commodity Futures Clearing Participant.

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

(*[1] referring to the Designated Market Operator operating the Designated Financial Instruments Market prescribed in Item (6)-3 of Paragraph 2 of Article 3; the same applies hereinafter in this Section)

(Article 73-31-64 Payment/Receipt of Contract Price)

When a Contract for Clearing in respect of Option Contract on Commodity Futures is formed, the Commodity Futures Clearing Participant shall pay/receive the contract price therefor to/from JSCC on the day immediately following the trading day of the conclusion of the trading contract*1. In such case, a Commodity Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the day on which the relevant money is to be paid or received, and a Commodity Futures Clearing Participant receiving payment shall receive the money at 1:00 P.M. of the day on which the relevant money is to be paid or received.

(*1 referring to the trading day prescribed by the Designated Market Operator in respect of the Option Contract on Commodity Futures; the same applies hereinafter in this Section)

(Article 73-31-65 Notification of Exercise of Option)

1 An exercise of the option pertaining to the Long Position*1 of Option Contract on Commodity Futures shall be done by the Commodity Futures Clearing Participant's notifying JSCC of the amount pertaining to the exercise in respect of each issue by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC which precedes the expiration time of the Option Contract on Commodity Futures specified by the Designated Market Operator.

(*1 excluding the Long Position Subject To Brokerage for Clearing)

2 An exercise of the option pertaining to the Long Position*1 of Option Contract on Commodity Futures shall be done by notifying JSCC of the amount pertaining to the exercise in respect of each issue and each Commodity Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing, and by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC which precedes the expiration time of the Option Contract on Commodity Futures specified by the Designated Market Operator. In such case, a Commodity Futures Clearing Participant may cause the Commodity Futures Non-Clearing Participant pertaining to the relevant Long Position Subject To Brokerage for Clearing to make such notification in place of Commodity Futures Clearing Participant's own notification.

(*1 limited to the Long Position Subject To Brokerage for Clearing)

3 Regarding the issue which falls under any of the following Items on the Exercise Date*1, the Commodity Futures Clearing Participant cannot make the notification of the exercise of the right set forth in the preceding two Paragraphs:

(*1 referring to the exercise date specified by the Designated Market Operator in respect of the Option Contract on Commodity Futures; the same applies hereinafter in this Section)

(1) In respect of Put Option on Commodity Futures, in the case where the exercise price is at the Option Settlement Price*1 or lower;

(*1 referring to the option settlement price specified by the Designated Market Operator; the same applies hereinafter in this Section)

(2) In respect of Call Option on Commodity Futures, in the case where the exercise price is at the Option Settlement Price or higher.

4 Regarding the issue which falls under any of the following Items on the Exercise Date, the notification of the exercise of the option on that issue shall be deemed to have been made even though the notification of the exercise under Paragraph 1 or Paragraph 2 is not made on the relevant day by the cutoff time set by JSCC under Paragraph 1 or Paragraph 2; provided, however, that the foregoing shall not apply in the case where the Commodity Futures Clearing Participant notified by such cutoff time to the effect that it will not exercise the option in respect of such issue:

(1) In respect of Put Option on Commodity Futures, in the case where the exercise price exceeds the Option Reference Price;

(2) In respect of Call Option on Commodity Futures, in the case where the exercise price is lower than the Option Reference Price.

5 When, due to a failure of the trading system of the Designated Market Operator or other unavoidable cause, JSCC considers it inappropriate to deem that the notice of exercise have been made pursuant to the main body of the preceding Paragraph, the provisions of the main body of the said Paragraph shall not apply.

6 When JSCC has received the notification of the exercise of option prescribed in Paragraph 1 or Paragraph 2*1, JSCC shall inform the detail of the exercise of option so notified to the Designated Market Operator.

(*1 including the case where the notification of the exercise of option is deemed to have been received pursuant to the provisions of Paragraph 4)

(Article 73-31-66 Assignment of Exercised Option)

1 When a Commodity Futures Clearing Participant notifies the exercise of option, JSCC shall make the assignment of the quantity of the exercised option in respect of each issue in accordance with the rules of JSCC.

2 When JSCC makes the assignment of the exercised option pursuant to the provisions in the preceding Paragraph, JSCC shall notify the Commodity Futures Clearing Participant to whom such assignment is made*1 of the quantity of the relevant assignment by separating those for the proprietary account from those pursuant to the commissions by its customers.

(*1 in the case where the exercised option is assigned to the Short Position Subject To Brokerage for Clearing, the assigned quantity of each Commodity Futures Non-Clearing Participant pertaining to the relevant Short Position Subject To Brokerage for Clearing by separating those for the proprietary account from those pursuant to the commissions by its customers)

3 The Commodity Futures Clearing Participant which received the notification of the assignment to the Short Position Subject To Brokerage for Clearing pursuant to the provisions of the preceding Paragraph shall notify each Commodity Futures Non-Clearing

Participant pertaining to the relevant Short Position Subject To Brokerage for Clearing of such assigned quantity by separating those for the proprietary account from those pursuant to the commissions by its customers.

4 When JSCC makes the assignment of the quantity of the exercised option pursuant to the provisions of Paragraph 1, JSCC shall notify the detail of such assignment to the Designated Market Operator.

(Article 73-31-67 Payment/Receipt on the Settlement of Exercised Option)

When the right pertaining to Option Contract on Commodity Futures is exercised, the Commodity Futures Clearing Participant shall pay/receive the money equivalent to the difference between its exercise price and the Option Settlement Price to/from JSCC on the day following the day on which the relevant right is exercised. In such case, a Commodity Futures Clearing Participant making payment shall pay the money by 11:00 A.M. on the day on which the relevant money to be paid or received, and a Commodity Futures Clearing Participant receiving payment shall receive the money at 1:00 P.M. on the day on which the relevant money to be paid or received.

(Article 73-31-68 Locus of Responsibility in the case where Option Reference Price is not able to be calculated, etc.)

A Commodity Futures Clearing Participant is not entitled to seek indemnity against JSCC and the Designated Market Operator operating the Designated Financial Instruments Market under Item (6)-2 and Item (6)-3 of Paragraph 2 of Article 3 for any damages suffered by it as a result of an inability, delay or error regarding the calculation of, or as a result of a change in, the Option Reference Price.

Section 8 Settlement of Exchange FX Contract.

(Article 73-32 Notification of Position)

1 An FX Clearing Participant shall notify JSCC of the number of Long Positions*1 and the number of Short Positions*2 relating to an Exchange FX Contract in respect of each Subject Financial Index*3, and by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC. Provided, however, when the FX Clearing Participant has executed an Offsetting-Sale or Offsetting-Purchase, it shall notify the number after deducting the number subject to such Offsetting-Sale or Offsetting-Purchase as regarding them as the number relating to settlement.

(*1 excluding Long Position Subject To Brokerage for Clearing)

(*2 excluding Short Position Subject To Brokerage for Clearing)

(*3 referring to the subject financial index set by the Designated Market Operator*3-1; the same applies hereinafter in this Section)

(*3-1 referring to the Designated Market Operator operating the Designated Financial Instruments Market prescribed in Item (11) of Paragraph 2 of Article 3; the same applies hereinafter in this Section)

2 An FX Clearing Participant shall notify JSCC of the number of Long Positions Subject To Brokerage for Clearing and the number of Short Positions Subject To Brokerage for Clearing relating to an Exchange FX Contract in respect of each Subject Financial Index and in respect of each FX Non-Clearing Participant*1 relating to such Long Position Subject To Brokerage for Clearing or such Short Position Subject To Brokerage for Clearing, and by separating those for the proprietary account from those pursuant to the commissions by its customers, by the cutoff time set by JSCC. Provided, however, when an Offsetting-Sale or Offsetting-Purchase has been executed, such Clearing Participant shall notify the number after deducting the number subject to such Offsetting-Sale or Offsetting-Purchase as regarding them as the number relating to settlement. In such case, the FX Clearing Participant may cause the FX 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 place of the FX Clearing Participant.

(*1 referring to the entity which has the trading qualification in respect of Exchange FX Contract but does not have FX Clearing Qualification; the same applies hereinafter)

3 The FX Clearing Participant shall calculate and record the number subject to the notification under the preceding two Paragraphs immediately after the trading session of each Trading Day*1.

(*1 referring to the Trading Day designated by the Designated Market Operator in respect of an Exchange FX Contract; the same applies hereinafter in this Section)

(Article 73-33 Settlement Price and Swap Point Standard Price)

JSCC shall, pursuant to its rules, prescribe the Settlement Price and swap point standard price of each Trading Day in respect of each Subject Financial Index of Exchange FX Contract after the close of session on such Trading Day.

(Article 73-34 Payment/Receipt of Initial Mark to the Market Result)

If there is any difference in an Exchange FX Contract between the contract price and the Settlement Price on the Trading Day on which such Exchange FX Contract is executed in respect of a Position for which a rollover*1 is executed at the close of trading session of that Trading Day and which has arisen from the contract formed during such session, the FX Clearing Participant shall pay/receive money equivalent to such difference to/from JSCC on the settlement day*2 relating to such Trading Day.

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

(*2 referring to the day following the closing day of the Trading Day*2-1)

(*2-1if it falls on a Non-business Day, it shall be the immediately following business day; the same applies hereinafter in this Section)

(Article 73-35 Payment /Receipt of Net Difference to Previous Day)

If there is any difference in an Exchange FX Contract between the Settlement Price on the Trading Day on which a rollover is executed and the Settlement Price on the Trading Day immediately preceding such Trading Day in respect of a Position for which such rollover is operated at the close of trading session of such Trading Day and which has arisen from the contract formed prior to such session, the FX Clearing Participant shall pay/receive money equivalent to such difference to/from JSCC on the settlement day relating to such Trading Day.

(Article 73-35-2 Payment/Receipt of Final Settlement Balance)

In the Final Settlement of Exchange FX Contracts*1, FX Clearing Participants shall pay/receive money described in below listed items to/from JSCC on the Final Settlement Date*2:

(*1 referring to the Final Settlement of Exchange FX Contracts prescribed by the Designated Market Operator)

(*2 referring to the Final Settlement Date of Exchange FX Contracts prescribed by the Designated Market Operator)

(1) In respect of a Position existing on the Last Trading Day*1 which has arisen from the contract formed during the session on such Last Trading Day, the amount equal to the difference, if any, between the contract price of the relevant contract and the Final Settlement Price*2 on the Trading Day on which such contract is executed; and

(2) In respect of a Position existing on the Last Trading Day which has arisen from the contract formed prior to the opening of the session on the Last Trading Day, the amount equal to the difference, if any, between the Final Settlement Price and the Settlement Price on the previous Trading Day.
(*1 referring to the Last Trading Day prescribed by the Designated Market Operator in respect of Exchange FX Contracts; the same applies hereinafter in this Article)
(*2 referring to the Final Settlement Price prescribed by the Designated Market Operator; the same applies hereinafter in this Article)

(Article 73-36 Delivery or Receipt of Swap Points)

When a rollover of Position is executed in an Exchange FX Contract at the close of trading session on any Trading Day, FX Clearing Participant shall deliver/receive to/from JSCC the amount of money equivalent to the amount obtained by multiplying the swap point standard price of each Subject Financial Index by the difference between the number of the Long Positions subject to such rollover and the number of the Short Positions subject to such rollover*1, on the settlement day relating to such Trading Day.
(*1 hereinafter referred to as “Swap Points”)

(Article 73-37 Payment /Receipt of Settlement Balance)

When an Offsetting-Sale or Offsetting-Purchase is executed in an Exchange FX Contract, FX Clearing Participant shall pay/receive to/from JSCC the sum of money set forth in the following Items according to the classification of the Position set forth in such Items on the settlement day relating to the Trading Day on which such Offsetting-Sale or Offsetting-Purchase is executed:

(1) For Position relating to the contract formed on the Trading Day on which such Offsetting-Sale or Offsetting-Purchase is executed:

The amount of money equivalent to the difference between the contract price of the Position and the contract price of such Offsetting-Sale or Offsetting-Purchase transaction

(2) For Position relating to the contract formed on or prior to the Trading Day immediately preceding the Trading Day on which such Offsetting-Sale or Offsetting-Purchase transaction is executed:

The amount of money equivalent to the difference between the Settlement Price on such immediately preceding Trading Day and the contract price related to such Offsetting-Sale or Offsetting-Purchase.

(Article 73-38 Net Difference to Previous Day relating to Non-Yen Financial Index)

The amount of money equivalent to the difference prescribed in each of Article 73-34 through Article 73-37 in respect of an Exchange FX Contract relating to the Non-Yen Financial Index*1 shall be computed in accordance with the rules prescribed by JSCC.

(*1 referring to the non-yen financial index prescribed by the Designated Market Operator)

(Article 73-39 Locus of Responsibility in the case where Settlement Price, etc. is not able to be Calculated, etc.)

An FX Clearing Participant is not entitled to seek indemnity against JSCC or the Designated Market Operator for any damages suffered by it as a result of an inability, delay or error regarding the calculation or distribution of, or change, etc. in, Settlement Price or swap point standard price.

Section 9 Miscellaneous Clauses.

(Article 73-40 Amount of Money to be Paid/Received for Futures and Options, and Its Method)

1 The payment and receipt of the amount of money pursuant to the provisions of Article 73-3, Article 73-5-2, Article 73-8, Article 73-9, Article 73-9-2, Article 73-17, Article 73-22 through Article 73-24, Article 73-27, Article 73-30, Article 73-31-4, Article 73-31-5, Article 73-31-58, Article 73-31-59, Article 73-31-64 and Article 73-31-67 shall be performed in the amount set forth below according to the below-listed classification:

(1) Classification set forth in Items (1) and (3) of Article 46-3

The sum of the differences between the amount to be paid and amount to be received in respect of the accounts set forth in Item (1) and Item (3), a. and b. of Article 46-3 of the same Clearing Participant;

(2) Classification set forth in Item (2) A) and B) of Article 46-3 and Items (1) and (2) of Article 46-4

The sum of the differences between the amount to be paid and amount to be received in respect of the accounts set forth in Item (2) of Article 46-3, Item (1) and Item (2) a. and b. of Article 46-4 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 method in this case shall be in accordance with the rules of 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 46-3 and Article 46-4 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 73-41 Amount of Money to be Paid/Received for Futures and Options, and its Method)

1 The amount of money to be paid/received pursuant to the provisions of Article 73-34 through Article 73-38 shall be the difference between the total amount to be paid and the total amount to be received by the same FX Clearing Participant for each purpose of deposit made by such FX Clearing Participant*[1].

(*[1] referring to the classification of the Margins prescribed in Paragraph 1 of Article 19 of the Rules on Margins, etc. for Exchange FX Contracts; the same applies hereinafter)

2 In addition to those set forth in the preceding Paragraph, matters necessary to be prescribed in relation to the amount of money to be paid/received pursuant to the provisions of Article 73-34 through Article 73-38 shall be prescribed by JSCC.

(Article 73-42 Application of the Rules in the Event of the Give-up)

With respect to the Futures and Option 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 is deemed to have concluded the relevant Futures and Option Contracts, and the provisions of this Chapter and the following Chapter shall apply accordingly.

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

Chapter 5-2 Succession of Margin and Unsettled Contract, etc.

(Article 73-43 Succession of Margin and Unsettled Contract, etc.)

1 The matters with respect to the Margin relating to the Futures and Option Contracts and the handling of Unsettled Contracts, etc. in the event of the suspension of assumption of obligation due to default, etc. in the Securities and Similar Contract Clearing Business performed by JSCC shall be prescribed in the Rules on Margins, etc. for Futures and Option Contracts.

2 The matters with respect to the Margin relating to the Exchange FX Contracts and the handling of Unsettled Contracts, etc. in the event of the suspension of assumption of obligation due to default, etc. in the Securities and Similar Contract Clearing Business performed by JSCC shall be prescribed in the Rules on Margins, etc. for Exchange FX Contracts.

Chapter 5-3 Position Transfers

(Article 73-44 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 relating to Futures and Option Contracts*1 to other Clearing Participants.

(*1 excluding those Unsettled Contracts which are contract month contracts*1-1 remaining after 1:00 P.M. on the second day from and including the Last Trading Day *1-2 of such contract month contract whose Last Trading Day for the Physically-delivered JGB Futures Contract has arrived, those Unsettled Contracts which are contract month contracts*1-3 remaining after 2:30 P.M. on the Last Trading Day*1-4 of such contract month contract whose Last Trading Day has arrived and Cross Margined JGB Futures Cleared Contracts or Cross Margined Interest Rate Futures Cleared Contracts; the same applies hereinafter in this Chapter)

(*1-1 referring to the contract month contracts specified by the Designated Market Operator*1-1-1)

(*1-1-1 referring to the Designated Market Operator which operates the Designated Financial Instruments Market prescribed in Item (3) of Paragraph 2 of Article 3)

(*1-2 referring to the last trading day specified by the Designated Market Operator*1-2-1 with respect to the contracts in question)

(*1-2-1 referring to the Designated Market Operator which operates the Designated Financial Instruments Market prescribed in Item (3) of Paragraph 2 of Article 3)

(*1-3 referring to the contract month contracts specified by the Designated Market Operator*1-2-1)

(*1-4 referring to the last trading day specified by the Designated Market Operator*1-42-1 with respect to the contracts in question

(*1-4-1 referring to the Designated Market Operator which operates the Designated Financial Instruments Market prescribed in Item (6)-2 and Item (6)-3 of Paragraph 2 of Article 3)

2 When a Clearing Participant transfers its Unsettled Contracts pursuant to the provisions of the preceding Paragraph*1, it shall obtain acknowledgement of another Clearing Participant as to the Position Transfer and submit an application to JSCC by the cutoff time prescribed by JSCC in accordance with the rules prescribed by JSCC.

(*1 hereinafter referred to as the "Position Transfer" in this Chapter)

3 In the case of the immediately preceding Paragraph, the Position Transfer shall become effective when JSCC approves such Position Transfer.

4 When implementing the Position Transfer relating to the Contracts Subject to Clearing listed

in Item (3), Item (4)-2, Item (5) and Item (6)-2 of Paragraph 2 of Article 3, the Settlement Price of each contract month contract*1 or the Settlement Price of each rolling-sot contract on the Trading Day*2 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 pertaining to such Position Transfer.

(*1 referring to the contract month contract specified by the Designated Market Operator in respect of the Futures and Option Contracts; the same applies hereinafter)

(*2 referring to the trading day prescribed by the Designated Market Operator with respect to Futures and Option Contracts; the same applies hereinafter)

5 In the event that an Agency Clearing Participant received 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 accordance with the rules prescribed by JSCC, and obtain JSCC's approval.

(Article 73-45 Suspension of Position Transfers)

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

Chapter 6 Clearing Deposit

(Article 74 Clearing Deposit)

The initial margin prescribed in Article 15-2, the clearing fund prescribed in Article 16 and Article 17, the Security Money for Facilitating DVP Settlement prescribed in Article 52, and the Margin prescribed in Article 70, all of which JSCC shall receive from Clearing Participants in order to ensure the performance of their obligations, shall be the Clearing Deposit prescribed in Article 156-11 of the Act.

(Article 75 Management of Clearing Deposit)

1 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 by demarcating each of the initial margin set forth in each item of Paragraph 1 of Article 15-2, clearing fund set forth in each item of Paragraph 1 of Article 16 and Article 17, Security Money for Facilitating DVP Settlement and the Margin.

2 JSCC may, upon receiving a notification from a Clearing Participant that it desires a management of the Cleared Deposit[*1] in a manner separately prescribed by JSCC[*2], perform the Specified Management of the said Clearing Deposit, as prescribed by JSCC.

([*1] limited to cash deposited in Japanese currency only)

([*2] hereinafter referred to as the “Specified Management”)

3 The profit or loss[*1] arising from the Specified Management set forth in the immediately preceding Paragraph shall vest in JSCC.

([*1] including expense and fees necessary for the said Specified Management)

4 If the profit arises from the Specified Management stipulated in Paragraph 2, JSCC may pay the amount prorated in the manner prescribed by JSCC to the Clearing Participant who made a notification set forth in Paragraph 2.

5 A Clearing Participant who made a notification set forth in Paragraph 2 shall pay, with respect to the loss arising from the Specified Management set forth in the said Paragraph, the amount prorated in a manner prescribed by JSCC.

Chapter 7 Measures, etc. in case of Settlement Default by Clearing Participant

Section 1 General Rules

(Article 75-2 Use of Clearing Fund for Settlement at the Time of Settlement Default)

1 When a Clearing Participant*1 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*2 deposited by Clearing Participants other than the Clearing Participant caused such failure*3 as of the date of occurrence of such failure*4 to complete the settlement of the Contracts for Clearing*5.

(*1 excluding ETC Special Clearing Participant ; same applies hereinafter in this Section)

(*2limited to those deposited in Japanese yen; the same applies in the following Article)

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

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

(*5hereinafter referred to as “Settlement Use”)

2 The Settlement Use will be performed to the extend 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 75-3 Refund of Clearing Fund upon Settlement Use)

When implementing the Settlement Use, JSCC may suspend 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 75-4 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 does not 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 the assumption of the 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 part of the securities, Warehouse Receipts and the Like, commodity 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 does not perform the settlement of Contracts for Clearing, JSCC may cause other Clearing Participants to sell or buy the securities, Warehouse Receipts and the Like or commodity 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, commodity 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 been subjected 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 constituting 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 it is especially necessary to do so*1, notwithstanding the provisions of 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, commodity and money which were to be received from JSCC, until the cause thereof ceases to exist.

(*1 hereinafter referred to as the "Determination of Insolvency")

6 The provisions of Paragraph 3 shall apply *mutatis mutandis* to the securities, Warehouse Receipts and the Like, commodity 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, exercise, 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 are highly likely to remain even after the implementation of the measures set forth in the immediately preceding Paragraph, and only when JSCC considers it necessary to prevent emergence or expansion of loss set forth in Paragraph 1 of Article 78, JSCC may hold an auction for default settlement*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 Default Delivery Positions*1, JSCC shall perform liquidation for the completion of settlement of the relevant Default Delivery Positions and hold a Default Settlement Auction as prescribed by JSCC in its rules.

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

9 Only to the extent necessary to make the arrangements set forth in Paragraph 7, JSCC may assume, from the Default Clearing Participant which has been subjected 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.

10 When JSCC deems it necessary to do so, JSCC may cause other Clearing Participants to make the arrangements set forth in Paragraph 7.

11 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 76-2. Setting Default Settlement Period)

1 When the Default Clearing Participant holds Futures Clearing Qualification, JSCC shall set the Default Settlement Period defined in the following Paragraph.

2 A Default Settlement Period shall be, for a Clearing Participant subject to the Determination of Insolvency[*1], a period of 30 days from the date of the Determination of Insolvency of such Clearing Participant; 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 76-3 Consultation to Avoid Early Termination)

1 When an auction for default settlement is held in respect of the Defaulted Contracts related to the Default Clearing Participant holding Futures Clearing Qualification, where it is threatened that the losses arising out of the Determination of Insolvency of the Default Clearing Participant fixed by successfully concluding the auction for default settlement cannot be recovered in full under the provisions of Paragraph 1 and Paragraph 3 of Article 79-2, JSCC, the Designated Market Operators and the Clearing Participants shall have a consultation on how to settle 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 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 this 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 the 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 the 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 is obtained.

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

(Article 76-4. Early Termination)

1 When an agreement on how to settle losses under Paragraph 2 of the preceding Article cannot be reached through the mutual consultation under Paragraph 1 of the said Article, 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 due to cause other than notification of Clearing Participants given pursuant to the provisions of these Business Rules.

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 as 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 on each applicable occasion.

(Article 77 Notification of Imposition of Measure to Suspend Assumption of Obligation)

In the event that JSCC has imposed the measure of suspending assumption of the 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 the immediately preceding Article, JSCC shall notify to that effect to all the other Clearing Participants*1 having Clearing Qualification of the same category as that of the relevant Clearing Participant's one.

(*1 including the ETF Special Clearing Participants and Registered ETF Trust Banks, when the relevant Clearing Participant is a Securities Clearing Participant)

(Article 78 Compensation for Loss Caused by 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 such loss according to the purpose thereof:

(*1 including the loss JSCC incurred in the course of the handling of such default*1-1)

(*1-1 including the handling 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 or the Like in a manner prescribed by JSCC)

(*2-1 hereinafter referred to as "Securities or the Like")

(1) Margin for buying/selling transaction deposited with JSCC by the Default Clearing Participant;

(2) Security Money for Facilitating DVP Settlement deposited with JSCC by the Default Clearing Participant;

(3) Margin relating to the Futures and Option Contracts and Margin relating to the Exchange FX Contracts for the proprietary account deposited with JSCC by the Default Clearing Participant;

(4) Margin relating to the Futures and Option Contracts and Margin relating to the Exchange FX Contracts in respect of which the Default Clearing Participant has a claim for refund*1 (*1 excluding the Margin set forth in the immediately preceding Item);

(5) Initial margin deposited with JSCC by the Defaulting Clearing Participant;

(6) Clearing fund deposited with JSCC by the Default Clearing Participant;

(7) Delivery Price and the like relating to the Commodity Futures Contracts in respect of which the Default Clearing Participant has a claim for refund.

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 immediately 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*2, 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 and the Business of Assuming Commodity Transaction Debts conducted by JSCC and businesses pertaining thereto, other than the Securities and Similar Contract Clearing Business; the same applies hereinafter)

3 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 two Paragraphs, and if the relevant Default Clearing Participant is a trading participant or a member of a Financial Instruments Exchange, the participant bond*1 which the relevant Default Clearing

Participant has deposited with the Financial Instruments Exchange where it has the trading qualification or is a member shall be applied to compensate for the remaining loss.

(*1 if the customers or the Financial Instruments Exchange has exercised the preferential right to receive payment in respect of the bond, its balance)

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 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 listed below remains uncompensated after the operation of the provisions of Paragraph 1 through Paragraph 4, JSCC shall be compensated from the reserves prescribed in each of the below Items maintained by JSSC:

(1) Securities Clearing Qualification, JGB Futures Clearing Qualification, Index Futures Clearing Qualification and FX Clearing Qualification
Securities and Similar Contracts Settlement Guarantee Reserve

(2) Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification and Petroleum Futures Clearing Qualification
Commodity Futures Settlement Guarantee Reserve

6 The amount of the Securities and Similar Contracts Settlement Guarantee Reserve and the Commodity Futures Settlement Guarantee Reserve maintained by JSSC referred to in the preceding Paragraph shall be the amount reserved or otherwise set aside in the manners prescribed by JSCC.

7 The matters necessary for the loss compensation prescribed in each preceding Paragraph shall be set by JSCC on each applicable occasion.

(Article 78-2 Compensation for Loss with Clearing Fund of Non-Default Clearing Participants)

1 In the case where any portion of the loss*1 related to 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 or FX 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 related to each Clearing Qualification shall be compensated for, according to each category of the Clearing Qualification listed in each of the below Items, with the amount of the clearing fund specified in the relevant Item:

(1) Securities Clearing Qualification and FX Clearing Qualification

The amount representing the required amount of clearing fund for each type of Clearing Qualification set forth in Item (1) or Item (7) of Paragraph 1 of Article 16, deposited by each Clearing Participant other than the Default Clearing Participant*1 with JSCC as of the day of the occurrence of the relevant default*2.

(*1 including the day on which JSCC deems there is a real possibility of default; hereinafter referred to as the "Default Day" in this Chapter)

(*2 hereinafter referred to as the "Clearing Participant on Default Day" in this Chapter)

(2) Futures Clearing Qualification Clearing Qualification

The amount representing the required amount of clearing fund for each type of Clearing Qualification set forth in Article 17, deposited by the Clearing Participants for Default Settlement Period related to the relevant loss with JSCC as of the day immediately preceding the day on which the relevant Default Settlement Period commences.

2 In the event of the immediately preceding Article, when JSCC held the auction for default settlement, the clearing fund shall be applied to the loss remaining uncompensated as per the immediately preceding Paragraph in the order from the clearing fund deposited by the Clearing Participants on Default Day or the Clearing Participants for Default Settlement Period other than the successful bidder participants*1 and then those deposited by the successful bidder participants.

(*1 referring to the Clearing Participant bid in the auction for default settlement 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 on Default Day or 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 on Default Day or the Clearing Participants for Default Settlement Period by prorating it among them.

(Article 79 Special Clearing Charge relating to Securities Clearing Qualification or FX Clearing Qualification)

1 Regarding the loss which JSCC has incurred as a result of the nonperformance by a Default Clearing Participant holding Securities Clearing Qualification or FX Clearing Qualification 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 on Default Day shall pay Special Clearing Charge in accordance with the rules of JSCC. In such case, JSCC shall apply such Special Clearing Charge for compensating for such uncompensated loss.

2 The amount of the 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 said Paragraph prorated in accordance with the rules of JSCC among the Clearing Participants on Default Day.

3 If a Clearing Participant does not pay the Special Clearing Charge set forth in Paragraph 1, such Clearing Participant shall be regarded as having failed to perform the settlement of Contracts for Clearing on the Default Day with respect to such unpaid amount, and the provisions from Article 76 to this Article shall be applied accordingly.

4 The provisions of Paragraph 3 and Paragraph 4 of the preceding Article shall apply *mutatis mutandis* to 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, "(JSCC may) compensate for such amount in the manners prescribed in Paragraph 1" in the first sentence of Paragraph 3 of the preceding Article shall be deemed to be "(JSCC may) demand payment of the Special Clearing Charge on the day set by JSCC".

(Article 79-2. Special Clearing Charge etc. relating to Futures Clearing Qualification)

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 Article 78-2, all Clearing Participants for Default Settlement Period shall pay the First Special Clearing Charge in accordance with the rules of JSCC. In such case, JSCC shall apply such First Special Clearing Charge for compensating for such uncompensated loss.

2 The amount of the First Special Clearing Charge set forth in the preceding Paragraph shall be, for each type of the Clearing Qualification, the amount equal to the uncompensated loss stipulated in said Paragraph prorated in accordance with the rules of 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 accordance with the rules of 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 auction for default settlement prescribed in Paragraph 8 of Article 76 and the Early Termination Fee prescribed in Paragraph 4 of Article 76-4; hereinafter referred to as "VM/OP Premium Equivalent")

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

5. If a Clearing Participant 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 Fee set forth in Paragraph 4 of Article 76-4, such Clearing Participant for Default Settlement Period shall be regarded as having failed to perform the settlement of Contracts for Clearing on the Default Day with respect to such unpaid amount, and the provisions from Article 76 to this Article shall be applied accordingly.
6. The provisions of Paragraph 3 and Paragraph 4 of Article 78-2 shall apply *mutatis mutandis* to 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, "(JSCC may) compensate for such amount in the manners prescribed in Paragraph 1" in the first sentence of Paragraph 3 of the preceding 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."

Section 2 Cross Margining Special Clearing Charge

(Article 79-3 Cross Margining Special Clearing Charge)

1 When claims and obligations related to the Cross Margined JGB Futures Cleared Contracts or the Cross Margined Interest Rate Futures Cleared Contracts between the Cross Margining Requestor and JSCC cease to exist pursuant to the provisions of Article 73-15-4, and if there remains any loss incurred by JSCC in respect of the claims and obligations which come into existence between the Cross Margining Accepting Party and JSCC pursuant to the provisions of Article 84-5 of IRS Business Rules which cannot be covered by the use of the Third Tier Special Clearing Charge[*1], the Cross Margining Requestor shall pay the Cross Margining Special Clearing Charge in the amount equal to such remaining loss in a manner prescribed by JSCC. In this case, JSCC will cover such loss by such Cross Margining Special Clearing Charge.

([*1] referring to the Third Tier Special Clearing Charge set forth in Article 2.1.(41) of IRS Business Rules; the same applies in Paragraph 2 below)

2 When the Cross Margining Requestor described in the immediately preceding Paragraph fails to pay the Cross Margining Special Clearing Charge set forth in the said Paragraph, the Cross Margining Requestor shall be deemed to have failed its performance of the settlement of the Clearing Contracts on the day on which it has determined that such loss cannot be covered fully by the Fourth Tier Special Clearing Charge, and the provisions of Article 76 to the preceding Article shall apply.

3 When JSCC deems it difficult to calculate the Cross Margining Special Clearing Charge set forth in Paragraph 1 for a considerable period of time, JSCC may deem the amount tentatively calculated by JSCC as an expected amount of such remaining loss and request the payment of the Cross Margining Special Clearing Charge in such amount on the date designated by JSCC. In this case, when the final amount of such remaining loss set forth in Paragraph 1 has been determined, the difference between such final amount of the remaining loss and the amount tentatively calculated by JSCC shall be settled between the Cross Margining Requestor under Paragraph 1 and JSCC.

4 When JSCC can collect its claims related to the loss recovered pursuant to the provisions of Paragraph 1 from the Cross Margining Accepting Party set forth in Paragraph 1, JSCC shall refund the amount so collected to the Cross Margining Requestor under Paragraph 1 pursuant to the provisions of IRS Business Rules.

Section 3 Measures, etc. in case of Settlement Default by ETF Special Clearing Participant

(Article 79-3-2 Measures incase of Settlement Default)

1 When an ETF Special Clearing Participant does not perform the settlement of Contracts for Clearing or JSCC deems there is a real possibility that an ETF Special Clearing

Participant does not perform the settlement of Contracts for Clearing, JSCC shall implement measures, to the extent and for the period that JSCC deems necessary, to suspend the assumption of the obligations under the Contracts Subject to Clearing to which such ETF Special Clearing Participant[*1] is a party.

([*1]hereinafter referred to as "Default ETF Special Clearing Participant").

2 The Default ETF Special Clearing Participant subject to the measures of suspending assumption pursuant to the provisions of preceding Item, after obtaining JSCC's approval, may transfer the unsettled Contracts for Clearing related to Contracts Subject to Clearing subject to the relevant measurement to other ETF Special Clearing Participants during such period, provided, however, when the measures of suspending assumption of all the obligations is taken pursuant to the provisions of following Item, the foregoing shall not apply.

3 JSCC may, when the measures set forth in the Paragraph 1 is taken, suspend assumption of all the obligations based on Contracts Subject to Clearing to which the Default ETF Special Clearing Participant is a party, if the Default ETF Special Clearing Participants has become insolvent or JSCC deems there is a real possibility for the Default ETF Special Clearing Participants to become insolvent or it is especially necessary to do so, notwithstanding the provisions of the said Paragraph, until the cause thereof ceases to exist.

4 When JSCC suspends the assumption of all the obligations based on Contracts Subject to Clearing to which the Default ETF Special Clearing Participant is a party pursuant to the provisions of the preceding Item, the agreements pursuant to the provision of Paragraph 2 of Article 45-3 and the assumptions of obligations pursuant to Item (4) and Item (5) of Paragraph 1 of Article 46 related to Contracts for Clearing[*1] with the Default ETF Special Clearing Participant, for which new recording pursuant to the provision of Item (1) sub-item (c) of Paragraph 3 of Article 56 or deletion of record pursuant to the provision of Item (3) sub-item (a) of the said Paragraph has not been completed, shall cease to have effect retrospectively to the time of application of assumption set forth in Paragraph 1 of Article 45-3; provided, however, that, if indemnification, penalty or other similar payment of money for the delay has been paid with respect to Invalid Contracts for Clearing, the relevant money shall not be returned.

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

5 When assumption of obligations ceases to have effect pursuant to the provisions of the preceding Item, JSCC shall return, listed securities and money received from the Securities Clearing Participants for the settlement of Invalid Contracts for Clearing to the relevant Securities Clearing Participants, in a manner prescribed by JSCC.

(Article 79-3-3 Notification of Imposition of Measure to Suspend Assumption of Obligation)

In the event that JSCC has imposed the measure of suspending assumption of the

obligations under the Contracts Subject to Clearing to which an ETF Special Clearing Participant is a party, pursuant to the provisions of Paragraph 1 or Paragraph 3 of the immediately preceding Article, JSCC shall notify to that effect to Securities Clearing Participants, ETF Special Clearing Participants and Registered ETF Trust Banks.

Chapter 8 Miscellaneous Provisions

(Article 79-4 Adjustment of Position under Security Option Contract)

1 In the case of a stock split in respect of the underlying security of Security Option Contract where one stock is to be split into an integral multiple of one stock; in the case of an allotment of stocks without compensation where the stock of the same class as that of the underlying security in number equal to an integral multiple of one stock of the underlying security are allotted per each stock of the underlying security; in the case of a change in the trading unit; in the case of a succession of Securities Option Contracts as prescribed by the Designated Market Operator; or in other cases where JSCC deems it necessary to do so, the Position under the Security Option Contract pertaining to the securities option in respect of such underlying security shall be adjusted in accordance with the rules of JSCC.

2 The provisions of the preceding Paragraph shall apply *mutatis mutandis* to the underlying security*[1] of Security Option Contract.

(*[1] excluding stocks)

(Article 80 Extraordinary Change of Settlement Cutoff Time)

When JSCC deems it necessary, JSCC may extraordinarily change the Settlement Cutoff Time*[1] in respect of Contracts for Clearing between JSCC and a Clearing Participant. In such case, JSCC shall notify the Clearing Participant, etc. to that effect in advance.

(*[1] including the cutoff time prescribed in Paragraph 1 and Paragraph 2 of Article 51)

(Article 81 Deferment 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 part of the settlement to the following day or later. In such case, JSCC shall notify Clearing Participants, etc. to that effect in advance.

2 In the case where JSCC deems it impossible or difficult to make the notification of an exercise of options in respect of Security Option Contract, Option Contract on JGB Futures, Index Option Contract and/or Option Contract on Commodity Futures due to an occurrence of a system failure to the systems set up by JSCC or other institutions which are necessary to make the notification of the exercise of those options or due to some other unavoidable reasons, JSCC may change the Exercise Period or the Exercise Date, or suspend the exercise itself with respect to all or part of those options. In such case, JSCC shall notify Clearing Participants to that effect in advance.

3 The matters necessary for the deferment of the settlement day, the change of the Exercise Period or the Exercise Date, and the suspension of exercise itself prescribed in the

preceding two Paragraphs shall be set by JSCC on each applicable occasion.

(Article 82 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 board of directors of JSCC.

2 When JSCC has set the new conditions of the settlement pursuant to the preceding Paragraph, the Clearing Participants, etc. 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 board of directors' meeting.

(Article 83 Cancellation, etc. of Claims and Obligations under When-Issued Transaction)

1 Regarding the Contracts Subject to Clearing on the When-Issued Transaction, in the case where the conditions of the issuance of the stock are changed, or where the stock is not issued or recognized as not to be issued, by the settlement day, JSCC may take the measures regarding changing the securities eligible for settlement or the settlement day, or canceling the claims and obligations under the relevant When-Issued Transaction.

2 The provisions of the preceding Paragraph shall apply *mutatis mutandis* to preferred equity capital contribution securities and investment trust beneficiary securities.

(Article 83-2 Extinguishment of claims and obligations related to Contracts Subject to Clearing related to creation of securities investment trust)

1 JSCC may, with respect to the Contracts Subject to Clearing related to creation or partial redemption of principal of cash type securities investment trust, if it receives an application related to cancellation of obligation assumption, because it becomes impossible or materially difficult to transact the relevant contract or calculate the net asset value due to an unavoidable reason, such as failure of the system necessary to operate transactions related to the trust asset of the said cash type securities investment trust, installed by JSCC or institutions other than JSCC, if it deems necessary, may take measure to discharge claims and obligations based on the relevant Contracts Subject to Clearing.

2 ETF Special Clearing Qualification shall, make an application set forth in the preceding Paragraph in the manner prescribed by JSCC, given an agreement of Beneficiary Certificate, etc. Applicant who is a counterparty for the Contracts Subject to Clearing subject to the application.

(Article 83-3 Change, etc. of Securities Subject to Settlement under JGB Futures Contract)

In the case where JSCC deems it difficult to carry out the Settlement by Physical Delivery and Payment in respect of JGB Futures Contract taking into account such factors as the situation of the Positions, JSCC may take measures regarding changing the securities subject to the settlement of the Physically-delivered JGB Futures Contract between JSCC and the Clearing Participant or changing the Day of Settlement by Physical Delivery and Payment.

(Article 83-4 Transfer of Unsettled Contracts in Case of Corporate Divestiture or Transfer of Business)

1 In the case where a Clearing Participant transfers its business to another Clearing Participant, or causes another Clearing Participant to succeed to its business by way of a divestiture, and when the former Clearing Participant does not lose its Clearing Qualification simultaneously with the succession or transfer of such business, that Clearing Participant may, by obtaining JSCC's approval, transfer to such another Clearing Participant its Unsettled Contracts of Futures and Option Contracts or Exchange FX Contracts pertaining to the relevant business being succeeded to or transferred.

2 In the event stipulated in the preceding Paragraph, if the Unsettled Contracts to be transferred are pursuant to the commissions by its customers, such former Clearing Participant shall obtain the consent of the relevant customers on the transfer of the Unsettled Contracts.

3 In the event stipulated in Paragraph 1, when an Agency Clearing Participant is to take over the Non-Clearing Participant's Unsettled Contract which are pursuant to the commissions of the Brokerage for Clearing of Securities, etc., such Agency Clearing Participant shall obtain the consent of the relevant Non-Clearing Participant on the transfer of the relevant Unsettled Contracts.

(Article 83-5 Application of Excess Collateral relating to Securities and Similar Contract Clearing Business to Other Clearing Business)

JSCC may apply the excess collateral deposited by a Default Clearing Participant in relation to the Securities and Similar Contract Clearing 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, initial margin, clearing fund or other collateral of which the Default Clearing Participant has the right to claim refund from JSCC in connection with the Securities and Similar Contract Clearing Business, 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 84 Payment of Fees by Designated Market Operator)

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

(Article 84-2 Prohibition of Transfer, Etc. 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.

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

(Article 85 Entrustment of Operations)

1 JSCC may entrust the administrative work relating to the Securities and Similar Contract Clearing Business specified by JSCC to the entity designated by JSCC.

2 In addition to these Business Rules, Clearing Participants, etc. 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 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 86 Stipulation of Necessary Matters Regarding Financial Instruments Obligation Assumption Business and Related Businesses)

In addition to the matters prescribed in these Business Rules, when JSCC deems it necessary regarding the Securities and Similar Contract Clearing Business, JSCC may stipulate rules concerning required operations.

(Article 87 Incidental Business)

JSCC shall conduct the businesses incidental to the Financial Instruments Obligation Assumption Business and Related Businesses*1.

(*1 limited only to those prescribed in Article 2)

(Article 88. Business of Assuming Commodity Transaction Debts and Associated Business Activities)

JSCC engages in the Business of Assuming Commodity Transaction Debts and associated business activities prescribed in Paragraph 2 of Article 170 of the Commodity Derivatives Act.

(Article 89 Authority to Make Amendment)

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 January 14, 2003; provided, however, that the provisions of Section 1 and Section 2*1 of Chapter 1 and Article 16 shall come into effect on January 10, 2003, and the provisions of Article 66 shall come into effect on January 8, 2003.

(*1 excluding Article 10)

2 In the case where the entity applying for the Principal Clearing Qualification pursuant to the provisions of Paragraph 1 of Article 6 on January 10, 2003 has already been a trading participant or a member of a Designated Market Operator, the examination on the matters stipulated in Item (2) of Paragraph 1 of Article 7 shall not be performed; provided, however, that such entity is required not to have fallen under any of the Items of Paragraph 3 of Article 29.

3 In the case where the Clearing Participant which obtained the approval set forth in Paragraph 3 of Article 6 on January 10, 2003 is an Securities Clearing Participant of the Tokyo Stock Exchange, Inc.*1, and when the total value of the clearing fund, which is comprised of cash and securities in lieu of cash valuated at their substituting values*2, deposited by such Clearing Participant with TSE as of such day pursuant to TSE's Clearing/Settlement Regulations is at least equal to the required amount of the clearing fund for securities contracts prescribed in Article 16, such Clearing Participant shall be regarded as having deposited the clearing fund prescribed in Paragraph 1 of Article 8 for the purpose of the provisions of said Paragraph.

(*1 hereinafter referred to as "TSE")

(*2 deducting the amount with respect to which the relevant Clearing Participant completed the procedure set by TSE to make it the clearing fund for Futures and Option Contracts prescribed in the business rules of TSE as of January 14, 2003*2-1)

(*2-1 hereinafter referred to as the "Effective Date")

4 Among the Contracts Subject to Clearing prescribed in Paragraph 2 of Article 3 which were formed prior to the Effective Date, in respect of those which have not been settled as of the Effective Date*1, JSCC shall assume the obligations pursuant to the provisions of Paragraph 1 of Article 46 on the Effective Date unless otherwise prescribed in the following Paragraph.

(*1 limited to those to which a Clearing Participant of JSCC is a party as of the Effective Date)

5 In the case where the Designated Market Operator was assuming the obligation under Contracts Subject to Clearing as of the day immediately preceding the Effective Date*1, JSCC shall assume the obligations between such Designated Market Operator and the Clearing Participant*2. In such case, the provisions of Paragraph 1 of Article 46 shall apply *mutatis mutandis* to the assumption of such obligations, and the provisions of Item (1) of Paragraph 1 of Article 54 shall apply *mutatis mutandis* to the claims and obligations between

JSCC and the Designated Market Operator pertaining to the assumption of such obligations.

(*1 including the case where the Designated Market Operator is a party to a transaction of buying/selling the underlying stock of Share Option Transaction resulting from its exercise)

(*2 limited to the Clearing Participants which are JSCC's Clearing Participants as of the Effective Date)

6 In the case where JSCC's Clearing Participant which was TSE's Securities Clearing Participant on the day immediately preceding the Effective Date was making the application stipulated in Item 4 of Paragraph 1 of Article 39 of TSE's Clearing/Settlement Regulations before the Effective Date, such Clearing Participant shall be regarded as having been making the application stipulated in Item (4) of Paragraph 1 of Article 53.

7 With respect to the application of the provisions of Article 40 to the case where the Contract for Commissioning Clearance prescribed in Article 39 is to be concluded on the Effective Date, the words "in advance" in Article 40 shall be deemed to be "without delay".

8 The amount of money to be paid/received between a Clearing Participant and JSCC in respect of When-Issued Transaction on the Effective Date shall be as follows in addition to the amount prescribed in Article 67:

(i) With respect to the When-Issued Transactions concluded in the securities markets operated by TSE or Sapporo Securities Exchange Securities Membership Corporation on or before January 7, 2003, the amount equivalent to the difference between the Settlement Prices on January 7 of the same year set by those market operators and the Settlement Price set by JSCC on January 8 of the same year;

(ii) With respect to the When-Issued Transactions concluded in the securities markets operated by Osaka Stock Exchange Co., Ltd., Fukuoka Stock Exchange Securities Membership Corporation or Japan Securities Dealers Association on or before January 7, 2003, the amount equivalent to the difference between their contract price and the Settlement Price set by JSCC on January 8 of the same year;

(iii) With respect to the When-Issued Transactions concluded in the securities markets operated by Nagoya Stock Exchange, Inc. on or before January 7, 2003, the amount equivalent to the difference between the Settlement Price on the day of the conclusion of the relevant trading and the Settlement Price set by JSCC on January 8 of the same year.

9 Regarding the application of the provisions in Paragraph 2 of Article 79, until March 31, 2003, the phrase in said Paragraph "the shareholder's capital*2 as of the last day of the fiscal year*3 of JSCC which immediately precedes the fiscal year in which the Default Day falls*4" shall be deemed to be "the shareholders' capital as of the last of September, 2002"; and the phrase "the total sum of the capital, the capital reserve, and the earned surplus*5 as of the last day of the Preceding Fiscal Year; and the total value of its own stocks*6 to be acquired which was resolved on at the regular general meeting of shareholders pertaining to the Preceding Fiscal Year" shall be deemed to be "the amount obtained by adding the undivided

profit of the current fiscal year to or by subtracting the undisposed deficit of the current fiscal year from, the total amount of the capital, the capital reserve, and the earned surplus as of the last day of September, 2002".

(*2 referring to the balance after the disposition of the surplus fund pursuant to the resolution of the regular general meeting of shareholders pertaining to the Preceding Fiscal Year)

(*3 being referred to as the "Preceding Fiscal Year" in this Paragraph)

(*4 being referred to as the "Current Fiscal Year" in this Paragraph)

(*5 referring to the balance after the disposition of the surplus fund pursuant to the resolution of the regular general meeting of shareholders pertaining to the Preceding Fiscal Year)

(*6 limited to the total value of its own stocks to be acquired pursuant to the provisions of Paragraph 3 of Article 210 of the Commercial Code)

10 The convertible bonds or the corporate bonds with stock acquisition rights for which the provisions then in force still remain applicable pursuant to the provisions of Paragraph 1 of Article 7 of the Supplementary Provisions of the Law Partially Amending the Commercial Code, Etc. (Law No. 128 of 2001)*1 shall be treated as Convertible Bonds or corporate bonds with the stock acquisition rights that are not Convertible Bonds, respectively, and these Business Rules shall be applied to them accordingly.

(*1 hereinafter referred to as the "Law Amending Commercial Code, Etc." in this Supplementary Provisions)

11 The certificate of subscription right, which is issued in conjunction with the corporate bonds with stock acquisition rights set forth in the immediately preceding Paragraph pursuant to Paragraph 1 of Article 341-13 of the Commercial Code as it existed prior to the amendment made under the Law Amending Commercial Code, Etc., shall be regarded as a certificate of stock acquisition rights, and these Business Rules shall be applied to it accordingly.

12 In addition to the provisions of Paragraph 2 through Paragraph 9, matters regarding the handling of the assumption of obligations as at the time these Business Rules come into effect and other necessary matters shall be set by JSCC on all such occasions.

Supplementary Provisions

These revised Business Rules shall come into effect on April 1, 2003.

Supplementary Provisions

1 These revised Business Rules shall come into effect on February 2, 2004.

2 The entity who applied for Clearing Qualification by January 16, 2004 in accordance with the rules of JSCC and obtained the approval from JSCC shall be regarded as being granted Share Option Clearing Qualification, JGB Futures Clearing Qualification or Stock Price Index Futures Clearing Qualification pursuant to the provisions of Paragraph 1 of Article 9

on the day on which these revised Business Rules come into effect*1.

(*1 hereinafter referred to as the “Effective Date”)

3 For the approval set forth in the preceding Paragraph, JSCC shall perform the examination in conformity with the provisions of Article 7.

4 Notwithstanding the provisions of the immediately preceding Paragraph, in the case where JSCC is to grant the approval set forth in Paragraph 2 to the entity who is actually a Share Option Clearing Participant, a JGB Futures Clearing Participant or a Stock Index Futures Clearing Participant of Tokyo Stock Exchange, Inc.*1 as of the day immediately preceding the Effective Day, for Share Option Clearing Qualification, JGB Futures Clearing Qualification or Stock Price Index Futures Clearing Qualification*2, respectively, the examination of the matters prescribed in Item (2) of Paragraph 1 of Article 7 shall not be performed; provided, however, that it is required that such entity has not fallen under any of the Items of Paragraph 3 of Article 29.

(*1 hereinafter referred to as “TSE”)

(*2 limited to Principal Clearing Qualification with respect to these qualifications)

5 The entity who obtained the approval set forth in Paragraph 2 shall deposit the clearing fund and complete other necessary procedures prescribed by JSCC by the day immediately preceding the Effective Date; provided, however, that in the case where the entity who is a Share Option Clearing Participant, JGB Futures Clearing Participant or Stock Index Futures Clearing Participant of TSE has obtained the approval for the respective Share Option Clearing Qualification, JGB Futures Clearing Qualification or Stock Price Index Futures Clearing Qualification, and when the total value of the clearing fund for Futures and Option Contract— which is comprised of cash and securities in lieu of cash valuated at their substituting values, deposited with TSE pursuant to TSE’s business rules as of the day immediately preceding the Effective Date by the relevant entity who is a Share Option Clearing Participant, JGB Futures Clearing Participant or Stock Price Index Futures Clearing Participant —is at least equal to the required amount of the clearing fund for Futures and Option Contract prescribed by TSE, the relevant Share Option Clearing Participant, JGB Futures Clearing Participant or Stock Price Index Futures Clearing Participant shall be regarded as having deposited the clearing fund.

6 In the case where TSE has assumed the obligations under the Contracts Subject to Clearing prescribed in Item (3) through Item (8) of Paragraph 2 of Article 3 as of the day immediately preceding the Effective Date*1, JSCC shall assume the obligations existing between TSE and the Clearing Participant*2 on the Effective Date. In such case, the provisions of Paragraph 1 of Article 46 shall apply *mutatis mutandis* to the assumption of such obligations, and the provisions of Item (1) of Paragraph 1 of Article 54 shall apply *mutatis mutandis* to the claims and obligations between JSCC and TSE in respect of the relevant assumption of the obligations.

(*1 including the case where TSE is a party to the JGB Futures Contract resulting from the

exercise of the option under Option Contract on JGB Futures)

(*2 limited to the Clearing Participant which became JSCC's Share Option Clearing Participant, JGB Futures Clearing Participant or Stock Price Index Futures Clearing Participant on the Effective Date)

7 With respect to the application of the provisions of Article 40 to the case where the entity who obtained the approval set forth in Paragraph 2 is to conclude the Contract for Commissioning Clearance prescribed in Article 39 on the Effective Date, the word "in advance" in said Paragraph shall be deemed to be "without delay".

8 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 on all such occasions.

Supplementary Provisions

These revised Business Rules shall come into effect on the day set by JSCC*.

*The date set by JSCC is December 13, 2004.

Supplementary Provisions

1 These revised Business Rules shall come into effect on January 1, 2005.

2 The bankruptcy adjudicated on or after January 1, 2005 as a result of the petition filed on or before December 31, 2004 shall be regarded as a decision to commence bankruptcy procedure.

Supplementary Provisions

These revised Business Rules shall come into effect on June 10, 2005.

Supplementary Provisions

These revised Business Rules shall come into effect on November 7, 2005.

Supplementary Provisions

1 These revised Business Rules shall come into effect on January 10, 2006.

2 With respect to the bonds*1 which are actually listed on the designated securities market at the time when these revised Business Rules come into effect, such revised provisions shall apply to settlement in respect of which the date of settlement is on or after the day designated by JSCC as the date for JASDEC to commence handling of such bonds in its

book-entry transfer business.

(*1 excluding Japanese Government Bonds, corporate bonds with stock acquisition rights, etc., and Exchangeable Corporate Bonds)

Supplementary Provisions

These revised Business Rules shall come into effect on January 30, 2006.

Supplementary Provisions

1 These revised Business Rules shall come into effect on April 1, 2006.

2 Notwithstanding the provisions of the preceding Paragraph, the provisions heretofore in force shall remain applicable to the issues designated by each Designated Market Operator until the day set by that Designated Market Operator in respect of each such issue.

Supplementary Provisions

1 These revised Business Rules shall come into effect on May 1, 2006.

2 Notwithstanding the provisions of the preceding Paragraph, with respect to the stock acquisition right for which the provisions then in force still remain applicable pursuant to the provisions of Paragraph 2 of Article 98 of the Laws Concerning the Coordination, etc. of Associated Laws in Connection with the Enforcement of the Companies Act. (Law No. 87 of 2005), the provisions heretofore in force shall remain applicable.

3 The Convertible Bond which is stipulated in Item 6 of Paragraph 2 of Article 47 of these Business Rules as it existed prior to this revision, and in respect of which the resolution for its offering was passed prior to the day on which these revised Business Rules came into effect, shall be regarded as the Convertible Bond stipulated in the same Article of the Business Rules as it exists after this revision, and the revised provisions shall apply accordingly.

4 Notwithstanding the provisions of Paragraph 1, with respect to the application of Paragraph 2 of Article 79 in the case where the Default Day falls on or before March 31, 2007, the provisions heretofore in force shall remain applicable.

Supplementary Provisions

These revised Business Rules shall come into effect on January 1, 2007.

Supplementary Provisions

These revised Business Rules shall come into effect on September 30, 2007.

Supplementary Provisions

These revised Business Rules shall come into effect on November 1, 2007.

Supplementary Provisions

These revised Business Rules shall come into effect on December 10, 2007.

Supplementary Provisions

These revised Business Rules shall come into effect on January 15, 2008.

Supplementary Provisions

These revised Business Rules shall come into effect on April 1, 2008.

Supplementary Provisions

These revised Business Rules shall come into effect on May 7, 2008.

Supplementary Provisions

These revised Business Rules shall come into effect on June 16, 2008.

Supplementary Provisions

These revised Business Rules shall come into effect on July 7, 2008; provided, however, that the revised provisions of Paragraph 2 of Article 16 and Paragraph 1 of Article 70 shall apply from the deposit which is deposited with JSCC on or after the day on which these revised provisions come into effect.

Supplementary Provisions

These revised Business Rules shall come into effect on august 25, 2008.

Supplementary Provisions

These revised Business Rules shall come into effect on December 26, 2008.

Supplementary Provisions

1 These revised Business Rules shall come into effect on January 1, 2009.
2 The provisions heretofore in force shall remain applicable to the settlement in respect of the stock acquisition right securities which are actually listed in the Designated Financial Instruments Market on the day on which these revised provisions come into effect.

Supplementary Provisions

These revised Business Rules shall come into effect on March 23, 2009.

Supplementary Provisions

1 These revised Business Rules shall come into effect on November 16, 2009.
2 The provisions heretofore in force shall remain applicable to the settlement in respect of the Contracts for Clearing which JSCC had assumed obligation until November 15, 2009.

Supplementary Provisions

These revised Business Rules shall come into effect on July 16, 2010.

Supplementary Provisions

These revised Business Rules shall come into effect on April 1, 2011.

Supplementary Provisions

These revised Business Rules shall come into effect on July 19, 2011.

Supplementary Provisions

These revised Business Rules shall come into effect on March 31, 2012.

Supplementary Provisions

These revised Business Rules shall come into effect on December 1, 2012.

Supplementary Provisions

1 These revised Business Rules shall come into effect on March 31, 2013.

2 During the period from March 31, 2013 to March 30, 2014, in applying (c) of B) of Item (2) of Paragraph 1 of Article 7, Item (5) of Paragraph 3 of Article 29 and Item (4) of Paragraph 4 of Article 29, all as amended, the words “4.5 percent” in a. of (c) of B) of Item (2) of Paragraph 1 of Article 7 and A) of Item (4) of Paragraph 4 of Article 29 shall be interpreted to mean “3.5 percent,” the words “6 percent” in b. of (c) of B) of Item (2) of Paragraph 1 of Article 7 and B) of Item 4 of Paragraph 4 of Article 29 shall be interpreted to mean “4.5 percent”, the words “2.25 percent” in A) of Item (5) of Paragraph 3 of Article 29 shall be interpreted to mean “1.75 percent”, and the words “3 percent” in B) of Item (5) of Paragraph 3 of Article 29 shall be interpreted to mean “2.25 percent”.

3 During the period from March 31, 2014 to March 30, 2015, in applying (c) of B) of Item (2) of Paragraph 1 of Article 7, Item (5) of Paragraph 3 of Article 29 and Item (4) of Paragraph 4 of Article 29, all as amended, the words “4.5 percent” in a. of (c) of B) of Item (2) of Paragraph 1 of Article 7 and A) of Item (4) of Paragraph 4 of Article 29 shall be interpreted to mean “4 percent,” the words “6 percent” in b. of (c) of B) of Item (2) of Paragraph 1 of Article 7 and B) of Item 4 of Paragraph 4 of Article 29 shall be interpreted to mean “5.5 percent”, the words “2.25 percent” in A) of Item (5) of Paragraph 3 of Article 29 shall be interpreted to mean “2 percent”, and the words “3 percent” in B) of Item (5) of Paragraph 3 of Article 29 shall be interpreted to mean “2.75 percent”.

Supplementary Provisions

1 These revised Business Rules shall come into effect on July 16, 2013.

2 When the entity who is a clearing participant in futures and options or an FX clearing participant of Osaka Securities Exchange Co., Ltd.*1 and who applies for Clearing Qualification by June 28, 2013 in accordance with the rules of JSCC obtains the approval from JSCC through the examination conducted by applying *mutatis mutandis* the provisions of Article 7, such entity shall be regarded as being granted Index Futures Clearing Qualification or FX Clearing Qualification pursuant to the provisions of Paragraph 1 of Article 9 on the day on which these revised Business Rules come into effect*2. In such case, if such entity does not fall under any one of the categories set forth in Items of Paragraph 3 of Article 29, and remains to be a clearing participant in futures and options or an FX clearing participant of OSE as of the day immediately preceding the Effective Date, the examination of the matters prescribed in Item (2) of Paragraph 1 of Article 7 shall not be performed.

(*1 hereinafter referred to as “OSE”)

(*2 hereinafter referred to as the “Effective Date”)

3 The entity who obtained the approval set forth in the preceding Paragraph in relation to the

Index Futures Clearing Qualification shall deposit the clearing fund and complete other necessary procedures prescribed by JSCC by the day immediately preceding the Effective Date; provided, however, that in the case where the entity who is a clearing participant in futures and options of OSE has obtained the approval for the Index Futures Clearing Qualification, and when the total value of the clearing deposit — which is comprised of cash and securities in lieu of cash valuated at their substituting prices, — deposited by such entity with OSE pursuant to OSE's clearing rules as of the day immediately preceding the Effective Date, plus the amount of clearing fund deposited by it with JSCC as of the day immediately preceding the Effective Date is equal to or more than the required amount of the clearing fund prescribed by JSCC, such entity shall be regarded as having deposited the clearing fund.

4 The entity who obtained the approval set forth in Paragraph 2 in relation to the FX Clearing Qualification shall deposit the clearing fund and complete other necessary procedures prescribed by JSCC by the day immediately preceding the Effective Date; provided, however, that in the case where the entity who is an FX clearing participant of OSE has obtained the approval for the FX Clearing Qualification, and when the total value of the clearing deposit — which is comprised of cash and securities in lieu of cash valuated at their substituting prices—, deposited by such entity with OSE pursuant to OSE's clearing rules as of the day immediately preceding the Effective Date is equal to or more than the total sum of required amount of FX clearing deposit prescribed by OSE, such entity shall be regarded as having deposited the clearing fund.

5 The entity who holds Principal Clearing Qualification or Agency Clearing Qualification for Individual Option Clearing Qualification of JSCC as of the day immediately preceding the Effective Date*1 shall be deemed to have been granted Principal Clearing Qualification or Agency Clearing Qualification, respectively, for Index Futures Clearing Qualification as of the Effective Date in accordance with the provisions of Paragraph 1 of Article 9. In such case, such entity shall deposit the clearing fund and complete other necessary procedures prescribed by JSCC by the day immediately preceding the Effective Date.

(*1 limited only to the entity who does not hold Index Futures Clearing Qualification)

6 In the case where OSE has assumed the obligations under the Contracts Subject to Clearing prescribed in Item (2), Item (5), Item (6) and Item (11) of Paragraph 2 of Article 3, all as amended, as of the day immediately preceding the Effective Date, JSCC shall assume the obligations existing between OSE and the OSE's clearing participant*1 on the Effective Date. In such case, the provisions of Paragraph 1 of Article 46 shall apply *mutatis mutandis* to the assumption of such obligations, and the provisions of Item (1) of Paragraph 1 of Article 54 shall apply *mutatis mutandis* to the claims and obligations between JSCC and OSE in respect of the relevant assumption of the obligations.

(*1 limited to those which became JSCC's Index Futures Clearing Participant or FX Clearing Participant on the Effective Date)

7 With respect to the application of the provisions of Article 40 to the case where the entity who obtained the approval set forth in Paragraph 2 is to conclude the Contract for Commissioning Clearance prescribed in Article 39 on the Effective Date, the word “in advance” in said Paragraph shall be deemed to be “without delay”.

8 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 revised Business Rules come into effect and other necessary matters shall be set by JSCC on all such occasions.

Supplementary Provisions

These revised Rules shall come into effect on the date designated by JSCC.
Note: The date designated by JSCC is March 7, 2014.

Supplementary Provisions

1 These revised Business Rules shall come into effect on March 24, 2014.

2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business 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 Business Rules shall come into effect on the day set by JSCC which is not earlier than March 24, 2014.

Supplementary Provisions

These revised Rules shall come into effect on March 31, 2014.

Supplementary Provisions

These revised Rules shall come into effect on October 23, 2014.

Supplementary Provisions

These revised Rules shall come into effect on December 1, 2014.

Supplementary Provisions

1 These revised Rules shall come into effect on September 24, 2015.

2 Notwithstanding the provisions of the immediately preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the revised Business Rules shall come into effect on the day set by JSCC which is not earlier than September 24, 2015.

Supplementary Provisions

1 These revised Business Rules shall come into effect on October 13, 2015.

2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business 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 Business Rules shall come into effect on the day set by JSCC which is not earlier than October 13, 2015.

Supplementary Provisions

1 These revised Business Rules shall come into effect on January 8, 2016; provided that revisions to Article 15-3, Paragraph 4 of Article 15-4, Article 17 and Article 78-2 shall come into effect on the next day following the date on which other revisions to these Business Rules come into effect (or next business day, if such day falls on a non-business day).

2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the revised Business Rules shall come into effect on the day set by JSCC which is not earlier than January 8, 2016.

Supplementary Provisions

1. These revised Business Rules shall come into effect on January 30, 2017.

2. Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the revised Business Rules shall come into effect on the day set by

JSCC which is not earlier than January 30, 2017.

Supplementary Provisions

1. These revised Business Rules shall come into effect on February 13, 2018, except for the provisions of Paragraphs 3 to 7 of Article 16 which shall come into effect on February 9, 2018.
2. Notwithstanding the provisions of the preceding Paragraph, other than the revised provisions of Paragraphs 3 to 7 of Article 16, Article 21-2, Item (2) of Paragraph 1 of Article 29, Articles 75-2 to 75-4, Paragraphs 7 to 11 of Article 76, Paragraphs 2 to 4 of Article 78-2 and Paragraph 4 of Article 79, in the case where JSCC deems it inappropriate for the revised Business Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the revised Business Rules shall come into effect on the day set by JSCC which is not earlier than February 14, 2018.

Supplementary Provisions

1. These revised Business Rules shall come into effect on June 25, 2018.
2. Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business 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 Business Rules shall come into effect on the day set by JSCC which is not earlier than June 25, 2018.

Supplementary Provisions

1. These revised Business Rules shall come into effect on July 16, 2019, and will apply to the settlement of the securities lending/borrowing pertaining to due bills issued on and after the effective date of these revisions.
2. Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business Rules to apply, due to an occurrence of a system failure to the systems set up by JSCC, which are necessary to conduct the settlement of Contracts for Clearing between JSCC and a Clearing Participant, or some other unavoidable reasons, the revised Business Rules shall come into effect on the day set by JSCC which is not earlier than July 16, 2019.

Supplementary Provisions

1 These revised Rules shall come into effect on July 27, 2020.

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after July 27, 2020.

3 In respect of the matters listed in each of the below Items concerning the Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification and Agricultural Futures Clearing Qualification and all necessary procedures and other actions concerning such matters, JSCC may perform such matters in accordance with the revised Business Rules even before the effective date of these revised Rules[*1].

([*1] hereinafter referred to as the "Effective Date")

(1) Approval of the acquisition of the Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification or Agricultural Futures Clearing Qualification for the applicant pursuant to the provisions of Paragraph 6 of Article 6 as revised;

(2) The examination pursuant to the provisions of Paragraph 3 of Article 7 as revised.

4 When a person falling under any of the below Items applies for an acquisition of the Clearing Qualification specified in the relevant Item as prescribed by JSCC in its rules[*1], JSCC will not perform the examination on the matters set forth in Item (2) of Paragraph 3 of Article 7 as revised:

([*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 precious metals market at Tokyo Commodity Exchange, Inc.[*2]
Precious Metal Futures Clearing Qualification

([*1] hereinafter referred to as "JCCH")

([*2] hereinafter referred to as "TOCOM")

(2) An entity holding the clearing qualification of JCCH relating to the rubber market at TOCOM:
Rubber Futures Clearing Qualification

(3) An entity holding the clearing qualification of JCCH relating to the agricultural / sugar market at TOCOM:
Agricultural 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 as revised 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 When a renunciation of JGB Futures Clearing Qualification, Index Futures Clearing Qualification, Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification or

Agricultural Futures Clearing Qualification set forth in Article 22 has been applied for on or before the business day preceding the Effective Date, the provisions of Article 26 before the revision shall apply to the treatment related to the renunciation of the Clearing Qualification set forth in Article 26.

7 In an application of the provisions of Item (3) and Item (4) of Paragraph 3 of Article 29 as revised to the entity calculating the capital adequacy ratio under the transitional measures for Article 4 of the Cabinet Office Ordinance on Financial Instruments Business, etc. (Cabinet Office Ordinance No. 11 of 2014), the reference to "120 percent" in the said Items shall be deemed to be "140 percent."

8 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 revised Business Rules come into effect and other necessary matters shall be set by JSCC on all such occasions.

Supplementary Provisions

1 These revised Rules shall come into effect on January 18, 2021.

2Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after January 18, 2021.

3 In respect of the matters listed in each of the below Items concerning the ETF Special Clearing Participants and the Registered ETF Trust Banks, all necessary procedures and other actions concerning such matters, JSCC may perform such matters in accordance with the revised Business Rules even before the effective date of these revised Rules.

(1) Approval of acquisition of ETF Special Clearing Qualification for an acquisition applicant pursuant to the provisions of Paragraph 7 of Article 6 as revised.

(2) Approval of registration of Registered ETF Trust Bank for a registration applicant pursuant to the provisions of Paragraph 12 of Article 6, as revised.

(3) Examination for the approval pursuant to the provisions of Paragraph 4 of Article 7 as revised.

(4) Examination for the approval pursuant to the provisions of Paragraph 1 of Article10-4 as revised

Supplementary Provisions

1 These revised Rules shall come into effect on September 21, 2021.

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to

apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after September 21, 2021.

Supplementary Provisions

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

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after January 11, 2022.

Supplementary Provisions

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

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after April 4, 2022.

Supplementary Provisions

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

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after September 21, 2022.

3 Any matter that is necessary for the enforcement of these revised Rules shall be separately prescribed by JSCC.

Supplementary Provisions

1 These revised Rules shall come into effect on May 29, 2023.

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the

system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after May 29, 2023.

3 Any matter that is necessary for the enforcement of these revised Rules shall be separately prescribed by JSCC.

Supplementary Provisions

1 These revised Rules shall come into effect on March 4, 2024.

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after March 4, 2024.

Supplementary Provisions

1 These revised Rules shall come into effect on November 5, 2024.

Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after November 5, 2024.

Supplementary Provisions

1 These revised Rules shall come into effect on May 30, 2025.

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after May 30, 2025.

Supplementary Provisions

1 These revised Rules shall come into effect on September 29, 2025.

2 Notwithstanding the provisions of the preceding Paragraph, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing

Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after September 29, 2025.

Supplementary Provisions

These revised Rules shall come into effect on December 8, 2025.

=End=

Rules on Fees

Japan Securities Clearing Corporation

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This English translation of the Rules has been prepared solely for reference purposes and shall not have any binding force. The original Japanese text shall be definitive when construing or interpreting the meaning of any provision.

Rules on Fees
(In effect as of December 8, 2025)

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<Appendix 2> Clearing Participants subject to Fixed Fee Charged Based on Status of Monthly Assumption of Obligations

Reference Translation

Rules on Fees

(Article 1 Purpose)

These Rules set forth necessary matters concerning the fees JSCC collects in accordance with the provisions of Article 15 and Article 84 of the Business Rules.

(Article 2 Clearing Fees)

1 A Clearing Participant shall pay clearing fees to JSCC.

2 The clearing fees (monthly fees) stipulated in the preceding Paragraph shall be as stipulated in the Appendix 1 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 1 or offer rebate of the clearing fees for a certain period of time as separately prescribed by JSCC. In this case, notification to that effect must be given to Clearing Participants.

(Article 2-2 Fixed Fee)

1 A Clearing Participant, etc. shall pay a fixed fee to JSCC.

2 The fixed fee (monthly fees) set forth in the preceding Paragraph shall be the amount stipulated in the applicable Item below with respect to the types of Clearing Participants, etc. prescribed in the following Items:

(1) Clearing Participant with Securities Clearing Qualification;

Sum of a. and b. below:

a. When falling under Clearing Participants subject to Fixed Fee charged based on the status of monthly assumption of obligations set forth in Appendix 2:
5 million yen;

b. When obligation is assumed pursuant to the provisions of Item (4) or Item (5) of Paragraph 1 of Article 46 of the Business Rules:
50,000 yen

(2) Clearing Participant with JGB Futures Clearing Qualification;
100,000 yen

(3) Clearing Participant with Index Futures Clearing Qualification; and
120,000 yen

(4) Precious Metal Futures Clearing Qualification, Rubber Futures Clearing Qualification, Agricultural Futures Clearing Qualification or Petroleum Futures Clearing Qualification:
50,000 yen regardless the number of Clearing Qualifications under this Item held by the relevant Clearing Participant

(5) Clearing Participant with ETF Special Clearing Qualification
50,000 yen

(6) Registered ETF Trust Bank

50,000 yen

(Article 3 Fees for Settlement)

1 A Clearing Participant*1 shall pay to JSCC the amount equivalent to the fee that JSCC pays JASDEC for the settlement of the Contracts for Clearing in JSCC for the Securities Eligible for DVP Settlements*2.

(*1 excluding ETF Special Clearing Participant)

(*2 hereinafter referred to as "Fees for Settlement")

2 A Registered ETF Trust Bank shall pay to JSCC the amount equivalent to the fee that JSCC pays JASDEC as the Fees for Settlement for the ETF Special Clearing Participant's settlement of the Contracts for Clearing pursuant to Paragraph 3 of Article 56 of the Business Rules.

3. Fees for Settlement shall be the amount determined by JASDEC, which is calculated by JASDEC for each of its participants or Registered ETF Trust Banks as a Book-Entry Transfer Fee relating to the settlement of JSCC.

(Article 3-2 Fees for Position Transfer)

1 In the case where Position Transfer is completed pursuant to the provisions of Paragraph 1 of Article 73-44 of the Business Rules, 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 73-44*1, such Agency Clearing Participant shall pay to JSCC the amount obtained by multiplying the 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 same Article)

(Article 3-3. Inspection Fees and Weight Inspection Fees related to RSS)

1 When JSCC conducted an inspection or a weight inspection related to RSS pursuant to the provisions of Paragraph 1 of Article 27 of the Handling of Business Rules, the Delivering Rubber Futures Clearing Participant*1 shall pay to JSCC the inspection fees or the weight

inspection fees set forth below and actual costs required; provided, however, that if JSCC conducted the inspection or the weight inspection on the inspection day prescribed by JSCC that is before the Last Trading Day of each contract month contract, the inspection fees or the weight inspection fees shall be half of the amount set forth in below Items, and if JSCC conducted the inspection or the weight inspection on an ad hoc basis upon a Clearing Participant's request on a day other than the inspection day prescribed by JSCC, the inspection fees or the weight inspection fees shall be 1.5 times of the amount prescribed in each of the below Items:

(*1 excluding the case prescribed in the following Paragraph)

(1) Inspection Fees

a. In case of the first inspection:

Where the delivery lot subject to inspection is up to 24 delivery units: 18,000 yen

Where the delivery lot subject to inspection exceeds 24 delivery units: plus 4,000 yen per additional 12 delivery units

b. In case of re-inspection:

10,000 yen per delivery lot subject to inspection

(2) Weight Inspection Fee: 10,000 per delivery lot subject to inspection

2 With respect to the payment of the fees set forth in the preceding Paragraph, when JSCC conducted a weight inspection for the claim of deficiency by the Receiving Rubber Futures Clearing Participant set forth in Paragraph 2 of Article 26 of the Handling of Business Rules, if it recognized no deficiency and rejected the claim, the Receiving Rubber Futures Clearing Participant shall pay to JSCC the weight inspection fees and the actual costs required.

(Article 3-4. Inspection Fees related to Azuki)

1 When JSCC conducted an advance requested inspection related to Azuki pursuant to the provisions of Article 35 of the Handling of Business Rules, the Agricultural Futures Clearing Participant requested such inspection shall pay the advance requested inspection fees of 1,200 yen per delivery unit respectively for the inspection of quality, weight and packaging.

2 Notwithstanding the provisions of Paragraph 2 of Article 36 of the Handling of Business Rules, when the Receiving Agricultural Futures Clearing Participant released the delivery goods or performed collection on the instrument, the claim of deficiency shall be void and the inspection fees in the amount of 1,200 yen per delivery unit respectively for the inspection of quality, weight and packaging shall be borne by the Receiving Agricultural Futures Clearing Participant.

3 When JSCC conducted the inspection of the delivery goods related to Azuki pursuant to the provisions of Paragraph 1 of Article 37 of the Handling of Business Rules, either the

Delivering Agricultural Futures Clearing Participant or the Receiving Agricultural Futures Clearing Participant, as applicable pursuant to the provisions of Paragraph 4 of the said Article, shall pay to JSCC the inspection fees in the amount of 1,200 yen per delivery unit respectively for the inspection of quality, weight and packaging.

(Article 4 Issue Management Fees)

1 A Designated Market Operator shall pay issue management fees to JSCC.

2 The issue management fees (monthly fees) set forth in the preceding Paragraph which are to be paid by a Designated Market Operator operating Financial Instruments Exchange Market shall be the total amount of each Items below, with respect to the type of contracts prescribed in the following Items:

(1) Contracts prescribed in Item (1) of Paragraph 2 of Article 3 of the Business Rules; and

With respect to the issues prescribed in A) and B) below, the total amount of said A) and B):

A) Issues relating to domestic stocks, domestic Convertible Bonds or Japanese Government Bonds; and*1

(*1 excluding issues relating to When-Issued Transaction)

The amount obtained by multiplying the total sum of the number of listed descriptions pertaining to the relevant issues of each Designated Market Operator*1, as of the end of the month*2 for all Designated Market Operators, by 4,500 yen, and then prorating the resulting product by the price of the buying/selling of those issues*3 in the Financial Instruments Exchange Market operated by each Designated Market Operator for either the six months preceding the end of June immediately preceding the relevant month, or for the six months preceding the end of December immediately preceding the relevant month; provided, however, that if such amount is less than 50,000 yen, the fee shall be 50,000 yen.

(*1 referring to the number of descriptions of listed securities that is subject to the obligation assumption of JSCC; the same shall apply hereinafter in B) below)

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

(*3 excluding the prices of the buying/selling relating to those of underlying securities resulting from an exercise of the option under Security Option Contract at the relevant Financial Instruments Exchange Market)

B) Issues other than those set forth in the preceding A).

The amount obtained by multiplying the number of listed descriptions pertaining to the relevant issues of each Designated Market Operator as of the end of the month by 4,500 yen.

(2) Contracts prescribed in Item (2) through Item (6)-3 and Item (11) of Paragraph 2 of Article 3 of the Business Rules.

With respect to the issues prescribed in A) through H) below, the total amount of said A) through E):

A) Issues relating to contracts prescribed in Item (2) of Paragraph 2 of Article 3 of the Business Rules;

The amount obtained by multiplying the number of issues of the underlying securities*1 pertaining to the relevant contracts of each Designated Market Operator as of the end of the month by 60,000 yen.

(*1 excluding issues for which the contract month contract is not set)

B) Issues relating to contracts prescribed in Item (3) of Paragraph 2 of Article 3 of the Business Rules;

The amount obtained by multiplying the number of standardized instruments and the prices of such standardized instruments*1 pertaining to the relevant contracts of each Designated Market Operator as of the end of the month by 60,000 yen.

(*1 excluding those for which the contract month contract is not set)

C) Issues relating to contracts prescribed in Item (4) of Paragraph 2 of Article 3 of the Business Rules;

The amount obtained by multiplying the number of standardized instruments of the underlying JGB Futures Contract*1 pertaining to the relevant contracts of each Designated Market Operator as of the end of the month by 60,000 yen.

(*1 excluding those for which the contract month contract is not set)

D) Issues relating to contracts prescribed in Item (4)-2 of Paragraph 2 of Article 3 of the Business Rules

The amount obtained by multiplying the number of the financial indicator*1 pertaining to the relevant contracts of each Designated Market Operator as of the end of the month by 60,000 yen.

(*1 excluding those for which the contract month contract is not set)

E) Issues relating to contracts prescribed in Item (5) of Paragraph 2 of Article 3 of the Business Rules; and

The amount obtained by multiplying the number of the underlying index*1*2 pertaining to the relevant contracts of each Designated Market Operator as of the end of the month by 60,000 yen.

(*1 with respect to an underlying index for which multiple Trading Units are set, the number of the types of Trading Unit set)

(*2 excluding those for which the contract month contract is not set)

F) Issues relating to contracts prescribed in Item (6) of Paragraph 2 of Article 3 of the Business Rules.

The amount obtained by multiplying the number of underlying index*1*2 pertaining to the relevant contracts of each Designated Market Operator as of the end of the month by 60,000 yen.

(*1 with respect to an underlying index for which multiple Trading Units are set, the number of the types of Trading Unit set)

(*2 excluding those for which the contract month contract is not set)

G) Issues relating contracts prescribed in Item (6)-2 of Paragraph 2 of Article 3 of the Business Rules.

The amount obtained by multiplying the number of the underlying commodities*1 pertaining to the relevant contracts of each Designated Market Operator as of the end of the month by 60,000 yen.

(*1 excluding those for which the contract month contract is not set)

H) Issues relating contracts prescribed in Item (6)-3 of Paragraph 2 of Article 3 of the Business Rules.

The amount obtained by multiplying the number of the underlying commodities*1 pertaining to the relevant contracts of each Designated Market Operator as of the end of the month by 60,000 yen.

(*1 excluding those for which the contract month contract is not set)

3 The issue management fees (monthly fees) set forth in Paragraph 1 to be paid by a Designated Market Operator other than those operating Financial Instruments Exchange Market shall be the total amount of each Item below:

(1) 50,000 yen; and

(2) The amount obtained by multiplying the number prescribed in A) below by 0.001, and then multiplying the resulting product*1 by the amount prescribed in B) below:

(*1 any fractional amount less than 1 shall be rounded down)

A) The number obtained by subtracting 1 from the number of issues in the Proprietary Trading System operation of each Designated Market Operator as of the end of month; and

B) 100,000 yen.

(Article 5 Fee for Handling New Instruments)

A Designated Market Operator shall pay to JSCC a fee for handling new instruments in the amount equivalent to the expense that JSCC temporarily bears for the addition of Contract Subject to Clearing and/or other system changes due to a request of the relevant Designated Market Operator; provided, however, that with respect to the fee for handling new instruments, in the event that same system changes, etc. are to be made within one year from the relevant system changes, etc., JSCC shall set the fee on a case-by-case basis.

(Article 6 Payment Date, etc. of Fees)

Reference Translation

Rules on Fees

1 The payment date of the fees to JSCC stipulated in Article 2 through Article 4 shall be the twentieth*1 day of each month, and the fees for the immediately preceding month shall be paid together with the corresponding consumption tax and local consumption tax.

(*1 if such day falls on a Non-business Day, it shall be deferred to the immediately following business day)

2 The payment date of the fee for adopting new products prescribed in the preceding Article shall be set by JSCC on a case-by-case basis, and the fee shall be paid together with the corresponding consumption tax and local consumption tax.

Supplementary Provisions

1 These Rules shall come into effect on January 14, 2003.

2 With respect to the application of the provisions of Paragraph 2 of Article 3 to the issue management fees for January 2003, the phrase “by 4,500 yen” shall be deemed to be “by 4,500 yen, and then multiplying the resulting product by the ratio of the number of business days on and after January 14, 2003, relative to the total number of whole business days in the same month”.

3 With respect to the application of the provisions of Paragraph 2 of Article 4 to the clearing fees for January 2003, the words “every month” in the same Paragraph shall be deemed to be “formed from January 14, 2003, to the end of January of the same year in the Designated Securities Market.” In such case, with respect to the price of buying/selling prescribed in Item (1) of the same Paragraph pertaining to When-Issued Transactions, the contracts that are subject to the obligation assumption of JSCC and have been formed by the end of January 2003 shall be treated as the price of the buying/selling, and the price of the buying/selling pertaining to those which had been formed on or before January 10, 2003, in the Designated Securities Market and is to be subject to the obligation assumption of JSCC on or after January 14, 2003, shall be included.

4 The convertible bonds or the corporate bonds with stock acquisition rights for which the provisions then in force still remain applicable pursuant to the provisions of Paragraph 1 of Article 7 of the Supplementary Provisions of the Law Partially Amending the Commercial Code, Etc. (Law No. 128 of 2001)*1 shall be treated as Convertible Bonds or corporate bonds with stock acquisition rights that are not Convertible Bonds, respectively, and these Rules shall be applied to them accordingly.

(*1 hereinafter referred to as the “Law Amending Commercial Code, Etc.” in this Supplementary Provisions)

5 The certificate of subscription right, which is issued in conjunction with the corporate bonds with stock acquisition rights set forth in the immediately preceding Paragraph pursuant to Paragraph 1 of Article 341-13 of the Commercial Code as it existed prior to the amendment made under the Law Amending Commercial Code, Etc., shall be regarded as a certificate of stock acquisition rights, and these Rules shall be applied to it accordingly.

Supplementary Provisions

These revised Rules shall come into effect on January 27, 2003.

Supplementary Provisions

These revised Rules shall come into effect on April 1, 2003.

Supplementary Provisions

These revised Rules shall come into effect on November 4, 2003.

Supplementary Provisions

1 These revised Rules shall come into effect on February 2, 2004.
2 With respect to the application of the provisions of Item (2) through Item (6) of Paragraph 2 of Article 2 to the clearing fees for February 2004, the obligations that are assumed pursuant to the provisions of Paragraph 6 of the Supplementary Provisions February 2, 2004, of the Business Rules shall not be included.

Supplementary Provisions

These revised Rules shall come into effect on April 1, 2004.

Supplementary Provisions

1 These revised Rules shall come into effect on August 1, 2004 and shall apply to the fees for settlement on or after April 1 in the same year; provided, however, that with respect to settlement conducted from April 1 in the same year to the day prescribed by JSCC, a Clearing Participant shall pay to JSCC the amount equivalent to the fees for settlement that is stipulated in Paragraph 2 of Article 3 of these Rules as it existed prior to this revision.
2 In the event that the amount equivalent to the fees for settlement that is paid to JSCC by a Clearing Participant pursuant to the provisions of the proviso of the preceding Paragraph exceeds the amount of the fees for settlement prescribed in revised Paragraph 2 of Article 3, JSCC shall return such excess amount to a Clearing Participant in accordance with the rules prescribed by JSCC.

Supplementary Provisions

1 These revised Rules shall come into effect on the day set by JSCC*.
2 With respect to the application of the provisions of A) of Item (1) of Paragraph 2 of Article 4 to the issue management fees for December 2004 through June 2005, the price of

selling/buying the relevant issue in the OTC market operated by the Japan Securities Dealers Association shall be deemed to constitute the price of selling/buying the relevant issue in Jasdaq Securities Exchange, Inc.

*The date set by JSCC is December 13, 2004.

Supplementary Provisions

These revised Rules shall come into effect on April 1, 2005.

Supplementary Provisions

These revised Rules shall come into effect on January 10, 2006.

Supplementary Provisions

These revised Rules shall come into effect on January 30, 2006.

Supplementary Provisions

These revised Rules shall come into effect on May 1, 2006.

Supplementary Provisions

1 These revised Rules shall come into effect on October 1, 2006.

2 With respect to the provisions of Item (1) and Item (7) of Paragraph 2 of Article 2 and the provisions of Paragraph 2 of Article 2-2, the rate “0.000004,” “2.95 yen” and “0.004 yen” in Item (1) of Paragraph 2 of Article 2 shall be deemed to be “0.0000052,” “1 yen” and “0.0052 yen” respectively; the rate “0.00000135” and “2.95 yen” in Item (7) of the same Paragraph shall be deemed to be “0.00000145” and “1 yen” respectively, and the rate “130,000 yen” in Paragraph 2 of Article 2-2 shall be deemed to be “50,000 yen” for the period from the day on which these revised Rules come into effect to September 30, 2007; and the rate “0.000004,” “2.95 yen” and “0.004 yen” in Item (1) of Paragraph 2 of Article 2 shall be deemed to be “0.0000046,” “2 yen” and “0.0046 yen” respectively; the rate “0.00000135” and “2.95 yen” in Item (7) of the same Paragraph shall be deemed to be “0.0000014” and “2 yen” respectively, and the rate “130,000 yen” in Paragraph 2 of Article 2-2 shall be deemed to be as “90,000 yen” for the period from October1, 2007 to September 30, 2008.

3 The provisions of Item (1) of Paragraph 2 of Article 2-2 shall, for the time being, not apply

to a Clearing Participant whose total amount of clearing fees calculated in accordance with the provisions of Item (1) and Item (7) of Paragraph 2 of Article 2 is not more than 260,000 yen.

Supplementary Provisions

These revised Rules shall come into effect on September 30, 2007.

Supplementary Provisions

These revised Rules shall come into effect on January 15, 2008.

Supplementary Provisions

These revised Rules shall come into effect on June 16, 2008.

Supplementary Provisions

These revised Rules shall come into effect on January 5, 2009.

Supplementary Provisions

These revised Rules shall come into effect on March 23, 2009.

Supplementary Provisions

1 These revised Rules shall come into effect on the day set by JSCC*.

2 For the period from the day on which these revised Rules come into effect to September 30, 2010, upon a calculation of clearing fees (monthly fee) for the contracts listed in revised A) of Item (5) of Paragraph 2 of Article 2, the amount obtained by multiplying the quantity of the contracts, which is subject to the obligation assumption of JSCC in the relevant month, by 2 yen per Trading Unit shall be subtracted from the amount prescribed in revised A) (a) of the same Item, and the amount obtained by multiplying the quantity pertaining to the final settlement on the relevant month by 6 yen per Trading Unit shall be subtracted from the amount prescribed in revised A) (b) of the same Item.

3 With respect to the provisions of Item (2) of Paragraph 2 of Article 2-2, the rate “100,000 yen” in the same Item shall be deemed to be “30,000 yen” for the period from the day on which these revised Rules come into effect to September 30, 2010, and shall be deemed

to be “60,000 yen” for the period from October 1, 2010 to September 30, 2011.

4 The provisions of Item (2) of Paragraph 2 of Article 2-2 shall, for the time being, not apply to a Clearing Participant whose total amount of clearing fees calculated in accordance with the provisions of Item (2) through Item (6) of Paragraph 2 of Article 2 is not more than 200,000 yen.

*The date set by JSCC is November 1, 2009.

Supplementary Provisions

These revised Rules shall come into effect on July 16, 2010.

Supplementary Provisions

These revised Rules shall come into effect on July 26, 2010.

Supplementary Provisions

1 These revised Rules shall come into effect on July 16, 2013.

2 With respect to the application of the provisions of Article 2 to the clearing fees for July 2013, the obligations that are assumed pursuant to the provisions of Paragraph 8 of the Supplementary Provisions July 16, 2013 of the Business Rules shall not be included.

3 Notwithstanding the provisions of the preceding paragraph, among the contracts executed on a Trading Day ending on July 16, 2013 on Osaka Securities Exchange Co., Ltd., those executed before July 16 shall be deemed to be executed on July 16 and the provisions as revised shall be applied to such contracts.

4 Among the Exchange FX Contracts executed on a Trading Day ending on July 16, 2013 on Osaka Securities Exchange Co., Ltd., the Clearing Fees set forth in Paragraph 3 of the Schedule shall not be applied to those executed on July 16.

5 Notwithstanding the provisions of Paragraph 2 of Article 2-2 as revised, the fixed fee for July 2013 for the Clearing Participants other than the Securities Clearing Participants shall be as prescribed in each Item below:

(1) Clearing Participant holding either Security Option Clearing Qualification, JGB Futures Clearing Qualification or Index Futures Clearing Qualification during the period from July 1, 2013 to July 15, 2013

48,387 yen[*1]

([*1] In the case where the aggregate amount of clearing fees[*1-1] for the Contracts Subject to Clearing set forth in Item (2) through Item (6) of Paragraph 2 of Article 3 of the Business Rules in July 2013 is not more than 200,000 yen, 0 yen)

([*1-1] limited to those concerning the securities in the Financial Instruments Market

operated by the Designated Market Operator set forth in Paragraph 1 of Article 2 of the Handling of Business Rules)

(2) Clearing Participant holding JFB Futures Clearing Qualification during the period from July 16, 2013 to July 31, 2013

51,612 yen[*1]

([*1] In the case where the aggregate amount of clearing fees[*1-1] for the Contracts Subject to Clearing set forth in Item (3) and Item (4) of Paragraph 2 of Article 3 of the Business Rules in July 2013 is not more than 100,000 yen, 0 yen)

(3) Clearing Participant holding Index Futures Clearing Qualification during the period from July 16, 2013 to July 31, 2013

61,935 yen[*1]

([*1] In the case where the aggregate amount of clearing fees[*1-1] for the Contracts Subject to Clearing set forth in Item (2), Item (5) and Item (6) of Paragraph 2 of Article 3 of the Business Rules in July 2013 is not more than 100,000 yen, 0 yen)

(4) Clearing Participant holding FX Clearing Qualification during the period from July 16, 2013 to July 31, 2013

10,323 yen

6 The provisions of Item (2) of Paragraph 2 of Article 2-2 as revised shall not be applied to the Clearing Participants whose aggregate amount of clearing fees for the Contracts Subject to Clearing set forth in Item (3) and Item (4) of Paragraph 2 of Article 3 of the Business Rules calculated in accordance with the Appendix attached hereto is not more than 100,000 yen for August 2013 and thereafter for the time being.

7 The provisions of Item (3) of Paragraph 2 of Article 2-2 as revised shall not be applied to the Clearing Participants whose aggregate amount of clearing fees for the Contracts Subject to Clearing set forth in Item (2), Item (5) and Item (6) of Paragraph 2 of Article 3 of the Business Rules calculated in accordance with the Appendix attached hereto is not more than 100,000 yen for August 2013 and thereafter for the time being.

Supplementary Provisions

1 These revised Business Rules shall come into effect on March 24, 2014.

2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business 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 Business Rules shall come into effect on the day set by JSCC which is not earlier than March 24, 2014.

Supplementary Provisions

1 These revised Business Rules shall come into effect on the date set by JSCC*.
2 Notwithstanding the provisions of Paragraph 2 of Article 2-2 as revised, the fixed fee for October 2014 for the Clearing Participants holding FX Clearing Qualification shall be 17,419 yen.

*The date set by JSCC on Paragraph 1 is November 21, 2014.

Supplementary Provisions

1 These revised Business Rules shall come into effect on November 25, 2014; provided, however, the revised provisions of Article 6 shall come into effect on the date set by JSCC*.
2 Notwithstanding the provisions of the main text of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business 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 Business Rules shall come into effect on the day set by JSCC which is not earlier than November 25, 2014.

*The date set by JSCC on Paragraph 1 is November 30, 2014.

Supplementary Provisions

1 These revised Business Rules shall come into effect on May 25, 2015.
2 Notwithstanding the provisions of the main text of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business 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 Business Rules shall come into effect on the day set by JSCC which is not earlier than May 25, 2015.

Supplementary Provisions

These revised Rules shall come into effect on November 9, 2015.

Supplementary Provisions

These revised Rules shall come into effect on April 1, 2016.

Supplementary Provisions

1 These revised Rules shall come into effect on July 19, 2016.
2 Notwithstanding the provisions of the preceding Paragraph, in the case where JSCC deems it inappropriate for the revised Business 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 Business Rules shall come into effect on the day set by JSCC which is not earlier than July 19, 2016.

Supplementary Provisions

These revised Rules shall come into effect on February 28, 2017 in respect to the revisions in Item 1 of Appendix and on March 1, 2017 in respect of the revisions in Item 2 of Appendix.

Supplementary Provisions

1 These revised Rules shall come into effect on June 25, 2018.
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 June 25, 2018.

Supplementary Provisions

These revised Rules shall come into effect on July 17, 2018.

Supplementary Provisions

These revised Rules shall come into effect on October 1, 2018.

Supplementary Provisions

1 These revised Rules shall come into effect on July 27, 2020; provided, however, that the revision of Paragraph 2 of Article 4 shall come into effect on August 1, 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 revised Rules shall come into effect on the day set by JSCC which is not earlier than July 27, 2020.

3 Notwithstanding the provisions of Item (4) of Paragraph 2 of Article 2-2, as revised, the Fixed Fee for July 2020 related to the Precious Metal Futures Clearing Qualification, the Rubber Futures Clearing Qualification or the Agricultural Futures Clearing Qualification shall be 8,064 yen[*1].

([*1] if the sum of 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 and 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 for July 2020 is equal to or less than 100,000 yen, 0 yen)

4 The provisions of Item (4) of Paragraph 2 of Article 2-2, as revised, shall not apply, for the 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 (6)-2 and Item (6)-3 of Paragraph 2 of Article 3 of the Business Rules to be calculated pursuant to Appendix 1 and 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 the Appendix to the Rules on Fees related to the Business of Assuming Commodity Transaction Debts is equal to or less than 100,000 yen.

Supplementary Provisions

1 These revised Rules shall come into effect on January 18, 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 January 18, 2021.

Supplementary Provisions

1 These revised Rules shall come into effect on September 21, 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 September 21, 2021.

3 The provisions of Item (4) of Paragraph 2 of Article 2-2, as revised, shall not apply, for the time being for the fees after September 2021, to the Clearing Participant with respect to which the sum of the clearing fees related to the Contracts Subject to Clearing listed in Item (5), Item (6)-2 and Item (6)-3 of Paragraph 2 of Article 3 of the Business Rules[*1] to be calculated pursuant to Appendix 1 and 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 the Appendix to the Rules on Fees related to the Business of Assuming Commodity Transaction Debts is equal to or less than 100,000 yen.

([*1] with respect to the Contracts Subject to Clearing listed in Item (5), limited to those related to Commodity Index)

Supplementary Provisions

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

Supplementary Provisions

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

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 April 4, 2022.

Supplementary Provisions

1 These revised Rules shall come into effect on May 29, 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 May 29, 2023.

3 The provisions of Item (2) of Paragraph 2 of Article 2-2, as revised, shall not apply to the

Clearing Participant with respect to which the sum of the clearing fees related to the Contracts Subject to Clearing listed in Items (3) to (4)-2 of Paragraph 2 of Article 3 of the Business Rules to be calculated pursuant to Appendix 1 is equal to or less than 100,000 yen.

Supplementary Provisions

These revised Rules shall come into effect on November 6, 2023.

Supplementary Provisions

1 These revised Rules shall come into effect on March 18, 2024.

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 March 18, 2024.

Supplementary Provisions

1 These revised Rules shall come into effect on April 1, 2024.

2 Notwithstanding the provisions of Appendix 1 and Paragraph 2 of Article 2-2, as revised, with respect to clearing fees and a fixed fee payable by a Securities Clearing Participant corresponding to the period up to March 2026, when the sum of the clearing fees with respect to securities other than bonds[*1] calculated pursuant to Appendix 1, as revised, and the fixed fee set forth in Item (1) a. of Paragraph 2 of Article 2-2, as revised, is greater than the sum of the clearing fees with respect to securities other than bonds calculated pursuant to Appendix before the revision and the fixed fee set forth in Item (1) of Paragraph 2 of Article 2-2 before the revision, the clearing fees and the fixed fee concerning the securities other than bonds applied to the relevant Securities Clearing Participant shall be calculated as if there has been no revision to these Rules.

Supplementary Provisions

1 These revised Rules shall come into effect on November 5, 2024.

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 November 5, 2024.

Supplementary Provisions

These revised Rules shall come into effect on April 30, 2025.

Supplementary Provisions

1 These revised Rules shall come into effect on May 26, 2025.

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 May 26, 2025.

Supplementary Provisions

These revised Rules shall come into effect on December 8, 2025.

Appendix 1

Basis for Calculation of Clearing Fees and Clearing Fee Rates

1 The basis for calculation of clearing fees and clearing fee rates for the contracts set forth in Item (1) , Items (7) through (10), Item (12) and Item (13) of Paragraph 2 of Article 3 of the Handling of Business Rules and the buying/selling of the underlying securities resulting from the exercise of the option under Security Option Contract set forth in Item (2) shall be as follows.

Category of Contracts Subject to Clearing		Basis for Calculation	Clearing Fee Rate
Contracts prescribed in Item (1), Item (10), Item (12) and Item (13) of Paragraph 2 of Article 3 of the Business Rules and the buying/selling of the underlying securities resulting from an exercise of the option under the Security Option Contract prescribed in Item (2) of the same Paragraph	Securities other than bonds (excluding corporate bonds with stock acquisition rights and Exchangeable Corporate Bonds)	Value of the obligations assumed	Clearing fee rate set forth in B) below determined based on the aggregate value of the obligations assumed in the relevant month[*1] for the Securities Clearing Participant set forth in A) below: ([*1] including after 6:00 P.M. on the last day[*1-1] of the month immediately preceding the relevant month, and excluding after 6:00 P.M. on the last day of the relevant month, or, in the case of the trades executed on Proprietary Trading System, including the time when trades whose settlement day is the 3rd business day from and including the first day of the relevant month[*1-2] are executed, and excluding the time when trades whose settlement day is the 4th business day from and including the last day of the relevant month are executed; the same applies hereinafter in this Paragraph) ([*1-1] if such last day falls on a Non-business Day, it shall be the immediately preceding business day; the same applies hereinafter in this Paragraph) ([*1-2] if such first day falls on a Non-business Day, it shall be the immediately following business day) A). The value of obligations assumed in the relevant month for the Securities Clearing Participant shall be the sum of the value of the obligations assumed set forth in (a) and (b) below: (a) Contracts listed in Item (1) and Item (10) of Paragraph 2 of Article 3 of

			the Business Rules and buying and selling of the underlying securities resulting from an exercise of Security Option Contract listed in Item (2) of the said Paragraph: The sum of the value of the obligations[*1] assumed by JSCC in the relevant month and the price of the buying/selling of the underlying securities resulting from an exercise/assignment of the option under the Security Option Contract prescribed in Item (2) of Paragraph 2 of Article 3 of the Business Rules in the relevant month; ([*1] referring to the value obtained by multiplying the quantity of the securities pertaining to the relevant contract by its contract price) (b) Clearing Contracts conducted by Securities Clearing Participants listed in Item (12) and Item (13) of Paragraph 2 of Article 3 of the Business Rules: The sum of the aggregate value of the obligations listed in (i) through (iv) below which JSCC assumed in a month pursuant to the provisions of Item (4) and Item (5) of Paragraph 1 of Article 46 of the Business Rules: (i) Payment obligation of money set forth in Item (1) A) (a) of Paragraph 2 of Article 45-3 of the Business Rules and payment obligation of money related to a creation of cash type securities investment trust set forth in Item (2) of Paragraph 2 of Article 45-3 of the Business Rules; (ii) Delivery obligation of exchange traded fund beneficiary certificate set forth in Item (1) A) (b), Item (1) B) (a) and Item (1) C) (a) of Paragraph 2 of Article 45-3 of the Business Rules and delivery obligation of exchange traded fund beneficiary certificate related to a partial redemption of principal of cash type securities investment trust set forth in Item (2) of Paragraph 2 of Article 45-3 of the Business Rules; (iii) Delivery obligations of exchange traded fund component stocks set forth in Item (1) A) (a) and Item (1) C) (b) of

			Paragraph 2 of Article 45-3 of the Business Rules; (iv) Delivery obligations of exchange traded fund beneficiary certificate of Residual Number of ETF Shares to be Returned set forth in Item (1) C) (c) of Paragraph 2 of Article 45-3 of the Business Rules. B) The clearing fee rate shall be the rate obtained by dividing[*1] the sum of the amounts determined pursuant to (i) through (vi) below based on one-half of the daily average (on business day basis) of the aggregated total of the value of obligations assumed in the relevant month set forth in A) for all Securities Clearing Participants[*2] by Daily Market Value of Assumed Obligations: ([*1] round down to eight decimal places) ([*2] referred to as "Daily Market Value of Assumed Obligations" in this Paragraph) (i) The amount obtained by multiplying the portion that is less than or equal to 1 trillion yen of the Daily Market Value of Assumed Obligations by 0.000007; (ii) The amount obtained by multiplying the portion that is over 1 trillion yen and less than or equal to 2 trillion yen of the Daily Market Value of Assumed Obligations by 0.0000068; (iii) The amount obtained by multiplying the portion that is over 2 trillion yen and less than or equal to 2.5 trillion yen of the Daily Market Value of Assumed Obligations by 0.0000058; (iv) The amount obtained by multiplying the portion that is over 2.5 trillion yen and less than or equal to 3 trillion yen of the Daily Market Value of Assumed Obligations by 0.0000054; (v) The amount obtained by multiplying the portion that is over 3 trillion yen and less than or equal to 4 trillion yen of the Daily Market Value of Assumed Obligations by 0.0000049; and (vi) The amount obtained by multiplying the portion that is over 4

			trillion yen of the Daily Market Value of Assumed Obligations by 0.0000044.
	Bonds (excluding corporate bonds with stock acquisition rights and Exchangeable Corporate Bonds)	Value of the obligations assumed	With respect to the obligations JSCC assumed in the relevant month, the amount obtained by multiplying the total amount of the face value*1 of the bonds pertaining to the relevant contracts by 0.0004 yen per face value of 100 yen (*1 in the case of foreign currency denominated foreign bonds, the total amount of face value bought/sold shall be converted to Japanese yen at a foreign exchange rate designated by the Designated Market Operator)
		Number of the obligations assumed	The amount obtained by multiplying the number of the obligations assumed by JSCC in the relevant month by 2.95 yen
Contracts prescribed in Item (7) through Item (9) of Paragraph 2 of Article 3 of the Business Rules (applicable only to a Clearing Participant who is a Designated Securities Finance Company)		Value of the obligations assumed	The amount obtained by multiplying the value of the obligations JSCC assumed in the relevant month*1 by 0.0000015; and (*1 with respect to the obligations to deliver securities, the amount obtained by multiplying the quantity of the securities to be delivered by the lending/borrowing prices designated by a Designated Securities Finance Company)

2 The basis for calculation of clearing fees and clearing fee rates for the contracts set forth in Items (2) through (6)-3 of Paragraph 2 of Article 3 of the Business Rules shall be as follows.

Category of Contracts Subject to Clearing	Basis for Calculation	Clearing Fee Rate
Security Option Contract prescribed in Item (2) of Paragraph 2 of Article 3 of the Business Rules (Note 1)	Notional value (Note2)	0.00002 of the notional value for the obligations assumed by JSCC in the relevant month (Note 3)
	Buying/selling notional value (Note2) of the	0.00002 of the notional value for an exercise/assignment of option by a Clearing Participant in the relevant

		underlying securities pertaining to an exercise/assignment of option	month
JGB Futures Contract prescribed in Item (3) of Paragraph 2 of Article 3 of the Business Rules	Physically-delivered futures contract in respect of JGB Futures Contract (Note 1)	Contract quantity	49 yen* (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3) and the contracts resulting from an exercise/assignment of the option under the Option Contracts on JGB Futures prescribed in Item (4) of Paragraph 2 of Article 3 of the Business Rules in the relevant month (* 5 yen for trades related to 20-year JGB Futures)
		Quantity of Settlement by Physical Delivery and Payment	132 yen* per Trading Unit for the total sum of the quantity of Settlement by Physical Delivery and Payment pertaining to the Short/Long Position for which Offsetting-Purchase/ Offsetting-Sale have not been made by the Last Trading Day of contract month contracts in the relevant month (* 15 yen for trades related to 20-year JGB Futures)
	Cash-settled futures contract in respect of JGB Futures Contract (Note 1)	Contract quantity	5 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	15 yen per Trading Unit for the quantity pertaining to the final settlement in the relevant month
Option Contracts on JGB Futures prescribed in Item (4) of Paragraph 2 of Article 3 of the Business Rules (Note 1)		Contract quantity	10 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to an exercise/assignment of option	10 yen per Trading Unit for the quantity pertaining to an exercise/assignment of option by a Clearing Participant in the relevant month
Interest Rate Futures Contracts prescribed in Item (4)-2 of		Contract quantity	17.5 yen (Note 4) per Trading Unit

Paragraph 2 of Article 3 of the Business Rules (Note 1)			for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	87.5 yen per Trading Unit for the quantity pertaining to the final settlement in the relevant month
Index Futures Contract prescribed in Item (5) of Paragraph 2 of Article 3 of the Business Rules	Nikkei Stock Average Futures Contract (Large-sized Contract) (Note 1)	Contract quantity	20 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	130 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	Nikkei Stock Average Futures Contract (Mini-sized Contract) and JPX-Nikkei Index 400 Futures (Note 1)	Contract quantity	2 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	13 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	Nikkei Stock Average Futures Contract (Micro-sized Contract) (Note 1)	Contract quantity	0.2 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	1.3 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	Large-sized TOPIX Futures Contract and TOPIX Banks Index Futures Contract (Note 1)	Contract quantity	20 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	57 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	Mini-sized TOPIX Futures Contract, JPX Prime 150 Index Futures Contract, TSE	Contract quantity	2 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)

	Growth Market 250 Index Futures Contract, TOPIX Core30 Futures Contract and Tokyo Stock Exchange REIT Index Futures Contract (Note 1)	Quantity pertaining to the final settlement	6 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	RNP Index Futures Contract (Note 1)	Contract quantity	16 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	45 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	NY Dow Futures Contract, TAIEX Futures Contract and FTSE China 50 Index Futures Contract (Note 1)	Contract quantity	5 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	45 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	Nikkei Stock Average VI Futures Contract (Note 1)	Contract quantity	20 (Note 4) yen per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	100 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	Nikkei Stock Average Dividend Point Index Futures Contract (Note 1)	Contract quantity	10 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)

		Quantity pertaining to the final settlement	30 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	Nikkei 225 Total Return Index Futures Contract (Note 1)	Contract quantity	20 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	130 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	S&P/JPX 500 ESG Score Tilted Index Futures Contract, FTSE JPX Net Zero 500 Index (0.5) Futures Contract, and the Nikkei 225 Climate Change Index Futures Contract (Note 1)	Contract quantity	20 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	130 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	CME Petroleum Index Futures Contract (Note 1)	Contract quantity	4 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to the final settlement	24 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
Index Option Contract prescribed in Item (6) of Paragraph 2 of Article 3 of the Business Rules	Nikkei Stock Average Large-sized Option Contract (Note 1)	Contract price	0.00005 of the contract price for the obligations assumed by JSCC in the relevant month (Note 4) (Note 5)
		Amount of money to be paid/received pertaining to an exercise/assignment of option	0.00055 of the total sum of the amount of money to be paid/received resulting from an exercise/assignment of the option in the relevant month (Note 5)

	Nikkei Stock Average Mini-sized Option Contract) (Note 1)	Contract quantity	1 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to an exercise/assignment of option	13 yen per Trading Unit for the quantity pertaining to an exercise/assignment of option by a Clearing Participant in the relevant month
	TOPIX Option Contract, JPX Nikkei Index 400 Option Contract and TOPIX Banks Index Option Contract (Note1)	Contract quantity	10 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to an exercise/assignment of option	10 yen per Trading Unit for the quantity pertaining to an exercise/assignment of option by a Clearing Participant in the relevant month
	Tokyo Stock Exchange REIT Index Option Contract	Contract quantity	2 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to an exercise/ assignment of option	2 yen per Trading Unit for the quantity pertaining to an exercise/assignment of option by a Clearing Participant in the relevant month
Commodity Futures Contracts prescribed in Item (6)-2 of Paragraph 2 of Article 3 of the Business Rules	Physical Settlement Futures Contracts	Contract quantity	9 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to Settlement by Delivery	145 yen per delivery unit for the total sum of the quantity of the Settlement by Delivery pertaining to the Short/Long Position for which Offsetting-Purchase/ Offsetting-Sale have not been made by the Last Trading Day of contract month contracts in the relevant month
	Cash-settled Monthly Futures Contracts (excluding Shanghai Natural Rubber Futures)	Contract quantity	2 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 2)
		Quantity pertaining to Final Settlement	14 yen per Trading Unit for the quantity pertaining to the final

			settlement on the relevant month
	Shanghai Natural Rubber Futures	Contract quantity	9 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 2)
		Quantity pertaining to Final Settlement	68 yen per Trading Unit for the quantity pertaining to the final settlement on the relevant month
	Cash-settled Rolling Spot Contracts (Note 6)	Contract quantity	9 yen (Note 4) per unit for the obligations assumed by JSCC in the relevant month (Note 3)
Option Contracts on Commodity Futures listed in Item (6)-3 of Paragraph 2 of Article 3 of the Business Rules		Contract quantity	2 yen (Note 4) per Trading Unit for the obligations assumed by JSCC in the relevant month (Note 3)
		Quantity pertaining to an exercise/ assignment of option	22 yen per Trading Unit for the quantity pertaining to an exercise/assignment of option by a Clearing Participant in the relevant month

(Note 1) The terms shall have the meanings prescribed by the relevant Designated Market Operator.

(Note 2) Notional value of Security Option Contract means the amount obtained by multiplying the base price for calculating a price limit range of the underlying security at the designated market prescribed by the Designated Market Operator on the day of the conclusion of the trading contract[*2] or "the price prescribed by the Designated Market Operator as the price equivalent thereto" by the quantity of an underlying security for one trading unit of the Security Option Contract.

(*[2] for Flexible Contract Months prescribed by the Designated Market Operator, the trading day[*2-1] on which the trading contract is concluded)

(*[2-1] referring to the trading day prescribed as to the Flexible Contract Months by the Designated Market Operator)

(Note 3) In the case where Give-up is completed in accordance with the rules of the Designated Market Operator, excluding obligations that are extinguished pursuant to the provision of Article 46-2 of the Business Rules for a Clearing Participant that is also a Trading Participant Executing Trade*[3-1] and including obligations that are newly incurred pursuant to the provision of the same Article for a Clearing Participant that is also a Trading Participant Executing Clearance*[3-2])

(*[3-1] in the case where such Trading Participant Executing Trade is a Non-Clearing Participant, referring to its Designated Clearing Participant)

(*[3-2] in the case where such Trading Participant Executing Clearance is a Non-Clearing Participant, referring to its Designated Clearing Participant)

(Note 4) Total sum of the aggregate contract quantity or the contract prices means the total sum of the aggregate contract quantity or the contract prices from the Trading Day that ends on the 1st day[*4-1] of each month through the Trading Day that ends on the last day[*4-2] of the month.

([*4-1] if such day falls on a Non-business Day, it shall be the immediately following business day.)

([*4-2] if such day falls on a Non-business Day, it shall be the immediately preceding business day.)

(Note 5) In respect of the Large-sized Nikkei Stock Average Option Contract, if the clearing fee per Trading Unit for a sale or purchase relating to the obligations assumed by JSCC exceeds 35 yen, it shall be 35 yen, and if the clearing fee per Trading Unit for an exercise/assignment of the option exceeds 385 yen, it shall be 385 yen.

(Note 6) When the Settlement by Delivery is performed due to Delivery on Request of Cash-settled Rolling Spot Contracts, it shall be 145 yen per delivery unit of the total quantity of Short Position and Long Position subject to the Delivery on Request.

=End=

Appendix 2

Clearing Participants subject to Fixed Fee
Charged Based on Status of Monthly Assumption of Obligations

The fixed fee based on the status of assumption of obligations will be charged on the Securities Clearing Participants whose share of the number of the obligations assumed set forth in (1) below exceeds 3%, but excluding the Securities Clearing Participants whose unit value per assumed obligation set forth in (2) A) exceeds the unit price per assumed obligations of entire market set forth in (2) B):

(1) Securities Clearing Participant's Share of Number of Obligations Assumed

Securities Clearing Participant's share of the number of the obligations assumed shall be, with respect to the aggregate number of the obligations assumed in the relevant month listed in A) and B) below, the percentage of the total number for a Securities Clearing Participant to the total number for all Securities Clearing Participants.

A) Contracts listed in Item (1) and Item (10) of Paragraph 2 of Article 3 of the Business Rules and buying and selling of the underlying securities resulting from exercise of Security Option Contract listed in Item (2) of Paragraph 2 of Article 3 of the Business Rules:
The number of the obligations assumed by JSCC in the relevant month and the total number of the buying/selling of the underlying securities resulting from an exercise/assignment of the option under the Security Option Contract prescribed in Item (2) of Paragraph 2 of Article 3 of the Business Rules in the relevant month;

B) Clearing Contracts conducted by Securities Clearing Participants listed in Item (12) and Item (13) of Paragraph 2 of Article 3 of the Business Rules:
The total number of the obligations listed in (i) through (iv) below which JSCC assumed in a month pursuant to the provisions of Item (4) and Item (5) of Paragraph 1 of Article 46 of the Business Rules:

(i) Payment obligation of money set forth in Item (1) A) (a) of Paragraph 2 of Article 45-3 of the Business Rules and payment obligation of money related to a creation of cash type securities investment trust set forth in Item (2) of Paragraph 2 of Article 45-3 of the Business Rules;

(ii) Delivery obligation of exchange traded fund beneficiary certificate set forth in Item (1) A) (b), Item (1) B) (a) and Item (1) C) (a) of Paragraph 2 of Article 45-3 of the Business Rules and delivery obligation of exchange traded fund beneficiary certificate related to a partial redemption of principal of cash type securities investment trust set forth in Item (2) of Paragraph 2 of Article 45-3 of the Business Rules;

(iii) Delivery obligations of exchange traded fund beneficiary certificate component stock set forth in Item (1) A) (a) and Item (1) C) (b) of Paragraph 2 of Article 45-3 of the Business Rules; and

(iv) Delivery obligations of exchange traded fund beneficiary certificate of Residual Number of ETF Shares to be Returned set forth in Item (1) C) (c) of Paragraph 2 of Article 45-3 of the Business Rules.

(2) Unit Value per Assumed Obligation

A) Securities Clearing Participant's Unit Value per Assumed Obligation

Securities Clearing Participant's unit value per assumed obligation shall be, with respect to a Securities Clearing Participant, the amount obtained by dividing the value of obligations assumed in the relevant month in the calculation of the clearing fee rate to be applied to the securities other than bonds[*1] in Appendix 1[*2] by the aggregate number of assumed obligations set forth in the preceding Item.

(*1 excluding bonds with stock acquisition rights and exchangeable corporate bonds)

(*2 hereinafter referred to as "Value of Obligations Assumed in the Relevant Month")

B) Unit Value per Assumed Obligation of Entire Market

The unit value per assumed obligation of entire market shall be the amount obtained by dividing the sum of the Value of Obligations Assumed in the Relevant Month of all Securities Clearing Participants by the total number of assumed obligations of all Securities Clearing Participants set forth in the preceding Item.

(Note) The number of obligation of assumptions for the Exchange Traded Fund Component Stocks related to Contracts listed in Items (12) through (6)-3 of Paragraph 2 of Article 3 of the Business Rules shall be calculated based on the numbers of stocks of Exchange Traded Fund Component Stocks.