

**Partial Amendments to “Rules on Fees for CDS Clearing Business”
in association with Revision of Fees for CDS Clearing Service**

I. Purpose of Amendment

In association with partial revisions of fees for the purpose of enhancement of convenience of Clearing Participants in its CDS Clearing Service, JSCC makes necessary amendments to the Rules on Fees for CDS Clearing Business as per Annex attached hereto to abolish Trade Reporting Fee and change the calculation period for Collateral Fee.

II. Outline of Amendment

- Trade Reporting Fee charged on Clearing Participants shall be abolished.
- The calculation period for Collateral Fee is changed from quarterly to monthly. The payment timing of a monthly Collateral Fee is changed to by the 20th day of the next month following each month.

(Remarks)

- Rules on Fees for CDS Clearing Business, Article 2 et al

III. Effective Date

These amendments shall come into force on April 1, 2026.

- However, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after April 1, 2026.

Rules on Fees for CDS Clearing Business

Original Document Title : CDS 清算業務に係る手数料に関する規則

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

Article 1. Purpose

- 1 The purpose of these Rules on Fees for CDS Clearing Business (these "Fee Rules") is to prescribe necessary matters in connection with the fees for CDS Clearing Business that Japan Securities Clearing Corporation ("JSCC") charges pursuant to the provisions of Article 16 of the CDS Clearing Business Rules (the "Business Rules") established by JSCC.
- 2 Unless otherwise stated in these Fee Rules, the defined terms in these Fee Rules shall have the same meaning as those in the Business Rules.

Article 2. Types of Fees

The fees under Article 16 of the Business Rules shall be the Clearing Fee (as set forth in Article 3), the Compression Fee (as set forth in Article 4), the Ad Hoc Compression Fee (as set forth in Article 4-2), the Position Transfer Fee (as set forth in Article 4-3), the Settlement Fee (as set forth in Article 5), ~~and~~ the Collateral Fee (as set forth in Article 5-2) ~~and the Trade Reporting Fee (as set forth in Article 5-3).~~

Article 3. Clearing Fee

- 1 The clearing fee for Index CDS Transactions shall be the sum of the amounts calculated according to the classification of the Clearing Participant as set forth below:
 - (1) Clearing Participant designated with respect to Index CDS Transactions in accordance with the provisions of Article 75.1 of the Business Rules:
For each Cleared Contract, $\text{JPY}700 \times \text{Notional Amount} / 100,000,000$.
 - (2) Clearing Participant not falling under Item (1) above:
For each Cleared Contract, $\text{JPY}800 \times \text{Notional Amount} / 100,000,000$.
- 2 If, for any month, the sum of the amounts obtained as per Paragraph 1 exceeds JPY40mil., the clearing fee for that month shall be JPY40mil., and if it is less than JPY100,000, the clearing fee for that month shall be JPY100,000; provided, that if the sum of the amounts obtained as per Paragraph 1 for the month during which a Clearing Participant acquired its CDS Clearing Qualification is less than the amount obtained using below formulae, the clearing fee for that Clearing Participant for that month shall be equal to the amount obtained using below formulae:
$$\text{JPY}100,000 \times (\text{Number of JSCC Business Days during the period from and including the date of its acquisition of the CDS Clearing Qualification to and including the last JSCC Business Day of the month}) / (\text{Total number of JSCC Business Days during the relevant month}).$$

3 The provisions of Paragraph 2 above shall not apply to an additional fee payable by a Clearing Participant pursuant to the provisions of Article 76 of the Business Rules in addition to the fee set forth in Article 16 of the Business Rules.

Article 3-2.

1 The clearing fee for Single Name CDS Transactions shall be the sum of the amounts calculated according to the classification of the Clearing Participant as set forth below; provided, however, that if the Eligible CDS Transaction that is subject to Clearing was executed before JSCC starts provision of Clearing service related to Single Name CDS Transactions, the clearing fee for the Cleared Contract corresponding to such Eligible CDS Transaction shall be, for each Cleared Contract, $\text{JPY}2,400 \times \text{Notional Amount} / 100,000,000$, regardless of the classification of Clearing Participant:

(1) Clearing Participant designated with respect to Single Name CDS Transactions in accordance with the provisions of Article 75.1 of the Business Rules:

For each Cleared Contract, $\text{JPY}4,200 \times \text{Notional Amount} / 100,000,000$.

(2) Clearing Participant not falling under Item (1) above:

For each Cleared Contract, $\text{JPY}4,800 \times \text{Notional Amount} / 100,000,000$.

2 If, for any month, the sum of the amounts obtained as per Paragraph 1 exceeds JPY40mil., the clearing fee for that month shall be JPY40mil., and if it is less than JPY100,000, the clearing fee for that month shall be JPY100,000; provided, that if the sum of the amounts obtained as per Paragraph 1 for the month during which a Clearing Participant acquired its CDS Clearing Qualification is less than the amount obtained using below formulae, the clearing fee for that Clearing Participant for that month shall be equal to the amount obtained using below formulae:

$$\text{JPY}100,000 \times (\text{Number of JSCC Business Days during the period from and including the date of its acquisition of the CDS Clearing Qualification to and including the last JSCC Business Day of the month}) / (\text{Total number of JSCC Business Days during the relevant month}).$$

3 The provisions of Paragraph 2 above shall not apply to an additional fee payable by a Clearing Participant pursuant to the provisions of Article 76 of the Business Rules in addition to the fee set forth in Article 16 of the Business Rules.

Article 4. Compression Fee

The Compression Fee for a pair of Cleared Contracts terminated as a result of a Compression as set forth in Article 53 of the Business Rules shall be the amount obtained using the below formulae:

$$\text{JPY}600 \times (\text{Total Notional Amount of Cleared Contracts in which JSCC is the Seller or total Notional Amount of Cleared Contracts in which JSCC is the Buyer, whichever is smaller (or, if both of the total Notional Amounts are the same, that total Notional Amount)}) \times 2 / 100,000,000$$

Article 4-2. Ad Hoc Compression Fee

The Ad Hoc Compression Fee for a pair of Cleared Contracts terminated as a result of an Ad Hoc Compression as set forth in Article 53-2 of the Business Rules shall be the amount obtained using the below formulae:

$$\text{JPY}600 \times [(\text{Total Notional Amount of Cleared Contracts in which JSCC is the Seller}) + (\text{Total Notional Amount of Cleared Contracts in which JSCC is the Buyer})] / 100,000,000$$

Article 4-3. Position Transfer Fee

The Position Transfer Fee for each Cleared Contract or Clearing Brokerage Contract subject to Transfer (as such term defined in Article 2.1.(1)-2 of the Business Rules), Position Transfer (as such term defined in Article 2.1.(18)-2 of the Business Rules, but excluding Position Transfer under Article 95 of the Business Rules) or a take-over under Articles 40 through 40-4 of the Business Rules shall be the amount obtained using the below formulae:

$$\text{JPY}600 \times \text{Notional Amount} / 100,000,000.$$

Article 5. Settlement Fee

1 The Settlement Fee related to Index CDS Transactions shall be JPY500 per Cleared Contract subject to the Settlement.

2 The Settlement Fee related to Single Name CDS Transactions shall be JPY3,000 per Cleared Contract subject to the Settlement.

Article 5-2. Collateral Fee

1 The Collateral Fee is the amount equivalent to the costs associated with the management of Eligible Securities Collateral deposited by a Clearing Participant with JSCC as CDS Clearing Fund, Initial Margin (including that related to Customer's Cleared Contracts) and Default Contingent Margin (collectively referred to as "Collateral" in this Article), the costs associated with the money trust to a bank which operates trust business as set forth in Articles 52-2.1.(1).b and 52-2.2.(1).b. of the Handling Procedures of CDS Clearing Business Rules (hereinafter referred to as "Money Trust") and other expenses that JSCC

has incurred in accommodating a Clearing Participant's request in connection with the management of Collateral.

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

(1) JGB Management Costs

The value obtained by following formula:

(Monthly aAverage Face Value of JGB posted by a Clearing Participant as Collateral during Calculation Period) X (Actual Number of Days in the relevant month~~Calculation Period~~) / 365 X 0.50 / 10,000

(2) US Treasuries Management Costs

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

a. (Monthly aAverage of Japanese yen equivalent of the face value of US Treasuries posted by a Clearing Participant as Collateral ~~during the Calculation Period~~ converted into Japanese yen in the manner prescribed by JSCC in a public notice) X (Actual Number of Days in the relevant month~~Calculation Period~~) / 365 X 0.50 / 10,000

b. ~~The sum of the values obtained by below formulae in each month during the Calculation Period~~

(Sum of the Market Value (referring to the amount calculated by JSCC in the manner prescribed in a public notice, then converted into JPY) of US Treasuries posted by a Clearing Participant as Collateral as of the end of each month) X (Actual Number of Days in the relevant month) / 365 X 1.0 / 10,000

c. JPY equivalent of the amount obtained by the formula shown below converted into JPY in a manner prescribed by JSCC in a public notice

USD20.00 X (Number of Posting and Withdrawal Instructions given by a Clearing Participant in relation to US Treasuries posted as Collateral during the relevant month~~Calculation Period~~)

(3) The costs related to Money Trust (applicable only when a negative interest rate applies to a portion of the current account under the Complimentary Deposit Facility of the Bank of Japan and JSCC is to bear the trust fee corresponding to such interest rate)

The sum of the values obtained by below formulae on each day in each month~~during the Calculation Period~~

(Portion of Collateral posted by a Clearing Participant to JSCC in the form of cash on the relevant day which is held in the manner of the Money Trust to the bank which operates trust business and is managed in a manner set forth in Article 52-3.(3) and Article 52-3.(4) of the Handling Procedures of CDS Clearing Business Rules) X $\frac{1}{365}$ x (absolute value of the relevant negative interest rate)

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

Article 5-3. Trade Reporting Fee

- ~~1 The Trade Reporting Fee related to Trade Data Repository Reported Cleared Contracts (CDS) (defined in Paragraph 3 below) for each month shall be the amount obtained using the below formulae:~~

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

- ~~2 The Trade Reporting Fee related to SDR Reported Cleared Contracts (CDS) (defined in Paragraph 4 below) for each month shall be the Japanese yen equivalent, converted as prescribed by JSCC in the public notice, of the amount obtained using the below formulae:~~

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

- ~~3 "Trade Data Repository Reported Clearing Contracts (CDS)" in Paragraph 1 means the Cleared Contracts of which information, such as the parties (and, for a Customer's Cleared Contract, Customer which is the party to the Clearing Brokerage Contract corresponding to the relevant Customer's Cleared Contract), Notional Amount and other information, has~~

~~been reported to Trade Data Repository (as such term defined in Article 156.1 of the Financial Instruments and Exchange Act (Act No. 25 of 1948)).~~

~~4 "SDR Reported Cleared Contracts (CDS)" in Paragraph 2 means the Cleared Contracts of which information, such as the parties (and, for a Customer's Cleared Contract, Customer which is the party to the Clearing Brokerage Contract corresponding to the relevant Customer's Cleared Contract), Notional Amount and other information, has been reported to the Swap Data Repository (as such term defined in the U.S. Commodity Exchange Act, Section 1a (48)).~~

Article 6. Fee Payment Date

~~1~~ Each Clearing Participant shall pay to JSCC the total amount of the Clearing Fee, the Compression Fee, the Ad Hoc Compression Fee, the Position Transfer Fee, ~~and~~ the Settlement Fee and the Collateral Fee accrued in each month by the 20th day of the following month (if such day is not a JSCC Business Day, the following JSCC Business Day), together with the amount equal to the applicable consumption tax and local consumption tax.

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

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

Supplementary Provisions

These Fee Rules shall come into force on July 19, 2011.

Supplementary Provisions

These revised Rules shall come into force as of July 23, 2012.

Supplementary Provisions

- 1 These revised Rules shall come into force as of February 24, 2014 ("Effective Date").
- 2 Notwithstanding the provisions of Article 5-2.2, the initial Calculation Period after the implementation of these revised Rules shall commence on the Effective Date and end on March 31, 2014.

Supplementary Provisions

These revised Rules shall come into force as of December 15, 2014.

Supplementary Provisions

These revised Rules shall come into force as of June 15, 2015.

Supplementary Provisions

- 1 These revised Rules shall come into force as of March 9, 2016.
- 2 With respect to the handling of the clearing fee for Voluntary Termination (referring to "the clearing fee for Voluntary Termination" set forth in Article 4 of these Fee Rules before the revision) for which JSCC receives applications by the day that is immediately preceding the date of enforcement of these revisions, the provisions of these Fee Rules before revision shall apply.

Supplementary Provisions

These revised Rules shall come into force as of June 5, 2017.

Supplementary Provisions

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

Supplementary Provisions

These revised Rules shall come into force as of April 6, 2018.

Supplementary Provisions

- 1 These revised Rules shall come into effect on April 1, 2019.
- 2 Notwithstanding the provisions of Article 5-2.2, the last Calculation Date before these revised Rules come into force shall be the day immediately preceding the effective date of these revised Rules.
- 3 Notwithstanding the provisions of Paragraph 1, if JSCC considers it inappropriate to apply the revised 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 Clearing Contracts, these revised Rules shall come into force as of the date designated by JSCC which is on or after April 1, 2019.

Supplementary Provisions

- 1 These revised Rules shall come into effect on April 1, 2024.
- 2 Notwithstanding the provisions of Article 5-2.2, the last Calculation Date before these revised Rules come into force shall be the day immediately preceding the effective date of these revised Rules.

Supplementary Provisions

1. These amendments shall come into force as of October 6, 2025.
2. Notwithstanding the provisions of Paragraph 1, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Clearing Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after October 6, 2025.

Supplementary Provisions

1. These amendments shall come into force as of April 1, 2026.
2. Notwithstanding the provisions of Paragraph 1, if JSCC considers it inappropriate to apply amended rules due to an unavoidable reason, such as failure of the system installed by JSCC which is necessary for settlements between JSCC and Clearing Participants in relation to Cleared Contracts, these amendments shall come into force as of the date designated by JSCC which is on or after April 1, 2026.
3. Notwithstanding the amended rules, as to the Trade Reporting Fee due on April 20, 2026 and May 20, 2026, the rules before the amendment shall apply.
4. Notwithstanding the provisions of Article 6, as amended, the Collateral Fee for the period from January to March 2026 shall be paid to JSCC by April 20, 2026 together with the amount equivalent to applicable consumption tax and local consumption tax.