

(Provisional Reference Translation)

**Summary of Comments Submitted in the Public Consultation Procedure
Regarding "Revisions to Trading Rules in Connection with Launch of Next J-GATE"**

Osaka Exchange, Inc. (hereinafter "OSE") released an outline of the "Revisions to Trading Rules in Connection with Launch of Next J-GATE" on June 24, 2015 and sought public comments until July 24, 2015. OSE received one comment.

The summary of the comment and OSE's response to it are as follows.

Furthermore, OSE will proceed with matters as indicated below.

No.	Summary of Comment	OSE Response
1	<p data-bbox="297 571 763 603"><Regarding the Non-cancel Period></p> <p data-bbox="297 616 1133 770">I am in favor of introducing a Non-cancel Period ("NCP"), because it is important to suppress excessive order amendments/cancellations just before the Opening and Closing auctions.</p> <p data-bbox="297 783 1059 858">However, NCP can be improved if the following points are implemented.</p> <ol data-bbox="297 871 1133 1193" style="list-style-type: none"><li data-bbox="297 871 1133 903">1. Add Mini TOPIX futures to the applicable products of NCP<li data-bbox="297 916 1133 1023">2. Extend the applicable time for NCP from one minute to about three minutes to make the OSE market more credible for individual and institutional investors<li data-bbox="297 1035 1133 1193">3. Disclose on your website the identity of anyone who submits cancel orders that qualify as exceptions to NCP during NCP, along with other pertinent details, to help reduce the number of such cancel orders. <p data-bbox="719 1286 1133 1318" style="text-align: right;">[Submitted by a Retail Investor]</p>	<ul data-bbox="1167 616 2013 1318" style="list-style-type: none"><li data-bbox="1167 616 2013 943">- Although OSE feels that the introduction of NCP can prevent excess fluctuation of prices arising from order amendments/cancellations just before Itayose and that it can contribute to enhancing market credibility, OSE only applies NCP to three products. The reason for this is that market participants were concerned that the introduction of NCP might depress market liquidity, because investors refrain from placing orders during NCP.<li data-bbox="1167 956 2013 1110">- OSE will set the applicable time for NCP to one-minute in light of discussions with market participants, taking into consideration both the advantages stated above and any inconveniences for investors as a result of the restriction.<li data-bbox="1167 1123 2013 1198">- OSE will review applicable products and the length of NCP after the introduction of NCP if necessary.<li data-bbox="1167 1211 2013 1318">- OSE will deliberate on what items to disclose on our website in reference to NCP at the time of future revisions to the trading rules.