

## Partial Revisions to Derivatives Trading Rules

March 16, 2018

Osaka Exchange, Inc.

### I. Purpose

Osaka Exchange, Inc. (OSE) will partially revise the derivatives trading rules, in order to invigorate and enhance the convenience of the derivatives market.

### II. Outline

Item	Description	Remarks
1. Increase in Number of Contract Months of Nikkei 225 Futures and Options		
(1) Nikkei 225 Futures (Large Contract)	<ul style="list-style-type: none"><li>• The number of contract months of Nikkei 225 Futures (Large Contracts) shall be increased to 19 (max. 8 years) as follows:<ul style="list-style-type: none"><li>➤ June and December contract months: Nearest 16 contract months</li><li>➤ March and September contract months: Nearest 3 contract months</li></ul></li></ul>	<ul style="list-style-type: none"><li>• This revision will affect only Large Contracts.</li><li>• Currently, 13 contract months are available for trading for up to 5 years.</li><li>• This revision will not affect March and September contract months.</li></ul>
(2) Nikkei 225 Options	<ul style="list-style-type: none"><li>• The number of contract months of Nikkei 225 Options shall be increased to 25 (max. 8 years) as follows:<ul style="list-style-type: none"><li>➤ June and December contract months: Nearest 16 contract months</li><li>➤ March and September contract months: Nearest 3 contract months</li><li>➤ Other contract months: Nearest 6 months</li></ul></li></ul>	<ul style="list-style-type: none"><li>• This revision will affect only Regular Options.</li><li>• Currently, 19 contract months are available for trading for up to 5 years.</li><li>• This revision will affect only June and December contract months.</li></ul>

Disclaimer: This English translation is solely for reference purpose only and not a legally definitive translation of the original Japanese text. In the event a difference arises regarding the meaning herein, the original Japanese version will prevail as the official authoritative version.

Item	Description	Remarks								
2. Revision of Tick Sizes for Nikkei 225 Options	<ul style="list-style-type: none"> <li>The tick sizes for Nikkei 225 Options will be set based on the level of options premium, as follows:</li> </ul> <table border="1" data-bbox="568 408 1352 619"> <thead> <tr> <th data-bbox="568 408 1088 459">Level of Options Premium</th> <th data-bbox="1088 408 1352 459">Tick Size</th> </tr> </thead> <tbody> <tr> <td data-bbox="568 459 1088 510">Up to JPY 100</td> <td data-bbox="1088 459 1352 510">JPY 1</td> </tr> <tr> <td data-bbox="568 510 1088 561">Above JPY 100 Up to JPY 1,000</td> <td data-bbox="1088 510 1352 561">JPY 5</td> </tr> <tr> <td data-bbox="568 561 1088 619">Above JPY 1,000</td> <td data-bbox="1088 561 1352 619">JPY 10</td> </tr> </tbody> </table>	Level of Options Premium	Tick Size	Up to JPY 100	JPY 1	Above JPY 100 Up to JPY 1,000	JPY 5	Above JPY 1,000	JPY 10	<ul style="list-style-type: none"> <li>This revision will affect Regular Options and Weekly Options.</li> <li>Currently, the tick size for Nikkei 225 Options contracts with premiums above JPY 50 up to JPY 100 is JPY 5.</li> </ul>
Level of Options Premium	Tick Size									
Up to JPY 100	JPY 1									
Above JPY 100 Up to JPY 1,000	JPY 5									
Above JPY 1,000	JPY 10									
3. Introduction of English version of Agreement for Setting up Futures/Options Trading Account	<ul style="list-style-type: none"> <li>OSE will provide an English version of the Agreement for Setting up Futures/Options Trading Account, which is to be submitted by a customer to a Trading Participant when setting up a futures/options trading account.</li> <li>A customer may submit the English version of such Agreement with prior consent from the Trading Participant.</li> </ul>	<ul style="list-style-type: none"> <li>The same will apply for the Agreement for Setting up Margin Trading Account, which is determined by OSE.</li> </ul>								

### III. Implementation Date (Scheduled)

These revisions are scheduled to be implemented on July 17, 2018.

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