

[English Translation]

**ENFORCEMENT REGULATIONS FOR
SPECIAL PROVISIONS FOR TRADING REGULATIONS FOR
FX CLEARING FUTURES TRANSACTIONS**

TOKYO FINANCIAL EXCHANGE INC.

(This is an English translation of the Enforcement Regulations for Special Provisions for Trading Regulations for Equity Index Daily Futures Transactions, which original has been prepared in the Japanese language only. The Japanese language text hereof shall govern for all purposes and in all respects. Accordingly, all questions that may arise within or without courts of law in regard to the meaning of the words, provisions and stipulations of these Enforcement Regulations shall be decided in accordance with the Japanese language text. Tokyo Financial Exchange Inc. (“TFX”) assumes no responsibility for accuracy, correctness, or content of this English text.)

Enforcement Regulations for
Special Provisions for Trading Regulations for
FX Clearing Futures Transactions
Table of Contents

	Page
Article 1. Purpose	2
Article 2. Period for Accepting Cancellation of Bids and Offers	2
Article 3. Particulars for Bids and Offers	2
Article 4. Correction to Contents of Bid or Offer.....	3
Article 5. Period for Presentation of Referential Swap Points	3
Article 6. Contract Prices, etc. under the Position Adjustment Program.....	4
Article 7. System of Preventing Possible Conflict of Interest Transactions.....	5
Article 8. Method Utilizing Information and Telecommunication Technology for Notice to FX Clearing Futures Trading Members.....	6
 SUPPLEMENTARY PROVISIONS	 7

Article 1. Purpose

These Enforcement Regulations set forth the matters to be prescribed or designated by the Exchange pursuant to the Trading Regulations and the Special Provisions for Trading Regulations for FX Clearing Futures Transactions (hereinafter called the “FX Clearing Special Provisions”).

Article 2. Period for Accepting Cancellation of Bids and Offers

2.1 Cancellation of bids or offers set forth in Article 5.3 of the FX Clearing Special Provisions shall be acceptable during the period from the opening to the close of the Market Trading Period.

2.2 Whenever the Exchange deems it necessary, it may accept cancellation of bids and offers during the hours designated by the Exchange from time to time in addition to the period set forth in Article 2.1 above.

Article 3. Particulars for Bids and Offers

The matters to be prescribed by the Exchange in connection with bids and offers for FX Clearing Futures contracts based on the Bilateral Method pursuant to Article 13.8 of the FX Clearing Special Provisions shall be as follows:

- (1) Particulars for bids and offers to be input
An FX Broker Trading Member or an LP Trading Member shall specify an FX Clearing Futures contract which it intends to execute to the Exchange by inputting the following particulars into the Member's terminal device together with the presentation of a bid or an offer.
 - (a) Types of Exchange FX Clearing Futures contracts
 - (b) Whether the FX Clearing Futures contract is a sale contract or a purchase contract
 - (c) Amount in the currency of the principal
 - (d) Date of trading day

- (e) Identification code of an FX Clearing Futures Trading Member designated as a counterparty (in the case of an FX Broker Trading Member, an LP Trading Member, and in the case of an LP Trading Member, an FX Broker Trading Member)
 - (f) Any other matters otherwise prescribed by the Exchange.
- (2) Effect of Bids and Offers
- Bids and Offers for which matching has not been made after input into the FX Clearing Trading and Clearing System shall lose effect at the close of the trading day on which such bids and offers are input into the FX Clearing Trading and Clearing System; provided, however, if the FX Clearing Futures transactions are suspended pursuant to Article 14 of the Trading Regulations or bids and offers are accepted on a temporary basis pursuant to Article 6.1 of the FX Clearing Special Provisions, the Exchange may determine the effectiveness of bids and offers from time to time.

Article 4. Correction to Contents of Bid or Offer

Correction to the inputted contents pursuant to Article 16.3 of the FX Clearing Special Provisions shall be made in the following manner.

- (1) Correction to a bid or offer
The concerned FX Clearing Futures Trading Member shall cancel the bid or offer and then input a correct bid or offer in accordance with Article 13 of the FX Clearing Special Provisions.
- (2) Correction of the volume for a bid or offer
The bid or offer shall be cancelled in its entire volume and then a new bid or offer shall be inputted in a correct volume in accordance with Article 13 of the FX Clearing Special Provisions.

Article 5. Period for Presentation of Referential Swap Points

Presentation of the referential swap points by an LP Trading Member pursuant to

Article 20.1 of the FX Clearing Special Provisions shall be made during the period set forth below.

from 9:00 a.m. to 9:30 a.m. on a calendar day on which the start of the Market Trading Period of a trading day immediately following a specific trading day falls

Article 6. Contract Prices, etc. under the Position Adjustment Program

6.1 The contract price of an FX Clearing Futures contract on a specific trading day under the position adjustment program set forth in Article 19.1 of the FX Clearing Special Provisions shall be equal to the relevant FX Clearing Settlement Price as set forth in Article 90-25.1 of the Clearing Regulations on the same trading day.

6.2 With respect to FX Clearing Futures contracts to be executed under the position adjustment program, their volume to be prescribed by the Exchange for each LP Trading Member pursuant to Article 19.2 of the FX Clearing Special Provisions shall be as follows.

- (1) When the total volume of all the LP Trading Members' LP short positions (meaning the "LP short position" defined in Article 19.1 of the FX Clearing Special Provisions; the same interpretation shall apply hereinbelow) exceeds the total volume of all the LP Trading Members' LP long positions (meaning the "LP long position" defined in Article 19.1 of the FX Clearing Special Provisions; the same interpretation shall apply hereinbelow) at the close of the Market Trading Period of a specific trading day
 - (a) For an LP Trading Member holding an LP short position
The volume calculated by allocating the total volume of all the LP Trading Members' LP long positions to the respective LP Trading Members in proportion to the volume of their LP short position(s)
 - (b) For an LP Trading Member holding an LP long position
The volume of LP long position(s) held by the respective LP Trading Members

- (2) When the total volume of all the LP Trading Members' LP short positions falls below the total volume of all the LP Trading Members' LP long positions at the close of the Market Trading Period of a specific trading day
 - (a) For an LP Trading Member holding an LP short position
The volume of LP short position(s) held by the respective LP Trading Members
 - (b) For an LP Trading Member holding an LP long position
The volume calculated by allocating the total volume of all the LP Trading Members' LP short positions to the respective LP Trading Members in proportion to the volume of their LP long position(s)

6.3 Matters that the Exchange considers necessary to stipulate in connection with the calculation of the proportionately allocated volumes under Article 6.2(1)(a) or 6.2(2)(b) above shall be prescribed by the Exchange from time to time.

Article 7. System of Preventing Possible Conflict of Interest Transactions

The system which an FX Clearing Futures Trading Member who acts as LP Trading Member and who also conducts services as an FX Broker Trading Member is required to establish and maintain for the purpose of preventing possible conflict of interest transactions and other unfair transactions under Article 22 of the FX Clearing Special Provisions shall be as follows:

- (1) A system which separates its business section in charge of the services as LP Trading Member from that in charge of the services as FX Broker Trading Member
- (2) A system which separates its officer and other persons in charge of the services as LP Trading Member from those in charge of the services as FX Broker Trading Member
- (3) A system which physically and systematically separates management of customer information related to FX Clearing Futures contracts between

its business section in charge of the services as LP Trading Member and that in charge of the services as FX Broker Trading Member

- (4) Other system which the Exchange determines necessary to establish and maintain

Article 8. Method Utilizing Information and Telecommunication Technology for Notice to FX Clearing Futures Trading Members

8.1 The method separately prescribed by the Exchange referred to in Article 26 of the FX Clearing Special Provisions shall be any one of the methods set forth in Item (1) or (2) below.

- (1) An electronic data processing and network organization as set forth in Item (a) or (b) below shall be utilized.
 - (a) Transmission will be made via telecommunication lines connecting computers used by the Exchange and those used by an FX Clearing Futures Trading Member and the contents so transmitted will be recorded into files stored in the computers used by a recipient.
 - (b) The matters recorded into files stored in the computers used by the Exchange that are set forth in the Appendix attached to the FX Clearing Special Provisions will be made available for access by an FX Clearing Futures Trading Member via telecommunication lines and those matters will be downloaded into files stored in the computers used by the FX Clearing Futures Trading Member.
- (2) The matters that would otherwise be described in the notice referred to in the Appendix attached to the FX Clearing Special Provisions shall be recorded into such files that will be controlled by magnetic disc, CD-ROM or any other equivalent media capable of reliably recording some contents, and the recording media containing such files shall be dispatched.

8.2 An “electronic data processing and network organization” referred to in Article 8.1(1) above means an electronic data processing and network organization connecting computers used by the Exchange and those used by an FX Clearing Futures Trading Member by means of telecommunication lines.

SUPPLEMENTARY PROVISIONS

These enforcement regulations shall take effect as from April 12, 2021.