

(Translation)

Contingency Plan for System Failure and Other Emergencies

November 22, 2010

Tokyo Financial Exchange Inc.

Tokyo Financial Exchange Inc. (the “Exchange”) operates its business in accordance with this contingency plan under such circumstances as that the Exchange finds an actual or threatened abnormal condition in any market derivatives transactions, or that the Exchange otherwise deems it inappropriate to allow the market derivatives transactions to continue in light of management of the Exchange Market, due to, including but not limited to, failure of the Exchange System or any other third-party systems in relation to the transaction settlement..

Furthermore, if the Exchange determines that execution or clearing of transactions has become impossible or extremely difficult due to an act of God, failure of electricity, telecommunications or other social infrastructures or under other unavoidable circumstances, the Exchange will apply this contingency plan.

1. Case and action

	Case	Action by the Exchange	Policy	Pertinent Regulations
1	Failure or other emergency has occurred to the Exchange’s Trading System	● If it becomes difficult for certain issues to be traded due to suspension, error or other failure of the Trading System or other emergency, the Exchange will suspend that trading.	● “Trading System” includes the FX/Equity Index Trading and Clearing Systems. ● If the Trading System becomes inoperative due to system failure or other emergency, the Exchange will	● Articles 7, 14 and 20-9 of Trading Regulations ● Articles 4 and 6-5 of Enforcement Regulations for

		<ul style="list-style-type: none"> ● If it becomes impossible for certain particular Trading Members to execute their transactions in ordinary course due to partial failure, line outage or other emergency in respect of the Trading System and where the Exchange determines that the Exchange cannot secure fair market-making for their transactions in overall view of the circumstances including past trading share records or the number of such aggrieved Trading Members, the Exchange will suspend trading of those transactions. ● Provided, however, with respect to any futures transactions, even if trading is suspended on the last trading day of the contract month due to system failure or any other emergency and the Market Trading Period 	<p>suspend trading.</p> <ul style="list-style-type: none"> ● For those issues which are not affected, trading will be continued. ● the Exchange will continue trading and provide Trading Members, etc. with trading opportunities as far as possible. However, if the Exchange determines that it cannot secure fair market making, the Exchange will suspend trading. ● the Exchange will not adopt postponement of the last trading day, as the postponement would materially affect the issue's marketability, etc. 	<p>Trading Regulations</p>
--	--	--	--	----------------------------

		<p>has ended, the Exchange will not postpone the last trading day or take any other specific remedial actions.</p> <ul style="list-style-type: none"> ● Even if the Exchange suspends trading during the Market Trading Period, transactions that have been already executed prior to the suspension shall be deemed valid and processed accordingly. ● Provided, however, if, during failure of the Trading System, any transaction is concluded in contravention with any rules and regulations of the Exchange or any determination by the Exchange in connection with maintenance of orderly operation of the market, the Exchange may cancel the transaction, and take whatever actions which are required in connection with the cancellation. 	<ul style="list-style-type: none"> ● In the event of failure of a Member's System, power outage or failure of other social infrastructures or other emergency, transactions will not be canceled, unless such failure causes the situations described on the immediately left column. 	<ul style="list-style-type: none"> ● Articles 14-2 and 14-3 of Trading Regulations ● Article 4-2 of Enforcement Regulations for Trading Regulations
--	--	--	--	---

2	Failure or other emergency has occurred to a system which provides the Exchange's market quotations	<ul style="list-style-type: none"> ● Even if it becomes difficult for any such system to provide the Exchange's market quotations due to failure or other emergency, trading will be continued, so long as the Trading System is operating normally. 	<ul style="list-style-type: none"> ● So long as the Trading System is operating normally, the Exchange will continue trading as a matter of priority. ● Trading Members may obtain market quotations from their terminal device and Customers may obtain the same from the Trading Members. 	
3	Failure or other emergency has occurred to the Exchange's Clearing System	<ul style="list-style-type: none"> ● If it becomes impossible to generate settlement information to be provided to Trading Members or information concerning requests for fund transfer (or settlement) to the Bank of Japan / settlement banks, due to general suspension of the Clearing System or other emergency, the Exchange may choose to postpone the settlement time and the settlement date for all contracts concerned. In such case, the postponed settlement time, the postponed settlement date 	<ul style="list-style-type: none"> ● "Clearing System" includes the FX/Equity Index Trading and Clearing System. <p>The policy is to prevent the increase of settlement risk due to accumulation of unsettled transactions.</p>	<ul style="list-style-type: none"> ● Articles 99, 100 and 103 of Clearing Regulations

		<p>and the terms and conditions and other details of the settlement after the postponement will be determined in view of progress of the system recovery and other factors concerned.</p> <ul style="list-style-type: none"> ● In the event that advising of settlement information to Trading Members and settlement banks through the Clearing System has become impossible due to partial suspension of the Clearing System or other emergency, the Exchange will use other available means for advise, including facsimile transmission. ● If recovery of the Clearing System is prolonged, the Exchange may suspend trading. 		<ul style="list-style-type: none"> ● Articles 7, 14 and 20-9 of Trading Regulations ● Articles 4 and 6-5 of Enforcement Regulations for Trading Regulations
4	Failure or other emergency has occurred to the Bank of Japan Financial Network	<ul style="list-style-type: none"> ● Even if failure or other emergency occurs to the Bank of Japan Financial 	<ul style="list-style-type: none"> ● So long as the Trading System is operating normally, the Exchange will continue trading as a matter of 	

	System	<p>Network System (including any device to be used for utilizing the same, hereinafter referred to as “BOJ-NET”), trading will be continued so long as the Exchange System is operating normally.</p> <ul style="list-style-type: none"> ● In the event that failure or other emergency has occurred to the BOJ-NET and settlement banks are prevented from making transfer requests at their designated office for fund transfer via the BOJ-NET, settlement of funds for Japanese Yen Settlement Banks, other than those in connection with Exchange FX Margin contracts and Exchange Equity Index Margin contracts, will be continued in normal courses by alternative means. 	priority.	
--	--------	---	-----------	--

		<p>Each settlement bank should develop and maintain a process in which the following alternative means are used, to secure continued settlement of transactions in an expeditious manner:</p> <ul style="list-style-type: none"> (i) Use of written instruments for fund transfer transactions at the designated office for fund transfer or any other offices; or (ii) Use of the BOJ-NET at any office other than their designated office for fund transfer <p>* Use of these alternative means shall be subject to the Exchange's agreement.</p> <ul style="list-style-type: none"> ● In the event that failure or other emergency has occurred to the BOJ-NET and the Exchange is prevented from making 		<ul style="list-style-type: none"> ● Articles 99, 100 and 103 of Clearing Regulations
--	--	--	--	--

		<p>fund transfer requests via the BOJ-NET, the Exchange will promptly advise of such fact to the settlement banks and, after it confirms that the amounts to be deposited in the checking account of the Exchange at the Bank of Japan have been fully deposited, the Exchange will request the Bank of Japan to transfer the funds to the checking account of the settlement bank at the Bank of Japan, by means of executing written requests.</p> <ul style="list-style-type: none"> ● Where settlement is continued by means of execution of written requests or other alternative means, the Exchange may postpone the settlement time and the settlement date for all or any of the transactions concerned. if the Exchange determines it truly unavoidable to do so in light of the performance of clerical work for settlement 		
--	--	---	--	--

		<p>by the settlement banks concerned,</p> <ul style="list-style-type: none"> ● If recovery of the BOJ-NET is prolonged and the Exchange determines that securing continued and uninterrupted fund settlement for Japanese Yen Settlement Banks through any of the alternative means would be extremely difficult, the Exchange may suspend trading. 		<ul style="list-style-type: none"> ● Articles 7, 14 and 20-9 of Trading Regulations ● Articles 4 and 6-5 of Enforcement Regulations for Trading Regulations
5	Failure or other emergency has occurred to a system of settlement bank	<ul style="list-style-type: none"> ● Even if failure or other emergency occurs to a system of settlement bank, trading and settlement will be continued, so long as the Exchange System is operating normally. ● In the event that, due to emergency to the settlement bank, fund shortage has occurred to the Japanese yen settlement account opened and maintained by the Exchange with that 	<ul style="list-style-type: none"> ● So long as the Trading System is operating normally, the Exchange will continue trading as a matter of priority. 	<ul style="list-style-type: none"> ● Article 28 of Japanese Yen Settlement Regulations

		<p>settlement bank or with the Bank of Japan, the Exchange will cover the shortfall of the fund.</p> <ul style="list-style-type: none"> ● Notwithstanding the foregoing, if the Exchange determines it truly unavoidable to do so in light of the condition of the failure or emergency, the Exchange may postpone the settlement time and the settlement date for all or any of the transactions concerned. 		<ul style="list-style-type: none"> ● Articles 99, 100 and 103 of Clearing Regulations
6	<p>Failure or other emergency has occurred to a Trading Member's own system</p>	<ul style="list-style-type: none"> ● In the event that failure or other emergency has occurred to a Trading Member's own system, and if as a consequence some of the Trading Members are prevented from executing their transactions in ordinary course, the provisions in Case 1 "Failure or other emergency has occurred to the Exchange's Trading System" above applicable to the failure of a 	<ul style="list-style-type: none"> ● Overall security of trading at the Exchange is to be secured. 	

		<p>certain Trading Member will be applied <u>mutatis mutandis</u> to this case.</p> <ul style="list-style-type: none"> ● In the event that failure or other emergency has occurred to a Trading Member's own system and if such Trading Member's settlement business is thereby frustrated, the Exchange may suspend the transactions with respect to such Trading Member until the system recovery is confirmed. 		<ul style="list-style-type: none"> ● Articles 14 and 20-9 of Trading Regulations
7	<p>System failure or other emergency has occurred to an institution or organization (including but not limited to the Japanese Bankers Association) which announces the base rate, etc., to be used to determine the final settlement figure for any contract on its last trading day</p>	<ul style="list-style-type: none"> ● In the event that system failure or other emergency has occurred to any such institution or organization on the last trading day of any contract, and thereby such institution or organization becomes unable to announce the base rate, etc., for the final settlement figure with respect to such contract, the Exchange will determine the final 		<ul style="list-style-type: none"> ● Article 55.4, et. al. of Clearing Regulations

		<p>settlement figure for the relevant contract in overall view of the circumstances, including the trading status of the contract on that day and the settlement price of that contract on the previous day. Provided, however, that the foregoing does not apply to Exchange FX Margin contracts and Exchange Equity Index Margin contracts.</p>		
8	<p>Failure or other emergency has occurred to electricity or other social infrastructures</p>	<ul style="list-style-type: none"> ● In the event that power or other energy supply is stopped and thereby failure or other emergency has occurred to the Trading System, the provisions in Case 1 “Failure or other emergency has occurred to the Exchange’s Trading System” above shall be applied <u>mutatis mutandis</u> to this case. 		

2. Notification and contacts to Trading Members upon occurrence of system failure or other emergency

Upon occurrence of system failure or other emergency, the Exchange will announce the status (including the situation, cause, status of suspension of trading, recovery estimate) and future actions (including direction related to reactivation of trading) to the Trading Members and information vendors via emergency fax number, terminal messaging system, website or e-mail whichever is then available, and also. Furthermore, the Exchange will forward the failure information to the institutions and organizations concerned, in addition to the above-mentioned parties.

If the Exchange decides to postpone the settlement time and the settlement date as set forth in 1. above, it will promptly advise of such fact to all Trading Members, settlement banks and the Bank of Japan.

*This English version is not an official translation of the original Japanese document. In cases where any differences occur between the English version and the original Japanese version, the Japanese version will prevail. Tokyo Financial Exchange, Inc. (TFX) shall not accept any responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding or misspelling with regard to this translation. This translation may be used only for reference purposes. TFX maintains the right to claim compensation from violators for any damage or loss it may suffer from the violation of these conditions.