

[English Translation]

**FX CLEARING EXCHANGE MARGIN SETTLEMENT
REGULATIONS**

TOKYO FINANCIAL EXCHANGE INC.

(This is an English translation of the FX Exchange Margin Settlement Regulations, 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 Regulations shall be decided in accordance with the Japanese language text. Tokyo Financial Exchange Inc. (“TFX”) assumes no responsibility for accuracy, correctness, or contents of this English text.)

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CHAPTER I.

GENERAL PROVISIONS

Article 1. Purpose

1.1 These Regulations set forth necessary matters with respect to the manner of payment and receipt of FX Clearing Exchange Margins between the Exchange and an FX Clearing Futures Clearing Member who is an FX Clearing Futures Trading Member pursuant to the regulations as follows: the Trading Regulations, the Special Provisions for Trading Regulations for FX Clearing Futures Transactions (hereinafter called the “FX Clearing Special Provisions”), the Clearing Regulations, and the Regulations for Margin and Unsettled Contracts for FX Clearing Futures Transactions (hereinafter called the “FX Clearing Margin Regulations”). The payments and receipts referred to in the preceding sentence are hereinafter collectively called “FX Clearing Exchange Margin Settlement(s)”.

1.2 The manner separately prescribed by the Exchange specified in Article 6.1 of the FX Clearing Margin Regulations shall be as set forth in Chapters II and III.

Article 2. Monies to be Settled

The monies to be settled by the Exchange through an FX Clearing Exchange Margin Settlement Bank (as defined in Article 3 hereof) shall be FX Clearing Exchange Margins.

CHAPTER II.

**DESIGNATION OF SERVICE OFFICE OF
FX CLEARING EXCHANGE MARGIN SETTLEMENT BANK**

Article 3. Designation of Service Office of FX Clearing Exchange Margin Settlement Bank

The Exchange shall designate a service office (hereinafter called a “Designated Service Office”) of a financial institution undertaking settlements of FX Clearing Exchange Margins between the Exchange and each FX Clearing Futures Clearing Member (hereinafter called an “FX Clearing Exchange Margin Settlement Bank”).

Article 4. Establishment of FX Clearing Exchange Margin Settlement Account

4.1 The Exchange shall establish a deposit account for settlement of FX Clearing Exchange Margins in each Designated Service Office (hereinafter called the “FX Clearing Exchange Margin Settlement Account”).

4.2 Each FX Clearing Futures Clearing Member shall establish its FX Clearing Exchange Margin Settlement Account in one of the Designated Service Offices.

4.3 Whenever an FX Clearing Futures Clearing Member has established its FX Clearing Exchange Margin Settlement Account, the FX Clearing Futures Clearing Member shall register the same with the Exchange in the form prescribed by the Exchange.

Article 5. Change in Registered Matters

Whenever an FX Clearing Futures Clearing Member intends to change any of the matters registered in the prescribed form set forth in Article 4.3 hereof, the FX Clearing Futures Clearing Member shall provide the Exchange with an advance written notice stating the matter(s) to be changed.

Article 6. Closure of FX Clearing Exchange Margin Settlement Account due to Revocation of Designated Service Office

6.1 Whenever the Exchange revokes the designation of any Designated Service Office, the Exchange shall immediately notify the FX Clearing Futures Clearing Members having their FX Clearing Exchange Margin Settlement Accounts with the said Designated Service Office.

6.2 Each FX Clearing Futures Clearing Member receiving a notice set forth in Article 6.1 above shall establish its FX Clearing Exchange Margin Settlement Account with another Designated Service Office in accordance with Article 4.2 hereof before the revocation of the concerned Designated Service Office takes effect. In this case, the FX Clearing Futures Clearing Member shall register such establishment with the Exchange in the form set forth in Article 4.3 hereof.

CHAPTER III.

SETTLEMENT OF FX CLEARING EXCHANGE MARGINS

Article 7. Notice of Shortfall of FX Clearing Exchange Margin to FX Broker Trading Member and Payment Thereof

7.1 If a shortfall of FX Clearing Exchange Margin defined in Article 6.1 of the FX Clearing Margin Regulations arises to an FX Clearing Futures Clearing Member who is an FX Broker Trading Member, the Exchange shall notify the FX Clearing Futures Clearing Member of the amount of FX Clearing Exchange Margin to be deposited with the Exchange by the FX Clearing Futures Clearing Member by, as a general rule, 10:00 a.m. on each trading day. If a trading day on which a notice would be made falls on a Japanese bank holiday, the notice shall be made on an immediately subsequent trading day which is a Japanese banking day.

7.2 The FX Clearing Futures Clearing Member who has received the notice prescribed in Article 7.1 above shall pay the amount of shortfall according to the category of such shortfall of FX Clearing Exchange Margin as set forth below to the

Exchange's FX Clearing Exchange Margin Settlement Account by the date and time set forth below.

- (1) Shortfall prescribed in Article 6.1(1) of the FX Clearing Margin Regulations: by 11:00 a.m. on the trading day on which the notice is made (or, if it is a Japanese bank holiday, on the immediately subsequent trading day which is a Japanese banking day)
- (2) Shortfall prescribed in Article 6.1(2) of the FX Clearing Margin Regulations: by 11:00 a.m. on the trading day immediately following the trading day on which the notice is made (or, if it is a Japanese bank holiday, on the immediately subsequent trading day which is a Japanese banking day)

Article 8. Notice of Shortfall of FX Clearing Exchange Margin to LP Trading Member and Payment Thereof

8.1 If a shortfall of FX Clearing Exchange Margin defined in Article 6.2 of the FX Clearing Margin Regulations arises to an FX Clearing Futures Clearing Member who is an LP Trading Member, the Exchange shall notify the FX Clearing Futures Clearing Member of the amount of FX Clearing Exchange Margin to be deposited with the Exchange by the FX Clearing Futures Clearing Member by, as a general rule, 10:00 a.m. on each trading day. If a trading day on which a notice would be made falls on a Japanese bank holiday, the notice shall be made on an immediately subsequent trading day which is a Japanese banking day.

8.2 The FX Clearing Futures Clearing Member who has received the notice prescribed in Article 8.1 above shall pay the amount of shortfall of the FX Clearing Exchange Margin (if both of the shortfalls prescribed in Article 6.2 (1) and (2) of the FX Clearing Margin Regulation arise, the amount equivalent to the larger shortfall) to the Exchange's FX Clearing Exchange Margin Settlement Account by 4:00 p.m. on the trading day on which the notice is made (or, if it is a Japanese bank holiday, on the immediately subsequent trading day which is a Japanese banking day).

Article 9. Deadline for Claim for Disbursement of FX Clearing Exchange Margin and Deadline for Disbursement

9.1 With respect to a claim for drawing of FX Clearing Exchange Margin pursuant to Articles 8.2 and 8.3 of the FX Clearing Margin Regulations, an FX Clearing Futures Clearing Member may make a claim for drawing of the FX Clearing Exchange Margin to the Exchange in the form prescribed by the Exchange during the period from 10:00 a.m. to 2:00 p.m. of each trading day (or, if it is a Japanese bank holiday, of the immediately subsequent trading day which is a Japanese banking day).

9.2 The Exchange shall, upon receipt of the claim prescribed in Article 9.1 above, disburse the FX Clearing Exchange Margin in the amount equal to the sum of the amounts so claimed and agreed by the Exchange by 2:00 p.m. on the trading day on which such claim is made to the FX Clearing Exchange Margin Settlement Account registered by the concerned FX Clearing Futures Clearing Member under Article 4.3 hereof after 2:00 p.m. on the same trading day.

CHAPTER IV.

HANDLING OF ADVERSE INCIDENTS

Article 10. Communication Method upon Inability of Inter-account Transfer

If an FX Clearing Futures Clearing Member who is obligated to pay the FX Clearing Exchange Margin cannot remit or transfer the amount payable under Article 7.2 or Article 8.2 hereof, the FX Clearing Futures Clearing Member shall communicate such inability to the Exchange by telephone by the time and date set as the deadline for the payment of the relevant FX Clearing Exchange Margin and provide the Exchange with a written notice to the same effect immediately after the telephonic communication.

Article 11. Refusal of Payment to FX Clearing Futures Clearing Member

If an FX Clearing Futures Clearing Member who is a payee of FX Clearing Exchange Margin fails to pay or deposit to or with the Exchange the amount of any money that has become due in accordance with the Trading Regulations, the Special Provisions for Options, the FX Special Provisions, the Special Provisions for Trading Regulations for Equity Index Daily Futures Transactions, the FX Clearing Special Provisions, the Clearing Regulations, the Regulations for Margin and Unsettled Market Derivatives Contracts, the Regulations for Margin and Unsettled Market Derivatives Contracts for FX Daily Futures Transactions, the Regulations for Margin and Unsettled Contracts for Equity Index Daily Futures Transactions, the FX Clearing Margin Regulations, the Japanese Yen Settlement Regulations, the FX Margin Settlement Regulations, the Equity Index Margin Settlement Regulations or these Regulations, the Exchange may refuse to pay any FX Clearing Exchange Margin due and payable to the FX Clearing Futures Clearing Member.

CHAPTER V.

MISCELLANEOUS PROVISIONS

Article 12. Postponement of Deadline for Notice by the Exchange

If it is difficult or impossible for the Exchange to make a notice by the time set forth in Article 7 or 9 hereof due to failure in the Exchange System used for settlements for FX Clearing Futures transactions between the Exchange and each FX Clearing Futures Clearing Member or due to any other unavoidable event, the Exchange may postpone the said notice.

Article 13. Documents for FX Clearing Exchange Margins

The documents set forth in Article 6.3 of the FX Clearing Margin Regulations shall be a margin ledger and other documents that the Exchange considers to be

necessary. Any of such documents shall be promptly submitted to the Exchange whenever required by the Exchange.

Article 14. Determination of Necessary Matters, etc.

14.1 The Exchange may establish detailed rules to prescribe necessary matters other than those set forth herein or take other necessary steps in order to secure proper and reliable settlements for FX Clearing Exchange Margins.

14.2 Whenever the Exchange has prescribed any detailed rules or taken any step set forth in Article 14.1 above, the Exchange shall notify the FX Clearing Futures Clearing Members to that effect without delay.

Article 15. Costs and Expenses

An FX Clearing Futures Clearing Member who has established an FX Clearing Exchange Margin Settlement Account with a Designated Service Office shall bear the handling fees and other costs and expenses charged by the Designated Service Office and pay the same in the manner and at the rate separately agreed upon between the Designated Service Office and the FX Clearing Futures Clearing Member.

Article 16. Burden of Damages

16.1 The Exchange shall not be liable for any damage that may be incurred by an FX Clearing Futures Clearing Member due to any fault of the concerned FX Clearing Exchange Margin Settlement Bank.

16.2 If an FX Clearing Futures Clearing Member has failed to make settlement of FX Clearing Exchange Margins by the deadline set forth herein, the FX Clearing Futures Clearing Member shall pay a default interest accrued on the amount due which shall be calculated per diem based on a year of 365 days at the rate of 14% per annum.

16.3 Where a deadline for the settlement of FX Clearing Exchange Margins set forth

herein is set as a specific time of a specific day, if an FX Clearing Futures Clearing Member has failed to make the settlement by that time, the FX Clearing Future Clearing Member shall pay a default interest accrued for a period of delay including the full day on which the said deadline falls.

SUPPLEMENTARY PROVISIONS

These Regulations shall take effect as from April 12, 2021.

SUPPLEMENTARY PROVISIONS

The amended Regulations shall take effect as from March 20, 2023.