

[English Translation]

## **MEDIATION REGULATIONS**

**TOKYO FINANCIAL EXCHANGE INC.**

(This is an English translation of the Mediation Regulations, the original of which 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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## **Article 1. Purpose**

These Regulations set forth the matters necessary for mediation pursuant to Article 48 of the Trading Member Regulations.

## **Article 2. Request for Mediation**

2.1 If a Trading Member intends to request mediation pursuant to Article 43 of the Trading Member Regulations, the Trading Member shall submit to the Exchange a signed or sealed mediation request stating the matters listed below in two originals.

- (1) Date of request
- (2) Name, occupation and address of a requester
- (3) Name, occupation and address of the counterparty
- (4) Purpose of request
- (5) Progress and current status of the dispute
- (6) Listing of reference information, if any

2.2 If a mediation request does not satisfy the requirements set forth in Article 2.1 above and it is not corrected without delay, the Exchange shall refuse to receive such request.

2.3 If the Exchange receives a mediation request, the Exchange shall deliver one original of the request to the counterparty stated therein.

## **Article 3. Rejection of Mediation Request**

If a mediation request falls under any of the following situations, the Exchange may decline to conduct mediation.

- (1) The request is made after a lapse of three (3) years from the date of the occurrence of a dispute.

- (2) The request is made with respect to a dispute in litigation.
- (3) The request is made with respect to a dispute to be submitted to joint mediation or a dispute under arbitration by a Linked Overseas Organization.
- (4) The Exchange determines that the request falls under Article 43.3 of the Trading Member Regulations.

#### **Article 4. Participation of Mediator**

If the Exchange considers it necessary to do so in mediation of a dispute between any Trading Members, the Exchange may, with consent from the Trading Members concerned, appoint a mediator from other Trading Members' Trading Member Representatives or other persons deemed appropriate by the Exchange and cause the mediator to participate in the mediation.

#### **Article 5. Duty to Submit an Answer**

5.1 If the counterparty agrees to accept mediation by the Exchange in response to the corresponding mediation request, the counterparty shall prepare a signed or sealed answer stating the matters listed below in two originals and submit it to the Exchange immediately after receiving the mediation request delivered by the Exchange under Article 2.3 hereof.

- (1) Date of answer
- (2) Name, occupation and address of the counterparty
- (3) Major issues in dispute
- (4) Progress and current status of the dispute
- (5) Response and defense to the requester
- (6) Listing of reference information, if any

5.2 If an answer set forth in Article 5.1 above is submitted to the Exchange, the Exchange shall deliver one original thereof to the requester.

#### **Article 6. Statement of Rejection of Mediation**

6.1 If a Trading Member named as the counterparty of a mediation request by its customer intends to reject mediation by the Exchange, the Trading Member shall submit a statement of rejection of mediation stating the reason for rejection and the matters listed in Article 5.1 hereof in two originals to the Exchange.

6.2 If a statement of rejection of mediation set forth in Article 6.1 above is submitted to the Exchange, the Exchange shall deliver one original thereof to the requester.

#### **Article 7. Interview**

7.1 The Exchange may require that a disputing party attend interview to be conducted on the date to be specified by the Exchange.

7.2 If the party to a dispute requests to change the date of interview specified by the Exchange, the party shall make such request at least two (2) business days prior to the date originally specified.

7.3 The party to a dispute who has been requested to attend interview to be conducted by the Exchange shall attend such interview in person; provided, however, that the attendance by the party's agent may be allowed with the Exchange's approval.

#### **Article 8. Duty to Submit Information**

In the case of mediation of a dispute, the Exchange may investigate a disputing Trading Member under Article 45 of the Trading Member Regulations and, in addition, the Exchange may require that a disputing Trading Member report on, or submit documents about, the matters necessary for mediation.

#### **Article 9. Discontinuation of Mediation**

If the Exchange determines that any of the events listed below has occurred pertaining to a dispute under mediation, the Exchange may discontinue the mediation.

- (1) It turns out that there is a deception in the contents of the mediation request.
- (2) Withdrawal pursuant to Article 10.2 hereof has not been made.
- (3) There is no likelihood that the disputing parties will reach agreement.

**Article 10. Withdrawal of Mediation Request**

10.1 If a requester of mediation intends to withdraw its mediation request, such withdrawal shall be made by means of a written statement describing the reason therefor.

10.2 If a requester of mediation intends to bring the dispute in question before the court, the requester shall withdraw the mediation request before stepping into such court action.

**Article 11. Compromise Proposal**

When the Exchange deems it necessary, the Exchange may prepare a compromise proposal in writing and present it to the disputing parties and recommend them to accept it.

**Article 12. Preparation of Compromise Agreement**

12.1 If the disputing parties reach agreement or accept a compromise proposal as a result of mediation by the Exchange, a compromise agreement shall be entered into in the form prescribed by the Exchange and each party shall retain one original thereof.

12.2 The requester of mediation shall submit one copy of the compromise agreement to the Exchange.

**SUPPLEMENTARY PROVISIONS**

The amended Mediation Regulations shall take effect as from April 1, 2004.