

Ordinance for Enforcement of the Commodity Exchange Act

(Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 3 of February 22, 2005)

In line with the enforcement of the Act for Partial Revision of the Commodity Exchange Act (Act No. 43 of 2004) and the Cabinet Order for Partial Revision of the Order for Enforcement of the Commodity Exchange Act (Cabinet Order No. 259 of 2004), and based on the provisions of the Commodity Exchange Act (Act No. 239 of 1950) and the Order for Enforcement of the Commodity Exchange Act (Cabinet Order No. 280 of 1950) as well as in order to implement the same Act, the Ordinance to revise the entirety of the Ordinance for Enforcement of the Commodity Exchange Act (Ordinance of the Ministry of Agriculture and Forestry and the Ministry of International Trade and Industry No. 7 of 1950) is established as follows.

(Electromagnetic Record)

Article 1 The media specified by an ordinance of the competent ministry as prescribed in Article 11, paragraph (5) of the Commodity Exchange Act (hereinafter referred to as the "Act") shall be a magnetic disk or a medium on which certain information can be securely recorded by an equivalent method.

(Electronic Signature)

Article 2 (1) The measure that can replace signatures or names and seals specified by an ordinance of the competent ministry as prescribed in Article 11, paragraph (5) of the Act shall be an Electronic Signature.

(2) The "Electronic Signature" set forth in the preceding paragraph shall be a measure taken so that information can be recorded onto an Electromagnetic Record (which means the Electromagnetic Record prescribed in Article 11, paragraph (5) of the Act; the same shall apply hereinafter), which satisfies all of the following requirements:

- (i) to show that said information was prepared by those who took said measure to record information onto an Electromagnetic Record;
- (ii) to be able to check whether the alteration was performed with regard to said information.

(Electromagnetic Means concerning the Order for Enforcement of the Commodity Exchange Act)

Article 2-2 The type and contents of the Electromagnetic Means (which means

Electromagnetic Means prescribed in Article 12, paragraph (4) of the Act; the same shall apply hereinafter except for Article 7) that should be employed pursuant to the provisions of Article 1-2, paragraph (1) of the Order for Enforcement of the Commodity Exchange Act (Cabinet Order No. 280 of 1950; hereinafter referred to as the "Order") shall be as follows:

- (i) those that a sender uses from the following:
 - (a) methods for using an electronic data processing system are as follows:
 1. to transmit information through a telecommunications line that connects a computer used by a sender and a computer used by a receiver and to record said information in a file on a computer used by the receiver;
 2. to provide the information recorded in a file on a computer used by a sender for the inspection of a receiver of said information through a telecommunications line, and to record said information in a file on a computer used by the receiver;
 - (b) a method to deliver the record of the information in a file on a magnetic disk or by an equivalent method that can record certain information securely;
- (ii) a method to record the information in a file.

(Electromagnetic Means)

Article 2-3 (1) The methods using an electronic data processing system or using other information communications technology specified by an ordinance of the competent ministry as prescribed in Article 12, paragraph (4) of the Act are as follows:

- (i) the methods listed in (a) or (b) for using an electronic data processing system:
 - (a) to transmit information through a telecommunications line that connects a computer used by a sender and a computer used by a receiver and to record said information in a file on a computer used by the receiver;
 - (b) to provide the information recorded in a file on a computer used by a sender for the inspection of a receiver of said information through a telecommunications line, and to record said information in a file on a computer used by the receiver;
 - (ii) to deliver the record of the information in a file on a magnetic disk or by an equivalent method that can record certain information securely.
- (2) The methods listed in the preceding items shall be the ones by which a receiver can prepare a written document by outputting the record from a file.

(The minutes of an organizational meeting)

Article 2-4 (1) The preparation of the minutes of an organizational meeting pursuant to the provisions of Article 13, paragraph (7) of the Act shall be

prescribed in this Article.

- (2) The minutes of an organizational meeting shall be prepared in the form of a written document or an Electromagnetic Record.
- (3) The minutes of an organizational meeting shall include the following matters:
 - (i) the date and time when and the place where the organizational meeting was held;
 - (ii) a record of the proceedings and the outcome of the organizational meeting;
 - (iii) the names of the founder and the officers who attended the organizational meeting;
 - (iv) when a chairperson of the organizational meeting is in place, the name of said chairperson;
 - (v) the name of the founder who performed the duties concerning the preparation of the minutes.

(Attached documents to an application for permission)

Article 3 The documents specified by an ordinance of the competent ministry set forth in Article 14, paragraph (2) of the Act shall be as follows (in the case of a certification issued by a public agency, limited to documents prepared within three months prior to the date of filing the application for a permission):

- (i) a copy of the residence certificate prescribed in Article 12, paragraph (1) of the Basic Resident Registration Act (Act No. 81 of 1967) (in the case where the person is a foreign national who resides in Japan, a copy of an alien registration certificate, a copy of a registration card, or a certificate of the registered matters of said person), or a substitute thereof (hereinafter referred to as a "Copy of the Residence Certificate, etc."), a curriculum vitae, a certification issued by a public agency that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) and (b) of the Act (excluding the case where said person is a foreign national), and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (c) to (k) of the Act (in the case where such person is a foreign national, (a) to (k) of the same item);
- (ii) a document that contains the name or trade name of a Member and the location of his/her principal office or head office, a sworn, written statement that such person falls under any of the items of Article 30, paragraph (1) of the Act for each Commodity Market where such person carries out transactions, a sworn, written statement that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) to (l) of the Act, and in the case of completing settlement by the methods set forth in Article 105, item (i) of the Act on one or more Commodity Markets which a Member Commodity Exchange pertaining to the application intends to open, a record concerning the amount of the net assets of the person who prepared the

- written application according to Form No. 1 within 30 days prior to the date of filing the application for a permission;
- (iii) a sworn, written statement that a majority of the founders fall under the respective items of Article 10, paragraph (2) of the Act;
 - (iv) a participation certificate;
 - (v) a document that proves the payment of the investment;
 - (vi) minutes of an organizational meeting;
 - (vii) a document stating the estimated transaction volume of Futures Transactions for one year after the opening of a Commodity Market which he/she seeks to open;
 - (viii) in the case of seeking to open a Commodity Market pertaining to a Listed Commodity, a document stating that it is appropriate to conduct transactions of Listed Commodity Component Products (which means Listed Commodity Component Products prescribed in Article 10, paragraph (2), item (i) of the Act; the same shall apply hereinafter) on a single Commodity Market;
 - (ix) in the case of seeking to open a Commodity Market by specifying two or more Commodity Indices as a single Listed Commodity Index, a document stating that the majority of the goods subject to said two or more Commodity Indices shall be common to one another;
 - (x) in the case of using an electronic data processing system in opening a Commodity Market, a document giving the description of said electronic data processing system, installation location, capacity, and the process for responding in the event of the failure of said electronic data processing system;
 - (xi) in addition to those listed above, a document stating the matters to be used as a reference in recognizing whether the provisions of Article 15, paragraph (1) of the Act have been met.

(A method to claim for filing a suit, such as for pursuit of responsibility)

Article 3-2 The method specified by an ordinance of the competent ministry set forth in Article 847, paragraph (1) of the Companies Act (Act No. 86 of 2005) as applied mutatis mutandis by replacing the terms pursuant to Article 18, paragraph (2), Article 58, and Article 77, paragraph (2) of the Act shall be the submission of a document that contains the following matters or the provision of said matters through an Electromagnetic Means:

- (i) the person who shall become a defendant;
- (ii) a fact necessary to specify a claim and the object of claim.

(A method to notify the reasons for not filing a suit)

Article 3-3 The method specified by an ordinance of the competent ministry set forth in Article 847, paragraph (4) of the Companies Act as applied mutatis

mutandis by replacing the terms pursuant to Article 18, paragraph (2), Article 58, and Article 77, paragraph (2) of the Act shall be the submission of a document that contains the following matters or the provision of said matters through an Electromagnetic Means:

- (i) the contents of the investigation that a Member Commodity Exchange performed (including the document on which the judgment set forth in the following item was based);
- (ii) the judgment with regard to any responsibility or duty of a person subject to the claim;
- (iii) in the case of not filing an Action for Pursuing Liability, etc. (which means an Action for Pursuing Liability, etc. as prescribed in Article 847, paragraph (1) of the Companies Act), when judging that the person subject to the claim has a responsibility or duty, the reasons therefor.

(Attached documents to a notification of change to names, etc. of an officer or a Member)

Article 4 Documents specified by an ordinance of the competent ministry set forth in Article 19, paragraph (2) of the Act shall be as follows (in the case of a certification issued by a public agency, limited to documents prepared within three months prior to the date of filing the application):

- (i) when the notification of change is pertaining to an officer who has newly assumed office, a Copy of the Residence Certificate, etc. of that person, a curriculum vitae, a certification issued by a public agency that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) and (b) of the Act (excluding the case where the person is a foreign national), and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (c) to (k) of the Act (in the case where the person is a foreign national, (a) to (k) of the same item);
- (ii) when the notification of change is pertaining to a person who has newly become a Member, a document that contains the name or trade name of such person and the location of his/her principal office or head office, a sworn, written statement by that person that such person falls under any of the items of Article 30, paragraph (1) of the Act for each Commodity Market where such person carries out transactions, a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) to (l) of the Act, and in the case of completing settlement by the methods set forth in Article 105, item (i) of the Act on one or more Commodity Markets which the Member Commodity Exchange pertaining to the notification intends to open, a record concerning the amount of the net assets of the person who prepared the written

notification according to Form No. 1 within 30 days prior to the day when such person became a Member;

- (iii) when the notification of change is pertaining to the addition of a Listed Commodity or Listed Commodity Index on a Commodity Market where a Member carries out transactions, a sworn, written statement by that person that such person falls under any of the items of Article 30, paragraph (1) of the Act for each Commodity Market where such person carries out transactions, and in the case of completing settlement by the methods set forth in Article 105, item (i) of the Act, a record concerning the amount of the net assets of the person who prepared the written notification in accordance with Form No. 1 within 30 days prior to the day of the notification of a change.

Article 5 Deleted

(A method to display matters recorded in an Electromagnetic Record)

Article 6 The method specified by an ordinance of the competent ministry set forth in the following provisions shall be a method to display the matters recorded in an Electromagnetic Record set forth in the following provisions in the form of writing or an image:

- (i) Article 57, paragraph (4), item (iii) of the Act (including the case where it is applied mutatis mutandis pursuant to Article 77, paragraph (2) and Article 93, paragraph (3) of the Act);
- (ii) Article 68-2, paragraph (3), item (iii) of the Act;
- (iii) Article 123, paragraph (2), item (iii) of the Act;
- (iv) Article 125, paragraph (2), item (iii) of the Act;
- (v) Article 144, paragraph (2), item (iii) of the Act;
- (vi) Article 144-2, paragraph (6), item (iii) of the Act;
- (vii) Article 144-3, paragraph (2), item (iii) of the Act;
- (viii) Article 144-4, paragraph (5), item (iii) of the Act;
- (ix) Article 144-5, paragraph (2), item (iii) of the Act;
- (x) Article 144-11, paragraph (3), item (iii) of the Act;
- (xi) Article 144-12, paragraph (2), item (iii) of the Act;
- (xii) Article 144-19, paragraph (3), item (iii) of the Act.

(Electromagnetic Means to provide information recorded in an Electromagnetic Record)

Article 7 The Electromagnetic Means specified by an ordinance of the competent ministry set forth in the following provisions shall be the means designated by a Commodity Exchange from those listed in the respective items of Article 2-3, paragraph (1):

- (i) Article 57, paragraph (4), item (iv) of the Act (including the case where it is applied mutatis mutandis pursuant to Article 77, paragraph (2) and Article 93, paragraph (3) of the Act);
- (ii) Article 68-2, paragraph (3), item (iv) of the Act;
- (iii) Article 123, paragraph (2), item (iv) of the Act;
- (iv) Article 125, paragraph (2), item (iv) of the Act;
- (v) Article 144, paragraph (2), item (iv) of the Act;
- (vi) Article 144-2, paragraph (6), item (iv) of the Act;
- (vii) Article 144-3, paragraph (2), item (iv) of the Act;
- (viii) Article 144-4, paragraph (5), item (iv) of the Act;
- (ix) Article 144-5, paragraph (2), item (iv) of the Act;
- (x) Article 144-11, paragraph (3), item (iv) of the Act;
- (xi) Article 144-12, paragraph (2), item (iv) of the Act;
- (xii) Article 144-19, paragraph (3), item (iv) of the Act.

(A method specified by an ordinance of the competent ministry set forth in Article 59, paragraph (5) of the Act)

Article 8 The method specified by an ordinance of the competent ministry set forth in Article 59, paragraph (5) of the Act shall be a method listed in Article 2-3, paragraph (1), item (ii).

(Type and contents of Electromagnetic Means to be specified in the procedures for consent)

Article 9 The type and contents of the Electromagnetic Means to be specified pursuant to the provisions of Article 4, paragraph (1) of the Order for Enforcement of the Commodity Exchange Act (Cabinet Order No. 280 of 1950; hereinafter referred to as the "Order") shall be the following matters:

- (i) those that a sender uses from the methods listed in Article 2-3, paragraph (1), (a) or (b);
- (ii) a method to record the information in a file.

(The minutes)

Article 9-2 (1) The preparation of the minutes of a general meeting of members pursuant to the provisions of Article 62-3 of the Act shall be prescribed in this Article.

- (2) The minutes of a general meeting of members shall be prepared in the form of a written document or an Electromagnetic Record.
- (3) The minutes of a general meeting of members shall include the following matters:
 - (i) the date and time when and the place where the general meeting of members was held (including the method of attendance in the case where the

- president, director, auditor or a Member who was not in said location attended the general meeting of members);
- (ii) a record of the proceedings and the outcome of the general meeting of members;
 - (iii) a description of the auditor's report pursuant to Article 48, paragraph (3) of the Act;
 - (iv) the names of the president, director, or auditor who attended the general meeting of members;
 - (v) the name of the chairperson;
 - (vi) the name of the president or director who performed the duties concerning the preparation of the minutes.

(Taking into consideration accounting practices)

Article 10 With regard to the interpretation of terms set forth in the following Article through Article 26 and the application of the provisions thereunder, generally accepted corporate accounting standards and other accounting practices shall be taken into consideration.

(Matters to be included in Settlement Related Documents, etc.)

Article 10-2 The Settlement Related Documents, etc. set forth in Article 66, paragraph (1) of the Act shall be specified in the provisions of the following Article to Article 20.

(Principle of a balance sheet)

Article 11 A balance sheet shall, for the purpose of clarifying the financial condition of a Member Commodity Exchange, include or record the entire assets, liabilities, and net assets thereof at the end of each business year, and indicate them accurately to Members and any other interested party.

(Form of a balance sheet)

Article 12 The form of a balance sheet shall be a balance account format.

(Classification of a balance sheet)

Article 13 (1) A balance sheet shall indicate the values by classifying them into the following sections; provided, however, that the title of the contribution section may be used as the title of the net assets section if necessary:

- (i) assets;
- (ii) liabilities;
- (iii) net assets.

(2) Respective sub-items in the assets section or the liabilities section shall be given the appropriate titles to indicate the assets or liabilities concerning said

items.

(Classification of assets section)

Article 14 (1) The assets section shall be classified into the following sub-items.

In this case, the respective sub-items (excluding the sub-items listed in item (ii)) shall be broken down into appropriate particulars:

- (i) current assets;
- (ii) fixed assets;
- (iii) deferred assets.

(2) The sub-item pertaining to fixed assets shall be classified into the following sub-items. In this case, the respective sub-items shall be broken down into appropriate particulars:

- (i) tangible fixed assets;
- (ii) intangible fixed assets;
- (iii) investments and other assets.

(3) The assets listed in the following items shall belong to those specified in said items:

- (i) the following assets: current assets:
 - (a) cash and cash in bank (excluding cash in bank whose maturity date does not fall Within a Year);
 - (b) Bills Receivable (which means bill claims [excluding Bankruptcy or Reorganization Claims, etc. (which means bankruptcy claims, rehabilitation claims or reorganization claims or other equivalent claims; hereinafter the same shall apply in this item) for which payment is evidently impossible Within a Year] generated based on Ordinary Transactions [which means transactions generated currently or within a short term cycle in operating activities for the business of a Member Commodity Exchange; hereinafter the same shall apply in this Article through Article 16-8]);
 - (c) Accounts Receivable (which means the business accounts due [excluding the accounts due in the case where claims pertaining to said accounts due are Bankruptcy or Reorganization Claims, etc. for which payment is evidently impossible Within a Year] generated based on Ordinary Transactions);
 - (d) lease claims (excluding Bankruptcy or Reorganization Claims, etc. of which collection is evidently impossible Within a Year) in ownership-transfer finance lease transactions, which were generated based on Ordinary Transactions, or which were generated based on transactions other than Ordinary Transactions and whose due date falls Within a Year;
 - (e) lease investment assets (excluding Bankruptcy or Reorganization Claims, etc. of which collection is evidently impossible Within a Year) in non-

- ownership-transfer finance lease transactions, which were generated based on Ordinary Transactions, or which were generated based on transactions other than Ordinary Transactions and whose due date falls Within a Year;
- (f) Securities available for sale and Securities whose maturity date falls Within a Year;
 - (g) commodities (including land, buildings, and other real properties owned for the purpose of sale);
 - (h) products, byproducts, and scrap;
 - (i) semifinished products (including self-made parts);
 - (j) raw materials and materials (including purchased parts);
 - (k) products in progress and uncompleted works;
 - (l) consumable goods, consumable tools, appliances, fixtures, and other stored goods whose value is over a certain amount;
 - (m) Advance Payment (which means advance payment [excluding advance payment in the case where claims pertaining to said advance payment are Bankruptcy or Reorganization Claims, etc. for which payment is evidently impossible Within a Year] for purchasing commodities and raw materials);
 - (n) prepaid expenses which shall be expenses Within a Year;
 - (o) accrued income;
 - (p) the following deferred tax assets:
 - 1. deferred tax assets related to assets belonging to current assets or liabilities belonging to current liabilities;
 - 2. deferred tax assets which are not related to any specified assets or liabilities and are recognized as to be disposed of Within a Year;
 - (q) other assets which are recognized as to be cashed Within a Year;
- (ii) the following assets (provided, however, that, with regard to the assets listed in (a) to (h), limited to those to be used for business): tangible fixed assets:
- (a) buildings and annexed equipment such as for heating, lighting, and ventilation;
 - (b) Constructions (which means docks, bridges, quays, piers, tracks, reservoirs, tunnels, chimneys and other civil engineering equipment or structures fixed on land);
 - (c) machinery, equipment, and transportation equipment such as hoists, conveyors, and cranes, and other annexed equipment;
 - (d) ships and water delivery equipment;
 - (e) rolling stock, automobiles, and other land delivery equipment;
 - (f) tools, appliances, and fixtures (limited to those with a lifespan of one year or more);
 - (g) land;
 - (h) Lease Assets (which means leased property in cases where the company is

- the lessee of the leased property in finance lease transactions; the same shall apply hereinafter) which falls under the categories of property listed in (a) to (g) and (j);
- (i) Construction in Process Account (which means expenses in the case of constructing goods to be used for business in relation to the assets listed in (a) to (g), and materials appropriated for the purpose of said construction);
 - (j) other tangible assets which shall be classified as assets belonging to tangible fixed assets;
- (iii) the following assets: intangible fixed assets:
- (a) patent rights;
 - (b) leaseholds (including surface rights);
 - (c) trademark rights;
 - (d) utility model rights;
 - (e) design rights;
 - (f) mining rights;
 - (g) fishery rights (including common of piscary);
 - (h) software;
 - (i) goodwill;
 - (j) Lease Assets which fall under the categories of property listed in (a) to (h) and (k);
 - (k) other intangible assets which shall be classified as assets belonging to intangible fixed assets;
- (iv) the following assets: investments and other assets:
- (a) Securities which do not belong to other current assets including shares (excluding shares falling under Securities available for sale; the same shall apply hereinafter) of Affiliated Companies (which means affiliated companies set forth in Article 2, paragraph (3), item (xxiii) of the Ordinance on Company Accounting (Ordinance of the Ministry of Justice No. 13 of 2005); the same shall apply in Article 16-6);
 - (b) contribution;
 - (c) long-term loans;
 - (d) the following deferred tax assets:
 1. deferred tax assets related to assets belonging to tangible fixed assets, intangible fixed assets, or investments and other assets or liabilities belonging to fixed liabilities;
 2. deferred tax assets which are not related to any specified assets or liabilities and are not recognized as to be disposed of Within a Year;
 - (e) lease claims in ownership-transfer finance lease transactions which are not those set forth in item (i), (d);
 - (f) lease investment assets in non-ownership-transfer finance lease transactions which are not those set forth in item (i), (e);

- (g) other assets which shall be classified as assets belonging to investments and other assets;
 - (h) other assets which do not belong to current assets, tangible fixed assets, intangible fixed assets, or deferred tax assets;
 - (v) those assets recognized as being appropriate to be recorded as deferred assets: deferred assets.
- (4) "Within a Year" prescribed in the preceding paragraph refers to the days within a year from the days specified in the following items for the categories of balance sheet set forth respectively therein (hereinafter the same shall apply in this Article through Article 16-8):
- (i) a balance sheet as on the day of establishment: the day of the establishment of a Member Commodity Exchange;
 - (ii) a balance sheet pertaining to a business year: the day following the last day of the business year (in the case where valuation shall be carried out on a day other than the last day of the business year, said day; the same shall apply hereinafter).

(Classification of the liabilities section)

Article 15 (1) The liabilities section shall be classified into the following sub-items. In this case, the respective sub-items shall be broken down into appropriate particulars:

- (i) current liabilities;
 - (ii) fixed liabilities;
- (2) Liabilities listed in the following items shall belong to those specified in said items:
- (i) the following liabilities: current liabilities:
 - (a) Bills Payable (which means bill debts generated based on Ordinary Transactions);
 - (b) Accounts Payable (which means business payment due generated by Ordinary Transactions);
 - (c) Advances Received (which means advances received for construction orders and orders for goods);
 - (d) allowances (except for allowances pertaining to assets and those recognized as not to be used Within a Year);
 - (e) payment due or deposits received generated by Ordinary Transactions which are to be paid within a short term after generation as a general transaction practice;
 - (f) accrued expenses;
 - (g) advance received profit;
 - (h) the following deferred tax liabilities:
 - 1. deferred tax liabilities related to assets belonging to current assets or

- liabilities belonging to current liabilities;
- 2. deferred tax liabilities which are not related to any specified assets or liabilities and are recognized as to be disposed of Within a Year;
 - (i) lease debts in finance lease transactions whose due date falls Within a Year;
 - (j) other liabilities which are recognized as to be paid or repaid Within a Year;
- (ii) the following liabilities: fixed liabilities:
 - (a) bonds payable;
 - (b) long-term debts;
 - (c) allowances (excluding allowances pertaining to assets and those listed in (d) of the preceding item);
 - (d) the following deferred tax liabilities:
 - 1. deferred tax liabilities related to assets belonging to tangible fixed assets, intangible fixed assets, or investments and other assets, or liabilities belonging to fixed liabilities;
 - 2. deferred tax liabilities which are not related to any specified assets or liabilities and are not recognized as to be disposed of Within a Year;
 - (e) goodwill;
 - (f) lease debts in finance lease transactions which are not those set forth in (i) of the preceding item;
 - (g) other liabilities which do not belong to current liabilities.

(Classification of the net assets section)

Article 16 (1) The net assets section shall be classified into the following sub-items; provided, however, that the title of member contribution may be used as the title of member capital:

- (i) member capital;
- (ii) valuation/translation difference, etc.
- (2) Sub-items pertaining to member capital shall be classified into the following sub-items. In this case, respective sub-items may be broken down into the appropriate particulars:
 - (i) contribution;
 - (ii) membership fee;
 - (iii) capital surplus;
 - (iv) statutory capital;
 - (v) accumulated profit.
- (3) Sub-items pertaining to valuation/translation difference shall be broken down into the following particulars and any other particulars with an appropriate title:
 - (i) other difference in Securities valuation;

- (ii) deferred hedge gains and losses;
- (iii) difference in revaluation of land.

(Indication of allowances for bad debts, etc.)

Article 16-2 (1) Allowances pertaining to the respective assets shall be indicated as a deduction for said respective assets under sub-items with titles that indicate the purpose of allowances for bad debts and other relevant allowances excluding cases prescribed in the following paragraph; provided, however, that they are not precluded from being indicated in the sum total as a deduction for the total of current assets, tangible fixed assets, intangible fixed assets, investment and other assets, or deferred assets for the categories thereof .

(2) Allowances pertaining to the respective assets may be deducted directly from the amount of said respective assets and the outstanding amount of the deduction may be indicated as the amount of said respective assets.

(Indication of accumulated depreciation for tangible fixed assets)

Article 16-3 (1) Accumulated depreciation for the respective tangible fixed assets shall be indicated as a deduction for said respective tangible fixed assets under the sub-item of accumulated depreciation excluding cases prescribed in the following paragraph; provided, however, that they are not precluded from being indicated in the sum total as a deduction for these tangible fixed assets.

(2) Accumulated depreciation for the respective tangible assets may be deducted directly from the amount of said respective tangible assets and the outstanding amount of the deduction and may be indicated as the amount of said respective tangible assets.

(Indication of accumulated impairment loss for tangible fixed assets)

Article 16-4 (1) Accumulated impairment loss for the respective tangible fixed assets shall be deducted directly from the amount of said respective tangible fixed assets (in the case where accumulated depreciation for tangible fixed assets is deducted directly from the amount of said tangible fixed assets pursuant to the provisions of paragraph (2) of the preceding Article, the amount after deduction) and the outstanding amount of the deduction shall be indicated as the amount of said respective tangible fixed assets, excluding cases prescribed in the following paragraph and paragraph (3).

(2) Accumulated impairment loss for the respective tangible fixed assets for which depreciation is carried out may be indicated as a deduction for said respective tangible fixed assets under the sub-item of accumulated impairment loss; provided, however, that they are not precluded from being indicated in the sum total as the deduction for those tangible fixed assets.

(3) In the case where accumulated depreciation and accumulated impairment loss

are indicated as deductions pursuant to the provisions of paragraph (1) of the preceding Article and the preceding paragraph, the accumulated impairment loss may be added to the accumulated depreciation and be indicated under the sub-item of accumulated depreciation.

(Indication of intangible fixed assets)

Article 16-5 Accumulated depreciation and accumulated impairment loss for the respective intangible fixed assets shall be deducted directly from the amount of said respective intangible assets, and the outstanding amount of the deduction shall be indicated as the amount of said respective intangible fixed assets.

(Indication of Shares, etc. of Affiliated Companies, etc.)

Article 16-6 Shares or the contribution of Affiliated Companies shall be indicated separately under the sub-items of shares or contribution of Affiliated Companies.

(Indication of deferred tax assets, etc.)

Article 16-7 (1) With regard to the amount of deferred tax assets belonging to current assets and the amount of deferred tax liabilities belonging to current liabilities, only the difference shall be indicated as deferred tax assets or deferred tax liabilities in current assets or current liabilities.
(2) With regard to the amount of deferred tax assets belonging to fixed assets and the amount of deferred tax liabilities belonging to fixed liabilities, only the difference shall be indicated as deferred tax assets or deferred tax liabilities in fixed assets or fixed liabilities.

(Indication of deferred assets)

Article 16-8 Accumulated extinguishment for the respective deferred assets shall be deducted directly from the amount of said respective deferred assets and the outstanding amount of the deduction shall be indicated as the amount of said respective deferred assets.

(Principle of a profit and loss statement)

Article 17 A profit and loss statement shall, for the purpose of clarifying the status of the profit and loss of a Member Commodity Exchange, include or record the entire profit and loss in a single accounting period, and indicate them accurately to Members and any other interested party.

Article 18 Deleted

(Classification, etc. of a profit and loss statement)

Article 19 (1) A profit and loss statement shall be broken down into income and expenditure, and this will in turn be subdivided with appropriate titles according to the characteristics of the income and the purposes of the expenditure.

(2) In the expenditure section as set forth in the preceding paragraph, the surplus or loss for the term shall be included or recorded.

(A business report)

Article 20 A business report shall include or record the following matters and any other important matters concerning the businesses of a Member

Commodity Exchange:

- (i) a description of the businesses;
- (ii) a description of transactions and market conditions;
- (iii) a description of meetings;
- (iv) matters concerning Members.

(Keeping accounting books)

Article 21 (1) A Member Commodity Exchange shall prepare accurate accounting books on a timely basis pursuant to the provisions of the following paragraph, and the following Article through Article 26.

(2) Accounting books shall be prepared in the form of a written document or an Electromagnetic Record.

(Valuation of assets)

Article 22 (1) With regard to the assets, the acquisition cost thereof shall be recorded in accounting books, excluding the case where special provisions exist in laws and regulations other than this Ordinance or the Act.

(2) With regard to the assets to be extinguished, the relevant extinguishment shall be carried out as on the last day of a business year.

(3) With regard to the assets listed in the following items, the price specified in the respective items shall be recorded in the case where such price should be recorded as on the last day of a business year:

- (i) assets whose current market price as on the last day of a business year is considerably lower than the acquisition cost at the time (excluding those assets whose current market price is recognized as rising back to the acquisition cost at the time): Current market price as on the last day of the business year;
- (ii) assets for which unpredictable loss was incurred or impairment loss should be recognized as on the last day of the business year: Value reducing relevant value from the acquisition cost at the time.

(4) With regard to claims that are likely to be uncollectible, the amount

estimated as being uncollectible as on the last day of a business year shall be deducted.

- (5) With regard to claims, an appropriate price may be recorded in the case where the acquisition cost thereof is different from the amount of claims or where there are other reasonable grounds.
- (6) With regard to the following assets, current market price or appropriate price at the time may be recorded as on the last day of a business year:
 - (i) assets whose current market price as on the last day of a business year is lower than the acquisition cost at the time;
 - (ii) assets which have market value (excluding shares of Subsidiaries and Affiliated Companies and claims purported to be held to maturity);
 - (iii) in addition to the assets listed in the preceding two items, assets for which it is appropriate to record the current market price or appropriate price at the time as on the last day of a business year.

(Valuation of liabilities)

Article 23 (1) With regard to liabilities, the debt quota shall be recorded in accounting books, excluding the case where special provisions exist in laws and regulations other than this Ordinance or the Act.

- (2) With regard to the following liabilities, the current market price or appropriate price at the time may be recorded as on the last day of a business year:
 - (i) in addition to the following, among reasonable estimates of future expenses or loss (including the deduction of profit; hereinafter the same shall apply in this item) in preparation therefor, allowances (including allowances that should be recorded in the case of providing services to Members) that should be recorded by carrying over the amount belonging to the burden for said business year as expenses or loss:
 - (a) Allowances for Retirement Benefits (which means allowances to be carried over as on the last day of a business year in the case where retirement lump-sum grants, retirement pension, and other similar benefits are paid to an employee after he/she has retired);
 - (b) Allowances for Sales Returns (which means allowances to be carried over as on the last day of a business year in the case where there is always a special arrangement pertaining to a buyback with value at the time of selling, with regard to inventories for sale);
 - (ii) bonds which received payment of an amount different from the debt quota;
 - (iii) in addition to the liabilities listed in the preceding two items, liabilities for which it is appropriate to record the current market price or appropriate price at the time as on the last day of a business year.

(The amount of contribution)

Article 24 (1) With regard to the amount of the contribution of a Member Commodity Exchange, the amount which the Member Commodity Exchange determined to record in the amount of the contribution within the limits specified in the following items shall be added only in cases listed in said respective items in addition to what is specified in the provisions of Article 60-5 to Article 60-7 and Article 60-9 to Article 60-11:

(i) in the case where a Member performed the management of a contribution (excluding the case where the claim pertaining to the performance of the contribution set forth in the following item was recorded as assets): the amount obtained by subtracting the total of the amount listed in (c) from the total of the amount listed in (a) and (b) (in the case where such amount is less than zero, using zero as the amount):

(a) the value of the property (in the case where the property falls under property prescribed in (b), excluding said property) which was paid or provided to a Member Commodity Exchange with the performance of the contribution by said Member;

(b) the total of the book value immediately prior to the payment or provision by a person who paid for or provided the property (limited to the property, in the case where the book value immediately prior to the payment or provision by a person who paid for or provided said property as the book value at the Member Commodity Exchange of said property [the appropriate value in the case where said book value is not appropriate; the same shall apply hereinafter] shall be recorded) which was paid for or provided to a Member Commodity Exchange with the performance of the contribution by said Member;

(c) among the amount of the expenses pertaining to the acceptance of the performance of said contribution, the amount which a Member Commodity Exchange determined to be subtracted from the contribution or capital surplus;

(ii) in the case a Member Commodity Exchange determined to record as assets the claim pertaining to the right to request a Member to perform the management of a contribution: the value of said claim;

(iii) in the case where a Member Commodity Exchange determined to deem the whole or part of the capital surplus as the amount of the contribution: the amount of said capital surplus.

(2) The amount specified in the following items shall be subtracted from the amount of the contribution of a Member Commodity Exchange only in cases listed in said respective items:

(i) in the case where a Member Commodity Exchange repays the equity interest to a Member who is going to withdraw: the amount recorded in the amount of

- the contribution for the contribution of said withdrawing Member;
- (ii) in the case where a Member Commodity Exchange repays the contribution to a Member: the amount determined to be subtracted from the amount of the contribution within the limits of the value of the contribution to be repaid by the repayment of said contribution (limited to an amount less than that recorded in the amount of the contribution for the contribution of said Member);
- (iii) in the case where a Member Commodity Exchange determined not to record as assets the claim having been recorded as assets set forth in item (ii) of the preceding paragraph: the amount having been recorded in the contribution for said claim;
- (iv) in the case where a Member Commodity Exchange determined to deem the whole or part of a contribution as the amount of the capital surplus: the amount equivalent to the amount determined to be deemed as said capital surplus;
- (v) in the case of appropriating as compensation for loss: the amount which a Member Commodity Exchange determined to appropriate as compensation for loss within the limits of the amount of the contribution.

(The amount of capital surplus)

Article 25 (1) With regard to the amount of the capital surplus of a Member Commodity Exchange, the amount specified in the following items shall be added only in cases listed in said respective items in addition to what is specified in the provisions of Article 60-5 to Article 60-7 and Article 60-9 to Article 60-11:

- (i) in the case where a Member performed the management of a contribution (excluding the case where the claim pertaining to the performance of the contribution set forth in the following item was recorded as assets): the amount obtained by subtracting the amount listed in (b) from the amount listed in (a):
 - (a) the amount obtained by subtracting the amount listed in (c) from the total of the amounts listed in (a) and (b) of paragraph (1), item (i) of the preceding Article;
 - (b) the amount recorded in the amount of the contribution upon the performance of said contribution;
- (ii) in the case a Member Commodity Exchange determined to record as assets the claim pertaining to the right to request a Member to perform the management of a contribution: the amount obtained by subtracting the amount listed in (b) from the amount listed in (a);
 - (a) the amount specified in paragraph (1), item (ii) of the preceding Article;
 - (b) the amount recorded in the amount of the contribution upon said

- determination;
- (iii) in the case where a Member Commodity Exchange determined to deem the whole or part of a contribution as the amount of the capital surplus: the amount determined to be deemed to be said capital surplus;
 - (iv) in the case of appropriating as compensation for loss: the amount which a Member Commodity Exchange determined to appropriate as compensation for the loss within the limits of the amount of the contribution;
 - (v) in other cases where it is appropriate to increase the amount of the capital surplus: the appropriate amount.
- (2) The amount specified in the following items shall be subtracted from the amount of the capital surplus of a Member Commodity Exchange only in the cases listed in said respective items:
- (i) in the case where a Member Commodity Exchange repays the equity interest to a Member who is going to withdraw: the amount recorded in the amount of the capital surplus for the contribution of said withdrawing Member;
 - (ii) in the case where a Member Commodity Exchange repays the contribution to a Member: the amount obtained by subtracting the amount to be subtracted from the amount of the contribution pursuant to the provisions of paragraph (2) of the preceding Article in the case of repaying said contribution from the value of the contribution to be repaid by the repayment of said contribution;
 - (iii) in the case where a Member Commodity Exchange determined not to record as assets the claim having been recorded as assets set forth in item (ii) of the preceding paragraph: the amount having been recorded in the capital surplus for said claim;
 - (iv) in the case where a Member Commodity Exchange determined to deem the whole or part of the capital surplus as the amount of the contribution: the amount equivalent to the amount determined to be deemed to be said contribution;
 - (v) in other cases where it is appropriate to decrease the amount of the capital surplus: the appropriate amount.

(The amount of accumulated profit)

Article 26 (1) With regard to the amount of the accumulated profit of a Member Commodity Exchange, the amount specified in the following items shall be added only in the cases listed in said respective items in addition to what is specified in the provisions of Article 60-5 to Article 60-7 and Article 60-9 to Article 60-11:

- (i) in the case where the accumulated profit for the term has been generated: said accumulated profit for the term;
- (ii) in the case where a Member Commodity Exchange repays the equity

interest to a Member who is going to withdraw: the amount obtained by subtracting the amount listed in (b) from the amount listed in (a) (in the case where such amount is less than zero, using zero as the amount):

(a) the total of the amount recorded in the amount of the contribution and capital surplus for the contribution of the Member who received the repayment of said equity interest;

(b) the book value of the property repaid by the repayment of said equity interest;

(iii) in other cases where it is appropriate to increase the amount of the accumulated profit: the appropriate amount.

(2) The amount specified in the following items shall be subtracted from the amount of the accumulated profit of a Member Commodity Exchange only in the cases listed in said respective items; provided, however, that the amount equivalent to the book value of the property repaid by the repayment of the contribution shall not be deducted from the amount of the accumulated profit:

(i) in the case loss for the term generated: said loss for the term;

(ii) in the case where a Member Commodity Exchange repays the equity interest to a Member who is going to withdraw: the amount obtained by subtracting the amount listed in (b) from the amount listed in (a) (in the case where such amount is less than zero, using zero as the amount):

(a) the book value of property repaid by the repayment of said equity interest;

(b) the total of the amount recorded in the amount of the contribution and capital surplus for the contribution of the Member who received the repayment of said equity interest;

(iii) in the case where a Member performs the management of a contribution (limited to the case where the total of the amount listed in (a) and (b) of Article 24, paragraph (1), item (i) is less than zero): said total;

(iv) in other cases where it is appropriate to decrease the amount of the accumulated profit: the appropriate amount.

(Special provision concerning keeping of an Electromagnetic Record)

Article 26-2 The method specified by an ordinance of the competent ministry set forth in Article 68-2, paragraph (2) of the Act shall be the method using an electronic data processing system to connect a computer used by a Member Commodity Exchange through a telecommunications line, which is for recording the information recorded in a file on said computer in a file on a computer used by the principal office or secondary office of the Member Commodity Exchange through a telecommunications line.

(Public notice of a balance sheet)

Article 26-3 In the case where a Member Commodity Exchange gives public notice under the provisions of Article 68-3 of the Act, it shall clarify the amount of the net surplus or net loss for the term in said public notice.

(Application for approval pertaining to merger of Member Commodity Exchanges)

Article 27 When a Member Commodity Exchange seeks to receive approval for a merger under the provisions of Article 76, paragraph (1) of the Act, it shall attach the following documents to a written application for approval and submit them to the competent minister:

- (i) a document containing the reasons for the merger;
- (ii) minutes of a general meeting of members;
- (iii) Settlement Related Documents, etc. for the most recent business year.

(An inventory of property)

Article 27-2 (1) An inventory of property to be prepared pursuant to the provisions of Article 492, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act shall be specified by this Article.

(2) With regard to the property to be recorded in an inventory of property set forth in the preceding paragraph, the disposal price as on the day when the case has fallen under the cases set forth in the provisions of Article 475 (excluding item (i) and item (iii)) of the Companies Act as applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act shall be recorded excluding the case where it is difficult to record the disposal price. In this case, with regard to the accounting books of a Member Commodity Exchange which is about to go into liquidation pursuant to the provisions of Article 475 (excluding item (i) and item (iii)) of the Companies Act as applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act, the price recorded in the inventory of property shall be deemed to be the acquisition cost.

(3) An inventory of property set forth in paragraph (1) shall indicate the values by classifying them into the following sections. In this case, the parts listed in items (i) and (ii) may be broken down into sub-items with an appropriate title showing the contents:

- (i) assets;
- (ii) liabilities;
- (iii) net worth.

(A balance sheet as the start of liquidation)

Article 27-3 (1) A balance sheet to be prepared pursuant to the provisions of Article 492, paragraph (1) of the Companies Act as applied mutatis mutandis

pursuant to Article 77, paragraph (1) of the Act shall be specified by this Article.

- (2) A balance sheet set forth in the preceding paragraph shall be prepared based on an inventory of property.
- (3) A balance sheet set forth in paragraph (1) shall indicate the values by classifying them into the following parts. In this case, the parts listed in items (i) and (ii) may be broken down into sub-items with an appropriate title showing the contents:
 - (i) assets;
 - (ii) liabilities;
 - (iii) net assets.
- (4) In the case where there are assets whose disposal price is difficult to record, a balance sheet set forth in paragraph (1) shall include a note to show the policy for property valuation pertaining to said assets.

(Attached documents to a written application for a license)

Article 28 (1) Documents specified by an ordinance of the competent ministry set forth in Article 79, paragraph (2) of the Act shall be as follows (in the case of a certification issued by a public agency, limited to documents prepared within three months prior to the date of filing the application for a license):

- (i) a certificate of the registered matters;
- (ii) a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (c) to (e) or (i) of the Act;
- (iii) a document specified as follows corresponding to each case:
 - (a) in the case where an officer is a foreign national: a Copy of the Residence Certificate, etc. of said officer, the curriculum vitae, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) to (k) of the Act;
 - (b) in the case where an officer is a juridical person: a certificate of the registered matters of said officer, a document containing the history thereof, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (l) of the Act;
 - (c) in the case where an officer is neither a foreign national nor a juridical person: a Copy of the Residence Certificate, etc. of said officer, the curriculum vitae, a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i) (a) or (b) of the Act, and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) to (k) of the same item;

- (iv) a document that contains the name or trade name of a Trading Participant and the location of his/her principal office or head office, a sworn, written statement by that person that such person does not fall under any of the provisions of (a) to (c) of Article 82, paragraph (1), item (i) of the Act or (a) to (c) of item (ii) of the same paragraph, a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) to (l) of the Act, and in the case of completing settlement by the methods set forth in Article 105, item (i) of the Act on one or more Commodity Markets which a Member Commodity Exchange pertaining to the application intends to open, a record concerning the amount of the net assets of the person who prepared the written application according to Form No. 1 within 30 days prior to the date of filing the application for a license;
- (v) a sworn, written statement by that person that the majority of the Trading Participants who intend to carry out transactions on said Commodity Market fall under the following persons for the category of Commodity Markets set forth respectively therein:
 - (a) Commodity Market pertaining to a Listed Commodity: persons who, in the course of trade, have engaged in the Buying and Selling, etc. (which means the Buying and Selling, etc. specified in Article 10, paragraph (2), item (i) of the Act; the same shall apply hereinafter) of Listed Commodity Component Products on said Commodity Market for one year or more on a continuous basis;
 - (b) Commodity Market pertaining to a Listed Commodity Index: persons who, in the course of trade, have engaged in the Buying and Selling, etc. of Products Underlying the Listed Commodity Index (which means Products Underlying the Listed Commodity Index specified in Article 10, paragraph (2), item (ii) of the Act) on said Commodity Market for one year or more on a continuous basis;
- (vi) in the case where an organizational meeting was held, the minutes thereof;
- (vii) a document stating the status of securing employees who have the knowledge and experience pertaining to the business of a Commodity Exchange and the status of the assignment of such employees;
- (viii) a document stating the estimated transaction volume of Futures Transactions for one year after the opening of a Commodity Market which he/she seeks to open;
- (ix) in the case of seeking to open a Commodity Market pertaining to a Listed Commodity, a document stating that it is appropriate to conduct transactions of Listed Commodity Component Products on a single Commodity Market;
- (x) in the case of seeking to open a Commodity Market by specifying two or more Commodity Indices as a single Listed Commodity Index, a document

- stating that the majority of the goods subject to said two or more Commodity Indices shall be common to one another;
- (xi) in the case of using an electronic data processing system in opening a Commodity Market, a document giving the description of said electronic data processing system, installation location, capacity, and the process for responding in the event of the failure of said electronic data processing system;
 - (xii) in addition to those listed above, a document stating the matters to be used as a reference for recognizing whether the criteria listed in Article 80, paragraph (1) of the Act have been met.
- (2) In the case where a stock company other than an Incorporated Commodity Exchange submits a written application for a license to become an Incorporated Commodity Exchange by changing its prior purpose pursuant to the provisions of Article 79, paragraph (1) of the Act, the documents specified by an ordinance of the competent ministry set forth in paragraph (2) of the same Article shall be those listed as follows, in addition to those listed in the respective items (excluding item (vi)) of the preceding paragraph:
- (i) the minutes of the general meeting of shareholders where it was resolved that the stock company would become an Incorporated Commodity Exchange by changing its prior purpose;
 - (ii) Financial Statements, etc. (which means the Financial Statements, etc. specified in Article 2, paragraph (3), item (xii) [limited to the part pertaining to (a)] of the Ordinance for Enforcement of the Companies Act [Ordinance of the Ministry of Justice No. 12 of 2006]) for the most recent business year and the detailed statements thereof.

(Attached documents to a notification of change to names, etc. of an officer or a Trading Participant)

Article 29 Documents specified by an ordinance of the competent ministry set forth in Article 85, paragraph (2) of the Act shall be as follows (in the case of a certification issued by a public agency, limited to documents prepared within three months prior to the date of filing the application):

- (i) when the notification of change is pertaining to a newly appointed officer, a document specified as follows corresponding to each case:
 - (a) in the case where a newly appointed officer is a foreign national: a Copy of the Residence Certificate, etc. of said officer, the curriculum vitae, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) to (k) of the Act;
 - (b) in the case where a newly appointed officer is a juridical person: a certificate of the registered matters of said officer, a document containing

the history thereof, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i) (1) of the Act;

- (c) in the case where a newly appointed officer is neither a foreign national nor a juridical person: a Copy of the Residence Certificate, etc. of said officer, the curriculum vitae, a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i) (a) or (b) of the Act, and a sworn, written statement by that person that such person does not fall under any of the provisions in (c) to (k) of the same item;
- (ii) when the notification of change is pertaining to a person who has newly become a Trading Participant, a document stating the name or trade name of that person and the location of his/her principal office or head office, a sworn, written statement by that person that such person falls under any of the provisions of (a) through (c) of Article 82, paragraph (1), item (i) of the Act, or any of the provisions of (a) through (c) of item (ii) of the same paragraph for each Commodity Market where such person carries out transactions, a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) to (l) of the Act, and in the case of completing settlement by the methods set forth in Article 105, item (i) of the Act on one or more Commodity Markets which the Incorporated Commodity Exchange pertaining to the notification intends to open, a record concerning the amount of the net assets of the person who prepared the written notification according to Form No. 1 within 30 days prior to the day when that person became a Trading Participant;
- (iii) when the notification of change is pertaining to the addition of a Listed Commodity or Listed Commodity Index on a Commodity Market where a Trading Participant carries out transactions, a sworn, written statement by that person that such person falls under any of the provisions of (a) through (c) of Article 82, paragraph (1), item (i) of the Act, or any of the provisions of (a) through (c) of item (ii) of the same paragraph for each Commodity Market where the person carries out transactions, and in the case of completing settlement by the methods set forth in Article 105, item (i) of the Act, a record concerning the amount of the net assets of the person who prepared the written notification according to Form No. 1 within 30 days prior to the day of the notification of a change.

(Voting rights excluded from voting rights acquired or held by taking into consideration the mode of acquisition or holding or any other relevant circumstances)

Article 30 Voting rights specified by an ordinance of the competent ministry set

forth in Article 86, paragraph (1) of the Act shall be the following voting rights:

- (i) voting rights pertaining to the shares of an Incorporated Commodity Exchange acquired or held as trust property by a person who engages in Trust Business (which means the trust business prescribed in Article 2, paragraph (1) of the Trust Business Act [Act No. 154 of 2004]) (excluding those that are deemed to be the voting rights personally acquired or held by said person who engages in trust business, pursuant to the provisions of Article 86, paragraph (3) [limited to the part pertaining to item (i)] of the Act);
- (ii) voting rights pertaining to the shares of an Incorporated Commodity Exchange held by a juridical person in cases where a person having the right to represent the juridical person or a chief manager having the right to represent the juridical person has the authority to exercise voting rights, the authority to give instructions on the exercise of voting rights, or the authority required for making an investment, based on said right of representation or his/her power of proxy;
- (iii) in the case where an officer or employee of an Incorporated Commodity Exchange has acquired the shares of said Incorporated Commodity Exchange (limited to those conducted according to a certain plan, without depending on an individual investment decision, on an on-going basis, for which each officer or employee contributes less than one million yen at a time) jointly with another officer or employee of said Incorporated Commodity Exchange (when said Incorporated Commodity Exchange has acquired the shares other than those acquired based on the provisions of Article 156, paragraph (1) of the Companies Act [including cases where it is applied by replacing the terms pursuant to the provisions of Article 165, paragraph (3) of the same Act], limited to the case where the acquisition was consigned to a Financial Instruments Business Operator [which means the Financial Instruments Business Operator prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act (Act No. 25 of 1948) (limited to one who is engaged in the Type I Financial Instruments Business prescribed in Article 28, paragraph (1) of the same Act); the same shall apply in the following Article and the Appended Table 4]), voting rights pertaining to the shares of said Incorporated Commodity Exchange acquired or held by a person who has deposited the shares of the Incorporated Commodity Exchange which conducted said acquisition (excluding those that are deemed to be the voting rights personally acquired or held by said person who has deposited the shares, pursuant to the provisions of Article 86, paragraph (3) [limited to the part pertaining to item (i)] of the Act);
- (iv) voting rights pertaining to the shares of an Incorporated Commodity Exchange acquired or held by an heir through inheritance (limited to the

- shares as on the day when said heir (excluding the case of coinheritance) gave an absolute acceptance [including the case where an absolute acceptance is deemed to have been given] or gave a qualified acceptance, or the shares whose division has not been agreed by the coheirs);
- (v) voting rights pertaining to the shares of an Incorporated Commodity Exchange acquired or held by an Incorporated Commodity Exchange for the purpose of extinguishing its own shares.

(Exemption of restriction on acquisition, etc.)

Article 31 Cases specified by an ordinance of the competent ministry set forth in Article 86, paragraph (2) of the Act shall be as follows:

- (i) in the case where there is no increase in the number of Subject Voting Rights (which means the Subject Voting Rights prescribed in Article 86, paragraph (1) of the Act; hereinafter the same shall apply in this Article) of an Incorporated Commodity Exchange held;
- (ii) in the case where the Subject Voting Rights of an Incorporated Commodity Exchange are acquired or held by exercising security rights or accepting a substitute performance;
- (iii) in the case where the Subject Voting Rights of an Incorporated Commodity Exchange are acquired or held by a Financial Instruments Business Operator, for the purpose of business (excluding the case where he/she has acquired or holds them through the actions listed in Article 2, paragraph (8), item (i) of the Financial Instruments and Exchange Act);
- (iv) in the case where the Subject Voting Rights of an Incorporated Commodity Exchange are acquired or held by a Securities Finance Company (which means a Securities Finance Company prescribed in Article 2, paragraph (30) of the Financial Instruments and Exchange Act) for the purpose of the business prescribed in Article 156-24, paragraph (1) of the same Act.

(Matters of public inspection, etc.)

Article 32 (1) The matters specified by an ordinance of the competent ministry set forth in Article 87 of the Act shall be the total number of issued shares and the number of voting rights of all shareholders of said Incorporated Commodity Exchange.

- (2) In the case where there is a change to the total number of issued shares or the number of voting rights of all shareholders by way of the conversion of the shares or the exercise of the rights to subscribe for new shares, the total number of issued shares and the number of voting rights of all shareholders may be deemed to be those as on the last day of the previous month.
- (3) In the case where there is a change to the total number of issued shares of an Incorporated Commodity Exchange, the registered total number of issued

shares shall be deemed to be the total number of issued shares set forth in paragraph (1) during the period until the registration thereof is completed.

(4) An Incorporated Commodity Exchange shall preserve documents, including the matters specified in paragraph (1), at its head office and make them available for public inspection during its business hours.

(Application for approval of reduction of the capital amount)

Article 33 When an Incorporated Commodity Exchange seeks approval for a reduction of the capital amount under the provisions of Article 88, paragraph (1) of the Act, it shall attach the following documents to a written application for approval and submit them to the competent minister:

- (i) a document stating the reasons for a reduction of the capital amount;
- (ii) a document stating the methods to reduce the capital amount;
- (iii) minutes of a general meeting of shareholders and other documents stating that the necessary procedures were followed;
- (iv) a balance sheet for the most recent business year;
- (v) a document stating that a public notice or a notification under Article 449, paragraph (2) of the Companies Act (in the case where a public notice has been given not only in an official gazette, but also through publication in a daily newspaper which publishes matters on current events or through an Electronic Public Notice as prescribed in paragraph (3) of the same Article, a public notice through these methods) has been given, and when a creditor has made an objection, documents that prove that the liabilities have been repaid or reasonable collateral has been provided to said creditor or reasonable property has been deposited in trust for the purpose of repaying the liabilities to said creditor, or that the reduction of said capital amount is not likely to harm said creditor;
- (vi) with regard to companies that issue the shares, a document stating that a public notice under the main clause of Article 219, paragraph (1) of the Companies Act, or a document stating that the shares have not been issued for the whole of said shares.

(Notification of an increase of the capital amount)

Article 34 When an Incorporated Commodity Exchange intends to give notification of an increase of the capital amount under the provisions of Article 88, paragraph (2) of the Act, it shall attach the following documents to a written application for approval and submit them to the competent minister:

- (i) minutes of a board of directors and other documents stating that the necessary procedures were followed;
- (ii) a document stating the methods of increasing the capital amount;
- (iii) a balance sheet with an estimate of the increase of the capital amount.

(Application for approval pertaining to resolution on dissolution of an Incorporated Commodity Exchange, etc.)

Article 35 When an Incorporated Commodity Exchange seeks to receive approval for the resolution of a general meeting of shareholders with regard to the dissolution under the provisions of Article 96, paragraph (1) of the Act, it shall attach the following documents to a written application for approval and submit them to the competent minister:

- (i) a document stating the reasons for the dissolution or merger;
- (ii) minutes of a general meeting of shareholders and other documents stating that the necessary procedures were followed;
- (iii) Financial Statements, etc. for the most recent business year and the detailed statement thereof.

(Exemption of notification of dissolution)

Article 36 The cases specified by an ordinance of the competent ministry set forth in the proviso of Article 96, paragraph (2) of the Act shall be the case where the merger set forth in Article 145, paragraph (1) of the Act is implemented.

(Basis for calculating the minimum amount of net assets of members)

Article 37 When a Commodity Exchange determines the minimum amount of the net assets of Members who carry out transactions on the Commodity Market pursuant to the provisions of Article 99, paragraph (1) of the Act, it shall take into consideration transaction types, transaction units, transaction amounts, and other circumstances on said Commodity Market and the securing of the fair and smooth performance of transactions on the Commodity Market.

(Basis for calculating net assets)

Article 38 (1) When calculating the net assets pursuant to the provisions of Article 99, paragraph (7) of the Act (including cases where it is applied mutatis mutandis pursuant to Article 175, paragraph (3), Article 192, paragraph (3), Article 211, paragraph (4), Article 232, paragraph (4), and Article 294, paragraph (2), of the Act), the total amount to be recorded in the liabilities section (in the case where it is applied mutatis mutandis pursuant to Article 211, paragraph (4) of the Act, excluding the total amount of the liabilities listed in items (xviii) to (xx) inclusive, and in other cases, excluding the total amount of the liabilities listed in item (xviii)) shall be deducted from the total amount to be recorded in the assets section in a report concerning the net assets prepared according to Form No. 1 (in the case where it is applied mutatis mutandis pursuant to Article 211, paragraph (4) of the Act, excluding

the total amount of the assets listed in items (i) to (xvii) inclusive, and in other cases, excluding the total amount of the assets listed in item (i) and item (v)):

- (i) in the case where the total amount of the customer's accounts due, long-term claims due (limited to those equivalent to the customer's accounts due; the same shall apply in item (v)) and the customer's Futures Transactions difference (limited to those belonging to current assets) exceeds the total amount of the money and Securities deposited by said customer with regard to transactions on a Commodity Market and money (excluding money equivalent to profit from the difference pertaining to transactions on a Commodity Market on said customer's own account for which settlement has not been completed; the same shall apply in item (v)) and Securities on said customer's account, said excess portion;
- (ii) advance payment;
- (iii) prepaid expenses;
- (iv) among allowances for bad debts (limited to those pertaining to assets belonging to current assets), those falling under the general allowances for bad debts;
- (v) in the case where the total amount of the customer's accounts due and the long-term claims due included in allowances for bad debts exceeds the total amount of the money and Securities deposited by said customer with regard to transactions on a Commodity Market and the money and Securities on said customer's account, those pertaining to said excess portion;
- (vi) among Securities, short-term loans, investment securities, and long-term loans, those falling under Short-Term Subordinated Claims;
- (vii) among Securities and investment securities, those issued by another company or a third party (limited to those held by a Futures Commission Merchant intentionally in the case where said Futures Commission Merchant receives a financing method from said other company);
- (viii) goodwill;
- (ix) leaseholds;
- (x) deleted;
- (xi) software;
- (xii) intangible fixed assets other than those listed in item (viii) through the preceding item;
- (xiii) among investment securities and long-term loans, those falling under Long-Term Subordinated Claims;
- (xiv) long-term prepaid expenses;
- (xv) deferred tax assets (limited to those related to assets belonging to fixed assets);
- (xvi) deferred assets;
- (xvii) among assets, the smaller amount between the book value of those used

- as collateral for a third party (excluding those listed in the respective preceding items) and the amount of the third party's debts secured thereby;
- (xviii) liability reserve for commodity trading;
- (xix) among short-term debts, long-term debts to be repaid within one year, bonds due within a year, bonds payable, and long-term debts, those falling under Short-Term Subordinated Debts (among Long-Term Subordinated Debts, including the amount exceeding the amount equivalent to 50 percent of capital, the total amount of the capital subscriptions or suspense receipts on capital subscriptions, capital surplus, accumulated profit, difference in valuation of stocks, amount paid on a person's own shares or suspense receipts on a person's own shares, and a person's own shares [referred to as the "Amount of Basic Items" in the following paragraph] and the amount equivalent to the total amount of the accumulated depreciation prescribed in the following item);
- (xx) among bonds payable and long-term debts, those falling under Long-Term Subordinated Debts (with regard to those whose remaining period is less than five years, limited to those depreciating accumulatively, the amount equivalent to 20 percent of the amount as at the time when the remaining period becomes five years every year).
- (2) In the case of the preceding paragraph, the total amount of those listed in item (iv) and items (xviii) to (xx) inclusive of the same paragraph (with regard to those listed in item (xix) of the same paragraph, within the limit of the amount equivalent to 200 percent of the amount deducting the total of the amount listed in items (i) to (iii) inclusive and items (v) to (xvii) inclusive of the preceding paragraph from the Amount of Basic Items, and with regard to those listed in item (xx) of the same paragraph, within the limit of the amount equivalent to 50 percent of the Amount of Basic Items) shall not exceed the Amount of Basic Items.
- (3) The amount of the assets and liabilities set forth in paragraph (1) shall be based on the value assessed according to generally accepted corporate accounting standards as on the day when the amount of the net assets is calculated.
- (4) In the case of paragraph (1) (limited to the case where it is applied mutatis mutandis pursuant to Article 211, paragraph (4) of the Act), when liabilities include a guarantee obligation or guarantee booking (hereinafter referred to as a "Guarantee Obligation" in this paragraph), the amount equivalent to 25 percent of said Guarantee Obligation (in the case where debt guarantee loss allowances are recorded, the largest of the amounts equivalent to 25 percent of said respective Guarantee Obligations and debt guarantee loss allowances) shall be deemed as appraised value.
- (5) The Short-Term Subordinated Claims prescribed in paragraph (1), item (vi)

shall be Subordinated Loans (which means loans made by loan agreements with a special clause of subordinated contents with regard to the recovery of the interest and principal; the same shall apply in the following paragraph) or Subordinated Bonds (which means bonds payable with a special clause of subordinated contents with regard to the recovery of the interest and principal; the same shall apply in the following paragraph) which have all the following characteristics:

(i) collateral is not offered;

(ii) the loan period or redemption period at the time of the contract or issuance is between two years or longer and five years or shorter.

(6) The Long-Term Subordinated Claims prescribed in paragraph (1), item (xiii) shall be Subordinated Loans or Subordinated Bonds which have all the following characteristics:

(i) collateral is not offered;

(ii) the loan period or redemption period at the time of the contract or issuance is over five years.

(7) The Short-Term Subordinated Debts prescribed in paragraph (1), item (xix) shall be Subordinated Borrowings (which means debts incurred by loan agreements with a special clause of subordinated contents with regard to the payment of the interest and principal; the same shall apply hereinafter) or Subordinated Bonds (which means bonds payable with a special clause of subordinated contents with regard to the payment of the interest and principal; the same shall apply hereinafter) which have all the following characteristics:

(i) collateral is not offered;

(ii) the loan period or redemption period at the time of the contract or issuance is between two years or longer and five years or shorter;

(iii) in the case where there is a special clause for payment before maturity or redemption before maturity (hereinafter referred to as the "Payment before Maturity, etc." in this Article), said Payment before Maturity, etc. may be made only when said Payment before Maturity, etc. is at the discretion of a Futures Commission Merchant, a debtor, and said Futures Commission Merchant has obtained approval to make said Payment before Maturity, etc. from the competent minister;

(iv) in the case where a Futures Commission Merchant violates the provisions of Article 211, paragraph (2) of the Act by paying the interest and principal, there shall be a special clause to the effect that said payment of the interest and principal shall not be made.

(8) The Long-term Subordinated Debts prescribed in paragraph (1), item (xix) and item (xx) shall be Subordinated Borrowings or Subordinated Bonds which have all the following characteristics:

(i) collateral is not offered;

- (ii) the loan period or redemption period at the time of the contract or issuance is over five years;
 - (iii) in the case where there is a special clause for Payment before Maturity, etc., said Payment before Maturity, etc. may be made only when said Payment before Maturity, etc. is at the discretion of a Futures Commission Merchant, a debtor, and said Futures Commission Merchant has obtained approval to make said Payment before Maturity, etc. from the competent minister;
 - (iv) in the case where a Futures Commission Merchant violates the provisions of Article 211, paragraph (2) of the Act by paying the interest, there shall be a special clause to the effect that said payment of the interest shall not be made.
- (9) With regard to Short-Term Subordinated Debts prescribed in paragraph (7) and Long-Term Subordinated Debts prescribed in the preceding paragraph, in the cases listed in the following items, the amount specified in said respective items shall be deducted from the amount of said Short-Term Subordinated Debts or Long-Term Subordinated Debts:
- (i) in the case where Subordinated Borrowings have been borrowed from Subsidiaries (which means Subsidiaries prescribed in Article 8, paragraph (3) of the Ordinance on Terminology, Forms, and Preparation Methods of Financial Statements [Ordinance of the Ministry of Finance No. 59 of 1963]); the same shall apply hereinafter) or Affiliated Companies (which means Affiliated Companies prescribed in paragraph (5) of the same Article; the same shall apply hereinafter): the amount of said Subordinated Borrowings;
 - (ii) in the case where the holder of Subordinated Bonds (including a person holding subordinated bonds by means of trust property; the same shall apply in the following item) is the relevant person, Subsidiaries, or Affiliated Companies: the amount of said Subordinated Bonds;
 - (iii) in the case where funds are intentionally provided to a lender of Subordinated Borrowings or a holder of Subordinated Bonds: the amount of said funds (in the case where the amount of said funds exceeds the total of Subordinated Borrowings and Subordinated Bonds, said total amount).
- (10) When a Futures Commission Merchant intends to receive approval under paragraph (7), item (iii) or paragraph (8), item (iii), he/she shall submit a written application for approval including the following matters to the competent minister with a copy of contract or an equivalent document attached to it:
- (i) trade name;
 - (ii) the date of receiving license or the date of the renewal of the license;
 - (iii) the amount of the Payment before Maturity, etc. (in the case where the amount is denominated in a foreign currency, the amount of the Payment

- before Maturity, etc. and the amount thereof in Japanese Yen);
- (iv) the amount of the current short-term subordinated debts or long-term subordinated debts and those after making the Payment before Maturity, etc. (in the case where the amount is denominated in foreign currency, the amount of the short-term subordinated debts or long-term subordinated debts and the amount thereof in Japanese Yen);
 - (v) the reasons for the Payment before Maturity, etc.;
 - (vi) the scheduled date of the Payment before Maturity, etc.;
 - (vii) the financing methods and other concrete measures for maintaining the sufficient Net Assets Regulation Ratio (which means the Net Assets Regulation Ratio prescribed in Article 211, paragraph (1) of the Act; the same shall apply hereinafter);
 - (viii) the estimated Net Assets Regulation Ratio after making the Payment before Maturity, etc.
- (11) When a competent minister intends to grant approval under paragraph (7), item (iii) or paragraph (8), item (iii), he/she shall confirm that said short-term subordinated debts or long-term subordinated debts have not improved the Net Assets Regulation Ratio temporarily and intentionally, and review whether they meet any of the following criteria:
- (i) it is expected that said Futures Commission Merchant can maintain a sufficient Net Assets Regulation Ratio after making said Payment before Maturity, etc.;
 - (ii) funds larger than the amount of said Payment before Maturity, etc. shall be raised.

(Allocation price of Securities and warehouse receipt)

Article 39 (1) The allocation price of the Securities and warehouse receipt under Article 101, paragraph (3) or Article 103, paragraph (5) of the Act (including the case where it is applied *mutatis mutandis* pursuant to Article 179, paragraph (6) of the Act) shall not exceed the maximum limit specified by a Commodity Exchange (in the case where Article 103, paragraph (5) of the Act is applied *mutatis mutandis* pursuant to Article 179, paragraph (6) of the Act, a Commodity Clearing Organization) within the limit of 95 percent of the current market price with regard to national government bond certificates, 85 percent of the current market price with regard to local government bond certificates, bond certificates issued by a juridical person pursuant to special Acts, or fund certificates issued by the Bank of Japan, 70 percent of the current market price with regard to shares, corporate bond certificates, or beneficiary certificates, and 70 percent of the current market price of the Listed Commodities whose retention is proved by warehouse receipts with regard to warehouse receipts.

(2) After a Commodity Exchange (in the case where Article 103, paragraph (5) of the Act is applied mutatis mutandis pursuant to Article 179, paragraph (6) of the Act, a Commodity Clearing Organization) has specified the maximum limit of the allocation price with regard to national government bond certificates, local government bond certificates, bond certificates issued by a juridical person pursuant to special Acts, fund certificates issued by the Bank of Japan, shares, corporate bond certificates, beneficiary certificates, or warehouse receipts, pursuant to the provisions of the preceding paragraph, if the current market price becomes lower than said maximum limit, the Commodity Exchange (in the case where Article 103, paragraph (5) of the Act is applied mutatis mutandis pursuant to Article 179, paragraph (6) of the Act, a Commodity Clearing Organization) shall change said maximum limit without delay, pursuant to the provisions of the preceding paragraph.

(Methods to deposit clearing margin)

Article 40 (1) When a Commodity Exchange receives the deposit of clearing margins from an Intermediary (which means an Intermediary prescribed in Article 103, paragraph (1), item (ii) of the Act; hereinafter the same shall apply in this Article through Article 43), a Customer (which means a Customer prescribed in the same item; hereinafter the same shall apply in this Article through Article 43), or an Intermediation Customer (which means an Intermediation Customer prescribed in item (iv) of the same paragraph; hereinafter the same shall apply in this Article through Article 43), pursuant to the provisions of Article 103, paragraph (1) of the Act, it shall receive the deposit of said clearing margins through an agent specified in the following items for the categories of cases set forth respectively in those items:

(i) in the case prescribed in Article 103, paragraph (1), item (ii) or item (iii) of the Act: a Member, etc. who brokers said transaction;

(ii) in the case prescribed in Article 103, paragraph (1), item (iv) of the Act: an Intermediary pertaining to said transaction and a Member, etc. who brokers said transaction.

(2) When a Commodity Exchange receives the deposit of clearing margins from a Member, etc. or an Intermediary pursuant to the provisions of Article 103, paragraph (1) of the Act (excluding the case where a Member, etc. carries out transactions on a Commodity Market on a person's own account), it shall recognize that a person specified in the following items for the categories of cases set forth respectively in those items has the right to claim the return for said clearing margin (limited to within the amount of the customer margin or intermediation margin which the person specified in said respective items has deposited):

(i) in the case where a Member, etc. has received the deposit of customer

margins from a Customer and deposited the clearing margins with a Commodity Exchange: said Customer;

- (ii) in the case where a Member, etc. has received the deposit of a customer margin from an Intermediary (limited to those who have received the deposit of an intermediation margin from an Intermediation Customer) or an Intermediation Customer and deposited a clearing margin with a Commodity Exchange: said Intermediation Customer;
- (iii) in the case where an Intermediary has received the deposit of an intermediation margin from an Intermediation Customer and deposited a clearing margin with a Commodity Exchange: said Intermediation Customer.

(Consent of a Customer, etc. pertaining the deposit of customer margin)

Article 41 (1) When a Member, etc. has a Customer, an Intermediary, or an Intermediation Customer (hereinafter referred to as a "Customer, etc." in this Article) deposit a customer margin pursuant to the provisions of Article 103, paragraph (2) of the Act, he/she shall obtain written consent from said Customer, etc. to the effect that said customer margin will be deposited with him/her.

- (2) When a Member, etc. has an Intermediation Customer deposit a customer margin pursuant to the provisions of Article 103, paragraph (2) of the Act, he/she shall receive the deposit of said customer margin through the Intermediary, as an agent, who brokers intermediation of the consignment of transactions on a Commodity Market from said Intermediation Customer.
- (3) A Member, etc. may, in lieu of the written consent of a Customer, etc. under paragraph (1), obtain the consent of said Customer, etc. by a method using an Electronic Data Processing System or a method using other information communications technology which are listed as follows (hereinafter referred to as an "Electromagnetic Means" in this Article) by obtaining an acceptance from said Customer, etc., pursuant to the provisions of paragraph (6). In this case, said Member, etc. is deemed to have obtained the written consent of said Customer, etc.:
 - (i) among methods for using an Electronic Data Processing System, those listed in (a) or (b);
 - (a) a method to transmit information through a telecommunications line that connects a computer used by a Member, etc. and a computer used by a Customer, etc. and to record it in a file on a computer used by the receiver;
 - (b) a method for providing matters concerning the consent of said Customer, etc. recorded in a file on a computer used by a Member, etc. for the inspection of Customers, etc. through a telecommunications line, and for recording matters concerning the consent of said Customer, etc. in a file on a computer used by said Member, etc.;

- (ii) a method for obtaining the record of matters concerning the consent of a Customer, etc. from a file on a magnetic disk or an equivalent method that can record certain matters securely.
- (4) The methods listed in the preceding items shall be the ones by which a Customer, etc. can prepare a written document by outputting the record from a file.
- (5) An "Electronic Data Processing System" as set forth in paragraph (3) refers to an Electronic Data Processing System connecting a computer used by a Member, etc. and a computer used by a Customer, etc. through a telecommunications line.
- (6) When a Member, etc. seeks to obtain consent from a Customer, etc. pursuant to the provisions of paragraph (3), he/she shall inform said Customer, etc. of the type and contents of the following Electromagnetic Means which he/she intends to use and gain acceptance in writing or by an Electromagnetic Means, in advance:
 - (i) among the methods listed in respective items of paragraph (3), what a Member, etc. uses;
 - (ii) a method to record the information in a file.
- (7) A Member, etc. who has obtained acceptance pursuant to the provisions of the preceding paragraph shall not obtain consent by an Electromagnetic Means when said Customer, etc. has stated in writing or by an Electromagnetic Means that he/she would not give consent by an Electromagnetic Means; provided, however, that this shall not apply when said Customer, etc. has given his/her acceptance under the same paragraph at another time.

(Consent of Intermediation Customer pertaining to the deposit of intermediation margin)

- Article 42 (1) When an Intermediary has an Intermediation Customer deposit an intermediation margin pursuant to the provisions of Article 103, paragraph (3) of the Act, he/she shall obtain written consent from said Intermediation Customer that said intermediation margin would be deposited with him/her.
- (2) The provisions of paragraphs (3) to (7) inclusive of the preceding Article shall be applied mutatis mutandis to the written consent of an Intermediation Customer under the provisions of the preceding paragraph.

(Segregation management of clearing margin)

- Article 43 (1) When a Commodity Exchange manages a clearing margin based on the provisions of Article 103, paragraph (4) of the Act, it shall manage such clearing margin separately from its private property and property other than a clearing margin for each classification listed in the following items and for each Member, etc.:

- (i) among the cases listed in Article 103, paragraph (1), item (i) of the Act, in the case where a Member, etc. carries out transactions on a Commodity Market on a person's own account, the clearing margin deposited by said Member, etc. based on the provisions of the same paragraph;
 - (ii) among the cases listed in Article 103, paragraph (1), item (i) of the Act, in the case where a Member, etc. carries out transactions on a Commodity Market which he/she brokers by receiving the deposit of a customer margin based on the provisions of paragraph (2) of the same Article, the clearing margin deposited by said Member, etc. based on the provisions of paragraph (1) of the same Article;
 - (iii) in the cases listed in Article 103, paragraph (1), item (ii) or item (iv) of the Act, the clearing margin deposited by a Customer or an Intermediation Customer based on the provisions of the same paragraph;
 - (iv) in the cases listed in Article 103, paragraph (1), item (iii) of the Act, the clearing margin deposited by an Intermediary based on the provisions of the same paragraph.
- (2) When a Commodity Exchange manages a clearing margin based on the provisions of Article 103, paragraph (4) of the Act, it shall manage said clearing margin in the methods listed as follows, excluding those managed based on the provisions of the following paragraph:
- (i) by depositing money in a bank account (limited to deposit accounts that are clearly identifiable as clearing margins by the account name);
 - (ii) by using cash in the trust (limited to cash in the trust with a contract for compensating the principal pursuant to the provisions of Article 6 of the Act on Additional Operation of Trust Business by a Financial Institution [Act No. 43 of 1943], and which are clearly identifiable as clearing margins by the account name) of Financial Institution Engaged in Trust Business (which means financial institutions that have obtained the approval set forth in Article 1, paragraph (1) of the same Act; the same shall apply hereinafter);
 - (iii) by purchasing and holding national government bonds.
- (3) When a Commodity Exchange manages Securities, etc. for Allocation (which means Securities and warehouse receipts allocated for clearing margins pursuant to the provisions of Article 103, paragraph (5) of the Act [hereinafter referred to as "Securities, etc."]; hereinafter the same shall apply in this Article) based on the provisions of paragraph (4) of the same Article, it shall manage said Securities, etc. for Allocation by the methods specified in the following items for the categories of Securities, etc. set forth respectively in those items:
- (i) Securities, etc. for retention under the management of a Commodity Exchange (excluding Securities, etc. which are retained and commingled; the same shall apply in the following item): a management method by which the

Commodity Exchange controls the location for the retention of Securities, etc. for Allocation that is clearly separate from that for the Securities, etc. of the Commodity Exchange's own property and other Securities, etc. than that for the Securities, etc. for Allocation (hereinafter referred to as the "Private Securities, etc." in this Article), and that said Securities, etc. for Allocation are retained in an available condition that is immediately distinguishable as to which Member, etc. deposited such property or for which Member, etc. such property was deposited;

- (ii) Securities, etc. for retention under the management of a Commodity Exchange using a third party: a management method by which the Commodity Exchange uses a third party to control the location for the retention of Securities, etc. for Allocation clearly separating them from the Securities, etc. of the Private Securities, etc., and to retain said Securities, etc. for Allocation in an available condition that is immediately distinguishable as to which Member, etc. deposited such property or for which Member, etc. such property was deposited;
- (iii) Securities, etc. for retention under the management of a Commodity Exchange (limited to the Securities, etc. which are retained and commingled; the same shall apply in the following item): a management method by which the location for the retention of Securities, etc. for Allocation is clearly separate from that for the Private Securities, etc., and that the equity interests pertaining to Securities, etc. for Allocation deposited by or through each Member, etc. are retained in an available condition which is easily distinguishable in their own books and records;
- (iv) Securities, etc. for retention under the management of a Commodity Exchange using a third party: a management method by which the Commodity Exchange uses a third party to retain [the][an] account for a person who deposited Securities, etc. for Allocation in a condition whereby the equity interests pertaining to Securities, etc. for Allocation will be immediately distinguishable by a method such as separating them from the Commodity Exchange's own account, and whereby the equity interests pertaining to Securities, etc. for Allocation deposited by or through each Member, etc. will be immediately distinguishable in their own books and records.

(Contract in lieu of the deposition of clearing margin)

Article 44 (1) The financial institutions specified by an ordinance of the competent ministry set forth in Article 103, paragraph (7) of the Act (hereinafter referred to as a "Bank, etc." in this Article) shall be as follows:

- (i) a bank;
- (ii) a credit cooperative;

- (iii) a Shinkin Bank;
 - (iv) the Norinchukin Bank or the Shoko Chukin Bank;
 - (v) an agricultural cooperative or a federation of agricultural cooperatives, either of which can accept deposits or savings in the course of trade;
 - (vi) a trust company (limited to a person who is approved by the prime minister for carrying out business pertaining to obligation guarantees based on the provisions of Article 21, paragraph (2) of the Trust Business Act [Act No. 154 of 2004]);
 - (vii) an insurance company.
- (2) In the case where a Member, etc. or Intermediary (which means a Member, etc. or Intermediary prescribed in Article 103, paragraph (7) of the Act; hereinafter the same shall apply in this Article) seeks to conclude a contract set forth in Article 103, paragraph (7) of the Act with a Bank, etc., he/she shall ensure that the contents thereof meet the following requirements:
- (i) on receipt of an instruction from a Commodity Exchange pursuant to the provisions of Article 103, paragraph (9), the amount of the clearing margin pertaining to said instruction will be deposited with said Commodity Exchange for said Member, etc. or Intermediary;
 - (ii) it is prohibited to set off debts of a Bank, etc. or claims for said Member, etc. or Intermediary based on said contract;
 - (iii) the contract is valid for the period of three months or longer;
 - (iv) a Member, etc. or Intermediary may not cancel the contract or change the contents of the contract, except when he/she had received approval from the competent minister and a Commodity Exchange (limited to a Commodity Exchange which received a notification pursuant to the provisions of Article 103, paragraph (7) of the Act; hereinafter the same shall apply in this Article) in advance;
 - (v) a Member, etc. or Intermediary shall notify the termination of the contract to a Commodity Exchange by one month prior to the day of termination.
- (3) When a Member, etc. or Intermediary seeks to receive approval pertaining to the conclusion of a contract (including a change to a contract) set forth in Article 103, paragraph (7) of the Act, he/she shall submit a written application for approval including the following matters to the competent minister:
- (i) trade name or name of a Bank, etc. which is the counterparty of the contract he/she intends to conclude;
 - (ii) contents of said contract;
 - (iii) in the case where collateral is offered for said contract, matters concerning said collateral;
 - (iv) name or trade name of a Commodity Exchange to which he/she intends to give notification.
- (4) When the competent minister finds that the application for approval set forth

in the preceding paragraph meets the following requirements, he/she shall grant the approval set forth in the same paragraph:

- (i) the contents of the contract pertaining to the application meet the requirements listed in respective items of paragraph (2);
 - (ii) a Bank, etc. which is the counterparty of said contract has the funds and credit necessary to carry out said contract;
 - (iii) in light of the status of the business and property of the applicant, it is recognized that the conclusion of said contract does not cause any problem for the protection of Customers.
- (5) When a Member, etc. or Intermediary has concluded a contract set forth in Article 103, paragraph (7) of the Act (including when making a change to said contract), he/she shall submit a copy of the contract to the competent minister and a Commodity Exchange.
- (6) When a Member, etc. or Intermediary had canceled a contract set forth in Article 103, paragraph (7) of the Act, he/she shall submit a document stating the fact thereof to the competent minister and a Commodity Exchange.

(Application mutatis mutandis of provisions of contract in lieu of the deposition of clearing margin pertaining to Commodity Clearing Organization)

Article 45 The provisions of the preceding Article shall apply mutatis mutandis to the case where the provisions of Article 103, paragraph (7) of the Act are applied mutatis mutandis pursuant to Article 179, paragraph (7) of the Act. In this case, the term "Article 103, paragraph (9)" in paragraph (2), item (i) of the preceding Article shall be deemed to be replaced with "Article 103, paragraph (9) of the Act as applied mutatis mutandis pursuant to Article 179, paragraph (7)," the terms "a Member, etc. or Intermediary" and "a Commodity Exchange" in the same paragraph and paragraph (3), paragraph (5), and paragraph (6) of the same Article shall be deemed to be replaced with "a Member, etc. or an Intermediary, etc." and "a Commodity Clearing Organization," respectively.

(Method of utilization of guarantee funds, etc.)

Article 46 The method specified by an ordinance of the competent ministry set forth in Article 110 of the Act (including the case where it is applied mutatis mutandis by replacing the terms pursuant to Article 180, paragraph (5) of the Act) shall be as follows:

- (i) holding municipal bonds;
- (ii) money deposited to the following financial institutions:
 - (a) a bank;
 - (b) a credit cooperative;
 - (c) a Shinkin Bank;
 - (d) the Norinchukin Bank or the Shoko Chukin Bank;

- (e) an agricultural cooperative or a federation of agricultural cooperatives, either of which can accept deposits or savings in the course of trade;
- (iii) consignment to a Financial Institution Engaged in Trust Business.

(Notification, etc. of the total transaction volume, etc.)

Article 47 (1) When a Commodity Exchange intends to give a notification and publish pursuant to the provisions of Article 111 of the Act, it shall notify and publish to its Members, etc. by the method specified in its market rules, for each transaction type on a Commodity Market, and type of Listed Commodities or Listed Commodity Indices.

(2) The amount of the consideration for which transactions were closed or the Contract Price, etc. on a Commodity Market where transactions are carried out by the method of buying-in and selling-out with a single amount of the consideration or Contract Price, etc. (which means the Contract Price, etc. prescribed in Article 111, item (ii) of the Act; the same shall apply hereinafter) shall be specified by an ordinance of the competent ministry set forth in Article 111, item (ii) of the Act. On a Commodity Market where transactions are carried out by the method of buying-in and selling-out with an individually determined amount of the consideration or Contract Price, etc., it shall be the first amount of the consideration of the day or the Contract Price, etc., the highest amount of the consideration or Contract Price, etc., the lowest amount of the consideration or Contract Price, etc., and the final amount of the consideration or Contract Price, etc. on said Commodity Market.

(Submission of quotation and transaction volume reports, etc.)

Article 48 When a Commodity Exchange prepares quotation and transaction volume reports and submits them to the competent minister pursuant to the provisions of Article 112, paragraph (1) of the Act, it shall do so in accordance with the Appended Table 1, without delay.

Article 49 (1) The amount specified by an ordinance of the competent ministry set forth in Article 112, paragraph (2) of the Act shall be the amount listed in column 3 of the Appended Table 2 corresponding to the Commodity Markets listed in column 2 of the same Table which are opened by Commodity Exchanges listed in column 1 of the same Table, for each said Commodity Market, and by buying and selling.

(2) The requirements specified by an ordinance of the competent ministry set forth in Article 112, paragraph (2) of the Act shall be that the transactions on the Commodity Market fall under any of the following items:

- (i) the amount of the transactions pertaining to one transaction term of one Member, etc. on a Commodity Market on a person's own account and for

which settlement is not completed exceeds the amount listed in column 5 of the Appended Table 2 by buying and selling and for each type of Listed Commodities or Listed Commodity Indices listed in column 4 of the same Table which are subject to transactions on the Commodity Markets listed in column 2 of the same Table opened by the Commodity Exchanges listed in column 1 of the same Table;

- (ii) the amount of the transactions pertaining to one transaction term of one Member, etc. on a Commodity Market on a person's own account and for which settlement is not completed exceeds the amount listed in column 6 of the Appended Table 2 by buying and selling and for each type of Listed Commodities or Listed Commodity Indices listed in column 4 of the same Table which are subject to transactions on the Commodity Markets listed in column 2 of the same Table opened by Commodity Exchanges listed in column 1 of the same Table.
- (3) When a Commodity Exchange reports pursuant to the provisions of Article 112, paragraph (2) of the Act, it shall submit a report including the matters listed in the following items:
- (i) the name or trade name, or name of a Member, etc. or a customer or its substitute;
 - (ii) the amount of the transactions on a Commodity Market on account of a Member, etc. or a customer, for which settlement is not completed;
 - (iii) in the case of falling under item (ii) of the preceding paragraph, the trade name of a Futures Commission Merchant who received the consignment of a transaction from said customer.

(Separate accounting in books, etc.)

Article 50 (1) Pursuant to the provisions of Article 115 of the Act, a Member, etc. shall carry out separate accounting for transactions on a Commodity Market and other transactions by separating books and other business-related documents.

(2) A Member, etc. shall prepare books and other business-related documents specified in the Appended Table 3 for transactions on each Commodity Market separately.

(3) The preservation period of books and other business-related documents set forth in the preceding paragraph shall be 10 years.

(Preservation by an Electromagnetic Means)

Article 51 When the contents of books and other business-related documents set forth in paragraph (2) of the preceding Article are recorded by an Electromagnetic Means (which means a method such as an electronic method or a magnetic method that cannot be recognized by human perception; the

same shall apply in Article 114), and said record is preserved so as to be displayed promptly on a computer or through other equipment as needed, said preservation of record may substitute for the preservation of books and other business-related documents set forth in paragraph (3) of the preceding Article. In this case, a Member, etc. shall take the necessary measures for preventing the loss of and damage to said record.

(Submission of reports of mediation arrangement)

Article 52 When a Commodity Exchange has carried out mediation pursuant to the provisions of Article 120, paragraph (1) of the Act, it shall prepare a report of the conditions of said mediation arrangement as of the end of every month and submit it to the competent minister by 10th day of the month following that pertaining to said report.

Article 53 Deleted

(Matters to be disclosed in advance by a Member Commodity Exchange implementing Entity Conversion)

Article 54 The matters specified by an ordinance of the competent ministry set forth in Article 123, paragraph (1) of the Act shall be as follows:

- (i) contents of an entity conversion plan;
- (ii) matters concerning estimates of the performance of the liabilities of an Incorporated Commodity Exchange after Entity Conversion (which means an Incorporated Commodity Exchange after Entity Conversion prescribed in Article 122, paragraph (3) of the Act; the same shall apply hereinafter);
- (iii) when there has been a change to the matters listed in the preceding two items after the principal office filed a written or Electromagnetic Record set forth in Article 123, paragraph (1) of the Act pursuant to the provisions of the same paragraph, said new matters.

(Matters to be disclosed after the fact by an Incorporated Commodity Exchange after Entity Conversion)

Article 55 The matters specified by an ordinance of the competent ministry set forth in Article 125, paragraph (1) of the Act shall be as follows:

- (i) the date on which entity conversion came into effect;
- (ii) the procedures taken by the Member Commodity Exchange implementing Entity Conversion pursuant to the provisions of Article 124 of the Act;
- (iii) matters concerning important rights and obligations which the Incorporated Commodity Exchange after Entity Conversion inherited from the Member Commodity Exchange implementing Entity Conversion through entity conversion;

- (iv) matters recorded in a written or Electromagnetic Record which the Member Commodity Exchange implementing entity conversion filed pursuant to the provisions of Article 123, paragraph (1) of the Act (excluding the contents of the entity conversion contract);
- (v) the date of the registration set forth in Article 134, paragraph (1) of the Act.

(Taking into consideration accounting practices)

Article 55-2 With regard to the interpretation of the terms set forth in the following Article through Article 55-5 and the application of the provisions thereunder, generally accepted corporate accounting standards and other accounting practices shall be taken into consideration.

(The amount to be recorded as capital of an Incorporated Commodity Exchange after Entity Conversion)

Article 55-3 The amount that should be included in the stated capital of an Incorporated Commodity Exchange after Entity Conversion specified by an ordinance of the competent ministry set forth in Article 127 of the Act shall be the amount of the contribution of a Member Commodity Exchange immediately prior to the entity conversion.

(Matters necessary for the calculation upon entity conversion)

Article 55-4 The matters necessary for the accounting at the time of entity conversion specified by an ordinance of the competent ministry set forth in Article 128 of the Act shall be specified in the following Article.

(Shareholder's capital of an Incorporated Commodity Exchange after Entity Conversion)

Article 55-5 (1) In the case where a Member Commodity Exchange implements entity conversion, it may not change the book value of its assets and liabilities on the grounds of implementing said entity conversion.

(2) In the case where a Member Commodity Exchange implements entity conversion, the amount of an Incorporated Commodity Exchange after Entity Conversion listed in the following items shall be the amount specified in said respective items:

- (i) the amount of the capital reserve: zero;
- (ii) the amount of the other capital surplus: the total amount of the membership fee and capital surplus of the Member Commodity Exchange immediately prior to the entity conversion;
- (iii) the amount of the profit reserve: zero;
- (iv) the amount of the other accumulated profits: the amount of the statutory capital and accumulated profits of the Member Commodity Exchange

immediately prior to the entity conversion.

(Matters to be notified to a person who intends to file an application to subscribe for the shares issued upon entity conversion)

Article 55-6 The matters specified by an ordinance of the competent ministry set forth in Article 130, paragraph (1), item (iv) of the Act shall be as follows:

- (i) the total number of shares which an Incorporated Commodity Exchange after Entity Conversion can issue (in the case where an Incorporated Commodity Exchange after Entity Conversion is a company issuing classified shares, including the total number of the respective types of classified shares that can be issued at the time of entity conversion);
- (ii) when the matters listed in the respective items of Article 107, paragraph (1) of the Companies Act are specified as being the contents of Shares Issued upon Entity Conversion issued by an Incorporated Commodity Exchange after Entity Conversion (excluding the case where an Incorporated Commodity Exchange after Entity Conversion is a company issuing classified shares), the contents of said shares;
- (iii) when it is determined that an Incorporated Commodity Exchange after Entity Conversion (limited to the case where an Incorporated Commodity Exchange after Entity Conversion is a company issuing classified shares) shall issue Shares Issued upon Entity Conversion with different contents with regard to the matters listed in the respective items of Article 108, paragraph (1) of the Companies Act, the contents of the respective types of shares (in the case where there are the provisions of the articles of incorporation set forth in paragraph (3) of the same Article with regard to a certain type of shares, and when the contents of said type of shares are not specified by an Incorporated Commodity Exchange after Entity Conversion pursuant to said articles of incorporation, the outline of the contents of said type of shares);
- (iv) when there are provisions of the articles of incorporation with regard to the shares unit, said share unit (in the case where an Incorporated Commodity Exchange after Entity Conversion is a company issuing classified shares, the share unit of each type of shares);
- (v) when the articles of incorporation of an Incorporated Commodity Exchange after Entity Conversion have the following provisions, said provisions:
 - (a) the provisions of the articles of incorporation prescribed in Article 139, paragraph (1), Article 140, paragraph (5), or Article 145, item (i) or item (ii) of the Companies Act;
 - (b) the provisions of the articles of incorporation prescribed in Article 164, paragraph (1) of the Companies Act;
 - (c) the provisions of the articles of incorporation prescribed in Article 167,

- paragraph (3) of the Companies Act;
- (d) the provisions of the articles of incorporation prescribed in Article 168, paragraph (1), or Article 169, paragraph (2) of the Companies Act;
- (e) the provisions of the articles of incorporation prescribed in Article 174 of the Companies Act;
- (f) the provisions of the articles of incorporation prescribed in Article 347 of the Companies Act;
- (g) the provisions of the articles of incorporation prescribed in Article 26, item (i) or item (ii) of the Ordinance for Enforcement of the Companies Act;
- (vi) when there are provisions of the articles of incorporation to appoint a shareholder registry administrator, the name and the address and the business office of that person;
- (vii) the matters specified by the articles of incorporation (excluding the matters listed in Article 203, paragraph (1), items (i) to (iii) inclusive of the Companies Act and in the preceding items), and whose notification was requested by a person, who seeks to file an application to subscribe for the Shares Issued upon Entity Conversion to said Incorporated Commodity Exchange after Entity Conversion.

(Electromagnetic Record provided by an inspector)

Article 55-7 A magnetic disk with a structure falling under any of the items of Article 36, paragraph (1) of the Ordinance for Commercial Registration (Ordinance of the Ministry of Justice No. 23 of 1964) (limited to Electromagnetic Records) and an Electromagnetic Record specified by a receiver thereof pursuant to the provisions of the same paragraph shall be the documents or Electromagnetic Records specified by an ordinance of the competent ministry set forth in Article 207, paragraph (4) of the Companies Act as applied mutatis mutandis by replacing the terms pursuant to Article 131-6 of the Act.

(Provision of matters recorded in an Electromagnetic Record by an inspector)

Article 55-8 The method specified by an ordinance of the competent ministry set forth in Article 207, paragraph (6) of the Companies Act as applied mutatis mutandis by replacing the terms pursuant to Article 131-6 of the Act shall be an Electromagnetic Means specified by a receiver of the matters recorded in an Electromagnetic Record set forth in the same paragraph, pursuant to the provisions of the same paragraph.

(Securities that have the market price not requiring an investigation by an inspector)

Article 55-9 The method specified by an ordinance of the competent ministry set

forth in Article 207, paragraph (9), item (iii) of the Companies Act as applied mutatis mutandis by replacing the terms pursuant to Article 131-6 of the Act shall be the method deemed to be the higher of the following amounts as the price of Securities prescribed in the same item:

- (i) the final price on the market where said Securities are traded on the day when the value set forth in Article 199, paragraph (1), item (iii) of the Companies Act was determined (hereinafter referred to as the "Value Determination Day" in this Article) (in the case where there are no buying and selling transactions on the Value Determination Day or the Value Determination Day falls on a holiday of said market, the first concluded price of the next buying and selling transactions);
- (ii) when said Securities are subject to Tender Offer, etc. (which means the Tender Offer prescribed in Article 27-2, paragraph (6) of the Financial Instruments and Exchange Act (including cases where it is applied mutatis mutandis pursuant to Article 27-22-2, paragraph (2) of the same Act) and any equivalent system based on laws and regulations in a foreign state; hereinafter the same shall apply in this item and Article 60-2) as on the Value Determination Day, the price of said Securities at the time of drawing up a contract pertaining to said Tender Offer, etc. as on said Value Determination Day.

Article 55-10 The person specified by an ordinance of the competent ministry set forth in Article 213, paragraph (1), item (ii) of the Companies Act as applied mutatis mutandis by replacing the terms pursuant to Article 131-6 of the Act shall be as follows:

- (i) a director who proposed a bill concerning the determination of the values of Contributed Assets prescribed in Article 207, paragraph (1) of the Act to a general meeting of shareholders;
- (ii) a director who agreed to the decision on a proposed bill set forth in the preceding item (excluding a director of a company with board of directors);
- (iii) when a bill set forth in item (i) was proposed based on the resolution of a board of directors, a director who agreed to said resolution of the board of directors.

(Attached documents to an application for approval of entity conversion)

Article 56 The documents specified by an ordinance of the competent ministry set forth in Article 132, paragraph (3) of the Act shall be as follows (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the date of filing the application):

- (i) a document containing the reasons for and contents of entity conversion;
- (ii) a document specified as follows corresponding to each case:

- (a) in the case where an officer of an Incorporated Commodity Exchange after Entity Conversion is a foreign national: a Copy of the Residence Certificate, etc. of said officer, the curriculum vitae, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i) (a) to (k) of the Act;
- (b) in the case where an officer of an Incorporated Commodity Exchange after Entity Conversion is a juridical person: a certificate of the registered matters of said officer, a document containing the history thereof, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i) (l) of the Act;
- (c) in the case where an officer of an Incorporated Commodity Exchange after Entity Conversion is neither a foreign national nor a juridical person: a Copy of the Residence Certificate, etc. of said officer, the curriculum vitae, a certificate of a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i) (a) or (b) of the Act, and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) to (k) of the same item;
- (iii) minutes of a general meeting of the members which approved the entity conversion plan;
- (iv) Settlement Related Documents, etc. for the most recent business year;
- (v) a document proving the amount of the existing net assets;
- (vi) when issuing Shares Issued upon Entity Conversion pursuant to the provisions of Article 129, paragraph (1) of the Act, the following documents:
 - (a) a document proving an application to subscribe for the Shares Issued upon Entity Conversion;
 - (b) when making money the object of the contribution, a document stating that payment was made pursuant to the provisions of Article 131-3, paragraph (1) of the Act;
 - (c) when making property other than money the object of the contribution, the following documents:
 1. when an inspector has been appointed: a document containing the investigation report by said inspector and its annexed documents;
 2. in the case set forth in Article 207, paragraph (9), item (iii) of the Companies Act as applied mutatis mutandis pursuant to Article 131-6 of the Act: a document proving the market price of the Securities;
 3. in the case set forth in Article 207, paragraph (9), item (iv) of the Companies Act as applied mutatis mutandis pursuant to Article 131-6 of the Act: a document containing the certification prescribed in the same item and its annexed documents;
 4. in the case set forth in Article 207, paragraph (9), item (v) of the Companies Act as applied mutatis mutandis pursuant to Article 131-6

of the Act: the accounting books stating the monetary claim set forth in the same item;

- (d) when there has been a court judgment on a report by an inspector: a transcript of said judgment;
- (vii) a document that states that a public notice or a notification under Article 124, paragraph (2) of the Act has been given; and when a creditor has made an objection, documents that state that the liabilities have been repaid or a reasonable collateral has been provided to said creditor or reasonable property has been deposited in trust for the purpose of repaying the liabilities to said creditor, or that said entity conversion is not likely to harm said creditor;
- (viii) a document stating the status of securing employees who have the knowledge and experience pertaining to the business of a Commodity Exchange and the status of the assignment of such employees;
- (ix) a document that contains major shareholders' names, addresses or residences, nationalities and occupations (in the case where a shareholder is a juridical person or other organization, its trade name or name, the location of its head office or principal office, and the contents of its business), and the number of voting rights they hold.

(Contract details of Absorption-Type Merger between Member Commodity Exchanges)

Article 56-2 The matters specified by an ordinance of the competent ministry set forth in Article 140, item (iii) of the Act shall be as follows:

- (i) when a member of a Member Commodity Exchange Dissolved in an Absorption-Type Merger becomes a member of a Member Commodity Exchange Surviving an Absorption-Type Merger in Absorption-Type Merger, the matters concerning the number of units of the contribution of said Member Commodity Exchange Surviving an Absorption-Type Merger which substitutes the equity interests allotted to a member of said Member Commodity Exchange Dissolved in an Absorption-Type Merger or its calculation method, and the amount of the contribution, membership fee, and loss compensation reserve of said Member Commodity Exchange Surviving an Absorption-Type Merger;
- (ii) when a Member Commodity Exchange Surviving an Absorption-Type Merger issues money to a member of a Member Commodity Exchange Dissolved in an Absorption-Type Merger in lieu of his/her equity interests upon an Absorption-Type Merger, the amount of said money or its calculation method;
- (iii) in the cases prescribed in the preceding two items, the matters concerning the contribution set forth in item (i) to a member of a Member Commodity

Exchange Dissolved in an Absorption-Type Merger and the allocation of money set forth in the preceding item.

(Contract details of Incorporation-Type Merger between Member Commodity Exchanges)

Article 57 The matters specified by an ordinance of the competent ministry set forth in Article 141, item (v) of the Act shall be as follows:

- (i) matters concerning the number of units of the contribution of a Member Commodity Exchange Established by a Consolidation-Type Merger which substitutes the equity interest that said Member Commodity Exchange Established by a Consolidation-Type Merger allots to a member of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger upon a Consolidation-Type Merger or its calculation method, and the amount of the contribution, membership fee, and loss compensation reserve of said Member Commodity Exchange Established by a Consolidation-Type Merger;
- (ii) matters concerning the allocation of the contribution set forth in the preceding item to a member of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger;
- (iii) when the amount of the money to be paid to a member of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger is determined, said amount of money.

(Matters to be disclosed in advance by a Member Commodity Exchange Dissolved in an Absorption-Type Merger)

Article 58 The matters specified by an ordinance of the competent ministry set forth in Article 144, paragraph (1) of the Act shall be as follows, in the case where a Member Commodity Exchange Surviving an Absorption-Type Merger is a Member Commodity Exchange:

- (i) matters concerning the appropriateness of the provisions on matters listed in the respective items of Article 56-2 (in the case where there are no such provisions, the fact thereof);
- (ii) the following matters concerning the Member Commodity Exchange Surviving an Absorption-Type Merger:
 - (a) an inventory of property and a balance sheet pertaining to the final business year (for a Member Commodity Exchange, the final business year in the case where approval under Article 68 of the Act was received for Settlement Related Documents, etc. prescribed in Article 66, paragraph (1) of the Act pertaining to the respective business years, and for an Incorporated Commodity Exchange, the final business year prescribed in Article 2, item (xxiv) of the Companies Act; the same shall apply hereinafter), and the contents of a profit and loss statement prepared along

- with said balance sheet;
- (b) when there has occurred an event that has a significant influence on the status of the property of the Member Commodity Exchange Surviving an Absorption-Type Merger, such as the disposition of important property and the sharing of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Surviving an Absorption-Type Merger), the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144, paragraph (4) of the Act and the day when the Absorption-Type Merger came into effect, limited to the contents of an event which occurred after the last day of said new final business year);
 - (iii) when there has occurred an event that has a significant influence on the status of the property of the Member Commodity Exchange Dissolved in an Absorption-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Dissolved in an Absorption-Type Merger) at said Member Commodity Exchange Dissolved in an Absorption-Type Merger (excluding Member Commodity Exchanges which is to be liquidated pursuant to the provisions of Article 475 (excluding item (i) and item (iii)) of the Companies Act as applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act) (hereinafter such Member Commodity Exchange shall be referred to as a "Liquidating Member Commodity Exchange"), the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144, paragraph (4) of the Act and the day when the Absorption-Type Merger came into effect, limited to the contents of an event which occurred after the last day of said new final business year);
 - (iv) matters concerning estimates of the performance of liabilities (limited to liabilities to be borne for creditors who may state objections against the Absorption-Type Merger pursuant to the provisions of Article 124, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 144, paragraph (5) of the Act) of the Member Commodity Exchange Surviving an Absorption-Type Merger on and after the day when the Absorption-Type Merger came into effect;
 - (v) when there have been changes to the matters listed in the preceding items after 10 days prior to a general meeting of members set forth in Article 144, paragraph (4) of the Act, said new matters.

(Matters to be disclosed in advance by a Member Commodity Exchange Dissolved in an Absorption-Type Merger)

Article 59 The matters specified by an ordinance of the competent ministry set forth in Article 144, paragraph (1) of the Act shall be as follows in the case where a Member Commodity Exchange Dissolved in an Absorption-Type Merger is an Incorporated Commodity Exchange:

- (i) matters concerning the appropriateness of the provisions on matters listed in item (ii) and item (iii) of Article 142 of the Act (in the case where there are no such provisions, the fact thereof);
- (ii) when the whole or part of the Shares, etc. (which means Shares, etc. prescribed in Article 142, item (ii) of the Act; the same shall apply hereinafter) issued for a member of the Member Commodity Exchange Dissolved in an Absorption-Type Merger are shares of the Member Commodity Exchange Surviving an Absorption-Type Merger, the provisions of the articles of incorporation of said Member Commodity Exchange Surviving an Absorption-Type Merger;
- (iii) the following matters concerning the Member Commodity Exchange Surviving an Absorption-Type Merger:
 - (a) the contents of Financial Statements, etc. pertaining to the final business year (in the case where the final business year does not exist, the contents of a balance sheet as on the day of the establishment of the Member Commodity Exchange Surviving an Absorption-Type Merger);
 - (b) when there are Temporary Financial Statements, etc. (which means Temporary Financial Statements, etc. set forth in Article 2, paragraph (3), item (xiii) of the Ordinance for Enforcement of the Companies Act; the same shall apply hereinafter) as deeming a day after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Surviving an Absorption-Type Merger; the same shall apply in (c)) as an Temporary Account Closing Day (which means an extraordinary closing day prescribed in Article 441, paragraph (1) of the Companies Act; the same shall apply hereinafter) (in the case where there are two or more Temporary Account Closing Days, the last one), the contents of said Temporary Financial Statements, etc.;
 - (c) when there has occurred an event that has a significant influence on the status of the property of the Member Commodity Exchange Surviving an Absorption-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year, the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144, paragraph (4) of the Act and the day

- when the Absorption-Type Merger came into effect, limited to the contents of an event which occurred after the last day of said new final business year);
- (iv) when there has occurred an event that has a significant influence on the status of the property of the Member Commodity Exchange Dissolved in an Absorption-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Dissolved in an Absorption-Type Merger) at said Member Commodity Exchange Dissolved in an Absorption-Type Merger (excluding Liquidating Member Commodity Exchanges), the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144, paragraph (4) of the Act and the day when the Absorption-Type Merger came into effect, limited to the contents of an event which occurred after the last day of said new final business year);
 - (v) matters concerning estimates of the performance of liabilities (limited to liabilities to be borne for creditors who may state objections against the Absorption-Type Merger pursuant to the provisions of Article 124, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 144, paragraph (5) of the Act) of the Member Commodity Exchange Surviving an Absorption-Type Merger on and after the day when the Absorption-Type Merger came into effect;
 - (vi) when there were changes to the matters listed in the preceding items after 10 days prior to a general meeting of members set forth in Article 144, paragraph (4) of the Act, said new matters.

(Matters to be disclosed in advance by a Member Commodity Exchange Surviving an Absorption-Type Merger)

Article 59-2 The matters specified by an ordinance of the competent ministry set forth in Article 144-2 paragraph (1) of the Act shall be as follows:

- (i) matters concerning the appropriateness of the provisions on matters listed in the respective items of Article 56-2 (in the case where there are no such provisions, the fact thereof);
- (ii) the following matters concerning the Member Commodity Exchange Dissolved in an Absorption-Type Merger (excluding Liquidating Member Commodity Exchanges):
 - (a) an inventory of property and a balance sheet pertaining to the final business year and the contents of a profit and loss statement prepared along with said balance sheet;
 - (b) when there has occurred an event that has a significant influence on the

- status of the property of the Member Commodity Exchange Dissolved in an Absorption-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Dissolved in an Absorption-Type Merger; the same shall apply in item (iv)), the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144-2, paragraph (2) of the Act and the day when the Absorption-Type Merger came into effect, limited to the contents of an event which occurred after the last day of said new final business year);
- (iii) a balance sheet which the Member Commodity Exchange Dissolved in an Absorption-Type Merger (limited to a Liquidating Member Commodity Exchange) prepared pursuant to the provisions of Article 492, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act;
- (iv) when there has occurred an event that has a significant influence on the status of the property of the Member Commodity Exchange Surviving an Absorption-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Surviving an Absorption-Type Merger) at said Member Commodity Exchange Surviving an Absorption-Type Merger, the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144-2, paragraph (2) of the Act and the day when the Absorption-Type Merger came into effect, limited to the contents of an event which occurred after the last day of said new final business year);
- (v) matters concerning estimates of the performance of liabilities (limited to liabilities to be borne for creditors who may state objections against the Absorption-Type Merger pursuant to the provisions of Article 124, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 144-2, paragraph (3) of the Act) of the Member Commodity Exchange Surviving an Absorption-Type Merger on and after the day when the Absorption-Type Merger came into effect;
- (vi) when changes have taken place to the matters listed in the preceding items during the period between 10 days prior to a general meeting of members set forth in Article 144-2, paragraph (2) of the Act and the day when the Absorption-Type Merger came into effect, said new matters.

(Matters to be disclosed after the fact by a Member Commodity Exchange Surviving an Absorption-Type Merger)

Article 59-3 The matters specified by an ordinance of the competent ministry set forth in Article 144-2, paragraph (4) of the Act shall be as follows:

- (i) the date on which the Absorption-Type Merger came into effect;
- (ii) the process for the procedures taken by the Member Commodity Exchange Dissolved in an Absorption-Type Merger pursuant to the provisions of Article 124 of the Act as applied mutatis mutandis pursuant to Article 144, paragraph (5) of the Act;
- (iii) the process for the procedures taken by the Member Commodity Exchange Surviving an Absorption-Type Merger pursuant to the provisions of Article 124 of the Act as applied mutatis mutandis pursuant to Article 144-2, paragraph (3) of the Act;
- (iv) matters concerning important rights and obligations which the Member Commodity Exchange Surviving an Absorption-Type Merger inherited from the Member Commodity Exchange Dissolved in an Absorption-Type Merger through an Absorption-Type Merger;
- (v) matters recorded in a written or Electromagnetic Record which the Member Commodity Exchange Dissolved in an Absorption-Type Merger filed pursuant to the provisions of Article 144, paragraph (1) of the Act (excluding the contents of the Absorption-Type Merger contract);
- (vi) the date of the registration of the change set forth in Article 147, paragraph (1) of the Act;
- (vii) in addition to that listed in the preceding items, important matters concerning the Absorption-Type Merger.

(Matters to be disclosed in advance by a Member Commodity Exchange Dissolved in a Consolidation-Type Merger)

Article 59-4 The matters specified by an ordinance of the competent ministry set forth in Article 144-3, paragraph (1) of the Act shall be as follows in the case where a Member Commodity Exchange Established by a Consolidation-Type Merger is a Member Commodity Exchange:

- (i) matters concerning the appropriateness of the provisions on matters listed in respective items of Article 57;
- (ii) the following matters concerning another Member Commodity Exchange Dissolved in a Consolidation-Type Merger (excluding Liquidating Member Commodity Exchanges; the same shall apply in this item):
 - (a) an inventory of property and a balance sheet pertaining to the final business year and the contents of a profit and loss statement prepared along with said balance sheet;
 - (b) when there has occurred an event that has a significant influence on the

status of the property of another Member Commodity Exchange Dissolved in a Consolidation-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said other Member Commodity Exchange Dissolved in a Consolidation-Type Merger) at said other Member Commodity Exchange Dissolved in a Consolidation-Type Merger, the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144-3, paragraph (4) of the Act and the day of the establishment of the Member Commodity Exchange Established by a Consolidation-Type Merger, limited to the contents of an event which occurred after the last day of said new final business year);

- (iii) a balance sheet which another Member Commodity Exchange Dissolved in a Consolidation-Type Merger (limited to a Liquidating Member Commodity Exchange) has prepared pursuant to the provisions of Article 492, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act;
- (iv) when there has occurred an event that has a significant influence on the status of the property of another Member Commodity Exchange Dissolved in a Consolidation-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Dissolved in a Consolidation-Type Merger) at said Member Commodity Exchange Dissolved in a Consolidation-Type Merger (excluding Liquidating Member Commodity Exchanges; hereinafter the same shall apply in this item), the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144-3, paragraph (4) of the Act and the day of the establishment of the Member Commodity Exchange Established by a Consolidation-Type Merger, limited to the contents of an event which occurred after the last day of said new final business year);
- (v) matters concerning estimates of the performance of liabilities (excluding liabilities inherited from another Member Commodity Exchange Dissolved in a Consolidation-Type Merger) of the Member Commodity Exchange Established by a Consolidation-Type Merger on and after the day of the establishment of said Member Commodity Exchange Established by a Consolidation-Type Merger;
- (vi) when there have been changes to the matters listed in the preceding items after 10 days prior to a general meeting of members set forth in Article 144-3,

paragraph (4) of the Act, said new matters.

(Matters to be Disclosed in Advance by a Member Commodity Exchange
Dissolved in a Consolidation-Type Merger)

Article 59-5 The matters specified by an ordinance of the competent ministry set forth in Article 144-3, paragraph (1) of the Act shall be as follows in the case where a Member Commodity Exchange Established by a Consolidation-Type Merger is an Incorporated Commodity Exchange:

- (i) matters concerning the appropriateness of the provisions on matters listed in Article 143, paragraph (1), item (vi) and item (vii) of the Act;
- (ii) the following matters concerning another Commodity Exchange Dissolved in a Consolidation-Type Merger (excluding liquidating stock companies and Liquidating Member Commodity Exchanges; hereinafter the same shall apply in this item):
 - (a) Financial Statements, etc. or an inventory of property and a balance sheet pertaining to the final business year, and the contents of a profit and loss statement prepared along with said balance sheet (in the case where the final business year does not exist, a balance sheet as on the day of the establishment of another Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger);
 - (b) when there are Temporary Financial Statements, etc. as deeming a day after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of another Commodity Exchange Dissolved in a Consolidation-Type Merger) as an Temporary Account Closing Day (in the case where there are two or more Temporary Account Closing Days, the last one), the contents of said Temporary Financial Statements, etc.;
 - (c) when there has occurred an event that has a significant influence on the status of the property of another Commodity Exchange Dissolved in a Consolidation-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said other Commodity Exchange Dissolved in a Consolidation-Type Merger) at said other Commodity Exchange Dissolved in a Consolidation-Type Merger, the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144-3, paragraph (4) of the Act and the day of the establishment of the Incorporated Commodity Exchange Established by a Consolidation-Type Merger, limited to the contents of an event which occurred after the last day of said new final business year);

- (iii) a balance sheet which another Commodity Exchange Dissolved in a Consolidation-Type Merger (limited to a liquidating stock company or Liquidating Member Commodity Exchange) prepared pursuant to the provisions of Article 492, paragraph (1) of the Companies Act (including the case where it is applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act);
- (iv) when there has occurred an event that has a significant influence on the status of the property of the Member Commodity Exchange Dissolved in a Consolidation-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Dissolved in a Consolidation-Type Merger) at said Member Commodity Exchange Dissolved in a Consolidation-Type Merger (excluding Liquidating Member Commodity Exchanges; hereinafter the same shall apply in this item), the contents thereof (in the case where a new final business year emerges during the period between 10 days prior to a general meeting of members set forth in Article 144-3, paragraph (4) of the Act and the day of the establishment of the Incorporated Commodity Exchange Established by a Consolidation-Type Merger, limited to the contents of an event which occurred after the last day of said new final business year);
- (v) matters concerning estimates of the performance of liabilities (excluding liabilities inherited from another Commodity Exchange Dissolved in a Consolidation-Type Merger) of the Incorporated Commodity Exchange Established by a Consolidation-Type Merger on and after the day of the establishment of said Incorporated Commodity Exchange Established by a Consolidation-Type Merger;
- (vi) when there have been changes to the matters listed in the preceding items after 10 days prior to a general meeting of members set forth in Article 144-3, paragraph (4) of the Act, said new matters.

(Matters to be disclosed after the fact by a Member Commodity Exchange Established by a Consolidation-Type Merger)

Article 59-6 The matters specified by an ordinance of the competent ministry set forth in Article 144-4, paragraph (3) of the Act shall be as follows:

- (i) the date on which the Consolidation-Type Merger came into effect;
- (ii) the process of the procedures pursuant to the provisions of Article 124 of the Act as applied mutatis mutandis pursuant to Article 144-3, paragraph (5) of the Act;
- (iii) matters concerning important rights and obligations which the Member Commodity Exchange Established by a Consolidation-Type Merger inherited

- from the Member Commodity Exchange Dissolved in a Consolidation-Type Merger through a Consolidation-Type Merger;
- (iv) in addition to those listed in preceding three items, important matters concerning the Consolidation-Type Merger.

(Matters to be disclosed after the fact by a Member Commodity Exchange Established by a Consolidation-Type Merger)

Article 59-7 The matters specified by an ordinance of the competent ministry set forth in Article 144-4, paragraph (4) of the Act shall be the matters recorded in a written or Electromagnetic Record which the Member Commodity Exchange Dissolved in a Consolidation-Type Merger filed pursuant to the provisions of Article 144-3, paragraph (1) of the Act (excluding the contents of the Consolidation-Type Merger contract).

(Matters to be disclosed in advance by a Member Commodity Exchange Surviving an Absorption-Type Merger)

Article 59-8 The matters specified by an ordinance of the competent ministry set forth in Article 144-5, paragraph (1) of the Act shall be as follows:

- (i) matters concerning the appropriateness of the provisions on matters listed in Article 142, item (ii) and item (iii) of the Act (in the case where there are no such provisions, the fact thereof);
- (ii) the following matters concerning a Member Commodity Exchange Dissolved in an Absorption-Type Merger (excluding Liquidating Member Commodity Exchanges):
- (a) an inventory of property and a balance sheet pertaining to the final business year and the contents of a profit and loss statement prepared along with said balance sheet;
- (b) when there has occurred an event that has a significant influence on the status of the property of the Member Commodity Exchange Dissolved in an Absorption-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Dissolved in an Absorption-Type Merger; the same shall apply in item (iv)), the contents thereof (in the case where a new final business year emerges during the period between the earliest day among those listed in respective items of Article 144-5, paragraph (1) of the Act and the day when the Absorption-Type Merger came into effect, limited to the contents of an event which occurred after the last day of said new final business year);
- (iii) a balance sheet which the Member Commodity Exchange Dissolved in an Absorption-Type Merger (limited to a Liquidating Member Commodity

- Exchange) prepared pursuant to the provisions of Article 492, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act;
- (iv) the following matters at Member Commodity Exchange Surviving an Absorption-Type Merger:
- (a) when there has occurred an event that has a significant influence on the status of the property of the Member Commodity Exchange Surviving an Absorption-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Member Commodity Exchange Surviving an Absorption-Type Merger), the contents thereof (in the case where a new final business year emerges during the period between the earliest day among those listed in respective items of Article 144-5, paragraph (1) of the Act and the day when the Absorption-Type Merger came into effect, limited to the contents of an event which occurred after the last day of said new final business year);
- (b) when the final business year does not exist at the Member Commodity Exchange Surviving an Absorption-Type Merger, a balance sheet as on the day of the establishment of said Member Commodity Exchange Surviving an Absorption-Type Merger;
- (v) matters concerning estimates of the performance of liabilities (limited to liabilities to be borne for creditors who may state objections against the Absorption-Type Merger pursuant to the provisions of Article 144-10, paragraph (1) of the Act) of the Member Commodity Exchange Surviving an Absorption-Type Merger on and after the day when the Absorption-Type Merger came into effect;
- (vi) when there have been changes to the matters listed in the preceding items during the period between the earliest day among those listed in respective items of Article 144-5, paragraph (1) of the Act and the day when the Absorption-Type Merger came into effect, said new matters.

(The amount of assets, etc.)

- Article 59-9 (1) The amount specified by an ordinance of the competent ministry as the amount of the liabilities prescribed in Article 144-6, paragraph (2), item (i) of the Act shall be the amount obtained by subtracting the amount listed in item (ii) from the amount listed in item (i):
- (i) in the case of deeming that a balance sheet of the Member Commodity Exchange Surviving an Absorption-Type Merger was prepared immediately after the Absorption-Type Merger, the amount to be recorded in the liabilities section of said balance sheet;

- (ii) in the case of deeming that a balance sheet of the Member Commodity Exchange Surviving an Absorption-Type Merger was prepared immediately prior to the Absorption-Type Merger, the amount to be recorded in the liabilities section of said balance sheet.
- (2) The amount specified by an ordinance of the competent ministry as the amount of the assets prescribed in Article 144-6, paragraph (2), item (i) of the Act shall be the amount obtained by subtracting the amount listed in item (ii) from the amount listed in item (i):
 - (i) in the case of deeming that a balance sheet of the Member Commodity Exchange Surviving an Absorption-Type Merger was prepared immediately after the Absorption-Type Merger, the amount to be recorded in the assets section of said balance sheet;
 - (ii) in the case of deeming that a balance sheet of the Member Commodity Exchange Surviving an Absorption-Type Merger was prepared immediately prior to the Absorption-Type Merger, the amount obtained by subtracting the amount of the money set forth in Article 144-6, paragraph (2), item (ii) of the Act from the amount to be recorded in the assets section of said balance sheet.

(The amount of the net assets)

Article 59-10 The method specified by an ordinance of the competent ministry set forth in Article 144-7, paragraph (1), item (ii) of the Act shall be the method in which the amount of the net assets of the Member Commodity Exchange Surviving an Absorption-Type Merger is deemed to be the amount obtained by subtracting the amount listed in item (vii) from the total of the amounts listed in items (i) to (vi) inclusive as on the Calculation Date (which means the Absorption-Type Merger contract day [in the case where the calculation date which is different from the Absorption-Type Merger contract day is specified (limited to during the period between said Absorption-Type Merger contract day and the day when the Absorption-Type Merger came into effect) by said contract, said date]) (in the case where said obtained amount is less than five million yen, the amount shall be five million yen):

- (i) the amount of capital;
- (ii) the amount of capital reserve;
- (iii) the amount of profit reserve;
- (iv) the amount of surplus prescribed in Article 446 of the Companies Act;
- (v) the amount pertaining to valuation/translation difference as of the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of the Member Commodity Exchange Surviving an Absorption-Type Merger);
- (vi) the book value of the rights to subscribe for new shares;

(vii) the total amount of a person's own shares and the book value of the rights to subscribe for new shares.

(The number of shares)

Article 59-11 The number specified by an ordinance of the competent ministry set forth in Article 144-7, paragraph (2) of the Act shall be the smallest number among those listed as follows:

- (i) the number adding one to the number obtained by multiplying $\frac{1}{3}$ (in the case where the articles of incorporation define, as a requirement for concluding a resolution of a general meeting of shareholders, that a majority of more than a certain rate of the total voting rights held by Specified Shareholders [which means shareholders of Specified Shares (which means shares with the contents that a shareholder can exercise voting rights at a general meeting of shareholders pertaining to actions prescribed in Article 144-7, paragraph (2) of the Act; hereinafter the same shall apply in this Article); hereinafter the same shall apply in this Article] who attend said general meeting of shareholders must agree to the resolution, the rate obtained by subtracting said certain rate from one) by the number obtained by multiplying $\frac{1}{2}$ (in the case where the articles of incorporation define, as a requirement for concluding a resolution of said general meeting of shareholders, that shareholders who have more than a certain rate of the total voting rights must attend said general meeting of shareholders, said certain rate) by the total number of Specified Shares;
- (ii) in the case where the articles of incorporation define, as a requirement for concluding a resolution pertaining to actions prescribed in Article 144-7, paragraph (2) of the Act, that more than a certain number of Specified Shareholders must agree to the resolution, and when the number obtained by subtracting the number of Specified Shareholders, who had notified to a Member Commodity Exchange Surviving an Absorption-Type Merger that they would disagree with said action, from the total number of Specified Shareholders is less than said certain number, the number of Specified Shares held by said Specified Shareholders who had notified that they would disagree with said action;
- (iii) in the case where the articles of incorporation have provisions other than those set forth in the preceding two items as a requirement for concluding a resolution pertaining to actions prescribed in Article 144-7, paragraph (2) of the Act, and when said resolution is not concluded if all the Specified Shareholders who had notified that they would disagree with said action disagree with the resolution at a general meeting of shareholders prescribed in the same paragraph, the number of Specified Shares held by Specified Shareholders who had notified that they would disagree with said action;

(iv) the number specified by the articles of incorporation.

(Matters concerning accounting documents)

Article 59-12 The matters specified by an ordinance of the competent ministry set forth in Article 144-10, paragraph (2), item (iii) of the Act shall be those specified in the following items for the categories of cases set forth respectively in those items as on the earlier day between the day of the public notice set forth in the same paragraph and the day of the notice set forth in the same paragraph:

- (i) in the case where a Member Commodity Exchange Surviving an Absorption-Type Merger gave public notice with regard to a balance sheet pertaining to the final business year or the substance thereof pursuant to the provisions of Article 440, paragraph (1) or paragraph (2) of the Companies Act: what are listed as follows:
 - (a) when the public notice was given in an official gazette, the date of the issuance of said official gazette and the page containing said public notice;
 - (b) when the public notice was given in a daily newspaper which publishes matters on current events, the name and the date of the issuance of said daily newspaper and the page containing said public notice;
 - (c) when the public notice was given by way of Electronic Public Notice, the matters listed in Article 911, paragraph (3), item (xxix) (a) of the Companies Act;
- (ii) in the case where a Member Commodity Exchange Surviving an Absorption-Type Merger took measures prescribed in Article 440, paragraph (3) of the Companies Act with regard to a balance sheet pertaining to the final business year: matters listed in Article 911, paragraph (3), item (xxvii) of the Companies Act;
- (iii) in the case where a Member Commodity Exchange Surviving an Absorption-Type Merger is a stock company prescribed in Article 440, paragraph (4) of the Companies Act, and when said stock company submitted a securities report pertaining to the final business year pursuant to the provisions of Article 24, paragraph (1) of the Financial Instruments and Exchange Act: a statement to that effect;
- (iv) in the case where the final business year does not exist for a Member Commodity Exchange Surviving an Absorption-Type Merger: a statement to that effect;
- (v) in the case where a Member Commodity Exchange Surviving an Absorption-Type Merger is a liquidating stock company: a statement to that effect;
- (vi) in the cases other than those listed in the preceding items: the contents of a balance sheet pertaining to the final business year pursuant to the provisions of Part VI, Chapter II of the Ordinance on Accounting of

Companies.

(Matters to be disclosed after the fact by a Member Commodity Exchange
Surviving an Absorption-Type Merger)

Article 59-13 The matters specified by an ordinance of the competent ministry set forth in Article 144-11, paragraph (1) of the Act shall be as follows:

- (i) the date on which the Absorption-Type Merger came into effect;
- (ii) the process of the procedures taken by the Member Commodity Exchange Dissolved in an Absorption-Type Merger pursuant to the provisions of Article 124 of the Act as applied mutatis mutandis pursuant to Article 144, paragraph (5) of the Act;
- (iii) the process of the procedures taken by the Member Commodity Exchange Surviving an Absorption-Type Merger pursuant to the provisions of Article 144 of the Act (with regard to paragraph (3) of the same Article, limited to the part where Article 797, paragraphs (5) to (7) inclusive of the Companies Act is applied mutatis mutandis) and Article 144-10, paragraphs (1) to (5) inclusive of the Act;
- (iv) matters concerning important rights and obligations which the Member Commodity Exchange Surviving an Absorption-Type Merger inherited from the Member Commodity Exchange Dissolved in an Absorption-Type Merger through an Absorption-Type Merger;
- (v) matters recorded in a written or Electromagnetic Record which the Member Commodity Exchange Dissolved in an Absorption-Type Merger filed pursuant to the provisions of Article 144, paragraph (1) of the Act (excluding the contents of the Absorption-Type Merger contract);
- (vi) the date of the registration of the change set forth in Article 147, paragraph (2) of the Act;
- (vii) in addition to those listed in the preceding items, important matters concerning the Absorption-Type Merger.

(Matters to be disclosed in advance by an Incorporated Commodity Exchange
Dissolved in a Consolidation-Type Merger)

Article 59-14 The matters specified by an ordinance of the competent ministry set forth in Article 144-12, paragraph (1) of the Act shall be as follows:

- (i) matters concerning the appropriateness of the provisions on matters listed in Article 143, paragraph (1), item (vi) and item (vii);
- (ii) when all or part of the Incorporated Commodity Exchanges Dissolved in a Consolidation-Type Merger issue the rights to subscribe for new shares, matters concerning the appropriateness of the provisions on matters listed in Article 143, paragraph (1), item (viii) and item (ix) of the Act;
- (iii) the following matters concerning another Commodity Exchange Dissolved

in a Consolidation-Type Merger (excluding liquidating stock companies and Liquidating Member Commodity Exchanges; hereinafter the same shall apply in this item):

- (a) Financial Statements, etc. or an inventory of property and a balance sheet pertaining to the final business year, and the contents of profit and loss statement prepared along with said balance sheet (in the case where the final business year does not exist, a balance sheet as on the day of the establishment of another Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger);
- (b) when there are Temporary Financial Statements, etc. deeming a day after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of another Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger) as an Temporary Account Closing Day (in the case where there are two or more Temporary Account Closing Days, the last one), the contents of said Temporary Financial Statements, etc.;
- (c) when there has occurred an event that has a significant influence on the status of the property of another Commodity Exchange Dissolved in a Consolidation-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said other Commodity Exchange Dissolved in a Consolidation-Type Merger) at said other Commodity Exchange Dissolved in a Consolidation-Type Merger, the contents thereof (in the case where a new final business year emerges during the period between the earliest day among those listed in the respective items of Article 144-12, paragraph (1) of the Act and the day of the establishment of the Incorporated Commodity Exchange Established by a Consolidation-Type Merger, limited to the contents of an event which occurred after the last day of said new final business year);
- (iv) a balance sheet which another Commodity Exchange Dissolved in a Consolidation-Type Merger (limited to a liquidating stock company or Liquidating Member Commodity Exchange) has prepared pursuant to the provisions of Article 492, paragraph (1) of the Companies Act (including the case where it is applied mutatis mutandis pursuant to Article 77, paragraph (1) of the Act);
- (v) the following matters concerning said Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger (excluding liquidating stock companies; hereinafter the same shall apply in this item):
 - (a) when there has occurred an event that has a significant influence on the status of the property of the Incorporated Commodity Exchange Dissolved

in a Consolidation-Type Merger, such as the disposition of important property and the share of significant liabilities after the last day of the final business year (in the case where the final business year does not exist, the day of the establishment of said Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger) at said Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger, the contents thereof (in the case where a new final business year emerges during the period between the earliest day among those listed in the respective items of Article 144-12, paragraph (1) of the Act and the day of the establishment of the Incorporated Commodity Exchange Established by a Consolidation-Type Merger, limited to the contents of an event which occurred after the last day of said new final business year);

- (b) when the final business year does not exist at said Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger, a balance sheet as on the day of the establishment of said Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger;
- (vi) matters concerning estimates of the performance of liabilities (excluding liabilities inherited from another Commodity Exchange Dissolved in a Consolidation-Type Merger) of the Incorporated Commodity Exchange Established by a Consolidation-Type Merger on and after the day of the establishment of said Incorporated Commodity Exchange Established by a Consolidation-Type Merger;
- (vii) when there were changes to the matters listed in the preceding items after the earliest day among those listed in respective items of Article 144-12, paragraph (1) of the Act, said new matters.

(Matters to be disclosed after the fact by an Incorporated Commodity Exchange Established by a Consolidation-Type Merger)

Article 59-15 The matters specified by an ordinance of the competent ministry set forth in Article 144-19, paragraph (1) of the Act shall be as follows:

- (i) the date on which the Consolidation-Type Merger came into effect;
- (ii) the process of procedures pursuant to the provisions of the following (a) or (b), according to classification listed in said (a) or (b):
 - (a) a Member Commodity Exchange Dissolved in a Consolidation-Type Merger: the provisions of Article 124 of the Act as applied mutatis mutandis pursuant to Article 144-3, paragraph (5) of the Act;
 - (b) an Incorporated Commodity Exchange Dissolved in a Consolidation-Type Merger: the provisions of Article 144-15, paragraph (1) and paragraph (2) of the Act (limited to the part where Article 806, paragraphs (5) to (7) inclusive of the Companies Act are applied mutatis mutandis), Article 144-16, paragraph (1) and paragraph (2) of the Act (limited to the part where

Article 808, paragraphs (5) to (7) inclusive of the Companies Act are applied mutatis mutandis), and Article 144-10, paragraphs (1) to (5) inclusive of the Act as applied mutatis mutandis pursuant to Article 144-17 of the Act;

- (iii) matters concerning important rights and obligations which the Incorporated Commodity Exchange Established by a Consolidation-Type Merger inherited from the Commodity Exchange Dissolved in a Consolidation-Type Merger through a Consolidation-Type Merger;
- (iv) in addition to those listed in the preceding three items, important matters concerning the Consolidation-Type Merger.

(Matters to be disclosed after the fact by an Incorporated Commodity Exchange Established by a Consolidation-Type Merger)

Article 59-16 The matters specified by an ordinance of the competent ministry set forth in Article 144-19, paragraph (2) of the Act shall be the matters recorded in a written or Electromagnetic Record which the Commodity Exchange Dissolved in a Consolidation-Type Merger filed pursuant to the provisions of Article 144-3, paragraph (1) and Article 144-12, paragraph (1) of the Act (excluding the contents of the Consolidation-Type Merger contract).

(Attached documents to applications for approval of merger)

Article 60 The documents specified by an ordinance of the competent ministry set forth in Article 145, paragraph (3) of the Act shall be as listed in the following (in case of documents certified by a public agency, limited to documents prepared within three months prior to the date of filing the application):

- (i) a document recording the reasons for the merger;
- (ii) a document specified as follows corresponding to each case:
 - (a) in cases where an officer of a Commodity Exchange surviving a merger or a Commodity Exchange Resulting from a Merger is a foreign national: a Copy of the Residence Certificate, etc., the curriculum vitae of said officer, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in cases where an officer of a Commodity Exchange surviving a merger or a Commodity Exchange Resulting from a Merger is a juridical person: a certificate of the registered matters of said officer, a document stating the corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
 - (c) in cases where an officer of a Commodity Exchange surviving a merger or

- a Commodity Exchange Resulting from a Merger is neither a foreign national nor a juridical person: a Copy of the Residence Certificate, etc., and the curriculum vitae of said officer; a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act; and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
- (iii) a document stating the name or trade name of a Member, etc., and the address of the principal office or head office of the Member, etc.; a sworn, written statement that the Member, etc. falls under any of the items of Article 30, paragraph (1) of the Act for each Commodity Market where transactions are conducted, or a sworn, written statement that trading participants fall under any of the provisions of (a) through (c) of Article 82, paragraph (1), item (i) of the Act, or any of the provisions of (a) through (c) of item (ii) of the same paragraph by each Commodity Market where they conduct transactions; a sworn, written statement that such person does not fall under any of the provisions of (a) through (l) of Article 15, paragraph (2), item (i) of the Act; and in the case where the Commodity Exchange specified in the application carries out settlement by the method set forth in Article 105, item (i) of the Act on one or more Commodity Markets that the Commodity Exchange intends to open, a record pertaining to such person's net assets prepared according to Form No. 1 within 30 days prior to the date of application for approval;
- (iv) minutes of the General Meeting of Shareholders Approving the Merger (in the case of a Member Commodity Exchange, referring to the general meeting of Members prescribed in Article 144, paragraph (4), Article 144-2, paragraph (2), or Article 144-3, paragraph (4) of the Act; in the case of an Incorporated Commodity Exchange, referring to the general meeting of shareholders prescribed in Article 144-6, paragraph (1) and Article 144-13, paragraph (1) of the Act, and Article 783, paragraph (1), Article 795, paragraph (1), or Article 804, paragraph (1) of the Companies Act) of each Commodity Exchange which carries out the merger, or another document certifying that the necessary procedures for the merger have been followed;
- (v) a document stating the status of the property, income and expenditure of each Commodity Exchange that carries out the merger (in the case of a Member Commodity Exchange, the Settlement Related Documents, etc. of the final business year; in the case of an Incorporated Commodity Exchange, the Financial Statements, etc. of the final business year and detailed statements thereof);
- (vi) in the case where a public notice or demand (in cases where the public notice is made through an official gazette, a daily newspaper which publishes

matters of current events, or an Electronic Public Notice pursuant to the provisions of Article 124, paragraph (3) or Article 144-10, paragraph (3) of the Act [including cases where it is applied mutatis mutandis pursuant to Article 144-17], or Article 789, paragraph (3); Article 799, paragraph (3); or Article 810, paragraph (3) of the Companies Act, a public notice by such method) is made pursuant to the provisions of Article 124, paragraph (2) as applied mutatis mutandis pursuant to Article 144, paragraph (5); Article 144-2, paragraph (3); and Article 144-3, paragraph (5) of the Act, or Article 144-10, paragraph (2) of the Act (including cases where it is applied mutatis mutandis pursuant to Article 144-17 of the Act); Article 789, paragraph (2); Article 799, paragraph (2); or Article 810, paragraph (2) of the Companies Act; and in cases where a creditor has made an objection, a document certifying that the liabilities have been paid or reasonable collateral has been provided to said creditor, reasonable property has been deposited for the purpose of repaying the liabilities to said creditor, or that said merger is not likely to harm said creditor;

- (vii) a document stating a method for business succession pertaining to transactions on a Commodity Market which has been opened by a Commodity Exchange dissolved as a result of a merger;
- (viii) a document stating the status of securing employees who have the knowledge and experience pertaining to the business of a Commodity Exchange and the status of the assignment of such employees (limited to a case where a Commodity Exchange subsequent to a merger becomes an Incorporated Commodity Exchange);
- (ix) a document stating the estimated transaction volume of Futures Transactions for one year after the merger on the Commodity Market which he/she seeks to open;
- (x) in the case of seeking to open a Commodity Market pertaining to a Listed Commodity at the time of a merger, a document stating that it is appropriate to conduct transactions of Listed Commodity Component Products on a single Commodity Market;
- (xi) in the case of seeking to open a Commodity Market at the time of a merger by specifying two or more Commodity Indices as a single Listed Commodity Index, a document stating that the majority of the goods subject to said two or more Commodity Indices shall be common to one another.

(Market price in the case of processing any fractional shares less than one share due to the issuance of shares, etc.)

Article 60-2 The method specified by an ordinance of the competent ministry set forth in Article 234, paragraph (2) of the Companies Act as applied mutatis mutandis by replacing the terms pursuant to Article 150 of the Act shall be the

method of deciding the price of shares prescribed in Article 234, paragraph (2) of the Companies Act, as applied mutatis mutandis by replacing the terms pursuant to Article 150 of the Act using the prices specified in the following items for the categories of cases set forth respectively in those items:

- (i) in the case of selling said shares by transactions on the market: the selling price of said transaction;
- (ii) in cases other than as set forth in the preceding item: the prices set forth in the following, whichever is the greater:
 - (a) the closing price on the market where said shares are traded on the date of sale (in the case of no selling or buying transactions on said sale date, or in the case where said selling day is a holiday of said market, the price of the first selling or buying transactions conducted following said sale date);
 - or
 - (b) if said shares are subject to a Tender Offer, etc. on the date of sale, the price of said shares under the contract pertaining to said Tender Offer, etc. on said date of sale.

(Necessary matters concerning the accounting at the time of a merger)

Article 60-3 The necessary matters concerning the accounting at the time of a merger specified by an ordinance of the competent ministry set forth in Article 154, paragraph (2) of the Act shall be specified in the provisions of the following Article through Article 60-12.

(Taking into consideration accounting practices)

Article 60-4 With regard to the interpretation of terms set forth in the following Article through Article 60-12 and the application of such provisions, generally accepted corporate accounting standards and other accounting practices shall be taken into consideration.

(Members' assets of a Member Commodity Exchange Surviving an Absorption-Type Merger in cases where all or part of the Consideration of an Absorption-Type Merger is a contribution of the Member Commodity Exchange Surviving an Absorption-Type Merger)

Article 60-5 (1) In the case where all or part of the property delivered to Members of a Commodity Exchange Dissolved in an Absorption-Type Merger by the Member Commodity Exchange Surviving an Absorption-Type Merger (hereinafter referred to as the "Consideration of an Absorption-Type Merger") at the time of an Absorption-Type Merger (which means an Absorption-Type Merger prescribed in Article 140 of the Act; the same shall apply hereinafter through Article 60-7) is the contribution of the Member Commodity Exchange Surviving an Absorption-Type Merger (excluding cases where the provisions of

the following Article are applied), the amount set forth in the following items of the Member Commodity Exchange Surviving an Absorption-Type Merger shall be the amounts specified in said respective items:

- (i) the amount of the contribution of a Member Commodity Exchange Surviving an Absorption-Type Merger subsequent to the Absorption-Type Merger (hereinafter referred to as the "Amount of Contribution subsequent to the Absorption-Type Merger"): the sum total of the following amounts:
 - (a) the amount of the contribution of a Member Commodity Exchange Surviving an Absorption-Type Merger immediately prior to the Absorption-Type Merger (hereinafter referred to as the "Amount of Contribution immediately prior to the Absorption-Type Merger");
 - (b) when the Amount of Change in Members' Capital in an Absorption-Type Merger is zero or greater, the amount determined by the Member Commodity Exchange Surviving an Absorption-Type Merger pursuant to the provisions of an Absorption-Type Merger contract within the scope of said Amount of Change in Members' Capital in an Absorption-Type Merger (in cases where said Amount of Change in Members' Capital in an Absorption-Type Merger is less than zero, the amount shall be zero);
- (ii) the amount of the membership fees of the Member Commodity Exchange Surviving an Absorption-Type Merger subsequent to the Absorption-Type Merger (hereinafter referred to as the "Membership Fees subsequent to the Absorption-Type Merger"): the sum total of the following amounts:
 - (a) the amount of the membership fees of the Member Commodity Exchange Surviving an Absorption-Type Merger immediately prior to the Absorption-Type Merger (hereinafter referred to as the "Membership Fees immediately prior to the Absorption-Type Merger");
 - (b) the amount determined by the Member Commodity Exchange Surviving an Absorption-Type Merger pursuant to the provisions of an Absorption-Type Merger contract within the scope of the amount obtained by deducting the amount set forth in (b) of the preceding item from the Amount of Change in Members' Capital in an Absorption-Type Merger;
- (iii) the amount of the capital surplus of the Member Commodity Exchange Surviving an Absorption-Type Merger subsequent to the Absorption-Type Merger (hereinafter referred to as the "Capital Surplus subsequent to an Absorption-Type Merger"): the amount obtained by deducting the amount set forth in (c) below, from the sum total of the amounts set forth in (a) and (b);
 - (a) the amount of the capital surplus of the Member Commodity Exchange Surviving an Absorption-Type Merger immediately prior to the Absorption-Type Merger (hereinafter referred to as "Capital Surplus immediately prior to an Absorption-Type Merger");
 - (b) the Amount of Change in Members' Capital in an Absorption-Type

- Merger;
- (c) the sum total of the amounts set forth in item (i), (b) and in the preceding item, (b);
 - (iv) the amount of the statutory capital of the Member Commodity Exchange Surviving an Absorption-Type Merger subsequent to the Absorption-Type Merger (hereinafter referred to as the "Amount of Statutory Capital subsequent to the Absorption-Type Merger"): the amount of the statutory capital of a Member Commodity Exchange Surviving an Absorption-Type Merger immediately prior to the Absorption-Type Merger (hereinafter referred to as the "Amount of Statutory Capital immediately prior to the Absorption-Type Merger");
 - (v) the amount of the accumulated profit of a Member Commodity Exchange Surviving an Absorption-Type Merger subsequent to the Absorption-Type Merger (hereinafter referred to as the "Amount of Accumulated Profit subsequent to the Absorption-Type Merger"): the sum total of the amounts set forth in the following:
 - (a) the amount of the accumulated profit of a Member Commodity Exchange Surviving an Absorption-Type Merger immediately prior to the Absorption-Type Merger (hereinafter referred to as the "Amount of Accumulated Profit immediately prior to the Absorption-Type Merger");
 - (b) when the Amount of Change in Members' Capital in an Absorption-Type Merger is less than zero, the Amount of Change in Members' Capital in an Absorption-Type Merger.
- (2) The term "Amount of Change in Members' Capital in an Absorption-Type Merger" as used in the preceding paragraph shall be the amounts specified in the following items for the categories of cases set forth respectively in those items:
- (i) in cases where the acquisition costs of the entire property that a Member Commodity Exchange Surviving an Acquisition-Type Merger acquired by succession (hereinafter referred to as the "Property subject to an Absorption-Type Merger") are to be measured by a method calculating the current market value of the Consideration of an Absorption-Type Merger and other current market values of the Property subject to an Absorption-Type Merger: the current market value of the Consideration of an Absorption-Type Merger and other value of the Consideration of an Absorption-Type Merger (limited to such values pertaining to the contribution of the Member Commodity Exchange Surviving an Acquisition-Type Merger);
 - (ii) in cases where it is not possible or it is inappropriate to calculate the Members' capital by applying the provisions of the preceding item: the amount obtained by deducting the amount set forth in (b) from the amount set forth in (a):

- (a) the Net Assets Subject to an Absorption-Type Merger (which means the amount obtained by deducting the value placed on the Property subject to an Absorption-Type Merger [limited to liabilities] from the value placed on the Property subject to an Absorption-Type Merger [limited to assets]);
- (b) the book value of the Consideration of an Absorption-Type Merger immediately prior to the Absorption-Type Merger at the Member Commodity Exchange Surviving an Absorption-Type Merger (in cases where there is no Consideration of an Absorption-Type Merger other than the contribution of the Member Commodity Exchange Surviving an Absorption-Type Merger, the amount shall be zero).

(Members' capital in cases of succession of contributions, etc.)

Article 60-6 (1) In cases where it is appropriate to calculate the contributions, membership fees, capital surplus, statutory capital, and accumulated profit of the Member Commodity Exchange Surviving an Absorption-Type Merger as those succeeding to the contributions, membership fees, capital surplus, statutory capital and accumulated profit, respectively, of the Member Commodity Exchange Dissolved in an Absorption-Type Merger immediately prior to the Absorption-Type Merger, the amount set forth in the following items of the Member Commodity Exchange Surviving an Absorption-Type Merger subsequent to the Absorption-Type Merger shall be the amount specified in such items, respectively:

- (i) the Amount of Contributions subsequent to the Absorption-Type Merger: the sum total of the amounts set forth in the following:
 - (a) the Amount of Contributions immediately prior to the Absorption-Type Merger;
 - (b) the Amount of Contributions of the Member Commodity Exchange Dissolved in an Absorption-Type Merger immediately prior to the Absorption-Type Merger (in cases where there is no Consideration of an Absorption-Type Merger, the amount shall be zero);
- (ii) the Membership Fees subsequent to the Absorption-Type Merger: the sum total of the amounts set forth in the following:
 - (a) the Membership Fees immediately prior to the Absorption-Type Merger;
 - (b) the Amount of the Membership Fees of the Member Commodity Exchange Dissolved in an Absorption-Type Merger immediately prior to the Absorption-Type Merger (in cases where there is no Consideration of an Absorption-Type Merger, the amount shall be zero);
- (iii) the Capital Surplus subsequent to an Absorption-Type Merger: the sum total of the amounts set forth in the following:
 - (a) the Capital Surplus immediately prior to an Absorption-Type Merger;
 - (b) the Capital Surplus of the Member Commodity Exchange Dissolved in an

- Absorption-Type Merger immediately prior to the Absorption-Type Merger (in cases where there is no Consideration of an Absorption-Type Merger, the amount shall be the sum of the amount of contributions, the amount of membership fees, and the amount of capital surplus of the Member Commodity Exchange Dissolved in an Absorption-Type Merger immediately prior to the Absorption-Type Merger);
- (iv) the Amount of Statutory Capital subsequent to the Absorption-Type Merger: the sum total of the amounts set forth in the following:
 - (a) the Amount of Statutory Capital immediately prior to the Absorption-Type Merger;
 - (b) the amount of the Statutory Capital of the Member Commodity Exchange Dissolved in an Absorption-Type Merger immediately prior to the Absorption-Type Merger (in cases where there is no Consideration of an Absorption-Type Merger, the amount shall be zero);
 - (v) the Amount of Accumulated Profit subsequent to the Absorption-Type Merger: the sum total of the amounts set forth in the following:
 - (a) the Amount of Accumulated Profit immediately prior to the Absorption-Type Merger;
 - (b) the amount of the Accumulated Profit of the Member Commodity Exchange Dissolved in an Absorption-Type Merger immediately prior to the Absorption-Type Merger (in cases where there is no Consideration of an Absorption-Type Merger, the amount shall be the sum of the amount of statutory capital and the amount of accumulated profit of the Member Commodity Exchange Dissolved in an Absorption-Type Merger immediately prior to the Absorption-Type Merger).
- (2) The phrase "cases where it is appropriate to calculate the contributions, membership fees, capital surplus, statutory capital, and accumulated profit of the Member Commodity Exchange Surviving an Absorption-Type Merger as those succeeding to the contributions, membership fees, capital surplus, statutory capital and accumulated profit, respectively, of the Member Commodity Exchange Dissolved in an Absorption-Type Merger immediately prior to the Absorption-Type Merger" as used in the preceding paragraph means cases that fall under all of the following items:
- (i) the case of assigning a book value immediately prior to an Absorption-Type Merger of the Member Commodity Exchange Dissolved in an Absorption-Type Merger to the Property Subject to an Absorption-Type Merger;
 - (ii) either of the following cases:
 - (a) the case where all of the Consideration of an Absorption-Type Merger is the contribution of the Member Commodity Exchange Surviving an Absorption-Type Merger;
 - (b) the case where there is no Consideration of an Absorption-Type Merger;

(iii) either of the following cases:

- (a) the case where the calculation is to be made in accordance with the provisions of the preceding paragraph;
- (b) in addition to the case set forth in (a), the case set forth in paragraph (2), item (ii) of the preceding Article where the Member Commodity Exchange Surviving an Absorption-Type Merger has determined to apply the provisions of this Article.

Article 60-7 Deleted.

(Application of an Ordinance of the Ministry of Justice in cases of an Absorption-Type Merger of a Member Commodity Exchange and an Incorporated Commodity Exchange)

Article 60-8 With regard to the application of the provisions of Part II, Chapter II, Section 2, Subsection 1 and Subsection 2; and Chapter III, Section 4, Subsection 1 of the Ordinance on Accounting of Companies in the case of an Absorption-Type Merger of a Member Commodity Exchange and an Incorporated Commodity Exchange, the phrase, "stated capital, capital surplus, and accumulated profit immediately prior to an Absorption-Type Merger" in Article 59 of the same Ordinance shall be deemed to be replaced with, "contributions, membership fees, capital surplus, statutory capital, and accumulated profit immediately prior to an Absorption-Type Merger"; the phrase, "amount of stated capital" shall be replaced with, "amount of contributions"; the phrase, "amount of capital reserve" shall be replaced with, "amount of membership fees"; the phrase, "other amount of capital surplus" shall be deemed to be replaced with, "amount of capital surplus"; the phrase, "amount of earned reserve" shall be deemed to be replaced with "amount of statutory capital"; and the phrase, "amount of other accumulated profits" shall be replaced with, "amount of accumulated profit," respectively.

(Members' capital of a Member Commodity Exchange Established by a Consolidation-Type Merger in cases of evaluation using current market value, etc.)

Article 60-9 (1) In the case where the acquisition costs of the entire property that a Member Commodity Exchange Established by a Consolidation-Type Merger acquired by succession as the result of a Consolidation-Type Merger (which refers to a Consolidation-Type Merger prescribed in Article 141 of the Act; the same shall apply hereinafter until Article 60-11) (hereinafter referred to as the "Property subject to a Consolidation-Type Merger") (excluding the property of a Member Commodity Exchange acquired through a Consolidation-Type Merger [which means a single Member Commodity Exchange in the case

where the book value immediately prior to a Consolidation-Type Merger for the property held by such single Member Commodity Exchange should be used as the book value of the Member Commodity Exchange Established by a Consolidation-Type Merger for said property; the same shall apply hereinafter]; hereinafter the same shall apply in this Article), the acquisition costs of such property are to be measured by a method calculating the current market value of the Consideration of the Consolidation-Type Merger (which means property delivered to Members of a Member Commodity Exchanges Dissolved in a Consolidation-Type Merger by the Member Commodity Exchange Established by a Consolidation-Type Merger at the time of the Consolidation-Type Merger; hereinafter the same shall apply in this Article) and other current market values of said Property subject to a Consolidation-Type Merger, the amounts set forth in the following items for the Member Commodity Exchange Established by a Consolidation-Type Merger shall be the amounts set forth in said respective items; provided, however, that this shall not apply if it is determined that such amounts are to be prescribed pursuant to the provisions of the following paragraph by the Consolidation-Type Merger contract:

- (i) the amount of the contributions at the establishment of a Member Commodity Exchange Established by a Consolidation-Type Merger (hereinafter referred to as the "Amount of Contributions at Establishment") - the amount (limited to an amount of zero or greater) determined by the Member Commodity Exchange Dissolved in a Consolidation-Type Merger pursuant to the provisions of a Consolidation-Type Merger contract within the scope of the Amount of the Contribution Paid by Members in a Consolidation-Type Merger (which means the sum of the following amounts; hereinafter the same shall apply in this paragraph) (in cases where the amount of the contribution paid by Members in a Consolidation-Type Merger is less than zero, the amount shall be zero):
 - (a) the Amount of the Net Assets Subject to the Consolidation-Type Merger (which means the amount calculated by deducting the value placed on the Property subject to a Consolidation-Type Merger [limited to liabilities] from the value placed on the Property subject to a Consolidation-Type Merger [limited to assets] [limited to those inherited from a Member Commodity Exchange acquired through a Consolidation-Type Merger]);
 - (b) the Current Market Value of the Consideration of the Consolidation-Type Merger (which means the value of the Consideration of the Consolidation-Type Merger calculated by using the current market value of the Consideration of the Consolidation-Type Merger or other appropriate method; hereinafter the same shall apply in this Article; and limited to those cases pertaining to the contributions of a Member Commodity

- Exchange Established by a Consolidation-Type Merger that are delivered to Members of a Member Commodity Exchanges Dissolved in a Consolidation-Type Merger other than a Member Commodity Exchange acquired through a Consolidation-Type Merger);
- (ii) the amount of membership fees at the establishment of a Member Commodity Exchange Established by a Consolidation-Type Merger (hereinafter referred to as the "Amount of Membership Fees at Establishment") -- the amount determined by a Member Commodity Exchange Dissolved in a Consolidation-Type Merger pursuant to the provisions of the Consolidation-Type Merger contract within the scope of the amount calculated by deducting the Amount of Contributions at Establishment from the Amount of the Contribution Paid by Members in a Consolidation-Type Merger (in cases where the Amount of the Contribution Paid by Members in a Consolidation-Type Merger is less than zero, the amount shall be zero));
- (iii) the amount of capital surplus at the establishment of a Member Commodity Exchange Established by a Consolidation-Type Merger (hereinafter referred to as the "Amount of Capital Surplus at Establishment") -- the amount calculated by deducting the sum total of the Amount of Contributions at Establishment and the Amount of Membership Fees at Establishment from the Amount of the Contribution Paid by Members in a Consolidation-Type Merger (in cases where the Amount of the Contribution Paid by Members in a Consolidation-Type Merger is less than zero, the amount shall be zero);
- (iv) the amount of statutory capital at the establishment of a Member Commodity Exchange Established by a Consolidation-Type Merger (hereinafter referred to as the "Amount of Statutory Capital at Establishment") -- the amount shall be zero;
- (v) the amount of accumulated surplus at the establishment of a Member Commodity Exchange Established by a Consolidation-Type Merger (hereinafter referred to as the "Amount of Accumulated Surplus at Establishment") -- the amount shall be zero (if the Amount of the Contribution Paid by Members in a Consolidation-Type Merger is less than zero, the amount shall be said amount of net assets subject to the Consolidation-Type Merger).
- (2) In the case prescribed in the proviso of the preceding paragraph, the amounts listed in the following items of a Member Commodity Exchange Established by a Consolidation-Type Merger shall be the amounts set forth in the following items:
- (i) the Amount of Contributions at Establishment: the sum total of the amounts set forth in the following:

- (a) the amount of the contributions immediately prior to a Consolidation-Type Merger of the Member Commodity Exchange acquired through a Consolidation-Type Merger;
- (b) the amount determined by the Member Commodity Exchanges Dissolved in a Consolidation-Type Merger pursuant to the provisions of the Consolidation-Type Merger contract (limited to an amount of zero or greater) within the scope of the Current Market Value of the Consideration of the Consolidation-Type Merger (limited to those cases pertaining to the contributions of the Member Commodity Exchange Established by a Consolidation-Type Merger that are delivered to Members of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger other than the Member Commodity Exchange acquired through a Consolidation-Type Merger; hereinafter the same shall apply in this paragraph);
- (ii) the Amount of Membership Fees at Establishment: the sum total of the amounts set forth in the following:
 - (a) the amount of membership fees immediately prior to a Consolidation-Type Merger of the Member Commodity Exchange acquired through a Consolidation-Type Merger;
 - (b) the amount determined by the Member Commodity Exchanges Dissolved in a Consolidation-Type Merger pursuant to the provisions of the Consolidation-Type Merger contract (limited to an amount of zero or greater) within the scope of the amount calculated by deducting the amount set forth in (b) of the preceding item from the Current Market Value of the Consideration of the Consolidation-Type Merger;
- (iii) the Amount of Capital Surplus at Establishment: the amount calculated by deducting the amount set forth in (c) below, from the sum total of the amounts set forth in (a) and (b):
 - (a) the amount of the Capital Surplus immediately prior to a Consolidation-Type Merger of a Member Commodity Exchange acquired through a Consolidation-Type Merger;
 - (b) the Current Market Value of the Consideration of the Consolidation-Type Merger;
 - (c) the sum total of the amounts set forth in item (i), (b) and in the preceding item, (b);
- (iv) the Amount of Statutory Capital at Establishment: the amount of statutory capital immediately prior to a Consolidation-Type Merger of a Member Commodity Exchange acquired through a Consolidation-Type Merger;
- (v) the Amount of Accumulated Surplus at Establishment: the amount of accumulated profit immediately prior to a Consolidation-Type Merger of a Member Commodity Exchange acquired through a Consolidation-Type Merger.

(Members' capital in cases of succession of contributions, etc.)

Article 60-10 (1) In cases where it is appropriate to calculate the contributions, membership fees, capital surplus, statutory capital, and accumulated profit of the Member Commodity Exchange Established by a Consolidation-Type Merger as those succeeding to the contributions, membership fees, capital surplus, statutory capital, and accumulated profit of all Member Commodity Exchanges Dissolved in a Consolidation-Type Merger immediately prior to the Consolidation-Type Merger, the amounts set forth in the following items of the Member Commodity Exchange Established by a Consolidation-Type Merger shall be the amounts specified in such items, respectively:

- (i) the Amount of Contributions at Establishment: the sum total of the amounts of the contributions of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger immediately prior to the Consolidation-Type Merger (in cases where any of the Member Commodity Exchanges Dissolved in a Consolidation-Type Merger is a Dissolving Member Commodity Exchange with No Consideration to Deliver [which means a Member Commodity Exchange Dissolved in a Consolidation-Type Merger where there is no consideration of the Consolidation-Type Merger to be delivered to Members of the Member Commodity Exchange Dissolved in a Consolidation-Type Merger; hereinafter the same shall apply in this Article], the amount shall be the sum total of the amounts of the contributions of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger [excluding any Dissolving Member Commodity Exchange with no consideration to deliver] immediately prior to the Consolidation-Type Merger);
- (ii) the Amount of Membership Fees at Establishment: the sum total of the amounts of membership fees of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger immediately prior to the Consolidation-Type Merger (in cases where any of the Member Commodity Exchanges Dissolved in a Consolidation-Type Merger is a Dissolving Member Commodity Exchange with No Consideration to Deliver, the amount shall be the sum total of the amounts of membership fees of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger [excluding any Dissolving Member Commodity Exchange with No Consideration to Deliver] immediately prior to the Consolidation-Type Merger);
- (iii) the Amount of Capital Surplus at Establishment: the sum total of the amounts of capital surplus of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger immediately prior to the Consolidation-Type Merger (in cases where any of the Member Commodity

- Exchanges Dissolved in a Consolidation-Type Merger is a Dissolving Member Commodity Exchange with No Consideration to Deliver, the amount shall be the sum total of the amounts of capital surplus of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger and the amounts of contribution and membership fees of the respective Dissolving Member Commodity Exchanges with No Consideration to Deliver immediately prior to the Consolidation-Type Merger);
- (iv) the Amount of Statutory Capital at Establishment: the sum total of the amounts of statutory capital of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger immediately prior to the Consolidation-Type Merger (in cases where any of the Member Commodity Exchanges Dissolved in a Consolidation-Type Merger is a Dissolving Member Commodity Exchange with No Consideration to Deliver, the amount shall be the sum total of the amounts of statutory capital of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger [excluding any Dissolving Member Commodity Exchange with No Consideration to Deliver] immediately prior to the Consolidation-Type Merger);
- (v) the Amount of Accumulated Surplus at Establishment: the sum total of the amounts of accumulated profit of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger immediately prior to the Consolidation-Type Merger (in cases where any of the Member Commodity Exchanges Dissolved in a Consolidation-Type Merger is a Dissolving Member Commodity Exchange with No Consideration to Deliver, the amount shall be the sum total of the amounts of accumulated profit of the respective Member Commodity Exchanges Dissolved in a Consolidation-Type Merger and the amounts of statutory capital of the respective Dissolving Member Commodity Exchanges with No Consideration to Deliver immediately prior to the Consolidation-Type Merger).
- (2) The phrase "cases where it is appropriate to calculate the contributions, membership fees, capital surplus, statutory capital, and accumulated profit of the Member Commodity Exchange Established by a Consolidation-Type Merger as those succeeding to the contributions, membership fees, capital surplus, statutory capital, and accumulated profit of all Member Commodity Exchanges Dissolved in a Consolidation-Type Merger immediately prior to the Consolidation-Type Merger" as used in the preceding paragraph means cases that fall under all of the following items:
- (i) the case of assigning a book value immediately prior to a Consolidation-Type Merger of all Member Commodity Exchanges Dissolved in a Consolidation-Type Merger to the Property Subject to a Consolidation-Type Merger;
- (ii) the case where all of the consideration of a Consolidation-Type Merger to be delivered to Members of the Member Commodity Exchanges Dissolved in a

Consolidation-Type Merger is a contribution of the Member Commodity Exchange Established by a Consolidation-Type Merger;

(iii) either of the following cases:

- (a) the case where a calculation is to be made in accordance with the provisions of the preceding paragraph;
- (b) in addition to the case set forth in (a), the case in which it is not possible or it is inappropriate to calculate the Members' capital by applying the provisions of Article 60-9 and where the Member Commodity Exchange Surviving an Absorption-Type Merger has determined to apply the provisions of this Article.

(Members' capital in other cases)

Article 60-11 When it is not possible or it is inappropriate to calculate the Members' capital by applying the provisions of Article 69-9, the amounts set forth in the following items of a Member Commodity Exchange Established by a Consolidation-Type Merger shall be the amounts specified in such items, respectively; provided, however, that this shall not apply when applying the provisions of the preceding Article:

- (i) the Amount of Contributions at Establishment: the sum total of the amounts set forth in the following:
 - (a) the amount of the contributions of the Member Commodity Exchange Dissolved in a Consolidation-Type Merger which Inherits Members' Capital (which means when said Member Commodity Exchange Dissolved in a Consolidation-Type Merger is appointed to be a Member Commodity Exchange Dissolved in a Consolidation-Type Merger which inherits Members' Capital prescribed in this item in the case where the entire consideration for a Consolidation-Type Merger received by Members of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger is the contribution of the Member Commodity Exchange Established by a Consolidation-Type Merger; hereinafter the same shall apply in this Article);
 - (b) the amount determined by a Member Commodity Exchange Dissolved in a Consolidation-Type Merger complying with the provisions of a Consolidation-Type Merger contract (limited to an amount of zero or greater) within the scope of the Amount of the Net Assets Subject to a Consolidation-Type Merger (which means the amount calculated by deducting the value placed on the Property subject to a Consolidation-Type Merger [limited to liabilities] from the value placed on the Property subject to a Consolidation-Type Merger [limited to assets]; hereinafter the same shall apply in this Article) (in the case where such Amount of the Net Assets Subject to a Consolidation-Type Merger is less than zero, the

amount shall be zero) of the Member Commodity Exchange Dissolved in a Consolidation-Type Merger which Does Not Inherit Members' Capital (which means a Member Commodity Exchange Dissolved in a Consolidation-Type Merger other than said Member Commodity Exchange Dissolved in a Consolidation-Type Merger and Member Commodity Exchange Dissolved in a Consolidation-Type Merger which Inherits Members' Capital when the consideration of a Consolidation-Type Merger to be delivered to Members of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger does not exist; hereinafter the same shall apply in this Article);

- (ii) the Amount of Membership Fees at Establishment: the sum total of the amounts set forth in the following:
 - (a) the amount of membership fees immediately prior to a Consolidation-Type Merger of the Member Commodity Exchange Dissolved in a Consolidation-Type Merger which Inherits Members' Capital;
 - (b) the amount determined by a Member Commodity Exchange Dissolved in a Consolidation-Type Merger complying with the provisions of a Consolidation-Type Merger contract (limited to an amount of zero or greater) within the scope of the amount calculated by deducting the amount set forth in (b) of the preceding item from the Amount of the Net Assets Subject to a Consolidation-Type Merger of Members' Capital of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger which Does Not Inherit Members' Capital (in the case where said Amount of the Net Assets Subject to a Consolidation-Type Merger is less than zero, the amount shall be zero);
- (iii) the Amount of Capital Surplus at Establishment: the amount calculated by deducting the amount set forth in (c) below, from the sum total of the amounts set forth in (a) and (b);
 - (a) the amount of the Capital Surplus immediately prior to a Consolidation-Type Merger of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger which Inherits Members' Capital;
 - (b) the Amount of the Net Assets Subject to a Consolidation-Type Merger of Members' Capital of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger which Does Not Inherit Members' Capital (in the case where said Amount of the Net Assets subject to a Consolidation-Type Merger is less than zero, the amount shall be zero);
 - (c) the sum total of the amounts set forth in item (i), (b) and in the preceding item, (b);
- (iv) the Amount of Statutory Capital at Establishment: the amount of the statutory capital immediately prior to a Consolidation-Type Merger of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger

- which Inherits Members' Capital;
- (v) the Amount of Accumulated Surplus at Establishment: the sum total of the amounts set forth in the following:
- (a) the amount of accumulated profit immediately prior to a Consolidation-Type Merger of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger which Inherits Members' Capital;
 - (b) in the case where the Amount of the Net Assets Subject to a Consolidation-Type Merger of a Member Commodity Exchange Dissolved in a Consolidation-Type Merger which does not inherit Members' Capital is less than zero, said Amount of the Net Assets Subject to a Consolidation-Type Merger.

(Application of an Ordinance of the Ministry of Justice in cases of a Consolidation-Type Merger of a Member Commodity Exchange and an Incorporated Commodity Exchange)

Article 60-12 With regard to the application of the provisions of Part II, Chapter II, Section 2, Subsection 1 and Subsection 5, and Chapter III, Section 6, Subsection 2 of the Ordinance on Accounting of Companies for the case of a Consolidation-Type Merger of a Member Commodity Exchange and an Incorporated Commodity Exchange, the phrase, "amount of stated capital immediately prior to" shall be deemed to be replaced with, "contribution or amount of stated capital immediately prior to"; the term, "capital reserve immediately prior to" shall be deemed to be replaced with, "membership fee or capital reserve immediately prior to"; the phrase, "other Capital Surplus immediately prior to" shall be deemed to be replaced with, "Capital Surplus and other Capital Surplus immediately prior to"; the phrase, "earned reserve immediately prior to" shall be deemed to be replaced with "statutory capital or earned reserve immediately prior to"; the phrase, "other accumulated profit immediately prior to" shall be deemed to be replaced with, "accumulated profit or other accumulated profit immediately prior to"; the phrase, "amount of stated capital" in Article 77 of the same Ordinance shall be deemed to be replaced with, "amount of contributions or stated capital"; the phrase, "stated capital, Capital Surplus, and accumulated profit immediately prior to" in Article 78 shall be deemed to be replaced with, "contributions, stated capital, membership fees, Capital Surplus, statutory capital, and accumulated profit immediately prior to"; the phrase, "amount of stated capital" shall be deemed to be replaced with, "amount of contributions or stated capital"; the phrase, "amount of capital reserve" shall be deemed to be replaced with, "amount of membership fees or capital reserve"; the phrase, "amount of other Capital Surplus" shall be deemed to be replaced with, "amount of Capital Surplus or other Capital Surplus"; and the phrase, "amount of earned reserve" shall be

deemed to be replaced with, "amount of statutory capital or earned reserve", and the phrase, "amount of other accumulated profit" shall be deemed to be replaced with "amount of accumulated profit or other accumulated profit," respectively.

(Attached documents to an application for approval of an amendment to articles of incorporation)

Article 61 The documents specified by an ordinance of the competent ministry set forth in Article 155, paragraph (2) of the Act shall be those specified in the following items for the categories of cases set forth respectively in those items:

- (i) in the case where the application for amendment pertains to the establishment of a Commodity Market, the documents set forth in the following:
 - (a) a document recording the reasons for the amendment;
 - (b) a comparative table of the prior and amended article provisions;
 - (c) minutes of a general meeting of Members or a general meeting of shareholders or another document certifying that the necessary procedures for approval have been followed;
 - (d) a document certifying that the total number of persons who are Members, etc. of the Commodity Exchange intending to establish a Commodity Market for each Commodity Market which is planned to be newly established and who intend to start transactions on such Commodity Market, and who intend to become Members, etc. of said Commodity Exchange intending to start transactions on such Commodity Market (with regard to a Member Commodity Exchange, limited to persons who have completed payment of the full amount of the contribution) are 20 or more;
 - (e) among persons who are or intend to become Members, etc. prescribed in (d), with regard to a person who is or intends to become a member of a Member Commodity Exchange, a sworn, written statement that such person falls under any of the items of Article 30, paragraph (1) of the Act regarding said Commodity Market; with regard to a person who is or intends to become a trading participant of an Incorporated Commodity Exchange, a sworn, written statement that such person falls under any of the provisions of (a) through (c) of Article 82, paragraph (1), item (i) of the Act, or any of the provisions of (a) through (c) of item (ii) of the same paragraph;
 - (f) a sworn, written document stating that the majority of persons who are or intend to become Members, etc. prescribed in (d) fall under the persons specified in the respective items of Article 10, paragraph (2), and Article 28, paragraph (1), item (v), (a) and (b) of the Act, with regard to such Commodity Market;

- (g) a sworn, written document stating that the person who intends to become a Member, etc. of said Commodity Exchange and intends to start transactions on said Commodity Market does not fall under any of the provisions of (a) through (l) of Article 15, paragraph (2), item (i) of the Act;
- (h) in the case of carrying out settlements by the method set forth in Article 105, item (i) of the Act at one or more Commodity Markets which are planned to be newly established, a record prepared according to Form No. 1 within 30 days prior to the date of filing the application and pertaining to the amount of the net assets of a person who is or intends to become a Member, etc. as prescribed in (d);
- (i) a document stating the estimated transaction volume of Futures Transactions for one year after the opening on a Commodity Market which he/she seeks to open;
- (j) in the case of seeking to open a Commodity Market pertaining to a Listed Commodity, a document stating that it is appropriate to trade Listed Commodity Component Products on a single Commodity Market;
- (k) in the case of seeking to open a Commodity Market by specifying two or more Commodity Indices as a single Listed Commodity Index, a document stating that the majority of the goods subject to said two or more Commodity Indices shall be common to one another;
- (ii) in the case where the application for amendment is pertaining to a change to the scope of a Listed Commodity or Listed Commodity Index on a Commodity Market (excluding the abolishment or narrowing of such scope; hereinafter the same shall apply in this item) or a change to the type of transaction, the documents set forth in the following:
 - (a) a document recording the reasons for the amendment;
 - (b) a comparative table of the prior and amended article provisions;
 - (c) minutes of a general meeting of Members or a general meeting of shareholders or another document certifying that the necessary procedures for approval have been followed;
 - (d) in cases where making a settlement on a Commodity Market pertaining to said amendment by a method set forth in Article 105, item (i) of the Act and where changing the minimum amount of the net assets of Members, etc. who trade on said Commodity Market, a record pertaining to the amount of the net assets of Members, etc., which is prepared according to Form No. 1 within 30 days prior to the filing of the application;
 - (e) a document stating the estimated transaction volume of Futures Transactions for one year after the amendment on the Commodity Market pertaining to said amendment;
 - (f) in the case of changing the scope of a Listed Commodity, a document stating that it is appropriate that two or more Listed Commodity

- Component Products are traded on a single Commodity Market;
- (g) in the case of changing the scope of a Listed Commodity Index which sets two or more Commodity Indices as a single Listed Commodity Index, a document stating that the majority of goods subject to said two or more Commodity Indices are common to one another;
 - (iii) in cases pertaining to the abolishment or change of the duration of a Member Commodity Exchange or the duration as an Incorporated Commodity Exchange, or in cases pertaining to the abolishment or change of the due date of the establishment of a Commodity Market, the documents set forth in the following:
 - (a) a document recording the reasons for the amendment;
 - (b) a comparative table of the prior and amended article provisions;
 - (c) minutes of a general meeting of Members or a general meeting of shareholders or another document certifying that the necessary procedures for approval have been followed;
 - (d) a document stating the estimated transaction volume of Futures Transactions for one year after the amendment on the Commodity Market pertaining to said amendment;
 - (iv) in cases other than those set forth in the preceding three items, documents as set forth in the following:
 - (a) a document recording the reasons for the amendment;
 - (b) a comparative table of the prior and amended article provisions;
 - (c) minutes of a general meeting of Members or a general meeting of shareholders or another document certifying that the necessary procedures for approval have been followed.

(Attached documents to an application for approval of an amendment to business regulations, brokerage contract rules, dispute resolution rules, or market transactions surveillance committee rules)

Article 62 The documents specified by an ordinance of the competent ministry set forth in Article 156, paragraph (2) of the Act shall be as follows:

- (i) a document recording the reasons for the change;
- (ii) a comparative table of the prior and amended article provisions;
- (iii) a document certifying that amendment procedures specified by the articles of incorporation or other rules have been completed.

(Identification of inspection officials pertaining to a Commodity Exchange)

Article 63 The identification that inspection officials shall carry pursuant to the provisions of Article 157, paragraph (3) of the Act shall be prepared according to Form No. 2.

(Requirements for a committee member of a market transactions surveillance committee)

Article 64 The requirements specified by an ordinance of the competent ministry set forth in Article 166, paragraph (1) of the Act shall be to fall under all of the following items; provided, however, that this shall not apply to a case where the competent minister has granted approval:

- (i) the committee member does not fall under any of the provisions of (a) through (k) of Article 15, paragraph (2), item (i) of the Act;
- (ii) the committee member shall not have any relationship with a business organization related to transactions of Listed Commodity Component Products, etc. (which means Listed Commodity Component Products, etc., prescribed in Article 15, paragraph (1), item (i) of the Act; the same shall apply hereinafter);
- (iii) the committee member shall not be an officer, advisor, or councilor of any enterprise which is, in the course of trade, engaged in accepting the consignment of transactions, etc. on the Commodity Market (excluding Commodity Clearing Transactions) or carrying out transactions on the Commodity Market, nor join directly or indirectly in the management of said enterprise, nor receive any compensation for performance from said enterprise, nor hold an investment in said enterprise.

(Market transactions surveillance committee rules)

Article 65 The matters specified by an ordinance of the competent ministry set forth in Article 166, paragraph (3) of the Act shall be as follows:

- (i) matters pertaining to a guarantee of the status of a committee member;
- (ii) matters pertaining to the maintenance of confidential information acquired in the course of duties of the committee member;
- (iii) matters pertaining to an opinion of a market transactions surveillance committee.

(Attached documents to an application for a license of a Commodity Clearing Organization)

Article 66 The documents specified by an ordinance of the competent ministry set forth in Article 168, paragraph (2) of the Act shall be as follows (in the case of a certification issued by a public agency, limited to documents prepared within three months prior to the date of filing the application for a license):

- (i) a certificate of the registered matters of the company;
- (ii) the Financial Statements, etc. for the most recent business year and related detailed certifications;
- (iii) a document stating the estimated income for the three years after the commencement of the business;

- (iv) a document stating the name or trade name of the Major Shareholder (which means a shareholder holding 10 percent or more of the Voting Rights [which means a Voting Right prescribed in Article 86, paragraph (1) of the Act; hereinafter the same shall apply in this item] of total shareholders; the same shall apply hereinafter), the address or location and the number of Voting Rights that the Major Shareholder holds;
- (v) a document giving a description of a Parent Juridical Person, etc. (which means a juridical person or other organization that holds the majority of Voting Rights [which is a Voting Right as prescribed in the preceding item] of the total shareholders of a Commodity Clearing Organization) and Subsidiary Juridical Person(s), etc. (which means a juridical person or other organization that holds the majority of the Voting Rights [which means the voting rights prescribed in Article 7, paragraph (1), item (iii) of the Order] of All Shareholders, etc. [which means the All Shareholders, etc. prescribed in Article 7, paragraph (1), item (iii) of the Order] of a Commodity Clearing Organization);
- (vi) a sworn, written document stating that the Commodity Clearing Organization does not fall under any of the provisions of (c) through (e) or (i) of Article 15, paragraph (2), item (i) of the Act;
- (vii) a document specified as follows corresponding to each case:
 - (a) in the case where an officer is a foreign national: a Copy of the Residence Certificate, etc., and the curriculum vitae of said officer, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in the case where an officer is a juridical person: a certificate of the registered matters of said officer, a document stating the corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
 - (c) in the case where an officer is neither a foreign national nor a juridical person: a Copy of the Residence Certificate, etc., and the curriculum vitae of said officer; a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act; and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
- (viii) a document stating the status of securing employees who have the knowledge and experience pertaining to the Business of Assuming Commodity Transaction Debts and the status of the assignment of such employees;

- (ix) in the case where an organizational meeting is held, the minutes of the organizational meeting;
- (x) a document stating the names or trade names of Clearing Participants, and the addresses of the principal offices or head offices;
- (xi) records prepared by Clearing Participants according to Form No. 1 within 30 days prior to date of filing the application for a license and pertaining to such persons' net assets;
- (xii) in the case where an electronic data processing system is used for the Business of Assuming Commodity Transaction Debts, a document giving a description, installation location, capacity, and maintenance system of said electronic data processing system, and the process for responding in the event of the failure of said electronic data processing system;
- (xiii) other documents stating the matters to be referenced for approval as to whether the organization conforms to the standards set forth in Article 169, paragraph (1) of the Act.

(Application for approval of subsidiary business)

Article 67 (1) When a Commodity Clearing Organization intends to receive approval pursuant to the provisions of Article 170, paragraph (1) of the Act, a written application for approval that states the following matters shall be submitted to the competent minister:

- (i) the type of business to be approved;
 - (ii) the scheduled date of the commencement of such business.
- (2) The following documents shall be attached to the written application for approval specified in the preceding paragraph:
- (i) a document stating the contents and methods of said business;
 - (ii) a document stating the organization which has jurisdiction over said business and its appointment of personnel;
 - (iii) a document stating the internal rules pertaining to the management of said business;
 - (iv) a document stating the estimated income for the three years after the commencement of said business.

(Notification of abolishment of subsidiary business)

Article 68 In the case of submitting a notification pursuant to the provisions of Article 170, paragraph (2) of the Act, a Commodity Clearing Organization shall submit a written notification stating the following matters:

- (i) the type of business that was approved, based on the provisions of Article 170, paragraph (1) of the Act;
- (ii) the date of the abolishment of said business.

(Notification of change to amount of stated capital, etc.)

Article 69 (1) In the case of submitting a notification pursuant to the provisions of Article 171 of the Act, a Commodity Clearing Organization shall submit a written notification stating the following matters:

- (i) the contents of the change;
- (ii) the date of the change.

(2) The written notification prescribed in the preceding paragraph shall attach the documents specified in the following items for the categories set forth respectively in those items:

- (i) a change to matters set forth in Article 168, paragraph (1), item (ii) or item (iii) of the Act: a document set forth in Article 66, item (i);
- (ii) a change to matters set forth in Article 168, paragraph (1), item (v) of the Act: a document set forth in Article 66, item (i) and item (vii).

(Attached documents of an application for approval of subsidiary business of the Business of Assuming Commodity Transaction Debts, etc. of a Commodity Exchange)

Article 70 The documents specified by an ordinance of the competent ministry set forth in Article 173, paragraph (3) of the Act shall be as follows:

- (i) a document stating the organization which has jurisdiction over the Business of Assuming Commodity Transaction Debts and its appointment of personnel;
- (ii) a document stating the estimated income for the three years after the commencement of the Business of Assuming Commodity Transaction Debts;
- (iii) minutes of a general meeting of Members or a general meeting of shareholders or another document certifying that the necessary procedures for approval have been followed;
- (iv) a document stating the names or trade names of the Clearing Participants, and the addresses of the principal offices or head offices;
- (v) a record prepared by the Clearing Participants according to Form No. 1 within 30 days prior to the filing of the application and pertaining to such persons' net assets;
- (vi) in the case where an electronic data processing system is used for the Business of Assuming Commodity Transaction Debts, a document stating the outline, installation location, capacity, and maintenance system of said electronic data processing system, and the process for responding in the event of the failure of said electronic data processing system.

(Matters to be included in business rules)

Article 71 The matters specified by an ordinance of the competent ministry set forth in Article 175, paragraph (2), item (vi) of the Act shall be as follows:

- (i) matters pertaining to the business incidental to the Business of Assuming Commodity Transaction Debts;
- (ii) matters pertaining to the Business of Assuming Commodity Transaction Debts;
- (iii) with regard to the basic contract pertaining to Commodity Clearing Transactions between a Clearing Participant who carries out Commodity Clearing Transactions and a Member, etc., when the Member, etc. intends to close a transaction on the Commodity Market for and on behalf of a Clearing Participant, the fact that such Member, etc. applied for the Commodity Clearing Transaction and such Clearing Participant undertook brokerage of said Commodity Clearing Transaction;
- (iv) in the case of determining the Clearing Deposit prescribed in Article 180, paragraph (1) of the Act, any matters and the management method pertaining to a Clearing Deposit.

(Method of depositing clearing margins)

Article 72 (1) When receiving a deposit of clearing margins, based on the provisions of Article 179, paragraph (1) of the Act, from an Intermediary (which means an Intermediary prescribed in item (i), (b) of the same paragraph; hereinafter the same shall apply in this Article and the following Article), a Customer (which means a Customer prescribed in (b) of the same item; hereinafter the same shall apply in this Article and the following Article), an Intermediation Customer (which means an Intermediation Customer prescribed in (d) of the same item; hereinafter the same shall apply in this Article and the following Article), a Clearing Intermediary (which means a Clearing Intermediary prescribed in item (ii), (b) of the same paragraph; hereinafter the same shall apply in this Article and the following Article), a Clearing Intermediation Customer (which means a Clearing Intermediation Customer prescribed in (b) of the same item; hereinafter the same shall apply in this Article and the following Article), or a Customer of the Clearing Intermediary (which means a Customer of the Clearing Intermediary prescribed in (d) of the same item; hereinafter the same shall apply in this Article and the following Article), a Commodity Clearing Organization shall designate the person specified in the following items, respectively, as an agent, and receive the deposit of said clearing margin, for the categories of cases set forth respectively in those items:

- (i) in the case prescribed in Article 179, paragraph (1), item (i), (b) or (c) of the Act: the Member, etc. brokers said transaction;
- (ii) in the case prescribed in Article 179, paragraph (1), item (i), (d) of the Act: the Intermediary pertaining to said transaction and the Member, etc. who brokers said transaction;

- (iii) in the case prescribed in Article 179, paragraph (1), item (ii), (a) of the Act: a Clearing Participant notified by said Member, etc. as the consignee of said Commodity Clearing Transaction;
 - (iv) in the case prescribed in Article 179, paragraph (1), item (ii) (b) or (c): the Member, etc. who brokers intermediation of the consignment of said Commodity Clearing Transaction and a Clearing Participant notified by said Member, etc. as the consignee of said Commodity Clearing Transaction;
 - (v) in the case prescribed in Article 179, paragraph (1), item (ii), (d) of the Act: a Clearing Intermediary pertaining to said Commodity Clearing Transaction, the Member, etc. who brokers intermediation of the consignment of said Commodity Clearing Transaction, and the Clearing Participant notified by said Member, etc. as the consignee of said Commodity Clearing Transaction.
- (2) When receiving a deposit of clearing margins, based on the provisions of Article 179, paragraph (1) of the Act, from a Member, etc., an Intermediary, or a Clearing Intermediary (excluding cases where a Member, etc. carries out the transaction on the Commodity Market on his or her own account and where a Clearing Participant carries out the Commodity Clearing transaction on the account of the Member, etc. who consigned such transaction), a Commodity Clearing Organization shall consent to a person prescribed in the following items, respectively, holding a right to claim a return against said clearing margins (limited to within the scope of the amount of customer margins, intermediation margins, or clearing intermediation margins deposited by the person specified in said respective items) for the categories of cases set forth respectively in those items:
- (i) in the case where a Member, etc. received a deposit of a customer margin from a Customer and deposited the clearing margin with a Commodity Clearing Organization: said Customer;
 - (ii) in the case where a Member, etc. received a deposit of a customer margin from an Intermediary (limited to a person who received a deposit of an intermediation margin from an Intermediation Customer) or an Intermediation Customer and deposited the clearing margin with a Commodity Clearing Organization: said Intermediation Customer;
 - (iii) in the case where an Intermediary received a deposit of an intermediation margin from an Intermediation Customer and deposited the clearing margin with a Commodity Clearing Organization: said Intermediation Customer;
 - (iv) in the case where a Member, etc. received a deposit of a customer margin from a Clearing Intermediation Customer and deposited the clearing margin with a Commodity Clearing Organization: said Clearing Intermediation Customer;
 - (v) in the case where a Member, etc. received a deposit of a customer margin from a Clearing Intermediary (limited to a person who received a deposit of a

clearing intermediation margin from the Customer of the Clearing Intermediary) or a Customer of the Clearing Intermediary and deposited a clearing margin with a Commodity Clearing Organization: said Customer of the Clearing Intermediary;

(vi) in the case where a Clearing Intermediary received a deposit of a clearing intermediation margin from a Customer of the Clearing Intermediary and deposited the clearing margin with a Commodity Clearing Organization: said Customer of the Clearing Intermediary.

(Consent, etc. of a Customer, etc. pertaining to a deposit of a customer margin, etc.)

Article 73 (1) When a Member, etc. requests a Customer, an Intermediary or an Intermediation Customer, or a Clearing Intermediation Customer, a Clearing Intermediary, or a Customer of the Clearing Intermediary (hereinafter referred to as a "Customer, etc." in this Article) to deposit a customer margin, a written consent for depositing said customer margin with the Member, etc. shall be obtained by the Member, etc. from said Customer, etc., pursuant to the provisions of Article 179, paragraph (2) of the Act.

(2) A Member, etc. shall receive a deposit of a customer margin pursuant to the provisions of Article 179, paragraph (2) of the Act by appointing, as an agent, the Intermediary who brokers intermediation of the consignment of transactions on a Commodity Market from an Intermediation Customer when requesting said Intermediation Customer to deposit said customer margin; and by appointing, as an agent, the Clearing Intermediary who brokers intermediation of the consignment for intermediation of the consignment of Commodity Clearing Transactions from a Customer of the Clearing Intermediary when requesting said Customer of the Clearing Intermediary to deposit said customer margin pursuant to the provisions of the same paragraph.

(3) When requesting an Intermediation Customer to deposit an intermediation margin, an Intermediary shall obtain written consent for depositing said intermediation margin with the Intermediary from said Intermediation Customer pursuant to the provisions of Article 179, paragraph (3) of the Act.

(4) When requesting a Customer of the Clearing Intermediary to deposit a clearing intermediation margin, a Clearing Intermediary shall obtain written consent for depositing said clearing intermediation margin with the Clearing Intermediary from said Customer of the Clearing Intermediary pursuant to the provisions of Article 179, paragraph (4) of the Act.

(5) The provisions of Article 41, paragraph (3) through paragraph (7) shall apply mutatis mutandis to the written consent of a Customer, etc., an Intermediation Customer and a Customer of the Clearing Intermediary prescribed in

paragraph (1) and the preceding two paragraphs.

(Segregation management of clearing margins at a Commodity Clearing Organization)

Article 74 (1) When a Commodity Clearing Organization manages clearing margins based on the provisions of Article 103, paragraph (4) of the Act, as applied mutatis mutandis pursuant to Article 179, paragraph (5) of the Act, the clearing margins shall be managed separately from its own property and property other than that of the clearing margins, by the categories set forth in the following items, respectively, and by each Member, etc.:

- (i) in cases set forth in Article 179, paragraph (1), item (i), (a) of the Act, where a Member, etc. carries out transactions on a Commodity Market on his/her own account, the clearing margins deposited by said Member, etc. based on the provisions of the same paragraph;
- (ii) in cases set forth in Article 179, paragraph (1), item (i), (a) of the Act, where a Member, etc. carries out transactions on a Commodity Market which the Member, etc. brokers by receiving a deposit of customer margins based on the provisions of paragraph (2) of the same Article, the clearing margins deposited by said Member, etc. based on the provisions of paragraph (1) of the same Article;
- (iii) in cases set forth in Article 179, paragraph (1), item (i), (b) or (d) of the Act, the clearing margins deposited by a customer or an Intermediation Customer based on the provisions of the same paragraph;
- (iv) in cases set forth in Article 179, paragraph (1), item (i), (c) of the Act, the clearing margins deposited by an Intermediary based on the provisions of the same paragraph;
- (v) in cases set forth in Article 179, paragraph (1), item (ii), (a) of the Act, where a Member, etc. carries out transactions on a Commodity Market on his/her own account, the clearing margins (excluding the clearing margins described in the following item) deposited by said Member, etc. based on the provisions of the same paragraph;
- (vi) in cases set forth in Article 179, paragraph (1), item (ii), (a) of the Act, where a Member, etc. carries out transactions on a Commodity Market which the Member, etc. brokers by receiving a deposit of customer margins based on the provisions of paragraph (2) of the same Article, the clearing margins deposited by said Member, etc. based on the provisions of paragraph (1) of the same Article;
- (vii) in cases set forth in Article 179, paragraph (1), item (ii), (b) or (d) of the Act, the clearing margins deposited by a Clearing Intermediation Customer or a customer of the Clearing Intermediary based on the provisions of the same paragraph;

- (viii) in cases set forth in Article 179, paragraph (1), item (ii) (c) of the Act, the clearing margins deposited by a Clearing Intermediary based on the provisions of the same paragraph.
- (2) When managing clearing margins based on the provisions of Article 103, paragraph (4) of the Act, as applied mutatis mutandis pursuant to Article 179, paragraph (5) of the Act, excluding those clearing margins managed based on the provisions of the following paragraph, a Commodity Clearing Organization shall manage said clearing margins by the following methods:
- (i) by depositing the margins in a bank account (limited to deposit accounts that are clearly identifiable as clearing margins by the account name);
 - (ii) by using cash in the trust of Financial Institutions Engages in Trust Business (limited to those with contracts for the replacement of losses pursuant to the provisions of Article 6 of the Act on Additional Operation of Trust Business by a Financial Institution and in trust accounts that are clearly identifiable as clearing margins by the account name);
 - (iii) by purchasing and holding national government bonds.
- (3) When managing Securities, etc. for Allocation (which means the securities and warehouse receipts [hereinafter referred to as the "Securities, etc." in this Article] which are allocated to clearing margins pursuant to the provisions of Article 103, paragraph (5) of the Act, as applied mutatis mutandis pursuant to Article 179, paragraph (6); hereinafter the same shall apply in this Article) based on the provisions of Article 103, paragraph (4) of the Act, as applied mutatis mutandis pursuant to Article 179, paragraph (5) of the Act, a Commodity Clearing Organization shall manage said Securities, etc. for Allocation, by the methods specified in the following items for the categories of Securities, etc., set forth respectively in those items:
- (i) Securities, etc. for retention under the management of a Commodity Clearing Organization (excluding Securities, etc. which are retained and commingled; the same shall apply in the following item): a management method by which the Commodity Clearing Organization controls the location for the retention of Securities, etc. for Allocation that is clearly separate from that for the Securities, etc. of a person's own property and other Securities, etc., than that for the Securities, etc. for Allocation (hereinafter referred to as the "Securities, etc. of a Clearing Organization's Own Property" in this Article), and that said Securities, etc. for Allocation are retained in an available condition that is immediately distinguishable as to which customer deposited such property or for which customer such property was deposited;
 - (ii) Securities, etc. for retention under the management of a Commodity Clearing Organization using a third party: a management method by which the Commodity Clearing Organization uses a third party to control the location for the retention of Securities, etc. for Allocation clearly separating

them from the Securities, etc. of a Clearing Organization's Own Property, and to retain said Securities, etc. for Allocation in an available condition that is immediately distinguishable as to which customer deposited such property or for which customer such property was deposited;

(iii) Securities, etc. for retention under the management of a Commodity Clearing Organization (limited to the Securities, etc., which are retained and commingled; the same shall apply in the following item): a management method by which the location for the retention of Securities, etc. for Allocation is clearly separate from that for the Securities, etc. of a Clearing Organization's Own Property, and that the equity interests pertaining to Securities, etc. for Allocation deposited by or through each Member, etc. are retained in an available condition which is easily distinguishable in their own books and records;

(iv) Securities, etc. for retention under the management of a Commodity Clearing Organization using a third party: a management method by which the Commodity Clearing Organization uses a third party to retain the account for a person who deposited Securities, etc. for Allocation in a condition whereby the equity interests pertaining to Securities, etc. for Allocation will be immediately distinguishable, by a method such as separating them from the Commodity Clearing Organization's own account, and whereby the equity interests pertaining to Securities, etc. for Allocation deposited by or through each Member, etc. will be immediately distinguishable in their own books and records.

(Application for approval of an amendment to articles of incorporation or business rules)

Article 75 (1) When seeking to obtain approval pursuant to the provisions of Article 182 of the Act, a Commodity Clearing Organization shall submit a written application for approval stating the following matters to the competent minister:

- (i) contents of the amendment;
- (ii) scheduled date of the amendment.

(2) The written application for approval set forth in the preceding paragraph shall have the following documents attached:

- (i) a document recording the reasons for the amendment;
- (ii) a comparative table of the prior and amended article provisions;
- (iii) in the case of a written application for approval of an amendment to the articles of incorporation, the minutes of a general meeting of shareholders (in the case of a Member Commodity Exchange which is approved based on the provisions of Article 173, paragraph (1) of the Act, a general meeting of Members) or another document certifying that the necessary procedures for

approval have been followed;

- (iv) in the case of a written application for approval of an amendment to business rules, a document certifying that the amendment procedures specified in the articles of incorporation and other rules are completed.

(Standard for approving an amendment to articles of incorporation or business rules)

Article 76 When an application based on the provisions of Article 182 of the Act is filed, the competent minister shall examine whether the application conforms to laws and regulations, and is sufficient for operating the business appropriately and steadily.

(Application for approval pertaining to a resolution of abolishment or dissolution of the Business of Assuming Commodity Transaction Debts)

Article 77 When seeking to obtain approval for the abolishment of the Business of Assuming Commodity Transaction Debts or a resolution of dissolution prescribed in the provisions of Article 183 of the Act, a Commodity Clearing Organization shall attach the following documents to a written application for approval and submit them to the competent minister:

- (i) a document stating the reasons for the abolishment or dissolution;
- (ii) the minutes of a general meeting of shareholders (in the case of a Member Commodity Exchange which is approved based on the provisions of Article 173, paragraph (1) of the Act, a general meeting of Members) or another document certifying that the necessary procedures for approval have been followed;
- (iii) Financial Statements, etc. for the most recent business year and detailed statements thereof;
- (iv) a document stating the method of completion of the Business of Assuming Commodity Transaction Debts.

(Identification of inspection officials pertaining to a Commodity Clearing Organization)

Article 78 The identification that inspection officials shall carry out pursuant to the provisions of Article 157, paragraph (3) of the Act, as applied mutatis mutandis pursuant to Article 184, paragraph (2) of the Act shall be prepared according to Form No. 3.

(Matters to be included with a written application for a license of a Futures Commodity Merchant)

Article 79 The matters specified by an ordinance of the competent ministry set forth in Article 192, paragraph (1), item (v) of the Act shall be as follows:

- (i) the amount of stated capital;
- (ii) the Commodity Market subject to brokerage of transactions, etc. on the Commodity Market;
- (iii) the distinction of transactions pertaining to the brokerage of transactions, etc. (limited to transactions set forth in Article 2, paragraph (16), item (i) or item (iii) of the Act) on the Commodity Market, and to transactions pertaining to the brokerage of transactions, etc. (limited to transactions set forth in item (ii) or item (iv) of the same paragraph) on the Commodity Market;
- (iv) the name of the Consumer Protection Fund (which means a Consumer Protection Fund prescribed in Article 296 of the Act; the same shall apply hereinafter) which should be joined;
- (v) the name of a Commodity Futures Association (which means a Commodity Futures Association prescribed in Article 241, paragraph (1) of the Act; hereinafter referred to as an "Association") which should be joined.

(Attached documents to an application for a license of a Commodity Transactions Brokerage Business)

Article 80 (1) The documents specified by an ordinance of the competent ministry set forth in Article 192, paragraph (2) of the Act shall be as follows (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the date of filing the application for a license) excluding the case specified in the following paragraph:

- (i) the articles of incorporation (in the case of a foreign juridical person, a document equivalent to articles of incorporation)
- (ii) a certificate of the registered matters;
- (iii) Financial Statements, etc. for the most recent three years and detailed statements thereof;
- (iv) deleted;
- (v) a sworn, written statement that the person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (c) through (e), or (i);
- (vi) a document specified as follows corresponding to each case:
 - (a) in the case where an officer is a foreign national: a Copy of the Residence Certificate, etc., a curriculum vitae prepared according to Form No. 4, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in cases where an officer is a juridical person: a certificate of the registered matters of said officer, a document stating corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item

- (i), (l) of the Act;
- (c) in the case where an officer is neither a foreign national nor a juridical person: a Copy of the Residence Certificate, etc. and a curriculum vitae prepared according to Form No. 4 of said officer, a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act; and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
- (vii) a record prepared according to Form No. 1 within 30 days prior to the date of filing the application for a license and pertaining to the amount of the net assets of the entity;
- (viii) a document stating the Major Shareholders (provided, however, that in cases where said Major Shareholders are less than 10 persons, meaning the top 10 holders in descending order of the number of Voting Rights (which means a Voting Right prescribed in Article 86, paragraph (1) of the Act; hereinafter the same shall apply in this item) held thereby; the same shall apply hereinafter), listing their names, trade names, addresses, proportions of the Voting Rights held to the total number of Voting Rights, and relationships with the applicant (limited to cases where Major Shareholders are officers and employees of the applicant, the Parent Company (which means a Parent Company prescribed in Article 8, paragraph (3) of the Ordinance on Terminology, Forms and Preparation Methods of Financial Statements, etc.; the same shall apply hereinafter), Subsidiary, Affiliated Company, or its officers or employees);
- (ix) a document stating the management system of organizations, etc., and the records pertaining to Registered Sales Representatives, etc., prepared according to Form No. 5;
- (x) a document stating the number of employees who have been sentenced to imprisonment or severe punishment (including an equivalent punishment under the laws and regulations of a foreign state with regard to the business equivalent to a Commodity Transactions Brokerage Business in the foreign state) with regard to Commodity Transactions Brokerage Business and the specified business prescribed in Article 87 (hereinafter referred to as the "Commodity Transactions Brokerage Business, etc."), to fines pursuant to this Act or equivalent laws and regulations of a foreign state (including an equivalent punishment under the laws and regulations of a foreign state), or who have received a final disposition based on the provisions of the Act within the last five years, and include each said employee's name, date of birth, and address, the name of the business office or department to which said employee is assigned, his/her official title, whether or not said employee has been registered as a Sales Representative, the date when and the

- reasons why said officer was punished by said fines or in receipt of said disposition, and all other such details;
- (xi) the curriculum vitae pertaining to Commodity Transactions Brokerage Business, etc., of employees (limited to persons or equivalent persons who supervise the business at the head office, a branch office, or a business office with regard to a Commodity Transactions Brokerage Business)
 - (xii) records prepared according to Form No. 6 pertaining to the description of the Subsidiary Business prescribed in Article 196, paragraph (1), of the Act;
 - (xiii) records prepared according to Form No. 7 pertaining to the description of a controlling interest in another juridical person prescribed in Article 196, paragraph (2) of the Act;
 - (xiv) records prepared according to Form No. 8 pertaining to the description of the specified business prescribed in Article 87 of the Act;
 - (xv) a document stating the estimated income and expenditures of Commodity Transactions Brokerage Business, the Commodity Transactions Brokerage Business plan for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and the basis for assumptions used in those documents;
 - (xvi) a document stating the estimated amount of the net assets and the Net Assets Regulation Ratio for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and the basis for assumptions used in those documents;
 - (xvii) in cases where the person uses an electronic data processing system for Commodity Transactions Brokerage Business, a document stating the description, installation location, capacity, and maintenance system of said electronic data processing system, and the process for responding in the event of the failure of said electronic data processing system;
 - (xviii) regulations for the fair and appropriate performance of Commodity Transactions Brokerage Business (including regulations in order to define a system for the responsibilities pertaining to said Business);
 - (xix) a document prepared according to Form No. 9 giving the description of the organization which performs the operations pertaining to internal controls and stating the management system for compliance with laws and regulations;
 - (xx) in cases where the person has Subordinated Borrowings, a copy of all contracts; and
 - (xxi) in cases where the person has issued Subordinated Bonds, any prospectus or equivalent copy.

- (2) In the case where obtaining a renewal of the license prescribed in Article 190, paragraph (2) of the Act, in addition to those listed in the preceding paragraph, the documents specified by an ordinance of the competent ministry set forth in Article 190, paragraph (2) shall be as follows:
- (i) a document prepared according to Form No. 10 stating the causes and status of any Problematic Conduct (which means the Problematic Conduct prescribed in Article 112), dispute or complaint (hereinafter referred to as "Problematic Conduct, etc.") that has occurred with respect to customers;
 - (ii) a document stating the results of income and expenditures of the Commodity Transactions Brokerage Business; and
 - (iii) in the case where the person is subject to a disposition based on an audit by an Association, Consumer Protection Fund, Commodity Exchange or Commodity Clearing Organization, a document stating the name of the organization that conducted the audit, the time of audit, the date of the disposition, and the contents of the disposition as well as the contents of the improvement measures.

(Base amount of the net assets amount)

Article 81 The amount specified by an ordinance of the competent ministry set forth in Article 193, paragraph (2) of the Act shall be 100 million yen.

(Matters requiring notification)

Article 82 (1) Cases specified by an ordinance of the competent ministry set forth in Article 195, paragraph (1), item (iv) of the Act shall be the following:

- (i) in the case where a Futures Commission Merchant has become aware that the commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or commencement of reorganization proceedings have been filed;
- (ii) in the case where the articles of incorporation (in the case where a Futures Commission Merchant is a foreign juridical person, a document equivalent to articles of incorporation) have been amended;
- (iii) in the case where Major Shareholders have been changed;
- (iv) in the case where the content of a record set forth in Article 80, paragraph (1), item (xii) has been changed or a Subsidiary Business has been abolished;
- (v) in the case where the content of a record set forth in Article 80, paragraph (1), item (xiii) has been changed or a controlling interest no longer exists;
- (vi) in the case where the content of a record set forth in Article 80, paragraph (1), item (xiv) has been changed;
- (vii) in the case where regulations set forth in Article 80, paragraph (1), item (xviii) have been changed;
- (viii) in the case of the existence of Subordinated Borrowings or issuing

Subordinated Bonds;

- (ix) in the case where the contractual details of Subordinated Borrowings have been changed;
 - (x) in the case where Subordinated Borrowings have been repaid prior to maturity or where Subordinated Bonds have been redeemed prior to maturity (including cases where debts without a maturity date have been repaid or redeemed).
- (2) The documents specified by an ordinance of the competent ministry set forth in Article 195, paragraph (2) of the Act shall be those specified in the following items for the categories of cases set forth respectively in those items (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the notification):
- (i) in the case where the matter set forth in Article 192, paragraph (1), item (i) of the Act is changed: minutes of a general meeting of shareholders (in the case where it is deemed that there is a resolution by the shareholders in a general meeting pursuant to the provisions of Article 319, paragraph (1) of the Companies Act, a document certifying the applicability to said case);
 - (i)-2 in the case where the matter set forth in Article 192, paragraph (1), item (iii) of the Act is changed: a certificate of the registered matters;
 - (ii) in the case where the matter set forth in Article 192, paragraph (1), item (iv) of the Act is changed, the documents set forth in the following:
 - (a) a certificate of the registered matters;
 - (b) a document specified as follows corresponding to each case:
 1. in the case where a newly appointed officer is a foreign national: a Copy of the Residence Certificate, etc. of said officer and a curriculum vitae prepared according to Form No. 4, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 2. in the case where a newly appointed officer is a juridical person: a certificate of the registered matters of said officer, a document stating the corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
 3. in the case where a newly appointed officer is neither a foreign national nor a juridical person: a Copy of the Residence Certificate, etc. of said officer and a curriculum vitae prepared according to Form No. 4; a certification issued by a public agency that such person is not subject to the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act; and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;

- (iii) in the case where the amount of stated capital is changed, the documents set forth in the following:
 - (a) a document stating the amount of stated capital before and after the change, the date of the change, the method of the change and the reasons for the change;
 - (b) a certificate of the registered matters;
- (iv) in the case where the Commodity Market subject to brokerage of transactions, etc. on the Commodity Market, or the type of transactions, etc. on the Commodity Market pertaining to the brokerage is changed, the documents set forth in the following:
 - (a) a document stating the name of the Commodity Market subject to brokerage of transactions, etc. on the Commodity Market or the type of transactions, etc. on the Commodity Market pertaining to the brokerage, as changed, and the reasons for the change;
 - (b) minutes of board of directors' meetings or another document certifying that the necessary procedures have been followed;
- (v) in the case of the enrollment or withdrawal of the Association, the documents set forth in the following:
 - (a) a document stating the name of the enrolling or withdrawing Association;
 - (b) minutes of a board of directors' meeting or general meeting of shareholders, or another document certifying that the necessary procedures have been followed;
- (vi) in the case of the commencement, suspension, or recommencement of Commodity Transactions Brokerage Business, the documents set forth in the following:
 - (a) a document stating the facts of the commencement, suspension, or recommencement of operations, period of suspension, date of commencement or recommencement, and the reasons for the suspension or recommencement;
 - (b) a document stating the method of handling customer accounts during the suspension period (excluding cases of commencement and recommencement);
- (vii) in the case where filing a motion for the commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or commencement of reorganization proceedings, the documents set forth in the following:
 - (a) a document stating the filing date of the commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or commencement of reorganization proceedings, and the reasons for such filing;
 - (b) a copy of the documents pertaining to the filing of the commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or

- commencement of reorganization proceedings;
- (viii) in the case set forth in item (i) of the preceding paragraph, the documents set forth in the following:
- (a) a document stating the date when the commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or commencement of reorganization proceedings was filed, the name or trade name of the person who filed such motion, and the reasons for such filing;
 - (b) a copy of the documents pertaining to the filing of the commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or commencement of reorganization proceedings;
- (ix) in the case set forth in item (ii) of the preceding paragraph, the documents set forth in the following:
- (a) a document stating the contents of the amendment to the articles of incorporation, the date of said amendment, and the reasons for the amendment;
 - (b) a comparative table of the prior and amended article provisions;
 - (c) minutes of a general meeting of shareholders or another document certifying that the necessary procedures have been followed;
- (x) in the case set forth in item (iii) of the preceding paragraph, the documents set forth in the following:
- (a) in the case where a person who was not a Major Shareholder becomes a Major Shareholder, a document stating the name or trade name and address or location of said shareholder, the proportion of the Voting Rights (which means a Voting Right prescribed in Article 86, paragraph (1) of the Act; hereinafter the same shall apply in this item) held to the total number of Voting Rights, the relationship with said Futures Commission Merchant, and the date of the changes;
 - (b) a list of Major Shareholders after the change;
- (xi) in the case set forth in item (iv) of the preceding paragraph, the documents set forth in the following:
- (a) a document stating the trade name of the Futures Commission Merchant, the contents of the change or abolishment, the reasons for the change or abolishment, and the date of the change or abolishment;
 - (b) minutes of board of directors' meetings or another document certifying that the necessary procedures have been followed;
- (xii) in the case set forth in item (v) of the preceding paragraph, the documents set forth in the following:
- (a) a document stating the trade name of the Futures Commission Merchant, trade name or name of another juridical person who has attained a controlling interest as prescribed in Article 196, paragraph (2) of the Act (hereinafter referred to as "a Juridical Person with Controlling Interest" in

Article 85 and Article 86), the content of the change or abolishment, the reasons for the change or abolishment, and date of the change or abolishment;

- (b) minutes of board of directors' meetings or another document certifying that the necessary procedures have been followed;
- (xiii) in the case set forth in item (vi) of the preceding paragraph: a document stating the trade name of the Futures Commission Merchant, trade name or name of the person who carries out specified business pertaining to the change, the content of the change, the reasons for the change, and date of the change;
- (xiv) in the case set forth in item (vii) of the preceding paragraph, the documents set forth in the following:
 - (a) a document stating the reasons for the change and the date of the change;
 - (b) a copy of the documents as per the regulations set forth in Article 80, paragraph (1), item (xviii) after the change;
- (xv) in the case of Subordinated Borrowings under the case set forth in item (viii) of the preceding paragraph, the documents set forth in the following:
 - (a) a copy of the contract;
 - (b) a document stating the outstanding debt prior to and subsequent to such borrowings and the reasons for the borrowings;
- (xvi) in the case where Subordinated Bonds have been issued under the case set forth in item (viii) of the preceding paragraph, the documents set forth in the following:
 - (a) any such prospectus or an equivalent copy;
 - (b) a document stating outstanding bonds issued prior to and subsequent to such issuance of bonds and the reasons for the issuance;
- (xvii) in the case set forth in item (ix) of the preceding paragraph, the documents set forth in the following:
 - (a) a copy of the changed contract;
 - (b) a document stating the changed portions of the contract conditions and the reasons for the changes;
- (xviii) in the case set forth in item (x) of the preceding paragraph, the documents set forth in the following:
 - (a) the amount and date of repayment or redemption before maturity;
 - (b) the outstanding debt after the repayment or redemption before maturity.

(Notification of subsidiary business)

Article 83 (1) When submitting a notification of operating subsidiary business pursuant to the provisions of Article 196, paragraph (1) of the Act, a Futures Commission Merchant shall submit a written notification prepared according to Form No. 11 and pertaining to the outline of said subsidiary business no

later than 20 days prior to the commencement date of said subsidiary business.

(2) When a Futures Commission Merchant who submitted a notification in the preceding paragraph intends to change the content of said subsidiary business, he/she shall submit a notification in advance which states the matters set forth in the following items, respectively, and when abolishing said subsidiary business, he/she shall file the same documents without delay after said abolishment:

- (i) trade name;
- (ii) content of the change or abolishment;
- (iii) reasons for the change or abolishment;
- (iv) date of the change or abolishment.

(3) The written notifications set forth in the following items shall include as attachments the documents specified in the following items, respectively:

- (i) a written notification specified in paragraph (1): the articles of incorporation;
- (ii) a written notification specified in paragraph (2): minutes of board of directors' meetings or another document certifying that the necessary procedures for approval have been followed.

(Relationships that constitute substantial control)

Article 84 The relationship specified by an ordinance of the competent ministry set forth in Article 196, paragraph (2) of the Act shall be as set forth in the following items:

- (i) when persons who engage or have engaged in the Business carried out by a Futures Commission Merchant occupy a majority of the positions of officers or officers with representation rights of another juridical person, a relationship with another such juridical person;
- (ii) when a Futures Commission Merchant holds no fewer than 10 percent and no more than 50 percent of the Voting Rights (which means a Voting Right prescribed in Article 7, paragraph (1), item (iii) of the Order; hereinafter the same shall apply in this item and the following item) of All Shareholders, etc. (which means All Shareholders, etc. prescribed in Article 7, paragraph (1), item (iii) of the Order) of another juridical person, and maintains a continuing and close relationship in key portions of such juridical person's business activity, a relationship with another such juridical person (excluding the relationship listed in the preceding item);
- (iii) when a Futures Commission Merchant holds 50 percent or more of all contributors' Voting Rights of another juridical person, a relationship with another such juridical person.

(Notification of controlling interest)

Article 85 (1) When a Futures Commission Merchant provides notification that a Merchant has obtained a controlling interest in another juridical person pursuant to the provisions of Article 196, paragraph (2) of the Act, a written notification shall be prepared according to Form No. 12 and pertaining to the description of a Juridical Person with Controlling Interest.

(2) A written notification prescribed in the preceding paragraph shall include as attachments the articles of incorporation of said Juridical Person with Controlling Interest (in the case of a foreign juridical person, a document equivalent to articles of incorporation), a certificate of the registered matters, and the Financial Statements, etc. of the preceding business year.

Article 86 (1) When a matter to be stated in a written notification prescribed in paragraph (1) of the preceding Article has changed or the controlling interest has been extinguished, a Futures Commission Merchant who submitted the notification prescribed in the same Article shall submit a written notification stating the matters set forth in the following items, respectively:

- (i) trade name of the Futures Commission Merchant;
- (ii) trade name or name of the Juridical Person with Controlling Interest;
- (iii) content of the change or extinguishment;
- (iv) reasons for the change or extinguishment;
- (v) date of the change or extinguishment.

(2) A written notification prescribed in the preceding paragraph shall include as attachments the minutes of board of directors' meetings or another document certifying that the necessary procedures have been followed.

(Notification of Specified Business)

Article 87 The business specified by an ordinance of the competent ministry set forth in Article 196, paragraph (3) of the Act (hereinafter referred to as a "Specified Business") shall be as follows:

- (i) a business of accepting the consignment of transactions similar to Futures Transactions on a market of a foreign state which is equivalent to a Commodity Market or acting as an introducing broker, intermediary or agent for such transactions;
- (ii) a business of foreign exchange transactions, to carry out transactions promising a customer as the counterparty, the transfer of money calculated based on the difference between the value of currency agreed between the parties in advance and the actual value of currency at a certain time in the future and other similar transactions, or to accept a consignment or act as an introducing broker, intermediary, or agent for such transactions.

Article 88 (1) When a Futures Commission Merchant provides a notification of a

Specified Business pursuant to the provisions of Article 196, paragraph (3) of the Act, a written notification prepared according to Form No. 13 and pertaining to the outline of the Specified Business shall also be submitted pursuant to the provisions of paragraph (1) or paragraph (2) of the same Article.

- (2) In the case of changing the matters to be recorded in a written notification prescribed in the preceding paragraph, the Futures Commission Merchant who submitted the written notification prescribed in the same paragraph shall submit a written notification stating the matters set forth in the following items, respectively, in advance, when the Specified Business pertaining to said change is subject to the business of said Futures Commission Merchant, and submit the written notification without delay when the Specified Business falls under the category of business of a Juridical Person with Controlling Interest:
- (i) trade name of the Futures Commission Merchant;
 - (ii) trade name or name of the person who carries out the Specified Business pertaining to the change;
 - (iii) content of the change;
 - (iv) reasons for the change;
 - (v) date of the change.

(Notification of abolishment, etc.)

Article 89 A person who provides a notification pursuant to the provisions of Article 197, paragraph (1) of the Act, shall submit to the competent minister a written notification stating the matters specified in the center column of the following table and attach the documents specified in the right column of the same table, by the category set forth in the left column of the same table.

Matters requiring notification	Matters to be included	Attached documents
In the case of abolishment of Commodity Transactions Brokerage Business	(i) Date of abolishment (ii) Reasons for abolishment	(i) Minutes of a general meeting of shareholders or another document certifying that the necessary procedures have been followed (ii) A document stating the clearing method of claims and debts to customers
In the case of dissolution in a Merger	(i) Trade name of the other party to the Merger (ii) Date of the Merger	A document stating the succession method of claims and debts to customers to the juridical person surviving a Merger

In the case of dissolution by decision of commencement of bankruptcy proceedings	(i) Date of filing of commencement of bankruptcy proceedings (ii) Date of decision to commence bankruptcy proceedings	(i) A copy of the public notice issued by a court of the decision to commence bankruptcy proceedings (ii) A document stating the clearing method of claims and debts to customers
In the case of dissolution for a reason other than a Merger or decision of commencement of bankruptcy proceedings	(i) Date of dissolution (ii) Reasons for dissolution	(i) Minutes of the general meeting of shareholders (in the case where resolution of a general meeting of shareholders is deemed to exist pursuant to the provisions of Article 319, paragraph (1) of the Companies Act, a document certifying that the case falls under said case) (ii) A document stating the clearing method of claims and debts to customers
In the case of succession to the whole or part of a Commodity Transactions Brokerage Business by a split-off	(i) Trade name of the successor (ii) Date of the split-off	A document stating the succession method of claims and debts to customers by the successor
In the case of transfer of the whole or part of a Commodity Transactions Brokerage Business	(i) Trade name of the transferee (ii) Date of transfer	A document stating the transfer method of claims and debts to customers by the transferee

Article 90 (1) A public notice pursuant to the provisions of Article 197, paragraph (3) of the Act shall be published by an official gazette or in a daily newspaper which publishes matters of current events, or through an Electronic Public Notice.

(2) In the case where a Futures Commission Merchant provides a public notice via an Electronic Public Notice prescribed in the preceding paragraph, the public notice shall be continuously published via the Electronic Public Notice until the date on which one month has elapsed from the commencement date of said public notice.

- (3) A public notice pursuant to the provisions of Article 197, paragraph (3) of the Act and a display at the business office of the Futures Commission Merchant shall indicate the method of completion of transactions on a Commodity Market on customer's accounts as prescribed in paragraph (5) of the same Article, and the method of returning property deposited by customers with regard to Commodity Transactions Brokerage Business and property which is held by said Futures Commission Merchant on customer's accounts.
- (4) In the case of submitting a notification pursuant to the provisions of Article 197, paragraph (4) of the Act, the written notification shall include the matters set forth in the following:
- (i) trade name of the Futures Commission Merchant;
 - (ii) date of receiving permission;
 - (iii) the grounds on which the public notice was given;
 - (iv) the scheduled date of the occurrence of said grounds for the public notice.
- (5) A written notification prescribed in the preceding paragraph shall include as an attachment a document stating the method as prescribed in paragraph (3).

(Sign of a Futures Commission Merchant)

Article 91 The sign prescribed in Article 198, paragraph (1) of the Act shall be prepared according to Form No. 14.

(Attached documents to an application for registration)

Article 92 (1) The documents specified by an ordinance of the competent ministry set forth in Article 200, paragraph (4) of the Act shall be as follows (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the date of filing for registration) excluding the case specified in the following paragraph:

- (i) a Copy of the Residence Certificate, etc. pertaining to the Sales Representative who intends to obtain registration;
 - (ii) a sworn, written document by the Sales Representative and the applicant for the registration, stating that said Sales Representative who intends to obtain registration does not fall under any of the provisions of Article 201, paragraph (1) of the Act (in the case of the sworn statement that the Sales Representative does not fall under the provisions of Article 15, paragraph (2), item (i), (a) or (b) of the Act, a certificate issued by a public agency [excluding the case where said Sales Representative is a foreign national]);
 - (iii) a document certifying that the Sales Representative who intends to obtain registration holds the knowledge and experience to accept brokerage of transactions, etc. on a Commodity Market and to solicit the consignment fairly and appropriately.
- (2) In the case where obtaining a renewal of approval for registration prescribed

in Article 200, paragraph (7) of the Act, the documents specified by an ordinance of the competent ministry set forth in paragraph (4) of the same Article shall be as follows:

- (i) the documents set forth in the respective items of the preceding paragraph;
- (ii) a document stating the causes and status of any Problematic Conduct, etc. that has occurred with respect to customers

(Matters to be recorded in the registry of a Sales Representative)

Article 93 The matters specified by an ordinance of the competent ministry set forth in Article 200, paragraph (5) of the Act shall be as follows:

- (i) registration number;
- (ii) date of registration;
- (iii) trade name of the applicant for registration;
- (iv) matters set forth in the following pertaining to the Sales Representative:
 - (a) address;
 - (b) name of the business office to which the Sales Representative is assigned;
 - (c) whether the Sales Representative is an officer or a non-officer employee;
 - (d) with regard to a person who has carried out the duties of a Sales Representative, the trade name of the Futures Commission Merchant to which said person has belonged, the name of the business office, and the duration of such duties;
 - (e) when the suspension of the duties of a Sales Representative is ordered pursuant to the provisions of Article 204, paragraph (1) of the Act, the date and duration of, and reasons for said disposition;
 - (f) when registration is rescinded pursuant to the provisions of Article 204, paragraph (1) of the Act or the registration is removed pursuant to the provisions of Article 205 of the Act, the date of and reasons for the disposition.

(Registration affairs concerning a Sales Representative by the Association)

Article 94 Pursuant to the provisions of Article 206, paragraph (1) of the Act, the Association shall carry out the affairs pertaining to registration set forth in the following items, respectively, and the affairs pertaining to Association Members assigned to said Association:

- (i) acceptance of an application for registration pursuant to the provisions of Article 200, paragraph (3) of the Act;
- (ii) registration pursuant to the provisions of Article 200, paragraph (5) of the Act;
- (iii) notification pursuant to the provisions of Article 200, paragraph (6) of the Act, Article 15, paragraph (5) and paragraph (7) of the Act as applied mutatis mutandis pursuant to Article 201, paragraph (2) of the Act, and Article 204,

- paragraph (2) of the Act;
- (iv) rejection of a registration pursuant to the provisions of Article 201, paragraph (1) of the Act;
- (v) hearing of opinions pursuant to the provisions of Article 15, paragraph (5) of the Act, as applied mutatis mutandis pursuant to Article 201, paragraph (2) of the Act;
- (vi) acceptance of notifications pursuant to the provisions of Article 203 of the Act;
- (vii) order for rescission of registration and suspension of duties pursuant to the provisions of Article 204, paragraph (1) of the Act;
- (viii) hearing of opinions of witnesses, submission of opinions of witnesses or reports, or opinions of expert witnesses pursuant to the provisions of Article 158, paragraph (2) of the Act, as applied mutatis mutandis pursuant to Article 204, paragraph (3) of the Act and hearings pursuant to the provisions of Article 159, paragraph (4) of the Act;
- (ix) rescission of registration pursuant to the provisions of Article 205 of the Act.

(Notification pertaining to registration of a Sales Representative)

Article 95 When intending to submit a notification pursuant to the provisions of Article 206, paragraph (4) of the Act, the Association shall submit to the competent minister the documents stating the matters set forth in the following items, respectively:

- (i) trade name of the Association Member to which a Sales Representative is assigned and the name of the business office;
- (ii) name, date of birth, and address of said Sales Representative;
- (iii) content of the processed registration affairs and the date of processing;
- (iv) in the case where the content of the registration affairs set forth in the preceding item is an order of suspension of duties or rescission of registration, the reasons for such suspension or rescission.

(Payment method of registration fees)

Article 96 When paying registration fees by cash pursuant to the provisions of the proviso of Article 10, paragraph (2) of the Order, the registration fees shall be paid by complying with the payment information obtained by filing such registration.

(Measures such as Segregation, etc. of property pertaining to brokerage)

Article 97 (1) The items specified by an ordinance of the competent ministry set forth in Article 210 of the Act shall be the cash and Securities equivalent to the total amount of the value set forth in the following items (including a

- warehouse receipt; hereinafter the same shall apply in this Article, paragraph (1) and paragraph (4) of the following Article, and Article 138, paragraph (3)):
- (i) accounts receivable from a customer (with regard to transactions, etc. on a Commodity Market, limited to items which can be offset against the cash and Securities deposited by said customer, the cash [excluding the cash equivalent to profit pertaining to a transaction on a Commodity Market in said customer's account for which the settlement of such transaction has not yet been completed] and Securities on said customer's account);
 - (ii) cash and Securities equivalent to the clearing margins deposited with a Commodity Exchange based on the provisions of Article 103, paragraph (1) of the Act (limited to those clearing margins which a Customer [which means a Customer prescribed in item (ii) of the same paragraph] or an Intermediation Customer [which means an Intermediation Customer prescribed in item (iv) of the same paragraph; the same shall apply in (a) and (b) of the following item] who holds a right to demand restitution), or the clearing margins deposited with a Commodity Clearing Organization based on the provisions of Article 179, paragraph (1) of the Act (limited to those of a Customer [which means a Customer prescribed in item (i), (b) of the same paragraph], an Intermediation Customer [which means an Intermediation Customer prescribed in (d) of the same item; the same shall apply in (c) and (d) of the following item], a Clearing Intermediation Customer [which means a Clearing Intermediation Customer prescribed in item (ii), (b) of the same paragraph], or a Customer of the Clearing Intermediary [which means a Customer of the Clearing Intermediary prescribed in (d) of the same item; the same shall apply in (c) and (e) of the following item] who holds a right to demand restitution);
 - (iii) in the case of a person who does not fall under any of the following, those items set forth in the respective items:
 - (a) an Intermediary (which means an Intermediary prescribed in paragraph (1), item (ii) of the same Article; the same shall apply in (b)) who brokers intermediation of a transaction on a Commodity Market from an Intermediation Customer who deposited customer margins based on the provisions of Article 103, paragraph (2) of the Act: cash and Securities equivalent to said customer margins;
 - (b) an Intermediary who received a deposit of intermediation margins from an Intermediation Customer based on the provisions of Article 103, paragraph (3) of the Act and deposited said customer margins with Members, etc. based on the provisions of paragraph (2) of the same Article: cash and Securities equivalent to said customer margins (limited to within the scope of the amount of said intermediation margins deposited with said Intermediary);

- (c) an Intermediary (which means an Intermediary prescribed in paragraph (1), item (i), (b) of the same Article; the same shall apply in (d)) who brokers intermediation of a consignment for transactions on a Commodity Market by an Intermediation Customer depositing customer margins based on the provisions of Article 179, paragraph (2) of the Act, or a Clearing Intermediary (which means a Clearing Intermediary prescribed in paragraph (1), item (ii), (b) of the same Article; the same shall apply in (e)) who brokers intermediation of a consignment for intermediation of Commodity Clearing Transactions from a Customer of the Clearing Intermediary who deposited customer margins based on the provisions of paragraph (2) of the same Article: cash and Securities equivalent to said customer margins;
- (d) an Intermediary who accepted a deposit of intermediation margins from an Intermediation Customer based on the provisions of Article 179, paragraph (3) of the Act and deposited said customer margins with Members, etc. based on the provisions of paragraph (2) of the same Article: cash and Securities equivalent to said customer margins (limited to within the scope of the amount of said intermediation margins deposited with said Intermediary);
- (e) a Clearing Intermediary who accepted a deposit of clearing intermediation margins from a Customer of the Clearing Intermediary based on the provisions of Article 179, paragraph (4) of the Act and deposited said customer margins with Members, etc. based on the provisions of paragraph (2) of the same Article: cash and Securities equivalent to said customer margins (limited to within the scope of the amount of said clearing intermediation margins deposited with said Clearing Intermediary);
- (iv) in the case where closing a contract prescribed in the provisions of Article 103, paragraph (7) of the Act (including cases where it is applied mutatis mutandis pursuant to Article 179, paragraph (7) of the Act) and obtaining a suspension of a deposit of clearing margins based on Article 103, paragraph (8) of the Act (including cases where it is applied mutatis mutandis pursuant to Article 179, paragraph (7) of the Act): cash and Securities equivalent to the clearing margins for which a suspension was obtained for said deposit;
- (v) a loss pertaining to transactions on a Commodity Market on a customer's account that have not yet completed settlement (with regard to transactions, etc. on a Commodity Market, limited to items which can be offset against the cash and Securities deposited by said customer and against the cash and Securities on said customer's account);
- (vi) cash and Securities deposited with a Commodity Exchange for the settlement of a receipt or delivery pertaining to transactions on a Commodity

Market on a customer's account.

- (2) In the case of the preceding paragraph, the value of the Securities shall be based on the then current market value.

Article 98 (1) Measures specified by an ordinance of the competent ministry set forth in Article 210 of the Act (hereinafter referred to as "Measures for Customer Assets Preservation") shall be as follows:

- (i) A contract of trust (hereinafter referred to as the "Trust Contract" in this item) shall be concluded with a trust company or a Financial Institution Engaged in Trust Business (limited to those fulfilling the requirements as listed in the following):
- (a) the Trust Contract shall establish a Futures Commission Merchant as the customer; a trust company or a Financial Institution Engaged in Trust Business as the broker; and the person who consigned the Transactions, etc. on a Commodity Market to said Futures Commission Merchant (hereinafter referred to as the "Transaction Customer" in this item) as the beneficiary of the principal;
- (b) a person who is appointed from among the officers and employees of said Futures Commodity Merchant (in the case where a Futures Commission Merchant concludes multiple Trust Contracts as Measures for Customer Assets Preservation, the same person is to be designated as the agent for a beneficiary of a trust pertaining to these Trust Contracts) and a Consumer Protection Fund (limited to a Consumer Protection Fund which said Futures Commission Merchant joined as a Member; hereinafter the same shall apply in this Article) shall be the agents for a beneficiary of a trust;
- (c) in the case where a Futures Commission Merchant becomes a Futures Commission Merchant Subject to a Notice (which means a Futures Commission Merchant Subject to a Notice prescribed in the provisions of Article 304 of the Act; the same shall apply hereinafter) notwithstanding the provisions of (b), only said Consumer Protection Fund is permitted to be assigned as the agent for a beneficiary of a trust, except for a case specially approved by the Consumer Protection Fund;
- (d) management of property shall be by cash in trust and is limited to the following methods; provided, however, that this shall not apply to the case of cash in trust under a contract for the replacement of losses of principal pursuant to the provisions of Article 6 of the Act regarding Additional Operation of Trust Business by a Financial Institution:
1. purchasing and holding national government bonds and other Securities designated by the competent minister;
 2. depositing with a bank or other financial institutions designated by the competent minister;

3. using other methods specified by the competent minister;
- (e) the appraised amount of the principal of the trust fund shall be the principal amount of said trust;
- (f) the rescission of a Trust Contract or the rescission of a portion of a Trust Contract shall not be carried out unless the Consumer Protection Fund in its capacity as the agent for a beneficiary of a trust gives its approval in advance, in the following cases:
1. when the appraised amount of the trust fund's principal exceeds the Necessary Amount for the Trust (which means the amount calculated by deducting the amount for other Measures for Customer Assets Preservation from the amount of the Property Subject to Preservation of said Futures Commission Merchant), in the case where there is an intention to cancel the whole or a portion of the Trust Contract within the scope of the amount equivalent to such excess portion;
 2. in the case where there is an intention to cancel the whole or a portion of the Trust Contract in order to change to another Measure for Customer Assets Preservation;
 3. in the case where there is an intention to cancel the whole or a portion of the Trust Contract in order to deposit funds as clearing margins for transactions on a Commodity Market on a Transaction Customer's account with a Commodity Exchange or a Commodity Clearing Organization;
 4. in the case where there is an intention to cancel the whole or a portion of the Trust Contract in order to pay for a transaction loss or a transaction settlement to a Commodity Exchange or a Commodity Clearing Organization pertaining to transactions on a Commodity Market on a Transaction Customer's account;
 5. in the case where there is an intention to cancel the whole or a portion of the Trust Contract in order to pay the money or Securities which were deposited by a Transaction Customer or are held in a Transaction Customer's account, to said Transaction Customer;
 6. in the case where there is an intention to cancel the whole or a portion of the Trust Contract in order to collect commission fees or otherwise execute the rights of the Futures Commission Merchant pertaining to brokerage against a Transaction Customer;
- (g) the Trust Contract shall not be changed unless the Consumer Protection Fund in its capacity as the agent for a beneficiary of a trust gives its approval in advance;
- (h) when a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice, or when a Consumer Protection Fund that is the agent for a beneficiary of a trust judges it is

necessary for the smooth repayment of said Futures Commission Merchant's debts pertaining to the return of the customer's assets to a Transaction Customer, the beneficiary rights to the principal pertaining to the Trust Contract shall be executed by said Consumer Protection Fund for all Transaction Customers in a lump sum. In this case, it shall not preclude the termination of said Trust Contract deeming that its purpose has been attained;

- (i) the requirements specified by the business regulations of the Consumer Protection Fund in addition to the items set forth in (a) through (h).
- (ii) A contract of deposit with a Consumer Protection Fund shall be concluded (limited to those fulfilling the requirements as set forth in the following):
 - (a) the value of the Securities in the property deposited with a Consumer Protection Fund (hereinafter referred to as the "Deposited Property" in this item) shall be based on the current market value;
 - (b) cases where the Deposited Property can be withdrawn shall be cases set forth in the following, and excludes the cases prescribed in (c):
 1. when the appraised amount of the Deposited Property exceeds the Necessary Amount for the Deposit (the amount calculated by deducting the amount for the other Measures for Customer Assets Preservation from the amount of the Property Subject to Preservation of said Futures Commission Merchant), the case where there is an intention to withdraw the Deposited Property within the scope of the amount equivalent to said excess portion;
 2. in the case where there is an intention to withdraw the Deposited Property in order to change to another Measure for Customer Assets Preservation;
 3. in the case where there is an intention to withdraw the Deposited Property in order to deposit it as clearing margins for transactions on a Commodity Market on a customer's account with a Commodity Exchange or a Commodity Clearing Organization;
 4. in the case where there is an intention to withdraw the Deposited Property in order to pay for a transaction loss or a transaction settlement to a Commodity Exchange or a Commodity Clearing Organization pertaining to transactions on a Commodity Market on a customer's account;
 5. in the case where there is an intention to withdraw the Deposited Property in order to pay the money or Securities which were deposited by a customer or which are on a customer's account, to said customer;
 6. in the case where there is an intention to withdraw the Deposited Property in order to collect commission fees or otherwise execute the rights of the Futures Commission Merchant pertaining to brokerage

- against a customer;
- (c) in the case where a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice, or where the Consumer Protection Fund judges that it is necessary for the smooth repayment of said Futures Commission Merchant's debts pertaining to the return of a customer's assets to a customer (hereinafter referred to as an "Debts to a Customer" in this Article and Article 139, paragraph (1), item (ii) through item (iv)), said Deposited Property can be allocated for repayment by said Futures Commission Merchant's Debts to a Customer which is carried out by said Consumer Protection Fund for and on behalf of said Futures Commission Merchant (hereinafter referred to as the "Subrogation Performance" in this paragraph);
 - (d) in the case of (c), said Futures Commission Merchant can withdraw only the residual of said Deposited Property after the Consumer Protection Fund allocates the Deposited Property for said Subrogation Performance;
 - (e) the requirements specified by the business regulations of the Consumer Protection Fund in addition to those set forth in (a) through (d).
- (iii) A contract to consign to a financial institution the payment to a Consumer Protection Fund of the whole or a portion of the necessary amount for the repayment of Debts to a Customer (hereinafter referred to as an "Indemnity Agreement" in this item and Article 139, paragraph (1), item (iii)) shall be concluded (limited to those cases which fulfill the requirements set forth in the following, which is called "Indemnity" in Article 139, paragraph (1), item (iii)):
- (a) the contract shall be a commission to the following financial institutions:
 - 1. a bank;
 - 2. a credit cooperative;
 - 3. a Shinkin Bank;
 - 4. the Norinchukin Bank or the Shoko Chukin Bank;
 - 5. an agricultural cooperative or a federation of agricultural cooperatives, either of which can accept deposits or savings in the course of trade;
 - 6. a trust company (limited to a person who is approved by the prime minister for carrying out business pertaining to guarantees against debts based on the provisions of Article 21, paragraph (2) of the Trust Business Act);
 - 7. an insurance company;
 - (b) an Indemnity Agreement shall not be rescinded or changed unless the Consumer Protection Fund approves in advance;
 - (c) the limit of the amount to be paid to the Consumer Protection Fund by a financial institution set forth in (a) based on the Indemnity Agreement shall be specified in advance (hereinafter referred to as "Payment

- Guarantee Limit Amount" in this item);
- (d) in the case where a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice and where the Consumer Protection Fund judges it is necessary for the smooth repayment of said Futures Commission Merchant's Debts to a Customer, said Consumer Protection Fund can instruct a financial institution set forth in (a), which has concluded an Indemnity Agreement, to pay to said Consumer Protection Fund the necessary amount for repayment of said Debts to a Customer within the limit of the Payment Guarantee Limit Amount;
 - (e) requirements specified by the business regulations of the Consumer Protection Fund in addition to items set forth in (a) through (d).
- (iv) A contract to consign to repay to the Consumer Protection Fund the whole or a portion of a Futures Commission Merchant's Debts to a Customer, for and on behalf of said Futures Commission Merchant (hereinafter referred to as a "Subrogation Consignment Agreement" in this item and Article 139, paragraph (1), item (iv)), shall be concluded (limited to items which fulfill the requirements set forth in the following, which is called a "Subrogation Consignment" in Article 139, paragraph (1), item (iv)) in addition to measures set forth in the preceding two items:
- (a) a Subrogation Consignment Agreement shall not be rescinded or changed unless the Consumer Protection Fund approves in advance;
 - (b) the limit of the amount to be repaid in Subrogation Performance for such Debts to a Customer by a Consumer Protection Fund for and on behalf of said Futures Commission Merchant shall be specified in advance (hereinafter referred to as the "Subrogation Performance Limit Amount" in this item);
 - (c) in cases where a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice or where a Consumer Protection Fund judges it is necessary for the smooth repayment of said Futures Commission Merchant's Debts to a Customer, said Consumer Protection Fund shall pay said Debts to a Customer for and on behalf of said Futures Commission Merchant within the limit of the Subrogation Performance Limit Amount;
 - (d) requirements specified by the business regulations of the Consumer Protection Fund in addition to items set forth in (a) through (c).
- (2) A Futures Commission Merchant shall submit a copy of the contract to the competent minister without delay when concluded or after changing the contract as set forth in the respective items of the preceding paragraph; provided, however, that in the case of changing a Trust Contract, a certificate of the deposit balance issued by the trust company concluding said contract or

a Financial Institution Engaged in Trust Business shall be attached.

- (3) When a Futures Commission Merchant intends to rescind a contract set forth in the respective items of paragraph (1), a notification of such fact shall be provided to the competent minister 30 days prior to such action.
- (4) With regard to transactions on a Commodity Market, a Futures Commission Merchant shall not deposit as collateral, loan, nor dispose of Securities deposited by a customer or Securities on a customer's account contrary to the purpose of the consignment; provided, however, that this shall not apply in cases of depositing with a Consumer Protection Fund, depositing as collateral, or entrusting assets to the following financial institutions, after obtaining the consent of the customer:
- (i) a bank;
 - (ii) a credit cooperative;
 - (iii) a Shinkin Bank;
 - (iv) the Norinchukin Bank or the Shoko Chukin Bank;
 - (v) an agricultural cooperative or a federation of agricultural cooperatives, either of which can accept deposits or savings in the course of trade;
 - (vi) a person set forth in Article 1-2, item (iv) of the Enforcement Order of the Money Lending Business Act (Cabinet Order No. 181 of 1983);
 - (vii) a trust company or a Financial Institution Engaged in Trust Business;
 - (viii) an insurance company.

(Calculating the amount corresponding to risks)

Article 99 The amount calculated pursuant to an ordinance of the competent ministry set forth in Article 211, paragraph (1) of the Act shall be the sum total of the amounts obtained pursuant to the provisions in the Appended Table 4.

(Notification of Net Assets Regulation Ratio)

- Article 100 (1) The cases specified by an ordinance of the competent ministry set forth in Article 211, paragraph (1) of the Act shall be the cases as set forth in the following:
- (i) in the case where the Net Assets Regulation Ratio is below 140 percent;
 - (ii) in the case where the Net Assets Regulation Ratio has recovered to 140 percent or more.
- (2) A Futures Commission Merchant shall submit to the competent minister a written notification for each month-end prepared using Form No. 15 and pertaining to the Net Assets Regulation Ratio by the 20th day of the month following the subject month based on the provisions of Article 211, paragraph (1) of the Act.
- (3) A Futures Commission Merchant who has fallen under paragraph (1), item (i) shall immediately notify the competent minister of such fact, prepare a written

notification according to Form No. 15 on every business day pertaining to the Net Assets Regulation Ratio, and submit the notification to the competent minister without delay based on the provisions of Article 211, paragraph (1) of the Act.

- (4) The written notification specified in the preceding paragraph shall attach the documents specified in the following items for the categories of cases set forth respectively in those items:
 - (i) in the case where the Net Assets Regulation Ratio is below 140 percent (excluding the case set forth in the following item): a plan pertaining to specific measures to be taken by the Futures Commission Merchant in order to improve the status of the Net Assets Regulation Ratio;
 - (ii) in the case where the Net Assets Regulation Ratio is below 120 percent: a plan pertaining to the specific measures to be taken by the Futures Commission Merchant in order to recover the required status of the Net Assets Regulation Ratio.
- (5) A Futures Commission Merchant, who has fallen under paragraph (1), item (ii) shall notify the competent minister of such fact without delay based on the provisions of Article 211, paragraph (1) of the Act.
- (6) A Futures Commission Merchant shall be aware of the status of the Merchant's own Net Assets Regulation Ratio appropriately on every business day.

(Acts similar to advertising)

Article 100-2 The acts specified by an ordinance of the competent ministry as set forth in the paragraphs of Article 213-2 of the Act shall be the provision of information with the same contents to a large number of persons by postal mail, Correspondence Delivery (which means the Correspondence Delivery prescribed in Article 2, paragraph (2) of the Act on Correspondence Delivery by Private Business Operators [Act No. 99 of 2002] made by a general correspondence delivery operator prescribed in paragraph (6) of the same Article or by a specified correspondence delivery operator prescribed in paragraph (9) of the same Article), the method of transmission using a facsimile, the method of transmission of Electronic Mail (which means electronic mail prescribed in Article 2, item (i) of the Act on Regulation of Transmission of Specified Electronic Mail [Act No. 26 of 2002]), the method of distribution of fliers or pamphlets or any other method (excluding the following):

- (i) the method of distributing a document prepared based on a law or regulation or based on a disposition given by a government agency under a law or regulation;
- (ii) the method of distributing any material on analysis or evaluation on a

- Commodity Market which is not used for soliciting the conclusion of a Brokerage Contract (which means the Brokerage Contract prescribed in Article 214, item (ii) of the Act; the same shall apply hereinafter);
- (iii) the method of providing a premium or any other object on which all of the following matters alone are indicated (limited to one on which the matters listed in (b) to (d) are clearly and accurately indicated) (in cases where any of such matters are not indicated on the premium or any other object, this shall include the method of providing another object on which such missing matters are indicated in combination with said premium or any other object):
 - (a) the name or common name of the Brokerage Contract;
 - (b) the trade name or common name of the Futures Commission Merchant that provides information with the same contents to a large number of persons by the method prescribed in this item;
 - (c) the fact that there is a risk of the customer incurring a loss with regard to the transaction based on said Brokerage Contract due to a fluctuation in the quotations on the Commodity Market and the risk that the amount of such loss could exceed the amount of the Clearing Margin, etc. (limited to one where the letters or numbers used for indicating this matter are of a size that is not substantially different from the largest letters or numbers used for indicating other matters);
 - (d) the fact that the contents of the document prescribed in Article 217, paragraph (1) of the Act should be read sufficiently;
 - (iv) the method of having information broadcast through the broadcasting equipment of a general broadcaster, a Cable Television Broadcaster (which means the Cable Television Broadcaster set forth in Article 2, paragraph (4) of the Cable Television Broadcasting Act [Act No. 114 of 1972]), a person engaged in the business of Cable Radio Broadcasting (which means Cable Radio Broadcasting as set forth in Article 2 of the Act on Regulation on the Operation of Cable Radio Broadcasting Business [Act No. 135 of 1951]) or a person engaged in the business of Broadcasting Using Telecommunications Services (which means Broadcasting Using Telecommunications Services as set forth in Article 2, paragraph (1) of the Act on Broadcasting Using Telecommunications Services [Act No. 85 of 2001]), the method of having customers inspect, via telecommunications lines, the contents of information that is recorded onto a file in a computer used by a Futures Commission Merchant or a person who has accepted consignment of business pertaining to advertising, etc. conducted by the Futures Commission Merchant, or the method of indicating information to the public either indoors or outdoors on a constant basis or continuously for a certain period where the information is posted or indicated on a signboard, a billboard, a poster, a placard or an advertising pillar, advertising board, building or any other structure, etc., or

a method similar thereto, in which case the following matters are clearly and accurately indicated and there is no indication that is significantly contradictory to facts or seriously misleading with regard to the profits forecast from conducting a Transaction on a Commodity Market, etc. and other matters specified in Article 100-6:

- (a) the trade name of the Futures Commission Merchant;
- (b) the fact that said Futures Commission Merchant is a Futures Commission Merchant;
- (c) the fact that there is a risk of the customer incurring a loss with regard to the transaction based on said Brokerage Contract due to fluctuation in the quotations on the Commodity Market and the risk that the amount of such loss could exceed the amount of the Clearing Margin, etc. (except when using the method of sound broadcasting, this shall be limited to one where the letters or numbers used for indicating this matter are in a size that is not substantially different from the largest letters or numbers used for indicating other matters);
- (d) the fact that the contents of the document prescribed in Article 217, paragraph (1) of the Act should be read sufficiently.

(Method of indication in conducting Advertising, etc. with regard to the contents of Commodity Transactions Brokerage Business)

Article 100-3 (1) When a Futures Commission Merchant conducts advertising or an act prescribed in the preceding Article (hereinafter referred to as "Advertising, etc." in this Article) with regard to the contents of its Commodity Transactions Brokerage Business, the Futures Commission Merchant shall clearly and accurately indicate the matters listed in the items of Article 213-2, paragraph (1) of the Act.

(2) When a Futures Commission Merchant conducts Advertising, etc. with regard to the contents of its Commodity Transactions Brokerage Business, the Futures Commission Merchant shall indicate the matter set forth in Article 10-2, item (iv) of the Order by using the letters or numbers in a size that is not substantially different from the largest letters or numbers used for indicating other matters.

(Matters concerning the consideration to be paid by a customer)

Article 100-4 The matters specified by an ordinance of the competent ministry as prescribed in Article 10-2, item (i) of the Order shall be the amounts or the upper limits of the considerations to be paid by a customer with regard to a Brokerage Contract, whether they are known as fees, remunerations, expenses or by any other name (excluding values pertaining to receipt or delivery, the amount of the consideration for the transactions prescribed in Article 2,

paragraph (8), item (iv) of the Act, and the amount of Clearing Margin, etc. [which means the Clearing Margin, etc. prescribed in Article 217, paragraph (1), item (i) of the Act; the same shall apply hereinafter]; referred to as "Fees, etc." in this Article and Article 100-6), by type of consideration, or the outline of their calculation method (including the percentage to the Amount of Transactions [which means the Amount of Transactions prescribed in Article 10-2, item (iii) of the Order] based on said Brokerage Contract), and the sum of such amounts, or the upper limit thereof or the outline of their calculation method; provided, however, that, in cases where it is not possible to indicate these, said matters shall be a statement to that effect and the reason therefor.

(Important matters that may have an impact on customers' judgment)

Article 100-5 The matters specified by an ordinance of the competent ministry as prescribed in Article 10-2, item (v) of the Order shall be, in cases where the Futures Commission Merchant has joined a Commodity Futures Association, a statement to that effect and the name of said Commodity Futures Association.

(Matters for which misleading advertising is prohibited)

Article 100-6 The matters specified by an ordinance of the competent ministry as prescribed in Article 213-2, paragraph (2) of the Act shall be the following matters:

- (i) matters concerning cancellation of the Brokerage Contract;
- (ii) matters concerning the bearing of all or part of losses or the guarantee of profits pertaining to the Brokerage Contract;
- (iii) Matters concerning the planned amount of damages (including penalties) pertaining to the Brokerage Contract;
- (iv) Matters concerning the Commodity Market pertaining to the Brokerage Contract;
- (v) Matters concerning the funds and credit of the Futures Commission Merchant;
- (vi) Matters concerning the past results of the Commodity Transactions Brokerage Business of the Futures Commission Merchant;
- (vii) Matters concerning the amount or calculation method of the Fees, etc. to be paid by the customer with regard to the Brokerage Contract, the method and time of such payment, and the recipient of such payment.

(Matters for which instructions shall be received from customers)

Article 101 With regard to Article 214, item (iii) of the Act, the matters specified by an ordinance of the competent ministry shall be as follows:

- (i) type of Listed Commodity or Listed Commodity Index;
- (ii) type of transaction and due date;

- (iii) volume;
- (iv) amount of consideration or Contract Price, etc. (including the distinction between a limit order and an order without a limit);
- (v) distinction between selling and buying and other equivalent matters;
- (vi) first time selling or buying, reselling or repurchasing, or other equivalent matters;
- (vii) date and time of the transaction or duration of the Brokerage Contract.

(Exempt acts)

Article 102 (1) With regard to Article 214, item (iii) of the Act, those acts specified by an ordinance of the competent ministry to be matters that are not lacking in protection for the customer or that are not likely to harm the fairness of transactions shall be as follows:

- (i) an act to accept the consignment of a Transaction on a Commodity Market, etc., as a Futures Commission Merchant may stipulate regarding the matters set forth in the preceding Article, item (iii) and item (iv), after obtaining the consent of a person who engages in Commodity Transactions Brokerage Business in a foreign state among any persons listed in (a) to (d) as follows, regarding matters set forth in item (i), item (ii), and item (v) to item (vii) of the same Article:
 - (a) in cases where said Futures Commission Merchant holds shares or contributions pertaining to 50 percent or more of the Voting Rights (which means Voting Rights prescribed in Article 7, paragraph (1), item (iii) of the Order; hereinafter the same shall apply [except for (b)] in this Article) for all shareholders, all company members, all organization members, all partners, or all investors of a foreign juridical person or any other organization, under its own name or that of another person, said juridical person or other organization (hereinafter referred to as a "Foreign Subsidiary" in this Article);
 - (b) in cases where a foreign juridical person or any other organization holds shares pertaining to 50 percent or more of the Voting Rights (which means voting rights prescribed in Article 86, paragraph (1) of the Act; hereinafter the same shall apply in this (b)) of all shareholders under its own name or that of another person, said juridical person or other organization (hereinafter referred to as the "Foreign Parent Company" in this Article);
 - (c) in cases where the Foreign Parent Company of said Futures Commission Merchant holds shares or contributions pertaining to 50 percent or more of the Voting Rights of all shareholders of another foreign juridical person or another organization under its own name or that of another person, said other juridical person or other organizations;
 - (d) in cases where juridical persons or other organizations prescribed in (c)

- hold shares or contributions pertaining to 50 percent or more of the Voting Rights of all shareholders of another foreign juridical person or another organization under their own names or that of another person, said other juridical persons or other organizations;
- (ii) an act to accept the consignment of a Transaction on a Commodity Market, etc., as a Future Commission Merchant may stipulate within the scope of the consent that has been extended considering time differences with regard to the matters set forth in the preceding Article, item (iv), after obtaining consent for the matters set forth in item (i) to item (iii) and item (v) to item (vii) of the same Article from a customer who is a Non-Resident (which means Non-Resident as prescribed in Article 6, paragraph (1), item (vi) of the Foreign Exchange and Foreign Trade Control Act (Act No. 228 of 1949); the same shall apply in Article 126);
 - (iii) an act to accept the consignment of a Transaction on a Commodity Market, etc. based on a contract, where said contract, which has been concluded in writing, provides that, in cases where a loss or profit of an amount specified in advance by the customer arises in a Transaction on a Commodity Market on said customer's own account, settlements pertaining to the entirety of said transaction shall be completed by reselling or repurchasing by computer processing or by any other method that has been specified in advance, with regard to any of the matters listed in items (i) to (v) and item (vii) of the preceding Article for which no instructions have been given by the customer.
- (2) In the preceding paragraph, item (i), said other juridical persons or other organizations when such Futures Commission Merchant and its Foreign Subsidiary or Foreign Subsidiary of such Futures Commission Merchant hold shares or contributions pertaining to 50 percent or more of the Voting Rights of all shareholders of another foreign juridical person or other organization under its own name or of another person, shall be deemed to be a Foreign Subsidiary of said Futures Commission Merchant, and said other juridical persons or other organizations of which the Foreign Parent Company of said Futures Commission Merchant hold shares or contributions pertaining to 50 percent or more of the Voting Rights of all shareholders of another foreign juridical person or other organizations under its own name or that of another person shall be deemed to be a Foreign Parent Company of said Futures Commission Merchant.
- (3) A Futures Commission Merchant who intends to engage in acts set forth in the respective items of paragraph (1) shall establish a sufficient internal administrative system in advance so that transactions, etc., carried out on a Commodity Market based on said actions are not lacking in protection for the customer and are not likely to harm the fairness of transactions.

(Prohibited acts)

Article 103 Acts specified by an ordinance of the competent ministry set forth in Article 214, item (ix) of the Act shall be those listed in the following items:

- (i) refusing or delaying unjustly the return of Customer Assets, observing customer's instructions, or executing the whole or part of the debts to customers;
- (ii) intentionally countering its own transactions with regard to transactions pertaining to the Commodity Transactions Brokerage Business and carrying out a transaction which may harm the interest of a customer;
- (iii) carrying out a transaction based on a customer's account without receiving an instruction from the customer (excluding a case prescribed in the brokerage contract rules);
- (iv) reporting false distinctions between new selling and buying, of reselling or repurchasing, or other equivalent matters to the Commodity Exchange with regard to transactions on the Commodity Market;
- (v) promising a customer or any person designated by a customer to provide special interest or providing special interest to a customer or any person designated by a customer (including having a third person promise provision of special interest or having a third person provide special interest) with regard to the consignment of transactions, etc., on the Commodity Market;
- (vi) soliciting the consignment of transactions, etc., on the Commodity Market from a customer without disclosing the transaction unit;
- (vii) recommending to a customer who manifested intent to complete settlement by reselling or repurchasing with regard to the consignment of transactions, etc., on the Commodity Market to continue said transaction;
- (viii) making a representation that would cause a misunderstanding of an important matter with regard to the consignment of transactions, etc., on the Commodity Market;
- (ix) with regard to transactions, etc. on the Commodity Market, accepting the consignment of transactions, etc., which is counter to the selling or buying of specific Listed Commodity Component Products, etc., and Equivalent Transactions, etc. (which means transactions that would reduce the losses arising from these transactions) and which has different volumes and expiry dates from those transactions from a customer who does not understand such transactions, etc.

(Cases where confirmation of Problematic Conduct is not required)

Article 103-2 (1) The cases specified by an ordinance of the competent ministry set forth in the proviso of Article 214-2, paragraph (3) of the Act shall be the following cases:

- (i) cases where a final and binding judgment of the court has been obtained;

- (ii) cases where a court settlement has been reached (excluding that specified in Article 275, paragraph (1) of the Code of Civil Procedure (Act No. 109 of 1996));
- (iii) cases where the settlement prescribed in Article 16 of the Civil Conciliation Act (Act No. 222 of 1951) has been reached or cases where the court has made a decision pursuant to the provisions of Article 17 of the same Act and no objection is made within the period prescribed in Article 18, paragraph (1) of the same Act;
- (iv) cases where a settlement has been reached as a result of mediation by a Commodity Exchange, resolution of a complaint or mediation or conciliation by a Commodity Futures Association, or mediation by an organization designated by the competent minister;
- (v) cases where a settlement has been reached as a result of mediation by the organization prescribed in the association rules provided for in Article 33, paragraph (1) of the Attorney Act (Act No. 205 of 1949) or in rules specified by the provisions of said association rules, or cases where an arbitral award has been given by said organization;
- (vi) cases where a settlement has been reached as a result of the mediation prescribed in Article 19, paragraph (1) or Article 25 of the Consumer Basic Act (Act No. 78 of 1968);
- (vii) cases where a settlement has been reached as a result of a Certified Dispute Resolution Procedure (which means the Certified Dispute Resolution Procedure prescribed in Article 2, item (iii) of the Act on Promotion of Use of Alternative Dispute Resolution [Act No. 151 of 2004]) carried out by a certified dispute resolution business operator (which means the certified dispute resolution business operator prescribed in Article 2, item (iv) of the same Act where the dispute pertaining to Commodity Transactions Brokerage Business falls within the scope of disputes prescribed in Article 6, item (i) of the same Act);
- (viii) cases where a settlement has been reached and all of the following requirements are satisfied:
 - (a) an attorney at law or a judicial scrivener (limited to the case of carrying out the affairs set forth in Article 3, paragraph (1), item (vii) of the Judicial Scriveners Act [Act No. 197 of 1950]) has represented the customer for the procedure of said settlement;
 - (b) the amount to be paid to the customer by the Futures Commission Merchant as a result of said settlement having been reached does not exceed ten million yen (or, the amount prescribed in Article 3, paragraph (1), item (vii) of the Judicial Scriveners Act in the case where the judicial scrivener set forth in (a) represents the customer);
 - (c) a document proving that the attorney at law or judicial scrivener set forth

in (a) investigated and confirmed that the payment set forth in (b) is made in order to compensate in whole or in part for a loss incurred from a Problematic Conduct (which means the Problematic Conduct prescribed in Article 214-2, paragraph (3) of the Act; hereinafter the same shall apply in this Article to Article 103-4) has been delivered to the Futures Commission Merchant;

- (ix) in cases where the representative, an agent, an employee, or other worker (hereinafter referred to as the "Representative, etc.") of the Futures Commission Merchant has inflicted a loss on the customer by any of the acts listed in the items of Article 112, the amount of property benefit for which an offer or promise is made or is provided to the customer with regard to a loss incurred by the customer in a single day's transactions does not exceed the amount equivalent to one hundred thousand yen;
 - (x) cases where the Representative, etc. of the Futures Commission Merchant has inflicted a loss on the customer by the act set forth in Article 112, item (iii) or item (iv) (limited to cases where it is clear from the books and documents prescribed in Article 222 of the Act or from a record of the contents of the customer' orders that the cause is a Problematic Conduct).
- (2) The benefits set forth in item (ix) of the preceding paragraph shall be calculated for each of the categories of acts listed in the items of Article 112. In this case, with regard to the amount of benefits pertaining to the category of acts set forth in item (iii) or item (iv) of the same Article, the amount of property benefits for which an offer or promise is made or is provided in the cases set forth in item (x) of the preceding paragraph shall be deducted.
- (3) In any of the cases listed in item (iv) (limited to a settlement reached as a result of the resolution of a complaint by a Commodity Futures Association or mediation by an organization designated by the competent minister) and items (v) to (x) of paragraph (1), if a Futures Commodity Merchant has made an offer or promise to provide property benefits or has provided property benefits to a customer without obtaining the confirmation set forth in the proviso of Article 214-2, paragraph (3) of the Act, the matters listed in the items of Article 103-4 shall be reported to the competent minister by the last day of the month following the month that contains the date on which such offer, promise or provision was made; provided, however, that if the person who is making said report is a member of a Commodity Futures Association, such report shall be made via the Commodity Futures Association.

(Procedure of application for confirmation of Problematic Conduct)

Article 103-3 A person who intends to obtain the confirmation set forth in Article 214-2, paragraph (5) of the Act shall submit a written application and a document under the provisions of the same paragraph to the competent

minister; provided, however, that if the person who intends to obtain said confirmation is a member of a Commodity Futures Association, such submission shall be made via the Commodity Futures Association.

(Matters to be stated in a written application for confirmation)

Article 103-4 The matters specified by an ordinance of the competent ministry as set forth in Article 214-2, paragraph (5) of the Act shall be the following matters:

- (i) the trade name of the Futures Commission Merchant;
- (ii) the name and location of the head office, branch office or business office where the Problematic Conduct occurred;
- (iii) the following matters concerning the fact for which confirmation is sought:
 - (a) the name of the Representative, etc. or the department that was involved in the act that is a Problematic Conduct;
 - (b) the name and domicile of the customer (or, in the case of a juridical person, the trade name or name, the location of the principal business office or office, and the name and domicile of the representative);
 - (c) the outline of the Problematic Conduct;
 - (d) the reason that the loss incurred by the customer pertaining to the compensation has been caused by the Problematic Conduct;
 - (e) the amount of property benefits for which an offer or promise will be made or that will be provided;
- (iv) other matters to be used as a reference.

(Attached documents to a written application for confirmation)

Article 103-5 (1) The document specified by an ordinance of the competent ministry as set forth in Article 214-2, paragraph (5) of the Act shall be a document proving that the customer has confirmed the contents of the matters listed in the items of the preceding Article and any other material to be used as a reference.

(2) The provisions of the preceding paragraph shall not apply in cases where the written application under the provisions of Article 214-2, paragraph (5) of the Act pertains to an offer made under paragraph (1), item (ii) of the same Article.

(Matters, etc., that shall be included in the document which is to be delivered prior to the conclusion of a Brokerage Contract)

Article 104 (1) The matters specified by an ordinance of the competent ministry set forth in Article 217, paragraph (1), item (iv) of the Act shall be as follows:

- (i) trade name and address of the Futures Commission Merchant and the name of its representative;
- (ii) with regard to a Futures Commission Merchant who intends to broker

- transactions, etc. (limited to those set forth in Article 2, paragraph (16), item (ii) and item (iv) of the Act; hereinafter the same shall apply in this item) on the Commodity Market, trade name and address of the Futures Commission Merchant who accepts the consignment of the brokered transactions, etc., on the Commodity Market, and the name of its representative;
- (iii) method that a customer uses to contact a Futures Commission Merchant;
- (iv) type of Listed Commodity or Listed Commodity Index, and type, expiry dates, volume, amount of consideration or Contract Price, etc., of transactions on the Commodity Market, and the matters to be instructed by the customer;
- (v) type, amount, time of collection and return of clearing margins, customer margins, intermediation margins, or clearing intermediation margins;
- (vi) the fact that there is a possible need to deposit an additional Clearing Margin, etc. due to a fluctuation in the quotations;
- (vii) amount of commission fees and time of collection;
- (viii) matters pertaining to acts listed in the respective items of Article 214 of the Act;
- (ix) matters concerning Article 214-2, paragraph (1) and paragraph (3) of the Act;
- (x) suitability doctrine prescribed in Article 215 of the Act;
- (xi) matters pertaining to the procedure of a transaction;
- (xii) matters to be observed by Association Members prescribed in the rules concerning Commodity Transactions Brokerage Business or other rules pertaining to undertaking of brokerage of or solicitation of the consignment of transactions, etc., on the Commodity Market, which were provided by the Association;
- (xiii) telephone number or other points of contact for dealing with customer complaints pertaining to Commodity Transactions Brokerage Business;
- (xiv) matters pertaining to the resolution of a dispute with a Futures Commission Merchant (hereinafter referred to as a "Dispute" in this paragraph) with regard to Commodity Transactions Brokerage Business;
- (xv) matters requiring notice in order to avoid generating a type of Dispute or other Disputes when a customer closes a Brokerage Contract;
- (xvi) matters pertaining to inquiry about the number of Disputes;
- (xvii) description of transactions, etc., on the Commodity Market;
- (xviii) the name of the Registered Sales Representative who is in charge of a customer and the address and point of contact of the Futures Commission Merchant of said Registered Sales Representative.
- (2) Letters or numbers used in documents under Article 217, paragraph (1) of the Act shall be 8 point or in a larger size of font as prescribed in Japanese Industrial Standard Z8305; provided, however, that with regard to the

following matters, such matters shall be stated in the frame of said documents using letters and numbers in 14 point or in a larger size of font as prescribed in Japanese Industrial Standard Z8305:

- (i) the fact that a Futures Commission Merchant shall be liable to deliver said documents and to explain to a customer the matters listed in the respective items of Article 217, paragraph (1) of the Act;
- (ii) the instruction to read the contents of said documents completely;
- (iii) the matters listed in Article 217, paragraph (1), item (i) to item (iii) of the Act;
- (iv) the matters listed in item (vi), item (viii), item (ix) and item (xiii) of the preceding paragraph.

(Method of using information communications technology)

Article 105 (1) The methods specified by an ordinance of the competent ministry set forth in Article 217, paragraph (2) of the Act (including cases where it is applied mutatis mutandis by replacing the terms pursuant to Article 349, paragraph (8) of the Act) shall mean the following methods (hereinafter referred to as an "Electromagnetic Means" in this Article):

- (i) those set forth in (a) to (d) among methods using an Electronic Data Processing System:
 - (a) methods to transmit matters should be stated in a document (hereinafter referred to as the "Contents" in this Article) via electronic telecommunication lines connecting the computers used by a Futures Commission Merchant, etc. (which means a person who maintains a file on a computer managed by the Futures Commission Merchant or contracts with the Futures Commission Merchant and provides the same for the use of customers or the Futures Commission Merchant; hereinafter the same shall apply in this Article) and the computers used by a Customer, etc. (which means a person who maintains a Customer File [which means a file provided only for the use of said customer; hereinafter the same shall apply in this Article] on a computer managed by a customer or contracts with a customer; hereinafter the same shall apply in this Article) and contains therein a Customer File on a computer used by Customers, etc. (in case of an offering, the fact of acceptance, or, of filing the fact of not accepting provisions, by the methods prescribed in Article 217, paragraph (2) of the Act, methods to record such fact in the file on a computer used by the Futures Commission Merchant, etc.);
 - (b) methods to provide the Contents which were recorded in a file on a computer used by a Futures Commission Merchant, etc., for the inspection of customers via electronic telecommunication lines and to record said Contents in a Customer File of said customer on a computer used by

- Customers, etc. (in case of an offering, the fact of acceptance, or, of filing the fact of not accepting provisions, by the methods prescribed in Article 217, paragraph (2) of the Act, methods to record such fact in the file on a computer used by the Futures Commission Merchant, etc.);
- (c) methods to provide the Contents that are recorded in a Customer File on a computer used by a Futures Commission Merchant, etc., for the inspection of customers via electronic telecommunication lines;
 - (d) methods to provide the Contents that are recorded in an Inspection File (which means a file on a computer used by a Futures Commission Merchant, etc., and a file in which said Contents are recorded for the inspection of multiple customers simultaneously; hereinafter the same shall apply in this Article) for the inspection of customers via electronic telecommunication lines;
 - (ii) methods to deliver records of the Contents in a file which is prepared for the purposes described herein so that a certain matter can be recorded securely onto a magnetic disk or by an equivalent method.
- (2) The methods set forth in the respective items of the preceding paragraph shall satisfy the following criteria:
- (i) methods that a customer can use to prepare a written document by outputting the records from an Inspection File or a Customer File;
 - (ii) with regard to methods set forth in the preceding paragraph, item (i), (a), (c), and (d) (excluding methods of recording the Contents in a Customer File on a computer used by a customer), the customer shall be notified that the Contents will be recorded or will have been recorded in a Customer File or an Inspection File; provided, however, that this shall not apply when it is confirmed that the customer has inspected said Contents;
 - (iii) with regard to methods set forth in the preceding paragraph, item (i), (d), the Customer File shall have recorded in it the necessary information for customers to use to inspect the Inspection File;
 - (iv) with regard to the methods set forth in the preceding paragraph, item (i), (c) or (d), the following matters shall neither be deleted nor altered for five years after the last date when the transactions set forth in said Contents were carried out (when a claim pertaining to said Contents is filed for the period: until the date on which said period expires, the date when said period expires or the date when said claim is resolved, whichever occurs later); provided, however, that said Contents can be deleted in cases where the Contents provided for inspection are delivered with a document, in cases where the Contents provided for inspection are delivered by a method set forth in the preceding paragraph, item (i), (a) or (b), or in the preceding paragraph, item (ii), with the Consent (which means consent by the methods prescribed in Article 11, paragraph (1) of the Order) of the customer, or in

cases where a customer is instructed to delete such Contents:

- (a) Contents, with regard to the method set forth in the preceding paragraph, item (i), (c), that are recorded in a Customer File;
 - (b) Contents, with regard to the method set forth in the preceding paragraph, item (i), (d), that are recorded in an Inspection File;
 - (v) in the case of the method set forth in the preceding paragraph, item (i), (d) for a Customer File, where the necessary information for customers to inspect the Inspection File is recorded pursuant to the provisions of item (iii), said Inspection File shall be maintained as connectable through an electronic telecommunication line until the period expires as prescribed in the preceding item; provided, however, that this shall not apply when the customer, after communicating the offer of inspection, instructs that it is not necessary to maintain the connection.
- (3) The term "Electronic Data Processing System" used in paragraph (1), item (i) shall mean an Electronic Data Processing System that connects a computer used by a Futures Commission Merchant, etc., and a computer that contains a Customer File used by Customers, etc., or a Futures Commission Merchant, etc., through an electronic telecommunication line.

Article 106 The type and content of the method to be shown pursuant to the provisions of Article 11, paragraph (1) of the Order (including cases where applied mutatis mutandis by replacing the terms pursuant to Article 12 of the Order) shall be the following matters:

- (i) among methods set forth in the respective items of the preceding Article, paragraph (1), those used by a Futures Commission Merchant;
- (ii) a method to record the information in a file.

(Customer with specialized knowledge and experience)

Article 107 The persons prescribed in the ordinance of the competent ministry set forth in Article 218, paragraph (1) of the Act shall be the following persons:

- (i) a Futures Commission Merchant;
- (ii) an Over-the-Counter Commodity Futures Transactions Dealer prescribed in Article 349, paragraph (2) of the Act;
- (iii) a qualified institutional investor under Article 2, paragraph (3), item (i) of the Financial Instruments and Exchange Act;
- (iv) a Financial Instruments Business Operator prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act (limited to one engaged in a Type II Financial Instruments Business prescribed in Article 28, paragraph (2) of the same Act), who is a commodities investment sales manager prescribed in Article 35 of the Act on Regulation of Business Pertaining to Commodity Investment (Act No. 66 of 1991);

- (v) a commodities investment advisor prescribed in Article 2, paragraph (4) of the Act on Regulation of Business Pertaining to Commodity Investment;
- (vi) a person equivalent to persons set forth in the preceding item (v) under the laws and regulations of a foreign state;
- (vii) a person set forth in Article 30, paragraph (1), item (i) of the Act and Article 82, paragraph (1), item (i), (a) and item (ii), (a) of the same paragraph of the Act (limited to cases where transactions that the person intends to carry out are pertaining to Listed Commodity Component Products, etc. of which Buying and Selling, etc. are carried out in the course of trade by the person [including items that are the main ingredient or material of the Listed Commodity Component Products, etc., or items for which the main ingredient or material is the Listed Commodity Component Products, etc., which are specified by articles of incorporation]).

(Method of explanation)

Article 108 (1) When a Futures Commission Merchant intends to provide explanations to a customer pursuant to the provisions of Article 218, paragraph (1) of the Act, the Futures Commission Merchant shall deliver the documents prescribed in Article 217, paragraph (1) of the Act to said customer prior to said explanation.

(2) In cases prescribed in the preceding paragraph, after a Futures Commission Merchant explains the matters set forth in Article 217, paragraph (1), item (i) to item (iii) of the Act in order for a customer to understand these matters, the Futures Commission Merchant shall explain the matters set forth in item (iv) of the same paragraph in order for said customer to understand these matters.

(Matters requiring notification at the time a transaction is closed)

Article 109 The matters specified by an ordinance of the competent ministry set forth in Article 220, paragraph (1) of the Act shall be as follows:

- (i) volume for each type of transaction closed;
- (ii) amount of the consideration or Contract Price, etc., for each type of transaction closed;
- (iii) date and time of receiving instructions from the customer for the transaction closed;
- (iv) date and time of closing;
- (v) total amount of the difference pertaining to the transaction on the Commodity Market;
- (vi) total amount of the commission fees for all transactions closed;
- (vii) amount deducted from the amount set forth in the preceding item from the amount set forth in item (v).

(Application mutatis mutandis of methods using information communications technology pertaining to notice of transaction closed)

Article 110 The provisions of Article 105 (excluding paragraph (1), item (i), (d), paragraph (2), item (iii), item (iv), (b), and item (v)) shall apply mutatis mutandis when the provisions of Article 217, paragraph (2) of the Act applies mutatis mutandis to Article 220, paragraph (2) of the Act. In this case, the phrase "the last date when transactions set forth in said Contents were carried out" in Article 105, paragraph (2), item (iv) shall be deemed to be replaced with "the date of recording."

(Delivery of document pertaining to receipt of Clearing Margin, etc.)

Article 110-2 (1) The document prescribed in an ordinance of the competent ministry as set forth in Article 220-2, paragraph (1) of the Act shall state the following matters:

- (i) the trade name of the Futures Commodity Merchant;
 - (ii) the method by which the customer contacts the Futures Commodity Merchant;
 - (iii) the name of the customer;
 - (iv) the date on which the Futures Commodity Merchant received the Clearing Margin, etc.;
 - (v) whether the Clearing Margin, etc. is in the form of money or Securities, etc. for Allocation (which means Securities and warehouse receipts allocated for clearing margins pursuant to the provisions of Article 103, paragraph (5) of the Act [including cases where it is applied mutatis mutandis by replacing the terms pursuant to Article 179, paragraph (6) of the Act]), and if the Clearing Margin, etc. is in the form of Securities, etc. for allocation, the type (description in the case of Securities), quantity and allocation price.
- (2) The document set forth in the preceding paragraph shall be prepared by using letters and numbers in eight point or in a larger size of font as prescribed in Japanese Industrial Standard Z8305.
- (3) The provisions of paragraph (1) shall not apply when the receipt of a Clearing Margin, etc. under the provisions of Article 220-2, paragraph (1) of the Act is a receipt via a financial institution where the consent of the customer has been obtained in writing.
- (4) The provisions of Article 41, paragraphs (3) to (7) shall apply mutatis mutandis to the consent in writing set forth in the preceding paragraph.

(Providing for liability reserve for commodity trading)

Article 111 (1) The amount of liability reserve for commodity trading to be provided pursuant to the provisions of Article 221, paragraph (1) of the Act shall be the following listed items, whichever amount is least:

- (i) the total of the amounts set forth in the following (a) to (h):
- (a) the amount obtained by multiplying the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (i) of the Act (excluding transactions based on a person's own account and the transactions set forth in (e)) in each business year by the Problematic Conduct Rate -- which means the proportion of the total sum of the payments made as a result of any Problematic Conduct [which means the Problematic Conduct prescribed in Article 112] in each business year starting within three years prior to the commencement of the relevant business year [excluding payments pertaining to transactions in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market (excluding Commodity Clearing Transactions; hereinafter the same shall apply in this Article) from a Person With Specialized Knowledge and Experience (which means a person specified in Article 107; hereinafter the same shall apply in this Article) or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System (which means an Electronic Data Processing System connecting a computer used by the Futures Commodity Merchant and a computer [including the input/output devices] used by the customer through a telecommunications line; hereinafter the same shall apply in this Article) without carrying out solicitation]; hereinafter the same shall apply in this Article) to the total sum of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), items (i) to (iii) of the Act and the amount of the consideration for the transactions prescribed in item (iv) of the same paragraph (excluding the transaction amounts and the amount of the consideration for transactions in cases of transactions based on a person's own account and in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation -- or the amount equivalent to 0.0001 percent of the transaction amounts, whichever amount is greater (in cases where the amount of liability reserve for commodity trading that has already been accrued [in cases where a specific amount of money is used under the provisions of Article 221, paragraph (2) of the Act, the amount after deducting said amount; the same shall apply in the following item] is less than ten million yen, the amount obtained by adding, to such larger amount, an amount obtained by multiplying -- an amount calculated by dividing the amount that has been obtained by deducting the amount of liability reserve for commodity

- trading and the amounts listed in (b) to (h) from ten million yen by double the Problematic Conduct Rate, or by 0.0002 percent, whichever rate is higher (or, if said calculated amount exceeds the transaction amount in the relevant business year, such amount shall be the transaction amount in the relevant business year; hereinafter the same shall apply in this item) -- by the Problematic Conduct Rate or an amount equivalent to 0.0001 percent of said calculated amount, whichever amount is greater);
- (b) the amount obtained by multiplying the transaction amount of the transactions prescribed in Article 2, paragraph (8), item (ii) of the Act (excluding transactions based on a person's own account and the transactions set forth in (f)) in each business year by the Problematic Conduct Rate, or the amount equivalent to 0.0001 percent of said transaction amount, whichever amount is greater;
 - (c) the amount obtained by multiplying the transaction amount of transactions prescribed in Article 2, paragraph (8), item (iii) of the Act (excluding transactions based on a person's own account and the transactions set forth in (g)) in each business year by the Problematic Conduct Rate, or the amount equivalent to 0.0001 percent of said transaction amount, whichever amount is greater;
 - (d) the amount obtained by multiplying the total sum of the consideration for transactions prescribed in Article 2, paragraph (8), item (iv) of the Act (excluding transactions based on a person's own account and the transactions set forth in (h)) in each business year by the Problematic Conduct Rate, or the amount equivalent to 0.001 percent of said total sum of the consideration, whichever amount is greater;
 - (e) the amount equivalent to 0.0001 percent of the total sum of the transaction amount of the transactions prescribed in Article 2, paragraph (8), item (i) of the Act in each business year in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation;
 - (f) the amount equivalent to 0.0001 percent of the total sum of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (ii) of the Act in each business year in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation;

- (g) the amount equivalent to 0.0001 percent of the total sum of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (iii) of the Act in each business year in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation;
- (h) the amount equivalent to 0.001 percent of the total sum of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (iv) of the Act in each business year in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation.
- (ii) the amount deducted is the amount set forth below in (e) from the total of the amounts listed in the following (a) to (h), or ten million yen, whichever amount is greater:
 - (a) the amount equivalent to 0.00625 percent of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (i) of the Act (excluding transactions based on a person's own account and the transactions set forth in (e)) in the business year in which such transaction amounts were the greatest from among each business year and each business year starting within two years prior to the commencement of the relevant business year (if any of these business years is less than one full year, an amount calculated by dividing said transaction amount in said business year by the number of months in said business year and multiplying the result by twelve; the same shall apply hereinafter);
 - (b) the amount equivalent to 0.00625 percent of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (ii) of the Act (excluding transactions based on a person's own account and the transactions set forth in (f)) in the business year in which such transaction amounts were the greatest from among each business year and each business year starting within two years prior to the commencement of the relevant business year;
 - (c) the amount equivalent to 0.00625 percent of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (iii) of the Act (excluding transactions based on a person's own account and the transactions set forth in (g)) in the business year in which such transaction amounts were the greatest from among each business year and each

- business year starting within two years prior to the commencement of the relevant business year;
- (d) the amount equivalent to 0.0625 percent of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (iv) of the Act (excluding transactions based on a person's own account and the transactions set forth in (h)) in the business year in which such transaction amounts were the greatest from among each business year and each business year starting within two years prior to the commencement of the relevant business year;
 - (e) the amount equivalent to 0.0002 percent of the total sum of transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (i) of the Act, in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation, in the business year in which such total sum was the greatest from among each business year and each business year starting within two years prior to the commencement of the relevant business year;
 - (f) the amount equivalent to 0.0002 percent of the total sum of transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (ii) of the Act, in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation, in the business year in which such total sum was the greatest from among each business year and each business year starting within two years prior to the commencement of the relevant business year;
 - (g) the amount equivalent to 0.0002 percent of the total sum of transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (iii) of the Act, in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation, in the business year in which such total sum was the greatest from among each business year and each business year starting within two years prior to the commencement of the relevant business year;
 - (h) the amount equivalent to 0.002 percent of the total sum of transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (iv)

of the Act, in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation, in the business year in which such total sum was the greatest from among each business year and each business year starting within two years prior to the commencement of the relevant business year;

(i) the amount of liability reserve for commodity trading that has already been accrued.

(2) In the cases set forth in the preceding paragraph, with regard to the amount of liability reserve for commodity trading to be accrued within three business years from the business year in which the license set forth in Article 190 of the Act (excluding a renewed license) was obtained, the phrase "the amount obtained by multiplying the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (i) of the Act (excluding transactions based on a person's own account and the transactions set forth in (e)) in each business year by the Problematic Conduct Rate -- which means the proportion of the total sum of the payments made as a result of any Problematic Conduct [which means the Problematic Conduct prescribed in Article 112] in each business year starting within three years prior to the commencement of the relevant business year [excluding payments pertaining to transactions in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market (excluding Commodity Clearing Transactions; hereinafter the same shall apply in this Article) from a Person with Specialized Knowledge and Experience (which means a person specified in Article 107; hereinafter the same shall apply in this Article) or receives a consignment of transactions, etc. on the Commodity Market by using an Electronic Data Processing System (which means an Electronic Data Processing System connecting a computer used by the Futures Commodity Merchant and a computer [including the input/output devices] used by the customer through a telecommunications line; hereinafter the same shall apply in this Article) without carrying out solicitation]; hereinafter the same shall apply in this Article) to the total sum of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), items (i) to (iii) of the Act and the amount of the consideration for the transactions prescribed in item (iv) of the same paragraph (excluding the transaction amounts and the amount of the consideration for transactions in cases of transactions based on a person's own account and in cases where a Futures Commission Merchant receives a consignment of transactions, etc. on the Commodity Market from a Person With Specialized Knowledge and Experience or receives a consignment of

transactions, etc. on the Commodity Market by using an Electronic Data Processing System without carrying out solicitation -- or the amount equivalent to 0.0001 percent of the transaction amounts, whichever amount is greater" in item (i) of the preceding paragraph shall be deemed to be replaced with "the amount equivalent to 0.003 percent of the transaction amounts of the transactions prescribed in Article 2, paragraph (8), item (i) of the Act (excluding transactions based on a person's own account and the transactions set forth in (e)) in each business year," the phrase "such larger amount" in the same item shall be deemed to be replaced with "such equivalent amount," the phrase "double the Problematic Conduct Rate, or by 0.0002 percent, whichever rate is higher" in the same item shall be deemed to be replaced with "0.006 percent," the phrase "an amount obtained by multiplying -- an amount calculated by dividing the amount that has been obtained by deducting the amount of liability reserve for commodity trading and the amounts listed in (b) to (h) from ten million yen by double the Problematic Conduct Rate, or by 0.0002 percent, whichever rate is higher (or, if said calculated amount exceeds the transaction amount in the relevant business year, such amount shall be the transaction amount in the relevant business year; hereinafter the same shall apply in this item) -- by the Problematic Conduct Rate or an amount equivalent to 0.0001 percent of said calculated amount, whichever amount is greater" in the same item shall be deemed to be replaced with "an amount equivalent to 0.003 percent of the amount calculated by dividing the amount that has been obtained by deducting the amount of liability reserve for commodity trading and the amounts listed in (b) to (h) from ten million yen by double the Problematic Conduct Rate, or by 0.0002 percent, whichever rate is higher (or, if said calculated amount exceeds the transaction amount in the relevant business year, such amount shall be the transaction amount in the relevant business year; hereinafter the same shall apply in this item)," the phrase "the amount obtained by multiplying the transaction amount of transactions prescribed in Article 2, paragraph (8), item (iii) of the Act (excluding transactions based on a person's own account and the transactions set forth in (g)) in each business year by the Problematic Conduct Rate, or the amount equivalent to 0.0001 percent of said transaction amount, whichever amount is greater" in the same item shall be deemed to be replaced with "the amount equivalent to 0.003 percent of the transaction amount of transactions prescribed in Article 2, paragraph (8), item (iii) of the Act (excluding transactions based on a person's own account and the transactions set forth in (g)) in each business year," and the phrase "the amount obtained by multiplying the total sum of the consideration for transactions prescribed in Article 2, paragraph (8), item (iv) of the Act (excluding transactions based on a person's own account and the transactions set forth in (h)) in each business

year by the Problematic Conduct Rate, or the amount equivalent to 0.001 percent of said total sum of the consideration, whichever amount is greater" in the same item shall be deemed to be replaced with "the amount equivalent to 0.03 percent of the total sum of the consideration for transactions prescribed in Article 2, paragraph (8), item (iv) of the Act (excluding transactions based on a person's own account and the transactions set forth in (h)) in each business year."

(Problematic Conduct in commodity trading)

Article 112 A Problematic Conduct specified by an ordinance of the competent ministry set forth in Article 221, paragraph (2) of the Act shall be that whereby a Representative, etc. of a Futures Commission Merchant causes a customer a loss by committing any of the following acts with regard to the business of said Futures Commission Merchant concerning the undertaking of brokerage of Transactions on a Commodity Market, etc.:

- (i) undertaking brokerage of Transactions on a Commodity Market, etc., without confirming the contents of the customer's order;
- (ii) soliciting to mislead a customer regarding the transaction conditions and fluctuation of quotations;
- (iii) mishandling business in the execution of a customer's order;
- (iv) mistakenly executing a customer's order due to the malfunctioning of an electronic data processing system;
- (v) committing an act in violation of laws or regulations.

(Keeping the books)

Article 113 (1) A Futures Commission Merchant shall prepare the books as prescribed in Appended Table 5 for Transactions on the Commodity Market at one of its business offices that carries out Commodity Transactions Brokerage Business pursuant to the provisions of Article 222 of the Act.

(2) A Futures Commission Merchant shall prepare the necessary record prescribed in Appended Table 5 corresponding to an order form and its content of Commodity Transactions Brokerage Business at the business offices of Commodity Transactions Brokerage Business; provided, however, that this shall not apply to business offices which prepare the books pursuant to the provisions of the preceding paragraph.

(3) The books prescribed in Appended Table 5 shall be retained for ten years.

(Preservation through an Electromagnetic Means)

Article 114 When the content of the books prescribed in Appended Table 5 is recorded through an Electromagnetic Means and is retained to display said record for immediate inspection by a computer or other appliance as necessary,

the preservation of said record may substitute for the retention of the books as prescribed in the preceding Article, paragraph (3). In this case, a Futures Commission Merchant shall take the necessary measures for preventing the loss of or damage to said record.

(Separate accounting in books)

Article 115 With regard to the books prescribed in Appended Table 5 (excluding futures transaction accounting records; hereinafter the same shall apply in this Article), a Futures Commission Merchant shall carry out accounting for transactions based on its own account and that for transactions based on its customer's accounts, and transactions pertaining to brokerage of Transactions on a Commodity Market, etc. (limited to those set forth in Article 2, paragraph (16), item (i) of the Act [excluding Commodity Clearing Transactions] or in item (iii)) and that pertaining to brokerage of Transactions on a Commodity Market, etc. (limited to those set forth in item (ii) or item (iv) of the same paragraph) separately in its books, pursuant to the provisions of Article 223 of the Act.

(Creation, etc., of business reports)

Article 116 (1) The business report that a Futures Commission Merchant submits pursuant to the provisions of Article 224, paragraph (1) of the Act shall be prepared according to Form No. 15-2.
(2) Financial Statements, etc., and detailed statements thereof shall be attached to the business report specified in the preceding paragraph.

(Submission of a written report on the business or on the status of property)

Article 117 (1) A Futures Commission Merchant shall submit the documents listed in the following items to the competent minister within the period prescribed in the respective said items pursuant to the provisions of Article 224, paragraph (2) of the Act:

- (i) records regarding the amount of the net assets prepared according to Form No. 1, for an inclusive six month period, and statements of changes in net assets prepared pursuant to the provisions of Article 91 of the Ordinance on Company Accounting: within three months from the date the record is prepared;
- (ii) records regarding the segregation of property pertaining to brokerage, etc., under the provisions of Article 210 of the Act, prepared monthly according to Form No. 16: by the 20th day of the month following the month subject to the report;
- (iii) reports regarding the occurrence status and handling status of Problematic Conducts, etc., prepared monthly according to Form No. 10: by the 20th day

- of the month following the month subject to the report;
- (iv) a schedule of detailed account balances stating the financial status pertaining to Commodity Transactions Brokerage Business prepared monthly according to Form No. 17 and a periodic business report stating the status of Commodity Transactions Brokerage Business prepared according to Form No. 18: by the 20th day of the month following the month subject to the report.
- (2) In preparing the records prescribed in the preceding paragraph, item (i) and item (ii), and the monthly schedule of detailed account balances prescribed in the same paragraph, item (iv), a Futures Commission Merchant shall comply with accounting procedures specified by the competent minister and generally accepted corporate accounting standards.
- (3) In preparing the statements of changes in net assets prescribed in paragraph (1), item (i), a Futures Commission Merchant shall make statements for the respective categories of the account balances as of the end of the previous business year, the amount of change during the period for the preparation of the records, and the balance as of the end of the period for the preparation of the records.

(Application for merger approval)

Article 118 (1) In addition to the requirements listed in the respective items of Article 192, paragraph (1) of the Act, a Futures Commission Merchant shall submit to the competent minister a written application stating the following matters when intending to obtain approval for a merger as prescribed in Article 225, paragraph (1) of the Act:

- (i) scheduled date of merger;
 - (ii) method of merger.
- (2) The document specified by an ordinance of the competent ministry set forth in Article 225, paragraph (3) of the Act shall be as follows (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the date of filing the application):
- (i) a document stating the reasons for the merger;
 - (ii) a document stating the procedures for the merger;
 - (iii) the articles of incorporation of the companies involved in the merger (in the case of foreign juridical persons, a document equivalent to the articles of incorporation);
 - (iv) a certificate of the registered matters of the parties to the merger;
 - (v) minutes of a general meeting of shareholders of the parties to the merger or another document certifying that the necessary procedures for approval have been followed;
 - (vi) Financial Statements, etc., of the parties to the merger (excluding a Futures Commission Merchant) for each business year of the most recent

- three years (in cases where said parties are mochibun kaisha, the Financial Statements, etc., prescribed in Article 2, paragraph (3), item (xii) of the Ordinance for Enforcement of the Companies Act [limited to items pertaining to (b)]; the same shall apply to Article 126, item (vi)] and detailed statements thereof;
- (vii) deleted
 - (viii) a sworn, written statement that the parties to the merger (excluding a Futures Commission Merchant) do not fall under the provisions of Article 15, paragraph (2), item (i), (c) to (e), or (i) of the Act;
 - (ix) a document specified as follows corresponding to each case:
 - (a) in cases where an officer of a Stock Company Resulting from a Merger is a foreign national: a Copy of the Residence Certificate, etc. of said officer and a curriculum vitae prepared according to Form No. 4, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in cases where an officer of a Stock Company Resulting from a Merger is a juridical person: a certificate of the registered matters of said officer, a document stating the corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
 - (c) in cases where an officer of a Stock Company Resulting from a Merger is neither a foreign national nor a juridical person: a curriculum vitae prepared according to Form No. 4, including a Copy of the Residence Certificate, etc. of said officer; a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b); and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
 - (x) a record pertaining to the amount of the net assets of the parties to a merger prepared according to Form No. 1 within 30 days prior to the date the application is submitted for approval;
 - (xi) a document stating each Major Shareholder of a Stock Company Resulting from a Merger listing the name, trade name, address, proportion of Voting Rights (which means a Voting Right as prescribed in Article 86, paragraph (1) of the Act; the same shall apply hereinafter in this Article through Article 121) held to the total number of Voting Rights, and its relationship with the applicant (limited to cases where Major Shareholders are officers or employees of an applicant or the Parent Company, Subsidiary, Affiliated Company, or its officers or employees);
 - (xii) a document stating the management system of organizations, etc., of a

- Stock Company Resulting from a Merger and the records pertaining to Registered Sales Representatives, etc., prepared according to Form No. 5;
- (xiii) a document stating, with regard to the parties to the merger, the number of employees who have been sentenced to imprisonment or severe punishment with regard to Commodity Transactions Brokerage Business, etc. (including an equivalent punishment under the laws and regulations of a foreign state with regard to the business equivalent of Commodity Transactions Brokerage Business, etc. in the foreign state), to fines pursuant to this Act or equivalent laws and regulations of a foreign state (including an equivalent punishment under the laws and regulations of a foreign state), or who have received a final disposition based on the provisions of the Act within the last five years, and include each said employee's name, date of birth, and address, the name of the business office or department to which said employee is assigned, the official title, whether or not said employee has been registered as a Sales Representative, the date when and the reasons why punished by said fines or in receipt of said disposition, and all other such details;
- (xiv) the curriculum vitae pertaining to Commodity Transactions Brokerage Business, etc., of employees (limited to persons or equivalent persons who supervise the business at the head office, a branch office, or a business office with regard to a Commodity Transactions Brokerage Business) of a Stock Company Resulting from a Merger;
- (xv) records prepared by a Stock Company Resulting from a Merger according to Form No. 6 pertaining to the description of the Subsidiary Business prescribed in Article 196, paragraph (1), of the Act;
- (xvi) records prepared by a Stock Company Resulting from a Merger according to Form No. 7 pertaining to the description of a controlling interest in another juridical person prescribed in Article 196, paragraph (2) of the Act;
- (xvii) records prepared by a Stock Company Resulting from a Merger according to Form No. 8 pertaining to the description of the Specified Business prescribed in Article 87 of the Act;
- (xviii) a document stating the estimated income and expenditure of Commodity Transactions Brokerage Business, and the Commodity Transactions Brokerage Business plan for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and the basis for assumptions used in those documents;
- (xix) a document stating the estimated amount of the net assets and the Net Assets Regulation Ratio for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two

business years following said business year, and a document stating the preparation procedures and the basis for assumptions used in those documents;

- (xx) in cases where a Stock Company Resulting from a Merger uses an electronic data processing system for Commodity Transactions Brokerage Business, a document stating the description, installation location, capacity, and maintenance system of said electronic data processing system, and the process for responding in the event of the failure of said electronic data processing system;
- (xxi) regulations for the fair and appropriate performance of the Commodity Transactions Brokerage Business of a Stock Company Resulting from a Merger (including regulations in order to define a system for the responsibilities of said Futures Commission Merchant pertaining to said Business);
- (xxii) a document prepared according to Form No. 9 for a Stock Company Resulting from a Merger giving the description of the organization which performs the operations pertaining to internal controls and stating the management system for compliance with laws and regulations;
- (xxiii) in cases where a party to a merger (excluding a Futures Commission Merchant) has Subordinated Borrowings, a copy of all contracts;
- (xxiv) in cases where a party to a merger (excluding a Futures Commission Merchant) has issued a Subordinated Bonds, any prospectus or equivalent copy.

(Application for approval of a Consolidation-Type Split)

Article 119 (1) When seeking to obtain approval of a Consolidation-Type Split prescribed in the provisions of Article 226, paragraph (1) of the Act, a Futures Commission Merchant shall submit an application to the competent minister stating the following matters in addition to the matters set forth in the respective items of Article 192, paragraph (1) of the Act:

- (i) scheduled date of the Consolidation-Type Split;
 - (ii) method of the Consolidation-Type Split.
- (2) The documents specified by an ordinance of the competent ministry set forth in Article 226, paragraph (3) of the Act shall be as follows (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the date of the application for approval):
- (i) a document stating the reasons for the Consolidation-Type Split;
 - (ii) a document stating the procedures for the Consolidation-Type Split;
 - (iii) articles of incorporation of the Formed Company (in cases of a foreign juridical person, a document equivalent to the articles of incorporation);
 - (iv) a certificate of the registered matters of the parties to the Consolidation-

Type Split;

- (v) minutes of a general meeting of shareholders of the parties to the Consolidation-Type Split or another document certifying that the necessary procedures for approval have been followed;
- (vi) a document specified as follows corresponding to each case:
 - (a) in cases where an officer of the Formed Company is a foreign national: a curriculum vitae prepared according to Form No. 4, including a Copy of the Residence Certificate, etc. of said officer and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in cases where an officer of the Formed Company is a juridical person: a certificate of the registered matters of said officer, a document stating the corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
 - (c) in cases where an officer of the Formed Company is neither a foreign national nor a juridical person: a curriculum vitae prepared according to Form No. 4, including a Copy of the Residence Certificate, etc. of said officer, a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act, and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
- (vii) a document stating the Major Shareholders of the Formed Company listing the name, trade name, address, proportion of the Voting Rights held to the total number of Voting Rights, and relationship with the applicant (limited to cases where Major Shareholders are officers or employees of the applicant, the Parent Company, Subsidiary, Affiliated Company, or its officers or employees);
- (viii) a document stating the management system of organizations, etc., of the Formed Company and records pertaining to Registered Sales Representatives, etc. prepared according to Form No. 5;
- (ix) a document stating, with regard to the parties to a Consolidation-Type Split, the number of employees who have been sentenced to imprisonment or severe punishment with regard to Commodity Transactions Brokerage Business, etc. (including an equivalent punishment under the laws and regulations of a foreign state with regard to the business equivalent of Commodity Transactions Brokerage Business, etc. in such foreign state), to fines pursuant to this Act or equivalent laws and regulations of a foreign state (including an equivalent punishment under the laws and regulations of a foreign state), or who have received a final disposition based on the provisions of the Act within the last five years, and include each said

- employee's name, date of birth, and address, the name of the business office or department to which said employee is assigned, the official title, whether or not said employee has been registered as a Sales Representative, the date when and the reasons why punished by said fines or in receipt of said disposition, and all other such details;
- (x) a curriculum vitae pertaining to Commodity Transactions Brokerage Business, etc., of employees (limited to persons or equivalent persons who supervise the business at the head office, a branch office, or a business office with regard to a Commodity Transactions Brokerage Business) of the Established Company;
 - (xi) records prepared by the Formed Company according to Form No. 6 pertaining to the description of the Subsidiary Business prescribed in Article 196, paragraph (1), of the Act;
 - (xii) records prepared by the Formed Company according to Form No. 7 pertaining to the description of a controlling interest in another juridical person prescribed in Article 196, paragraph (2) of the Act;
 - (xiii) records prepared by the Formed Company according to Form No. 8 pertaining to the description of the Specified Business prescribed in Article 87 of the Act;
 - (xiv) a document stating the estimated income and expenditure of Commodity Transactions Brokerage Business, and the Commodity Transactions Brokerage Business plan for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and basis for assumptions used in those documents;
 - (xv) a document stating the estimated amount of the net assets and the Net Assets Regulation Ratio for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and basis for assumptions used in those documents;
 - (xvi) in cases where the Formed Company uses an electronic data processing system for Commodity Transactions Brokerage Business, a document giving the description, installation location, capacity, and maintenance system of said electronic data processing system, and the process for responding in the event of the failure of said electronic data processing system;
 - (xvii) regulations for the fair and appropriate performance of Commodity Transactions Brokerage Business of the Formed Company (including the regulations in order to define a system for the responsibilities of said Formed Company pertaining to said Business);
 - (xviii) a document prepared according to Form No. 9 by the Formed Company giving the description of the organization which performs operations

pertaining to internal controls and stating the management system for compliance with laws and regulations.

(Application for approval of an Absorption-Type Split)

Article 120 (1) When seeking to obtain approval for an Absorption-Type Split prescribed in the provisions of Article 227, paragraph (1) of the Act, a Futures Commission Merchant shall submit an application to the competent minister stating the following matters in addition to the matters set forth in the respective items of Article 192, paragraph (1) of the Act:

- (i) scheduled date of the Absorption-Type Split;
- (ii) method of the Absorption-Type Split.

(2) The documents specified by an ordinance of the competent ministry set forth in Article 227, paragraph (3) of the Act shall be as follows (in cases of certificates issued by a public agency, limited to documents prepared within three months prior to the date of application for approval):

- (i) a document stating the reasons for the Absorption-Type Split;
- (ii) a document stating the procedures for the Absorption-Type Split;
- (iii) articles of incorporation of the Succeeding Company (in cases of a foreign juridical person, a document equivalent to the articles of incorporation);
- (iv) a certificate of the registered matters of the parties to the Absorption-Type Split;
- (v) minutes of a general meeting of shareholders of the parties to the Absorption-Type Split or another document certifying that the necessary procedures for approval have been followed;
- (vi) Financial Statements, etc., of the parties to the Absorption-Type Split (excluding a Futures Commission Merchant) for each business year for the most recent three years and detailed statements thereof;
- (vii) deleted
- (viii) a sworn, written statement that the parties to the Absorption-Type Split (excluding a Futures Commission Merchant) do not fall under any of the provisions of Article 15, paragraph (2), item (i), (c) through (e), or (i) of the Act;
- (ix) a document specified as follows corresponding to each case:
 - (a) in cases where an officer of the Succeeding Company is a foreign national: a curriculum vitae prepared according to Form No. 4, including a Copy of the Residence Certificate, etc. of said officer and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in cases where an officer of the Succeeding Company is a juridical person: a certificate of the registered matters of said officer, a document stating the corporate development, and a sworn, written statement by that person

- that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
- (c) in cases where an officer of the Succeeding Company is neither a foreign national nor a juridical person: a curriculum vitae prepared according to Form No. 4, including a Copy of the Residence Certificate, etc. of said officer, a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act, and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
 - (x) a record pertaining to the amount of the net assets of the parties to the Absorption-Type Split prepared according to Form No. 1 within 30 days prior to the date the application is submitted for approval;
 - (xi) a document stating the name, trade name, address, proportion of the Voting Rights held to total number of Voting Rights, and relationship with the applicant of the Major Shareholders of the Succeeding Company (limited to cases where Major Shareholders are officers or employees of the applicant, the Parent Company, Subsidiary, Affiliated Company, or its officers or employees);
 - (xii) a document stating the management system of organizations, etc., of the Succeeding Company and records pertaining to Registered Sales Representatives, etc., prepared according to Form No. 5;
 - (xiii) a document stating, with regard to the parties to an Absorption-Type Split, the number of employees who have been sentenced to imprisonment or severe punishment with regard to Commodity Transactions Brokerage Business, etc. (including an equivalent punishment under the laws and regulations of a foreign state with regard to the business equivalent of Commodity Transactions Brokerage Business, etc. in the foreign state), to fines pursuant to this Act or equivalent laws and regulations of a foreign state (including an equivalent punishment under the laws and regulations of a foreign state), or who have received a final disposition based on the provisions of the Act within the last five years, and include each said employee's name, date of birth, and address, the name of the business office or department to which said employee is assigned, the official title, whether or not said employee has been registered as a Sales Representative, the date when and reasons why punished by said fines or in receipt of said disposition, and all other such details;
 - (xiv) a curriculum vitae pertaining to Commodity Transactions Brokerage Business, etc., of employees (limited to persons or equivalent persons who supervise the business at the head office, a branch office, or a business office with regard to a Commodity Transactions Brokerage Business) of the Succeeding Company;

- (xv) records prepared by the Succeeding Company according to Form No. 6 pertaining to the description of the Subsidiary Business prescribed in Article 196, paragraph (1), of the Act;
- (xvi) records prepared by the Succeeding Company according to Form No. 7 pertaining to the description of a controlling interest in another juridical person prescribed in Article 196, paragraph (2) of the Act;
- (xvii) records prepared by the Succeeding Company according to Form No. 8 pertaining to the description of the Specified Business prescribed in Article 87 of the Act;
- (xviii) a document stating the estimated income and expenditure of Commodity Transactions Brokerage Business, and the Commodity Transactions Brokerage Business plan for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and basis for assumptions used in those documents;
- (xix) a document stating the estimated amount of the net assets and the Net Assets Regulation Ratio for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and basis for assumptions used in those documents;
- (xx) in cases where the Succeeding Company uses an electronic data processing system for Commodity Transactions Brokerage Business, a document giving the description, installation location, capacity, and maintenance system of said electronic data processing system, and process for responding in the event of failure of said electronic data processing system;
- (xxi) regulations for the fair and appropriate performance of Commodity Transactions Brokerage Business of the Succeeding Company (including regulations in order to define a system for the responsibilities of said Succeeding Company pertaining to said Business);
- (xxii) a document prepared according to Form No. 9 for the Succeeding Company giving the description of the organization which performs operations pertaining to internal controls and stating the management system for compliance with laws and regulations;
- (xxiii) in cases where a party to an Absorption-Type Split (excluding a Futures Commission Merchant) has Subordinated Borrowings, a copy of all contracts;
- (xxiv) in cases where a party to an Absorption-Type Split (excluding a Futures Commission Merchant) has issued Subordinated Bonds, any prospectus or equivalent copy.

(Application for approval of Business Transfer)

Article 121 (1) When seeking to obtain approval for a Business Transfer

prescribed in the provisions of Article 228, paragraph (1) of the Act, a Futures Commission Merchant shall submit an application to the competent minister stating the following matters in addition to the matters set forth in the respective items of Article 192, paragraph (1) of the Act:

- (i) scheduled date of the Business Transfer;
- (ii) method of the Business Transfer.

(2) The documents specified by an ordinance of the competent ministry set forth in Article 228, paragraph (3) of the Act shall be as follows (in cases of certificates issued by a public agency, limited to documents prepared within three months prior to the date of the application for approval):

- (i) a document stating the reasons for the Business Transfer;
- (ii) a document stating the procedures for the Business Transfer;
- (iii) articles of incorporation of the Transferee Company (in cases of a foreign juridical person, a document equivalent to the articles of incorporation);
- (iv) a certificate of the registered matters of the parties to the Business Transfer;
- (v) minutes of a general meeting of shareholders of the parties to the Business Transfer or another document certifying that the necessary procedures for approval have been followed;
- (vi) Financial Statements, etc., of the parties to the Business Transfer (excluding a Futures Commission Merchant) for each business year for the most recent three years and detailed statements thereof;
- (vii) deleted
- (viii) a sworn, written statement that the parties to the Business Transfer (excluding a Futures Commission Merchant) do not fall under any of the provisions of Article 15, paragraph (2), item (i), (c) through (e), or (i) of the Act;
- (ix) a document specified as follows corresponding to each case:
 - (a) in cases where an officer of the Transferee Company is a foreign national: a curriculum vitae prepared according to Form No. 4, including a Copy of the Residence Certificate, etc. of said officer and a sworn, written statement by the person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in cases where an officer of the Transferee Company is a juridical person: a certificate of the registered matters of said officer, a document stating the corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
 - (c) in cases where an officer of the Transferee Company is neither a foreign national nor a juridical person: a curriculum vitae prepared according to Form No. 4, including a Copy of the Residence Certificate, etc. of said

- officer, a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act, and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
- (x) a record pertaining to the amount of the net assets of the parties to the Business Transfer prepared according to Form No. 1 within 30 days prior to the date the application is submitted for approval;
 - (xi) a document stating the name, trade name, address, proportion of the Voting Rights held to the total number of Voting Rights, and relationship with the applicant of the Major Shareholders of the Transferee Company (limited to cases where Major Shareholders are officers or employees of the applicant, the Parent Company, Subsidiary, Affiliated Company, or its officers or employees);
 - (xii) a document stating the management system of organizations, etc., of the Transferee Company and records pertaining to Registered Sales Representatives, etc., prepared according to Form No. 5;
 - (xiii) a document stating, with regard to the parties to the Business Transfer, the number of employees who have been sentenced to imprisonment or severe punishment with regard to Commodity Transactions Brokerage Business, etc. (including an equivalent punishment under the laws and regulations of a foreign state with regard to the business equivalent of Commodity Transactions Brokerage Business, etc. in the foreign state), to fines pursuant to this Act or equivalent laws and regulations of a foreign state (including an equivalent punishment under the laws and regulations of a foreign state), or who received a final disposition based on the provisions of the Act within the last five years, and include each said employee's name, date of birth, and address, name of the business office or department to which said employee is assigned, the official title, whether or not said employee has been registered as a Sales Representative, the date when and the reasons why punished by said fines or in receipt of said disposition, and all other such details;
 - (xiv) a curriculum vitae pertaining to Commodity Transactions Brokerage Business, etc., of employees (limited to persons or equivalent persons who supervise business at the head office, a branch office, or business office with regard to a Commodity Transactions Brokerage Business) of the Transferee Company;
 - (xv) records prepared by the Transferee Company according to Form No. 6 pertaining to the description of the Subsidiary Business prescribed in Article 196, paragraph (1), of the Act;
 - (xvi) records prepared by the Transferee Company according to Form No. 7 pertaining to the description of a controlling interest in juridical persons prescribed in Article 196, paragraph (2) of the Act;

- (xvii) records prepared by the Transferee Company according to Form No. 8 pertaining to the description of the Specified Business prescribed in Article 87 of the Act;
- (xviii) a document stating the estimated income and expenditure of Commodity Transactions Brokerage Business, and the Commodity Transactions Brokerage Business plan for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and basis for assumptions used in those documents;
- (xix) a document stating the estimated amount of the net assets and the Net Assets Regulation Ratio for the business year in which Commodity Transactions Brokerage Business is scheduled to commence and the two business years following said business year, and a document stating the preparation procedures and basis for assumptions used in those documents;
- (xx) in cases where the Transferee Company uses an electronic data processing system for Commodity Transactions Brokerage Business, a document stating the description, installation location, capacity, and maintenance system of said electronic data processing system, and the process for responding in the event of the failure of said electronic data processing system;
- (xxi) regulations for the fair and appropriate performance of Commodity Transactions Brokerage Business of the Transferee Company (including regulations in order to define a system for the responsibility of said Transferee Company pertaining to said Business);
- (xxii) a document prepared according to Form No. 9 for the Transferee Company giving the description of the organization which performs operations pertaining to internal controls and stating the management system for compliance with laws and regulations;
- (xxiii) in cases where a party to the Business Transfer (excluding a Futures Commission Merchant) has Subordinated Borrowings, a copy of all contracts;
- (xxiv) in cases where a party to the Business Transfer (excluding a Futures Commission Merchant) has issued Subordinated Bonds, any prospectus or equivalent copy.

(Identification of inspection officials pertaining to Futures Commission Merchants)

Article 122 Identification that officials shall carry shall be prepared according to Form No. 19 pursuant to the provisions of Article 157, paragraph (3) of the Act which is applied mutatis mutandis pursuant to Article 231, paragraph (4) of the Act.

(Standards of asset liability ratio and current ratio)

Article 123 The ratio specified by an ordinance of the competent ministry set forth in Article 232, paragraph (2), item (i) of the Act shall be 10:1 and the ratio specified by an ordinance of the competent ministry set forth in the same paragraph, item (ii) shall be 1:1.

(Reasons for a business suspension order)

Article 124 (1) Cases specified by an ordinance of the competent ministry set forth in Article 232, paragraph (2), item (iv) of the Act shall be as follows:

- (i) in the case where the amount of the net assets is likely to be less than the amount specified in Article 81;
- (ii) in the case where the amount of the net assets of a Futures Commission Merchant is below the amount of stated capital;
- (iii) in the case where disputes with a customer occur frequently or disputes are likely to occur frequently due to the inappropriate instruction and supervision of employees;
- (iv) in the case where the volume of transactions on a Commodity Market based on a Futures Commission Merchant's account (if a Futures Commission Merchant has a controlling interest in other juridical persons, the volume shall be the result of the volume of transactions based on said juridical person's account on the Commodity Market and for which settlement has not been completed, added to said volume) for which settlement has not been completed (including those consigned to other Futures Commission Merchants) is extremely high in comparison with the amount of said Futures Commission Merchant's net assets or the volume of transactions on the Commodity Market pertaining to brokerage for which settlement has not been completed;
- (v) in the case where a Futures Commission Merchant has not taken the necessary and appropriate measures with regard to the supervision of a consignee in order to prevent the leakage, loss, or damage of said information in the case of consigning the safe control of handling personal information pertaining to a customer, supervision of workers, or handling of said information;
- (vi) in the case where a Futures Commission Merchant has not taken sufficient measures to ensure that personal information regarding race, creed, family origin, domicile of origin, healthcare, or criminal background of a customer and other specified Non-Public Information (which means information learned in connection with business and which has not yet been publicly disclosed) is not used for a purpose other than for ensuring the appropriate operation of the business and for other purposes which are determined to be necessary.

(2) The provisions of Article 38 shall apply to the amount of the net assets under

the preceding paragraph, item (i) and item (ii).

(Calculation basis of total amount of liabilities, etc.)

Article 125 (1) When calculating the total amount of liabilities pursuant to the provisions of Article 232, paragraph (3) of the Act, the amounts to be recorded in the liability section of the records pertaining to the amount of the net assets as prepared pursuant to Form No. 1 (excluding the amount of liability reserve for commodity trading) shall be rounded up.

(2) When calculating the total amount of current assets pursuant to Article 232, paragraph (3) of the Act, the amounts to be recorded in the current assets section of the records pertaining to the amount of the net assets as prepared pursuant to Form No. 1 (excluding the total amount of assets set forth in item (i) and item (ii)) shall be rounded up, and when calculating the total amount of current liabilities pursuant to the provisions of the same paragraph, the amounts to be recorded in the current liabilities section of the records pertaining to the amount of the net assets as prepared pursuant to Form No.1 shall be rounded up:

(i) in the case where the total amount of the accounts receivable from a customer and the net difference of Futures Transactions of the customer (limited to those pertaining to current assets) exceeds the total amount of cash and Securities deposited by said customer with regard to Transactions, etc. on the Commodity Market and cash (excluding cash equivalents to profit pertaining to the Transactions on the Commodity Market on said customer's account that have not yet been settled; the same shall apply in the following item) and Securities on said customer's account, the said excess portion;

(ii) in the case where the amount of the accounts receivable from a customer exceeds the total amount of cash and Securities deposited by said customer and cash, Securities, and Securities on said customer's account with regard to the Transactions, etc., on the Commodity Market, the amount of allowance for uncollectible receivables pertaining to said excess portion.

(Method of calculating the amount of liabilities)

Article 126 The amount of liabilities prescribed in Article 13 of the Order shall be calculated by deducting the amount of liabilities to Non-Residents from the amount of liabilities (including the amount of guaranteed debts) to be recorded in the liability section of the balance sheet.

(Attached documents to applications for approval of establishment of an Association)

Article 127 The documents specified by an ordinance of the competent ministry set forth in Article 247, paragraph (2) of the Act shall be as follows (in the case

of documents certified by a public agency, limited to documents prepared within three months prior to the date of filing the registration):

- (i) a sworn, written statement that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (c) through (e), (i) or (l) of the Act;
- (ii) a Copy of the Residence Certificate, etc. and curriculum vitae of each officer, a certificate issued by a public agency certifying that such person does not fall under Article 15, paragraph (2), item (i), (a) and (b) of the Act (excluding a case where such person is a foreign national), and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (c) through (k) of the Act (in the case where such person is a foreign national, (a) to (k) of the same item);
- (iii) minutes of the initial meeting of association members.

(Attached documents to an application for approval of an amendment to articles of incorporation, etc.)

Article 128 The documents specified by an ordinance of the competent ministry set forth in Article 250, paragraph (2) of the Act shall be as follows:

- (i) a document stating the reasons for the amendment;
- (ii) a comparative table of the prior and amended article provisions;
- (iii) in cases of application for approval of an amendment to the articles of incorporation, minutes of General Meetings regarding the amendment;
- (iv) in cases of application for approval of an amendment to sanction rules or dispute resolution rules, a document certifying the completion of amendment procedures prescribed by the articles of incorporation and other rules.

(Submission of report of status of complaint)

Article 129 (1) After having responded to any complaints pursuant to the provisions of Article 259 of the Act, the Association shall prepare and submit a report regarding status of said complaint processing as of the end of every month to the competent minister by the 10th day of the month following the month pertaining to said report.

(2) Records as set forth in the following shall be attached to the report prescribed in the preceding paragraph and shall be submitted for every semiannual period:

- (i) written notices to complainants about the status of processing complaints;
- (ii) a table stating the number of complaints received and processed by each Futures Commission Merchant;
- (iii) a table stating the number of complaints received by each Commodity Exchange.

(Requirement for a member of mediation/conciliation committee)

Article 130 Requirements specified by an ordinance of the competent ministry set forth in Article 260 of the Act shall be to fall under all of the following items:

- (i) the committee member does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
- (ii) the committee member shall not have any relationship with a business organization related to transactions of Listed Commodity Component Products, etc.;
- (iii) the committee member shall not be an officer, advisor, or councilor of any enterprise, in the course of trade, engaged in accepting the consignment of transactions, etc., on the Commodity Market (excluding Commodity Clearing Transactions) or carrying out transactions on the Commodity Market, nor joining directly or indirectly in the management of said enterprise, nor receiving any compensation for performance from said enterprise, nor investing in said enterprise.

(Submission of report of status of processing mediation/conciliation)

Article 131 When having conducted mediation/conciliation pursuant to the provision of Article 261 of the Act, the Association shall prepare and submit a report regarding the status of processing said mediation/conciliation as of the end of every month to the competent minister by the 10th day of the month following the month pertaining to said report.

(Identification of inspection officials pertaining to the Association)

Article 132 Identification that officials shall carry shall be prepared according to Form No. 20 pursuant to the provisions of Article 157, paragraph (3) of the Act which is applied mutatis mutandis pursuant to Article 263, paragraph (2) of the Act.

(Assignment of residual assets)

Article 133 The liquidator of a Consignor Protection Membership Corporation (which means a Consignor Protection Membership Corporation prescribed in Article 269, paragraph (4) of the Act; the same shall apply hereinafter) shall assign the retained residual assets of said Consignor Protection Membership Corporation to a Consumer Protection Fund, which members have joined or will join pursuant to the provisions of Article 292 of the Act, corresponding to the standards specified by said Consignor Protection Membership Corporation, including the accumulated amount of assessment charges that said members have paid as prescribed in Article 314, paragraph (1) of the Act.

(Attached documents to an application)

Article 134 A Consignor Protection Membership Corporation which intends to file for registration pursuant to Article 294, paragraph (1) of the Act shall attach the documents set forth in the following items (in the case of documents certified by a public agency, limited to documents prepared within three months prior to the date of filing the registration):

- (i) a Copy of the Residence Certificate, etc. and curriculum vitae of each officer; a certificate issued by a public agency certifying that such person does not fall under Article 15, paragraph (2), item (i), (a) and (b) of the Act (excluding a case where such person is a foreign national), and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (c) through (k) of the Act (in the case where such person is a foreign national, (a) to (k) of the same item);
- (ii) the articles of incorporation;
- (iii) a certificate of registered matters;
- (iv) the Member register;
- (v) the records pertaining to the amount of such person's net assets prepared according to Form No. 1 within thirty days prior to the filing of the registration.

(Matters to be included in market rules)

Article 135 The matters specified by an ordinance of the competent ministry set forth in Article 302, paragraph (2), item (iii) of the Act shall be the following matters:

- (i) matters pertaining to payments to General Customers prescribed in Article 306, paragraph (1) of the Act;
- (ii) matters pertaining to the acquisition of Claims Subject to Compensation (which means claims subject to compensation prescribed in Article 306, paragraph (1) of the Act) prescribed in Article 307, paragraph (4) of the Act;
- (iii) matters pertaining to a loan of funds prescribed in Article 308, paragraph (1) of the Act;
- (iv) matters pertaining to the acceptance and management of deposits of Property Subject to Preservation prescribed in Article 309 of the Act;
- (v) matters pertaining to the business of expeditious repayment of liabilities of a General Customer prescribed in Article 310 of the Act;
- (vi) matters pertaining to judicial or extra-judicial acts prescribed Article 311, paragraph (1) of the Act;
- (vii) other matters determined to be necessary.

(Evaluation method of claims subject to compensation)

Article 136 The amount calculated pursuant to an ordinance of the competent

ministry set forth in Article 306, paragraph (1) of the Act shall be the amount specified in the following items for the categories of cases set forth respectively in those items:

- (i) in cases where a customer's assets pertaining to claims subject to compensation are cash: the amount of said customer's assets;
- (ii) in cases where a customer's assets pertaining to claims subject to compensation are Securities listed on a Financial Instruments Exchange (including similar markets established in foreign states; hereinafter the same shall apply in this Article): the amount calculated using the closing prices of such Securities on the Financial Instruments Exchange on the date that the Consumer Protection Fund published a public notice prescribed in the provisions of Article 305, paragraph (1) of the Act (if said closing prices do not exist, indicative price quotations published by the Authorized Financial Instruments Firms Association [which means an Authorized Financial Instruments Firms Association prescribed in Article 2, item (xiii) of the Financial Instruments and Exchange Act; the same shall apply hereinafter] on the date of said public notice, or the closing prices of the said Financial Instruments Exchange on the nearest date prior to the date of said public notice, whichever is specified by the Consumer Protection Fund);
- (iii) in cases where a customer's assets pertaining to claims subject to compensation are Over-the-Counter Traded Securities (which means Over-the-Counter Traded Securities prescribed in Article 2, paragraph (8), item (x), (c) of the Financial Instruments and Exchange Act; the same shall apply hereinafter): the amount calculated based on the closing price of such Securities published by the Authorized Financial Instruments Firms Association to which the Consumer Protection Fund registers Over-the-Counter Traded Securities pertaining to said claims subject to compensation (when said Over-the-Counter Traded Securities are registered by more than one Authorized Financial Instruments Firms Association, the Authorized Financial Instruments Firms Association specified by the Consumer Protection Fund), on the date of public notice pursuant to the provisions of Article 305, paragraph (1) of the Act (if said closing price does not exist, the closing price published by said Authorized Financial Instruments Firms Association on the nearest date prior to the date of public notice);
- (iv) in cases where a customer's assets pertaining to claims subject to compensation are properties other than cash and Securities prescribed in the preceding three items: the amount calculated based on the closing price of such Securities published on the date that the Consumer Protection Fund published a public notice pursuant to Article 305, paragraph (1) of the Act, or the equivalent amount calculated by a reasonable method.

(Relationships that constitute substantial control)

Article 137 Relationships specified by an ordinance of the competent ministry set forth in Article 19, item (ii) of the Order shall be as listed in the following items:

- (i) a relationship with another such juridical person, when persons who are engaged or were engaged in the business carried out by a Futures Commission Merchant occupy a majority of the positions of officers or officers with representation rights of another juridical person;
- (ii) a relationship with another such juridical person (excluding the relationship listed in the preceding item) when a Futures Commission Merchant possesses no fewer than 10 percent and no more than 50 percent of the Voting Rights (which means a voting right prescribed in Article 7, paragraph (1), item (iii) of the Order) of All Shareholders, etc. (which means all shareholders, etc., prescribed in Article 7, paragraph (1), item (iii) of the Order) of another juridical person, and maintains a continuing and close relationship in key portions of such juridical person's business activity.

(Acceptance and management of deposits of Property Subject to Preservation)

Article 138 (1) When accepting the whole or a portion of a deposit of Property Subject to Preservation from a Member pursuant to Article 309 of the Act, the Consumer Protection Fund shall conduct procedures pursuant to Article 98, paragraph (1), item (ii).

- (2) When managing Property Subject to Preservation deposited by a Member Futures Commission Merchant, based on the provisions of Article 309 of the Act, the Consumer Protection Fund shall manage said Property Subject to Preservation by the following methods (excluding property managed by the provisions of the following paragraph):
 - (i) by depositing the funds in a bank account (limited to deposit accounts that are obvious as Property Subject to Preservation by the account name);
 - (ii) by using cash in the trust of Financial Institutions Engaged in Trust Business (limited to those with contracts for the replacement of losses pursuant to the provisions of Article 6 of the Act on Additional Operation of Trust Business by a Financial Institution and in trust accounts that are obvious as Property Subject to Preservation by the account name).
- (3) When managing Securities as Property Subject to Preservation, pursuant to the provisions of Article 309 of the Act, the Consumer Protection Fund shall manage said Securities by the method specified in the following items for the categories of Securities set forth respectively in those items:
 - (i) Securities for retention under the management of a Consumer Protection Fund (excluding Securities which are retained and commingled; the same shall apply to the following item): a management method by which the

location for the retention of Securities that are Properties Subject to Preservation is clearly separate from that for Securities of a person's own property and other Securities than Property Subject to Preservation (hereinafter referred to as the "Fund's Securities, etc." in this Article), and that Securities that are Property Subject to Preservation are retained in an available condition that is immediately distinguishable as to which Member deposited such property;

(ii) Securities for retention under the management of a Consumer Protection Fund using a third party: a management method by which the Consumer Protection Fund uses a third party to control the location for the retention of Securities that are Properties Subject to Preservation, clearly separating them from the location for the retention of Fund's Securities, etc., and to retain Securities that are Properties Subject to Preservation in an available condition that is immediately distinguishable as to which Member deposited such property;

(iii) Securities for retention under the management of a Consumer Protection Fund (limited to Securities which are retained and commingled; the same shall apply to the following item): a management method by which the location for the retention of Securities that are Properties Subject to Preservation is clearly separate from that for the Fund's Securities, etc., and that equity interests pertaining to Securities that are Properties Subject to Preservation and are deposited from each Member are retained in an available condition that is immediately distinguishable by using a person's own books;

(iv) Securities for retention under the management of a Consumer Protection Fund using a third party: a management method by which the Consumer Protection Fund uses a third party to retain the accounts for a person who deposited Securities that are Properties Subject to Preservation in an available condition so as to immediately distinguish the equity interests pertaining to Securities that are Properties Subject to Preservation by a method such as separating the accounts from the Consumer Protection Fund's own accounts and making the equity interests pertaining to such Securities that are Properties Subject to Preservation, immediately distinguishable by using a person's own books.

(Business for expeditious repayment)

Article 139 (1) Businesses specified by an ordinance of the competent ministry set forth in Article 310 of the Act shall be as listed in the following:

(i) a business as a trust administrator of a Futures Commission Merchant which is a member of the Consumer Protection Fund;

(ii) a business as an agent for a beneficiary based on a trust contract prescribed

- in Article 98, paragraph (1), item (i);
- (iii) establishing as the source the Property Subject to Preservation deposited pursuant to Article 98, paragraph (1), item (ii) and the preceding Article, a business on behalf of a Futures Commission Merchant who committed to said deposit to repay Debts to a Customer of said Futures Commission Merchant;
 - (iv) establishing as the source the cash paid by financial institutions based on an Indemnity Agreement, a business on behalf of a Futures Commission Merchant who consigned said indemnity to repay Debts to a Customer of said Futures Commission Merchant;
 - (v) based on a Subrogation Consignment Agreement, a business on behalf of a Futures Commission Merchant who accepted said Subrogation Consignment to repay Debts to a Customer of said Futures Commission Merchant.
- (2) The Consumer Protection Fund shall prepare a monthly report pertaining to the business status set forth in the respective items of the preceding paragraph and submit the report to the competent minister by the 10th day of the month following the subject month of said report.

(Accounts)

Article 140 (1) Accounts specified by an ordinance of the competent ministry set forth in Article 316, paragraph (2) of the Act shall be as follows:

- (i) an Account for the Consumer Protection Fund (which means an account pertaining to a business set forth in Article 269, paragraph (3), item (i) and item (ii) of the Act);
 - (ii) an Account for Property Subject to Preservation (which means an account pertaining to a business set forth in Article 269, paragraph (3), item (iii) of the Act, and to a business set forth in paragraph (1), items 1 through 3 of the preceding Article);
 - (iii) an Account for the Subrogation of Debts to a Customer (which means an account pertaining to a business set forth in paragraph (1), item (iv) of the preceding Article);
 - (iv) a general account.
- (2) An account of the Consumer Protection Fund shall be separated for each account as set forth in the respective items of the preceding paragraph and each account shall be treated as a separate balance sheet account item and separate profit and loss account items.

(Contents of budget)

Article 141 The Budget of the Consumer Protection Fund shall consist of the general budget provisions and an income and expenditure budget.

(General budget provisions)

Article 142 General budget provisions shall include comprehensive provisions pertaining to income and expenditure budgets and the provisions pertaining to the matters listed below:

- (i) with regard to actions to provide for debts under the provisions of Article 146, an amount of the limit of debts associated with each matter, the term to satisfy the debts based on said actions, and the reasons for such necessity;
- (ii) the designation of expenses as per the provisions of Article 147, paragraph (2);
- (iii) the matters set forth in the preceding items and other matters necessary for the implementation of the budget.

(Income and expenditure budgets)

Article 143 Income and expenditure budgets shall be separated according to the nature of the income, and as to the purpose for the expenditure.

(Attached documentation to budgets)

Article 144 When intending to submit a budget pursuant to the provisions of Article 317 of the Act, the Consumer Protection Fund shall attach and submit the following documents to the competent minister; provided, however, that when the budget is changed pursuant to the provisions of the second sentence of the same Article, the document prescribed in item (i) is not required to be attached:

- (i) a projected balance sheet and projected income statement for the prior fiscal year;
- (ii) a projected balance sheet and projected income statement for the current business year;
- (iii) any documents that serve as a reference for such budget in addition to those set forth in the preceding two items.

(Contingency funds)

Article 145 The Consumer Protection Fund can provide contingency funds with regard to an income and expenditure budget in order to compensate for variances in items of an unpredictable nature in an expenditure budget.

(Act to assume debts)

Article 146 The Consumer Protection Fund can assume debts within the scope of the expenditure budget and within the scope of the amount of the budget submitted to the competent minister for every fiscal year as necessary to conduct a business.

(Diversion of budgeted funds)

Article 147 (1) The Consumer Protection Fund shall not use the funds represented in an expenditure budget for any purpose other than as specified in said budget; provided, however, that if it is appropriate and necessary for the implementation of the budget, the budget funds can be diverted within the scope of the budget of the accounts set forth in the respective items of Article 140, paragraph (1), notwithstanding the categories under Article 143.

(2) The Consumer Protection Fund shall not divert funds for the amount of an expense designated by general budget provisions to any of the Consumer Protection Fund's other budgeted expenditure items, nor to other non-Fund expenditures, nor apply the contingency funds, without obtaining a resolution to do so from the shareholders at a General Meeting.

(Funding plans)

Article 148 (1) Funding plans for the Consumer Protection Fund shall be set forth pertaining to the following matters:

- (i) sources and methods of raising funds;
- (ii) uses of funds;
- (iii) other necessary matters.

(2) When a funding plan is changed pursuant to the provisions of the second sentence of Article 317 of the Act, the Consumer Protection Fund shall submit a document including the matters pertaining to and the reasons for said change to the competent minister.

(Report of income and expenditure, etc.)

Article 149 The Consumer Protection Fund shall report quarterly total income and expenditure by schedules of detailed account balances and report quarterly the debts that they assumed pursuant to the provisions of Article 146 by the amounts as stated by each matter to the competent minister within one month after the end of each calendar quarter.

(Business report)

Article 150 The Business Report of the Consumer Protection Fund shall include the business results and the results of funding plans.

(Settlement of accounts)

Article 151 (1) The settlement of accounts of the Consumer Protection Fund shall be financial statements pertaining to income and expenditure, and debts.

(2) The settlement of accounts as prescribed in the preceding paragraph shall indicate the actual results compared with budgeted items pertaining to the matters prescribed in the general provisions of budgets pursuant to the provisions of Article 142.

(Financial statements, etc.)

Article 152 (1) Financial statements prescribed in paragraph (1) of the preceding Article shall be prepared based on the same distinctions between income and expenditure by item as in the prepared budgets and shall state the matters as set forth in the following:

(i) income:

- (a) the amount of budgeted income;
- (b) the determined amount of income;
- (c) the difference between the amount of budgeted income and the determined amount of income;

(ii) expenditure:

- (a) the amount of the budgeted expenditure;
- (b) the amount of contingency funds to be applied if any, and the reasons for such application;
- (c) the amount of diversion if any, and the reasons for such diversion;
- (d) the actual budget for the expenditure;
- (e) the determined amount of the expenditure;
- (f) the amount of unused budgeted funds for the expenditure.

(2) The financial statements pertaining to debts under paragraph (1) of the preceding Article shall state the amount of debts assumed pursuant to the provisions of Article 146 for each matter.

(Method of utilization of surplus funds, etc.)

Article 153 The method specified by an ordinance of the competent ministry set forth in Article 320, item (iii) of the Act shall be a trust account with a Financial Institution Engaged in Trust Business.

(Accounting rules)

Article 154 (1) The Consumer Protection Fund shall determine accounting rules with regard to its finance and accounting.

(2) When determining accounting rules prescribed in the preceding paragraph, the Consumer Protection Fund shall obtain the approval of the competent minister. The same shall apply when intending to amend accounting rules.

(Identification of inspection officials pertaining to the Consumer Protection Fund)

Article 155 Identification that officials shall carry shall be prepared according to Form No. 21 pursuant to the provisions of Article 157, paragraph (3) of the Act which is applied mutatis mutandis pursuant to Article 321, paragraph (2) of the Act.

(Method of transaction at a Facility Similar to a Type 1 Specified Commodity Market)

Article 156 The method specified by an ordinance of the competent ministry set forth in Article 332, paragraph (1), item (i) of the Act shall be a method of adopting trading terms offered by a Type 1 Specified Facility Trading Participant when the trading terms offered by said Type 1 Specified Facility Trading Participant correspond to trading terms offered by another Type 1 Specified Facility Trading Participant, which is the counterparty of the trade, without relying on negotiation between the parties through a Facility Similar to a Type 1 Specified Commodity Market.

(Attached documents to the written application for permission for establishment of a Facility Similar to a Type 1 Specified Commodity Market)

Article 157 The documents specified by an ordinance of the competent ministry set forth in Article 332, paragraph (3) of the Act shall be as follows (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the date of filing the application for the permission):

(i) a sworn, written statement that the facility does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;

(ii) in the case of juridical persons, a document specified as follows corresponding to each case:

(a) in cases where an officer of the facility is a foreign national: a Copy of the Residence Certificate, etc. and curriculum vitae of said officer, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;

(b) in cases where an officer of the facility is a juridical person: a certificate of the registered matters of said officer, a document stating corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;

(c) in cases where an officer of the facility is neither a foreign national nor a juridical person: a Copy of the Residence Certificate, etc. and curriculum vitae of said officer; a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act; and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;

(iii) a document stating the Commodity subject to the transaction or the

- Commodity Index subject to the transaction, and a detailed explanation of the transaction method;
- (iv) a document stating the name or trade name, and address of the principal office or head office of the Type 1 Specified Facility Trading Participant;
 - (v) a sworn, written statement that for each Commodity subject to the transaction or Commodity Indices subject to the transaction, the majority of the Type 1 Specified Facility Trading Participants are persons who are, in the course of trade, engaged in the Buying and Selling, etc., of said Commodity or the Commodity subject to said Commodity Indices;
 - (vi) a document stating the business operation system, such as organizations, etc.;
 - (vii) a document stating the estimated transaction volume for one year after the establishment of a Facility Similar to a Type 1 Specified Commodity Market;
 - (viii) in cases where using an electronic data processing system for business to establish a Facility Similar to a Type 1 Specified Commodity Market, a document giving the description, installation location, capacity, and maintenance system of said electronic data processing system, and process for responding in the event of the failure of said electronic data processing system;
 - (ix) regulations for the fair and appropriate performance of business to establish a Facility Similar to a Type 1 Specified Commodity Market (including regulations in order to define a system for the responsibility of said Establisher of Type 1 Specified Facility pertaining to said business);
 - (x) a document giving the description of the organization that performs the operations pertaining to internal controls and stating the management system for compliance with laws and regulations.

(Attached documents to the written application for permission for change)

Article 158 Documents specified by an ordinance of the competent ministry set forth in Article 335, paragraph (2) of the Act shall be as follows:

- (i) a document stating the estimated transaction volume of the Commodity and Commodity Indices pertaining to the change (excluding changes requesting abolishment) for one year after the change;
- (ii) in cases of a change to the transaction method, a document giving a detailed explanation of said transaction method;
- (iii) in cases where changing the Commodity or Commodity Indices subject to transactions, a written statement pledging that the persons engaged in the Buying and Selling, etc. of said Commodity, or Commodity subject to said Commodity Indices, in the course of trade, account for the majority of the entire Type 1 Specified Facility Trading Participants.

(Attached documents to notification of change)

Article 158-2 When submitting a notification prescribed in Article 335, paragraph (3) of the Act, the following documents (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the date of notification of the change) shall be attached:

- (i) if the notification of the change is pertaining to newly appointed officers, a document specified as follows corresponding to each case:
 - (a) in cases where a newly appointed officer is a foreign national: a curriculum vitae, including a Copy of the Residence Certificate, etc. of said officer, and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in cases where a newly appointed officer is a juridical person: a certificate of the registered matters of said officer, a document stating corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
 - (c) in cases where a newly appointed officer is neither a foreign national nor a juridical person: a curriculum vitae, including a Copy of the Residence Certificate, etc. of said officer; a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act; and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
- (ii) when the notification of the change is pertaining to persons who have newly become Type 1 Specified Facility Trading Participants, a document stating the name or trade names and address of the principal office or head office of such person, and when said Type 1 Specified Facility Trading Participants are, in the course of trade, engaged in the Buying and Selling, etc. of a Commodity (limited to the Commodity or Commodity Indices subject to the transactions), a document stating said Commodity.

(Keeping the books)

Article 159 (1) The Establisher of a Type 1 Specified Facility shall prepare stating the following matters by each Commodity or Commodity Index subject to transactions regarding transactions at a Facility Similar to a Type 1 Specified Commodity Market pursuant to the provisions of Article 336, paragraph (1) of the Act:

- (i) the name or trade name of Type 1 Specified Facility Trading Participants who are parties to transactions closed on a daily basis;

- (ii) the price and other trade terms of the transactions closed on a daily basis;
 - (iii) the transaction volume on a daily basis.
- (2) The books prepared as per the preceding paragraph shall be retained for ten years.

(Preservation through an Electromagnetic Means)

Article 160 When the content of the books prescribed in paragraph (1) of the preceding Article is recorded through an Electromagnetic Means and is preserved to display said record for immediate inspection by computer or other appliance as necessary, the preservation of said record may substitute for the retention of the books prescribed in the preceding Article, paragraph (2). In this case, an Establisher of a Type 1 Specified Facility shall take the necessary measures for preventing the loss of and damage to said record.

(Report of matters to be stated in books)

Article 161 The Establisher of a Type 1 Specified Facility shall report the matters set forth in Article 159, paragraph (1), item (ii) and item (iii) pursuant to Article 336, paragraph (2) of the Act to the competent minister by the 10th day of the month following the month pertaining to said report.

(Identification of inspection officials pertaining to an Establisher of a Type 1 Specified Facility)

Article 162 Identification that officials shall carry shall be prepared according to Form No. 22 pursuant to the provisions of Article 157, paragraph (3) of the Act which is applied mutatis mutandis pursuant to Article 338, paragraph (2), of the Act.

Article 163 The provisions of Article 158 through the preceding Article shall apply mutatis mutandis pursuant to Article 345 of the Act when applying mutatis mutandis to Article 335, paragraph (2) and paragraph (3) of the Act; Article 336, paragraph (1) and paragraph (2); and Article 338, paragraph (2). In this case, the term "a Type 1 Specified Facility Trading Participant" in Article 158, item (iii) and Article 158-2, item (ii) shall be deemed to be replaced with "a Type 2 Specified Facility Trading Participant"; the terms "an Establisher of a Type 1 Specified Facility" in Article 159, paragraph (1) shall be deemed to be replaced with "an Establisher of a Type 2 Specified Facility," "a Facility Similar to a Type 1 Specified Commodity Market," shall be deemed to be replaced with "a Facility Similar to a Type 2 Specified Commodity Market," and "a Type 1 Specified Facility Trading Participant" shall be deemed to be replaced with "a Type 2 Specified Facility Trading Participant," respectively; the term "an Establisher of a Type 1 Specified Facility" in Article 160 shall be

deemed to be replaced with "an Establisher of a Type 2 Specified Facility"; the term "an Establisher of a Type 1 Specified Facility" in Article 161 shall be deemed to be replaced with "an Establisher of a Type 2 Specified Facility" and the phrase "Article 159, paragraph (1), item (ii) and item (iii)" shall be deemed to be replaced with "Article 159, paragraph (1), item (ii) and item (iii) applied mutatis mutandis pursuant to Article 163," respectively; and the term "an Establisher of a Type 1 Specified Facility" in the preceding Article shall be deemed to be replaced with "an Establisher of a Type 2 Specified Facility" and the term "Form No. 22" shall be deemed to be replaced with "Form No. 23," respectively.

(Designation of Commodity and Commodity Indices traded at a Facility Similar to a Type 2 Specified Commodity Market)

Article 164 Items specified by an ordinance of the competent ministry set forth in Article 342, paragraph (1) of the Act shall be the following Commodities and Commodity Indices:

- (i) ribbed smoked sheet (or RSS);
- (ii) technically specified rubber (or TSR);
- (iii) gold;
- (iv) silver;
- (v) platinum;
- (vi) palladium;
- (vii) ferrous scrap;
- (viii) nickel;
- (ix) gasoline;
- (x) kerosene;
- (xi) diesel fuel;
- (xii) crude oil;
- (xiii) aluminum.

(Method of transaction at a Facility Similar to a Type 2 Specified Commodity Market)

Article 165 The method specified by an ordinance of the competent ministry set forth in Article 342, paragraph (1), item (i) of the Act shall be a method of adopting trading terms offered by a Type 2 Specified Facility Trading Participant, when the trading terms offered by said Type 2 Specified Facility Trading Participant correspond to trading terms offered by another Type 2 Specified Facility Trading Participant, which is the counterparty of the trade, without relying on negotiation between the parties through a Facility Similar to a Type 2 Specified Commodity Market.

(Attached documents to the written application for permission for establishment of a Facility Similar to a Type 2 Specified Commodity Market)

Article 166 The documents specified by an ordinance of the competent ministry set forth in Article 342, paragraph (3) of the Act shall be as follows (in the case of certifications issued by a public agency, limited to documents prepared within three months prior to the date of filing the application for the permission):

- (i) a sworn, written statement that the facility does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
- (ii) in the case of juridical persons, a document specified as follows corresponding to each case:
 - (a) in cases where an officer of the facility is a foreign national: a curriculum vitae, including a Copy of the Residence Certificate, etc. of said officer; and a sworn, written statement by that person that such person does not fall under any of the provisions of Article 15, paragraph (2), item (i), (a) through (k) of the Act;
 - (b) in cases where an officer of the facility is a juridical person: a certificate of the registered matters of said officer, a document stating corporate development, and a sworn, written statement by that person that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (l) of the Act;
 - (c) in cases where an officer of the facility is neither a foreign national nor a juridical person: a curriculum vitae, including a Copy of the Residence Certificate, etc. of said officer; a certification issued by a public agency that such person does not fall under the provisions of Article 15, paragraph (2), item (i), (a) and (b) of the Act; and a sworn, written statement by that person that such person does not fall under any of the provisions of (c) through (k) of the same item;
- (iii) a document describing the Commodity subject to the transaction or Commodity Index subject to the transaction, and a detailed explanation of the transaction method;
- (iv) a document stating the name or trade name, and address of the principal office or head office of the Type 2 Specified Facility Trading Participant;
- (v) a sworn, written statement that for each Commodity subject to the transaction or Commodity Indices subject to the transactions, the majority of the Type 2 Specified Facility Trading Participants are persons who are, in the course of trade, engaged in the Buying and Selling, etc. of said Commodity or Commodity subject to said Commodity Indices;
- (vi) a document stating the business operation system, such as organizations, etc.;
- (vii) a document stating the estimated transaction volume for one year after

the establishment of a Facility Similar to a Type 2 Specified Commodity Market;

- (viii) in cases where using an electronic data processing system for business to establish a Facility Similar to a Type 2 Specified Commodity Market, a document giving the description, installation location, capacity, and maintenance system of said electronic data processing system, and the process for responding in the event of the failure of said electronic data processing system;
- (ix) regulations for the fair and appropriate performance of business to establish a Facility Similar to a Type 2 Specified Commodity Market (including regulations in order to define a system for responsibility of said Establisher of a Type 2 Specified Facility pertaining to said business);
- (x) a document giving the description of the organization that performs the operations pertaining to internal controls and stating the management system for compliance with laws and regulations.

(Products subject to Over-the-Counter Commodity Futures Transactions)

Article 167 The products specified by an ordinance of the competent ministry set forth in Article 349, paragraph (1) of the Act shall be as listed in the following:

- (i) ribbed smoked sheet (or RSS);
- (ii) technically specified rubber (or TSR);
- (iii) gold;
- (iv) silver;
- (v) platinum;
- (vi) palladium;
- (vii) ferrous scrap;
- (viii) nickel;
- (ix) gasoline;
- (x) kerosene;
- (xi) diesel fuel;
- (xii) crude oil;
- (xiii) aluminum.

(Notification of business of Over-the-Counter Commodity Futures Transactions)

Article 168 (1) When giving notification of engaging in Over-the Counter Commodity Futures Transactions as business pursuant to the provisions of Article 349, paragraph (2) of the Act, a person who intends to engage in Over-the-Counter Commodity Futures Transactions as business shall submit a written notification stating the matters set forth in item (i) through item (iii) of the same paragraph, no later than 20 days prior to the commencement date of

- business pertaining to said Over-the-Counter Commodity Futures Transactions.
- (2) When intending to change the matters set forth in Article 349, paragraph (2), item (i) through item (iii) of the Act and item (i) or item (ii) of the following paragraph, an Over-the-Counter Commodity Futures Transactions Dealer who submitted a written notification as per the preceding paragraph shall submit a written notification stating the matters listed in the following items:
- (i) name or trade name;
 - (ii) detailed contents of the change;
 - (iii) date of the change.
- (3) The matters specified by an ordinance of the competent ministry set forth in Article 349, paragraph (2), item (iv) of the Act shall be as follows:
- (i) the type of Listed Commodity Component Products, etc., subject to Over-the-Counter Commodity Futures Transactions;
 - (ii) with regard to a juridical person, the name of its representative;
 - (iii) the commencement date of business pertaining to Over-the-Counter Commodity Futures Transactions.

(Matters, etc., to be confirmed prior to closing a contract of Over-the Counter Commodity Futures Transactions, etc.)

Article 169 An Over-the-Counter Commodity Futures Transactions Dealer shall request a document stating the matters set forth in the following items to get confirmation from a Specified Commercial Dealer who is the counterparty to the Over-the-Counter Commodity Futures Transactions, etc., or the Over-the-Counter Commodity Futures Transactions Dealer regarding the fact that said Specified Commercial Dealer or Over-the-Counter Commodity Futures Transactions Dealer conducts said transactions for that dealer's own business based on the dealer's own account:

- (i) the name or trade name, and address of the Specified Commercial Dealer or Over-the-Counter Commodity Futures Transactions Dealer; if such dealer is a juridical person, the name of its representative;
- (ii) the Commodity Exchange on which pertinent quotations are used for said Over-the-Counter Commodity Futures Transactions;
- (iii) the type of Listed Commodity Component Products, etc., subject to said Over-the-Counter Commodity Futures Transactions;
- (iv) the contents of a business pertaining to the Buying and Selling, etc., of Listed Commodity Component Products, etc., subject to said Over-the-Counter Commodity Futures Transactions;
- (v) a sworn written statement by the Specified Commercial Dealer or Over-the-Counter Commodity Futures Transactions Dealer that it will conduct said Over-the-Counter Commodity Futures Transactions for that dealer's own business based on the dealer's own account;

(vi) the date of the preparation of the document.

(Delivery, etc., of documents to be delivered prior to closing a contract of Over-the-Counter Commodity Futures Transactions)

Article 170 The matters specified by an ordinance of the competent ministry set forth in Article 349, paragraph (7) of the Act shall be as follows:

- (i) the name or trade name and address of the Over-the-Counter Commodity Futures Transactions Dealer; if such dealer is a juridical person, the name of its representative;
- (ii) the method for a Specified Commercial Dealer to contact an Over-the-Counter Commodity Futures Transactions Dealer;
- (iii) the Commodity Exchange on which pertinent quotations are used for said Over-the-Counter Commodity Futures Transactions;
- (iv) the type of Listed Commodity Component Products, etc., subject to said Over-the-Counter Commodity Futures Transactions;
- (v) the type, term, quantity, and amount of consideration or Contract Price, etc., of said Over-the-Counter Commodity Futures Transaction;
- (vi) a distinction as to whether the transaction is for selling or buying, and equivalent matters.

(Keeping the books, etc.)

Article 171 (1) Over-the-Counter Commodity Futures Transactions Dealers shall prepare the books stating matters listed in the following for each contract of Over-the-Counter Commodity Futures Transactions, etc., pursuant to the provisions of Article 349, paragraph (9) of the Act:

- (i) the matters set forth in the respective items of Article 169;
 - (ii) the matters set forth in item (v) and item (vi) of the preceding Article.
- (2) When Over-the-Counter Commodity Futures Transactions Dealers prepare the books prescribed in Article 349, paragraph (9) of the Act, the preservation of the documents listed in the following items may substitute for the preservation of the record as prescribed in said items:
- (i) a document as collected pursuant to the provisions of Article 349, paragraph (6) of the Act: matters set forth in paragraph (1), item (i);
 - (ii) a copy of the document to be delivered pursuant to the provisions of Article 349, paragraph (7) of the Act: matters set forth in paragraph (1), item (ii).
- (3) The books prescribed in paragraph (1) or documents prescribed in the preceding paragraph shall be retained for ten years.

(Preservation through an Electromagnetic Means)

Article 172 When the content of any of the books prescribed in paragraph (1) of the preceding Article or documents set forth in paragraph (2) of the same

Article are recorded through an Electromagnetic Means and preserved to display said record for immediate inspection by a computer or other appliance as necessary, the preservation of said record may substitute for the retention of the books prescribed in the same Article, paragraph (3). In this case, an Over-the-Counter Futures Commodity Transaction Dealer shall take the necessary measures for preventing the loss of and damage to said record.

(Identification of inspection officials pertaining to Over-the-Counter Futures Commodity Transaction Dealers)

Article 173 Identification that officials shall carry shall be prepared according to Form No. 24 pursuant to the provisions of Article 157, paragraph (3) of the Act which is applied mutatis mutandis pursuant to Article 349, paragraph (11) of the Act.

(Matters to be publicly notified)

Article 174 The matters specified by an ordinance of the competent ministry set forth in Article 352 of the Act shall be as follows:

- (i) a person who establishes a Commodity Market;
- (ii) a Listed Commodity or Listed Commodity Index;
- (iii) the reasons for public notice.

(Standard processing period)

Article 175 (1) When an application pertaining to the permission (or license), approval, recognition, or designation set forth in the following items is filed, the competent minister shall endeavor to process said application within the term specified in said respective items from the date when the application is received by the competent ministry:

- (i) permission prescribed in Article 9 of the Act; approval prescribed in Article 76, paragraph (1) of the Act; license prescribed in Article 78 of the Act; approval prescribed in Article 96, paragraph (1) of the Act; approval prescribed in Article 132, paragraph (1) of the Act; approval prescribed in Article 145, paragraph (1) of the Act; approval prescribed in Article 155, paragraph (1) of the Act (limited to approval pertaining to changes [excluding the abolishment or narrowing of the scope] of the Listed Commodity or Listed Commodity Index); license prescribed in Article 167 of the Act; recognition prescribed in Article 173, paragraph (1) of the Act; permission prescribed in Article 332, paragraph (1) of the Act; permission prescribed in Article 335, paragraph (1) of the Act (including cases applied mutatis mutandis of Article 345 of the Act); and permission prescribed pursuant to Article 342, paragraph (1) of the Act; four months;
- (ii) approval prescribed in Article 88, paragraph (1) of the Act; approval

- prescribed in Article 155, paragraph (1) of the Act (limited to approval pertaining to changes [excluding the abolishment or narrowing of the scope] to the Listed Commodity or Listed Commodity Index); approval prescribed in Article 156, paragraph (1) of the Act; approval prescribed in Article 170, paragraph (1) of the Act; approval prescribed in Article 182 of the Act; approval prescribed in Article 183 of the Act; license prescribed in Article 190, paragraph (1) of the Act; approval prescribed in Article 221, paragraph (2) of the Act; approval prescribed in Article 225, paragraph (1) of the Act; approval prescribed in Article 226, paragraph (1) of the Act; approval prescribed in Article 227, paragraph (1) of the Act; approval prescribed in Article 228, paragraph (1) of the Act; approval prescribed in Article 300, paragraph (2) of the Act; approval prescribed in Article 302, paragraph (1) of the Act; and permission prescribed in Article 312 of the Act: one month;
- (iii) approval prescribed in Article 59, paragraph (7) of the Act: ten days.
- (2) The periods of time specified in the preceding paragraph of this Article shall not include the period of time set forth in the following:
- (i) period to change said application;
- (ii) period necessary for a person who filed said application to change the content of said application;
- (iii) period necessary for a person who filed said application to add materials pertaining to said application which are found to be necessary for examination.

Supplementary Provisions [Extract]

(Effective date)

Article 1 This ordinance of the ministry shall come into effect as from May 1, 2005 (hereinafter referred to as the "Effective Date"), which is the effective date of the Act for Partial Revisions of the Commodity Exchange Act (hereinafter referred to as the "Revised Act"); provided, however, that the provisions of Article 79, item (iv) shall come into effect as from the date of whichever registration filed under Article 293 of the Commodity Exchange Act, as revised by the Revised Act (hereinafter referred to as the "New Act") first becomes effective.

(Abolishment of Ordinance on Security Money for Acceptance for Consignment)

Article 2 Ordinance on Security Money for Acceptance for Consignment (Ordinance of the Ministry of Agriculture and Forestry, and Ministry of International Trade and Industry No.2 of 1968) shall be abolished.

(Transitional measures pertaining to attached documents of applications for

renewal of license of a Futures Commission Merchant)

Article 3 Until the date of whichever registration filed under Article 293 of the New Act first becomes effective, with regard to the application of the provisions of Article 80, paragraph (2), item (iii), the term "Consumer Protection Fund" in the same item shall be deemed to be replaced with "the Association of Compensation Funds for Consigned Liabilities in Commodity Futures, Inc. (hereinafter referred to as the "Association of Compensation Funds") established on October 31, 1975."

(Transitional measures pertaining to segregation of property pertaining to brokerage, etc.)

Article 4 Until the date of whichever registration filed under Article 293 of the New Act first becomes effective, with regard to the application of the provisions of Article 98, paragraph (1) and paragraph (4), the term, "a Consumer Protection Fund (limited to a Consumer Protection Fund which said Futures Commission Merchant joined as a Member; hereinafter the same shall apply in this Article)" in the same Article, paragraph (1), item (i) shall be deemed to be replaced with, "Association of Compensation Funds"; the phrase, "a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice (which means a Futures Commission Merchant Subject to a Notice prescribed in the provisions of Article 304 of the Act; the same shall apply hereinafter)" shall be deemed to be replaced with, "the Association of Compensation Funds that is the trust administrator judges it is necessary for the smooth repayment of said Futures Commission Merchant's debts pertaining to the return of the customer's assets to a customer"; the term, "a Consumer Protection Fund" shall be deemed to be replaced with, "Association of Compensation Funds"; the phrase, "only the Consumer Protection Fund" shall be deemed to be replaced with, "only the Association of Compensation Funds"; the phrase, "of a Consumer Protection Fund" shall be deemed to be replaced with, "of the Association of Compensation Funds"; the phrase, "when a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice, other trust administrators" shall be deemed to be replaced with, "the trust administrator"; the phrase, "with a Consumer Protection Fund" in the same paragraph, item (ii) shall be deemed to be replaced with, "with the Association of Compensation Funds"; the phrase, "when a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice, other Consumer Protection Funds" shall be deemed to be replaced with, "the Association of Compensation Funds"; the phrase, "said Consumer Protection Fund" shall be deemed to be replaced with, "said Association of Compensation Funds"; the phrase, "of the Consumer Protection Fund" shall be deemed to be

replaced with, "of the Association of Compensation Funds"; the phrase, "to a Consumer Protection Fund" in the same paragraph, item (iii) shall be deemed to be replaced with, "to the Association of Compensation Funds"; the phrase, "of the Consumer Protection Fund" shall be deemed to be replaced with, "of the Association of Compensation Funds"; the phrase, "when a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice, other Consumer Protection Funds" shall be deemed to be replaced with, "the Association of Compensation Funds"; the term, "Consumer Protection Fund" shall be deemed to be replaced with, "Association of Compensation Funds"; the phrase, "to the Consumer Protection Fund" in the same paragraph, item (iv) shall be deemed to be replaced with, "to the Association of Compensation Funds"; the phrase, "unless the Consumer Protection Fund" shall be deemed to be replaced with "unless the Association of Compensation Funds"; the term, "by a Consumer Protection Fund" shall be deemed to be replaced with, "by the Association of Compensation Funds"; the phrase, "in the cases where a Futures Commission Merchant has fallen under the category of a Futures Commission Merchant Subject to a Notice or where a Consumer Protection Fund" shall be deemed to be replaced with "when the Association of Compensation Funds"; the phrase, "Consumer Protection Fund" shall be deemed to be replaced with, "Association of Compensation Funds"; the term, "Consumer Protection Fund" in the same Article, paragraph (4) shall be deemed to be replaced with "Association of Compensation Funds", respectively.

(Exclusion of cash and Securities to be deposited with a Commodity Exchange)

Article 5 With regard to transactions which have not yet been settled by the Effective Date, when the amount of cash and the value of Securities deposited as Customer Margins pursuant to the provisions of Article 97, paragraph (1) of the Commodity Exchange Act prior to the amendments by the Revised Act exceeds the amount of cash and value of Securities that shall be deposited with an Intermediary (which means an Intermediary prescribed in Article 103, paragraph (1), item (ii), or Article 179, paragraph (1), item (i), (b) of the New Act), a Customer (which means a Customer prescribed in Article 103, paragraph (1), item (ii), or Article 179, paragraph (1), item (i), (b) of the same Act), an Intermediation Customer (which means an Intermediation Customer prescribed in Article 103, paragraph (1), item (iv), or Article 179, paragraph (1), item (i), (d) of the same Act), a Clearing Intermediary (a Clearing Intermediary prescribed in the same paragraph, item (ii), (b)); a Clearing Intermediation Customer (which means a Clearing Intermediation Customer prescribed in the same item, (b)), or a Customer of the Clearing Intermediary (which means a Customer of the Clearing Intermediary prescribed in the same item, (d)) of said transaction, pursuant to the provisions of Article 103, paragraph (1) or Article

179, paragraph (1) of the New Act, cash and Securities specified by an ordinance of the competent ministry set forth in Article 13, paragraph (1) of the Supplementary Provisions of the Revised Act shall be cash and Securities corresponding to such excess portion.

(Repayment based on articles of incorporation of the Association of Compensation Funds)

Article 6 (1) A business specified by an ordinance of the competent ministry set forth in Article 19, paragraph (9) of the supplementary provisions of the Revised Act shall, when a Futures Commission Merchant cannot repay debts arising from brokerage of a transaction on a Commodity Market, be a repayment to a person who consigned such transaction concerning such debts on behalf of the Futures Commission Merchant, based on the articles of incorporation of the Association of Compensation Funds.

(2) A Consumer Protection Fund is not required to include the amount gained by the execution of the right to obtain reimbursement that was gained through the performance of business under the preceding paragraph, by adding to an account of a Consumer Protection Fund, notwithstanding the provisions of Article 140.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 9 of April 28, 2005]

This ordinance shall be come into effect as from the date of its promulgation.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 10 of August 25, 2005]

(Effective date)

Article 1 This ordinance shall come into effect as from the date specified in each item for the provisions listed as in the following items:

- (i) provisions revising Article 164 and Article 167, and provisions revising the paragraph referring to the Chubu Commodity Exchange (currently Central Japan Commodity Exchange), Appended Table 2: October 11, 2005;
- (ii) provisions revising the paragraph referring to the Yokohama Commodity Exchange, Appended Table 2: August 26, 2005.

(Transitional measures)

Article 2 With regard to transactions pertaining to Japanese raw silk and

international raw silk, for which said transaction has commenced on the Yokohama Commodity Exchange at the time of the enforcement of this ordinance, the provisions then in force shall remain applicable.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 11 of December 28, 2005]

This ordinance shall come into effect as from the date of its promulgation.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 1 of April 3, 2006]

This ordinance shall come into effect as from the date of its promulgation.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 3 of April 28, 2006]

This ordinance shall come into effect as from the effective date of the Companies Act (May 1, 2006).

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 5 of December 5, 2006]

This ordinance shall come into effect as from the day of promulgation.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 6 of December 25, 2006]

This ordinance shall come into effect as from January 1, 2007.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 2 of June 20, 2007]

This ordinance shall come into effect as from July 2, 2007; provided, however, that the portion revising "Green robusta coffee bean 100 lots 50 lots Vegetables

50 lots 20 lots" to "Green robusta coffee bean 100 lots 50 lots" shall come into effect as from December 21, 2007.

**Supplementary Provisions [Ordinance of the Ministry of Agriculture,
Forestry and Fisheries and the Ministry of Economy, Trade and Industry
No. 3 of September 21, 2007]**

(Effective date)

Article 1 This ordinance shall come into effect as from the day of enforcement of the Act for Partial Revision of the Securities Exchange Act, etc. (September 30, 2007); provided, however, that the provisions revising Form No. 1, Form No. 17 and Form No. 18 shall come into effect as from November 1, 2007.

(Transitional measures)

Article 2 The amount set forth in the provisions of Article 24, paragraph (1), item (i) (c) shall be zero for the time being.

Article 3 The provisions of Article 100-3 and Article 100-5 shall not apply to the provision of information with the same contents to a large number of persons by the method of distribution of fliers or pamphlets, until three months have elapsed from the Effective Date.

Article 4 With regard to the liability reserve for commodity trading prior to the revision by this ordinance, the provisions then in force shall remain applicable.

**Supplementary Provisions [Ordinance of the Ministry of Agriculture,
Forestry and Fisheries and the Ministry of Economy, Trade and Industry
No. 5 of September 28, 2007]**

(Effective date)

Article 1 This ordinance shall come into effect as from the day of enforcement of the Trust Act (Act No. 108 of 2006) (September 30, 2007); provided, however, that the provisions revising Article 46, item (ii) shall come into effect as from October 1, 2007.

(Transitional measures in line with the revision of the method of utilization of guarantee funds, etc.)

Article 2 Old Postal Savings (which means the postal savings prescribed in the items of Article 7, paragraph (1) of the Postal Savings Act [Act No. 144 of 1947] prior to being repealed by the provisions of Article 2 of the Act on Preparation, etc. of Relevant Acts Accompanying Enforcement of the Postal Service

Privatization Act, etc. [Act No. 102 of 2005], which are to remain effective pursuant to the provisions of Article 5, paragraph (1) of the Supplementary Provisions of the same Act) shall be deemed to be money deposited with a bank, with regard to application of the Ordinance for Enforcement of the Commodity Exchange Act as revised by this ordinance.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 6 of December 19, 2007]

This ordinance shall come into effect as from the day of enforcement of the Cabinet Order for Partial Revision of the Order for Enforcement of the Act on Regulation, etc. of Loan Business (December 19, 2007).

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 2 of June 16, 2008]

This ordinance shall come into effect as from September 1, 2008; provided, however, that the provisions revising Article 90, Article 97, Article 107, Form No. 10 and Form No. 18 shall come into effect as from the day of promulgation.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 3 of June 24, 2008]

This ordinance shall come into effect as from the day of promulgation.

Supplementary Provisions [Ordinance of the Ministry of Agriculture, Forestry and Fisheries and the Ministry of Economy, Trade and Industry No. 6 of September 30, 2008]

This ordinance shall come into effect as from the day of enforcement of the Shoko Chukin Bank Limited Act (October 1, 2008).

Appended Table 1 (related to Article 48)

Documents:	Frequency of report:	Items to be recorded:	Precautions for recording:
------------	----------------------	-----------------------	----------------------------

Quotations list	Daily and monthly	Amount of consideration or Contract Price, etc. pertaining to the transaction closed	<p>1. The document shall be prepared by recording on separate sheets transactions by type of transaction and by type of Listed Commodity or Listed Commodity Index (the same shall apply to reports of transaction volume).</p> <p>2. In cases of transactions prescribed in Article 2, paragraph (8), item (i) of the Act (herein after referred to as "gensaki"), the document shall be prepared by recording transactions separately by expiration month and by description for grading futures transactions, and by expiration month and by description for futures transactions by brand (the same shall apply to reports of transaction volume).</p> <p>3. In cases of transactions prescribed in Article 2, paragraph (8), item (ii) of the Act (hereinafter referred to as "Futures Transactions with Cash Settlement") and transactions prescribed in the same paragraph, item (iii) (hereinafter referred to as "Index Futures Transactions"), the document shall be prepared by recording transactions separately by expiration month (the same shall apply to reports of transaction volume).</p>
-----------------	-------------------	--	---

4. In cases of transactions prescribed in Article 2, paragraph (8), item (iv) of the Act (hereinafter referred to as "Option Transactions"), the document shall be prepared by recording transactions separately by expiration month, type of option, and Exercise Price (which means the amount of consideration pertaining to the transaction which is closed by declaration of intent by either party) (the reports of transaction volume shall be prepared in the same manner).

5. In cases of transactions prescribed in Article 2, paragraph (10), item (i), (d) of the Act (hereinafter referred to as "Spot Transactions"), the document shall be prepared by recording transactions separately by description (the same shall apply to reports of transaction volume).

6. When a document is prepared by recording transactions separately by expiration month, transactions shall be recorded in the order of the shortest to the longest term until the expiration month (the same shall apply to reports of transaction volume).

		<p>7. Daily quotation lists shall include the opening amount of consideration or Contract Price, etc., the highest amount of consideration or Contract Price, etc., the lowest amount of consideration, or Contract Price, etc., and the closing amount of consideration or Contract Price, etc., respectively, and shall be recorded for the date referenced by the list.</p> <p>8. Monthly quotation lists shall include the opening amount of consideration or Contract Price, etc. on the first business day of the month, the highest and lowest amount of consideration or Contract Price, etc. on business days during the month, and the closing amount of consideration or Contract Price, etc. on the last business day of the month, respectively, and shall be recorded for the referenced month.</p>
--	--	---

<p>Report of transaction volume</p>	<p>Daily and monthly; provided, however, that the report of transaction volume by Members, etc. shall be reported monthly</p>	<p>1. With regard to gensaki and Spot Transactions, quantity and amount of trading volume, settlement volume, and open contracts</p> <p>2. With regard to Futures Transactions with Cash Settlement and Index Futures Transactions, quantity and amount of trading volume and open contracts</p> <p>3. With regard to Option Transactions, quantity, amount, and exercise volume (quantity of transactions closed by a person's own declaration of intent; the same shall apply hereinafter) of transaction volume and open contracts</p>	<p>1. With regard to transaction volume, the volume of transactions closed shall be recorded daily (and monthly), and with regard to settlement volume, the volume of settlements completed in such month shall be recorded in each monthly report, but it is not necessary for them to be recorded in each daily report. With regard to open contracts, the outstanding balance calculated by deducting the accumulated total volume of settled transactions by delivery, reselling, or repurchasing from the accumulated volume of transactions closed after market hours every day (and every month) shall be recorded.</p> <p>2. Monthly reports shall include the daily average and number of market days in such month (the same shall apply to reports of transaction volume by Members, etc.).</p>
-------------------------------------	---	---	--

	<p>4. Report of transaction volume by Members, etc. shall include the name, or trade name of Members, etc., and with regard to gensaki and Spot Transactions, the quantity and amount of selling volume, delivery volume, buying volume and receipt volume; with regard to Futures Transactions with Cash Settlement and Index Futures Transactions, the quantity and amount of selling volume and buying volume; with regard to Option Transactions, the quantity, amount, and exercise volume or non-exercise volume (quantity of transactions closed by a person's own declaration of intent; the same shall apply hereinafter) of type of option, selling volume (which means transaction volume of a partner who issues the option), and buying volume (which means transaction volume of a partner who obtains the option).</p>	
--	---	--

Appended Table 2 (related to Article 49)

Commodity Exchange	Commodity Market	Quantity (on a person's own account)	Type of Listed Commodity or Listed Commodity Index)	Quantity (on a person's own account)	Quantity (on a customer's account)
Tokyo Grain Exchange	Agricultural products market	1,800 lots	Soybeans (general soybeans)	100 lots	50 lots
			Soybeans (Non-GMO soybeans)	100 lots	50 lots
			Red beans (adzuki)	50 lots	20 lots

			Corn	100 lots	50 lots
			Soybean meal	50 lots	20 lots
			Green arabica coffee bean	100 lots	50 lots
			Green robusta coffee bean	100 lots	50 lots
			Raw silk	50 lots	20 lots
	Sugar market	5,000 lots	Refined sugar	50 lots	20 lots
			Raw sugar	100 lots	50 lots
Tokyo Commodity Exchange	Rubber market	600 lots	Ribbed smoked sheet (RSS)	100 lots	50 lots
	Precious metals market	5,000 lots	Gold	200 lots	100 lots
			Silver	200 lots	100 lots
			Platinum	50 lots	20 lots
			Palladium	50 lots	20 lots
	Oil market	600 lots	Gasoline	100 lots	50 lots
			Kerosene	100 lots	50 lots
			Diesel fuel	100 lots	50 lots
			Crude oil	100 lots	50 lots
	Aluminium market	600 lots	Aluminium	50 lots	20 lots
Central Japan Commodity Exchange	Animal products market	400 lots	Bird eggs	100 lots	50 lots
	Rubber market	600 lots	Ribbed smoked sheet (RSS)	100 lots	50 lots
			Technically specified rubber (TSR)	50 lots	20 lots
	Ferrous scrap market	600 lots	Ferrous scrap	100 lots	50 lots
	Nickel market	600 lots	Nickel	50 lots	20 lots
	Oil market	600 lots	Gasoline	100 lots	50 lots
			Kerosene	100 lots	50 lots
			Diesel fuel	100 lots	50 lots
Aluminum market	600 lots	Aluminum	100 lots	50 lots	

	Rubber index	600 lots	Rubber index	50 lots	20 lots
Kansai Commodities Exchange	Agricultural products market	1,200 lots	Soybeans (Non-GMO soybeans)	100 lots	50 lots
			Soybeans (U.S. soybeans)	50 lots	20 lots
			Red beans (adzuki)	50 lots	20 lots
			Corn	100 lots	50 lots
	Fisheries market	2,700 lots	Frozen shrimp	50 lots	20 lots
	Sugar market	3,000 lots	Refined sugar	50 lots	20 lots
			Raw sugar	50 lots	20 lots
	Cocoon and silk market	800 lots	Raw silk	50 lots	20 lots
	Agricultural and feed products index market	800 lots	International grain, etc. index	100 lots	50 lots
Coffee index			100 lots	50 lots	

Appended Table 3 (related to Article 50)

Type of records:	Items to be recorded:	Precautions for recording:
Journal of Futures Transactions	<p>1. Name of Commodity Exchange</p> <p>2. Type of Listed Commodity or Listed Commodity Index</p>	<p>1. A person who engages in the Commodity Transactions Brokerage Business is not required to prepare these documents.</p> <p>2. Gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions shall be recorded separately from Option Transactions.</p>

	<p>3. Date</p> <p>4. Expiration month (with regard to Option Transactions, the expiration month, Exercise Price, and distinction of put or call)</p> <p>5. With regard to transactions by auction method with a single amount of consideration or Contract Price, etc., the session (morning or afternoon session) shall be recorded. With regard to transactions by auction method with an amount of consideration or Contract Price, etc., which is individually determined, the time shall be recorded.</p> <p>6. Transaction volume</p>	<p>3. Transaction volume, and exercise or non-exercise transaction volume, shall be recorded by the expiration month, session or time, distinction of selling or buying, and by new transaction, reselling, or repurchasing; and the total amounts of the day and the month shall be recorded by expiration month and by distinction of selling or buying.</p> <p>4. The volume of exercise or non-exercise shall be recorded by expiration month, Exercise Price, distinction of put or call, session or time, distinction of selling or buying, and by new transaction, reselling, or repurchasing; and the total amount of the day and the month shall be recorded by the expiration month and by put or call.</p> <p>5. Contract price, etc., including the closing price, closing index, balance of contract and balance of exercise contract, shall be recorded by expiration month and by session or time; and total amounts of the day and the month shall be recorded by expiration month.</p> <p>6. The amounts of consideration and total transaction amount shall be recorded by expiration month, Exercise Price, distinction of put or call, and session or time; and with regard to the total transaction amount, the total amount of the day and the month shall be recorded by expiration month and by distinction of selling or buying.</p>
--	---	---

	<p>7. Transaction volume by exercise or non-exercise (limited to the cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>8. Volume of exercise or non-exercise (limited to cases of Option Transactions)</p> <p>9. Amount of consideration or Contract Price, etc.</p> <p>10. Closing price or closing index (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>11. Balance of contract or exercise contract (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>12. Total transaction amount (limited to cases of Option Transactions)</p>	
<p>Futures Transaction Ledger</p>	<p>1. Date of record</p> <p>2. Name of Commodity Exchange</p>	<p>1. A person who engages in the Commodity Transactions Brokerage Business is not required to prepare these documents.</p> <p>2. Gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions shall be recorded separately from Option Transactions.</p>

	<p>3. Type of Listed Commodity or Listed Commodity Index</p> <p>4. Expiration month (with regard to Option Transactions, expiration month, Exercise Price, and distinction of put or call)</p> <p>5. Date transaction closed</p> <p>6. With regard to transactions by auction method with a single amount of consideration or Contract Price, etc., the session (morning or afternoon session) shall be recorded. With regard to transactions by auction method with an amount of consideration or Contract Price, etc., which is individually determined, the time shall be recorded.</p> <p>7. Quantity</p> <p>8. Amount of consideration or Contract Price, etc.</p> <p>9. Balance of transactions or total transaction amount</p> <p>10. Net profit or loss</p> <p>11. Profit or loss of Commodity Futures settlement</p>	<p>3. The date the transaction closed, session or time, quantity, and amount of consideration or Contract Price, etc. shall be recorded by distinction of selling or buying, distinction of receipt or delivery, and distinction of exercise, non-exercise, or expiration of the right.</p> <p>4. In cases where gensaki is closed by exercise or non-exercise, the said effect and distinction by new transaction, reselling, or repurchase shall be recorded.</p> <p>5. With regard to profit and loss of Commodity Futures settlement, the date of settlement, summary, profit and loss, and the balance shall be recorded.</p>
--	---	--

<p>Futures Transaction Position Calculation Journal</p>	<p>1. Name of Commodity Exchange</p> <p>2. Type of Listed Commodity or Listed Commodity Index</p> <p>3. Date</p> <p>4. Expiration month (with regard to Option Transactions, expiration, Exercise Price, and distinction of put or call)</p> <p>5. Open contracts of the previous day</p> <p>6. Transaction volume</p>	<p>1. Gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions shall be recorded separately from Option Transactions.</p> <p>2. A person who engages in the Commodity Transactions Brokerage Business shall record items by distinction of those pertaining to such person's own account or those pertaining to brokerage.</p> <p>3. Open contracts of the previous day or of the current day shall be recorded by distinction of selling or buying.</p> <p>4. Transaction volume and transaction volume of exercise or non-exercise shall be recorded by distinction of selling or buying, and by distinction of new transaction, reselling, or repurchasing, and the total amount shall also be recorded.</p> <p>5. Closing price or closing index shall include the difference between that of the current day and that of the previous business day.</p> <p>6. In cases of transactions on a Commodity Exchange Market by an account of Members, etc., the required amount of clearing margins shall be recorded by initial clearing margin, spot month additional clearing margin, extraordinary clearing margin, supplementary clearing margin, and option fluctuating clearing margin, and the total amount of such clearing margins shall also be recorded.</p>
---	--	---

	<p>7. Transaction volume by exercise or non-exercise (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>8. Settlement volume (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>9. Volume of exercise or non-exercise (limited to Option Transactions)</p> <p>10. Open contracts of the current day</p> <p>11. Closing price or closing index (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>12. Closing balance (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>13. Required amount of clearing margins to be deposited</p>	
<p>Futures Transaction Settlement Calculation Journal</p>	<p>1. Type of Listed Commodity</p> <p>2. Expiration month</p> <p>3. Settlement date and time</p> <p>4. Name of consignor</p> <p>5. Type and description of deliverable grades</p> <p>6. Settlement volume</p>	<p>1. A person who engages in the Commodity Transactions Brokerage Business shall record items by distinction of a person's own account or a consignor's account.</p> <p>2. Settlement volume shall be recorded by distinction of receipt or delivery.</p> <p>3. The amount of balance of receipts or payments shall be recorded by distinction of receipt or payment.</p>

	7. Name of warehouse 8. Warehouse receipt number 9. Contract price 10. Settlement price 11. Balance of grades 12. Settlement amount based on contract price 13. Settlement amount based on delivery price 14. Amount of consumption tax pertaining to delivery amount based on settlement price 15. Commission fees and settlement fees 16. Amount of consumption tax pertaining to commission fees 17. Various accounts 18. Balance of receipts and payments 19. Settlement balances of reselling and repurchasing 20. Settlement amount at the Commodity Exchange or Commodity Clearing Organization	
--	---	--

Appended Table 4 (related to Article 99)

(1) With regard to transactions set forth in Article 2, paragraph (8), item (i) through (iii) of the Act and Over-the-Counter Commodity Futures Transactions, the amount is the total of the amount calculated by the calculation method specified in the following table for the categories of the transactions set forth in the same table.

Category of transaction	Calculation method
-------------------------	--------------------

<p>Transactions on a Commodity Market on a Futures Commission Merchant's own account and Over-the-Counter Commodity Futures Transactions</p>	<p>Total amount calculated based on the following formula by expiration month of each transaction, and by each type of Listed Commodity or Listed Commodity Index subject to transactions on the Commodity market, or Listed Commodity Component Products, etc., subject to Over-the-Counter Commodity Futures Transactions:</p> $(a \times b \times c \times 0.03) + (d \times b \times c \times 0.15)$ <p>The following values are represented by a, b, c, and d in the formula:</p> <ul style="list-style-type: none"> a total quantity of short position and long position; b closing price or closing index pertaining short position and long position; c coefficient; d remaining quantity as a result of offsetting short positions and long positions.
<p>Transactions on a Commodity Market on a consignor's own account and Over-the-Counter Commodity Futures Transactions</p>	<p>Total amount calculated by individual customer based on the following formula (in cases where such amount becomes negative, the amount shall be zero):</p> $\{e + (0.4 \times a \times b \times c \times 0.1) + [(0.6 \times a \times b \times c \times 0.1 \times e) / f] - g\} \times h$ <p>The following values are represented by e, f, g, and h in the formula, in addition to the above values:</p> <ul style="list-style-type: none"> e when a loss pertaining to a short position and long position exceeds profit, such excess amount, and when the loss does not exceed said profit, the amount shall be zero;

<p>f total amount of loss pertaining to total short positions and long positions; g amount of clearing margin; h percentage prescribed in the following table for the categories of customers set forth respectively in said table:</p>		
Category of customer		Percentage
Financial institutions, etc.	Institution which has been rated by a designated rating agency	1.2%
	Institution which has not been rated by a designated rating agency	5%
Other juridical persons, etc.	Corporation which has been rated by a designated rating agency	6%
	Corporation which has not been rated by a designated rating agency	25%
Individual persons		25%

(2) With regard to transactions set forth in Article 2, paragraph (8), item (iv) of the Act, the amount is the total of the amount calculated by the calculation method specified in the following table for the categories of transactions set forth in the same table.

Category of transaction	Calculation method
-------------------------	--------------------

<p>Transactions on a Commodity Market on a Futures Commission Merchant's own account and Over-the-Counter Commodity Futures Transactions</p>	<p>(1) The amount is calculated by multiplying the quantity of short positions or long positions of the underlying asset by the amount corresponding to 18 percent of the current market value of such underlying asset and coefficient, by expiration month of each transaction and by each type of Listed Commodity or Listed Commodity Index subject to transactions on the Commodity Market, or Listed Commodity Component Products, etc., subject to Over-the-Counter Commodity Futures Transactions.</p> <p>(2) Notwithstanding the provisions of (1), the amount specified in the following table corresponding to the category in the same table may substitute for the value of the result calculated as per (1).</p>	
	Category	Amount
	In cases where a clearing margin pertaining to said transaction is deposited with the Commodity Exchange or Commodity Clearing Organization	Amount of said clearing margin
	In cases of long positions	Amount of premium pertaining to said transaction
	In cases of short positions and out-of-the-money	Result after deducting the amount obtained by multiplying the quantity of short positions by the amount out-of-the-money and the coefficient from the result of (1)
<p>Transactions on a Commodity Market on customer's account (limited to short positions)</p>	<p>The amount calculated by individual customer based on the following formula:</p> $\{e + (0.4 \times a \times i \times c \times 0.1) + ([0.6 \times a \times i \times c \times 0.1 \times e] / f) - g\} \times h$	

With regard to this formula, i shall represent the Exercise Price pertaining to a short position or long position.
--

Notes

1. Definitions of terms prescribed in the following (1) through (11) shall be set forth in the provisions of (1) through (11).
 - (1) Transactions on a Commodity Market means transactions on a Commodity Market prescribed in the provisions of Article 103, paragraph (1) and Article 179, paragraph (1) of the Act.
 - (2) Short Position means selling with incomplete settlement.
 - (3) Long Position means buying with incomplete settlement.
 - (4) Coefficient means, with regard to short positions and long positions, the result of the calculation by dividing the transaction lot specified by the Commodity Exchange and Over-the-Counter Commodity Futures Transactions Dealers, by the quantity which is to be the unit of the Contract Price, etc.
 - (5) Financial Institutions, etc. means the following:
 - a. Futures Commission Merchants;
 - b. Financial Instruments Business Operators;
 - c. Persons (limited to those under requirements similar to the capital adequacy ratio) in Designated States (which means the Designated States set forth in Article 1, item (iv) of the Notice on Establishment of Standards for Calculation of Financial Instruments Business Operators' Amount Equivalent to Market Risk, Amount Equivalent to Counterparty Risk, and Amount Equivalent to Basic Risk [Public Notice of the Financial Services Agency No. 59]; hereinafter the same shall apply in this table) (excluding Japan) who are equivalent to Financial Instruments Business Operators;
 - d. Financial Institutions (which means financial institutions specified in Article 177, paragraph (1), item (iii), (c) of the Cabinet Office Ordinance on Financial Instruments Business Operators, etc.; hereinafter the same shall apply in this table) in Japan;
 - e. Companies (limited to those under capital adequacy requirements) in Designated States (excluding Japan) which are equivalent to Financial Institutions in Japan;
 - f. Bank Holding Companies (which means the Bank Holding Companies prescribed in Article 2, paragraph (13) of the Banking Act [Act No. 59 of 1981]);
 - g. Companies (limited to those under capital adequacy requirements) in Designated States (excluding Japan) which are equivalent to Bank

Holding Companies.

- (6) An institution which has been rated by a Designated Rating agency means, notwithstanding the difference of the actual rating and the preliminary rating, an institution that has been given a Designated Rating (which means a Designated Rating specified in Article 1, item (v) of the Notice on Establishment of Standards for Calculation of Financial Instruments Business Operators' Amount Equivalent to Market Risk, Amount Equivalent to Counterparty Risk, and Amount Equivalent to Basic Risk; hereinafter the same shall apply in this table) of long term preferred debts (including debts that can be identified as equivalents), and the institution shall be deemed to be given a Designated Rating when said institution has been given the same rating as the Designated Rating with regard to a company rating or an insurance solvency rating. With regard to a consolidated subsidiary of a company with a Designated Rating that also submits a consolidated financial report, said consolidated subsidiary shall be deemed to be granted the Designated Rating, except for the cases where said consolidated subsidiary has been given a rating other than the Designated Rating.
 - (7) Exercise Price means the price, value, or that which is similar to those pertaining to transactions closed when an option is executed as an Option Transaction.
 - (8) Call option means the right to buy the Underlying Asset (which means an asset or transaction subject to an exercise of option) of an Option Transaction.
 - (9) Put Option means the right to sell the underlying asset of an Option Transaction.
 - (10) Out-of-the-Money means the situation when the value of the underlying asset is lower than the Exercise Price with regard to a call Option Transaction, or the situation when the value of the underlying asset is higher than the Exercise Price with regard to a put Option Transaction.
 - (11) Amount Out-of-the-Money means the difference between the Exercise Price and the current market value of the underlying asset.
2. With regard to d as the remaining quantity as a result of offsetting a short position and a long position, the quantity of short and long positions of the following (1) through (3) can be offset when the correlation coefficient of the price fluctuation listed in the following (1) through (3) is 90 percent or more:
- (1) Listed Commodity or Listed Commodity Index on the same Commodity Market;

- (2) Listed Commodity Index and Listed Commodity that is a Product Underlying a Listed Commodity Index;
 - (3) Listed Commodity and Listed Commodity Component Products, etc., or Listed Commodity Index and Listed Commodity Component Products, etc. that are Products Underlying the Listed Commodity Index of such Listed Commodity Index.
3. With regard to coefficient h specified in the table, the value shall be 25 percent in cases where it is difficult to segregate by customer, and shall be 100 percent, notwithstanding the category of customer, in cases where the customer falls under any of the following:
- (1) a person who has filed a motion for the commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, commencement of reorganization proceedings, or commencement of special liquidation, or a person who has filed the same type of proceedings based on foreign regulations;
 - (2) a person who has received a decision for the commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, commencement of reorganization proceedings, or commencement of special liquidation, or a person who has received the same type of decision based on foreign regulations;
 - (3) a juridical person that is determined to be a failed institution with excess debts, stated objectively.
4. The buying of a call option or the selling of a put option shall be deemed to be the buying of the underlying asset, and the selling of a call option or the buying of a put option shall be deemed to be the selling of the underlying asset.
5. With regard to transactions on a Commodity Market on a Futures Commission Merchant's own account, when the selling and buying of the same option are equivalent opposites, such transactions can be offset.

Appended Table 5 (related to Article 113)

Type of journal:	Items to be recorded:	Precautions for recording:
Order form	1. Date and time of the undertaking of brokerage 2. Name of Commodity Exchange	1. File each document by date. 2. When generating order forms by inputting directly into a computer, all requirements specified in the following (1) through (5) shall be satisfied. In such cases, order forms can be generated by a form of computer listing.

<p>3. Type of Listed Commodity or Listed Commodity Index</p> <p>4. Distinction of transactions pertaining to the person's own account or those pertaining to brokerage (in cases of brokerage, name of the customer)</p> <p>5. Name of the broker</p> <p>6. Distinction of selling or buying</p>	<p>(1) Details of the order shall be input at the time of the undertaking of brokerage.</p> <p>(2) A copy of input data shall be generated and maintained.</p>
<p>7. Quantity</p>	<p>(3) Input time shall be recorded automatically.</p> <p>(4) When input items are cancelled or modified, each such cancellation or modification shall be recorded per se as a separate record from the original.</p> <p>(5) When it is impossible to input directly into a computer and generate an order form at the time of the undertaking of brokerage, such as: when details of an order are given to a branch office via telephone; when an order for the next day is undertaken after the computer operation; when a computer becomes out-of-service due to a disaster, etc.; the order form shall be generated manually at the time of the undertaking of brokerage; provided, however, that when the order form is both generated manually at the time of the undertaking of brokerage and the order form is generated by inputting directly into a computer, and when the order result, etc. is recorded by subsequently inputting details of the order and is maintained, it is not necessary for an additional copy to be recorded on a manual order form.</p>

8. With regard to gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions, the expiration month, distinction of new transaction, reselling, or repurchasing, and distinction of receipt or delivery; and with regard to Option Transactions, a description of the option (expiration month, Exercise Price, distinction of put or call), distinction of new transaction, reselling, or repurchasing, and distinction of exercise or non-exercise

9. Distinction of limit order, market order, or other orders (in cases of a limit order, the price and expiration of such order; in cases of a market order, the date and session of the transaction carried out)

10. With regard to transactions by auction method with a single amount of consideration or Contract Price, etc., the date and session of such transaction closed; and with regard to transactions by auction method with an amount of consideration or Contract Price, etc. that is individually determined, the date and time that such transaction closed

11. Amount of consideration or Contract Price, etc.

12. When a transaction is not closed, the reasons for not closing

3. When a transaction has ended in failure, that effect shall be recorded on the order form and such order form shall be maintained.

4. With regard to a person who brokers of Transactions on a Commodity Market, etc., listed in Article 2, paragraph (16), item (ii) or item (iv) of the Act, the trade name of the Futures Commission Merchant who brokers shall be recorded.

5. With regard to Option Transactions, in cases of exercise or non-exercise, the distinction of new transaction, reselling, or repurchasing, and quantity thereof, shall be recorded.

	<p>13. In cases of reselling or repurchasing, the initial contract date, quantity, and amount of consideration (limited to the case of an Option Transaction) or Contract Price, etc. (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>14. In cases of exercise, a long position of an Option Transaction pertaining to such exercise</p>	
<p>Futures Transaction Calculation Journal</p>	<p>1. Name of Commodity Exchange</p> <p>2. Type of Listed Commodity or Listed Commodity Index</p> <p>3. Date</p>	<p>1. With regard to a person who brokers Transactions on Commodity Markets, etc., listed in Article 2, paragraph (16), item (ii) or item (iv) of the Act, the trade name of the Futures Commission Merchant who brokers shall be recorded.</p> <p>2. Gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions shall be recorded separately from Option Transactions.</p> <p>3. With regard to transaction volume or transaction volume by exercise or non-exercise, items shall be recorded by distinction of a person's own account or a customer's account, expiration month, session or time, distinction of selling or buying, and distinction of a new transaction, reselling or repurchasing; and the total amount of the day or the month shall be recorded by expiration month, by distinction of a person's own account or a consignor's account, and by distinction of selling or buying.</p>

4. Distinction of transactions pertaining to the person's own account or those pertaining to brokerage (in cases of brokerage, the name of the customer)

5. Expiration month (with regard to Option Transactions, the expiration month, Exercise Price, and distinction of put or call)

6. With regard to transactions by auction method with a single amount of consideration or Contract Price, etc., the session when such transaction closed; and with regard to transactions by auction method with an amount of consideration or Contract Price, etc. which is individually determined, the time such transaction closed

7. Transaction volume

4. With regard to the volume of exercise or non-exercise, items shall be recorded by distinction of a person's own account or a customer's account, expiration month, Exercise Price, distinction of put or call, distinction of selling or buying, and distinction of new transaction, reselling, or repurchasing; and the total amount of the day and the month shall be recorded by expiration month, distinction of a person's own account or a consignor's account, and distinction of put or call.

5. With regard to the Contract Price, etc., closing price, closing index, balance of contract and balance of exercise contract, items shall be recorded by distinction of a person's own account or a customer's account, and expiration month; and the total amount of the day and the month shall be recorded by distinction of that pertaining to the person's own account or that pertaining to brokerage, and by expiration month.

6. With regard to the amount of consideration and total transaction amount, items shall be recorded by expiration month, Exercise Price, distinction of put or call; and with regard to the total transaction amount, the total amount of the day and the month shall be recorded by expiration month, distinction of that pertaining to the person's own account or that pertaining to brokerage, and distinction of selling or buying.

	<p>8. Transaction volume by exercise or non-exercise (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>9. Volume of exercise or non-exercise (limited to cases of Option Transactions)</p> <p>10. Amount of consideration or Contract Price, etc.</p> <p>11. Closing price or closing index (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>12. Balance of contract or exercise contract (limited to cases of gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions)</p> <p>13. Total transaction amount (limited to cases of Option Transactions)</p>	
Futures Transaction Journal by Customer	<p>1. Name of customer</p> <p>2. Date of record</p>	<p>1. With regard to a person who accepts consignment of Transactions on a Commodity Market, etc., set forth in Article 2, paragraph (16), item (ii) or item (iv) of the Act, the trade name of the Futures Commission Merchant who accepts the consignment shall be recorded.</p> <p>2. Gensaki, Futures Transactions with Cash Settlement, and Index Futures Transactions are to be recorded separately from Option Transactions.</p>

3. Name of Commodity Exchange

4. Type of Listed Commodity or Listed Commodity Index

5. Expiration month (with regard to Option Transactions, the expiration month, Exercise Price, distinction of put or call)

6. Date transaction closed

7. With regard to transactions by auction method with a single amount of consideration or Contract Price, etc., the session such transaction closed; and with regard to transactions by auction method with an amount of consideration or Contract Price, etc. that is individually determined, the time such transaction closed

8. Quantity

9. Amount of consideration or Contract Price, etc.

10. Balance of transaction or total transaction amount

11. Commission fees

12. Consumption tax

13. Net profit or loss, or net amount of receipt and delivery

3. Date transaction closed, session or time, quantity and amount of consideration or Contract Price, etc. shall be recorded by distinction of selling or buying, distinction of receipt or delivery, and distinction of exercise, non-exercise, or expiration of the right.

4. In cases where gensaki is closed by exercise or non-exercise, the said effect and distinction of new transaction, reselling, or repurchase shall be recorded.

5. With regard to status of balance clearing or settlement, such date, summary, profit or loss, and the balance shall be recorded.

6. Transactions on a Commodity Market on a person's own account of Members, etc. shall also be recorded.

	14. Condition of balance clearing or settlement	
Journal of Clearing Margins, etc.	<p>1. Date of record</p> <p>2. Name of customer</p> <p>3. Distinction of clearing margin, etc.</p> <p>4. Securities or warehouse receipts</p> <p>5. Cash</p> <p>6. Current outstanding deposit</p>	<p>1. With regard to distinction of clearing margins, etc., distinction by clearing margin, customer margin, intermediary margin, clearing intermediary margin, deposit of option premium, or deposit pertaining to Commodity Transactions Brokerage Business shall be recorded.</p> <p>2. With regard to Securities or warehouse receipts, such type or description, quantity or face value, unit price, amount of deposit, refundable amount, and amount of net deposit shall be recorded by each detailed amount; and with regard to cash, the amount of deposit, refundable amount, and amount of net deposit shall be recorded by each detailed amount.</p> <p>3. With regard to each detailed amount and current outstanding deposits of Securities and warehouse receipts, the value based on allocation price and value based on current market value shall be recorded.</p>
Journal of Current Outstanding Margins by Customer	<p>1. Name of customer</p>	<p>1. With regard to distinction of margins, etc., distinction by clearing margin, customer margin, intermediary margin, clearing intermediary margin, deposit of option premium, or deposit pertaining to the Commodity Transactions Brokerage Business shall be recorded.</p>

	<p>2. Date of record</p> <p>3. Date of deposit of margin, etc.</p> <p>4. Summary</p> <p>5. Distinction of margins, etc.</p> <p>6. Securities or warehouse receipts</p> <p>7. Cash</p> <p>8. Outstanding deposit</p>	<p>2. With regard to Securities or warehouse receipts, such type or description, quantity or face value, unit price, amount of deposit, and refundable amount shall be recorded by each detailed amount; with regard to cash, the amount of deposit and refundable amount shall be recorded by each detailed amount; and with regard to the current outstanding deposit, the amount of Securities or warehouse receipts, and cash, such total amount shall be recorded by each detailed amount.</p> <p>3. With regard to the detailed amounts of Securities or warehouse receipts, cash and current outstanding deposit, the value based on allocation price and value based on current market value shall be recorded.</p>
<p>Details of Securities deposited</p>	<p>1. Destination and purpose of deposit</p> <p>2. Date of record</p> <p>3. Date of deposit or refund</p> <p>4. Name of customer</p>	<p>1. The documents shall be prepared separately by destination of deposit.</p> <p>2. When deposits are paid to a location but for various purposes, the documents shall be prepared, separated by purpose.</p> <p>3. With regard to the unit price, deposit amount, refundable amount, and current outstanding balance, the value based on allocation price and the value based on current market value shall be recorded.</p>

	<p>5. Description of Securities 6. Quantity or face value 7. Unit price 8. Amount of deposit 9. Refundable amount 10. Current outstanding balance</p>	
<p>General Administration Table of Customers</p>	<p>1. Date of record</p> <p>2. Name of customer</p> <p>3. Name of Commodity Exchange</p>	<p>1. Balances of open contracts shall be recorded separately by distinction of selling or buying.</p> <p>2. With regard to distinction of Deposit Deferrals (which means, with regard to the whole or a part of clearing margins, such deposit will carry a grace period pursuant to the provisions of Article 103, paragraph (8) of the Act [including cases applying mutatis mutandis pursuant to Article 179, paragraph (7) of the Act]; the same shall apply hereinafter), items shall be recorded only in cases where a customer is an intermediary prescribed in Article 103, paragraph (3) of the Act, an intermediary prescribed in Article 179, paragraph (3) of the Act, or a clearing intermediary prescribed in paragraph (4) of the same Article.</p> <p>3. With regard to deposited clearing margin, the amount of cash, Securities or warehouse receipts, and such total amount shall be recorded, and the value based on allocation price and the value based on the current market value shall be recorded.</p>

4. Type of Listed Commodity or Listed Commodity Index

5. Expiration month (with regard to Option Transactions, the expiration month, Exercise Price, and distinction of put or call)

6. Date transaction closed

7. With regard to transactions by auction method with a single amount of consideration or Contract Price, etc., the session shall be recorded. With regard to transactions by auction method with an amount of consideration or Contract Price, etc., which is individually determined, the time shall be recorded.

4. With regard to unsecured Mark-to-Market profit and loss amounts, unsecured accounts receivable from a customer, amount exceeding deposited margin, deposit amount declared to a Commodity Exchange or Commodity Clearing Organization, deduction amount against allocations, and amount scheduled to be refunded, the value based on allocation price shall be recorded.

5. With regard to the required amount of clearing margin, items shall be recorded by initial margin, spot month additional clearing margin, extraordinary clearing margin, delivery clearing margin, premium margin, and additional margin, and such total amount shall be recorded.

6. With regard to amount for maintenance of the clearing margin, the total amount of the amount for maintenance of the initial clearing margin, option fluctuating clearing margin, spot month additional clearing margin, extraordinary clearing margin and delivery clearing margin shall be recorded.

7. With regard to the free margin, an amount calculated by deducting the amount scheduled to be refunded shall be recorded.

8. Outstanding open contracts

8. With regard to items to be recorded (except for the date of record, name of customer, name of Commodity Exchange, Type of Listed Commodity or Listed Commodity Index, expiration month, date of contract, and session or time), such amount shall be recorded by each open contract, by customer (by each customer and distinction of existence or non-existence of replacement, or by Deposit Deferral), and by each of all of the above for all customers; provided, however, that with regard to unsecured Mark-to-Market profit and loss amounts, amount of deposited margin, accounts receivable from a customer, unsecured accounts receivable from a customer, total amount of required amount of clearing margin, and additional margin of such related details, amount exceeding deposited margin or amount of claim for shortage, maintenance account for the clearing margin, Mark-to-Market applicable reserve, free margin, deposit amount declared to a Commodity Exchange or Commodity Clearing Organization, deduction amount against allocations, and amount scheduled to be refunded, it is not necessary to record such amounts individually by open contract.

9. Amount of consideration or Contract Price, etc.

10. Closing price or closing index

11. Mark-to-Market profit and loss amount

12. Unsecured Mark-to-Market profit and loss amount

	<p>13. Existence or non-existence of replacement, or distinction of Deposit Deferral</p> <p>14. Amount of deposited margin</p> <p>15. Accounts receivable from customer</p> <p>16. Unsecured accounts receivable from customer</p> <p>17. Base amount of initial clearing margin</p> <p>18. Required amount of clearing margin</p> <p>19. Amount exceeding deposited margin, or amount of claim for shortage</p> <p>20. Amount for maintenance of the clearing margin</p> <p>21. Mark-to-Market applicable reserve</p> <p>22. Free margin</p> <p>23. Deposit amount declared to the Commodity Exchange or Commodity Clearing Organization</p> <p>24. Deduction amount against allocations</p> <p>25. Amount scheduled to be refunded</p>	
<p>Asset Management / Maintenance Journal by Customer</p>	<p>1. Date</p>	<p>1. With regard to distinction of margins, etc., distinction by clearing margin, customer margin, intermediary margin, clearing intermediary margin, any Deposit Deferral shall be recorded; provided, however, that with regard to Deposit Deferrals, items shall be recorded only in cases where a customer is an intermediary prescribed in Article 103, paragraph (3) of the Act, an intermediary prescribed in Article 179, paragraph (3) of the Act, or a clearing intermediary prescribed in paragraph (4) of the same Article.</p>

2. Name of customer	2. With regard to the amount of deposited margin, deposit of option premium, deposit pertaining to Commodity Transactions Brokerage Business, liabilities pertaining to receipt and delivery, and property deposited with a Commodity Exchange for the settlement of receipt or delivery, cash, Securities or warehouse receipts, and their total amount shall be recorded.
3. Distinction of clearing margin, etc.	3. With regard to Mark-to-Market profit and loss and accounts receivable from a customer, detailed amounts of the unsecured portion shall be recorded.
4. Amount of clearing margin received from customer	4. With regard to the amount of clearing margin deposited with a Commodity Exchange or Commodity Clearing Organizations, in cases where there is no replacement, the amount of cash, amount of Securities or warehouse receipts, deduction amounts against allocations, and amount for which the customer holds a right to demand restitution shall be recorded as detailed amounts; and in cases where there is a replacement, the amount which was replaced and deposited, advance money, and the amount for which the customer holds a right to demand restitution shall be recorded as detailed amounts.

5. Amount of same-day margin refund and the commission imposed

6. Deposit of option premium and deposit pertaining to Commodity Transactions Brokerage Business

7. Liabilities pertaining to receipt and delivery

5. With regard to the Mark-to-Market profit and loss, balance of Futures Transactions of a customer who has not paid the Commodity Exchange or Commodity Clearing Organization, or balance of accrued Futures Transactions of the customer, accounts receivable from a customer, suspense payment of a customer, and accounts payable of the customer or accounts receivable from the customer with regard to receipt or delivery, the value based only on the current market value shall be recorded. With regard to other items to be recorded (including the unsecured portion of Mark-to-Market profit and loss and accounts receivable from a customer), the value based on allocation price and the value based on the current market value shall be recorded.

6. With regard to all items to be recorded, total amount by customer, total amount of all customers by distinction of clearing margin, and total amount of all customers shall be recorded; provided, however, that with regard to total amount of clearing margins deposited with a Commodity Exchange or Commodity Clearing Organizations, only in cases where replacement is carried out, cash, Securities or warehouse receipts, and amounts of Deposit Deferrals shall be recorded as detailed items separately by distinction of clearing margin.

<p>8. Mark-to-Market profit and loss</p> <p>9. Balance of Futures Transactions of a customer who has not paid the Commodity Exchange or Commodity Clearing Organization, or balance of accrued Futures Transactions of the customer</p> <p>10. Accounts receivable from a customer</p> <p>11. Suspense payment of a customer</p> <p>12. Accounts payable of the customer or accounts receivable from the customer with regard to receipt or delivery</p> <p>13. Adjustment amount of the balance of accrued Futures Transactions of the customer</p> <p>14. Amount calculated by deducting assets pertaining to a customer (except for clearing margins deposited with a Commodity Exchange or Commodity Clearing Organizations) from liabilities pertaining to the customer</p> <p>15. Amount of clearing margins deposited with a Commodity Exchange or Commodity Clearing Organizations</p> <p>16. Property deposited with a Commodity Exchange for the settlement of receipt or delivery</p> <p>17. Property Subject to Preservation</p>	
--	--

Form No. 1 (related to: Article 3, item (ii); Article 4, item (ii) and item (iii); Article 28, paragraph (1), item (iv); Article 29, item (ii) and item (iii); Article 38, paragraph (1); Article 60, item (iii); Article 61, item (i), (h) and item (ii), (d); Article 66, item (xi); Article 70, item (v); Article 80, paragraph (1), item

(vii); Article 117, paragraph (1), item (i); Article 118, paragraph (2), item (x); Article 120, paragraph (2), item (x); Article 121, paragraph (2), item (x); Article 125, paragraph (1) and paragraph (2); and Article 134, paragraph (1), item (v))

Form No. 2 (related to Article 63)

Form No. 3 (related to Article 78)

Form No. 4 (related to: Article 80, paragraph (1), item (vi); Article 82, paragraph (2), item (ii), (b); Article 118, paragraph (2), item (ix); Article 119, paragraph (2), item (vi); Article 120, paragraph (2), item (ix); and Article 121, paragraph (2), item (ix))

Form No. 5 (related to: Article 80, paragraph (1), item (ix); Article 118, paragraph (2), item (xii); Article 119, paragraph (2), item (viii); Article 120, paragraph (2), item (xii); and Article 121, paragraph (2), item (xii))

Form No. 6 (related to: Article 80, paragraph (1), item (xii); Article 118, paragraph (2), item (xv); Article 119, paragraph (2), item (xi); Article 120, paragraph (2), item (xv); and Article 121, paragraph (2), item (xv))

Form No. 7 (related to: Article 80, paragraph (1), item (xiii); Article 118, paragraph (2), item (xvi); Article 119, paragraph (2), item (xii); Article 120, paragraph (2), item (xvi); and Article 121, paragraph (2), item (xvi))

Form No. 8 (related to: Article 80, paragraph (1), item (xiv); Article 118, paragraph (2), item (xvii); Article 119, paragraph (2), item (xiii); Article 120, paragraph (2), item (xvii); and Article 121, paragraph (2), item (xvii))

Form No. 9 (related to: Article 80, paragraph (1), item (xix); Article 118, paragraph (2), item (xxii); Article 119, paragraph (2), item (xviii); Article 120, paragraph (2), item (xxii); and Article 121, paragraph (2), item (xxii))

Form No. 10 (related to: Article 80, paragraph (2), item (i); and Article 117, paragraph (1), item (iii))

Form No. 11 (related to Article 83, paragraph (1))

Form No. 12 (related to Article 85, paragraph (1))

Form No. 13 (related to Article 88, paragraph (1))

Form No. 14 (related to Article 91)

Form No. 15 (related to Article 100, paragraph (3))

Form No. 15-2 (related to Article 116, paragraph (1))

Form No. 16 (related to Article 117, paragraph (1), item (ii))

Form No. 17 (related to Article 117, paragraph (1), item (iv))

Form No. 18 (related to Article 117, paragraph (1), item (iv))

Form No. 19 (related to Article 122)

Form No. 20 (related to Article 132)

Form No. 21 (related to Article 155)

Form No. 22 (related to Article 162)

Form No. 23 (related to Article 163)

Form No. 24 (related to Article 173)