

REGULATIONS FOR CLEARING FUNDS

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Article 1. Purposes

The purpose of these Regulations shall be to set forth the necessary matters prescribed under Article 15.1 of the Regulations for Business Rules consisting of special measures to handle Ordinary Clearing Funds pertaining to Give-ups under Article 47-2, the amounts and manner of deposit of Ordinary Clearing Funds and Special Clearing Funds as prescribed under Article 61.2, the method for maintaining segregated management of Clearing Funds as prescribed under Article 61.4, Cumulative Limit on the Amount of Ordinary Clearing Funds as prescribed under Article 62.1, the suspension of deposits of Ordinary Clearing Funds as prescribed under Article 62.2, the return of Special Clearing Funds as prescribed under Article 64.2, the return of Ordinary Clearing Funds as prescribed under Article 64.3, and distribution of yields from investment of Clearing Funds as prescribed under Article 67 of the Business Rules.

Article 2. Deposit of Ordinary Clearing Funds

1. Clearing Participant (excluding a party which became a Clearing Participant in accordance with the financial requirements prescribed in Article 7.2(4) e) of Business Rules hereof) shall deposit Ordinary Clearing Funds for each Designated Commodity Market in which they conduct Subject to Clearing Transactions. The methods and amounts to be deposited shall be as prescribed in the Attachment hereto.
2. Ordinary Clearing Funds for Designated Commodity Market prescribed in Subparagraphs (8) through (12) of Article 3.1 of the Business Rules may be in the form of Substitute Securities.
3. In case of Clearing Participant who has already deposited the securities for collateral based on the prescribed paragraph, the Participant shall promptly deposit additional money or securities if prices of the securities used as a benchmark are changed pursuant to Substitute Securities prescribed in Regulations for Clearings Funds (including suspension and cancellation of securities as a collateral) or fall below original deposit amount.
4. In case of Clearing Participant who has already deposited the Substitute Securities based on Paragraph 2 of this Article, JCCH resumes deposits for Ordinary Clearing Funds pertaining to each segment of said market which the Participant trades at if deposits of Ordinary Clearing Funds fall below accumulative limit in Paragraph1 of Article 4 due to changes in price of Substitute Securities based on Regulations for Clearing Funds.
5. If Clearing Participant replaces all or a part of Ordinary Clearing Funds deposited with JCCH to money or other Substitute Securities, Participant shall deposit money or the securities which exceed the amount of the Funds before replacement.

Article 3. Deposit of Special Clearing Funds

1. In cases where deposit of Special Clearing Funds with JCCH as prescribed under Article 61.2 of the Business Rules , shall be instructed from the Designated Commodity Exchange by the notice, when the Designated Commodity Exchange deemed necessary

to deposit Special Clearing Funds by measure of governing management on viewing the Members as Clearing Participant's assets and open interest.

2. The amounts and manner of deposit of Special Clearing Funds shall decide on Designated Commodity Exchange notice.

Article 4. Cumulative Limit on the Amount of Clearing Funds

1. Cumulative Limit on the Amount of Ordinary Clearing Funds deposited by Clearing Participant shall be as prescribed in the Attachment hereto for each Designated Commodity Market.
2. In cases where the Ordinary Clearing Funds deposited by a Clearing Participant exceed Cumulative Limit on the Amount of Ordinary Clearing Funds prescribed in the preceding Paragraph, JCCH shall suspend deposit of Ordinary Clearing Funds for the given market category of the concerned Clearing Participant from the month following the month in which the Ordinary Clearing Funds exceeds such Cumulative Limit.

Article 5. Return of Clearing Funds

1. In cases where deposit of Ordinary Clearing Funds is suspended under the provisions of Article 4 hereof, JCCH shall return the portion of the Ordinary Clearing Funds deposited by the concerned Clearing Participant with JCCH that is in excess of Cumulative Limit on the Amount of Ordinary Clearing Funds applicable for the Clearing Participant based on the content of the application for return of Clearing Funds from the concerned Clearing Participant..
2. JCCH shall return Special Clearing Funds based on Designated Commodity Exchange notice.

Article 5-2. Treatment of Ordinary Clearing Funds Pertaining to Give-ups

1. If JCCH returns Ordinary Clearing Funds prescribed in Article 47-2 of the Regulations for Business Rules, the funds shall be recovered to Clearing Participants, who went

through said extinguished transactions, in the following month of the calculation area's month in which said Give-ups were taken place.

2. If Ordinary Clearing Funds fall below Amount of Cumulative Limit prescribed in Article 4.1 after the preceding paragraph being processed, JCCH shall reassume a deposit prescribed in Article 2.1 effective from the day the processing of the preceding paragraph being executed.

Article 6. Management and Investment of Clearing Funds

1. JCCH shall maintain Ordinary Clearing Funds in the accounts segregated from other assets and shall keep separate books and ledgers for each Clearing Participant and each Designated Commodity Market.
2. JCCH shall maintain Special Clearing Funds in accounts segregated from other assets and shall keep separate books and ledgers for each Clearing Participant, and incases where Special Clearing Funds has deposit in the form of monies shall be maintain in payment and settlement deposits.

Article 7. Yields from Investment of Clearing Funds

The intention for distribution of yields from investment of Ordinary Clearing Funds as prescribed under Article 67 of the Business Rules shall be earned yields from investment (hereinafter "Yields from Investment")of JCCH from March 1 up to the last business day in next year February (hereinafter "Calculation Period") .

Article 8. Calculation of Distribution

1. With respect to Yield from Investment of Ordinary Clearing Funds as prescribed under the preceding Paragraph, JCCH shall reserve the amount obtained by dividing the total cash reserve made by all Clearing Participants on the last business day of all months in the calculation period by twelve (12) and multiplying the amount obtained by dividing the total cash reserve for each Designated Commodity Market for each Clearing Participant on the last business day of all months in the calculation period by twelve (12), as Ordinary Clearing Funds in March of the next calculation period..

2. In cases where fraction that is under 1 yen caused by Yields from Investment of Ordinary Clearing Funds for Calculation of Distribution as prescribed under the preceding Paragraph, such amount shall be rounded down. Remainder that is caused by Yields from Investment of Clearing Funds for Calculation of Distribution shall be carried over to the yield for the next period.

Article 9. Treatment for loss of Clearing Qualification

In cases where JCCH cannot reserve Yields from Investment of Ordinary Clearing Funds as prescribed under the preceding Article because a Clearing Participant relinquishes its Clearing Qualification, JCCH shall manage the process based on the instruction of CEO, Chairman of JCCH.

Supplementary Provisions

These Regulations shall be implemented on May 1, 2005.

Supplementary Provisions

The amendments to Article 2 (Deposit of Clearing Funds), Attachment adopted by resolution at the meeting of the Board of Directors convened on May 30, 2005 shall be implemented on August 16, 2005 and become effective on October 11, 2005.

Supplementary Provisions

1. The amendments to Attachment of Tokyo Commodity Exchange Oil Market adopted by resolution at the meeting of the Board of Directors convened on November 30, 2005 shall be implemented on February 28, 2006.
2. The amendments to Attachment of Central Japan Commodity Exchange Ferrous Scrap Market adopted by resolution at the meeting of the Board of Directors convened on November 30, 2005 shall be implemented on February 1, 2006.
3. The amendments to Attachment of Osaka Mercantile Exchange Rubber Market, Nickel Market, Aluminum Market and Rubber Index Market adopted by resolution at the meeting of the Board of Directors convened on November 30, 2005 shall be implemented on December 5, 2005 of trading positions.
4. The amendments to Attachment of The Tokyo Commodity Exchange Rubber Market, Precious Metals Market, and Aluminum Market adopted by resolution at the meeting of the Board of Directors convened on November 30, 2005 shall be implemented on December 5, 2005 of trading positions.

Supplementary Provisions

The amendments to Article 1 (Purpose) and Article 5 (Management and Investment of Clearing Funds), and the new stipulations of Article 6 (Yields from Investment of Clearing Funds), Article 7 (Calculation of Distribution) and Article 8 (Treatment for loss of Clearing Qualification) shall be implemented on February 9, 2006.

Supplementary Provisions

The amendments to Attachment of Fukuoka Futures Exchange Agricultural Market and Sugar Market adopted by resolution at the meeting of the Board of Directors convened on February 27, 2006 shall be implemented on March 1, 2006.

Supplementary Provisions

The amendments to Article 1(Purposes),Article 2(Deposit of Ordinary Clearing Funds), Article 5(Return of Clearing Funds),Article 6(Management and Investment of Clearing Funds),Attachment of merger of Yokohama Commodity Exchange and Tokyo Grain Exchange, Tokyo Grain Exchange Agricultural Market and Sugar Market suspend deposit and the new stipulation Article 3(Deposit of Special Clearing Funds) adopted by resolution at the meeting of the Board of Directors convened on February 27, 2006 shall be implemented on April 4, 2006.

Supplementary Provisions

The amendments to Article 2(Deposit of Ordinary Clearing Funds) and Attachment adopted by resolution at the meeting of the Board of Directors convened on November 10, 2006, shall be implemented on December 22, 2006. This amendments to merger of Kansai Commodities Exchange and Fukuoka Futures Exchange become effective on December 1 2006, and merger of Central Japan Commodity Exchange and Osaka Mercantile Exchange become effective on January 1, 2007.

Supplementary Provisions

- 1 The amendments to Article 2(Deposit of Ordinary Clearing Funds) and Attachment adopted by resolution at the meeting of the Board of Directors convened on March 19, 2009, shall be implemented on April 30, 2009. This amendments to Central Japan Commodity Exchange Nickel Market shall be implemented on March 26, 2009, Kansai Commodities Exchange Raw Silk Market become effective on February 3, 2009.
- 2 Notwithstanding the provision of initial deposit amount of attachment hereof, Clearing Participant, who possess Clearing Qualification on effective day and who approved for their Clearing Qualification pursuant to the provision of Article 6 and 7of Business

Rules (enforced January 22, 2009), shall deposit the Clearing Funds at the same amount of approval date.

Supplementary Provisions

The amendments to Attachment of Tokyo Commodity Exchange, Inc. adopted by resolution at the meeting of the Board of Directors convened on June 5, 2009 shall be implemented on June 30, 2009.

Supplementary Provisions

The amendments to Article 2 (Deposit of Ordinary Clearing Funds) and the amendments to Attachment adopted by resolution at the meeting of the Board of Directors convened on September 4, 2009 shall become effective on October 13, 2009.

Supplementary Provisions

The amendments to Article 2 (Deposit of Ordinary Clearing Funds) and the amendments to Attachment adopted by resolution at the meeting of the Board of Directors convened on December 1, 2009 shall become effective on December 25, 2009.

Supplementary Provisions

The amendments to Article 2 (Deposit of Ordinary Clearing Funds) and the amendments to Attachment adopted by resolution at the meeting of the Board of Directors convened on January 8, 2010 shall become effective on March 23, 2010.

Supplementary Provisions

The amendments to Attachment adopted by resolution at the meeting of the Board of Directors convened on March 25, 2010 shall become effective on May 6, 2010.

Supplementary Provisions

1. The amendments to Article 2 (Deposit of Ordinary Clearing Funds) and the amendments to Attachment adopted by resolution at the meeting of the Board of

Directors convened on September 3, 2010 shall be implemented on October 5, 2010 and become effective on October 12, 2010.

2. Notwithstanding the provisions and attachment hereof , if a Clearing Participant who passes Clearing Qualification in Central Japan Commodity Exchange Oil Market (hereinafter “ CCOM Oil Market ”) on effective day tries to acquire Clearing Qualification in Tokyo Commodity Exchange Chukyo Oil Market (hereinafter “ Chukyo Oil Market ”) during the period until Chukyo Oil Market is abolished , Ordinary Clearing Funds for CCOM Oil Market and Chukyo Oil Market of the concerned Clearing Participant shall be treated exceptionally as prescribed under Supplementary Provisions 3 through 8 hereof, and the concerned Clearing Participant shall comply with such exceptional treatment.
3. With respect to Ordinary Clearing Funds of the concerned Clearing Participant for CCOM Oil Market and Chukyo Oil Market, Cumulative Limit for broker members etc. shall be 30 million yen in total for both markets, and Cumulative Limit for market members shall be 15 million yen in total for both markets. If Ordinary Clearing Funds do not reach the Cumulative Limit, the concerned Clearing Participant shall deposit the Ordinary Clearing Funds at five (5) yen per one unit for each market. .In addition, Ordinary Clearing Funds for each market in the month when the concerned Clearing Participant has acquired its Clearing Qualification for Chukyo Oil Market shall be the amount equivalent to the half amount of the monies that is deposited as Ordinary Clearing Funds for Chukyo Oil Market as of the last day of the previous month of the month when the concerned Clearing Participant tries to acquire its Clearing Qualification (If there is a fraction, the amount of such fraction shall be included in Ordinary Clearing Funds for Chukyo Oil Market. Same to apply in case of calculating the apportion amount based on the calculation formula in the following provisions).
4. In cases where Ordinary Clearing Funds for CCOM Oil Market and Chukyo Oil Market after the following month of the month when the concerned Clearing Participant has acquired its Clearing Qualification, deposited by the concerned Clearing Participant in accordance with the provisions of the preceding Paragraph, deposit of Ordinary Clearing Funds for each market shall be calculated based on the Calculation Formula below, in respect to the amount of monies deposited to CCOM Oil Market and Chukyo Oil market as of the last day of the previous month, and the excess amount of Ordinary Clearing Funds for the market whose actually deposited amount exceeds the calculated amount shall be transferred to the amount of Ordinary Clearing Funds for the market whose actually deposited amount is less than the calculated amount. However, if the sum of open positions and delivery positions in both markets

is equal to zero, the amount to be deposited shall be equivalent to the amount of Ordinary Clearing Funds in the previous month.

Calculation Formula: Ordinary Clearing Funds to be deposited for the relevant market = Sum of open positions and delivery positions in a market ÷ sum of open positions and delivery positions in both market × Total Amount of Ordinary Clearing Funds for both markets.

5. JCCH shall calculate Ordinary Clearing Funds for every month, based on the numerical values on the last day of the previous month, and inform the concerned Clearing Participant of the transfer date designated by JCCH. The concerned Clearing Participant shall notify JCCH of such required transfer based on the concerned notice by the deadline prescribed by JCCH.
6. If an application for relinquishment of Clearing Qualification made by a Clearing Participant who has cancelled unsettled contracts is deemed appropriate by JCCH, JCCH shall transfer the whole amount of Ordinary Clearing Funds for CCOM Oil market to Ordinary Clearing Funds for Chukyo Oil Market based on the application by the concerned Clearing Participant..
7. In cases where transfer of Ordinary Clearing Funds from CCOM Oil Market to Chukyo Oil Market due to relinquishment of Clearing Qualification in CCOM Oil Market is completed, Ordinary Clearing Funds may be deposited in the form of Substitute Securities in place of deposit of monies.
8. The Yield of Ordinary Clearing Funds for CCOM Oil Market shall be inherited to the Yield of Ordinary Clearing Funds for Chukyo Oil Market.
9. Initial deposit amount of Ordinary Clearing Funds placed by a Clearing Participant who has no Clearing Qualification in CCOM Oil Market on the effective day and tries to newly acquire Clearing Qualification in Chukyo Oil Market, such as broker members etc., until March 31 2011, shall be the average amount of aggregate amount of Ordinary Clearing Funds placed by the existing broker members etc. in CCOM Oil Market and Chukyo Oil Market.

Supplementary Provisions

The amendments to Article 2 (Deposit of Ordinary Clearing Funds), Article 4 (Cumulative Limit on the Amount of Clearing Funds), Article 5 (Return of Clearing Funds) and Attachment shall become effective on January 1, 2011.

Supplementary Provisions

The amendments to Article 2 (Deposit of Ordinary Clearing Funds) and the amendments to Attachment adopted by resolution at the meeting of the Board of Directors convened on February 4, 2011 shall become effective on February 23, 2011.

Supplementary Provisions

The amendments to Attachment adopted by resolution at the Board of Directors convened on July 25, 2011 shall become effective on August 8, 2011.

Supplementary Provisions

The amendments to Article 1 (Treatment of Ordinary Clearing Funds pertaining to Give-ups), new provision of Article 5-2 (Treatment of Ordinary Clearing Funds pertaining to Give-ups) and revisions of Attachment resolved at the Board of Directors convened on November 17, 2011 shall be applied from December 19, 2011.

Supplementary Provisions

The amendments to Article 2 (Deposit of Ordinary Clearing Funds) shall come into effect as from January 4, 2012.

Designated Commodity Exchange	Designated Commodity Market	Amount of Deposit						Method of Deposit
		Market Members, Etc.			Broker Members, Etc.			
		Initial Deposit Amount	Deposit at Time of Clearing	Cumulative Limit on the Amount	Initial Deposit Amount	Deposit at Time of Clearing	Cumulative Limit on the Amount	
Tokyo Grain Exchange Inc.	Agricultural	The amount of average reserve as of the last day of the previous month for existing Market Members in Designated Commodity Market of requirement for Clearing Qualification as Initial Deposit Amount shall be deposited by the day before the day of acquisition of Clearing Qualification.	¥10/Con.	¥10 Million	The amount of average reserve as of the last day of the previous month for existing Broker Members in Designated Commodity Market of requirement for Clearing Qualification as Initial Deposit Amount shall be deposited by the day before the day of acquisition of Clearing Qualification.	¥10/Con. (Minimum deposit amount of ¥1 million)	¥50 Million	Deposited concurrently with the netted profit/loss and fees. . For Broker Members, if the annual reserve amount at time of clearing is less than the minimum deposit amount, the amount of shortfall shall be deposited at start of next fiscal year.
	Sugar		¥10/Con.	¥10 Million		¥10/Con. (Minimum deposit amount of ¥300,000)	¥50 Million	
Kansai Commodities Exchange	Agricultural	Higher amount of either two million yen or the half of amount of average reserve as of the last day of the previous month for existing Market Members in Designated Commodity Market of requirement for Clearing Qualification as Initial Deposit Amount shall be deposited by the day before the day of acquisition of Clearing Qualification.	¥10/Con.	¥5 Million	The half of amount of average reserve as of the last day of the previous month for existing Broker Members in Designated Commodity Market of requirement for Clearing Qualification as Initial Deposit Amount shall be deposited by the day before the day of acquisition of Clearing Qualification.	¥10/Con.	¥40 Million	To be deposited concurrently with the netted profit/loss and fees.
	Fisheries		¥3/Con.	¥500,000		¥3/Con.	¥2 Million	
	Sugar		¥10/Con.	¥5 Million		¥10/Con.	¥20 Million ¥10 million for traders concurrently engaged in physical delivery	
	Index		¥10/Con.	¥5 Million		¥10/Con.	¥20 Million	

Designated Commodity Exchange	Designated Commodity Market	Amount of Deposit						Amount of Deposit
		Market Members, Etc.			Broker Members, Etc.			
		Initial Deposit Amount	Deposit at Time of Clearing	Cumulative Limit on the Amount	Initial Deposit Amount	Deposit at Time of Clearing	Cumulative Limit on the Amount	
Tokyo Commodity Exchange, Inc.	Rubber	The amount of average reserve as of the last day of the previous month for existing Market Members in Designated Commodity Market of requirement for Clearing Qualification as Initial Deposit Amount shall be deposited by the day before the day of acquisition of Clearing Qualification.	¥10/Con.	¥30 Million	The amount of average reserve as of the last day of the previous month for existing Broker Members in Designated Commodity Market of requirement for Clearing Qualification as Initial Deposit Amount shall be deposited by the day before the day of acquisition of Clearing Qualification.	¥10/Con.	¥30 Million	To be deposited concurrently with the netted profit/loss and fees.
	Precious Metals	¥20 million	¥10/Con. (however, no deposit for Palladium)	¥110 Million	¥50 Million	¥10/Con. (however, no deposit for Palladium)	¥110 Million	
	Oil	¥50 Million	¥10/Con.	¥100 Million	¥50 Million	¥10/Con.	¥100Million	To be deposited concurrently with the netted profit/loss and fees. All or part of Initial Deposit Amount may be in the form of Securities. When deposit amount reaches the Cumulative Limit on the Amount, all or part of the Cumulative Limit on the Amount may be deposited in the form of Securities.
	Chukyo Oil	¥15 million	None	¥15 Million	The amount of average reserve as of the last day of the two months before for existing Broker Members in Designated Commodity Market of requirement for Clearing Qualification as Initial Deposit Amount shall be deposited by the day before the day of acquisition of Clearing Qualification. If the above average amount falls below ¥15 million, then ¥15 million.	¥5/Con.	¥30 Million	

Designated Commodity Exchange	Designated Commodity Market	Amount of Deposit						Amount of Deposit
		Market Members, Etc.			Broker Members, Etc.			
		Initial Deposit Amount	Deposit at Time of Clearing	Cumulative Limit on the Amount	Initial Deposit Amount	Deposit at Time of Clearing	Cumulative Limit on the Amount	
Tokyo Commodity Exchange, Inc.	Aluminum	¥10 Million	¥10/Con.	¥30 Million	¥10 Million	¥10/Con.	¥30 Million	To be deposited concurrently with the netted profit/loss and fees. All or part of Initial Deposit Amount may be in the form of Securities. When deposit amount reaches the Cumulative Limit on the Amount, all or part of the Cumulative Limit on the Amount may be deposited in the form of Securities.
	Nikkei-TOC OM Commodity Index	¥7.5 Million	¥10/Con.	¥15 Million	¥7.5 Million	¥10/Con.	¥15 Million	