

**Treatment of the Rules on Margin and Transfer of Unsettled Contracts
Pertaining to Futures/Options Contract**
(as of July 1, 2010)

Tokyo Stock Exchange, Inc.

Rule 1. Purpose

These Rules shall, pursuant to the provisions of the Rules on Margin and Transfer of Unsettled Contracts Pertaining to Futures/Option Contract (hereinafter referred to as the “Margin Rules”), provide necessary matters concerning matters prescribed by the Exchange.

Rule 2. Treatment of Stocks, Bonds, etc.

1. In case a Non-Clearing Participant submits the securities listed in the items below as securities in lieu of Clearing Margin to, or deposit such securities as securities in lieu of Non-Clearing Participant’s Margin with, the Designated Clearing Participant, such Non-Clearing participant shall make such submission or deposit by book-entry transfer pursuant to the Act Concerning Transfer of Bonds, Shares, etc. (Act No. 75 of 2001), and obtain prior consent from the Designated Clearing Participant when making such submission or deposit:
 - (1) Stocks (except foreign stocks), preferred equity investment securities issued by cooperative structured financial institutions, investment trust beneficiary certificates, beneficiary certificates of a beneficiary certificate issuing trust, bonds (except bonds with subscription warrants) and convertible bonds
 - (2) Investment securities that are listed on a domestic financial instruments exchange
2. In case a Non-Clearing Participant submits foreign stocks, foreign investment trust beneficiary certificates, foreign investment securities, foreign stock depository receipts, or beneficiary certificates of a foreign beneficiary certificate issuing trust as securities in lieu of Clearing Margin to, or deposits such securities as securities in lieu of Non-Clearing Participant’s Margin with, a Designated Clearing Participant, such Non-Clearing Participant shall make such submission or deposit by book-entry transfer prescribed in the “Business Regulations Relating to Depository and Book-Entry Transfer of Foreign Stocks Certificates, etc.” specified by JASDEC, and obtain prior consent from the Designated Clearing Participant when making such submission or deposit.

Rule 3. Treatment of US Treasury Bonds

In case a Non-Clearing Participant submits US Treasury Bonds as securities in lieu of Clearing Margin to, or deposits such bonds as securities in lieu of Non-Clearing Participant's Clearing Margin with, the Designated Clearing Participant, consent from the Designated Clearing Participant shall be obtained for each submission or deposit.

Rule 4. Timing of Effectiveness of Position Transfer, etc.

1. The timing prescribed by the Exchange pursuant to the provisions of Rule 13-5, Paragraph 1 of the Margin Rules shall be 9:00 a.m. of the day following the date when the notification, pursuant to the provisions of each paragraph of Rule 13-4 of the Margin Rules, was made (to be moved down in order if the day falls on a holiday).
2. The contract price and index as prescribed by the Exchange pursuant to the provisions of Rule 13-5, Paragraph 2 of the Margin Rules shall be the clearing price or the clearing price index of the relevant security on the day immediately preceding the day of transfer of the position.