

**Rules on Regulatory Measures Concerning
Securities Trading, etc. or Its Brokerage
(as of June 16, 2008)**

Rule 1. Regulatory Measures Concerning Securities Trading, etc. or its Brokerage

Regulatory measures that the Exchange may take concerning securities trading, etc. or its brokerage pursuant to the provisions of Rule 65 of Business Regulations, Rule 43 of Special Regulations of Business Regulations and Brokerage Agreement Standards Concerning Government Bond Futures Contract, Rule 38 of Special Regulations of Business Regulations and Brokerage Agreement Standards Concerning Index Futures Contract, Rule 48 of Special Regulations of Business Regulations, Margin/Loan Trading Regulations, and Brokerage Agreement Standards Concerning Securities Options Contract, Rule 43 of Special Regulations of Business Regulations and Brokerage Agreement Standards Concerning Options Contract on Government Bond Futures, and Rule 47 of Special Regulations of Business Regulations and Brokerage Agreement Standards Concerning Index Options Contract shall be those enumerated in each of the following items:

- (1) Increase in customer margin ratio pertaining to a sale or a purchase by margin trading or customer margin ratio pertaining to when-issued transactions, or restrictions on substitution of such customer margins with securities;
- (2) Lowering the ratio which should be multiplied by the market price in the calculation of a substitution value where customer margin pertaining to a sale or purchase by margin trading or customer margin pertaining to when-issued transactions is substituted with securities;
- (3) Where restrictions are imposed on substitution of customer margin pertaining to a sale or purchase by margin trading by securities, trading participants' deposit of an amount of money corresponding to all or part of the portion which cannot be substituted with securities, out of said customer margin;
- (4) Restriction on or prohibition of a sale or purchase by margin trading (including margin sale or margin purchase by trading participants);
- (5) Restrictions on the total sale quantity or the total purchase quantity of when-issued transactions;
- (6) Matters enumerated in the following sub-items regarding trading margin (meaning trading margin prescribed by Japan Securities Clearing Corporation or trading margin prescribed in Rule 17 of Clearing and Settlement Regulations; the same shall apply hereinafter) that should be deposited by trading participants with respect to when-issued transactions:
 - a. Moving up the day and time of depositing trading margin;

- b. Increase in the amount of trading margin or restriction on substitution of such trading margin with securities; and
 - c. Cumulative increase in trading margin with respect to an excess above a certain quantity of the total sale quantity or the total purchase quantity of when-issued transactions;
- (7) Matters enumerated in the following sub-items regarding margin or clearing margin of government bond futures contract, index futures contract, securities options contract, government bond futures options contract and index options contract (hereinafter referred to as “futures/options contract”):
- a. Moving up the day and time of submitting or depositing margin or clearing margin;
 - b. Increase in the amount of margin or clearing margin or restriction on substitution of such clearing margin with securities;
 - c. Lowering the ratio that should be multiplied by market value in the calculation of substitution value where margin or clearing margin is substituted with securities.
- (8) Restriction on or prohibition of a sale or purchase of futures/options contract;
- (9) Restriction on the total purchase or sale open interests in futures/options contract;
- (10) Receipt of deposit prior to the settlement day of sold securities or purchase value, or money equivalent to trading value pertaining to a purchase of options contract, on the basis of the entrustment of customers;
- (11) Restriction on or prohibition of sales or purchases on the principal account of trading participants (including sale or purchases based on a discretionary trading agreement);
- (12) Daily publication of outstanding margin transactions.

Rule 2. Publication of Outstanding Margin Transactions Pertaining to Stocks Designated as Securities on Alert, etc.

Where a stock designated as a Security on Alert as prescribed in Rule 501, Paragraph 1 of the Securities Listing Regulations is a stock for which margin trading can be made, the Exchange shall publicize its outstanding margin transactions on a daily basis.

Rule 3. Application to Agency Clearing of Securities, etc.

These rules shall apply to agency clearing of securities, etc. pertaining to securities trading, etc. by deeming that trading participants who entrust agency clearing of securities, etc. are the persons who carry out said securities trading, etc.