

# Enforcement Rules on Market Management Precious Metals Market

**Osaka Dojima Exchange, Inc.**

**DISCLAIMER:**

This English version of the Enforcement Rules on Market Management Precious Metals Market (hereinafter, referred to as "Enforcement Rules" in this paragraph) has been prepared by Osaka Dojima Exchange, Inc. (the "Company") with the sole purpose of providing information to enhance the understanding of the Company of market participants who are non-residents. Although the Company believes this English version to be accurate, it does not constitute a word-for-word translation of the Japanese original, and the Company makes no guarantees concerning its content.

Accordingly, the Company accepts no liability for any damages arising as a result of the use of this English version of the Enforcement Rules.

Furthermore, if there are any differences between the Japanese and English versions of the Enforcement Rules, the Japanese version shall prevail.

In addition, any disputes that arise in relation to words and phrases in the rules and provisions, as well as the meaning of the provisions and clauses, shall be resolved in accordance with the Japanese version, regardless of whether such disputes take place inside or outside of a court.

## Enforcement Rules on Market Management Precious Metals Market

Osaka Dojima Exchange, Inc. (hereinafter, referred to as the "Company") shall manage markets in accordance with the procedures set forth in these Enforcement Rules, in order to ensure the fairness of transactions on the Precious Metals Market opened by the Company; provided, however, that the procedures set forth in these Enforcement Rules notwithstanding, the Company shall take the required measures whenever it deems it necessary as a result of the status of the Commodity Markets.

### I Limits on Unsettled Positions, etc.

#### 1. Maximum Quantity of Transactions, etc.

Limits on unsettled positions shall not be established; provided, however, that the Company may establish Position Limits when it deems it necessary.

#### 2. Reporting of Unsettled Positions

In the event that the number of unsettled positions of a Trading Participant at the end of the Day Session for a single Clearing Period falls under any of the numbers set forth in each of the following items, a Trading Participant must submit a report of the details thereof on the business day following the business day that belongs to the relevant Clearing Period, and as required, when the Company deems it particularly necessary, as determined by the Company.

##### (1) Unsettled Positions of Customers

Cases when the number of short or long unsettled positions for a single customer exceeds 1,000 for gold and silver, or 200 for platinum

##### (2) Proprietary Positions of a Trading Participant

In cases where the quantity of short or long unsettled proprietary positions (including unsettled positions entrusted by the Trading Participant to another Broker Participant) exceeds 1,000 for gold and silver or 200 for platinum, or exceeds 5,000 in total unsettled positions on the Precious Metals Market

### II Limits on Price Fluctuations

#### 1. The price limits, as provided for in Article 33, Paragraph (2) of the Market Rules, shall be determined in accordance with the procedures set forth in each of the following items.

##### (1) Gold and Platinum

###### A. Regular Price Limits

For gold and platinum, the regular Limit Price amount shall be the value obtained by multiplying the Theoretical Spot Price (referring to the Theoretical Spot Price as provided for in Article 160, Paragraph (1) of the Market Rules; hereinafter, the same applies) for the immediately preceding Clearing Period by 10% (any fractions below the second decimal place in this value shall be rounded to the second decimal place).

###### B. Increase in Price Limits

Notwithstanding the provisions of Item A, for gold or platinum, in cases when the Theoretical Spot Price for the immediately preceding Clearing Period is as low or lower than the minimum Limit Price, or as high or higher than the maximum Limit Price for the immediately preceding Clearing Period, the Limit Price amount shall be the value obtained by multiplying the Theoretical Spot Price for the immediately preceding Clearing Period by 15% (any fractions below the second decimal place in this value shall be rounded to the second decimal place), and thereafter, the same shall apply until the Theoretical Spot Price for a single Clearing Period exceeds the minimum Limit Price and is below the maximum Limit Price for the relevant Clearing Period.

##### (2) Silver

###### A. Regular Limit Price Amounts

The regular Limit Price amount shall be the value obtained by multiplying the Theoretical Spot Price for the immediately preceding Clearing Period by 30% (any fractions below the third decimal place in this value shall be rounded to the third

decimal place).

B. Increase in Price Limits

Notwithstanding the provisions of Item A, in cases when the Theoretical Spot Price for the immediately preceding Clearing Period is as low or lower than the minimum Limit Price, or as high or higher than the maximum Limit Price for the immediately preceding Clearing Period, the Limit Price amount shall be the value obtained by multiplying the Theoretical Spot Price for the immediately preceding Clearing Period by 45% (any fractions below the third decimal place in this value shall be rounded to the third decimal place), and thereafter, the same shall apply until the Theoretical Spot Price for a single Clearing Period exceeds the minimum Limit Price and is below the maximum Limit Price for the relevant Clearing Period.

III Basic Approach to Implementing Market Management and Various Measures

1. In cases where excessive speculation has disrupted the market, severe sanctions shall be imposed, in accordance with actual circumstances, on any Trading Participant engaging in the transactions that were cause thereof or any Broker Participants who accepted those transactions.
2. Even in cases where there is no formal violation, if it is deemed necessary for market management reasons, the Company shall take measures such as strict sanctions against Trading Participants.
3. In addition to the above 1. and 2., in relation to the action of performing transactions on the Commodity Markets of the Company or accepting the entrustment thereof, etc., the Company shall take severe measures against Trading Participants who performed or supported actions that are harmful to the Company, such as those that cause the loss of the credibility of the Commodity Markets, in accordance with the actual circumstances.

IV. Changes or Abolishment

These rules may be changed or abolished by the authority of the President and CEO; provided, however, that this does not apply if the content of the changes is minor.

Supplementary Provisions (March 27, 2023)

These Enforcement Rules shall come into effect on March 27, 2023.

Supplementary Provisions (August 6, 2024)

These Enforcement Rules shall come into effect on August 13, 2024.