

Enforcement Rules for Stop Loss Transactions

Osaka Dojima Exchange, Inc

DISCLAIMER:

This English version of the Enforcement Rules for Stop Loss Transactions (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 for Stop Loss Transactions

(Purpose)

Article 1. These Enforcement Rules set forth the necessary matters concerning Stop Loss Transactions pursuant to the provisions of Article 3, Paragraph (6) of the Market Rules of Dojima Exchange, Inc. (hereinafter referred to as the "Company").

(Limited Loss Transaction Contract)

Article 2. A Limited Loss Transaction Contract must satisfy the following criteria:

(1) The Trading Margin for Customers, etc. (meaning the Trading Margin for Customers as provided in Article 2, Item (11) of the Brokerage Contract Rules and any margin determined by a Broker Participant as necessary for Limited Loss Transactions (meaning Limited Loss Transactions as provided in the Appended Table of the Market Rules), limited to that paid in advance or deposited for the relevant transaction) shall be not less than the amount obtained by multiplying the amounts set forth below by the trading unit multiplier and the trading volume, and the Trading Margin for Customers shall not exceed the amount obtained by multiplying the amounts set forth in (ii) of (A) or (B), respectively, by the trading unit multiplier and the trading volume.

A. In the case of a buy order, the total of the following amounts:

- i. The amount obtained by subtracting the Loss Cut Level Price (meaning the Loss Cut Level Price provided in Article 27, Paragraph (1) of the Market Rules; the same shall apply hereinafter) or the Loss Cut Level Value (meaning the Loss Cut Level Value provided in Article 36-14, Paragraph (1) of the same Rules; the same shall apply hereinafter) from the specified price or specified value
- ii. The amount obtained by multiplying the Loss Cut Level Price or the Loss Cut Level Value by the rate specified in the appended table for each Listed Commodity Component Product (where multiple Standard Grade Materials exist for such Listed Commodity Component Product, the Standard Grade Materials (meaning the Standard Grade Materials provided in Article 11, Paragraph (2) of the Market Rules; the same shall apply hereinafter) may be used) or for each Commodity Index

B. In the case of a sell order, the total of the following amounts:

- i. The amount obtained by subtracting the specified price or specified value from the Loss Cut Level Price or the Loss Cut Level Value
- ii. The amount obtained by multiplying the Loss Cut Level Price or the Loss Cut Level Value by the rate specified in the appended table for each Listed Commodity Component Product or for each Commodity Index

(2) With respect to the Loss Cut Level Price and the Loss Cut Limit Level Price (meaning the Loss Cut Level Price provided in Article 27, Paragraph (1) of the Market Rules), the absolute value of the difference between the two, divided by the Loss Cut Level Price, shall be not less than the rate specified in the appended table for each Listed Commodity Component Product.

(2-2). With respect to the Loss Cut Level Value and the Loss Cut Limit Level Value (meaning the Loss Cut Level Value provided in Article 36-14, Paragraph (1) of the

Market Rules), the absolute value of the difference between the two, divided by the Loss Cut Level Value, shall be not less than the rate specified in the appended table for each Commodity Index.

- (3) A Loss Cut Order must be capable of, without delay, placing a closing order at the Loss Cut Limit Level Price or the Loss Cut Limit Level Value (limited to orders specifying the Fill and Kill condition as the execution condition as provided in Article 3, Item (2) of the Enforcement Rules on System Trading) when, after execution of the new order subject to the relevant Loss Cut Order, the Loss Cut Level Price or the Loss Cut Level Value is reached.
- (4) A Stop Loss Transaction must be conducted at the most recent executed price at the time such order expires, where a Loss Cut Order is placed and any unexecuted quantity of such order lapses due to the execution conditions.

2 In the case of Item (3) of the preceding paragraph, where the Loss Cut Limit Level Price exceeds the range of the price limits provided in Article 33, Paragraph (2) of the Market Rules, or where the Loss Cut Limit Level Value exceeds the range of the value limits provided in Article 36-19, Paragraph (2) of the same Rules, the order price or value shall be deemed to be the upper or lower limit of the price limits or value limits provided in those paragraphs and shall be placed accordingly.

(Application Documents)

Article 3. The documents specified in the Enforcement Rules for Stop Loss Transactions as provided in Article 27, Paragraph (3), Item (1) and Article 36-14, Paragraph (3), Item (1) of the Market Rules shall be as separately prescribed by the Company.

(Method of Entry in Statutory Books)

Article 4. A Broker Participant that has conducted a Stop Loss Transaction must make entries in the statutory books in such a manner that it can be identified that the transaction was conducted as a Stop Loss Transaction.

(Investigations and Requests for Submission of Books and Documents)

Article 5. The Company may, when it deems necessary, require a Broker Participant to submit documents, etc. related to Stop Loss Transactions.

(Changes or Abolishment)

Article 6. These Enforcement 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

- (1) These Enforcement Rules shall come into effect on April 1, 2021.
- (2) Upon the enforcement of these Enforcement Rules, Enforcement Rules for Stop Loss

Transactions in effect prior to the enforcement date (hereinafter referred to as the “Former Rules”) shall be abolished.

(3) Matters carried out pursuant to the Former Rules shall be deemed to have been carried out pursuant to the corresponding provisions of these Enforcement Rules as of the enforcement date.

Supplementary Provisions (August 27, 2021)

These Enforcement Rules shall come into effect on August 27, 2021.

Supplementary Provisions (February 28, 2023)

The amendments to these Enforcement Rules shall come into effect on March 27, 2023.

Supplementary Provisions (October 26, 2023)

The amendments to these Enforcement Rules shall come into effect on November 23, 2023.

Supplementary Provisions (August 6, 2024)

The amendments to these Enforcement Rules shall come into effect on August 13, 2024.

Supplementary Provisions (May 7, 2026)

- (1) The amendments to these Enforcement Rules shall come into effect on July 21, 2026.
- (2) Notwithstanding the provisions of the preceding paragraph, if the Company determines that it is not appropriate to implement the amendments to these Enforcement Rules on the enforcement date due to a disruption in the operation of the trading system or other unavoidable reasons, such amendments shall come into effect on a date separately prescribed by the Company. In such case, matters necessary for implementation shall be determined by the Company from time to time.

Table

The rate prescribed in the appended table for each Listed Commodity Component Product or for each Commodity Index

Listed Commodity Component Product or Commodity Index	Rate
Azuki Beans	13 Percent
Soybeans	8 Percent
Corn	7 Percent
Raw Sugar	9 Percent
Gold (Cash-settled Monthly Futures Transactions)	6 Percent
Gold (Cash-settled Rolling Spot Futures Transactions)	

Silver (Cash-settled Monthly Futures Transactions)	16 Percent
Silver (Cash-settled Rolling Spot Futures Transactions)	
Platinum (Cash-settled Monthly Futures Transactions)	9 Percent
Platinum (Cash-settled Rolling Spot Futures Transactions)	
Rice Index	8 Percent