

Amendments of Rules in Connection with NGS Launch

(Tokyo, February 17, 2009) Tokyo Commodity Exchange, Inc. (TOCOM) announced that its Board of Directors has approved amendments of rules in connection with the NGS (Next Generation Trading System) launch. These amendments are subject to approval from the Ministry of Economy, Trade and Industry. The details are as follow:

1. Purpose of the Amendments

At the time the Next Generation System starts operations, scheduled on 7th May this year, relevant rules will be amended on order types and trade operation methods such as the extension of trading hours. Along with these amendments, there will also be amendments to the Market Rules (operational procedures of trade executions for our markets) and to the Brokerage Rules (terms and conditions between Broker Members and their customers).

2. Amendments Summary

A summary of said amendments on Market Rules and Brokerage Rules follows:

(1) Market Rules

1. The current trading hour of 9:00 a.m. to 5:30 p.m. with the lunch break between 11:00 a.m. to 12:30 p.m. will be replaced by a Day Session from 9:00 a.m. to 3:30 p.m. and a Night Session from 5:00 p.m. to 11:00 p.m. (except for the rubber market which will end at 7:00 p.m.).
2. Half-day trading will be abolished. (the trading session on the last business day of the year ends at 3:30 p.m.)
3. The current Price Limit rule will be eliminated and replaced by Circuit Breakers (i.e: temporally suspension of trading).
4. The current TOCOM original market order will be abolished and replaced with the international standard for market order.
5. The order execution rules will be adjusted along with the above number 4. amendment.
6. The Exchange provided trading terminal will be abolished and Members will be required to prepare for the access to the exchange trading system.
7. Trade Corrections will be allowed within 30 minutes after the relevant execution of the trade.

8. The determination of the settlement price will be changed from the currently used last execution price to a Volume-Weighted Average Price of a specified period of time near the closing.
9. Defaulted non-delivery positions treatment will be changed from the current proportional allotment to all Broker and Trade Members to the Exchange's discretionary allotment.
10. Transactional information will be distributed to the public instead of the current distribution through the Exchange terminals.
11. In case of system failure, the execution of orders could be canceled in order to maintain the formation of fair prices, etc.
12. The deadline for completing the registration process after receiving membership approval from the Exchange will be extended beyond the current 10 days if necessary.

(2) Brokerage Rules

1. Along with the introduction of the Night Session, one trading day will be based on a JCH Clearing Period.
2. Regarding order acceptance of Broker Members from their customer, Broker Members must provide a written explanation of the difference between what the Exchange provides and what they offer to the customer such as no order acceptance for the Night Session and no acceptance of Market orders, etc.
3. The details of order instructions from a customer to Broker Members will be amended along with the order type amendments.
4. Regarding the calculation of variation margin for customer's transactions, Broker Members will be able to choose whether or not to adopt netting of margins over other relevant exchanges.
5. To encourage closing out of open positions with no intention of making delivery, the Exchange will set the deadline at 4 p.m. one day prior to the Last Trading Day for customers to give instructions on their positions. Broker Members may also choose to move the deadline sooner.
6. The Exchange's decision to close out customer open positions derived from the cancellation of transactions prescribed in the Market Rules will be added to the current list of matters where the customer may not raise an objection.

3. Effective Date of Amendments

These amendments will be in effect as of 7th May after receiving the approval from the Ministry of Economy, Trade and Industry.

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