

Agricultural Product & Sugar Declared Delivery Procedure

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Article 1 (Purpose)

1. This Procedure shall prescribe matters necessary for the handling of Declared Delivery ("Declared Delivery") prescribed in Article 55 of the Agricultural Product & Sugar Delivery Detailed Rules ("Detailed Rules").

Article 2 (Definitions)

1. Declared Delivery means delivery carried out in a manner in which the Trade Members, etc. (meaning Trade Members provided for in Article 87.1.1 of the Market Rules, Broker Members provided for in Article 87.1.2, Remote Trade Members provided for in Article 37.1.3, and Remote Broker Members provided for in Article 87.1.4; the same shall apply hereinafter), holding a position in the current contract month, conclude a written agreement, and the like, prescribing the terms of delivery, to be made under an agreement between the delivery parties prior to the last trading day of the current contract month, and make an application for such delivery to the Exchange.

Article 3 (Eligible Persons)

1. Eligibility to carry out a Declared Delivery shall be limited to those who fall under either of the following items:
 - (1) Members (meaning Trade Members, Broker Members, Remote Trade Members, Remote Broker Members, and Affiliate Members provided for in Article 87.1.5 of the Market Rules);
 - (2) Commercials (meaning Commercials prescribed in Article 85.1.1 of the Market Rules; the same shall apply hereinafter).

Article 4 (Notice of Intention to Make Declared Delivery)

1. In cases where a Trade Members, etc., holding a position in the current contract month (or the first contract month during the period from the business day immediately following the last trading day of the previous contract month to the last business day of the current month), seeks a counterparty to a Declared Delivery, the Trade Members, etc. may notify the Exchange of its intention to make a Declared Delivery by submitting a document, prescribed by the Exchange, describing the delivery goods, delivery amount, delivery point, delivery day, delivery method, effective period for the notice, and other terms and conditions of the delivery, within the period from the business day immediately following the last trading day of the previous contract month to 2:30 p.m. of the business day immediately preceding the last day of the application period, as prescribed in Article 55.2 of the Detailed Rules.
2. Upon receipt of the notice prescribed in the preceding paragraph, the Exchange shall, without delay, notify Trade Members, etc. of the contents of the document submitted, pursuant to the provisions of the preceding paragraph.
3. If the Trade Members, etc. who has made such notice intends to change any of the matters described in the document prescribed in Paragraph 1 (excluding the effective period for the notice and the proposed delivery amount), the Trade Members, etc. shall submit a revised document to the Exchange. In this case, the Exchange shall notify Trade Members, etc. of the revisions without delay.

Article 5 (Application Method and Approval, etc.)

1. The application method, approval, etc. for Declared Delivery shall be as follows:
 - (1) Trade Members, etc. making an application for Declared Delivery shall submit the following documents to the Exchange by 2:30 p.m. of each business day falling within the application period prescribed in Article 55.2 of the Detailed Rules; provided, however,

- that the application shall be made by 2:30 p.m., two (2) business days prior to the delivery day;
- (2) If the Exchange determines that the Declared Delivery proposed in an application submitted pursuant to the preceding item would not be detrimental to market management, the Exchange shall approve the request, and upon such approval, the application shall be finalized and take effect;
 - (3) The positions for which Declared Delivery has taken effect shall be excluded from the unrealized profit and loss calculation starting from the following Clearing Period;
 - (4) The Exchange shall, without delay, notify Trade Members, etc. of applications that have taken effect, and of the Delivery Payment and the amount of consumption tax applicable thereto (including local consumption tax; the same shall apply hereinafter) (the sum of the delivery payment and the amount of consumption tax applicable thereto shall be hereinafter referred to as "Delivery Payment"); and
 - (5) If Trade Members, etc. who have made such an application intend to change any of the matters described in the application form prescribed in Item 1 (excluding the proposed delivery amount), the Trade Members, etc. shall submit a revised application form and other required documents to the Exchange by 3:30 p.m. on the delivery day. In this case, the Exchange shall notify said Trade Members, etc. of the Delivery Payment again without delay.

Article 6 (Cancellation and Change of Application, etc.)

1. Trade Members, etc. who have made a notice of intention to make Declared Delivery may not change the effective period of the notice or proposed delivery amount, nor cancel the notice, nor execute an offset transaction for the proposed delivery amount. However, this provision shall not apply in cases where no application for Declared Delivery has been made by the expiration of the effective period for the notice.
2. Trade Members, etc. who have made an application for Declared Delivery may not change the proposed delivery amount, nor cancel the application, nor execute an offset transaction for the proposed delivery amount. However, this provision shall not apply in cases where the Exchange has refused to approve an application, pursuant to the provisions of Article 5.1.2.

Article 7 (Good Delivery Material)

1. Notwithstanding the provision prescribed in Article 2 and Article 3 of Detailed Rules, the Good Delivery Material shall be the soybeans agreed upon by the delivery parties:

Article 8 (Delivery Points)

1. The delivery points shall be located in Japan and are agreed upon by the delivery parties.

Article 9 (Weight of Delivery Goods)

1. The weight of the delivery goods shall be based on the numerical value stated in the application form prescribed in Article 5.1.1.

Article 10 (Relationship Between the Number of Positions to Be Settled and the Weight of Delivery Goods)

1. The number of positions in the current contract month that can be settled by Declared Delivery shall be the number agreed upon by the delivery parties, provided that the number falls within the range calculated by converting the weight of the delivery goods into the delivery units, prescribed in Article 17 of the Market Rules. However, in converting the weight of the delivery goods into the delivery units, any resulting fraction exceeding 50% of the minimum delivery unit may be deemed to the minimum delivery unit for purposes of

settlement of the position.

Article 11 (Delivery Day)

1. The delivery day shall be a day falling within the period from the day immediately after the business day following the day on which the Declared Delivery takes effect to the last business day of the following month that is agreed upon between the delivery parties.
2. The delivery time on the delivery day, as prescribed in the preceding paragraph, shall be by noon on the relevant business day.

Article 12 (Delivery Price and Cost)

1. The calculation of delivery price shall be as follows.
 - (1) The delivery payment for delivery of Good Delivery Material other than Standard Grade Material as provided in Article 2 and Article 3 of the Detailed Rules shall be the delivery price, which is equal to the settlement price of the current contract month on the day on which the Declared Delivery takes effect, adjusted for the price differential between Standard Grade Material and the Good Delivery Material multiplied by the delivery volume.
 - (2) The delivery payment for delivery of Good Delivery Material of Soybeans other than the Standard Grade Material as provided in Article 2 and Article 3 of the Detailed Rules shall be agreed price of Delivery Parties multiplied by the delivery volume in case both Delivery Parties reached to the agreement. However, in case such agreement does not exist, the delivery price shall be the settlement price of the current contract month on the day on which the Declared Delivery takes effect.

Article 13 (Delivery Method)

1. The delivery method shall be as follows:
 - (1) The seller shall deliver to the Exchange the Delivery Order (including those issued by persons other than warehouses approved by the Exchange), by noon on the business day immediately preceding the delivery day, and will receive the Delivery Payment at the time of delivery ; and
 - (2) The buyer shall, by noon on the delivery day, deliver the Delivery Payment to the Exchange, and will receive the Delivery Order in exchange therefore from the Exchange.

Article 14 (Filing of Deficiency)

1. The buyer may not file any deficiency claims with respect to the delivery goods delivered to the buyer by way of Declared Delivery and other matters related to such delivery.

Article 15 (Recording on the Statutory Book)

1. Trade Members, etc. who carry out Declared Delivery shall record the delivery in the statutory book (Futures Transaction Delivery Calculation Journal) in a manner that clearly indicates that delivery was made by way of Declared Delivery.

Article 16 (Others)

1. Matters not prescribed in this Procedure shall be prescribed by the Detailed Rules.

Article 17 (Revision of Procedure)

1. Exchange shall revise this Procedure in consideration of the delivery condition and such

revision may apply also to the existing contract.

Article 18 (Revision or Abolition)

1. Revision or Abolition to this Procedure shall be approved by the President & CEO.

Supplementary Provisions

The Procedure shall be in effect as of February 12, 2013.

Supplementary Provisions

Revisions to Article 2 (Definitions) and Article 3 (Eligible Persons) shall be in effect as of March 31, 2014.