

Precious Metals Declared Delivery Procedure

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Article 1 (Purpose)

1. This Procedure shall prescribe matters necessary for the handling of declared delivery prescribed in Article 14 of the Precious Metals Delivery Detailed Rules ("Detailed Rules") ("Declared Delivery").

Article 2 (Definitions)

1. Declared Delivery means delivery carried out in a manner in which the Members (meaning Members provided for in Article 6.1 of the Market Rules; the same shall apply hereinafter in Article 4, Article 5, Article 6 and Article 15) that hold positions in the first contract month conclude a written agreement, or the like, prescribing the terms of delivery to be made by mutual 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 make an application for Declared Delivery shall be limited to those who fall under either of the following items:
 - (1) Members;
 - (2) Commercials; or
 - (3) The one who deemed appropriate by the Exchange.

Article 4 (Notice of Intention to Make Declared Delivery)

1. In cases where a Member holding positions in the first contract month seeks a counterparty for Declared Delivery, such Member may notify the Exchange of the intention for Declared Delivery by submitting a document, in the form prescribed by the Exchange, which describes the delivery goods, delivery amount, delivery day, delivery point, effective period of the notice, and other terms and conditions of the delivery, within the period, from the first business day of the month immediately preceding the month containing the last trading day of the current contract month, as prescribed in Article 14.2 of the Detailed Rules, until 2:30 p.m. on the business day immediately preceding the last day of the application period.
2. Upon receipt of the notice prescribed in the preceding paragraph, the Exchange shall, without delay, notify the Member of the contents of the document.
3. If the Member who made such notice intends to change any details described in the document prescribed in Paragraph 1 (excluding the effective period of the notice and the proposed delivery amount), such Member shall submit a revised document to the Exchange. In this case, the Exchange shall notify the Member of the revision without delay.

Article 5 (Application Method and Approval)

1. The application method, approval, etc. for Declared Delivery shall be as follows:
 - (1) The Member applying for Declared Delivery shall submit to the Exchange the application form, prescribed by the Exchange, signed by both the seller and the buyer, by 2:30 p.m. on any business day falling within the application period prescribed in Article 14.2 of the Detailed Rules; provided, however, that the application shall be made by 2:30 p.m. on the business day that is two (2) business days prior to the delivery day;
 - (2) If the Exchange deems that the application submitted, pursuant to the preceding item, will not disrupt management of the market, the Exchange shall approve such application. Upon such approval, the application shall be finalized and take effect;
 - (3) The positions for which Declared Delivery are in effect shall be excluded from the

- unrealized profit and loss calculation, starting from the subsequent Clearing Period;
- (4) If an application submitted by a Member is approved by the Exchange, the Exchange shall, without delay, notify the Member of the fact and notify said Member of the delivery payment and the amount of consumption tax (including local consumption tax; the same shall apply hereinafter) applicable thereto (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 the Member that made such application intends to change any of the matters described in the application form prescribed in Item 1 (excluding the proposed delivery amount), such Member shall submit a revised application form to the Exchange by 3:30 p.m. on the business day that is two (2) business days prior to the delivery day. If there will be a change in Delivery Payment, the Exchange shall notify said Member of the Delivery Payment and other relevant information again without delay.

Article 6 (Cancellation and Change of Application)

1. The Members that have made a notice of intention to make Declared Delivery may not change the effective period of the notice and proposed delivery amount, cancel the notice, or execute an offset transaction for the proposed delivery amount. However, this provision shall not apply in cases where the application for Declared Delivery has not been made by the expiration of the application period.
2. The Members that have made applied for Declared Delivery may not change the proposed delivery amount, cancel the application, or execute an offset transaction for the proposed delivery amount. However, this provision shall not apply in cases where the Exchange has rejected the said application, pursuant to the provisions of Article 5.1.2.

Article 7 (Good Delivery Material)

1. Notwithstanding the provisions of Article 2.1.3 of the Detailed Rules, the Good Delivery Material shall be gold with a minimum fineness of 99.5%, silver with a minimum fineness of 99.9%, platinum with a minimum fineness of 99.95% and palladium with a minimum fineness of 99.95% that has been agreed upon between the delivery parties.

Article 8 (Delivery Points)

1. The delivery points shall be among warehouses listed below that have been agreed upon by the delivery parties.

Mitsubishi Logistics Corporation, Tokyo Branch

Trunk Room Sales Office, Saga-cho Warehouse : 1-15-7, Saga, Koto-ku, Tokyo

Mitsui-Soko Co., Ltd., Kanto Branch

Otemachi Trunk Room Office

: 1-1-3, Otemachi, Chiyoda-ku, Tokyo

Tatsumi Office

: 3-9-2, Tatsumi, Koto-ku, Tokyo

The Sumitomo Warehouse Co., Ltd., Tokyo Branch

Sumitomo Twin Building Trunk Room Sales Office

: 27-1, Shinkawa 2-chome, Chuo-ku, Tokyo

Oi Sales Office

: 4-5-18, Tokai, Ota-ku, Tokyo

The Shibusawa Warehouse Co., Ltd., Tokyo Branch

Aomi Sales Office

: 3-2-17, Aomi, Koto-ku, Tokyo

Yamatane Corporation, Kanto Branch

Fukagawa Sales Office

: 1-1-1, Ecchujima, Koto-ku, Tokyo

The Keihin Co., Ltd.
Konan Sales Office

: 3-4-20, Kaigan, Minato-ku, Tokyo

Brink's Japan Limited
Tokyo Operation Center

: 1-38-16, Machiya, Arakawa-ku, Tokyo

Article 9 (Weight of the 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 Weight of the Delivery Goods and the Number of Delivery Lots)

1. The number of delivery lots shall be converted from the weight of the delivery goods, to delivery units, as prescribed in Article 17 of the Market Rules. However, when converting the weight of the delivery goods into delivery units, any resulting fraction exceeding 50% of the minimum delivery unit may be deemed to be the minimum delivery unit for the purpose of settlement of the positions.

Article 11 (Delivery Date and Time)

1. The delivery day shall be a day between two (2) business days after the day on which the Declared Delivery takes effect, and the last business day of the current contract month, that has been 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)

1. The delivery price shall be equal to the settlement price of the first 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 documents, etc that assure the delivery, 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 documents prescribed in the preceding item in exchange therefore from the Exchange.

Article 14 (Claim for Deficiency)

1. The buyer may not submit a claim for deficiency with respect to the delivery goods delivered to the buyer by way of Declared Delivery.

Article 15 (Recording in the Statutory Book)

1. The Members who have carried out Declared Delivery shall record the delivery in the statutory book in a manner that clearly indicates that the delivery was made by way of

Declared Delivery.

Article 16 (Others)

1. Matters not prescribed in this Procedure shall be determined by mutual agreement between the delivery parties.

Article 17 (Application Mutatis Mutandis of the Precious Metals Delivery Detailed Rules)

1. The provisions of Article 6 of the Detailed Rules shall apply *mutatis mutandis* to Declared Delivery.

Article 18 (Revision or Abolition)

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

Supplementary Provisions

This Procedure shall be in effect as of December 1, 2008.

Supplementary Provisions

Revisions to Article 2 (Definitions) through Article 6 (Cancellation and Change of Application), Article 10 (Relationship between the Weight of the Delivery Goods and the Number of Delivery Lots), and Article 12 (Delivery Price) shall be in effect as of May 7, 2009.

Supplementary Provisions

Revisions to Article 2 (Definitions) and Article 3 (Eligible Persons) shall be in effect as of October 8, 2009 when Article 87 (Category of Membership) shall be effective.

Supplementary Provisions

Revisions to Article 15 (Recording in the Statutory Book) shall be in effect as of May 15, 2012.

Supplementary Provisions

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

Supplementary Provisions

Revisions to Article 2 (Definitions), Article 3 (Eligible Persons), Article 4 (Notice of Intention to Make Declared Delivery), Article 5 (Application Method and Approval), Article 6 (Cancellation and Change of Application) and Article 15 (Recording in the Statutory Book) shall be in effect as of October 31, 2016.

Supplementary Provisions

Revisions to Article 3 (Eligible Persons), Article 7 (Good Delivery Material), Article 8 (Delivery Points) and Article 13 (Delivery Method) shall be in effect as of August 1, 2017.