



August 23, 2019

Margin Trading on Chi-X Japan PTS (Update)

We are pleased to inform you that today Chi-X Japan (“Chi-X”) has received authorization (Article 31-6) from the FSA to handle PTS margin trading.

With this authorization, all the necessary regulations and rules are in place for Chi-X to handle PTS margin trading; however, considering the readiness of our trading participants, December 2, 2019 will be the first day of PTS margin trading.

A number of new operational/system changes need to be implemented for Chi-X to handle PTS margin trading (regulating certain stocks on margin trading, managing/reporting margin trading and outstanding amounts, collaborating with Japan Securities Finance, and the update of PTS system). These changes will be ready in production on December 2, 2019 (the system is already updated in the UAT environment).

Chi-X is able to handle both system and general margin orders from all trading participant brokers, and brokers need to make a prior application if they wish to handle it. Please also note that the documents below are newly created or updated in relation to PTS margin trading.

New	<ul style="list-style-type: none">• Margin Trading Handling Rule - Japanese only
Updates of existing	<ul style="list-style-type: none">• Rulebook• Chi-X Japan Market Guide (Chi-X PTS<Chi-Alpha> and Chi-Select)• System specifications (FIX, CHIXOE, Drop Copy, SFTP)

Please contact Client Service for the application and/or documents.

Thank you very much for your continuous support.