

Operational Rules

Present Ver. (1.April.2014～)	Revise Ver.
<p>(Recruitment and selection of reference banks)</p> <p>Article 35 (1) The selection of reference banks as stated in item (i) (b), paragraph (1) of Article 7 of the Rules, shall be carried out in line with the procedures specified in the following paragraphs.</p> <p>(2) The JBATA shall recruit and select reference banks for rate submissions every year.</p> <p>(3) In selecting reference banks pursuant to the preceding paragraph, the JBATA shall take the following factors into account such as market trading volume (trading volume in Japanese unsecured call money market for Japanese Yen TIBOR and trading volume in the Japanese Offshore Market for Euroyen TIBOR); Yen asset balance; reputation; track record in rate submissions; and internal control for the compliance with the Code of Conduct. In addition, the JBATA also shall consider the continuity of the JBA TIBOR and the diversification of category of reference banks. Reference banks shall consist of banks or financial institutions that are local or global active participants in the market and comply with the Code of Conduct regardless of their jurisdiction.</p> <p>(4) The selection of reference banks shall be decided by the Board of Directors after discussions at the Administration Committee. In submitting matters for deliberation to the Board of Directors, the matters shall also be reported to the Oversight Committee.</p> <p>(5) The JBATA shall receive the acceptance letter from the selected reference bank regarding the rate submissions in compliance with the Code of Conduct.</p>	<p>(Recruitment and selection of reference banks)</p> <p>Article 35 (1) The selection of reference banks as stated in item (i) (b), paragraph (1) of Article 7 of the Rules, shall be carried out in line with the procedures specified in the following paragraphs.</p> <p>(2) The JBATA shall recruit and select reference banks for rate submissions every year.</p> <p>(3) In selecting reference banks pursuant to the preceding paragraph, the JBATA shall take the following factors into account such as market trading volume (trading volume in Japanese unsecured call money market for Japanese Yen TIBOR and trading volume in the Japanese Offshore Market for Euroyen TIBOR); Yen asset balance; reputation; track record in rate submissions; and internal control for the compliance with the Code of Conduct. In addition, the JBATA also shall consider the continuity of the JBA TIBOR and the diversification of category of reference banks. <u>Furthermore the JBATA also shall consider any issues arising from the location of a reference bank being in jurisdiction different to that of the JBATA.</u> Reference banks shall consist of banks or financial institutions that are local or global active participants in the market and comply with the Code of Conduct regardless of their jurisdiction.</p> <p>(4) The selection of reference banks shall be decided by the Board of Directors after discussions at the Administration Committee. In submitting matters for deliberation to the Board of Directors, the matters shall also be reported to the Oversight Committee.</p> <p>(5) The JBATA shall receive the acceptance letter from the selected reference bank regarding the rate submissions in compliance with the Code of Conduct.</p>

(6) The JBATA shall disclose the result of selecting reference banks.

(Outsourced administrative operations including official rates calculation)

Article 43 (1) When the JBATA outsources the administrative operations for calculating and publishing the JBA TIBOR (calculation operations, etc.) to a service provider, such outsourcing shall be decided by the Board of Directors after discussion at the Administration Committee. In submitting matters for deliberation to the Board of Directors, the matters shall also be reported to the Oversight Committee.

- (2) The operations outsourced shall be disclosed where they have the impacts on the JBA TIBOR users
- (3) The service provider shall be re-selected, in principle, every four years.
- (4) In the event of any situation where the above operations cannot be outsourced due to termination of a service contract with the service provider or other reasons, the Operation Dept. shall conduct the calculation operations until a replacement is selected.

(6) The JBATA shall disclose the result of selecting reference banks.

(Outsourced administrative operations including official rates calculation)

Article 43 (1) When the JBATA outsources the administrative operations for calculating and publishing the JBA TIBOR (calculation operations, etc.) to a service provider, such outsourcing shall be decided by the Board of Directors after discussion at the Administration Committee. In submitting matters for deliberation to the Board of Directors, the matters shall also be reported to the Oversight Committee.

- (2) The operations outsourced shall be disclosed where they have the impacts on the JBA TIBOR users
- (3) The service provider shall be re-selected, in principle, every **five** years.
- (4) In the event of any situation where the above operations cannot be outsourced due to termination of a service contract with the service provider or other reasons, the Operation Dept. shall conduct the calculation operations until a replacement is selected.