

Guidelines on Outsourcing JBA TIBOR Calculation/Publication Operations

(Objective)

Article 1 When *Ippan Shadan Hojin* (i.e. general incorporated association) JBA TIBOR Administration (“JBATA”) outsources its JBA TIBOR calculation and publication operations to a third party (“Assignee”), such Assignee shall comply with the guidelines (“Guidelines”) set out below for the purpose of ensuring credibility and transparency of JBA TIBOR calculation and publication, allowing appropriate supervision by the JBATA.

(Appropriate execution of outsourced operations by the Assignee)

Article 2 An Assignee shall appropriately carry out the operations outsourced by the JBATA in relation to the calculation and publication of JBA TIBOR (“outsourced operations”) in accordance with the outsourcing agreement entered into between the JBATA and the Assignee (“outsourcing agreement”).

(Establishment of an internal management framework by the Assignee)

Article 3 Upon execution of the outsourced operations, the Assignee shall develop an appropriate control framework, which prevents activities that may undermine the fairness of JBA TIBOR, such as rate manipulation. In the event that a conflict of interests arises in connection with the calculation and publication of JBA TIBOR carried out by the Assignee, the Assignee shall improve the current framework and establish a more appropriate control framework in consultation with the JBATA.

(Reporting of outsourced operations to the JBATA)

Article 4 The Assignee shall report the processes/procedures and status of its execution of the outsourced operations at the request of the JBATA. In addition, the Assignee shall cooperate with the JBATA if there is any additional inquiry or investigation requested by the JBATA (including those requested upon on-site visit by the JBATA).

(Retention of relevant documents)

Article 5 In case where the Assignee retains any of the following records related to the outsourced operations, such records shall, in principle, be retained at least for five years.

- (1) Reference rates submitted by reference banks and records related to the calculation of published rates
(This includes those records which can identify reference banks’ staff performing rate submission tasks, and person(s) responsible for rate submission.)
- (2) Records which can identify personnel involved in rate calculation and publication processes at the Assignee
- (3) All data used in calculating JBA TIBOR

2 Retention period of relevant documents stipulated in the above clause shall be effective despite termination of the outsourcing agreement under Article 2 and resignation of the Assignee. Appropriate measures shall be arranged so that the records set out in the previous paragraph are available to the JBATA and the relevant authorities for the period described above. Such measures may include the continuous retention of the records by the Assignee or transfer of the records to the JBATA.

(Prohibited acts by the Assignee employee)

Article 6 The Assignee and its employees involved in the JBA TIBOR calculation and publication processes (“Assignee, etc.”) shall not disclose any JBA TIBOR-related information obtained in the course of its duty, including information on JBA TIBOR rates prior to its publication. This shall apply after the termination of the outsourcing agreement or after the Assignee employee is removed from their TIBOR-related duties as well.

2 The Assignee, etc. shall not use any TIBOR-related information obtained in the course of its duty for its own or a third party’s interests.

(Amendment to the Guidelines)

Article 7 The Board of Directors of the JBATA shall be responsible for the amendment to, and abolition of, the Guidelines.

2 The JBA TIBOR Oversight Committee of the JBATA shall verify the appropriateness of amendments to the Guidelines in advance of their implementation.

(Effective date)

The Guidelines shall take effect on April 1, 2014.

(This English translation is provided exclusively as a convenience. Any questions that may arise in interpretation of words and provisions of these guidelines shall be interpreted in accordance with the Japanese original.)