

Contingency Plan for TORF Calculation and Publication

QUICK Benchmarks Inc.

The Contingency Plan for TORF Calculation and Publication ("Contingency Plan") sets forth measures to be taken in preparation for, or in the event of, situations where QUICK Benchmarks Inc. ("QBS") is forced to suspend its calculation and publication of the Tokyo Term Risk Free Rate ("TORF") due to reasons beyond its control, such as severe damages of the relevant facilities, electricity outage and other similar events ("emergencies") as well as excessive market stress and decrease in reporting brokers.

The terms used herein shall follow the definitions provided for in the Contingency Plan, or otherwise shall mean as defined by the TORF Operational Rules and the TORF Code of Conduct.

1. Measures to be Taken in Preparation for Emergencies

- (1) Establishment of respective frameworks by QBS and the parties concerned
 - A) In preparation for the situations where QBS becomes unable to carry out its TORF calculation and publication operations at the QBS Head Office, QBS shall develop a framework to appoint a member of the QBS Operation Department ("Osaka Resident") who will be stationed at the NISHI-NIHON Regional Office of QUICK Corp. ("QUICK NISHI-NIHON Regional Office") to carry out the TORF calculation and publication operations on behalf of QBS in the event of such situations.
 - B) QBS, Osaka Resident, reporting brokers, information vendors, and administrative agents in the case where administrative work for calculation, etc. is entrusted (QBS in the case where administrative work for calculation, etc. is not entrusted and administrative agents in the case where administrative work for calculation, etc. is entrusted are referred to as "Calculation Agent") shall take appropriate steps (including the development of contingency plans) to establish respective frameworks for the TORF calculation and publication

operations in times of emergency.

(2) Preparation and distribution of a contact information list

QBS shall create a list which contains the emergency contact information of each QBS department, Osaka Resident, and parties concerned, and shall send it to the parties concerned.

2. Measures to be Taken in the Event of Emergencies

The items set out below are measures to be taken in the event of emergencies. If it is determined that QBS is unable to carry out its TORF calculation and publication operations due to emergencies, QBS shall request the Osaka Resident to carry out part or all of the operations on its behalf. The Osaka Resident shall inform the parties concerned and then carry out the operations. In this case, "QBS" in this 2.(1) and (2) shall be interpreted as "Osaka Resident" except for 2.(2) A).

(1) Communication in the event of emergencies

- A) In the event of emergencies, QBS should contact the parties concerned, as appropriate, to understand the situation.
- B) If any emergencies that have an impact on the parties concerned occur and thus their TORF calculation and publication operation may be interrupted, they shall inform QBS and the Calculation Agent of such fact.

(2) Basic procedures

A) Reporting brokers' rate reporting

- i) In the event that the reporting broker is unable to report rates to the Calculation Agent via the Internet, a member of Operation Department at the QBS Head Office shall visit the reporting broker and receive rates through pre-agreed procedure and means. (Except in the case of B) i) or B) ii) below. The same applies to ii) below).
- ii) In cases where the calculation and other administrative work is outsourced and the administrative agent is unable to communicate the official rate to QBS via the Internet or a dedicated line (including cases where the completion of reporting cannot be confirmed), the

administrative agent shall bring the official rate to QBS.

B) Calculation system

- i) Internet, telephone and other communications are available in the vicinity of the QBS Head Office, but in the event that the QBS Head Office is not available due to an emergency situation, the TORF calculation, approval and publication operations shall be carried out by the Osaka Resident staff at the QBS Office in the QUICK NISHI-NIHON Regional Office ("Osaka Office"), and Operation Department staff at the QBS Head Office shall be in charge of liaison with the parties concerned and authorities associated with the publication operation. In this case, Operation Department staff at the QBS Head Office and the Osaka Resident shall work closely together.
- ii) In the event that the QBS Head Office is unavailable due to an emergency situation, and communications in the vicinity of the QBS Head Office are also unavailable, all calculation, approval and publication operations of TORF, including communications with parties concerned and authorities, shall be transferred to the Osaka Resident, who shall carry out the TORF calculation, approval and publication operations in the Osaka Office.
- iii) In the event that neither the QBS Head Office nor the Osaka Office is available due to an emergency situation, but communications in the vicinity of the QBS Head Office are available, the person in charge of the calculation and the approver shall carry out the TORF calculation, approval and publication at a place where they can carry out their operations safely, such as their home. However, in this case, they shall make every effort to ensure thorough information management, such as using electronic devices to record images of the room during the operations.

C) Time of calculation and publication

- i) QBS shall wait for the reporting brokers to report their rates until the final deadline (i.e. by 16:15 JST*), which enables QBS to publish the official rates in time for the current designated announcement time (i.e. around 17:00 JST). If two or more reporting brokers report the rates by this deadline, TORF shall be

published as per the current designated time.

- ii) If less than two reporting brokers report their rates by 16:15 JST, QBS will wait for the reporting brokers to report their rates until 16:30 JST. If two or more reporting brokers report the rates by 16:30 JST, TORF shall be published as per the current designated time. However, if they cannot be published in time, they shall be published as soon as possible after the completion of the calculation by 17:30 JST.
- iii) If less than two reporting brokers report their rates by 16:30 JST, QBS will wait for the reporting brokers to report the rates until 17:00 JST. If two or more reporting brokers report the rates as of 17:00 JST, TORF should be calculated and published immediately by 18:00 JST at the latest.
- iv) If less than two reporting brokers report their rates by 17:00 JST, QBS will wait for the reporting brokers to report the rates until 17:30 JST. If two or more reporting brokers report the rates as of 17:30 JST, TORF should be calculated and published immediately by 18:30 JST at the latest.
- v) If less than two reporting brokers report their rates by 17:30 JST, the rates of the previous day shall be published as the day's TORF notifying of such matters.
- vi) In the event that QBS receives a request from a reporting broker for a rate revision after the cut-off time for rate revisions (16:15) but before publication, or in the event that it is judged that it will not be possible to publish the rate at the published time due to a failure of the calculation system, etc., QBS will promptly announce that the publication will be delayed and the publication will be made by 18:00 JST at the latest.

*The TORF Operational Rules and the TORF Code of Conduct require that rates be reported by 15:15 JST.

D) Publication

- i) The publication is in principle carried out by the information vendors, as in normal times.
- ii) If QBS determines that it is difficult to publish from the information vendor, QBS will publish the TORF rate on the QBS website and

take steps to enable external parties to confirm the fact that an emergency has occurred and the status of QBS's response. As soon as publication by the information vendors becomes possible, the publication will be performed by the information vendors sequentially.

E) Information management system

In the event that part or all of the facilities and equipment cannot be used due to an emergency situation or equipment failure, etc., in order to carry out administrative work related to the calculation and publication at the QBS Head Office or Osaka office, the following shall apply.

- i) If the dedicated PC used for calculation, approval, and publication work is not available due to problems with the network or power supply in the office, the office is deemed unavailable and the work related to publication is carried out in accordance with 2.(2)B)(i) through (iii) above.
- ii) If, for any reason, the surveillance camera or the recording device of the surveillance camera is not available, the office work related to the publication shall be carried out on the condition that the control device of the access to the room is working properly. However, it shall be reported to the Oversight Committee through the Oversight Committee Office promptly after publication.
- iii) If for some reason the access control device does not work properly, the office work related to the publication shall be carried out on the condition that the surveillance camera and the recording device of the surveillance camera are working properly. However, personnel in the office during the performance of administrative tasks related to the publication shall be recorded and submitted to the Oversight Committee Office after the publication of the TORF.
- iv) If, for some reason, both the access control device and the monitoring camera/recording device are unavailable, the office shall be deemed unavailable, and the work related to publication is carried out in accordance with 2.(2)B)(i) through (iii) above.

(3) Procedures in the event of major disasters affecting broad areas, etc.

In the event that a major disaster affecting broad area or other similar incident occurs, and it is deemed as appropriate to suspend TORF publication, irrespective of the above 2.(2)C), the suspension of TORF publication should be determined by the President of QBS. If the President of QBS is not capable of performing its duty due to accidents, etc., the person set out below, in this order, shall fulfill the duty on behalf of the President. Such a determination of suspension shall be announced, and the official rates of the previous day are deemed as the day's TORF.

- A) Board members of QBS
- B) A person designated in advance by the Board of Directors

3. Procedures in the Event of Excessive Market Stress

- (1) Notwithstanding in the event of excessive market stress, QBS shall in principle carry out its TORF calculation and publication operations.
- (2) In the event that some of the reporting brokers do not report rates during the above market stress period, and the number of reporting brokers reporting rates is still less than two after 16:15 JST, TORF will be calculated and published according to the procedures described in 2.(2)C)ii) through v) above. The publication in this case shall be made in accordance with 2.(2)D)(i), (ii) and (3) above.

4. Responding to a Decrease in the Number of Reporting Brokers, etc.

If the number of the reporting brokers reporting rates does not reach two by 16:15 JST of the day as a result of reporting brokers suspending rate reporting due to reasons other than those specified above, QBS should follow the procedure set out in 3.(2).

If such reporting brokers continue to suspend their rate reporting, QBS shall discuss and implement necessary measures, such as adding new reporting brokers, in order to resolve the situation as soon as possible.

5. Amendments to the Contingency Plan

Amendments to the Contingency Plan shall be made by a decision of the Board of Directors, subject to confirmation and approval by the Oversight Committee.

6. Others

Those matters necessary for the implementation of the Contingency Plan

shall be outlined in the Operational Manual.

Further, any amendment to the Operational Manual and those matters which are not stipulated in the Contingency Plan and the Operational Manual shall be determined by the Board of Directors, as necessary.

Supplementary Provisions

1. The Contingency Plan shall take effect on April 26, 2021.

2. Amendment
October 13, 2021

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