

# **OANDA Japan OTC Derivatives Transaction Manual**

**December 17, 2025**

Name of Financial Instruments Business Operator: OANDA Japan Inc.

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Registration number: Director-General of the Kanto Finance Bureau, (Kinsho) No. 2137

## Notes on Over-the-Counter Derivative Trading

OANDA Japan Inc.

- This transaction is over-the-counter derivative trading subject to the prohibition of uninvited solicitation under the Financial Instruments Exchange Act and the Commodity Derivatives Transaction Act; thus, we are not allowed to visit or call a customer for solicitation purposes unless the customer so requests in advance. (Note 1)

\*If you are visited or called in regard to this transaction, please confirm that such solicitation was performed upon your request.

- Because customers can trade an amount higher than the amount of clearing margin in this transaction, in some cases, the transaction may result in a large amount of loss that exceeds the amount of clearing margin deposited. Therefore, even if we solicit a transaction initiated by a visit to our company or per request for solicitation, please make sure you fully understand the details of the transaction before conducting business with us.
- For confirmation, consultation, complaints, or other inquiries related to the transaction details, please contact our Customer Service Center (0120-923-213). If you have any other problems regarding a transaction, a framework for settling complaints and resolving disputes is available at the following ADR (Note 2) organizations and consultation centers according to each transaction type.

### Foreign exchange margin trading and stock index CFD trading

Financial Instruments Mediation Association Center (FINMAC)

Phone: 0120-64-5005 (toll-free)

### Commodity CFD trading

Consultation Center of the Commodity Futures Association of Japan

Phone: 03-3664-6243

(Note 1) This does not apply to the following cases:

- If the customer has transitioned to a professional investor with regard to this transaction;
- If the customer has performed the transaction two or more times during a one-year period before the day of solicitation, and if the customer has an unsettled balance as of the day of solicitation; and
- If the customer is a corporation engaged in operations related to foreign trade or foreign exchange margin trading and performs the transaction for the purpose of reducing the risk of losses arising from a fluctuation in the exchange rate related to assets and liabilities held by the customer.

(Note 2) ADR (alternative dispute resolution) refers to a procedure in which parties involved in a civil dispute are provided with an impartial third party when they want to reach a resolution without instituting legal proceedings.

Upon commencing OTC foreign exchange margin trading, OTC stock index CFD trading, and OTC commodity CFD trading (hereinafter collectively referred to as "CFD trading") offered by OANDA, please fully understand the contents of the "OANDA Japan OTC Derivatives Transaction Manual" (hereinafter referred to as the "Manual") before trading.

CFDs are traded on currency pairs, securities and commodities (hereinafter collectively referred to as "assets"). Losses may be incurred due to fluctuations in the price of the assets. While CFD trading can yield large profits, it also carries the risk of large losses. Therefore, when you start or continue trading, please do so at your own responsibility, not only based on the Manual, but also after thoroughly researching the structure and risks of the transaction, and only if you judge that the transaction is appropriate in light of your own resources, trading experience, and trading objectives, etc.

We offer CFD trading on the following platforms.

Tokyo Server (OANDA Japan FX/CFD): CFD trading

NY (New York) Server (fxTrade): OTC foreign exchange margin trading

All calculations, deposit/withdrawal procedures, transaction reporting, balance reporting, etc. for each transaction of the Tokyo Server and the NY Server shall be performed for each respective account. Unless otherwise stated, the trading rules, etc. described in this document shall apply to both the Tokyo Server and the NY Server.

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The Manual is delivered to you by financial instruments business operators in accordance with the provisions of Article 37-3 of the Financial Instruments and Exchange Act (hereinafter referred to as "FIEA") and by commodity derivatives business operators in accordance with the provisions of Article 217 of the Commodity Derivatives Transaction Act (hereinafter referred to as "CDTA"), which explains about OTC foreign exchange margin trading, purchase and sale of currency falling under the category of transactions prescribed in Article 2, Paragraph 22, Item 1 of the FIEA among OTC derivatives transactions prescribed in the said Paragraph, OTC stock index CFD trading falling under the category of transactions prescribed in Article 2, Paragraph 14,

Item 2 of the CDTA among OTC derivatives transactions prescribed in the said Paragraph, and OTC commodity CFD trading, which fall under OTC derivatives transactions prescribed in the said Paragraph.

## **Risks of CFD Trading and Other Important Matters**

1. In CFD trading, losses may be incurred due to the price of currency and securities, and to fluctuations in the price of commodities that are traded. In addition, the amount of loss may exceed the amount of margin because the amount of transaction is large compared to the amount of margin to be deposited by you for that transaction.
2. Sudden market fluctuations may cause a difference (spread) between the bid and offer prices to widen, making it impossible to execute the intended transaction.
3. If the liquidity of the reference underlying asset becomes extremely low due to economic conditions or the price of the reference underlying asset, CFD trading may not be executed and new or settlement transactions may not be possible.
4. The trading system or communication lines connecting the Company and you may not operate properly, which may prevent the placing, executing, confirming, or canceling of orders, etc.
5. In OTC foreign exchange margin trading, interest rate differentials called swap points are received and paid daily on open positions. If you sell a high interest rate currency and buy a low interest rate currency, swap points will be paid and your margin will decrease (loss). Swap points may change from being received to being paid due to fluctuations in interest rates of the currency being traded.
6. In OTC stock index CFD trading, an adjustment equivalent to the interest and dividends will be made if positions are held open at the end of the transaction. In general, the cost will be paid for a buy position, and your margin will be reduced (loss).
7. In OTC commodity CFD trading, an adjustment equivalent to the interest will be made if positions are held open at the end of the transaction.
8. No account management fees and transaction fees are charged. However, fees will be charged if you wish to receive by mail the various forms that we provide by electromagnetic means.
9. After an order has been executed, you cannot cancel (cooling-off) a contract related to the order.

10. CFD trading is a bilateral transaction between us and you. We engage in cover deals with the following firms for the purpose of reducing risks arising from transactions with you.

OANDA Australia Pty Ltd (OANDA Australia)

(Regulatory authority: Australian Securities and Investments Commission (ASIC))

The covered dealer shall not be the counterparty to your CFD trading and shall not be liable for any losses that may arise from your margins or such transactions, the contents, settlement or liquidation of your transactions, or our obligations to you in any way.

11. Margin deposited by you is managed separately from the Company's own funds by means of a money trust whose trustee is Sumitomo Mitsui Banking Corporation, SBI Clearing Trust Co., Ltd. or JSF Trust and Banking Co., Ltd. (this mechanism is called "trust protection"). Although trust protection is a mechanism to protect margins and your other funds, it does not guarantee the principal of CFD trading. The trust companies shall only manage the funds entrusted by the Company and shall not be responsible for the supervision or appointment of the Company or the beneficiary's agent. Procedures for the return of funds in trust protection will be carried out by a beneficiary's agent on your behalf as beneficiaries, and you cannot directly request payment of funds, etc. to the trust company.
12. If the business or property conditions deteriorate at the counterparty to a cover deal or the company to which your margin is deposited, you may suffer losses due to difficulties in returning margins and your other funds.
13. In the event of sudden market fluctuations, losses may exceed the amount of margin even if margin closeout rules are in place.

# 1. Risk Related to CFD Trading

CFD trading is not a trade or product with a guaranteed principal or gain. If the price of the currency, the price of the security, or the price of the commodity that is the subject of the transaction changes in an unfavorable direction for you after the transaction is made, you will suffer a loss. In addition, because a transaction is possible based on a small amount of margin relative to the contract value (leverage effect), the amount of loss may exceed the amount of margin in some cases depending on market fluctuations, because the amount of transaction is larger than the amount of margin deposited by you for that transaction. Please read the following risks carefully and trade at your own discretion and responsibility after fully understanding the risks associated with CFD trading.

The following risks and other important information are a brief description of the typical risks associated with CFD trading handled by the Company, and are not intended to be an exhaustive list of all risks arising from such transactions.

## (1) Price fluctuation risk

- The price of the underlying asset for CFD trading fluctuates 24 hours a day due to factors such as the economic environment of each country, financial market trends, political conditions, social conditions, and various other factors. If the market moves in a direction different from your expectations, you may suffer unintended losses or losses greater than the amount you has deposited with the Company.
- In the event of a sudden change in market price, it may be difficult to execute margin closeout transactions or transactions for settlement by a reversing trade. In addition, since there is no price range limit as a characteristic of the market, the market may fluctuate significantly in a short period of time, which may result in losses exceeding the amount deposited by you with the Company.
- CFD trading is not a trade or product with a guaranteed principal.

## (2) Risk due to the leverage effect

- CFD trading involves high risk due to the leverage effect.
- While the use of the leverage effect allows for larger transactions compared to the actual amount invested, and thus larger profits can be expected compared to cash transactions, unintended losses or losses in excess of the amount deposited by you with the Company may occur if the market moves in a direction different from your expectations.

## (3) Risk of margin closeout (forced settlement as needed)

- In the event that the effective margin falls below the level specified by the Company, the Company will, without prior notice to you, forcibly close all your positions (hereinafter referred to as "open position") (hereinafter referred to as "margin closeout").
- For the NY Server, margin closeout will be triggered to all of your open positions.

- Tokyo Server will automatically close your open positions by executing margin closeout in the order of greatest to smallest of the amount of losses incurred in those positions until your effective margin reaches the designated level.
  - In margin closeout transactions, the Company does not guarantee that they will be executed at the price at the time of margin closeout determination, nor does it guarantee that the amount of your loss will be limited, because the open positions will be executed by a reversing trade.
  - Depending on market conditions and the timing of settlement, the contract price may deviate significantly from the level at which margin closeout transactions are calculated to be executed, and you may suffer unintended losses or losses in excess of the amount you have deposited with the Company.
  - In the event of a loss in excess of the margin deposited by you, you must promptly compensate the Company for the loss.
- (4) Risk associated with loss limitation orders (stop orders)
- Since there are no limits on price range in CFD trading, a stop order, which is an order method intended to limit your loss, may be executed far from the indicated price. As a result, a transaction intended by you as a stop order does not necessarily limit losses.
  - If the price of a traded asset fluctuates rapidly in one direction, there is a possibility of execution at a rate less favorable than the rate specified by you due to slippage, etc., and you may suffer unintended losses or losses in excess of the amount deposited with the Company.
- (5) Liquidity risk
- Market liquidity may be extremely low due to holidays in major countries, trading at market close or market open at the beginning of the week, or important economic indicators or events during normal trading hours, which may make it difficult for the Company to quote prices to you.
  - In the event of special circumstances such as wars, political upheavals, natural disasters, conflicts, or changes in financial policies and regulations, the prices of traded assets may sometimes encounter sudden fluctuations. If market liquidity decreases due to sudden market changes, it may become difficult to quote prices to you, and you may be unable to close open positions or make new purchases.
  - Forced settlement by margin closeout cannot also be executed, and you may suffer unintended losses or losses in excess of the amount you have deposited with the Company.
- (6) Interest rates fluctuation risk
- CFD trading is subject to large fluctuations in interest rates, which may result in large changes in trading prices. Changes in interest rates also affect swap points and funding costs.
  - In OTC foreign exchange margin trading, in addition to trading currencies, swap points are received or paid. Swap points may also fluctuate due to changes in interest rates between the two countries. Depending on fluctuations in interest rates, swap points may change from being received to being paid due to reversal of interest rates between the two currencies.



- In OTC stock index CFD trading and OTC commodity CFD trading, the amount paid may increase or the amount received may decrease depending on fluctuations in interest rates. In addition, this may result in the need for additional funds, close margin closeout values, or the execution of margin closeout transactions.

(7) Risk of bilateral transaction

- In CFD trading, the Company acts as the counterparty to your orders and does not act as an intermediary to the exchanges.
- Prices for traded assets quoted by the Company are not identical to those of other media information (e.g., TV or Internet) or other companies in the same industry, and may be less favorable than prices quoted in other sources.
- The price that the Company offers has a difference between the selling price and the buying price.

(8) Risk associated with covered dealers

- The Company immediately and automatically executes cover deals through system with OANDA Australia Pty Ltd (hereinafter referred to as "covered dealers") for the purpose of mitigating the risk arising from transactions with you when you orders are placed.
- Due to sudden changes in market conditions, etc., it may become impossible to conduct cover deals with the dealer due to reasons such as the dealer's inability to distribute cover rates or deterioration of its financial condition.
- In such a case, as explained in "(4) Transaction rate" on page 16, the Company will not be able to distribute transaction prices to you because the Company receive the rates from its covered dealers to determine the transaction prices to be distributed. During this period, new transactions and settlement transactions cannot be executed, and if you already have open positions, losses may occur or increase depending on market fluctuations during this period, and such losses may exceed the amount of margin deposited by you.
- Although the Company offsets its risk incurred from transactions with you through cover deals, if it is unable to conduct cover deals due to the circumstances described above, the Company's losses incurred from transactions with you may increase, which may worsen its financial condition and prevent it from providing services to you, and under some circumstances, your open positions may be forced to close.

(Note) A cover deal is an independent transaction from CFD trading that you make with the Company. The covered dealers shall not be the counterparty to your CFD trading and shall not be liable for any losses that may arise from your margins or such transactions, the contents, settlement or liquidation of your transactions, or our obligations to you in any way. In addition, the covered dealers will not respond to any inquiries regarding CFD trading or cover deals that you make with the Company.

(9) Credit risk

- Since CFD trading is a bilateral transaction between you and the Company, you may suffer losses due to the credit status of the Company or other factors.

- The credit status of our covered dealers may also affect the Company's financial condition, and you may suffer losses.
- However, the margin and other money deposited by you with the Company are managed separately from the Company's own assets to ensure that they are protected.

(10) Slippage risk

- Due to the transmission time between your terminal and the Company's server, a price difference between the price displayed on the screen when you place an order and the actual contract price (this price difference is called "slippage") may occur.
- Slippage may be to your advantage or disadvantage. In particular, slippage may unexpectedly increase in the event of large market fluctuations due to the announcement of important economic indicators.

(11) Risk of using electronic systems

- In the case of trading through the Internet trading system, there is no human intervention in order acceptance. Therefore, if you make a mistake in entering a buy or sell order, the intended order may not be executed, or an unintended order may be executed.
- In the event of failure of system equipment or telecommunications equipment owned by the Company, you, the Company's covered dealers, the Company's system contractors, telecommunications carriers, or other third parties, telecommunications line failure, information distribution failure, or trading system failure, etc., it may be temporarily or for a certain period impossible for you to trade, or even if trading is possible, the contract may be executed at rates far from the prevailing rates due to erroneous or delayed distribution of rates or information, etc. In such cases, the contract itself may be cancelled, and risks such as loss of opportunity gain may occur.
- If important information such as account numbers and passwords issued by the Company is leaked to a third party through theft or eavesdropping, the misuse of such information by a third party may result in losses to you. Please take sufficient precautions to ensure that the information is not leaked to anyone other than you.

(12) Risk associated with price distribution

- The Company distributes prices generated by OANDA Corporation (New York, USA), which centrally manages and operates the OANDA Group's systems, to you.
- OANDA Corporation suspends distribution to you when the number of covered banks that distribute tradable rates falls below a certain number due to sudden changes in market conditions, when the price deviates by a certain amount from the immediately preceding distribution, or when cover deals become impossible, and it resumes distribution to you when the number of covered banks that distribute tradable rates exceeds a certain number and cover deals become possible.
- If price distribution is suspended and then resumed, margin closeout may occur upon resumption, depending on the price at the time of resumption.

- In margin closeout transactions, the Company does not guarantee that they will be executed at the price at the time of margin closeout determination, nor does it guarantee that the amount of your loss will be limited, because the open positions will be executed by a reversing trade.
- Depending on market conditions and the timing of settlement, the contract price may deviate significantly from the level at which margin closeout transactions are calculated to be ordered, and you may suffer unintended losses or losses in excess of the amount you have deposited with the Company.

(13) Other risks

- Revisions to the taxation system or related laws and regulations regarding CFD trading, or changes to the Company's services (margin ratios, commissions, swap points, etc.) may result in the need for new funds or the price level close to automatic settlement (margin closeout), which may cause you to suffer losses or a transaction under unfavorable conditions.

## 2. Overview of NY Server and Tokyo Server

### (1) NY Server (fxTrade)

#### [Outline of OTC foreign exchange margin trading]

\*Unless otherwise stated, the following apply to the Basic and Pro Courses in common.

Transaction fee	0 yen
Account opening fee	0 yen
Account maintenance fee	0 yen
Other fees	The following fees will be charged if you wish to receive by mail the various forms that we provide by electromagnetic means: Annual profit/loss report: 1,100 yen per report Other transaction history reports: 3,300 yen per report
Currency pairs	Please refer to "Currency Pairs" on the Company's website.
Trading hours	<ul style="list-style-type: none"> <li>Monday 7:04:55 a.m. to Saturday 6:59 a.m. (application period; U.S. Standard Time)</li> <li>Monday 6:04:55 a.m. to Saturday 5:59 a.m. (application period; U.S. Daylight Savings Time)</li> <li>* Transactions may not be possible due to system maintenance, system failure, market conditions, etc. Please refer to the following regarding maintenance hours.</li> </ul>
System maintenance hours	<p>All currency pairs:</p> <ul style="list-style-type: none"> <li>6:59 a.m. to 7:04:55 a.m. (application period; U.S. Standard Time)</li> <li>5:59 a.m. to 6:04:55 a.m. (application period; U.S. Daylight Savings Time)</li> <li>* U.S. Eastern Time: 5 minutes and 55 seconds, from 4:59 p.m. to 5:04:55 p.m.</li> </ul> <p>New Zealand dollar related currency pairs (NZD/JPY, NZD/USD, AUD/NZD, EUR/NZD, GBP/NZD, NZD/CAD, NZD/CHF, NZD/HKD, NZD/SGD)</p> <p>The following are defined as system maintenance hours, in addition to the maintenance hours for "All currency pairs" as listed above:</p> <ul style="list-style-type: none"> <li>3:59 a.m. to 4:04:55 a.m. (application period; New Zealand Standard Time)</li> <li>2:59 a.m. to 3:04:55 a.m. (application period; New Zealand Daylight Savings Time)</li> <li>* New Zealand time: 5 minutes and 55 seconds, from 6:59 a.m. to 7:04:55 a.m.</li> </ul> <p>* Please note that all orders, including market and limit orders, will not be executed during the maintenance. (No rate updates will be made.)</p> <p>* The system maintenance will be conducted from Tuesday to Friday every week.</p> <p>* Please note that we are not able to provide support for checking the operation of the automated trading software (EA) or any problems that may arise from the execution of the EA when the rate distribution resumes after the maintenance.</p>
Order methods	<p>Orders can be placed via the Internet from the Company's fxTrade, MetaTrader 4, and API systems (Pro Course only) via a PC or other Internet-connected terminals.</p> <p>* The opening of new MetaTrader 4 trading accounts has ended as of January 31, 2025.</p>
Minimum order quantity	<ul style="list-style-type: none"> <li>For fxTrade, 1 currency unit</li> <li>For MetaTrader 4, 1,000 currency units</li> </ul>
Maximum order quantity	<ul style="list-style-type: none"> <li>Basic Course: Maximum order quantity is 250,000 currency units at one time.</li> <li>Pro Course: Maximum order quantity is 3,000,000 currency units at one time.</li> <li>* The maximum order quantity varies depending on the currency pair. For details, please refer to "Currency Pairs" on the Company's website.</li> </ul>
Maximum number of open positions and set orders	<ul style="list-style-type: none"> <li>The maximum number of open positions is 1,000, and the maximum number of set orders is 4,000, including limit, stop, and trail stop orders.</li> </ul>
Maximum total amount of open positions	When the total absolute USD value of sell positions or that of buy positions across all trading accounts on the NY server reaches USD 30 million, further orders won't be accepted.
Foreign currency deposits and withdrawals	Not accepted
Foreign currency procurement (delivery)	Not accepted

Cross order	<p>In a Primary account, you cannot trade both sides. When you open a sub-account, you can set permission to trade both sides.</p> <p>* A cross order might not be economically rational since it requires the trader to bear a double spread. For this reason, the Company does not recommend the cross order.</p>
Margin requirement	<ul style="list-style-type: none"> <li>Individual customers: Japanese yen equivalent to 4% or more of the contract price (25 times leverage or less)</li> <li>Corporate customers: Japanese yen equivalent to 2% or more of the contract price (50 times leverage or less)</li> <li>Formula for calculating the margin requirement: <math>\text{Trade volume} \times \text{Price (rate)} \times \text{Margin ratio}</math></li> </ul> <p>* Margin requirement ratio and leverage vary by currency pair. For details, please refer to "Currency Pairs" for each service on the website. The margin requirement ratios are subject to change upon prior notice to you due to revisions of laws and regulations, market trends, etc.</p> <p>* Please note that although the MAX method is used for margin requirements for cross order transactions, this does not apply to cases where the symbol name of the currency pair differs.</p>
Margin closeout	<ul style="list-style-type: none"> <li>When the margin clearing ratio is 100% or more for both individual and corporate customers. (In the event that the effective margin falls below the margin requirement)</li> <li>Formula for margin clearing ratio (%) = <math>\text{Margin requirement} / \text{Margin clearing value} (= \text{Effective margin})</math></li> <li>When a margin closeout is triggered, all settlement orders are canceled and all open positions are traded against.</li> </ul> <p>* A margin closeout does not guarantee execution at the price at the time of margin closeout determination, nor does it guarantee that the amount of your loss will be limited, because the open positions will be executed by a reversing trade. In the event of sudden market fluctuations, losses may exceed the amount of margin even if margin closeout rules are in place.</p>
Margin call Margin cut	<ul style="list-style-type: none"> <li>There are no margin calls or margin cuts for either individual or corporate customers. Only margin closeout is applied.</li> </ul>
Order types	<ul style="list-style-type: none"> <li>Market order<sup>*1</sup></li> <li>Limit order<sup>*2</sup></li> <li>Stop order<sup>*1</sup></li> <li>Trailing stop<sup>*1</sup></li> <li>If Done<sup>*1</sup></li> <li>OCO <sup>*1</sup></li> </ul> <p><sup>*1</sup> Slippage may occur. Slippage may be to your advantage or disadvantage.  <sup>*2</sup> The contract is executed at the same price or at a more favorable price than the specified price.  * "Limit" and "Stop" orders for new orders in the desktop and mobile versions are entered as "Leave Orders" and are accepted as "Limit Orders" if they specify a favorable price relative to the price at the time the order is received, and as "Stop Orders" if they specify an unfavorable price.  * Slippage tolerance can be set for "Market Order" and "Limit Order" for new orders.  * For details on order types, please refer to the glossary on the Company's website.</p>
Order expiration date	<p>Indefinite, hourly from 1 to 6 hours, 8, 12, and 18 hours</p> <p>Same day (1 day), next day (2 days), 1 week, 1 month, 2 months, 3 months</p>
Granting of swaps	<p>The open position rolled over will be recorded as a fixed profit or loss at 7:00 a.m. (6:00 a.m. in the case of U.S. Daylight Savings Time).</p>

## (2) Tokyo Server (OANDA Japan FX/CFD)

### [Outline of OTC foreign exchange margin trading]

	MetaTrader 4 (MT4)	MetaTrader 5 (MT5)
Transaction fee	0 yen	
Account opening fee	0 yen	
Account maintenance fee	0 yen	
Other fees	<p>The following fees will be charged if you wish to receive by mail the various forms that we provide by electromagnetic means:</p> <p>Annual profit/loss report: 1,100 yen per report</p> <p>Other transaction history reports: 3,300 yen per report</p>	
Currency pairs	Please refer to "Currency Pairs" on the Company's website.	
Trading hours	<ul style="list-style-type: none"> <li>Monday 7:05 a.m. to Saturday 6:59 a.m. (application period; U.S. Standard Time)</li> <li>Monday 6:05 a.m. to Saturday 5:59 a.m. (application period; U.S. Daylight Savings Time)</li> </ul> <p>* Transactions may not be possible due to system maintenance, system failure, market conditions, etc.</p>	

System maintenance hours	<p>All currency pairs:</p> <ul style="list-style-type: none"> <li>• 6:59 a.m. to 7:05 a.m. (6 minutes) (application period; U.S. Standard Time)</li> <li>• 5:59 a.m. to 6:05 a.m. (6 minutes) (application period; U.S. Daylight Savings Time)</li> <li>* U.S. Eastern Time: 6 minutes from 4:59 p.m. to 5:05 p.m.</li> </ul> <p>New Zealand dollar related currency pairs (NZD/JPY, NZD/USD, AUD/NZD, EUR/NZD, GBP/NZD, NZD/CAD, NZD/CHF)</p> <p>The following are defined as system maintenance hours, in addition to the maintenance hours for "All currency pairs" as listed above:</p> <ul style="list-style-type: none"> <li>• 3:59 a.m. to 4:05 a.m. (New Zealand Standard Time)</li> <li>• 2:59 a.m. to 3:05 a.m. (New Zealand Daylight Savings Time)</li> <li>* New Zealand time: 6 minutes from 6:59 a.m. to 7:05 a.m.</li> </ul> <p>* Please note that all orders, including market and limit orders, will not be executed during the maintenance. (Rate updates and chart formation will continue.)</p> <p>* The system maintenance will be conducted from Tuesday to Friday every week.</p> <p>* Please note that we are not able to provide support for checking the operation of the automated trading software (EA) or any problems that may arise from the execution of the EA when the rate distribution resumes after the maintenance. Please contact the developer directly for more information.</p>	
Order methods	Orders are placed on MetaTrader 4/5 via the Internet using a PC or other Internet-connected terminal.	
Automated Trading and API	Automated trading and API use is prohibited for the Tokyo Server Discretionary Plan.	
Minimum order quantity	<p>1,000 currency units.</p> <p>* The minimum order quantity varies depending on the currency pair. For details, please refer to the "Outline of Transactions" of each service on the website.</p>	
Maximum order quantity	<p>Tokyo Server Standard Plan: 1,000,000, or 3,000,000 currency units (different prices will be quoted for each maximum order quantity)</p>	<p>Up to 1,000,000 currency units (Common to Tokyo Server Standard Plan and Tokyo Server Discretionary Plan)</p>
	<p>* The maximum order quantity varies depending on the currency pair. If the maximum number of open positions for a currency pair is less than the maximum order quantity above, the maximum number of open positions will be the maximum order quantity for a single order. For the maximum number of open positions for each currency pair, please refer to "Currency Pairs" on the Company's website.</p>	
Maximum number of open positions	<p>* The maximum number of open positions varies depending on the currency pair. For details, please refer to "Currency Pairs" on the Company's website.</p>	
Maximum total amount of open positions per trading account	When the total absolute USD value of sell positions or that of buy positions within a trading account reaches USD 30 million, further orders won't be accepted.	
Foreign currency deposits and withdrawals	Not accepted	
Foreign currency procurement (delivery)	Not accepted	
Cross order	<p>A cross order is possible.</p> <p>* A cross order might not be economically rational since it requires the trader to bear a double spread. For this reason, the Company does not recommend the cross order.</p>	
Margin requirement	<ul style="list-style-type: none"> <li>• Individual customers: Japanese yen equivalent to 4% or more of the contract price (25 times leverage or less)</li> <li>• Corporate customers: Japanese yen equivalent to 2% or more of the contract price (50 times leverage or less)</li> </ul> <p>Formula for calculating the margin requirement: <math>\text{Trade volume} \times \text{Price (rate)} \times \text{Margin ratio}</math></p> <p>* Margin requirement ratio and leverage vary by currency pair. Please refer to "Currency Pairs" for each service on the website. The margin requirement ratios are subject to change upon prior notice to you due to revisions of laws and regulations, market trends, etc.</p> <p>* Please note that although the MAX method is used for margin requirements for cross order transactions, this does not apply to cases where the symbol name of the currency pair differs.</p>	
Margin closeout	<ul style="list-style-type: none"> <li>• For both individual and corporate customers, a margin closeout will be triggered when the margin maintenance ratio becomes less than or equal to 100% (when the amount of effective margin becomes less than or equal to the amount of margin requirement).</li> <li>• Margin maintenance ratio formula: Margin maintenance ratio = Margin clearing value (= Effective margin) / Margin requirement</li> <li>• When a margin closeout is triggered, open positions with the largest losses are cut in turn. Margin closeout continues until the margin maintenance rate exceeds 100%.</li> </ul>	

	<p>* A margin closeout does not guarantee execution at the price at the time of margin closeout determination, nor does it guarantee that the amount of your loss will be limited, because the open positions will be executed by a reversing trade. In the event of sudden market fluctuations, losses may exceed the amount of margin even if margin closeout rules are in place.</p>
Margin call Margin cut	There are no margin calls or margin cuts for either individual or corporate customers. Only margin closeout is applied.
Order types	<ul style="list-style-type: none"> <li>• Market order</li> <li>• Limit order</li> <li>• Stop order</li> <li>• Trailing stop</li> <li>• If Done</li> <li>• OCO</li> </ul> <p>* Slippage may occur at every order. Slippage may be to your advantage or disadvantage. * For details on order types, please refer to the glossary on the Company's website.</p>
Order expiration date	Unlimited, Specified date
Granting of swaps	Unrealized gains/losses on rollover open position are recorded at 7:00 a.m. (6:00 a.m. in the case of U.S. Daylight Savings Time) and will become fixed gains/losses when the open position is closed.

## [Outline of OTC stock index CFD trading]

Transaction fee	0 yen
Account opening fee	0 yen
Account maintenance fee	0 yen
Other fees	The following fees will be charged if you wish to receive by mail the various forms that we provide by electromagnetic means: Annual profit/loss report: 1,100 yen per report Other transaction history reports: 3,300 yen per report
Assets traded	Stock index CFDs such as Nikkei 225, US Wall Street Index 30, and China A Stock Index 50. For details, please refer to the Company's website.
Trading hours	Vary from asset to asset. For details, please refer to the Company's website.
Order methods	Orders are placed on MetaTrader 4/5 via the Internet using a PC or other Internet-connected terminals.
Minimum trading quantity	0.01 units
Maximum trading quantity	Vary from asset to asset. For details, please refer to the Company's website.
Maximum total amount of open positions per trading account	When the total absolute USD value of sell positions or that of buy positions within a trading account reaches USD 60 million, further orders won't be accepted.
Foreign currency deposits and withdrawals	Not accepted
Stock procurement (delivery)	Not accepted
Cross order	A cross order is possible. * A cross order might not be economically rational since it requires the trader to bear a double spread. For this reason, the Company does not recommend the cross order.
Margin requirement	<ul style="list-style-type: none"> <li>Individual customers: Japanese yen equivalent to 10% or more of the contract price (10 times leverage or less)</li> <li>Corporate customers: Japanese yen equivalent to 10% or more of the contract price (10 times leverage or less)</li> <li>Formula for calculating the margin requirement: <math>\text{Trade volume} \times \text{Price (rate)} \times \text{Margin ratio}</math></li> <li>* The margin requirement ratio is subject to change upon prior notice to you due to revisions of laws and regulations, market trends, etc.</li> <li>* Please note that although the MAX method is used for margin requirements for cross order transactions, this does not apply to cases where the symbol name of the asset traded differs.</li> </ul>
Margin closeout	<ul style="list-style-type: none"> <li>For both individual and corporate customers, a margin closeout will be triggered when the margin maintenance ratio falls below 100% (when the amount of effective margin falls below the amount of margin requirement).</li> <li>Margin maintenance ratio = <math>\text{Effective margin} / \text{Margin requirement} \times 100</math></li> <li>When a margin closeout is triggered, open positions with the largest losses are forced to be closed (margin closeout) in turn. This margin closeout continues until the margin maintenance rate exceeds 100%.</li> <li>* A margin closeout does not guarantee execution at the price at the time of margin closeout determination, nor does it guarantee that the amount of your loss will be limited, because the open positions will be executed by a reversing trade. In the event of sudden market fluctuations, losses may exceed the amount of margin even if margin closeout rules are in place.</li> </ul>
Margin call Margin cut	There are no margin calls or margin cuts for either individual or corporate accounts. Only margin closeout is applied.
Order types	<ul style="list-style-type: none"> <li>Market order</li> <li>Limit order</li> <li>Stop order</li> <li>Trailing stop</li> <li>If Done</li> <li>OCO</li> </ul> <p>* Slippage may occur at every order. Slippage may be to your advantage or disadvantage. * For details on order types, please refer to the glossary on the Company's website.</p>
Order acceptance hours	24 hours a day, 7 days a week, except after trading hours and maintenance hours



Order expiration date	Unlimited, Specified date
Adjustment	<ul style="list-style-type: none"> <li>▪ Amount equivalent to interest</li> <li>▪ Amount equivalent to dividend</li> </ul> For details, please refer to the Company's website.
Asset protection methods	Trust protection

## [Outline of OTC commodity CFD trading]

Transaction fee	0 yen
Account opening fee	0 yen
Account maintenance fee	0 yen
Other fees	The following fees will be charged if you wish to receive by mail the various forms that we provide by electromagnetic means: Annual profit/loss report: 1,100 yen per report Other transaction history reports: 3,300 yen per report
Assets traded	OTC commodity CFDs on Brent crude oil, WTI crude oil, natural gas and gold. For details, please refer to the Company's website.
Trading hours	Vary from asset to asset. For details, please refer to the Company's website.
Order methods	Orders are placed on MetaTrader 4/5 via the Internet using a PC or other Internet-connected terminals.
Minimum trading quantity	Vary from asset to asset. For details, please refer to the Company's website.
Maximum trading quantity	Vary from asset to asset. For details, please refer to the Company's website.
Maximum total amount of open positions per trading account	When the total absolute USD value of sell positions or that of buy positions within a trading account reaches USD 60 million, further orders won't be accepted.
Foreign currency deposits and withdrawals	Not accepted
Commodity procurement (delivery)	Not accepted
Cross order	Possible * A cross order might not be economically rational since it requires the trader to bear a double price difference (spread) between the offer and bid prices. For this reason, the Company does not recommend the cross order.
Margin requirement	<ul style="list-style-type: none"> <li>Individual customers: Japanese yen equivalent to 5% or more of the contract price (20 times leverage or less)</li> <li>Corporate customers: Japanese yen equivalent to 5% or more of the contract price (20 times leverage or less)</li> <li>Formula for calculating the margin requirement: <math>\text{Trade volume} \times \text{Price (rate)} \times \text{Margin ratio}</math></li> <li>* The margin requirement ratio is subject to change upon prior notice to you due to revisions of laws and regulations, market trends, etc.</li> <li>* Please note that although the MAX method is used for margin requirements for cross order transactions, this does not apply to cases where the symbol name of the asset traded differs.</li> </ul>
Margin closeout	<ul style="list-style-type: none"> <li>For both individual and corporate customers, a margin closeout will be triggered when the margin maintenance ratio becomes less than or equals to 100% (when the amount of effective margin falls below the amount of margin requirement).</li> <li>Margin maintenance ratio = <math>\text{Effective margin} / \text{Margin requirement} \times 100</math></li> <li>When a margin closeout is triggered, open positions with the largest losses are forced to be closed (margin closeout) in turn. This margin closeout continues until the margin maintenance rate exceeds 100%.</li> <li>* A margin closeout does not guarantee execution at the price at the time of margin closeout determination, nor does it guarantee that the amount of your loss will be limited, because the open positions will be executed by a reversing trade. In the event of sudden market fluctuations, losses may exceed the amount of margin even if margin closeout rules are in place.</li> </ul>
Margin call Margin cut	There are no margin calls or margin cuts for either individual or corporate accounts. Only margin closeout is applied.
Order types	<ul style="list-style-type: none"> <li>Market order</li> <li>Limit order</li> <li>Stop order</li> <li>Trailing stop</li> <li>If Done</li> <li>OCO</li> </ul> <p>* Slippage may occur at every order. Slippage may be to your advantage or disadvantage. * For details on order types, please refer to the <a href="#">glossary</a> on the Company's website.</p>
Order acceptance hours	24 hours a day, 7 days a week, except after trading hours and maintenance hours

Order expiration date	Unlimited, Specified date
Adjustment	<ul style="list-style-type: none"> <li>▪ Amount equivalent to interest</li> </ul> For details, please refer to the Company's website.
Asset protection methods	Trust protection

### 3. CFD Trading

#### (1) Assets traded

Please refer to the "Currency Pair List" for OTC foreign exchange margin trading and the "List of Assets" for OTC stock index CFD and commodity CFD trading on the Company's website for the assets that can be traded on the NY Server and the Tokyo Server. The assets that can be traded are subject to change upon prior notice to you.

#### (2) Transaction unit

Transaction units vary depending on the NY Server, the Tokyo Server and their respective trading systems. In addition, a maximum trading quantity is set. For details, please refer to this Manual or the "Outline of Transactions" and "Currency Pair List" or "List of Assets" of each service on the Company's website.

#### (3) Call price

The smallest unit of price movement in the trading rate, which varies from asset to asset. For details, please refer to the "Currency Pair List" or "List of Assets" of each service on the Company's website.

#### (4) Transaction rate

The Company can quote an offering price (offer price) and a bidding price (bid price) for each asset at the same time so that you can buy at the offer price and sell at the bid price. The price of each asset displayed on the trading tools (e.g. fxTrade, MT4, MT5) is calculated by OANDA Corporation on its own as the transaction rate to you based on the price received from the liquidity provider. Therefore, it may deviate from the prevailing rates of the underlying assets traded in the interbank market (foreign exchange rate), stock markets of various countries, and commodity markets.

#### (5) Spread

There is a price difference between the offer price and the bid price of each asset (this price difference is called the "spread"). Spreads are stable under normal conditions, but may widen depending on market conditions, such as when important economic indicators are released or when liquidity declines.

#### (6) Settlement

Open positions can be closed out (settled) by a reversing trade. When converting foreign currency settlement gains or losses into yen, the exchange rate to be applied shall be determined by the Company. When a profit or loss is generated due to settlement, etc., that amount is added to or subtracted from the margin balance in the trading account through deposits and withdrawals. As a general rule, the date of settlement for the difference shall be the business day on which the settlement transaction is made.

#### (7) Rollover

If you do not close open positions during the trading business day (by the New York close time of the day), the open positions will be automatically carried over to the next trading business day. This is called rollover.

#### (8) Swap points

Swap points are generated in OTC foreign exchange margin trading. Swap points are gains or losses generated by the difference in interest rates between the currency pairs traded, and are exchanged between you and the Company when they are rolled over. As a general rule, you receive money by buying the currency with the higher interest rate of the currency pair and pay money by buying the currency with the lower interest rate. The swap point you receive for the same currency pair will be smaller than the swap point you pay. Payment may be made for both the purchase and sale.

In addition, losses may be incurred due to swap point payments. For details, please refer to the Manual or the "Outline of Transactions" on OTC foreign exchange margin trading on the Company's website.

#### (9) Amount equivalent to interest

- In OTC stock index CFD and OTC commodity CFD trading, delivery and receipt of financing costs equivalent to interest rates, etc. will occur depending on the period during which open positions are held.
- Rollover of an open position results in an interest equivalent adjustment.
- In OTC equity index CFD trading, three days of interest costs are paid and received at the close of business on Friday, New York time.
- In OTC commodity CFD trading, interest costs for gold and silver are generally paid and received at the close of business on Wednesday (New York time), and those for other commodities are paid and received for three days at the close of business on Friday.
- Please refer to the Manual or the "Outline of Transactions" of each service on the Company's website for the interest equivalent adjustment methods.

#### (10) Amount equivalent to dividend

- In OTC stock index CFD trading, receipt and payment of the dividend adjustment amount will occur when an open position with dividends implemented on the reference underlying asset is rolled over.
- If you hold a buy position, you will receive the dividend adjustment amount; if you hold a sell position, you will pay the dividend adjustment amount.
- The receipt and payment of the dividend adjustment amount will be offset by a price adjustment equivalent to the dividend adjustment amount, which will have a limited impact on profit and loss.
- Please refer to the Manual or the "Outline of Transactions" of OTC stock index CFD trading on the Company's website for the dividend equivalent adjustment methods.

#### (11) Order types

[Market order]

- This is an order method that does not specify a rate.
- Your order information is processed in the order in which it reaches the Company's servers.
- Slippage may occur due to the transmission time between your trading terminal and the Company server.
- Slippage may be to your advantage or disadvantage.

- The NY Server allows you to set its own slippage tolerance for new trades. If the difference between the price at the time you place the order on the screen and the price at the time of execution processing is within the slippage tolerance set by you in advance, the trade will be executed at the price at the time of execution processing, and if it exceeds the tolerance, the trade will expire.
- Slippage tolerance cannot be set for MT4 on NY Server and Tokyo Server.

#### [Limit order]

- This is an order method in which you specify the price at which you wish to buy or sell.
- The execution conditions for each service are as follows.

##### [NY Server]

A sell order will be executed when the offer price is distributed as a quoted price at or above the specified order price; a buy order will be executed when the offer price is distributed as a quoted price at or below the specified order price. Therefore, the actual contract price may be more favorable than your order price. However, even if such price is reached, if the quantity available for execution is less than the order volume, the order may not be executed.

##### [Tokyo Server]

A sell order will be executed when the offer price is distributed as a quoted price at or above the specified order price, and a buy order will be executed when the offer price is distributed as a quoted price at or below the specified order price, as if it had been accepted as a regular market order at that time. Therefore, depending on market fluctuations, there may be cases in which the contract is not executed at the specified rate (slippage), which may or may not be to your advantage.

- If there are other market orders, they will be processed after these market orders have all been executed.
- The lower limit price will take precedence over the higher limit price for selling limit order, and the higher limit price will take precedence over the lower limit price for buying limit order.
- If two limit orders with the same price are placed, the one with the earlier time will be given priority. If there is a stop or other order that specifies the same price as the trigger price, the order with the earliest time will be given priority.
- In the event of a margin closeout transaction, the margin closeout transaction will be given priority.

#### [Stop order]

- This is an order method that specifies the price that triggers the execution of a market order (trigger price).
- Only orders with a trigger price that is unfavorable to the price at the time the order is received will be accepted.
- If there are multiple stop orders triggered by the same price, they will be executed in the order in which they are received.
- If limit orders and stop orders have the same price as the order price and trigger price, respectively, they will be executed in the order in which they are received.

- If there are any market orders against a stop order before it is converted to a market order, those market orders will be given priority.
- In the event of a margin closeout transaction, the margin closeout transaction will be given priority.
- Depending on market fluctuations, there may be cases in which the market rate is not executed as specified (slippage), which may or may not be to your advantage.

(12) Order expiration date

- You can specify an expiration date for an order when you enter it. The expiration date setting depends on the NY Server, the Tokyo Server and their respective trading systems.
- For details, please refer to the "Outline of transactions" of each service in the Manual or on the Company's website.

(13) Correction and cancellation of orders

- Your order may be cancelled or the contents of the order may be corrected if such order has not been executed. Corrections or cancellations cannot be made after the contract has been executed.

## 4. Margin

(1) Margin deposit

When placing an order for CFD trading, please deposit an amount equal to or greater than the margin requirement specified by the Company by bank transfer to the Company's designated financial institution account. Transactions will be available once we have processed the deposit into your account. The Company will not be liable for any loss or damage incurred by you due to delays in the transfer process.

(2) Margin requirement

Margin requirement refers to the deposit money required by the Company as collateral to maintain open positions in your account, and is the amount calculated by multiplying the contract price by the margin requirement ratio. Margin requirement ratio varies by asset. For details, please refer to the Manual or the "Currency Pair List" and "Assets of Stock Index CFD" and "Assets of Commodity CFD" on the Company's website. The margin requirement ratios are subject to change upon prior notice to you due to revisions of laws and regulations, market trends, etc.

Margin rate for a cross order is calculated by the MAX method (the customers can trade using the margin for the currency pair or asset with the greater margin requirement by comparing the total margin requirements for the long or short positions for the same currency pair or asset).

(3) Treatment of margin closeout

The Company marks your open positions to market in real time, and if the effective margin falls below a certain percentage of the margin requirement, the Company will execute margin closeout on your account in the order of greatest to smallest of the amount of losses incurred in those positions until your effective margin reaches the designated level. (For the risk of margin closeout, please read "(3) Risk of margin closeout (forced settlement as needed)" in "1. Risk Related to CFD Trading". Please refer to the Manual or the "Outline of FX Transactions," "Outline of Stock Index CFD Trading," and "Outline of Commodity CFD Trading" on the Company's website for the terms and conditions related to margin closeout.

In margin closeout transactions, the Company does not guarantee that they will be executed at the price at the time of margin closeout determination, nor does it guarantee that the amount of your loss will be limited, because the open positions will be executed by a reversing trade. Depending on market conditions and the timing of settlement, the contract price may deviate significantly from the level at which margin closeout transactions are calculated to be ordered, and you may suffer unintended losses or losses in excess of the amount you have deposited with the Company. In the event of a loss in excess of the margin deposited by you, you must promptly compensate the Company for the loss.

(4) Treatment of valuation gains/losses, amount equivalent to interest and amount equivalent to dividend

Valuation gains and losses calculated by the Company and amounts equivalent to interest and dividends generated by the rollover of open positions will be added to or subtracted from the amount of margin deposit. When converting foreign currency valuation gains or losses, amounts equivalent to interest and dividends into yen, the exchange rate to be applied shall be determined by the Company.

(5) Appropriation by marketable securities, etc.

Only Japanese yen can be deposited as margin, and securities or foreign currencies are not accepted in lieu of margin.

(6) Withdrawal of margin

Margin deposited by you can be withdrawn to your trading bank account within the amount after deducting the margin requirement. Withdrawals may be requested through our trading system 24 hours a day, 7 days a week (except during system maintenance). In the event that a withdrawal is made, as a general rule, the funds shall be returned to your reported bank account within three business days (of the Japanese bank) from the date of your request.

Even after the Company has completed the transfer procedures, there may be a delay in receiving the money due to the convenience of the financial institutions involved in the money transfer. In addition, it may take more than four business days to return margins depending on the cancellation status of your assets protected by the trust bank. This shall not apply in cases where the Company reasonably determines that the return of margins should be temporarily suspended, such as in the event of a system failure.



## 5. Transfer of Money Associated with Settlement

The amount of money transferred between you and the Company upon settlement will be based on the amount calculated by the following formula:

[OTC foreign exchange margin trading]

<Trading quantity × Contract price gap + Accumulated Swap>

[OTC stock price index CFD trading]

<Trading quantity × Contract price gap + Accumulated interest equivalent amount + Accumulated dividend equivalent amount>

[OTC commodity CFD trading]

<Trading quantity × Contract price gap + Accumulated interest equivalent>

(Note) Contract price difference means the difference between the contract price for a reversing trade and the contract price for the new bid or offer transaction that was the subject of a reversing trade.

## 6. Taxes on Gains

Gains generated from CFD trading conducted by an individual customer (the sum of net gains from buying and selling, swaps, amounts equivalent to interest, and amounts equivalent to dividends; the same shall apply hereinafter) are subject to separate taxation as "miscellaneous income related to futures trading" and, as a general rule, require a final income tax return. The tax rate is 15% for income tax, 2.1% of income tax amount for special income tax for reconstruction,\* and 5% for local tax. These gains or losses can be aggregated with gains or losses from other futures contracts settled for difference, etc., and if the aggregated amount is a loss, it can be carried forward for three years from the following year under certain conditions.

Gains generated from CFD trading conducted by corporate customers are included in gains for the calculation of income for corporate income tax.

When we settle your CFD trading for a difference, etc., the Company will, as a general rule, submit a payment record that includes your address, name, payment amount, etc. to the head of the tax office in charge of the Company. For more details, please contact a tax accountant or other specialist.

\* The special income tax for reconstruction is an additional 2.1% tax on the amount of income tax for each year from 2013 to 2037 (25 years) (0.315% on profits).

## 7. Procedures

The following is an outline of the procedures to be conducted when you enter into a transaction with the Company.

(1) Consent to pre-contract document, etc.

First of all, you will receive a copy of the Manual and the "OANDA Japan OTC CFD Transaction Agreement" (including those posted on the website) from the Company. Please make sure that you fully understand the outline of CFD trading and the risks involved before accepting and agreeing to the contents of the Manual and the Agreement.

(2) Setting up a CFD trading account

To start CFD trading, you are required to open a CFD trading account with the Company in advance. Please fill out the account application form on the Company's website to apply for an account. Upon application, you will be asked to submit documents confirming your identity and your personal number, and other necessary documents. In addition, a certain level of investment experience, knowledge, and financial resources are required to open an account.

(Note) Please note that we may refuse to open an account in light of your suitability as a customer.

(3) Delivery of documents by electromagnetic means

When opening an account, please agree to "Delivery of documents by electromagnetic means" regarding receiving documents from us by electromagnetic means.

(4) Margin deposits

When you start CFD trading, please deposit margin which is more than or equal to the amount of margin requirement specified by the Company. When we accept your margins, we will deliver a "Receipt."

(5) Specifications on an order

When placing an order in CFD trading, please specify the following items accurately during our trading hours.

- (i) Assets
- (ii) Whether the transaction is a sell transaction or a buy transaction
- (iii) New transaction or settlement transaction
- (iv) Order quantity
- (v) Conditions of execution (market order, limit order or stop order)
- (vi) Price (for a limit order)
- (vii) Order effective period (for a limit order)

(6) Closing of open positions

When multiple open positions are held, the asset to be closed must be specified at the time of the order for the settlement transaction. If there are multiple open positions in the same asset, the open positions to be settled will, as a general rule, be based on the FIFO method.

(7) Cross order

Holding open positions for selling and buying for the same asset at the same time ("cross order") requires agreement to the Terms of Service separately stipulated. Please understand that there are disadvantages for you, such as having to bear the double burden of spreads, commissions and margins, and having to bear the difference between the amount received and the amount paid for swap points, amounts equivalent to interest, and amounts equivalent to dividends, which may not be economically rational. Margin rate for a cross order is calculated by the MAX method (A method that the customers can trade using the margin for the currency pair or asset with the greater margin requirement by comparing the total margin requirements for the long or short positions for the same currency pair or asset).

(8) Reporting of transaction balances, open positions, margins, etc.

In order to confirm the contents of transactions, the current amount of open positions and other open accounts, and the deposit of margins, etc., we will prepare and deliver to you a "Transaction Report" (document delivered at the time of conclusion of contract), a "Transaction Balance Report" and a "Receipt" on a daily basis.

(9) Fees

As a general rule, there are no transaction fees for our CFD trading. Therefore, the rate agreed upon by you and the Company at the time of the transaction will be the execution rate as it is. However, transaction fees are subject to change in the future.

(10) Others

Please be sure to check the contents of our notices and reports, and if there is any discrepancy or doubt about the contents, please promptly contact our Customer Service Center directly. Please see page 28 for contact information.

For more information on how CFD trading works, trading procedures, etc., please contact our customer service.

## **Prohibited Acts regarding CFD Trading Activities**

Please note that financial instruments business operators/commodity derivatives business operators are prohibited by the Financial Instruments and Exchange Act/the Commodity Derivatives Transaction Act from engaging in the following acts regarding CFD trading with customers or acting as an intermediary, agency or agent for customers in CFD trading (hereinafter referred to as "CFD trading");

### **1. Prohibited Acts common to CFD Trading Activities**

#### **(1) False notification and offer of assertive judgment, etc.**

- Telling a falsehood to a customer in connection with the conclusion of or solicitation for the conclusion of a CFD trading contract (a contract which provides for the performance of CFD trading by or on behalf of a customer; the same shall apply hereinafter).
- Soliciting a customer to enter into a CFD trading contract by offering an assertive judgment on an uncertain matter or by telling the customer something that may mislead the customer into believing that it is certain.

#### **(2) Unsolicited promotion, etc.**

- Soliciting the conclusion of a CFD trading contract by visiting or calling a customer who has not made a request to that solicitation (however, solicitation to customers with whom the financial instruments business operator or commodity futures business operator has a continuous business relationship (only customers who have had two or more CFD trading within one year prior to the date of solicitation or customers who have an outstanding CFD trading balance on the date of solicitation)) or solicitation for the purpose of hedging foreign exchange fluctuation risk for a corporation engaged in foreign trade or other business related to foreign exchange transactions are exempted from the prohibited acts).
- Soliciting a CFD trading contract without confirming the customer's intention to accept the solicitation by informing the customer of the Company's trade name or name and the fact that the solicitation is for CFD trading prior to soliciting the customer.
- Soliciting a CFD trading contract despite the customer's prior indication of the customer's intention not to enter into such CFD trading contract (including the act of not wishing to continue to receive such solicitation; the same shall apply hereinafter), or continuing such solicitation despite the customer's indication of the customer's intention not to enter into such CFD trading contract after receiving such solicitation.
- Soliciting customers to enter into or terminate CFD trading contracts by telephone or visiting them at a time that may cause inconvenience to them.

(3) Inappropriate explanation, labeling, etc.

- Upon delivery of this Manual, concluding an OTC derivative transaction contract without providing an explanation of the contents of the Manual in a manner and to the extent necessary for the customer to understand them in light of the customer's knowledge, experience, financial condition, and the purpose of concluding the OTC derivative transaction contract.
- Conducting misleading representations with respect to material matters about the conclusion of a CFD trading contract or solicitation thereof.

(4) False and unauthorized transactions

- Upon delivery of this Manual, concluding an OTC derivative transaction contract without providing an explanation of the contents of the Manual in a manner and to the extent necessary for the customer to understand them in light of the customer's knowledge, experience, financial condition, and the purpose of concluding the OTC derivative transaction contract.
- Conducting CFD trading based on a customer's account without obtaining the prior consent of the customer.

(5) Violation of leverage restrictions

- In the case of CFD trading with an individual customer, although the amount obtained by adding to the amount of margin, etc., deposited by such individual customers at a certain time plus the amount of profit that would be generated if such CFD trading were settled, or minus the amount of loss that the customer would suffer if such CFD trading were settled ("actual deposit amount"; the same shall apply hereinafter) is less than the amount required to be deposited at the time of contract, continuing CFD trading without having the individual customers immediately deposit with the Company the amount of the shortage after the transaction is completed.
- Although the actual amount of trading margins, etc., deposited for CFD trading at a certain time each business day is insufficient to maintain the required amount of maintenance deposit, continuing CFD trading without immediately having the shortage amount deposited with the Company.

(6) Compensation for loss or provision of special benefit, etc.

- Offering or promising to a customer or a third party designated by the customer, or having the third party offer or promise, regarding CFD trading, to provide a property interest to the customer or the third party in order to compensate or supplement all or part of the loss or the lack of profit of a predetermined amount for the customer.
- Offering or promising to a customer or a third party designated by the customer, or having the third party offer or promise, in connection with CFD trading, to provide a property interest to the customer or the third party in order to compensate all or part of the loss of the customer or to increase profit of the customer.

- Offering to a customer or a third party, or having the third party offer, in connection with CFD trading, to provide a property interest to the customer or the third party in order to compensate all or part of the loss or to increase profit of the customer.
- Promising to provide a special benefit to a customer or a third party designated by the customer, or providing a special benefit to a customer or a third party (including the act of having a third party promise or provide a special benefit) in connection with a CFD trading contract.

(7) Other

- Using deceptive means or assault or intimidation in connection with the conclusion or cancellation of a CFD trading contract.
- Soliciting transactions that are counter to the selling or buying of CFD trading conducted by the customer (transactions to reduce the loss that may arise from such transactions) or other similar acts with respect to CFD trading activities.
- Refusing or unreasonably delaying the performance of CFD trading acts based on a CFD trading contract, or all or part of other obligations based on the CFD trading contract.
- Soliciting customers to enter into CFD trading contracts by gathering the customers without clearly indicating in advance that the purpose is to solicit customers to enter into CFD trading contracts.
- In the case of CFD trading with an individual customer, although a certain CFD trading is not being executed when the amount of loss to be suffered by the individual customer in the event of the settlement of CFD trading conducted by the individual customer in his/her account reaches the amount calculated by the calculation method agreed upon with the individual customer in advance ("margin closeout transaction"; the same shall apply hereinafter), or although a sufficient management system to conduct margin closeout transactions has not been established, continuing CFD trading business.
- Although there is both an offer price and a bid price for a transaction, failing to quote these prices at the same time.
- Failing to present the price or an item equivalent to the price at the time of transaction to the customer who has requested the presentation of such price or the item equivalent to the price.

2. Prohibited Acts regarding OTC Foreign Exchange Margin Trading and OTC Stock Index CFD Trading Activities

(1) Discretionary account transactions

- Failing to enter into a contract in writing (except where such contract is entered into by using an electronic data processing system or other information and telecommunications technology) in a case where a customer and the financial instruments business operator enter into a contract regarding CFD trading stipulating that the financial instruments business operator executes the transaction in

accordance with methods such as computer processing if certain facts occur when the customer consents to the total amount of funds for a CFD trading act but does not consent to the type of transaction, currency pair, stock price index, asset, quantity and price.

(2) Self-dealing

- An officer of a financial instruments business operator (when the officer is a juridical person, including an employee who is to perform the duties of the officer) or an employee of a financial instruments business operator abuses his/her position to conduct CFD money transactions based on trends in orders related to CFD trading of customers or other special information obtained in the course of his/her duties, or for the sole purpose of pursuing speculative profits.

(3) Slippage

- When slippage is unfavorable to the customer (when the contract price is less favorable to the customer than the price at the time of order), executing the transaction at a price unfavorable to the customer, while when slippage is favorable to the customer (when the contract price is more favorable to the customer than the price at the time of order), executing the transaction at a price favorable to the customer.
- Setting the range of slippage that allows transactions to be executed at a price unfavorable to the customer wider than the range of slippage that allows transactions to be executed at a price favorable to the customer (including setting the range of slippage that allows transactions to be executed at a price unfavorable to the customer wider than the range of slippage that allows transactions to be executed at a price favorable to the customer if the customer can specify the slippage).
- Setting the maximum amount of transaction to be executed when a slippage unfavorable to the customer occurs larger than the maximum amount of transaction to be executed when a slippage favorable to the customer occurs.

3. Prohibited Acts regarding OTC Commodity CFD Trading Activities

- Soliciting customers for OTC commodity CFD trading without informing the customers of the trading unit.
- Recommending that a customer who has indicated the customer's intention to complete the settlement of OTC commodity CFD trading continue to engage in such transactions.
- Continuing to engage in activities related to the commodity futures trading business in a situation where it is deemed that the operator is not appropriately notifying customers of the status of delivery and other necessary information with respect to OTC commodity CFD trading, etc.
- Continuing to engage in the commodity futures trading business despite the situation where the management of the electronic data processing system for the commodity futures trading business is deemed to be inadequate.

# **Outline of the Company and Complaint Reception, Complaint Handling and Dispute Resolution**

## **(1) Outline of the Company**

The outline of the Company is as follows.

Trade name	: OANDA Japan Inc. Financial Instruments Business Operator, Director-General of the Kanto Local Finance Bureau (Kinsho) No. 2137 Commodity Derivatives Business Operator
Head office	: 1001 CIRCLES Hirakawacho, 1-3-13 Hirakawacho, Chiyoda-ku, Tokyo 102-0093
Phone number	: 0120-923-213
Date of Establishment	: November 8, 2004
Capital	: 485,000,000 yen
Main business	: Type I Financial Instruments Business, Commodity Derivatives Business (Over-the-Counter Derivatives Transactions Business)
Membership	: The Financial Futures Association of Japan Japan Securities Dealers Association The Commodity Futures Association of Japan

## **(2) Complaints reception desk**

The Company accepts your complaints at the following contact.

Hours	: 9:00-17:00 on Monday through Friday (except for holidays)
Contact	: Customer Service Center
Contact method	: Phone (0120-923-213), Inquiry form ( <a href="https://www.oanda.jp/inquiry">https://www.oanda.jp/inquiry</a> ) By postal mail (to the head office address listed in (1) above)

## **(3) Complaint handling and dispute resolution**

The following designated dispute resolution organizations are available to the Company and you for complaint handling and dispute resolution.

[OTC Foreign Exchange Margin Trading / OTC Stock Index CFD Trading]

NPO Financial Instruments Mediation Assistance Center (FINMAC)

Hours : 9:00–17:00 on Monday through Friday (except for holidays)

Phone number : 0120-64-5005 (toll free)

URL : <https://www.finmac.or.jp>

Tokyo Office : Daini Shoken Kaikan, 2-1-1 Nihonbashi Kayabacho, Chuo-ku, Tokyo 103-0025

Osaka Office : Osaka Heiwa Building, 1-5-5 Kitahama, Chuo-ku, Osaka-shi, Osaka 541-0041

[OTC Commodity CFD Trading]



The Commodity Futures Association of Japan, Consulting Center

Hours : 9:00–17:00 on Monday through Friday (except for holidays)

Phone number : 03-3664-6243

URL : [https://www.nisshokyo.or.jp/investor/s\\_center.html](https://www.nisshokyo.or.jp/investor/s_center.html)

Office : Nihonbashi Horidomecho, 1-10-7, Chuo-ku, Tokyo 103-0012

## Key Terms of Trading

- **Sell position**  
A sale transaction that has not yet been settled.
- **Offer**  
A financial instruments business operator's offer to sell a specified quantity of an asset at a specified price. You can buy that asset at that price.
- **Open position (buy position)**  
A buy transaction that has not yet been settled.
- **Repurchase**  
A buy transaction to close out (reduce) a sell interest.
- **Cover deal**  
For the purpose of reducing the risk of price fluctuations in CFD trading conducted by financial instruments business operators with you, the market derivative transactions with the same CFD trading, the same asset and the same type of transaction (selling or buying), or the CDF transactions with other financial instruments business operators or other parties.
- **Financial instruments business operators**  
An operator who is registered under the Financial Instruments and Exchange Act for the business of handling financial instruments transactions including CFD trading.
- **Out-of-court dispute resolution system**  
A procedure in which an impartial third party is involved to settle a civil dispute for the parties to the dispute who are seeking to resolve the dispute without resorting to litigation procedures. Also called ADR.
- **Settlement of difference**  
This refers to a method of settling futures and options transactions, etc., in which the underlying commodity is not delivered, and the difference is exchanged in proportion to the calculated loss or profit.
- **Settlement order**  
A transaction to close out (reduce) a newly ordered open position, which is a reversing trade in which the open position is specified.
- **Limit order**  
An order that specifies a price limit (minimum price for selling and maximum price for buying). In contrast, an order placed without a predetermined price is called a market order.
- **Margin**  
A security deposit that is pledged to ensure the fulfillment of contractual obligations such as futures and options transactions. Margin may have two categories: initial margin, which is put in at the time of trade execution, and maintenance margin, which has to be held with respect to open positions.
- **Amount equivalent to interest**  
In OTC stock index CFD trading and OTC commodity CFD trading, interest costs are paid/received by carrying over open positions across days.

- **Swap point**  
Interest differential calculated based on the difference between interest rates between paired currencies in OTC foreign exchange margin trading in order to adjust the difference.
- **Slippage**  
A discrepancy between the price indicated at the time of your order or the price specified by you at the time of the order and the contract price.
- **Additional margin**  
Margin that must be additionally deposited when the margin balance falls below the amount necessary to maintain one's open positions due to market fluctuations.
- **Derivatives trading**  
A transaction in a commodity whose price is derivatively determined based on the value (numerical value) of the object of the transaction. Includes futures and options transactions.
- **OTC foreign exchange margin trading**  
It is a type of over-the-counter derivatives trading that is composite of foreign exchange margin trading, in which currencies are bought and sold, and margin trading, in which a smaller amount of margin than the transaction amount is deposited to make a large transaction.
- **OTC stock price index CFD trading**  
It is a type of over-the-counter derivatives trading that is a composite of stock price index trading, in which a stock price indexes are bought and sold, and margin trading, in which a smaller amount of margin than the transaction amount is deposited to make a large transaction.
- **OTC commodity index CFD trading**  
It is a type of over-the-counter derivatives trading that is a composite of commodity index trading, in which commodity indexes are bought and sold, and margin trading, in which a smaller amount of margin than the transaction amount is deposited to make a large transaction.
- **OTC derivatives trading**  
Derivative transactions conducted outside of the exchange-traded financial instruments markets and foreign financial instruments markets established by financial instruments exchanges.
- **Resale**  
A sell transaction to close out (reduce) a buy position.
- **Professional investor**  
Qualified institutional investors, the State, the Bank of Japan, etc., who are recognized as having expertise and experience in investments in securities, including OTC financial futures transactions. Individuals who meet certain requirements may request to be treated as a professional investor. Even if they fall under the category of the professional investor, they may request the financial instruments business operator to treat them as a customer other than professional investor.
- **Mark to market**  
The procedure to reassess open positions in accordance with daily changes in market prices is called mark to market.
- **Mediation transaction**  
A transaction in which a financial instruments business operator connects your order with another financial instruments business operator in your name.

- Bid  
An offer by a financial instruments business operator to buy a specific quantity of a commodity by indicating a price, or the price at which it is offered. You can sell at that price.
- Hedging transaction  
A transaction in which an open interest in the opposite risk direction of an asset or liability is placed on an exchange-traded or over-the-counter market in order to reduce the risk of price fluctuations of an asset or liability that is currently held or will be held in the future.
- Cross order  
Having sell and buy positions for the same commodity at the same time.
- Margin closeout  
Forced settlement of your open positions for risk management purposes by a financial instruments business operator when your losses reach a designated level.
- Rollover  
The carrying over in CFD trading to the next business day of open positions that were not traded against during the same business day, with swap points awarded.