

Best Execution Policy

Chi-X Japan Limited

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When order of securities listed on the domestic financial instrument exchange is placed with us, it will be executed in accordance with policy as follows:

1. Subject securities

Share certificates, ETFs, REITs listed on the domestic financial instrument exchanges which are provided in Article 16-6 of Financial Instruments and Exchange Law Enforcement Order as "Listed Stocks, etc."

Green Sheet stocks, Phoenix stocks and WBs provided in Article 67-18 of Financial Instruments and Exchange Law as "Securities for Handling" are not traded.

2. Method for Best Execution

Orders received from clients concerning Listed Stocks, etc. shall be executed on our PTS according to our internal rules. The orders will not be routed to financial instrument exchanges or other PTS brokers. (However, if clients designate a specific financial instrument exchange for execution, orders will be routed to this exchange.)

Orders received from clients shall only be executed when they match with other orders in our PTS. Orders which did not match shall become unexecuted orders.

3. Reason for choosing such method

Our business is to run PTS operation and our clients open their accounts with us on the basis that they use our PTS. Accordingly, we consider such clients' investment need to place orders with us is that they wish to have their orders executed on our PTS.

4. Others

(1) We do not deal with the transactions of less than a unit amount of stocks and the odd lot shares.

(2) There may be cases when other methods than those stated in this policy may be used in unavoidable situations such as system failure.

Even in such cases, we try to execute orders at the best possible conditions.

This Best Execution Policy sets forth policies and methods to execute clients' orders at the best possible conditions in accordance with provisions of the Financial Instruments

and Exchange Law.

Best Execution obligation is the obligation not only taking into consideration of the price but, for example, cost, speed or certainty of the execution synthetically.

Thus, it is considered that it does not become violation of the Best Execution obligation only when the executed price was not the best at the point.