

【 Shortening of Stock Settlement Cycle (T+2) 】  
Holiday Test (Operational Check Test / RT)  
Procedures

<For All Participants>

Japan Securities Clearing Corporation  
Japan Securities Depository Center, Inc.

# Update History

Oct. 2018	Original Version Published	
Jan. 2019	Revised	
	4. Test Schedule	As system operation hours for migration rehearsal has been fixed, changed end time on JSCC side from 18:00 to 16:00 and deleted “(Tentative)”
	5. Points for Holiday Test (2) Street Side (SS) Viewpoint	As dedicated accounts for collateral is excluded from the scope of transfer account balance increase, revised descriptions related to accounts subject to increase
	5. Points for Holiday Test (3) Customer Side (CS) Viewpoint	As dedicated accounts for collateral is excluded from the scope of transfer account balance increase, revised descriptions related to accounts subject to increase
	6. Holiday Test Environment (Cycle 4/RT3)	As May 1, 2019 and one day before and after this date are decided to be holidays, changed master base date for RT3 (Cycle 4) from May 1, 2019 to May 8, 2019
May. 2019	Revised	
	Annex_Holiday Test Timeline	Added the detailed timeline of Migration Rehearsal and Migration Reversal Test

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# 1. Introduction

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- For the implementation of shortening of stock settlement cycle (T+2 implementation), “Working Group on Shortening Stock Settlement Cycle” (WG) is planning to have RT and judge feasibility of implementation on the scheduled implementation date<sup>(\*1)</sup>.

(\*1) See “Final Report of the Working Group on Shortening Stock Settlement Cycle in the Japanese Market (Working Group on Shortening Stock Settlement Cycle)” published on June 30, 2016.

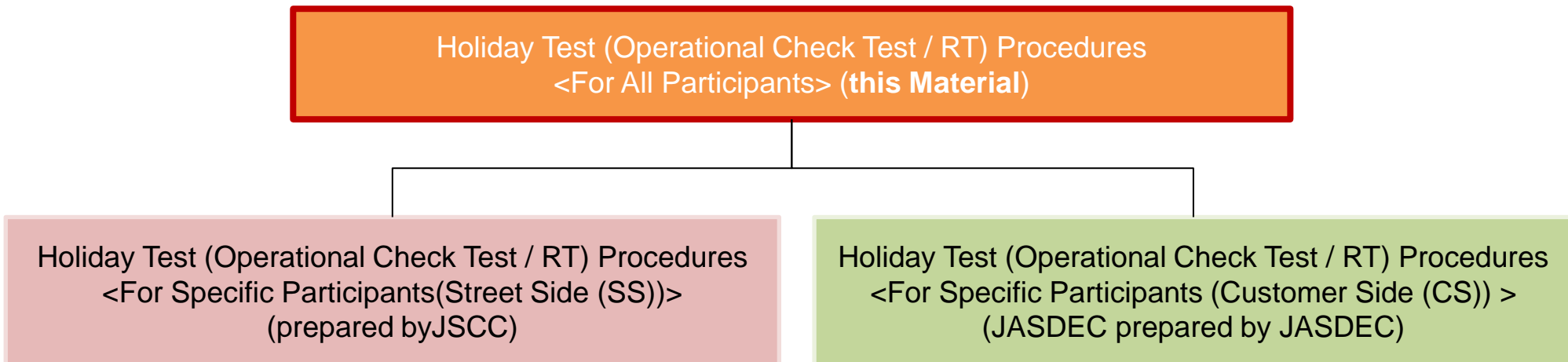
- Now, July 16, 2019 (trade date base) has been decided to be the scheduled implementation date<sup>(\*2)</sup>. We, the market infrastructures, put together the test procedures for holiday test, including RT, in light of this scheduled implementation date.

(\*2) See “Implementation Date of T+2 Stock Settlement Cycle (Japan Securities Dealers Association)” published on May 28, 2018.

- For smooth migration, we ask the market participants to actively take advantage of this holiday test opportunity, and check appropriateness of system accommodation, and check and familiarize yourselves to operational process.
  - For test participants, please check this material in advance and prepare for the test.
- In addition, Japan Securities Clearing Corporation (JSCC) is planning to implement Cash Products Clearing System replacement at the same timing as T+2 implementation. As this test is also designed for training of operation of new Cash Products Clearing System, we ask JSCC Cash Products Clearing Participants to actively participate in the holiday tests, including optional schedules.

## 2. Positioning of this Material

- The Test Procedures are comprised of “Holiday Test (Operational Check Test / RT) Procedures <For All Participants>” which outlines matters that apply in general to both street side parties (SS) and customer side parties (this material), and “Holiday Test (Operational Check Test / RT) Procedures <For Specific Participants (Street Side (SS)) >” and “Holiday Test (Operational Check Test / RT) Procedures <For Specific Participants (Customer Side (CS)) >” which outlines test details for each side.
- This material is “Test Procedures <For All Participants>.” For details of holiday test on each of the street side and the customer side, please refer to respective Test Procedures <For Specific Participants> (to be published in Oct. 2018).



\* In this material, street side is referred to as “SS” and customer side is referred to as “CS”.

### 3. Holiday Test Outlines (Operational Check Test and RT)

- Operational check test and RT will be held by JSCC and Japan Securities Depository Center, Inc. (JASDEC) as participating infrastructures. Outlines of each test are as follows:

<b>Purpose</b>	<ul style="list-style-type: none"> <li>➤ Stock settlement operations can be performed continuously and smoothly after T+2 implementation</li> <li>➤ Settlement for 2 business days, i.e. trade date of T+3 cycle trades and trade date of T+2 cycle trades, occurring on the first settlement date after T+2 implementation can be smoothly performed</li> </ul> <p>[Only for JSCC Cash Products Clearing Participants]</p> <ul style="list-style-type: none"> <li>➤ Stock settlement operations can be smoothly performed by using new Cash Products Clearing System</li> </ul>			
	<b>Test Cycle</b>	<ul style="list-style-type: none"> <li>➤ Divided into 4 cycles.</li> <li>➤ Cycle 1 will be operational check test and Cycle 2 to 4 will be RT</li> <li>➤ All tests will be held on holidays.</li> </ul>		
<b>Test Period / Positioning of Test at each Cycle</b>	<b>Cycle 1 - Operational Check-</b>	Dec. 2018	SS : Optional CS : Optional	Positioned as preliminary check for RT1. — Assuming test needs, mainly at SS, before mandatory RT1 (participation is optional).
	<b>Cycle 2 - RT1-</b>	Jan. to Feb. 2019	SS : <b>Mandatory</b> CS : Optional	In line with above “Purpose,” comprehensively check appropriateness of system accommodation and familiarization of operational process. SS to check connectivity and log-in and screen operability of new JSCC Cash Products Clearing System.
	<b>Cycle 3 - RT2-</b>	March to April 2019	SS : Optional CS : Optional	In light of RT1 results, check, once again, appropriateness of system accommodation and familiarization of operational process.
	<b>Cycle 4 - RT3-</b>	May to June 2019	SS : Optional CS : Optional	Back-up Test Schedule — Assuming check of items left un-checked and utilization for higher level of familiarization of operational process.

### 3. Holiday Test Outlines (Operational Check Test and RT)

- Participants to Operational Check Test and RT are as follows:

<b>Test Participants</b>	<b>JSCC</b>	JSCC Cash Products Clearing Participants
	<b>JASDEC</b>	System Participants (Book-Entry Transfer System for Stocks, etc. / Custody Services for Foreign Stock Certificates, etc.), System Participants in DVP Settlement Services for NETDs, Pre-Settlement Matching System users (including investment management companies)

- Operational Check Test and RT test environment at each infrastructure is as follows:

<b>Test Environment</b>	<b>JSCC</b>	System Environment	Connect to production environment
		System	Cash Products Clearing System (including SSO/Portal, FTP Site)
	<b>JASDEC</b>	System Environment	Connect to test environment
		System	Pre-Settlement Matching System, Book-Entry Transfer Sub-System. * Other systems are out of the scope of the test (should not be used).

### 3. Holiday Test Outlines (Migration Rehearsal)

- Migration rehearsal is scheduled on July 14, 2019 (Sun), immediately before launch, by JSCC and JASDEC as participating infrastructures. Outlines of the rehearsal are as follows:

<b>Purpose</b>	➤ Under the same system connectivity environment as July 16, 2019 (Tues), T+2 implementation launch date, system activates without problem and can smoothly process operations.	
<b>Date / Participation Requirement</b>	July 14, 2019 (Sun)	SS : Participation is optional
		CS : Participation is optional
<b>Test Participants</b>	<b>JSCC</b>	JSCC Cash Products Clearing Participants
	<b>JASDEC</b>	System Participants (Book-Entry Transfer System for Stocks, etc. / Custody Services for Foreign Stock Certificates, etc.), System Participants in DVP Settlement Services for NETDs, Pre-Settlement Matching System users (including investment management companies)

- Test environment for Migration Rehearsal at each infrastructure is as follows:

<b>Test Environment</b>	<b>JSCC</b>	System Connectivity Environment	Connect to production environment
		System	Cash Products Clearing System (including SSO/Portal, FTP Site)
	<b>JASDEC</b>	System Connectivity Environment	Connect to production environment
		System	Pre-Settlement Matching System, Book-Entry Transfer Sub-System. * Other systems are out of the scope of the test (should not be used).



## 4. Test Schedule

Holiday Test			Scheduled Test Date	System Operation Hours	
				JSCC	JASDEC
Operational Check Test (Cycle 1)	Day0	Assumed 1 Business Day before Launch	Dec. 8, 2018 (Sat)	–	9 : 00 - 17 : 00
	Day1	Assumed Launch Date	Dec. 9, 2018 (Sun)	9 : 00 - 17 : 00	
	Day2	Assumed Day 2	Dec. 16, 2018 (Sun)		
	<u>Day3</u>	<u>Assumed Day 3 (first delivery date after T+2 implementation)</u>	Dec 23, 2018 (Sun)		
RT1 (Cycle 2)	Day0	Assumed 1 Business Day before Launch	Jan. 12, 2019 (Sat)	–	
	Day1	Assumed Launch Date	Jan 13, 2019 (Sun)	9 : 00 - 17 : 00	
	Day2	Assumed Day 2	Jan. 27, 2019 (Sun)		
	<u>Day3</u>	<u>Assumed Day 3 (first delivery date after T+2 implementation)</u>	Feb. 10, 2019 (Sun)		
	Day4	Assumed Day 4	Feb. 24, 2019 (Sun)		
RT2 (Cycle 3)	Day0	Assumed 1 Business Day before Launch	March 2, 2019 (Sat)	–	
	Day1	Assumed Launch Date	March 3, 2019 (Sun)	9 : 00 - 17 : 00	
	Day2	Assumed Day 2	March 17, 2019(Sun)		
	<u>Day3</u>	<u>Assumed Day 3 (first delivery date after T+2 implementation)</u>	April 7, 2019 (Sun)		
RT3 (Cycle 4)	Day0	Assumed 1 Business Day before Launch	May 25, 2019 (Sat)	–	
	Day1	Assumed Launch Date	May 26, 2019 (Sun)	9 : 00 - 17 : 00	
	Day2	Assumed Day 2	June 2, 2019 (Sun)		
	<u>Day3</u>	<u>Assumed Day 3 (first delivery date after T+2 implementation)</u>	June 16, 2019 (Sun)		
Migration Rehearsal	Day1	Assumed Launch Date	July 14, 2019 (Sun)	8 : 00 - 16 : 00	9 : 00 - 14 : 00

\* No need to participate on Day0 of each cycle unless operations from CS viewpoints shown on next slide (such as account balance increase and transmission of T+3 last day affirmation data (contract data)) is performed on Day0.

\* If any system trouble occurs on the part of infrastructure (JSCC or JASDEC) for operational check test and each RT and scheduled test cannot be conducted, infrastructures will promptly decide responsive measures and separately notify specific responsive measures, etc. to test participants.

## 5. Points for Holiday Test

### (1) Key Items to be Performed by Test Participants on each Day in Cycle

- Outlined below are key test items to be performed by test participants (SS and CS, respectively) on each day in each cycle from Day0 to Day3 (to Day4 on RT1)

\* Day T: Trade Date, Day S: Settlement Date

Test Day	Day0 (Preparation)	Day1	Day2	Day3	Day4	
Date Assumption	Assuming 1 business day before launch	Assuming Launch Date	Assuming Launch+1	Assuming Launch+2 (i.e., first delivery date)	Assuming Launch+3	
Contract Data	①	Day T			Day S (Day T+3)	
	②	Day T			Day S (Day T+2)	
	③	Day T			Day S (Day T+2)	
SS-related Work	–	<ul style="list-style-type: none"> <li>Check JSCC's Cleared Trade Data (such as Cleared Trade Report related to Contract Data ②) on Day 1</li> </ul>	<ul style="list-style-type: none"> <li>Check settlement schedule data for Day3 provided by JSCC (settlement schedule data for 2 days, for trades executed on T+3 and T+2 (Contract Data ①, ②).</li> </ul> <p>【RT1 Only】</p> <ul style="list-style-type: none"> <li>Check JSCC's Cleared Trade Data (such as Cleared Trade Report related to Contract Data ③) on Day 2</li> </ul>	<ul style="list-style-type: none"> <li>Check settlement operations for Contract Data ①, ②.</li> </ul> <p>【RT1 Only】</p> <ul style="list-style-type: none"> <li>Check settlement schedule data for Day4 (including settlement failure on Day3).</li> </ul>	<p>【RT1 Only】</p> <ul style="list-style-type: none"> <li>Check settlement operations for Contract Data ③ (check settlement status, results, etc.)</li> </ul>	
CS-related Work	<ul style="list-style-type: none"> <li>To avoid settlement failure, similarly as JASDEC's process, increase account balance as necessary.</li> <li>Send Day0 affirmation data (Contract Data ①).</li> </ul>	<ul style="list-style-type: none"> <li>Continue affirmation of Contract Data ① (process for matching, etc.)</li> <li>Send Day1 affirmation data (Contract Data ②)</li> </ul>	<ul style="list-style-type: none"> <li>Continue affirmation of Contract data ①, ②</li> <li>Send Day2 affirmation data (Contract Data ③)</li> </ul> <p>【RT1 Only】</p> <ul style="list-style-type: none"> <li>Send previous day transfer request for Day3</li> </ul>	<ul style="list-style-type: none"> <li>Check settlement operations for Contract Data ①, ②</li> <li>Continue affirmation of Contract Data ③</li> </ul> <p>【RT1 Only】</p> <ul style="list-style-type: none"> <li>Send previous day transfer request for Day4</li> </ul>	<p>【RT1 Only】</p> <ul style="list-style-type: none"> <li>Check settlement operations for Contract Data ③</li> </ul>	

\* Above chart is written assuming on-exchange trading. When testing other trades (e.g., stock lending), please perform necessary processing.

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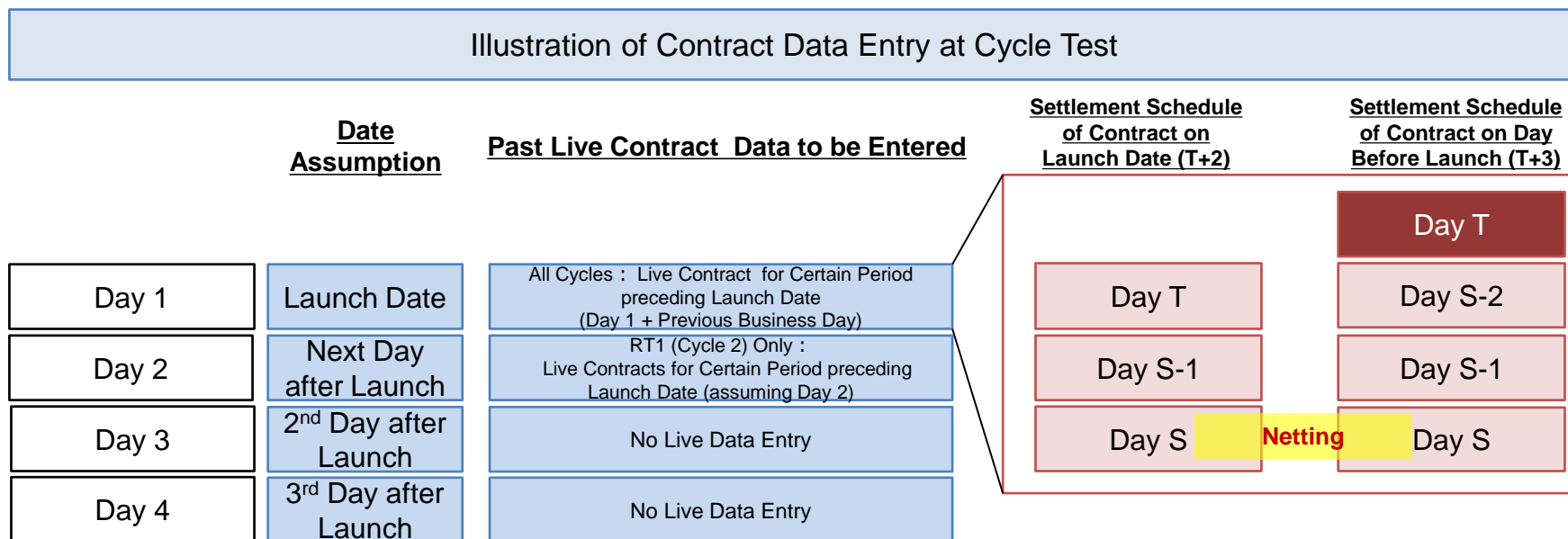
## 5. Points for Holiday Test

### (2) Street Side (SS) Viewpoint

Policy on SS side holiday test is summarized as follows (see “Test Procedures <For Specific Participants (Street Side (SS))> for detail):

- Cycle Test Assuming T+2 Implementation
  - Cycle test for below purposes assuming the period from T+2 Implementation launch date to 2 days after launch (Cycles 1, 3 and 4) or to 3 days after launch (Cycle 2):
    - ① Stock settlement operations from the trade date to the settlement date can be performed continuously and smoothly after T+2 implementation
    - ② Settlement for 2 business days, i.e., trade date of T+3 cycle trades and trade date of T+2 cycle trades, occurring on the first settlement date after T+2 implementation can be smoothly performed (On the 2<sup>nd</sup> day after launch, “open interest for T+2 settlement” and “open interest for T+3 settlement” will be netted and settled on the same day)
- Contract Data to be Entered at Cycle Test and Account Balance at JASDEC
  - To perform check performance equivalent to production, JSCC will enter **live contract data (contract data for on-exchange trades/PTS trades, lending data at Japan Securities Finance) during certain period of time before test date for cycle test.** Upon entry, JSCC will **revise date of Contract Data according to system operation as of date.** (FYI, migration method for securities lending transactions are different from the method scheduled at holiday test. See Japan Securities Finance notification #28 issued on June 1, 2018 for detail.)
  - Specifically, on test day assuming 2<sup>nd</sup> day after launch that is the first delivery date under T+2 Implementation, contracts on assumed 1 business day before launch and assumed launch date will be netted and settled on the same day. (For this purpose, there is no specific need for order placement by Participant on trading system (arrowhead/ToSTNeT and PTS).)
  - For smooth cycle test, to avoid occurrence of significant amount of settlement failures due to balance shortfall, transfer account balance will be increased for all accounts and issues, except for pledge account, pledge trust account and dedicated account for collateral, which JASDEC participants participating in the test opened, without exception.
  - Considering functional restraint of test environment at JASDEC, to avoid large amount of on-line notification data transmission related to settlement operations, collateral will be additionally posted on previous day for test purpose so that previous day transfer request from JSCC to JASDEC and night batch at JASDEC related to previous day transfer may be performed as smoothly as possible.

## 5. Points for Holiday Test



\* See “Test Procedures <For Specific Participants (Street Side (SS))> for detail.

### ➤ BOJ Connectivity

- As there is no change to operations using BOJ current account, there will be no connection to BOJ-NET by test participants.

## 5. Points for Holiday Test

### (3) Customer Side (CS) Viewpoint

Policy on CS side holiday test is summarized as follows (see “Test Procedures <For Specific Participants (Customer Side (CS))> for detail).

- Test Scope
  - Test related to book-entry transfer associated with ordinary stock, etc. trading and loan transactions (contract affirmation, settlement affirmation, DVP settlement for NETDs, DVP settlement for stock lending, transfer between accounts, etc.)
    - Any other test (such as various rights clearance or test assuming collateral transfer process) is out of the test scope.
- Test Data Generation and Entry
  - As to CS, because there is no change to services and systems of JASDEC and participation in the test is optional, unlike SS, JASDEC will not enter test data based on past live data. So, for each test participant, please make necessary arrangement beforehand, and generate and enter data of the test case you desire to check (JASDEC will not perform test scenario design or arrangement of test groups/pair matching, etc.).
- Test Data Count Restriction
  - Considering functional restraint of JASDEC system test environment, limitation will be set for test data counts which test participant can enter (such as contract affirmation data, settlement affirmation data, transfer request data).
    - For SS (previous day transfer request data related to Cash Products Clearing from JSCC), there is no such limitation as JSCC will set test data based on past live data.
- Increase Transfer Account Balance
  - For smooth test, to avoid occurrence of significant amount of settlement failures due to balance shortfall, transfer account balance will be increased for all accounts and issues, except for pledge account, pledge trust account and dedicated account for collateral, which JASDEC participants participating in the test opened, without exception.
- Increase Participant Fund for DVP settlement for NETDs
  - For smooth test, to avoid significant amount of uncovered risk due to margin value shortfall, Participant Fund for all participants of DVP settlement for NETDs participating in the test will be increased without exception.
- BOJ Connectivity
  - As there is no change to operations using BOJ current account, there will be no connection to BOJ-NET by test participants.

## 6. Holiday Test Environment (Cycle 1 / Operational Check Test)

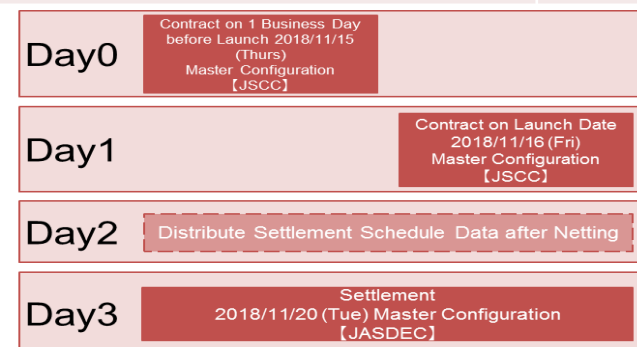
- Holiday Test environment, such as system as of date, master configuration, test data, for Cycle 1 is as follows:

	Scheduled Test Day	System as of Date	Connectivity*1		Master Configuration (*3) and Test Data		Market Trade Settlement
			JSCC	JASDEC			
<b>Operational Check Test -Cycle 1-</b>							
Day0	Dec. 8, 2018 (Sat)	Dec. 7, 2018 (Fri)	×	○	JSCC	During JSCC's migration work/test preparation, configure environment, such as issue master and Participant master information, as of Nov. 15, 2018 (trade date base) as default environment and enter contract data assuming the business day before launch.	No
					JASDEC	Provide environment, such as issue master and participant master, as of Nov. 20, 2018 (Tue) (settlement date base) as default environment (However, necessary master adjustment shall be made to capture contract data related to new listing or new member participation on Day 1, if any)	
Day1	Dec. 9, 2018 (Sun)	Dec. 10, 2018 (Mon)	○	○	JSCC	Provide environment, such as issue master and Participant master, as of Nov. 16, 2018 (Fri) (trade date base)	No
					JASDEC	Carry environment as of end of previous test	
Day2	Dec. 16, 2018 (Sun)	Dec. 11, 2018 (Tue)	○	○	JSCC	Carry environment as of end of previous test	No*2
					JASDEC		
Day3	Dec. 23, 2018 (Sun)	Dec. 12, 2018 (Wed)	○	○	JSCC	Carry environment as of end of previous test	Yes
					JASDEC		

\*1 Connectivity to other systems, such as arrowhead, will be shown on Test Procedures <For Specific Participants>.

\*2 JSCC will send previous day transfer request for Day3 to JASDEC.

\*3 For master configuration (issue master, Participant master ) at JSCC and JASDEC for Cycle 1, please refer to illustration on the right. (Assuming entry of contract data for assumed 1 business day before launch and assumed launch date (live contract data for Nov. 15, 2018 (Thurs) and Nov. 16, 2018 (Fri) with dates revised to system as of date) for Day3 assuming the 1<sup>st</sup> delivery date after T+2 implementation at SS.)



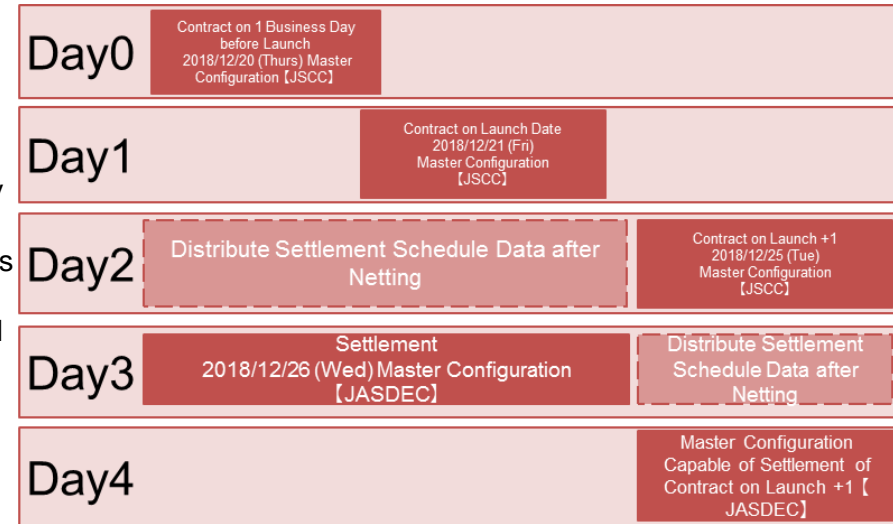
## 6. Holiday Test Environment (Cycle 2/RT1)

- Holiday Test environment, such as system as of date, master configuration, test data, for Cycle 2 is as follows:

	Scheduled Test Day	System as of Date	Connectivity*1		Master Configuration (*3) and Test Data		Market Trade Settlement
			JSCC	JASDEC			
	RT1 – Cycle 2 –						
Day0	Jan 12, 2019 (Sat)	Jan 11, 2019 (Fri)	×	○	JSCC	During JSCC's migration work/test preparation, configure environment, such as issue master and Participant master information, as of Dec. 20, 2018 (Thurs) (trade date base) as default environment and enter contract data assuming the business day before launch.	No
					JASDEC	Provide environment, such as issue master and participant master, as of Dec. 26, 2018 (Wed) (settlement date base) as default environment (However, necessary master adjustment shall be made to capture contract data related to new listing or new member participation on Day 1, if any).	
Day1	Jan 13, 2019 (Sun)	Jan. 15, 2019 (Tue)	○	○	JSCC	Provide environment, such as issue master and Participant master, as of Dec. 21, 2018 (Fri) (trade date base)	No
					JASDEC	Carry environment as of end of previous test	
Day2	Jan. 27, 2019 (Sun)	Jan 16, 2019 (Wed)	○	○	JSCC	Provide environment, such as issue master and Participant master, as of Dec. 25, 2018 (Tue) (trade date base)	No*2
					JASDEC	Carry environment as of end of previous test	
Day3	Feb. 10, 2019 (Sun)	Jan 17, 2019 (Thurs)	○	○	JSCC	Carry environment as of end of previous test	Yes
					JASDEC		
Day4	Feb. 24, 2019 (Sun)	Jan 18, 2019 (Fri)	○	○	JSCC	Carry environment as of end of previous test	Yes
					JASDEC		

## 6. Holiday Test Environment (Cycle 2/RT1)

- \*1 Connectivity to other systems, such as arrowhead, will be shown on Test Procedures <For Specific Participants>.
- \*2 JSCC will send previous day transfer request for Day3 to JASDEC.
- \*3 For master configuration (issue master, Participant master) at JSCC and JASDEC for Cycle 2, please refer to illustration on the right. (Assuming entry of contract data for assumed 1 business day before launch and assumed launch date (live contract data for Dec. 20, 2018 (Thurs) and Dec. 21, 2018 (Fri) with dates revised to system as of date) for Day3 assuming the 1<sup>st</sup> delivery date after T+2 implementation, and for Day4, contract data assuming 1<sup>st</sup> day after launch (revised date of live contract data of Dec., 25, 2018 (Tue) to system as of date).)





## 6. Holiday Test Environment (Cycle 3/RT2)

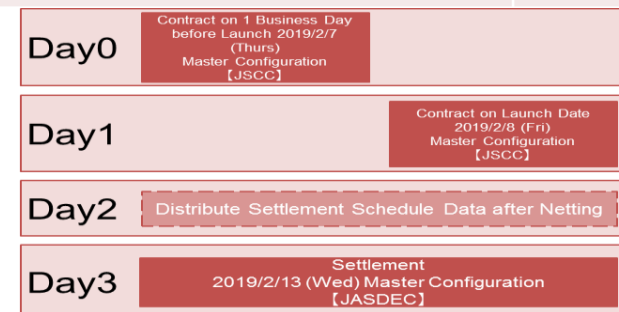
- Holiday Test environment, such as system as of date, master configuration, test data, for Cycle 3 is as follows:

	Scheduled Test Day	System as of Date	Connectivity*1		Master Configuration (*3) and Test Data		Market Trade Settlement
			JSCC	JASDEC			
RT2 – Cycle 3 –							
Day0	March 2, 2019 (Sat)	March 1, 2019 (Fri)	×	○	JSCC	During JSCC's migration work/test preparation, configure environment, such as issue master and Participant master information, as of Feb. 7, 2019 (Thurs) (trade date base) as default environment and enter contract data assuming the business day before launch.	No
					JASDEC	Provide environment, such as issue master and participant master, as of Feb 13, 2019 (Wed) (settlement date base) as default environment (However, necessary master adjustment shall be made to capture contract data related to new listing or new member participation on Day 1, if any).	
Day1	March 3, 2019 (Sun)	March 4, 2019 (Mon)	○	○	JSCC	Provide environment, such as issue master and Participant master, as of Feb. 8, 2019 (Fri) (trade date base)	No
					JASDEC	Carry environment as of end of previous test	
Day2	March 17, 2019 (Sun)	March 5, 2019 (Tue)	○	○	JSCC	Carry environment as of end of previous test	No*2
					JASDEC		
Day3	April 7, 2019 (Sun)	March 6, 2019 (Wed)	○	○	JSCC	Carry environment as of end of previous test	Yes
					JASDEC		

\*1 Connectivity to other systems, such as arrowhead, will be shown on Test Procedures <For Specific Participants>.

\*2 JSCC will send previous day transfer request for Day3 to JASDEC.

\*3 For master configuration (issue master, Participant master) at JSCC and JASDEC for Cycle 3, please refer to illustration on the right. (Assuming entry of contract data for assumed 1 business day before launch and assumed launch date (live contract data for Feb. 7, 2019 (Thurs) and Feb. 8 2019 (Fri) with dates revised to system as of date) for Day3 assuming the 1<sup>st</sup> delivery date after T+2 implementation at SS.)



## 6. Holiday Test Environment (Cycle 4/RT3)

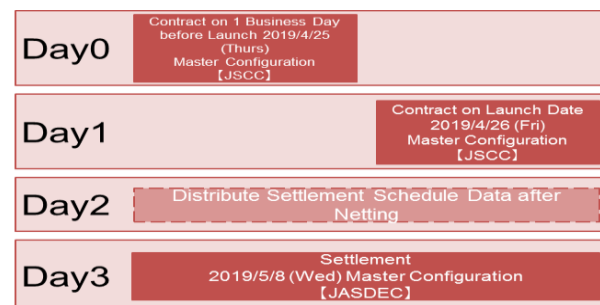
- Holiday Test environment, such as system as of date, master configuration, test data, for Cycle 4 is as follows:

	Scheduled Test Day	System as of Date	Connectivity*1		Master Configuration (*3) and Test Data		Market Trade Settlement
			JSCC	JASDEC			
RT3 – Cycle 4 –							
Day0	May 25, 2019 (Sat)	May 24, 2019 (Fri)	×	○	JSCC	During JSCC's migration work/test preparation, configure environment, such as issue master and Participant master information, as of April 25, 2019 (Thurs) (trade date base) as default environment and enter contract data assuming the business day before launch.	No
					JASDEC	Provide environment, such as issue master and participant master, as of May 8, 2019 (Wed) (settlement date base) as default environment (However, necessary master adjustment shall be made to capture contract data related to new listing or new member participation on Day 1, if any).	
Day1	May 26, 2019 (Sun)	May 27, 2019 (Mon)	○	○	JSCC	Provide environment, such as issue master and Participant master, as of April 26, 2019 (Fri) (trade date base)	No
					JASDEC	Carry environment as of end of previous test	
Day2	June 2, 2019 (Sun)	May 28, 2019 (Tue)	○	○	JSCC	Carry environment as of end of previous test	No*2
					JASDEC		
Day3	June 16, 2019 (Sun)	May 29, 2019 (Wed)	○	○	JSCC	Carry environment as of end of previous test	Yes
					JASDEC		

\*1 Connectivity to other systems, such as arrowhead, will be shown on Test Procedures <For Specific Participants>.

\*2 JSCC will send previous day transfer request for Day3 to JASDEC.

\*3 For master configuration (issue master, Participant master) at JSCC and JASDEC for Cycle 4, please refer to illustration on the right. (Assuming entry of contract data for assumed 1 business day before launch and assumed launch date (live contract data for April 25, 2019 (Thurs) and April 26 2019 (Fri) with dates revised to system as of date) for Day3 assuming the 1<sup>st</sup> delivery date after T+2 implementation at SS.)



## 6. Holiday Test Environment (Migration Rehearsal)

- For Migration Rehearsal, environment assuming Launch Date will be provided.

		Scheduled Test Day	System as of Date	Connectivity *1		Carry Test Environment	Market Trade Settlement
				JSCC	JASDEC		
Migration Rehearsal	Day1	July 14, 2019 (Sun)	July 16, 2019 (Tue)	○	○	【JSCC / JASDEC】 Provide environment for T+2 Implementation Launch Date, carrying environment as of the end of production operation on July 12, 2019 (Fri).	Yes

\*1 Connectivity to other systems, such as arrowhead, will be shown on Test Procedures <For Specific Participants>.

\*2 If Migration Rehearsal test result is NG, reverse migration test will be held on July 15 (Mon). In that case, deferred migration date will be notified after it is determined. Assumed deferred migration date is September 17 (Tue).

## 7. Timeline

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- See “Annex\_Holiday Test Timeline.”

## 8. Preliminary Connectivity Check Test (JASDEC)

As to JASDEC, because all of the operational check test and RTs will be conducted on test environment, preliminary connectivity check test will be performed to check system connectivity to the test environment before the test.

As to JSCC, because all of the tests will be conducted on production environment, there will be no preliminary connectivity check.

<b>Period</b>	From Nov. 26, 2018 (Mon) to Nov. 30 (Fri) * Test is available on any day during above period	
<b>Hours</b>	10:00 -17:00	
<b>Test Participants</b>	System Participants (Book-Entry Transfer System for Stocks, etc. / Custody Services for Foreign Stock Certificates, etc.), System Participants in DVP Settlement Services for NETDs, Pre-Settlement Matching System users (including investment management companies) * Mandatory when Integrated Web Connection is used for Holiday Test, otherwise Optional	
<b>System Environment</b>	JASDEC Test Environment	
<b>Items Available for Check (*)</b>	<b>Connectivity Check</b>	Connectivity check via ping, etc. for JEXGW connectivity or file transfer connectivity. Connectivity check via screen display on test environment for Integrated Web Terminal Connection.
	<b>Integrated WebID Creation</b>	Through each cycle, can create user by using Integrated Web Administrator ID set by JASDEC in advance (user may create this during test period of each cycle, but it will not be carried to next cycle).
	<b>Fund Info. Register SSI Info. Register</b>	Can create fund information and SSI information used in RT. (User may create this during test period of each cycle, but it will not be carried to next cycle.) * Fund information and SSI information for test environment will be information on production environment as of Sept. 21, 2018.

\* See Test Procedures <For Specific Participants> for details of procedures.

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## 9. Application for Test Participation / Test Results Reporting

- To apply for test participation and report test results, the relevant documents need to be submitted to each infrastructure according to the form of test participation as follows:

Participant	Document (*Japanese Form only)	Submitted to	Submission Method	Deadline
SS	JASDEC Application for Participation in Preliminary Connectivity Check	JASDEC	Target-Hofuri Site	Nov. 14, 2018
	Holiday Test (Operational Check / RT_Street Side (SS)) Application for Participation	JSCC	Target-JSCC Site	Nov. 22, 2018
	Holiday Test (Operational Check / RT_Street Side (SS)) Result Report			Within 3 business day following last test day of each cycle
CS	JASDEC Application for Participation in Preliminary Connectivity Check	JASDEC	Target-Hofuri Site	Nov. 14, 2018
	Holiday Test (Operational Check / RT_Customer Side (CS)) Application for Participation			Nov. 22, 2018
	Holiday Test (Operational Check / RT_Customer Side (CS)) Result Report			Within 3 business day following last test day of each cycle

\* Form of application for participation and result report will be posted on Target-JSCC Site and Target-Hofuri Site.

## 10. Judgment of RT Success

- RT success judgment will be made as follows:

<b>Judgment Procedure</b>	WG will make judgment based on test results reported from test participants.
<b>Judgment Timing</b>	Judgment will be made after RT2 (Cycle 3) completion without delay.
<b>Judgment Criteria</b>	RT shall be judged “Successful” if none of the blow results are identified: <ul style="list-style-type: none"><li>• RT cannot be completed due to system failure at infrastructure *</li><li>• Substantial number of test participants could not complete RT *</li><li>• Otherwise, there is specific problem in implementation of T + 2 settlement cycle</li></ul> * Excluding the case where no problem is expected for launch through issue resolution at RT3, etc. which is positioned as back-up RT.
<b>Publication of Results</b>	In light of the result of the judgment of success, T+2 implementation date will be decided, which will be published via posting on website by Tokyo Stock Exchange, JSCC, JASDEC and Japan Securities Dealers Association, etc.
<b>Set Back-up Dates</b>	If the implementation is postponed as a result of success judgment, WG will discuss new scheduled implementation date, aiming at Sept. 17, Sept. 2019 as new implementation date.

\* See “T+2化の実施日の決定に係る手続等について（証券受渡・決済制度改革懇談会及び株式等の決済期間の短縮化に関する検討ワーキング・グループ）” published on October 5, 2018 for detail

# 11. Contact Information for Test

## <Contact before Test>

Infrastructure	Role	Group in Charge	Telephone	E-mail
JSCC	Inquiry of JSCC Clearing rules and services in general	Listed Products Clearing Service, Japan Securities Clearing Corporation	+81 50-3361-1795	<a href="mailto:jsc-t2@jpx.co.jp">jsc-t2@jpx.co.jp</a>
	Inquiry related to Cash Product Clearing System Specifications	IT Development Dept., Cash Products Clearing System Tokyo Stock Exchange, Inc.	+81 50-3377-7735 +81 50-3377-7736	<a href="mailto:tseitd-t2@jpx.co.jp">tseitd-t2@jpx.co.jp</a>
JASDEC	Inquiry of JASDEC rules and services in general	Japan Securities Depository Center, Inc. Book-Entry Transfer Dept.	+81 3-3661-0190	<a href="mailto:t2@jasdec.com">t2@jasdec.com</a>
	Inquiry related to specifications of Book-Entry Transfer System for Stocks, etc. and Pre-Settlement Matching System	Japan Securities Depository Center, Inc. System Development Dept.	+81 3-3661-7061	<a href="mailto:system-test-madoguchi@jasdec.com">system-test-madoguchi@jasdec.com</a>

## <Test Day>

Infrastructure	Role	Group in Charge	Telephone	E-mail
JSCC	Inquiry of JSCC Clearing rules and services in general	Listed Products Clearing Service, Japan Securities Clearing Corporation	+81 50-3361-1795	<a href="mailto:jsc-t2@jpx.co.jp">jsc-t2@jpx.co.jp</a>
	Inquiry related to Cash Product Clearing System Specifications	IT Development Dept., Cash Products Clearing System Tokyo Stock Exchange, Inc.	+81 50-3377-7735 +81 50-3377-7736	<a href="mailto:tseitd-t2@jpx.co.jp">tseitd-t2@jpx.co.jp</a>
JASDEC	Inquiry for Test in general (transfer operations, DVP Settlement for NETDs)	Japan Securities Depository Center, Inc. System Development Dept. (Account Management desk)	+81 3-3661-7061	-
	Inquiry for Test in general (pre-settlement matching system)	Japan Securities Depository Center, Inc. System Development Dept. (PSMS desk)		-