

OSE Flexible Options trading is now more accessible and convenient than ever

As of September 21, 2021, we've extended our trading hours for flexible options, giving you greater access to even more customizable ways to execute your hedging and investment strategies. With the enhanced speed of an upgraded trading system and the convenience and credibility of central counterparty clearing, there are now more reasons than ever to add the Osaka Exchange to your derivatives trading playbook.

- **CONTRACT FLEXIBILITY**

Contractual terms such as expiration date, strike price, and settlement type can be customized to suit your strategic needs.

- **CCP CLEARING AND MARGIN OFFSETTING**

Contracts are cleared through Japan Securities Clearing Corporation (JSCC), and margin offsetting with other futures and options contracts is allowed.

- **AN ALTERNATIVE TO OTC OPTIONS**

OSE listed/traded flexible options offer a solution to risks associated with OTC options, such as counterparty risk, the need for an ISDA agreement, differences in collateral currencies, and various regulations on OTC transactions.

- **T-DAY CONTRACT CREATION AND EXECUTION**

Contracts can be created and executed on the same day the order is placed.



Flexible Options

	Single Stock Options	Index Options
Underlying	Eligible underlying issues* ¹ - Single Stocks - ETFs	- Nikkei Stock Average (Nikkei 225) - TOPIX - JPX-Nikkei Index 400 - TSE REIT Index - TOPIX Banks Index
Trading Method	Off-auction only (J-NET)	
Contract Month	Per day basis for a maximum 3-year period ²	Per day basis for a maximum 5-year period ²
Contract Size	Same as trading unit of underlying issue	Same as regular index options
Tick Size	Four decimal places (JPY)	
Strike Price	Two decimal places (JPY) ³	
Application Hours (JST)	(T) 08:00–14:45 (T+1) 16:15–17:00	(T) 08:00–14:45 (T+1) 16:15–23:00
Series Creation	Real time	
Trading Hours (JST)	(T) 08:20–16:00 (T+1) 16:15–17:30	(T) 08:20–16:00 (T+1) 16:15–06:00
Exercise Date	Last trading day (European)	SQ settlement: business day after last trading day (European) Closing price settlement: last trading day (European)
Last Trading Date	Per day basis (to be advanced chronologically if the day falls on a nonbusiness day)	
SQ Date	N/A	Business day after last trading day (in the case of SQ settlement)
Final Settlement⁴	Physical delivery Cash settlement by closing price	Cash settlement by SQ Cash settlement by closing price
Give-Up /Position Transfer	Applicable	
Position Limit	Physical delivery: applicable Cash settlement by closing price: N/A	N/A
Reporting of Large Positions	Physical delivery: applicable Cash settlement by closing price: N/A	N/A
Handling of Corporate Actions	Same as regular options	N/A

*1 OSE may choose to offer only flexible options for some underlying issues (single stocks and ETFs).

*2 The minimum period from the creation day to the last trading day shall be five business days.

*3 For certain underlying securities specified by OSE, one decimal place or an integer.

*4 The settlement method must be specified at the time of applying to create the series and cannot be changed afterward. Series with different settlement methods are recognized as different series.

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