Closing iNAV trade

Trading with iNAV as of 3:46pm (first iNAV after 3:46pm) as the benchmark

Meets the need to reduce tracking error in index funds

Target ETFs are Japanese stocks, J-REITs, Domestic bons and Domestic Leverage/Inverse ETFs * ETFs with reliable iNAV

Until 3:00pm

Investor	CONNEQTOR	Market Makers
• Send an RFQ that explicitly states that it is iNAV-based trading. • The content of the RFQ is the same except that it is iNAV • Example: iNAV, buy 1306, 100 million yen, XX Securities, T+2-5		
		• Quoting prices on an iNAV basis (for both Offer and Bid) • Quotes are the same except for iNAV and in bps.1 • Example: Offer +2.41bps, Bid -0.85bps from iNAV
• Only the best price is displayed. • If OK, press "Execute Trade"		
		• Confirmation Request is sent if quote is hit • MM accepts/declines trade as usual
• Investor confirms status update		
	• CONNEQTOR keeps the trade • (Trade is stuck at "MM approved")	

Closing iNAV trade

CONNEQTOR notifies investors and market makers of the price after 3:00pm

After the price is determined, orders are placed using the same process as usual

After 3:46pm

Investor | **CONNEQTOR** | **Market Makers**

CONNEQTOR

- Get first iNAV after 3:46pm
- Calculate the price that is DONE *Four decimal places

(e.g., calculate iNAV 3,201.94 yen + 2.41 bps as price
→ 3,202.7117 yen

From this point forward, the linkage flow of order placement and execution results is the same as the normal flow of order placement and execution results.

Broker

- CQ requests a brokerage firm to place an order (same as a regular order)

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CONNEQTOR

- Receive execution notification from brokers

- Notification of Execution Result(Notification in FIX/GUI, RFQ card status become "Executed")

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If there is a fraction less than 1 yen in "(Price (4 decimal places))(quantity)=(Trading value)," the fraction less than 1 yen will be rounded down.

In case of trouble

If iNAV is not calculated, etc., take the following actions

Normal time:
15:46 (the first time since it became) iNAV is used.

↓

First iNAV received by 15:50

↓

Last iNAV received between 15:30 and 15:46

↓

Cancel the transaction itself
(status to Brokerage Rejection)