

Act on Special Measures for the Reorganization Proceedings of Financial Institutions

(Act No. 95 of June 21, 1996)

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Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is to enable smooth progress of reorganization proceedings, rehabilitation proceedings, and bankruptcy proceedings in financial institutions and similar entities while ensuring that the rights of depositors and similar creditors are fulfilled, by, inter alia, providing for the necessary particulars concerning the reorganization proceedings of cooperative financial institutions and mutual companies so as to enable them to reorganize and remain in business while coordinating the interests of interested persons; by providing for the necessary particulars concerning Supervisory Agency petitions for reorganization proceedings, rehabilitation proceedings, and bankruptcy proceedings in financial institutions and similar entities; and by providing for the necessary particulars concerning actions within the scope of these processes that the Deposit Insurance Corporation of Japan and others undertake for and on behalf of depositors and similar creditors.

(Definitions)

Article 2 (1) The term "Bank" as used in this Act means the following persons (other than one with a head office outside the jurisdiction where this Act is in force):

- (i) a bank as prescribed in Article 2, paragraph (1) of the Banking Act (Act No. 59 of 1981) (hereinafter referred to as an "Ordinary Bank");
- (ii) a long-term credit bank as prescribed in Article 2 of the Long Term Credit Bank Act (Act No. 187 of 1952).

(2) The term "Cooperative Financial Institution" as used in this Act means a credit cooperative, Shinkin Bank, or labor bank.

(3) The term "Financial Institution" as used in this Act means a Bank, Cooperative Financial Institution, or the Shoko Chukin Bank Limited.

(4) The term "Financial Instruments Business Operator" as used in this Act (other than in item (i) of paragraph (9); Article 377, paragraph (1); Article 446, paragraph (1); and Article 490, paragraph (1)) means a Financial Instruments Business Operator as prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act (Act No. 25 of 1948) that has joined an investor protection fund as prescribed in Article 79-21 of that Act as a member thereof.

(5) The term "Insurance Company" as used in this Act means an Insurance Company as prescribed in Article 2, paragraph (2) of the Insurance Business Act (Act No. 105 of 1995) or a Foreign Insurance Company, etc. as prescribed in paragraph (7) of that Article (hereinafter referred to as a "Foreign Insurance Company, etc.") that has joined a policyholders protection corporation as prescribed in Article 259 of that Act as a member thereof.

(6) The term "Mutual Company" as used in this Act means a Mutual Company as

- prescribed in Article 2, paragraph (5) of the Insurance Business Act.
- (7) The term "Deposits and Other Claims" as used in this Act means claims involving deposits, etc. as prescribed in Article 2, paragraph (2) of the Deposit Insurance Act (Act No. 34 of 1971) (other than those specified by Cabinet Order).
- (8) The term "Customer Claim" as used in this Act means a claim that a general customer (meaning a general customer as prescribed in Article 79-20, paragraph (1) of the Financial Instruments and Exchange Act) of a Financial Instruments Business Operator holds against the Financial Instruments Business Operator based on a transaction related to subject securities (meaning a transaction related to subject securities as prescribed in Article 43-2, paragraph (1), item (ii) of that Act) or transaction related to subject commodity derivatives (meaning a transaction related to subject commodity derivatives as prescribed in Article 43-2-2) of that Act) (other than one specified by Cabinet Order).
- (9) The term "Supervisory Agency" as used in this Act means one of the following administrative agencies:
- (i) the Prime Minister, if it is for a Bank, foreign bank branch (meaning a foreign bank branch as prescribed in Article 47, paragraph (2) of the Banking Act; the same applies hereinafter), Bank Holding Company (meaning the Bank Holding Company prescribed in Article 2, paragraph (13) of that Act; the same applies hereinafter), long-term credit bank holding company (meaning a long-term credit bank holding company as prescribed in Article 16-4, paragraph (1) of the Long-Term Credit Bank Act; the same applies hereinafter), Shinkin Bank, credit cooperative, a federation of Shinkin Banks, a federation of credit cooperatives (meaning a federation of cooperatives engaged in the business referred to in Article 9-9, paragraph (1), item (i) of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949); the same applies hereinafter), Financial Instruments Business Operator (meaning a Financial Instruments Business Operator as prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act), designated parent company (meaning a designated parent company as prescribed in Article 57-12, paragraph (3) of that Act; the same applies hereinafter), Insurance Company, insurance holding company (meaning an insurance holding company as prescribed in Article 2, paragraph (16) of the Insurance Business Act; the same applies hereinafter), and Small Amount and Short Term Insurance Provider (meaning Small Amount and Short Term Insurance Provider as prescribed in paragraph (18) of that Article; the same applies hereinafter);
 - (ii) the Prime Minister and the Minister of Health, Labour and Welfare, if it is for a labor bank or a federation of labor banks;

- (iii) the Prime Minister; the Minister of Finance; and the Minister of Economy, Trade and Industry, if it is for the Shoko Chukin Bank Limited.
- (10) The term "Partner or Member" as used in this Act means the partner of a credit cooperative or the member of a Shinkin Bank or a labor bank.
- (11) The term "Representative Board Member" as used in this Act means the board member that represents a Cooperative Financial Institution.
- (12) The term "Counselor or Manager" as used in this Act means the counselor of a credit cooperative or labor bank or the manager of a Shinkin Bank.

Chapter II Reorganization Proceedings of a Cooperative Financial Institution

Section 1 General Provisions

(Reorganization Proceedings of a Cooperative Financial Institution)

Article 3 Beyond what is provided for in Section 3 and Section 4 of Chapter IV, the Reorganization Proceedings of a Cooperative Financial Institution is governed by the provisions of this Chapter.

(Definitions)

- Article 4 (1) The term "reorganization proceedings" as used in this Chapter means the process of establishing a reorganization plan for a Cooperative Financial Institution pursuant to the provisions of this Chapter and Section 3 and Section 4 of Chapter IV and of implementing the reorganization plan once that plan has been established (and includes the process of conducting proceedings and arriving at the judicial decision as to whether to issue an order commencing reorganization proceedings in response to a petition to commence reorganization proceedings).
- (2) The term "reorganization plan" as used in this Chapter means a plan that establishes provisions for modifying some or all of the rights of unsecured and secured reorganization creditors or of Partners or Members, and which establishes the other provisions prescribed in Article 92.
- (3) The term "reorganization case" as used in this Chapter means a case involving reorganization proceedings.
- (4) The term "reorganization court" as used in this Chapter means the district court before which the reorganization case is pending.
- (5) The term "the court" as used in this Chapter (excluding Article 158-6 and Article 158-11, paragraph (1)) means the judge or panel of judges handling the reorganization case.
- (6) The term "cooperative financial institution awaiting reorganization proceedings" as used in this Chapter means a Cooperative Financial Institution that has a reorganization case pending before the reorganization court but for

- which an order commencing reorganization proceedings has not yet been issued.
- (7) The term "reorganizing cooperative financial institution" as used in this Chapter means a Cooperative Financial Institution that has a reorganization case pending before the reorganization court and for which an order commencing reorganization proceedings has been issued.
- (8) The term "reorganization claim" as used in this Chapter means a claim on assets arising against a reorganizing cooperative financial institution due to a cause occurring prior to the commencement of the reorganization proceedings or any of the following rights, if this does not fall under the category of a secured reorganization claim or common-benefit claim:
- (i) a claim to interest after the commencement of the reorganization proceedings;
 - (ii) a claim to damages or a penalty for default after the commencement of the reorganization proceedings;
 - (iii) a claim to expenses for participation in the reorganization proceedings;
 - (iv) a right in personam as prescribed in Article 58, paragraph (1) of the Corporate Reorganization Act (Act No. 154 of 2002) as applied mutatis mutandis pursuant to Article 39 (including as applied mutatis mutandis pursuant to paragraph (2) of that Article);
 - (v) a claim to damages from the other party if an executory contract is cancelled pursuant to the provisions of Article 61, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 41, paragraph (1);
 - (vi) a claim to damages under the provisions of Article 58, paragraph (2) of the Bankruptcy Act (Act No. 75 of 2004) as applied mutatis mutandis pursuant to Article 41, paragraph (3);
 - (vii) a claim under the provisions of Article 59, paragraph (1) of the Bankruptcy Act as applied mutatis mutandis pursuant to Article 41, paragraph (3) (other than one held by a reorganizing cooperative financial institution);
 - (viii) a right provided for in Article 91-2, paragraph (2), item (ii) or (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 60.
- (9) The term "reorganization creditor" as used in this Chapter means a person that has a reorganization claim.
- (10) The term "secured reorganization claim" as used in this Chapter means a secured claim under a security interest (limited to a special statutory lien, pledge, or mortgage, or a right of retention under the provisions of the Commercial Code (Act No. 48 of 1899) or the Companies Act (Act No. 86 of 2005)) in the assets of a reorganizing cooperative financial institution which exists at the time of the commencement of the reorganization proceedings and

which has arisen from a cause occurring prior to the commencement of the reorganization proceedings, or a claim set forth in one of the items of paragraph (8) (other than one that is a common-benefit claim), within the scope of what the security interest would secure if it were to be agreed that the value of the asset that is the subject matter of the security interest is the market value of that asset at the commencement of the reorganization proceedings; provided, however, that this is limited to the part of the secured claim (excluding bonds) that falls under the category of a claim to interest, damages, or penalty for default that arises by the time one year has passed since the commencement of the reorganization proceedings (or by the time of an order confirming the reorganization plan, if the court issues it by that time).

(11) The term "secured reorganization creditor" as used in this Chapter means a person that has a secured reorganization claim.

(12) The term "unsecured or secured reorganization claim" as used in this Chapter means a reorganization claim or secured reorganization claim; provided, however, that in Subsection 2 of the following Section, "unsecured or secured reorganization claim" means anything that would become a reorganization claim or secured reorganization claim if an order commencing reorganization proceedings was to be issued for a cooperative financial institution awaiting reorganization proceedings.

(13) The term "unsecured or secured reorganization creditor" as used in this Chapter means a reorganization creditor or secured reorganization creditor; provided, however, that in Subsection 2 of the following Section, "unsecured or secured reorganization creditor" means a person that would become a reorganization creditor or secured reorganization creditor if an order commencing reorganization proceedings was to be issued for a cooperative financial institution awaiting reorganization proceedings.

(14) The term "assets of a reorganizing cooperative financial institution" as used in this Chapter means all of the assets belonging to a reorganizing cooperative financial institution.

(15) The term "right to impose taxes or other charges" as used in this Chapter means a right that entitles a person to collect monies as provided for by the National Tax Collection Act (Act No. 147 of 1959) or as is prescribed for the collection of national taxes, which does not fall under the category of a common-benefit claim.

(Technical Replacement of Terms When the Corporate Reorganization Act Is Applied Mutatis Mutandis)

Article 5 (1) Except as otherwise provided, when the Corporate Reorganization Act is applied mutatis mutandis to the provisions of this Chapter (other than Article 7, Article 104, Article 127, paragraph (3), Article 138, paragraph (6),

Article 140, paragraph (1), Article 141, paragraph (1), Article 143, paragraphs (6) and (7) and Article 162, paragraph (2)), the phrase "this Act" in the provisions of that Act is deemed to be replaced with "Chapter II of the Act on Special Measures"; the phrase "company awaiting reorganization proceedings" is deemed to be replaced with "cooperative financial institution awaiting reorganization proceedings (meaning a cooperative financial institution awaiting reorganization proceedings as prescribed in Article 4, paragraph (6) of the Act on Special Measures)"; the phrase "Stock Company" is deemed to be replaced with "Cooperative Financial Institution (meaning a Cooperative Financial Institution as prescribed in Article 2, paragraph (2) of the Act on Special Measures)"; the phrase "reorganizing company" is deemed to be replaced with "reorganizing cooperative financial institution (meaning a reorganizing cooperative financial institution as prescribed in Article 4, paragraph (7) of the Act on Special Measures)"; the phrase "shareholder" is deemed to be replaced with "Partner or Member (meaning a Partner or Member as prescribed in Article 2, paragraph (10) of the Act on Special Measures)"; the phrase "trade name" is deemed to be replaced with "name"; the phrase "head office" is deemed to be replaced with "principal office"; the phrase "business office" is deemed to be replaced with "office"; the phrase "director, accounting advisor" is deemed to be replaced with "board member"; the phrase "representative director" is deemed to be replaced with "Representative Board Member (meaning a Representative Board Member as prescribed in Article 2, paragraph (11) of the Act on Special Measures)"; the phrase "company auditor, executive officer" is deemed to be replaced with "inspector"; the phrase "manager" is deemed to be replaced with "Counselor or Manager (meaning a Counselor or Manager as prescribed in Article 2, paragraph (12) of the Act on Special Measures)"; and the phrase "incorporator, Director at Incorporation and Auditor at Incorporation" is deemed to be replaced with "incorporator".

(2) The phrase "Act on Special Measures" in the Corporate Reorganization Act following the deemed replacement of terms pursuant to this Chapter, as applied mutatis mutandis pursuant to this Chapter means the Act on Special Measures for the Reorganization Proceedings of Financial Institutions.

(Status of Foreign Nationals)

Article 6 The provisions of Article 3 of the Corporate Reorganization Act apply mutatis mutandis to the status of foreign nationals and foreign corporations in the reorganization proceedings of a Cooperative Financial Institution.

(Jurisdiction over a Reorganization Case)

Article 7 The provisions of Article 5 (excluding paragraphs (2), (4), and (5)) and Article 6 of the Corporate Reorganization Act apply mutatis mutandis to

jurisdiction over the reorganization case of a Cooperative Financial Institution. This being the case, the phrase "the location of the principal business office of the Stock Company (if the principal business office is in a foreign state, the location of the principal business office in Japan)" in Article 5, paragraph (1) of that Act is deemed to be replaced with "the location of the principal office of the Cooperative Financial Institution (meaning a Cooperative Financial Institution as prescribed in Article 2, paragraph (2) of the Act on Special Measures; hereinafter the same applies in this Article)"; the phrase "a Stock Company holds the majority of voting rights (excluding the voting rights of the shares which may not be exercised for all particulars that may be resolved at a shareholders meeting, and including the voting rights of the shares that are deemed to have voting rights pursuant to the provisions of Article 879, paragraph (3) of the Companies Act; the same applies hereinafter) of all shareholders of another Stock Company" in paragraph (3) of that Article is deemed to be replaced with "the Cooperative Financial Institution has a Stock Company as a subsidiary company as prescribed in Article 4, paragraph (1) of the Act on Financial Business by Cooperatives (Act No. 183 of 1949), Article 32, paragraph (6) of the Shinkin Bank Act (Act No. 238 of 1951), or Article 32, paragraph (5) of the Labor Bank Act (Act No. 227 of 1953)"; the phrase "the relevant other Stock Company" is deemed to be replaced with "that Stock Company"; the phrase "the Stock Company (hereinafter referred to as a "Parent Stock Company" in this paragraph and the following paragraph)" is deemed to be replaced with "that Cooperative Financial Institution"; the phrase ", and if a Reorganization Case is pending against the Parent Stock Company, a petition for commencement of Reorganization Proceedings against the subsidiary stock company may also be filed with the district court before which the Reorganization Case against the Parent Stock Company is pending" is deleted; and the phrase "this Act" in Article 6 of that Act is deemed to be replaced with "Chapter II of the Act on Special Measures".

(Transfer of a Reorganization Case)

Article 8 The provisions of Article 7 of the Corporate Reorganization Act apply mutatis mutandis to the transfer of the reorganization case of a Cooperative Financial Institution. This being the case, in item (iii) of that Article, the phrase "Article 5, paragraphs (2) to (6)" is deemed to be replaced with "Article 5, paragraph (3) or (6) as applied mutatis mutandis pursuant to Article 7 of the Act on Special Measures".

(Optional Oral Arguments and Appeals)

Article 9 The provisions of Article 8 and Article 9 of the Corporate Reorganization Act apply mutatis mutandis to the proceedings and judicial

decisions connected with the reorganization proceedings of a Cooperative Financial Institution.

(Public Notice)

Article 10 The provisions of Article 10 of the Corporate Reorganization Act apply mutatis mutandis to public notice and service under the provisions of this Chapter.

(Inspection of Case Documents)

Article 11 The provisions of Article 11 and Article 12 of the Corporate Reorganization Act apply mutatis mutandis to documents and other objects connected with the reorganization case of a Cooperative Financial Institution and to certificates of information connected with a reorganization case. This being the case, the phrase "this Act" in Article 11, paragraph (1) of that Act is deemed to be replaced with "the Act on Special Measures"; the phrase "Article 24, paragraph (1) or (2)" in paragraph (4), item (i) of that Article is deemed to be replaced with "Article 24, paragraph (1) or (2) as applied mutatis mutandis pursuant to Article 19 of the Act on Special Measures"; the phrase "Article 25, paragraph (2)" is deemed to be replaced with "Article 25, paragraph (2) as applied mutatis mutandis pursuant to Article 19 of the Act on Special Measures"; the phrase "Article 28, paragraph (1)" is deemed to be replaced with "Article 28, paragraph (1) as applied mutatis mutandis pursuant to Article 20 of the Act on Special Measures"; the phrase "Article 29, paragraph (3)" is deemed to be replaced with "Article 29, paragraph (3) as applied mutatis mutandis pursuant to Article 21 of the Act on Special Measures"; the phrase "Article 30, paragraph (2)" is deemed to be replaced with "Article 22, paragraph (2) of the Act on Special Measures"; the phrase "Article 35, paragraph (2)" is deemed to be replaced with "Article 25, paragraph (2) of the Act on Special Measures"; the phrase "Article 39-2, paragraph (1)" is deemed to be replaced with "Article 29-2, paragraph (1) of the Act on Special Measures"; the phrase "the proviso to Article 32, paragraph (1), the first sentence of Article 46, paragraph (2) or Article 72, paragraph (2) (including the cases where applied mutatis mutandis pursuant to Article 32, paragraph (3))" in Article 12, paragraph (1), item (i) of that Act is deemed to be replaced with "the proviso to Article 32, paragraph (1) as applied mutatis mutandis pursuant to Article 23 of the Act on Special Measures, Article 72, paragraph (2) as applied mutatis mutandis pursuant to the first sentence of Article 33, paragraph (2) of the Act on Special Measures or Article 45 of the Act on Special Measures (including as applied mutatis mutandis pursuant to Article 32, paragraph (3) as applied mutatis mutandis pursuant to Article 23 of the Act on Special Measures)"; in item (ii) of that paragraph, the phrase "Article 84, paragraph (2)" is deemed to

be replaced with "Article 84, paragraph (2) as applied mutatis mutandis pursuant to Article 55 of the Act on Special Measures"; and the phrase "Article 125, paragraph (2)" is deemed to be replaced with "Article 72, paragraph (2) of the Act on Special Measures".

(Application Mutatis Mutandis of the Code of Civil Procedure)

Article 12 Except as otherwise provided, the provisions of the Code of Civil Procedure (Act No. 109 of 1996) apply mutatis mutandis to the reorganization proceedings of a Cooperative Financial Institution.

(Rules of the Supreme Court)

Article 13 Beyond what is provided for in this Chapter and Section 3 and Section 4 of Chapter IV, Rules of the Supreme Court prescribe the necessary particulars concerning the reorganization proceedings of a Cooperative Financial Institution.

Article 14 Deleted

Section 2 Petition to Commence Reorganization Proceedings and Associated Provisional Measures

Subsection 1 Petition to Commence Reorganization Proceedings

(Petition to Commence Reorganization Proceedings)

Article 15 (1) When there is a fact constituting cause to commence the reorganization proceedings of a Cooperative Financial Institution (meaning a fact that falls under any of the following items), the Cooperative Financial Institution may file a petition to commence reorganization proceedings for the Cooperative Financial Institution:

(i) there is a risk that a fact constituting cause to commence bankruptcy proceedings would occur; or

(ii) the payment of debts that are due poses the risk of causing significant hindrance to the continuation of business.

(2) When a fact that falls under item (i) of the preceding paragraph exists with regard to a Cooperative Financial Institution, creditors that have claims equivalent to one-tenth or more of the total amount of the registered contribution of the Cooperative Financial Institution may also file a petition to commence reorganization proceedings for the Cooperative Financial Institution.

(3) When a fact that falls under paragraph (1), item (i) exists with regard to a Cooperative Financial Institution, according to the type of Cooperative Financial Institution referred to in each of the following items, the persons prescribed in the respective items may also file a petition to commence

reorganization proceedings for the Cooperative Financial Institution:

- (i) credit cooperative: partners equivalent in number to one-tenth or more of all partners;
- (ii) Shinkin Bank: members equivalent in number to one-tenth or more of all members;
- (iii) labor bank: members (excluding individual members (meaning individual members prescribed in Article 13, paragraph (1) of the Labor Bank Act (Act No. 227 of 1953); hereinafter the same applies in this Chapter)) equivalent in number to one-tenth or more of all members (excluding individual members).

(Obligation to File Petitions to Commence of Bankruptcy Proceedings and Filing of Petitions to Commence Reorganization Proceedings)

Article 16 The provisions of Article 18 of the Corporate Reorganization Act apply mutatis mutandis to the cases where, pursuant to the provisions of other Acts, the liquidator of a Cooperative Financial Institution must file a petition to commence bankruptcy proceedings for the Cooperative Financial Institution.

(Petitions to Commence Reorganization Proceedings by a Cooperative Financial Institution after Dissolution)

Article 17 In order for a Cooperative Financial Institution in liquidation or against which bankruptcy proceedings have been commenced to file a petition to commence reorganization proceedings, there must be a resolution specified in Article 53 of the Small and Medium-Sized Enterprise Cooperatives Act, Article 48-3 of the Shinkin Bank Act (Act No. 238 of 1951) or Article 53 of the Labor Bank Act.

(Proceedings for Filing Petitions to Commence Reorganization Proceedings)

Article 18 The provisions of Article 20 to Article 23 of the Corporate Reorganization Act apply mutatis mutandis to a petition to commence the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 17, paragraph (1)" in Article 20, paragraph (1) in that Act is deemed to be replaced with "Article 15, paragraph (1) of the Act on Special Measures"; the phrase "Article 17, paragraph (2)" in paragraph (2) of that Article is deemed to be replaced with "Article 15, paragraph (2) of the Act on Special Measures"; the phrase "creditors or shareholders" is deemed to be replaced with "creditors"; the phrase "the amount of claim or the number of voting rights (excluding the voting rights of the shares which may not be exercised for all particulars that may be resolved at a shareholders meeting, and including the voting rights of the shares that are deemed to have voting rights pursuant to the provisions of Article 879, paragraph (3) of the Companies Act)" is deemed to be replaced with "the amount of claim"; the

phrase "Article 17" in Article 22, paragraph (1) of that Act is deemed to be replaced with "Article 15 of the Act on Special Measures"; the phrase "Article 17, paragraph (2)" in paragraph (2) of that Article is deemed to be replaced with "Article 15, paragraph (2) or (3) of the Act on Special Measures"; the phrase "representative (when the head office is in a foreign state, the representative in Japan)" is deemed to be replaced with "representative"; the phrase "paragraph (1) or (2) of the following Article" in Article 23 of that Act is deemed to be replaced with "paragraph (1) or (2) of the following Article as applied mutatis mutandis pursuant to Article 19 of the Act on Special Measures"; the phrase "Article 25, paragraph (2)" is deemed to be replaced with "Article 25, paragraph (2) as applied mutatis mutandis pursuant to Article 19 of the Act on Special Measures"; the phrase "Article 28, paragraph (1)" is deemed to be replaced with "Article 28, paragraph (1) as applied mutatis mutandis pursuant to Article 20 of the Act on Special Measures"; the phrase "Article 29, paragraph (3)" is deemed to be replaced with "Article 29, paragraph (3) as applied mutatis mutandis pursuant to Article 21 of the Act on Special Measures"; the phrase "Article 30, paragraph (2)" is deemed to be replaced with "Article 22, paragraph (2) of the Act on Special Measures"; the phrase "Article 35, paragraph (2)" is deemed to be replaced with "Article 25, paragraph (2) of the Act on Special Measures"; and the phrase "Article 39-2, paragraph (1)" is deemed to be replaced with "Article 29-2, paragraph (1) of the Act on Special Measures".

**Subsection 2 Provisional Measures Associated with Petitions to
Commence Reorganization Proceedings
Division 1 Order to Stay Other Procedures Affecting a Cooperative
Financial Institution Awaiting Reorganization Proceedings**

Article 19 The provisions of Article 24 (excluding item (iii) of paragraph (1)) and Article 25 to Article 27 of the Corporate Reorganization Act apply mutatis mutandis to the cases where a petition to commence reorganization proceedings for a Cooperative Financial Institution is filed. In this case, the phrase ", rehabilitation proceedings or special liquidation proceedings" in Article 24, paragraph (1), item (i) of that Act is deemed to be replaced with "or rehabilitation proceedings"; the phrase "Article 28, paragraph (1)" in Article 25, paragraph (1) of that Act is deemed to be replaced with "Article 28, paragraph (1) as applied mutatis mutandis pursuant to Article 20 of the Act on Special Measures"; the phrase "Article 30, paragraph (2)" is deemed to be replaced with "Article 22, paragraph (2) of the Act on Special Measures"; the phrase "Article 35, paragraph (2)" is deemed to be replaced with "Article 25, paragraph (2) of the Act on Special Measures"; and the phrase "the main clause of Article 10,

paragraph (3)" in Article 27, paragraph (6) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

Division 2 Provisional Remedies and Other Measures Affecting the Business and Assets of Cooperative Financial Institutions Awaiting Reorganization Proceedings

(Provisional Remedies Affecting the Business and Assets of Cooperative Financial Institutions Awaiting Reorganization Proceedings)

Article 20 The provisions of Article 28 of the Corporate Reorganization Act apply mutatis mutandis to a provisional remedy in cases where a petition to commence reorganization proceedings for a Cooperative Financial Institution is filed. In this case, the phrase "the main clause of Article 10, paragraph (3)" in paragraph (5) of that Article is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

(Claim for Extinguishment of a Right of Retention under Commercial Law Prior to the Commencement of Reorganization Proceedings)

Article 21 The provisions of Article 29 of the Corporate Reorganization Act apply mutatis mutandis to cases where there is a right of retention under the provisions of the Commercial Code or the Companies Act on the assets of a cooperative financial institution awaiting reorganization proceedings.

Division 3 Provisional Administration Orders

(Provisional Administration Order)

Article 22 (1) Where a petition to commence reorganization proceedings is filed, the court, upon the petition of an interested person or by its own authority, may make a disposition to order that the business and assets of the cooperative financial institution awaiting reorganization proceedings be administered by a provisional administrator until an order is made on the petition to commence reorganization proceedings, when it finds it necessary in order to achieve the purpose of reorganization proceedings.

(2) The court, when making a disposition under the provisions of the preceding paragraph (hereinafter referred to as a "Provisional Administration Order" in this Chapter), must appoint one or more provisional administrators in the Provisional Administration Order; provided, however, that the person prescribed in Article 67, paragraph (3) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 44 may not be appointed as a

provisional administrator.

- (3) The provisions of Article 30, paragraphs (3) to (5) and Article 31 of the Corporate Reorganization Act apply mutatis mutandis to a Provisional Administration Order in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 10, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "Article 10, paragraph (4) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

(Powers of Provisional Administrators)

Article 23 The provisions of Article 32 and Article 33 of the Corporate Reorganization Act apply mutatis mutandis to provisional administrators in the reorganization proceedings of a Cooperative Financial Institution. In this case, "Article 67, paragraph (3)" in paragraph (1) of that Article is deemed to be replaced with "Article 67, paragraph (3) as applied mutatis mutandis pursuant to Article 44 of the Act on Special Measures".

(Application Mutatis Mutandis of Provisions on Trustees to Provisional Administrators)

Article 24 (1) The provisions of Article 53, paragraphs (1) to (4) and the provisions of Article 54, Article 57, Article 59, Article 67, paragraph (2), Article 68, Article 69, Article 73, Article 74, paragraph (1), Article 76 to Article 80, and Article 82, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to a provisional administrator in the reorganization proceedings for a Cooperative Financial Institution, and the provisions of Article 53, paragraphs (1) to (4) apply mutatis mutandis to a provisional administrator representative in the reorganization proceedings for a Cooperative Financial Institution. In this case, the phrase "assets of a reorganizing company" in Article 54, paragraph (1), Article 57, paragraph (2) and Article 76, paragraph (2) of that Act is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)"; the phrase "public notice under the provisions of Article 43, paragraph (1)" in Article 59 of that Act is deemed to be replaced with "public notice under the provisions of Article 31, paragraph (1) as applied mutatis mutandis pursuant to Article 22, paragraph (3) of the Act on Special Measures"; the phrase "Article 2, item (iii) of the Companies Act" in Article 77, paragraph (2) of that Act is deemed to be replaced with "Article 4, paragraph (1) of the Act on Financial Businesses by Cooperative, Article 32, paragraph (6) of the Shinkin Bank Act or Article 32, paragraph (5) of the Labor Bank Act"; the phrase "successor trustee" in Article

82, paragraph (2) of that Act is deemed to be replaced with "successor provisional administrator or trustee"; and the phrase "successor trustee" in paragraph (3) of that Article is deemed to be replaced with "successor provisional administrator, trustee".

- (2) The provisions of Article 52, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to the cases where a Provisional Administration Order is issued in the reorganization proceedings of a Cooperative Financial Institution, and the provisions of paragraphs (4) to (6) of that Article apply mutatis mutandis to the cases where a Provisional Administration Order ceases to be effective in the reorganization proceedings of a Cooperative Financial Institution (excluding cases where an order commencing reorganization proceedings is made). In this case, the phrase "court proceedings (excluding court proceedings in relation to action referred to in Article 97, paragraph (1) in cases where any of the events referred to in Article 234, item (iii) or (iv) occurs)" in paragraph (5) of that Article is deemed to be replaced with "court proceedings".
- (3) With respect to cases relating to assets of a cooperative financial institution awaiting reorganization proceedings that are pending before an administrative agency, the provisions specified in the following items apply mutatis mutandis to the cases set forth in the respective items:
- (i) cases where a Provisional Administration Order is issued: Article 52, paragraphs (1) to (3) of the Corporate Reorganization Act;
 - (ii) cases where a Provisional Administration Order ceases to be effective (excluding cases where an order commencing reorganization proceedings is made): Article 52, paragraphs (4) to (6) of the Corporate Reorganization Act.
- (4) The provisions of the main clause of Article 66, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to any board member, inspector and liquidator of a cooperative financial institution awaiting reorganization proceedings during the period which a provisional administrator is in the process of appointment. In this case, the phrase "Article 361, paragraph (1) of the Companies Act" in that paragraph is deemed to be replaced with "Article 361, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 5-5 of the Act on Financial Businesses by Cooperative, Article 35-6 of the Shinkin Bank Act or Article 37-4 of the Labor Bank Act".

Division 4 Supervision Orders

(Supervision Orders)

Article 25 (1) Where a petition to commence reorganization proceedings is filed, the court, upon the petition of an interested person or by its own authority, may make a disposition to order supervision by a supervisor until an order is

made on the petition to commence reorganization proceedings, when it finds it necessary in order to achieve the purpose of reorganization proceedings.

- (2) The court, when making the disposition referred to in the preceding paragraph (hereinafter referred to as a "Supervision Order" in this Chapter), must in the Supervision Order, appoint one or more supervisors and designate acts that the cooperative financial institution awaiting reorganization proceedings may not conduct without obtaining their consent.
- (3) The provisions of Article 35, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to any act conducted without the supervisor's consent in the reorganization proceedings of a Cooperative Financial Institution, and the provisions of paragraphs (4) to (6) of that Article apply mutatis mutandis to a Supervision Order in the reorganization proceedings of a Cooperative Financial Institution.

(Public Notices and Service of Supervision Orders)

Article 26 The provisions of Article 36 of the Corporate Reorganization Act apply mutatis mutandis to a public notice or service of a Supervision Order in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "paragraph (4) of the preceding Article" in paragraph (2) of that Article is deemed to be replaced with "paragraph (4) of the preceding Article as applied mutatis mutandis pursuant to Article 25, paragraph (3) of the Act on Special Measures"; and the phrase "Article 10, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "Article 10, paragraph (4) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

(Examinations of the Aptitude of Trustees of Board Members)

Article 27 The provisions of Article 37 of the Corporate Reorganization Act apply mutatis mutandis to examinations of the aptitude of a trustee by a supervisor in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "incorporator, Director at Incorporation or Auditor at Incorporation" in that Article is deemed to be replaced with "incorporator".

(Application Mutatis Mutandis of the Provisions on Trustees to Supervisors)

Article 28 The provisions of Article 53, paragraphs (1) to (4) and the provisions of Article 67, paragraph (2), Article 68, Article 69, paragraph (1), Article 77 and Article 80 of the Corporate Reorganization Act apply mutatis mutandis to a supervisor in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 2, item (iii) of the Companies Act" in Article 77, paragraph (2) of that Act is deemed to be replaced with "Article 4, paragraph (1) of the Act on Financial Businesses by Cooperative, Article 32,

paragraph (6) of the Shinkin Bank Act or Article 32, paragraph (5) of the Labor Bank Act".

Division 5 Ordering an Examination before Commencement of Reorganization Proceedings

(Ordering an Examination before Commencement of Reorganization Proceedings)

Article 29 The court, when it finds it necessary even during the period from the time when a petition to commence reorganization proceedings is filed to the time when an order on the petition is made, upon the petition of an interested person or by its own authority, may issue an examination order prescribed in Article 72, paragraph (2) directed at some or all of the following particulars:

- (i) the existence or nonexistence of any fact constituting cause to commence reorganization proceedings as prescribed in Article 15, paragraph (1) and any of the grounds set forth in Article 41, paragraph (1), items (ii) to (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 31, the status of the business and assets of the cooperative financial institution awaiting reorganization proceedings and any other particulars required for making a decision on the petition to commence reorganization proceedings and whether or not it is appropriate to commence reorganization proceedings;
- (ii) whether or not there are circumstances that require a provisional remedy under the provisions of Article 28, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 20, a Provisional Administration Order, a Supervision Order, a provisional remedy under the provisions of the following Article or Article 30 or Ruling Evaluating Subject Officers' Liability prescribed in Article 100, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 63, and the necessity of the relevant disposition, order or ruling; and
- (iii) any other particulars requiring an examination or a statement of opinion by the examiner in relation to the reorganization case.

(Provisional Remedy for Right of Avoidance)

Article 29-2 (1) The court, when it finds it necessary in order to secure a right of avoidance during the period from the time when a petition to commence reorganization proceedings is filed to the time when an order on the petition is made, upon the petition of an interested person (or a provisional administrator if any provisional administrator is appointed) or by its own authority, may issue an order of provisional seizure, provisional disposition or any other necessary provisional remedy.

(2) The provisions of Article 39-2, paragraphs (2) to (6) of the Corporate Reorganization Act apply mutatis mutandis to a provisional remedy under the provisions of the preceding paragraph. In this case, the phrase "the main clause of Article 10, paragraph (3)" in paragraph (6) of that Article is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

(Provisional Remedies on Assets of Officers Prior to the Commencement of Reorganization Proceedings)

Article 30 (1) The court, when it finds urgent necessity even during the period from the time when a petition to commence reorganization proceedings is filed to the time when an order on the petition is made, upon the petition of the cooperative financial institution awaiting reorganization proceedings (or a provisional administrator if any provisional administrator is appointed) or by its own authority, may issue a provisional remedy as referred to in the items of Article 99, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 62.

(2) The provisions of Article 99, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the cases where a provisional remedy under the provisions of the preceding paragraph is issued. In this case, the phrase "the main clause of Article 10, paragraph (3)" in paragraph (5) of that Article is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

Section 3 Order Commencing Reorganization Proceedings and the Legal Effect Thereof

Subsection 1 Order Commencing Reorganization Proceedings

Article 31 The provisions of Article 41, Article 42, Article 43 (excluding item (v) of paragraph (1)) and Article 44 of the Corporate Reorganization Act apply mutatis mutandis to an order commencing reorganization proceedings for a Cooperative Financial Institution. In this case, the phrase "Article 17" in Article 41, paragraph (1) of that Act is deemed to be replaced with "Article 15 of the Act on Special Measures"; the phrase ", rehabilitation proceedings or special liquidation proceedings" in item (ii) of that paragraph is deemed to be replaced with "or rehabilitation proceedings"; the phrase "Article 138 to Article 140 or Article 142" in Article 42, paragraph (2) of that Act is deemed to be replaced with "Article 138 or Article 139 as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures, Article 140, paragraph (1) or (2) as applied mutatis mutandis pursuant to Article 82 of the Act on Special

Measures or Article 84 of the Act on Special Measures"; the phrase "must make a public notice; provided, however, that when there is no bond administrator, etc. prescribed in item (v), a public notice of the particulars referred to in that item is not required" in Article 43, paragraph (1) of that Act is deemed to be replaced with "must make a public notice"; the phrase "Article 39" in paragraph (3), item (iv) of that Article is deemed to be replaced with "Article 29 of the Act on Special Measures"; and the phrase "Section 2 of the preceding Chapter" in Article 44, paragraph (2) of that Act is deemed to be replaced with "Chapter II, Section 2, Subsection 2 of the Act on Special Measures".

Subsection 2 Legal Effect of an Order Commencing Reorganization Proceedings

(Prohibition of Changes to Basic Particulars Affecting the Organization of a Reorganizing Cooperative Financial Institution)

- Article 32 (1) During the period after the commencement of reorganization proceedings until the close thereof, unless it is provided for in a reorganization plan, neither a reorganizing cooperative financial institution nor a Cooperative Financial Institution after entity conversion of a reorganizing cooperative financial institution as specified in a reorganization plan (hereinafter referred to as a "converted cooperative financial institution" in this Chapter) may perform any of the following acts, nor may an Ordinary Bank after entity conversion of a reorganizing cooperative financial institution as specified in a reorganization plan (hereinafter referred to as a "converted bank" in this Chapter) perform any of the acts set forth in the items of Article 45, paragraph (1) of the Corporate Reorganization Act:
- (i) receipt of contributions;
 - (ii) reduction of the unit amount of contribution;
 - (iii) dividend of surplus;
 - (iv) merger;
 - (v) dissolution; or
 - (vi) conversion (meaning conversion prescribed in Article 2, paragraph (7) of the Act on Financial Institutions' Merger and Conversion (Act No. 86 of 1968; hereinafter referred to as the "Merger and Conversion Act") in which a reorganizing cooperative financial institution becomes another type of Cooperative Financial Institution or Ordinary Bank; hereinafter the same applies in this Chapter).
- (2) During the period after the commencement of reorganization proceedings until the close thereof, the articles of incorporation of a reorganizing cooperative financial institution, converted cooperative financial institution or a converted bank may not be amended unless as specified in a reorganization

plan or unless the permission of the court is obtained.

(Transfers of Business)

- Article 33 (1) During the period after the commencement of reorganization proceedings until the closing thereof, unless it is provided for in a reorganization plan, all or part of the business of a reorganizing cooperative financial institution may not be transferred; provided, however, that this does not apply where all or part of the business of a reorganizing cooperative financial institution is transferred pursuant to the provisions of the following paragraph to paragraph (8).
- (2) During the period after the commencement of reorganization proceedings until an order to refer a proposed reorganization plan to a resolution is made, a trustee, with permission of the court, may transfer all or part of the business of a reorganizing cooperative financial institution. In this case, the court may grant permission only when it finds the transfer necessary for the reorganization of the business of the reorganizing cooperative financial institution.
- (3) The court, when granting the permission referred to in the preceding paragraph, must hear the opinions of the following:
- (i) known reorganization creditors (in cases where the reorganizing cooperative financial institution, at the time of the commencement of reorganization proceedings, is unable to pay its debts in full with its assets with regard to claims that take preference over consensually-subordinated reorganization claims (meaning claims for which the reorganization creditor and the reorganizing cooperative financial institution, prior to the commencement of reorganization proceedings, reach an agreement to the effect that if bankruptcy proceedings are commenced against the Cooperative Financial Institution, the claim will be subordinated to a subordinate bankruptcy claim prescribed in Article 99, paragraph (1) of the Bankruptcy Act in the order of priority for receiving a liquidating distribution in the bankruptcy proceedings; hereinafter the same applies in this Chapter), the holders of the consensually-subordinated reorganization claim are excluded); provided, however, that if there is a reorganization creditors committee prescribed in Article 67, paragraph (1), it is sufficient to hear the opinions of the committee;
 - (ii) known secured reorganization creditors; provided, however, that if there is a secured reorganization creditors committee prescribed in Article 67, paragraph (2), it is sufficient to hear the opinions of the committee; and
 - (iii) labor unions, etc. (meaning a labor union consisting of the majority of the employees of the reorganizing cooperative financial institution if there is any such labor union; or a person representing the majority of the employees of

the reorganizing cooperative financial institution if no such labor union exists).

- (4) A trustee must, when transferring all or part of the business of a reorganizing cooperative financial institution pursuant to the provisions of paragraph (2), make a public notice or give a notice of the following to the Partners or Members (excluding individual members of a labor bank; hereinafter the same applies in this Article) in advance:
 - (i) the other party, time and value of the transfer, and the description of business subject to the transfer; and
 - (ii) to the effect that any Partner or Member that opposes the transfer must give a notice to the trustee in writing to that effect within two weeks from the day on which the public notice is made or the notice is given.
- (5) The notice given to a Partner or Member under the provisions of the preceding paragraph may be addressed to the place prescribed in Article 50, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 48, paragraph (1) of the Shinkin Bank Act or the main clause of Article 50, paragraph (1) of the Labor Bank Act or the address notified by the Partner or Member to the trustee.
- (6) The notice given to a Partner or Member under the provisions of paragraph (4) is deemed to have been delivered at the time when the notice should have normally arrived.
- (7) In any of the cases referred to in the following items, the court may not grant the permission referred to in paragraph (2):
 - (i) when a petition for the permission referred to in paragraph (2) is filed after one month has elapsed from the day on which public notice is made or notice is given under the provisions of paragraph (4); or
 - (ii) when the persons specified in (a) to (c) below in accordance with the respective types of reorganizing cooperative financial institutions set forth therein give a notice to the trustee in writing of their opposition to the transfer referred to in paragraph (2) within the period prescribed in item (ii) of paragraph (4):
 - (a) credit cooperative: in cases where the entire business is to be transferred, partners equivalent in number to more than one-third of all partners, and in other cases, partners equivalent in number to at least half of all partners;
 - (b) Shinkin Bank: in cases where the entire business is to be transferred, members equivalent in number to more than one-third of all members, and in other cases, members equivalent in number to at least half of all members; and
 - (c) labor bank: in cases where the entire business is to be transferred, members (excluding individual members; hereinafter the same applies in

this item) equivalent in number to more than one-third of all members (excluding individual members; hereinafter the same applies in this item), and in other cases, members equivalent in number to at least half of all members.

- (8) In cases where the reorganizing cooperative financial institution, at the time of the permission referred to in paragraph (2), is unable to pay its debts in full with its assets, the provisions of paragraph (4) to the preceding paragraph do not apply.
- (9) Any act conducted without the permission referred to in paragraph (2) is void; provided, however, that this may not be asserted against a third party without knowledge.
- (10) In cases where all or part of the business of a reorganizing cooperative financial institution is to be transferred with the permission referred to in paragraph (2), the provisions of Article 57-3, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 58, paragraph (1) of the Shinkin Bank Act or Article 62, paragraph (1) of the Labor Bank Act and the provisions of Article 6, paragraph (1) of the Act on Financial Businesses by Cooperative (Act No. 183 of 1949), Article 89, paragraph (1) of the Shinkin Bank Act or Article 34 and Article 35 of the Banking Act as applied mutatis mutandis pursuant to Article 94, paragraph (1) of the Labor Bank Act do not apply.
- (11) In the case prescribed in the preceding paragraph, notwithstanding the provisions of Article 57 of the Small and Medium-Sized Enterprise Cooperatives Act as applied mutatis mutandis pursuant to Article 57-3, paragraph (6) of that Act, Article 52-2 of the Shinkin Bank Act as applied mutatis mutandis pursuant to Article 58, paragraph (7) of that Act or Article 828, paragraph (1) (limited to the part in relation to item (v)) and, paragraph (2) (limited to the part in relation to item (v)) of the Companies Act as applied mutatis mutandis pursuant to Article 57-2 of the Labor Bank Act as applied mutatis mutandis pursuant to Article 62, paragraph (7) of that Act, the Partner or Member, board member, inspector, liquidator, bankruptcy trustee or creditor of a reorganizing cooperative financial institution may not file a lawsuit for nullification of the transfer of the entire business.

(Prohibition of Payment of an Unsecured or Secured Reorganization Claim)

Article 34 The provisions of Article 47 and Article 47-2 of the Corporate Reorganization Act apply mutatis mutandis to an unsecured or secured reorganization claim in the reorganization proceedings of a Cooperative Financial Institution. In this case, in paragraph (6), items (i) and (ii) of that Article, the phrase "Article 24, paragraph (2)" is deemed to be replaced with "Article 24, paragraph (2) as applied mutatis mutandis pursuant to Article 19

of the Act on Special Measures". In this case, the phrase "Article 24, paragraph (2)" in Article 47, paragraph (7), items (i) and (ii) of that Act is deemed to be replaced with "Article 24, paragraph (2) as applied mutatis mutandis pursuant to Article 19 of the Act on Special Measures"; and the phrase "assets of the reorganizing company" in Article 47-2 of that Act is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)".

(Set-Off)

Article 35 The provisions of Article 48 to Article 49-2 of the Corporate Reorganization Act apply mutatis mutandis to a set-off by an unsecured or secured reorganization creditor in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 138, paragraph (1)" in Article 48, paragraph (1) of that Act is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; and the phrase "commencement of rehabilitation proceedings or commencement of special liquidation" in Article 49, paragraph (1), item (iv) of that Act is deemed to be replaced with "or commencement of rehabilitation proceedings".

(Staying Other Procedures)

Article 36 The provisions of Article 50 and Article 51 of the Corporate Reorganization Act apply mutatis mutandis to compulsory execution and other procedures in cases where an order commencing reorganization proceedings for a Cooperative Financial Institution is made. In this case, in Article 50, paragraph (1) of that Act, the phrase ", commencement of reorganization proceedings or commencement of special liquidation" is deemed to be replaced with "or commencement of reorganization proceedings"; the phrase "compulsory execution, etc., exercise of an enterprise mortgage" is deemed to be replaced with "compulsory execution, etc."; the phrase "will be stayed, and the special liquidation proceedings will cease to be effective" is deemed to be replaced with "will be stayed"; the phrase "Article 24, paragraph (1), item (ii)" in that paragraph and paragraph (5), item (i) of that Article is deemed to be replaced with "Article 24, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 19 of the Act on Special Measures"; the phrase "procedure for compulsory execution, etc., procedure for the exercise of an enterprise mortgage" is deemed to be replaced with "procedure for compulsory execution, etc."; the phrase "Article 24, paragraph (2)" in paragraph (2), paragraph (5), item (ii) and paragraph (10) of that Article is deemed to be replaced with "Article 24, paragraph (2) as applied mutatis mutandis pursuant to Article 19

of the Act on Special Measures"; the phrase "Article 204, paragraph (2)" in paragraph (11) of that Article is deemed to be replaced with "Article 204, paragraph (2) as applied mutatis mutandis pursuant to Article 125, paragraph (3) of the Act on Special Measures"; and the phrase "the first sentence of Article 72, paragraph (4)" in Article 51, paragraph (2) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures".

(Handling of Actions Relating to the Assets of a Reorganizing Cooperative Financial Institution)

Article 37 The provisions of Article 52 of the Corporate Reorganization Act apply mutatis mutandis to court proceedings relating to the assets of a reorganizing cooperative financial institution. In this case, the phrase "Article 234, item (iii) or (iv)" in paragraph (5) of that Article is deemed to be replaced with "Article 234, item (iii) or (iv) as applied mutatis mutandis pursuant to Article 150 of the Act on Special Measures"; and the phrase "Article 97, paragraph (1)" is deemed to be replaced with Article 97, paragraph (1) as applied mutatis mutandis pursuant to Article 60 of the Act on Special Measures".

(Handling of Actions for Obligee's Subrogation Rights, Actions for Avoidance of Fraudulent Acts)

Article 37-2 (1) If an action filed by a reorganization creditor pursuant to the provisions of Article 423 or Article 424 of the Civil Code (Act No. 89 of 1896) or an action of avoidance or action of objection to an order upholding a request for avoidance filed under the provisions of the Bankruptcy Act or Civil Rehabilitation Act (Act No. 225 of 1999) is pending at the time of the commencement of reorganization proceedings, the respective court proceedings are discontinued.

(2) The provisions of Article 52-2, paragraphs (2) to (6) of the Corporate Reorganization Act apply mutatis mutandis to the cases where court proceedings are discontinued pursuant to the provisions of the preceding paragraph.

(Handling of Cases Pending before an Administrative Agency)

Article 38 The provisions of Article 53 of the Corporate Reorganization Act apply mutatis mutandis to a case relating to the assets of a reorganizing cooperative financial institution that is pending before an administrative agency.

(Effect of Juridical Acts by Reorganizing Cooperative Financial Institution)

Article 39 The provisions of Article 54 to Article 59 of the Corporate Reorganization Act apply mutatis mutandis to the effect of acts performed

after the commencement of reorganization proceedings for a Cooperative Financial Institution. In this case, the phrase "assets of the reorganizing company" in Article 54, paragraph (1), Article 55, paragraph (1) and Article 57, paragraph (2) of that Act is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)"; the phrase "or Registration or Provisional Registration with respect to the modification, or registration with respect to the establishment, transfer or modification of an enterprise mortgage" in Article 56, paragraph (2) of that Act is deemed to be replaced with "or Registration or Provisional Registration with respect to the modification"; and the phrase "Article 43, paragraph (1)" in Article 59 of that Act is deemed to be replaced with "Article 43, paragraph (1) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures".

(Co-Ownership)

Article 40 The provisions of Article 60 of the Corporate Reorganization Act apply mutatis mutandis to the cases where a reorganizing cooperative financial institution holds a property right jointly with another or other persons.

(Executory Contracts)

Article 41 (1) The provisions of Article 61, paragraphs (1) to (4) and Article 62 of the Corporate Reorganization Act apply mutatis mutandis to an executory contract to which a reorganizing cooperative financial institution is a party.
(2) The provisions of Article 54 of the Bankruptcy Act apply mutatis mutandis to the cases where a contract is cancelled under the provisions of the Article 61 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding paragraph. In this case, the phrase "bankruptcy creditor" in Article 54, paragraph (1) of the Bankruptcy Act is deemed to be replaced with "reorganization creditor (meaning a reorganization creditor as prescribed in Article 4, paragraph (9) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions (Act No. 95 of 1996))"; the phrase "the bankrupt" in paragraph (2) of that Article is deemed to be replaced with "reorganizing cooperative financial institution (meaning a reorganizing cooperative financial institution as prescribed in Article 4, paragraph (7) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "bankruptcy estate" is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in paragraph (14) of that Article)"; and the phrase "holder of claim on the estate" is deemed to be replaced with "common benefit creditor".

(3) The provisions of Article 56, Article 58 and Article 59 of the Bankruptcy Act apply mutatis mutandis to the cases where reorganization proceedings of a Cooperative Financial Institution are commenced. In this case, the phrase "Article 53, paragraphs (1) and (2)" in Article 56, paragraph (1) of that Act is deemed to be replaced with "Article 61, paragraphs (1) and (2) of the Corporate Reorganization Act (Act No. 154 of 2002) as applied mutatis mutandis pursuant to Article 41, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions"; the phrase "the bankrupt" is deemed to be replaced with "reorganizing cooperative financial institution (meaning reorganizing cooperative financial institution prescribed in Article 4, paragraph (7) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "claim on the estate" in paragraph (2) of that Article is deemed to be replaced with "common-benefit claim"; the phrase "commencement of bankruptcy proceedings" in Article 58, paragraph (1) of that Act is deemed to be replaced with "commencement of reorganization proceedings (meaning reorganization proceedings prescribed in Article 4, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "bankruptcy creditor" in Article 54, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 58, paragraph (3) is deemed to be replaced with "reorganization creditor (meaning reorganization creditor prescribed in Article 4, paragraph (9) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "bankruptcy proceedings" in Article 59, paragraph (1) of that Act is deemed to be replaced with "reorganization proceedings (meaning reorganization proceedings prescribed in Article 4, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; and the phrase "The claim under the provisions of the preceding paragraph belongs to the bankruptcy estate if it is held by the bankrupt or is a "bankruptcy claim" if it is held by the counter party" in paragraph (2) of that Article is deemed to be replaced with "The claim under the provisions of the preceding paragraph is a reorganization claim (meaning a reorganization claim as prescribed in Article 4, paragraph (8) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions) if it is held by the counter party".

(Right of Segregation)

Article 42 (1) The provisions of Article 64, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to a right to segregate assets that do not belong to the reorganizing cooperative financial institution, from the institution.

(2) The provisions of Article 63 and Article 64 of the Bankruptcy Act apply

mutatis mutandis to the cases where reorganization proceedings of a Cooperative Financial Institution are commenced. In this case, the phrase "order of commencement of bankruptcy proceedings" in Article 63, paragraph (1) of that Act is deemed to be replaced with "order commencing reorganization proceedings (meaning reorganization proceedings prescribed in Article 4, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "bankruptcy trustee" in that paragraph and Article 64 of that Act is deemed to be replaced with "trustee"; the phrase "Article 53, paragraphs (1) and (2)" in Article 63, paragraph (2) of that Act is deemed to be replaced with "Article 61, paragraphs (1) and (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 41, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions"; the phrase "paragraph (1)" in paragraph (3) of that Article is deemed to be replaced with "the preceding two paragraphs"; the phrase "that paragraph" is deemed to be replaced with "paragraph (1)"; the phrase "the bankrupt" in Article 64, paragraph (1) of that Act is deemed to be replaced with "Cooperative Financial Institution (meaning Cooperative Financial Institution prescribed in Article 2, paragraph (2) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; and the phrase "commencement of bankruptcy proceedings" is deemed to be replaced with "commencement of reorganization proceedings (meaning reorganization proceedings prescribed in Article 4, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)".

(Remuneration of Board Members)

Article 43 The provisions of Article 66 of the Corporate Reorganization Act apply mutatis mutandis to any board member, inspector and liquidator of a reorganizing cooperative financial institution. In this case, the phrase "Article 361, paragraph (1) of the Companies Act" in paragraph (1) of that Article is deemed to be replaced with "Article 361, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 5-5 of the Act on Financial Businesses by Cooperative, Article 35-6 of the Shinkin Bank Act or Article 37-4 of the Labor Bank Act"; the phrase "the first sentence of Article 72, paragraph (4)" is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; and the phrase "Article 361, paragraphs (1) (including as applied mutatis mutandis pursuant to Article 482, paragraph (4) of that Act) and (3), Article 379, paragraphs (1) and (2), Article 387, paragraphs (1) and (2) and Article 404, paragraph (3) of the Companies Act" in paragraph (2) of that Article is deemed to be replaced with "the provisions of Article 361, paragraph

(1) of the Companies Act as applied mutatis mutandis pursuant to Article 5-5 or Article 6-2, paragraph (2) of the Act on Financial Businesses by Cooperative, Article 35-6 or Article 64 of the Shinkin Bank Act or Article 37-4 or Article 68 of the Labor Bank Act and Article 387, paragraphs (1) and (2) of the Companies Act as applied mutatis mutandis pursuant to Article 5-6 of the Act on Financial Businesses by Cooperative, Article 35-7 of the Shinkin Bank Act or Article 37-5 of the Labor Bank Act.

Subsection 3 Trustees

Division 1 Appointment and Supervision of Trustees

Article 44 The provisions of Article 67 to Article 71 of the Corporate Reorganization Act apply mutatis mutandis to a trustee in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 100, paragraph (1)" in Article 67, paragraph (3) of that Act is deemed to be replaced with "Article 100, paragraph (1) as applied mutatis mutandis pursuant to Article 63 of the Act on Special Measures".

Division 2 Authority of the Trustee

(Authority of the Trustee)

Article 45 The provisions of Article 72 of the Corporate Reorganization Act apply mutatis mutandis to the powers of a trustee in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 61, paragraph (1)" in paragraph (2), item (iv) of that Article is deemed to be replaced with "Article 61, paragraph (1) as applied mutatis mutandis pursuant to Article 41, paragraph (1) of the Act on Special Measures"; the phrase "Article 64, paragraph (1)" in item (viii) of that paragraph is deemed to be replaced with "Article 64, paragraph (1) as applied mutatis mutandis pursuant to Article 42, paragraph (1) of the Act on Special Measures"; and the phrase "Article 10, paragraph (4)" in paragraph (7) of that Article is deemed to be replaced with "Article 10, paragraph (4) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

(Administration of the Business and Assets of a Reorganizing Cooperative Financial Institution)

Article 46 The provisions of Article 73 of the Corporate Reorganization Act apply mutatis mutandis to the administration of the business and assets of a reorganizing cooperative financial institution.

(Standing to Sue or Be Sued)

Article 47 The provisions of Article 74 of the Corporate Reorganization Act apply mutatis mutandis to an action relating to the assets of a reorganizing cooperative financial institution. In this case, "the first sentence of Article 72, paragraph (4)" in paragraphs (2) and (3) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures".

(Management of Postal Items)

Article 48 The provisions of Article 75 and Article 76 of the Corporate Reorganization Act apply mutatis mutandis to the management of postal items, etc. (meaning postal items or letter items prescribed in Article 2, paragraph (3) of the Act on Correspondence Delivery by Private Business Operators (Act No. 99 of 2002); the same applies hereinafter) that are addressed to a reorganizing cooperative financial institution. In this case, the phrase "the first sentence of Article 72, paragraph (4)" in Article 75, paragraph (3) of the Corporate Reorganization Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; and the phrase "assets of the reorganizing company" in Article 76, paragraph (2) of that Act is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)".

(Examination of a Reorganizing Cooperative Financial Institution and Subsidiary Companies)

Article 49 The provisions of Article 77 of the Corporate Reorganization Act apply mutatis mutandis to the powers of a trustee in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 2, item (iii) of the Companies Act" in paragraph (2) of that Article is deemed to be replaced with "Article 4, paragraph (1) of the Act on Financial Businesses by Cooperative, Article 32, paragraph (6) of the Shinkin Bank Act or Article 32, paragraph (5) of the Labor Bank Act".

(Trustee's Transactions for Their Own Behalf)

Article 50 The provisions of Article 78 of the Corporate Reorganization Act apply mutatis mutandis to transactions performed by a trustee in the reorganization proceedings of a Cooperative Financial Institution with the reorganizing cooperative financial institution.

(Restriction of Competition of Trustee)

Article 51 The provisions of Article 79 of the Corporate Reorganization Act apply

mutatis mutandis to the cases where a trustee in the reorganization proceedings of a Cooperative Financial Institution intends to carry out a transaction in the line of business of a reorganizing cooperative financial institution on their own behalf or a third party.

(Trustee's Duty of Care)

Article 52 The provisions of Article 80 of the Corporate Reorganization Act apply mutatis mutandis to the duties of a trustee in the reorganization proceedings of a Cooperative Financial Institution.

(Trustee's Duty to Strive to Provide Information)

Article 52-2 A trustee must strive to provide a person that may claim a salary or that may claim a severance pay, both of which are an unsecured or secured reorganization claim, with information necessary for their participation in the reorganization proceedings.

(Remuneration of Trustees)

Article 53 (1) A trustee may receive advance payments of expenses as well as remuneration determined by the court.

(2) A trustee must, after their appointment, obtain permission of the court in order to accept any claims against a reorganizing cooperative financial institution, converted cooperative financial institution, a converted bank or Cooperative Financial Institution or Stock Company established as specified in a reorganization plan or any interest in a reorganizing cooperative financial institution, converted cooperative financial institution or a Cooperative Financial Institution established as specified in a reorganization plan or any shares of a converted bank or a Stock Company established as specified in a reorganization plan, or assign these.

(3) A trustee may not receive payment of expenses and remuneration if they have conducted any act prescribed in the preceding paragraph without obtaining the permission referred to in that paragraph.

(4) An immediate appeal may be filed against an order made pursuant to the provisions of paragraph (1).

(5) The provisions of the preceding paragraphs apply mutatis mutandis to a trustee representative and legal advisor referred to in Article 71 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 44.

(Duty to Report Upon Termination of Office)

Article 54 (1) A trustee, upon termination of their office, must submit a report of accounts to the court without delay.

- (2) In the case referred to in the preceding paragraph, if there is a vacancy in the office of a trustee, the report of account referred to in that paragraph, notwithstanding the provisions of that paragraph, must be submitted by a successor trustee.
- (3) Upon the termination of a trustee's office, if there are pressing circumstances, the trustee or their successor must take necessary measures until a successor trustee or the reorganizing cooperative financial institution is able to administer assets.
- (4) In cases where any of the events referred to in Article 234, items (ii) to (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 150 occurs, except in the cases prescribed in Article 158-10, paragraph (6) or Article 158-13, a trustee must pay common-benefit claims; provided, however, that with regard to a common-benefit claim which is in dispute in terms of its existence or nonexistence or its amount, a trustee must make a statutory deposit in the interest of the person that holds the claim.

Division 3 Investigation into the State of a Reorganizing Cooperative Financial Institution's Assets

(Evaluation of Assets)

Article 55 The provisions of Article 83 and Article 84 of the Corporate Reorganization Act apply mutatis mutandis to an investigation into the state of a reorganizing cooperative financial institution's assets. In this case, the phrase "Ministry of Justice Order" in Article 83, paragraph (5) of that Act is deemed to be replaced with "Cabinet Office Order"; the phrase "Article 99, paragraph (1)" in Article 84, paragraph (1), item (iii) of that Act is deemed to be replaced with "Article 99, paragraph (1) as applied mutatis mutandis pursuant to Article 62 of the Act on Special Measures"; and the phrase "Article 100, paragraph (1)" is deemed to be replaced with "Article 100, paragraph (1) as applied mutatis mutandis pursuant to Article 63 of the Act on Special Measures".

(Reports to Meetings for Reporting the Status of Assets)

Article 56 The provisions of Article 85 of the Corporate Reorganization Act apply mutatis mutandis to a meeting of persons concerned for reporting the status of assets of a reorganizing cooperative financial institution. In this case, the phrase "the items of paragraph (1) of the preceding Article" in paragraph (1) of that Article is deemed to be replaced with "the items of paragraph (1) of the preceding Article as applied mutatis mutandis pursuant to Article 55 of the Act on Special Measures"; and the phrase "Article 46, paragraph (3), item (iii)" in paragraph (3) of that Article is deemed to be replaced with "Article 33,

paragraph (3), item (iii) of the Act on Special Measures".

Subsection 4 Right of Avoidance

(Avoidance of Acts Prejudicial to Unsecured and Secured Reorganization Creditors)

Article 57 (1) The following acts (excluding acts concerning the provisions of security or extinguishment of debt) may be avoided in the interest of the assets of a reorganizing cooperative financial institution after the commencement of the reorganization proceedings:

- (i) an act conducted by the reorganizing cooperative financial institution while knowing that it would prejudice an unsecured or secured reorganization creditor; provided, however, that this does not apply where the person that has benefited from the act did not know, at the time of the act, the fact that it would prejudice any unsecured or secured reorganization creditor; and
 - (ii) an act that would prejudice an unsecured or secured reorganization creditor conducted by the reorganizing cooperative financial institution after the suspension of payments or the filing of a petition to commence reorganization proceedings, bankruptcy proceedings or rehabilitation proceedings (hereinafter referred to as "Suspension of Payments, etc." in this Article) took place; provided, however, that this does not apply where the person that has benefited from the act did not know, at the time of the act, the fact that Suspension of Payments, etc. had taken place nor the fact that the act would prejudice any unsecured or secured reorganization creditor.
- (2) With respect to an act concerning the extinguishment of debt conducted by the reorganizing cooperative financial institution, if the value of the performance received by the creditor exceeds the amount of debt extinguished by the act, and the act satisfies any of the requirements set forth in the items of the preceding paragraph, that act may be avoided in the interest of the assets of the reorganizing cooperative financial institution after the commencement of the reorganization proceedings, only with regard to the part other than that equivalent to the amount of debt extinguished.
- (3) Any gratuitous act, or any onerous act that should be deemed to be equal to that gratuitous act, conducted by the reorganizing cooperative financial institution after or within six months prior to Suspension of Payments, etc. may be avoided in the interest of the assets of the reorganizing cooperative financial institution after the commencement of the reorganization proceedings.

(Denying Acts of Disposing of Assets for Reasonable Consideration)

Article 57-2 (1) If a reorganizing cooperative financial institution, after conducting the act of disposing of its assets, has received reasonable

consideration from the other party to that act, the act may be denied in the interest of the assets of the reorganizing cooperative financial institution after the commencement of the reorganization proceedings, if it satisfies all of the following requirements:

- (i) the act has the actual risk that the reorganizing cooperative financial institution would conceal, gratuitously convey or otherwise dispose of the assets in a manner prejudicial to unsecured or secured reorganization creditor (hereinafter referred to as "concealing or other disposal" in this Article) by realizing real property or otherwise changing the type of assets by way of the relevant disposition;
 - (ii) the reorganizing cooperative financial institution, at the time of the act, had the intention of concealing or carrying out other disposal of the money or any other assets that it received as a value for the act; and
 - (iii) the other party, at the time of the act, knew that the reorganizing cooperative financial institution had the intention of concealing or carrying out other disposal as referred to in the preceding item.
- (2) In applying the provisions of the preceding paragraph, if the other party to the act in question is a board member, inspector, accounting auditor (when the accounting auditor is a corporation, including any member that is supposed to carry out that corporation's duties) or liquidator of a reorganizing cooperative financial institution, the other party is presumed to have known, at the time of the act, that the reorganizing cooperative financial institution had the intention of concealing or carrying out other disposal referred to in item (ii) of that paragraph.

(Denying Provision of Security to Specific Creditors)

Article 57-3 (1) The following acts (limited to acts concerning the provisions of security or extinguishment of debt conducted with regard to an existing debt) may be denied in the interest of the assets of the reorganizing cooperative financial institution after the commencement of the reorganization proceedings:

- (i) an act conducted by the reorganizing cooperative financial institution after it became unable to pay debts (the condition in which the reorganizing cooperative financial institution, due to the lack of ability to pay, is generally and continuously unable to pay its debts as they become due; hereinafter the same applies in this Article) or a petition to commence reorganization proceedings, bankruptcy proceedings or rehabilitation proceedings was filed (hereinafter referred to as a "petition to commence reorganization proceedings or other such procedures" in this Article); provided, however, that this apply only where the creditor, at the time of the act, knew either of the facts referred to in (a) or (b) below for the cases set forth in (a) or (b),

respectively:

- (a) where the act was conducted after the reorganizing cooperative financial institution became unable to pay debts: the fact that the reorganizing cooperative financial institution was unable to pay debts or suspended payments;
 - (b) where the act was conducted after a petition to commence reorganization proceedings or other such procedures was filed: the fact that a petition to commence reorganization proceedings or other such procedures was filed;
 - (ii) an act that is not within the obligation of the reorganizing cooperative financial institution in terms of the act itself or the time of performance of the act, which was conducted within 30 days before the reorganizing cooperative financial institution became unable to pay debts; provided, however, that this does not apply if the creditor did not know, at the time of the act, the fact that it would prejudice other unsecured or secured reorganization creditors.
- (2) For the purpose of application of the provisions of item (i) of the preceding paragraph, in the following cases, the creditor is presumed to have known, at the time of the act referred to in that item, either of the facts referred to in (a) or (b) below for the cases set forth in (a) or (b), respectively (in the case referred to in (a) of that item, both the facts that the reorganizing cooperative financial institution was unable to pay debts and that the reorganizing cooperative financial institution suspended payments):
- (i) where the creditor is a board member, inspector, accounting auditor (when the accounting auditor is a corporation, including any member that is supposed to carry out that corporation's duties) or liquidator of the reorganizing cooperative financial institution; or
 - (ii) where the act referred to in item (i) of the preceding paragraph is not within the obligation of the reorganizing cooperative financial institution in terms of the act itself or the means or time of performance of the act.
- (3) For the purpose of application of the provisions of the items of paragraph (1), after the suspension of payments took place (limited to suspension that took place within one year prior to the petition to commence reorganization proceedings or other such procedures), the reorganizing cooperative financial institution is presumed to have been unable to pay debts.

(Exceptions to Payment of Debts on Negotiable Instruments)

Article 58 (1) The provisions of paragraph (1), item (i) of the preceding Article do not apply where a person that has received payment of a negotiable instrument from the reorganizing cooperative financial institution would lose their right on the negotiable instrument against one or more debtors on the negotiable instrument unless they receive the payment.

- (2) In the case referred to in the preceding paragraph, if the final obligor for redemption or the person that had entrusted the drawing of the negotiable instrument knew or was negligent in not knowing, at the time of drawing, the fact that Suspension of Payments, etc. had taken place, a trustee may have these persons redeem the money paid by the reorganizing cooperative financial institution to them.
- (3) The provisions of paragraph (1) of the preceding Article do not apply to any act concerning the provisions of security or extinguishment of debt, which is conducted by the reorganizing cooperative financial institution with regard to a right to impose taxes or other charges (excluding a claim for Foreign Tax Subject to Mutual Assistance prescribed in Article 11, paragraph (1) of the Act on Special Provisions, etc. of the Income Tax Act, the Corporation Tax Act and the Local Tax Act Incidental to Enforcement of Tax Treaties, etc. (Act No. 46 of 1969; hereinafter referred to as the "Act on Special Provisions for Enforcement of Tax Treaties, etc."); this tax is hereinafter referred to as a "Foreign Tax Subject to Mutual Assistance") or a claim to a fine, etc. arising prior to the commencement of reorganization proceedings prescribed in Article 84, item (ii) for the person that has the power to collect the tax, etc. or fine.

(Denying Requirements of Perfection for Changes in Rights)

- Article 59 (1) Where an act necessary for duly asserting the establishment, transfer or modification of a right against a third party (including a provisional registration) was conducted after Suspension of Payments, etc. took place, the act may be denied if it was conducted after 15 days had elapsed since the date of establishment, transfer or modification of the right, while knowing that Suspension of Payments, etc. had taken place; provided, however, that this does not apply to a definitive registration based on prior unavoidable provisional registration.
- (2) The provisions of the preceding paragraph apply mutatis mutandis to a registration based on which the acquisition of a right becomes effective.

(Effect of Exercising a Right of Avoidance)

Article 60 The provisions of Article 89 to Article 98 of the Corporate Reorganization Act apply mutatis mutandis to the right of avoidance in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 86, paragraph (3)" in Article 90 and Article 91, paragraph (2) of that Act is deemed to be replaced with "Article 57, paragraph (3) of the Act on Special Measures"; the phrase "assets of the reorganizing company" in paragraph (1) of that Article and Article 91-2, paragraphs (1), (2) and (4) and Article 94, paragraph (3) of that Act is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the

reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures"); the phrase "Article 86, paragraph (1) or (3) or Article 86-2, paragraph (1)" in Article 91-2, paragraphs (1) and (4) of that Act is deemed to be replaced with "Article 57, paragraph (1) or (3) or Article 57-2, paragraph (1) of the Act on Special Measures"; the phrase "any of the persons set forth in the items of Article 86-2, paragraph (2)" in paragraph (3) of that Article and Article 93, paragraph (1), item (ii) of that Act is deemed to be replaced with "board member, inspector, accounting auditor (when the accounting auditor is a corporation, including any member that is supposed to carry out that corporation's duties) or liquidator of the reorganizing cooperative financial institution"; the phrase "Article 86-3, paragraph (1)" in Article 92 of that Act is deemed to be replaced with "Article 57-3, paragraph (1) of the Act on Special Measures"; the phrase "Article 39-2, paragraph (1)" in Article 94, paragraph (1) in that Act is deemed to be replaced with "Article 29-2, paragraph (1) of the Act on Special Measures"; the phrase "Article 44, paragraph (2)" in that paragraph and paragraph (3) of that Article is deemed to be replaced with "Article 44, paragraph (2) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures"; the phrase "Article 39-2, paragraph (2)" in that paragraph is deemed to be replaced with "Article 39-2, paragraph (2) as applied mutatis mutandis pursuant to Article 29-2, paragraph (2) of the Act on Special Measures"; the phrase "the main clause of Article 10, paragraph (3)" in Article 96, paragraph (4) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures"; the phrase "Article 234, item (ii) or (v)" in Article 97, paragraph (6) of that Act is deemed to be replaced with "Article 234, item (ii) or (v) as applied mutatis mutandis pursuant to Article 150 of the Act on Special Measures"; and the phrase "Article 52, paragraph (4)" is deemed to be replaced with "Article 52, paragraph (4) as applied mutatis mutandis pursuant to Article 37 of the Act on Special Measures".

Article 61 Deleted

Subsection 5 Enforcing the Liability of a Reorganizing Cooperative Financial Institution's Officers

(Provisional Remedy on Assets of Officers)

Article 62 The provisions of Article 99 of the Corporate Reorganization Act (excluding item (ii) of paragraph (1)) apply mutatis mutandis to a provisional remedy in cases where an order commencing reorganization proceedings of a Cooperative Financial Institution is made. In this case, the phrase

"incorporator, Director at Incorporation, Auditor at Incorporation" in paragraph (1), item (i) of that Article is deemed to be replaced with "incorporator"; the phrase "officer, etc. (excluding its auditor at incorporation, accounting advisor, company auditor, accounting auditor and liquidator)" in item (ii) of that paragraph is deemed to be replaced with "board member"; the phrase "Article 52, paragraph (1), Article 52-2, paragraph (1) or (2), Article 103, paragraph (2), Article 213, paragraph (1), Article 213-3, paragraph (1), Article 286, paragraph (1) or Article 286-3, paragraph (1) of the Companies Act" in that item is deemed to be replaced with "Article 213-3, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 14, paragraph (2) of the Act on Preferred Equity Investment by Cooperative Financial Institution (Act No. 44 of 1993); and the phrase "the main clause of Article 10, paragraph (3)" in paragraph (5) of that Article is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

(Petition for Assessment of the Liability of Officers)

Article 63 The provisions of Article 100 to Article 103 of the Corporate Reorganization Act apply mutatis mutandis to the assessment of right to claim prescribed in the items of Article 99, paragraph (1) of that Act as applied mutatis mutandis pursuant to the preceding Article. In this case, the phrase "the items of paragraph (1) of the preceding Article" in Article 100, paragraph (1) of that Act is deemed to be replaced with "the items of paragraph (1) of the preceding Article as applied mutatis mutandis pursuant to Article 62 of the Act on Special Measures"; and the phrase "the main clause of Article 10, paragraph (3)" in Article 101, paragraph (3) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

Subsection 6 Request to Extinguish a Security Interest

Division 1 Request to Extinguish a Security Interest

(Order Permitting Extinguishment of a Security Interest; Request for Valuation)

Article 64 The provisions of Article 104 to Article 112 of the Corporate Reorganization Act apply mutatis mutandis to the extinguishment of security interest in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the main clause of Article 10, paragraph (3)" in Article 104, paragraphs (4) and (6), Article 106, paragraph (6) and Article 111, paragraph (5) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to

Article 10 of the Act on Special Measures"; the phrase "the first sentence of Article 72, paragraph (4)" in Article 109 and Article 111, paragraph (6) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; and the phrase "Article 138, paragraph (1)" in paragraph (3) of that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

Division 2 Deposit by the Third-Party Debtor of a Pledge on a Claim

Article 65 The provisions of Article 113 of the Corporate Reorganization Act apply mutatis mutandis to a debtor of the monetary claim that is the subject matter of the pledge in relation to a secured reorganization claim in the reorganization proceedings of a Cooperative Financial Institution.

Subsection 7 Stakeholder Meetings

Article 66 The provisions of Article 114 to Article 116 of the Corporate Reorganization Act apply mutatis mutandis to a meeting of persons concerned in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 117, paragraph (2)" in Article 114, paragraph (1), item (ii) of that Act is deemed to be replaced with "Article 67, paragraph (1) of the Act on Special Measures"; the phrase "Article 117, paragraph (6)" in item (iii) of that paragraph is deemed to be replaced with "Article 67, paragraph (2) of the Act on Special Measures"; the phrase "shareholders' committee prescribed in Article 117, paragraph (7)" in item (iv) of that paragraph is deemed to be replaced with "committee of Partners or Members as prescribed in Article 67, paragraph (3) of the Act on Special Measures"; the phrase "holds one-tenth or more of the voting rights of all shareholders" in item (vi) of that paragraph is deemed to be replaced with "is specified in the items of Article 15, paragraph (3) of the Act on Special Measures of a reorganizing cooperative financial institution, according to the type"; the phrase "Article 42, paragraph (2)" in Article 115, paragraph (1) of that Act is deemed to be replaced with "Article 42, paragraph (2) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures"; and the phrase "Article 46, paragraph (3), item (iii)" in paragraph (3) of that Article is deemed to be replaced with "Article 33, paragraph (3), item (iii) of the Act on Special Measures".

Subsection 8 Reorganization Creditors Committees and Reorganization Creditors' Representatives

(Reorganization Creditors Committees)

Article 67 (1) The provisions of Article 117, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to cases where there is a committee consisting of reorganization creditors in the reorganization proceedings of a Cooperative Financial Institution, and the provisions of paragraphs (2) to (5) of that Article apply mutatis mutandis to the cases where there is a committee approved pursuant to the provisions of paragraph (1) of that Article as applied mutatis mutandis pursuant to this paragraph (hereinafter referred to as a "reorganization creditors committee" in this Chapter). In this case, the phrase "the first sentence of Article 72, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; and the phrase "assets of the reorganizing company" in paragraph (4) of that Article is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)".

(2) The provisions of Article 117, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a committee consisting of secured reorganization creditors in the reorganization proceedings of a Cooperative Financial Institution, and the provisions of paragraphs (2) to (5) of that Article apply mutatis mutandis to the cases where there is a committee approved pursuant to the provisions of paragraph (1) of that Article as applied mutatis mutandis pursuant to this paragraph (hereinafter referred to as a "secured reorganization creditors committee" in this Chapter). In this case, the phrase "the first sentence of Article 72, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; and the phrase "assets of the reorganizing company" in paragraph (4) of that Article is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)".

(3) The provisions of Article 117, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a committee consisting of Partners or Members in the reorganization proceedings of a Cooperative Financial Institution, and the provisions of paragraphs (2) to (5) of that Article apply mutatis mutandis to the cases where there is a committee approved pursuant to the provisions of paragraph (1) of that Article as applied mutatis mutandis pursuant to this paragraph (hereinafter referred to as a "committee of Partners or Members" in this Chapter). In this case, the phrase "the first

sentence of Article 72, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; and the phrase "assets of the reorganizing company" in paragraph (4) of that Article is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)".

(Hearing of Opinions of the Reorganization Creditors Committees)

Article 68 The provisions of Article 118 to Article 120 of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a reorganization creditors committee in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the first sentence of Article 72, paragraph (4)" in Article 118, paragraph (1) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; the phrase "Article 83, paragraph (3) or (4) or Article 84" in Article 119, paragraph (1) of that Act is deemed to be replaced with "Article 83, paragraph (3) or (4) or Article 84 as applied mutatis mutandis pursuant to Article 55 of the Act on Special Measures"; the phrase "Article 12, paragraph (1)" in paragraph (2) of that Article is deemed to be replaced with "Article 12, paragraph (1) as applied mutatis mutandis pursuant to Article 11 of the Act on Special Measures"; the phrase "Article 84, paragraph (2)" in Article 120 of that Act is deemed to be replaced with "Article 84, paragraph (2) as applied mutatis mutandis pursuant to Article 55 of the Act on Special Measures for the Reorganization of Financial Institution".

(Application Mutatis Mutandis to Secured Reorganization Creditors Committees and Committees of Partners or Members)

Article 69 The provisions of Article 118 to Article 120 of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a secured reorganization creditors committee or a committee of Partners or Members in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the first sentence of Article 72, paragraph (4)" in Article 118, paragraph (1) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; the phrase "Article 83, paragraph (3) or (4) or Article 84" in Article 119, paragraph (1) of that Act is deemed to be replaced with "Article 83, paragraph (3) or (4) or Article 84 as applied mutatis mutandis pursuant to Article 55 of the Act on Special

Measures"; the phrase "Article 12, paragraph (1)" in paragraph (2) of that Article is deemed to be replaced with "Article 12, paragraph (1) as applied mutatis mutandis pursuant to Article 11 of the Act on Special Measures"; and the phrase "Article 84, paragraph (2)" in Article 120 of that Act is deemed to be replaced with "Article 84, paragraph (2) as applied mutatis mutandis pursuant to Article 55 of the Act on Special Measures".

(Reorganization Creditors' Representatives)

Article 70 The provisions of Article 122 and Article 123 of the Corporate Reorganization Act apply mutatis mutandis to the appointment of a reorganization creditors' representative in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "assets of the reorganizing company" in paragraph (5) of that Article is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)".

(Compensation)

Article 71 The provisions of Article 124 of the Corporate Reorganization Act apply mutatis mutandis to the reimbursement of expenses and payment of compensation in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "property of the reorganizing company" in paragraph (1) of that Article is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)".

Subsection 9 Examination Orders

(Examination Orders)

Article 72 (1) After the commencement of reorganization proceedings, the court, when it finds it necessary, upon the petition of an interested person or by its own authority, may make a disposition to order an examination or a statement of opinion by an examiner regarding any or all of the following particulars:

- (i) whether or not there are circumstances that require a provisional remedy under the provisions of Article 99, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 62 or Ruling Evaluating Subject Officers' Liability prescribed in Article 100, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 63, and the necessity of the relevant order or ruling;
- (ii) whether or not the balance sheet and inventory of assets prepared by the

- trustee are appropriate, and whether or not the trustee's report on the status of the administration of the business and assets of the reorganizing cooperative financial institution and any other particulars ordered by the court are appropriate;
- (iii) whether or not the proposed reorganization plan or reorganization plan is appropriate; and
 - (iv) any other particulars requiring an examination or a statement of opinion by the examiner in relation to the reorganization case.
- (2) The court, when making the disposition referred to in the preceding paragraph (hereinafter referred to as an "examination order" in this Chapter), in the examination order, must appoint one or more examiners and specify the particulars that should be subject to an examination or a statement of opinion by the examiner(s) and the period during which they should make the report or statement to the court.
- (3) The provisions of Article 125, paragraphs (3) to (6) of the Corporate Reorganization Act apply mutatis mutandis to an examination order in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the main clause of Article 10, paragraph (3)" in that paragraph is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

(Application Mutatis Mutandis of Provisions on Trustees to Examiners)

Article 73 The provisions of Article 53, paragraphs (1) to (4) and the provisions of Article 67, paragraph (2), Article 68, the main clause of Article 69, paragraph (1), Article 77 and Article 80 of the Corporate Reorganization Act apply mutatis mutandis to an examiner in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 2, item (iii) of the Companies Act" in Article 77, paragraph (2) of that Act is deemed to be replaced with "Article 4, paragraph (1) of the Act on Financial Businesses by Cooperative, Article 32, paragraph (6) of the Shinkin Bank Act or Article 32, paragraph (5) of the Labor Bank Act".

Section 4 Common-Benefit Claims and Post-Commencement Claims

Subsection 1 Common-Benefit Claims

- (Claims Constituting Common-Benefit Claims)
- Article 74 The following claims are common-benefit claims:
- (i) a claim for expenses for court proceedings for the common interest of an unsecured or secured reorganization creditor and Partners or Members;
 - (ii) a claim for expenses for the management of the business and the

- administration and disposition of the assets of the reorganizing cooperative financial institution after the commencement of reorganization proceedings;
- (iii) a claim for expenses to implement a reorganization plan (excluding one arising after the end of reorganization proceedings);
 - (iv) a claim for expenses, remuneration and compensation payable under the provisions of Article 53, paragraph (1) (including as applied mutatis mutandis pursuant to Article 24, paragraph (1), Article 28, Article 53, paragraph (5) and the preceding Article), the provisions of Article 117, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 67, the provisions of Article 123, paragraph (5) of that Act as applied mutatis mutandis pursuant to Article 70, the provisions of Article 124, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 71, and the provisions of Article 162 of that Act as applied mutatis mutandis pursuant to Article 88;
 - (v) a claim arising from the borrowing of funds or any other act conducted by the trustee or reorganizing cooperative financial institution (limited to cases where authorities of the reorganizing cooperative financial institution pursuant to the provisions of the first sentence of Article 72, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 45 restored its powers) with respect to the business and assets of the reorganizing cooperative financial institution;
 - (vi) a claim arising against the reorganizing cooperative financial institution after the commencement of reorganization proceedings from management without mandate or unjust enrichment; and
 - (vii) a claim for unavoidable expenses that should be paid for the interest of the reorganizing cooperative financial institution, which has arisen after the commencement of reorganization proceedings (other than one set forth in the preceding items).

(Borrowings Prior to Commencement)

- Article 75 (1) A right to claim arising from the borrowing of funds or any other act conducted by a provisional administrator as empowered with respect to the business and assets of the cooperative financial institution awaiting reorganization proceedings is a common-benefit claim.
- (2) Where a cooperative financial institution awaiting reorganization proceedings (excluding one for which a provisional administrator is appointed; hereinafter the same applies in this paragraph and paragraph (4)), after a petition to commence reorganization proceedings is filed and before reorganization proceedings is commenced, borrows funds or conducts any other act indispensable for the continuation of business of the cooperative financial institution awaiting reorganization proceedings, the court may grant

permission to the effect that the other party's right to claim arising from the act is a common-benefit claim.

- (3) The court may empower a supervisor to give approval in lieu of the permission referred to in the preceding paragraph.
- (4) If a cooperative financial institution awaiting reorganization proceedings has conducted any of the acts prescribed in paragraph (2) with the permission referred to in paragraph (2) or approval referred to in the preceding paragraph, the other party's right to claim arising from the act is a common-benefit claim.

(Withholding Income Tax and Other Taxes)

Article 76 A right to claim income tax, consumption tax, liquor tax, tobacco tax, gasoline tax, local gasoline tax, liquefied petroleum gas tax, petroleum and coal tax and local consumption tax withheld at the source, prefectural tobacco tax (including tobacco tax imposed by the Tokyo metropolitan government) and municipal tobacco tax (including tobacco tax imposed in special wards) collected by means of self-assessment and payment, and local tax that should be collected and paid by a person under the obligation of special collection, arising from a cause that has occurred prior to the commencement of reorganization proceedings against a reorganizing cooperative financial institution, for which, by the time of the commencement of reorganization proceedings, the due date of payment has not yet arrived, is a common-benefit claim.

(Salaries for Employees)

- Article 77 (1) Where an order commencing reorganization proceedings of a Cooperative Financial Institution is made, a claim for the salaries for employees of the Cooperative Financial Institution for six months preceding the commencement of reorganization proceedings and a claim for a the refund of the fidelity guarantee deposit of employees of the Cooperative Financial Institution arising due to an occurrence prior to the commencement of reorganization proceedings are a common-benefit claim.
- (2) In the case prescribed in the preceding paragraph, a claim to the severance pay of an employee of the Cooperative Financial Institution that has retired prior to the order confirming the reorganization plan is a common-benefit claim for an amount equivalent to the total amount of the employee's salary for the six months preceding retirement or for an amount equivalent to one-third of the amount of the severance pay, whichever is larger.
 - (3) Notwithstanding the provisions of the preceding paragraph, the right to claim severance pay referred to in that paragraph which is a claim for periodic payments is a common-benefit claim for an amount equivalent to one-third of the amount of the periodic payments in each period.

- (4) The provisions of the preceding two paragraphs do not apply to the right to claim severance pay deemed as a common-benefit claim pursuant to the provisions of Article 74.
- (5) In the case prescribed in paragraph (1), a claim to the return of a deposit of an employee of the Cooperative Financial Institution which arises due to an occurrence prior to the commencement of reorganization proceedings is a common-benefit claim for an amount equivalent to the total amount of the employee's salary for six months preceding the commencement of reorganization proceedings or for an amount equivalent to one-third of the amount of the deposit, whichever is larger.

(Handling of Common-Benefit Claims)

Article 78 The provisions of Article 132 and Article 133 of the Corporate Reorganization Act apply mutatis mutandis to the Handling of a common-benefit claim in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the first sentence of Article 72, paragraph (4)" in Article 132, paragraph (3) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; and the phrase "assets of the reorganizing company" in Article 133, paragraph (1) of that Act is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution as prescribed in Article 4, paragraph (14) of the Act on Special Measures)".

Subsection 2 Post-Commencement Claims

- Article 79 (1) A right to claim assets due to an occurrence after the commencement of reorganization proceedings (excluding one that is a common-benefit claim or reorganization claim, etc.) is a post-commencement claim.
- (2) The provisions of Article 134, paragraphs (2) and (3) of the Corporate Reorganization Act apply mutatis mutandis to a post-commencement claim in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase ", exercise of security interest and exercise of an enterprise mortgage" in that paragraph is deemed to be replaced with "and exercise of security interest".

Section 5 Reorganization Creditors and Secured Reorganization Creditors

Subsection 1 Participation of Reorganization Creditors and Secured Reorganization Creditors in the Reorganization Process

- Article 80 (1) The provisions of Article 135, paragraph (1), Article 136 and Article 137 of the Corporate Reorganization Act apply mutatis mutandis to, in the reorganization proceedings of a Cooperative Financial Institution, the participation of an unsecured or secured reorganization creditor in reorganization proceedings. In this case, the phrase "Article 142, item (ii)" in Article 136, paragraph (2), item (v) of that Act is deemed to be replaced with "Article 84, item (ii) of the Act on Special Measures".
- (2) The provisions of Article 104 and Article 105 of the Bankruptcy Act apply mutatis mutandis to the exercise of rights by an unsecured or secured reorganization creditor once the reorganization proceedings of a Cooperative Financial Institution has commenced. In this case, the phrase "commencement of bankruptcy proceedings" in Article 104 and Article 105 of that Act is deemed to be replaced with "commencement of reorganization proceedings (meaning reorganization proceedings prescribed in Article 4, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "in bankruptcy proceedings " in Article 104, paragraphs (1), (3) and (4) and Article 105 of that Act is deemed to be replaced with "in reorganization proceedings (meaning reorganization proceedings prescribed in Article 4, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "the bankrupt" in the provisions of Article 104, paragraphs (3) to (5) of that Act is deemed to be replaced with "reorganizing cooperative financial institution (meaning reorganizing cooperative financial institution prescribed in Article 4, paragraph (7) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; and the phrase "bankruptcy creditor" in paragraph (4) of that Article is deemed to be replaced with "unsecured or secured reorganization creditor (meaning unsecured or secured reorganization creditor prescribed in Article 4, paragraph (13) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)".
- (3) Notwithstanding the provisions of Article 135, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to paragraph (1), in order to participate in reorganization proceedings by reason of a claim for a Foreign Tax Subject to Mutual Assistance, a Decision of Implementation of Mutual Assistance (meaning the Decision of Implementation of Mutual Assistance prescribed in Article 11, paragraph (1) of the Act on Special Provisions for Enforcement of Tax Treaties, etc.; the same applies in Article 247, paragraph (3)) is required.

Subsection 2 Reporting Reorganization Claims and Secured Reorganization Claims

(Reporting an Unsecured or Secured Reorganization Claim)

Article 81 The provisions of Article 138 and Article 139 of the Corporate Reorganization Act apply mutatis mutandis to the filing of a proof of an unsecured or secured reorganization claim in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 42, paragraph (1)" in Article 138, paragraph (1) of that Act is deemed to be replaced with "Article 42, paragraph (1) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures".

(Special Provisions on Filing of Proofs of a Right to Claim Severance Pay)

Article 82 The provisions of Article 140, paragraphs (1) and (2) of the Corporate Reorganization Act apply mutatis mutandis to the right to claim the severance pay of any board member, inspector, Representative Board Member, liquidator, representative liquidator or employee of a reorganizing cooperative financial institution. In this case, the phrase "Article 138, paragraph (1)" in that paragraph is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

(Changes to the Name of a Holder of a Filed Claim)

Article 83 The provisions of Article 141 of the Corporate Reorganization Act apply mutatis mutandis to a person that has acquired a filed reorganization claim, etc. in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 138, paragraph (1)" in that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

(Filing Notification of the Right to Impose Taxes and Other Charges)

Article 84 A person that holds any of the following rights to claim must file a proof to the court, without delay, with regard to the amount and cause of that right to claim, the content of any security interest, and if the right to claim in question is a claim for a Foreign Tax Subject to Mutual Assistance, a statement to that effect:

- (i) the right to impose taxes or other charges; and
- (ii) a claim to fines, etc. arising prior to the commencement of reorganization proceedings (meaning a claim to a fine, petty fine, court costs for a criminal case, collection of equivalent value or civil fine arising prior to the commencement of reorganization proceedings that does not fall under the category of a common-benefit claim).

Article 85 Deleted

**Subsection 3 Investigation and Finalization of Reorganization Claims
and Secured Reorganization Claims**
**Division 1 Investigation of Reorganization Claims and Secured
Reorganization Claims**

(Preparation of Schedules for Reorganization Creditors and Secured
Reorganization Creditors)

Article 86 (1) A court clerk must prepare a schedule for reorganization creditors and secured reorganization creditors with regard to filed unsecured or secured reorganization claims.

(2) In the schedule of reorganization creditors referred to in the preceding paragraph, for each reorganization claim, the particulars set forth in Article 138, paragraph (1), items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 81, and any other particulars specified by Rules of the Supreme Court are entered.

(3) In the schedule of secured reorganization creditors referred to in paragraph (1), for each secured reorganization claim, the particulars set forth in Article 138, paragraph (2), items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 81, and any other particulars specified by Rules of the Supreme Court must be entered.

(4) If there are any errors in the entries in the schedule of reorganization creditors or schedule of secured reorganization creditors, a court clerk, upon petition or by their own authority, may make a disposition to correct the statements at any time.

(Investigation of an Unsecured or Secured Reorganization Claim)

Article 87 The provisions of Article 145 to Article 150 of the Corporate Reorganization Act apply mutatis mutandis to an investigation of a reorganization claim, etc. in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "paragraphs (2) and (3) of the preceding Article" in Article 145 of that Act is deemed to be replaced with "Article 86, paragraphs (2) and (3) of the Act on Special Measures"; the phrase "Article 138, paragraph (1)" in Article 146, paragraph (1) and Article 147, paragraph (3) of that Act is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 139, paragraph (1) or (3)" in Article 146, paragraph (2) and Article 148, paragraph (1) of that Act is deemed to be replaced with "Article 139, paragraph (1) or (3) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 42, paragraph (1)" in Article 146, paragraph (3) of that Act is deemed to be

replaced with "Article 42, paragraph (1) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures"; the phrase "Article 140, paragraph (2) (including as applied mutatis mutandis pursuant to paragraph (3) of that Article)" in Article 149, paragraph (1) of that Act is deemed to be replaced with "Article 140, paragraph (2) as applied mutatis mutandis pursuant to Article 82 of the Act on Special Measures"; and the phrase "Article 139, paragraph (5)" is deemed to be replaced with "Article 139, paragraph (5) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

Division 2 Court Proceedings to Finalize Reorganization Claims and Secured Reorganization Claims

(Assessment Order for an Unsecured or Secured Reorganization Claim)

Article 88 The provisions of Article 151 to Article 163 of the Corporate Reorganization Act apply mutatis mutandis to the determination of a reorganization claim, etc. in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the first sentence of Article 149, paragraph (3)" in Article 151, paragraph (1) of that Act is deemed to be replaced with "the first sentence of Article 149, paragraph (3) as applied mutatis mutandis pursuant to Article 87 of the Act on Special Measures"; the phrase "Article 149, paragraph (4)" in paragraph (2) of that Article and Article 158, paragraph (3) is deemed to be replaced with "Article 149, paragraph (4) as applied mutatis mutandis pursuant to Article 87 of the Act on Special Measures; the phrase "the main clause of Article 10, paragraph (3)" in Article 151, paragraph (5) and Article 154, paragraph (4) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures"; the phrase "Article 5, paragraph (6)" in Article 152, paragraph (3) of that Act is deemed to be replaced with "Article 5, paragraph (6) as applied mutatis mutandis pursuant to Article 7 of the Act on Special Measures"; the phrase "Article 7, item (iii)" is deemed to be replaced with "Article 7, item (iii) as applied mutatis mutandis pursuant to Article 8 of the Act on Special Measures"; the phrase "Article 5, paragraph (1)" is deemed to be replaced with "Article 5, paragraph (1) as applied mutatis mutandis pursuant to Article 7 of the Act on Special Measures"; the phrase "Article 138, paragraph (2), item (ii)" in Article 154, paragraph (5), item (i) of that Act is deemed to be replaced with "Article 138, paragraph (2), item (ii) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 138, paragraph (1), items (i) and (ii) and paragraph (2), items (i) and (ii)" in Article 157 of that Act is deemed to be replaced with "Article 138, paragraph (1), items (i) and (ii) and,

paragraph (2), items (i) and (ii) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 147, paragraph (1) or Article 148, paragraph (4)" in Article 158, paragraph (4) of that Act is deemed to be replaced with "Article 147, paragraph (1) or Article 148, paragraph (4) as applied mutatis mutandis pursuant to Article 87 of the Act on Special Measures"; the phrase "assets of the reorganizing company" in Article 162 of that Act is deemed to be replaced with "assets of the reorganizing cooperative financial institution (meaning assets of the reorganizing cooperative financial institution prescribed in Article 4, paragraph (14) of the Act on Special Measures)"; and the phrase "Article 52, paragraph (4)" in Article 163, paragraph (5) of that Act is deemed to be replaced with "Article 52, paragraph (4) as applied mutatis mutandis pursuant to Article 37 of the Act on Special Measures".

Division 3 Special Provisions on the Right to Impose Taxes and Other Charges

- Article 89 (1) The provisions of Article 164, paragraphs (1) to (4) of the Corporate Reorganization Act apply mutatis mutandis to the right to impose taxes or other charges in the reorganization proceedings of a Cooperative Financial Institution and the right to claim fines, etc. arising prior to the commencement of reorganization proceedings prescribed in Article 84, item (ii). In this case, the phrase "the preceding two subsections (excluding Article 144)" in Article 164, paragraph (1) of that Act is deemed to be replaced with "Chapter II, Section 5, Subsection 3, Division 1 and Division 2 of the Act on Special Measures (excluding Article 86 of the Act on Special Measures)"; and the phrase "Article 142" in paragraph (2) of that Article is deemed to be replaced with "Article 84 of the Act on Special Measures".
- (2) The provisions of Article 150, paragraph (2) of the Corporate Reorganization Act apply mutatis mutandis to a filed right to claim under the provisions of Article 84, and the provisions of Article 157, Article 160 and Article 161, paragraph (1) of that Act apply mutatis mutandis to the cases where an objection is made under the provisions of Article 164, paragraph (2) of that Act as applied mutatis mutandis pursuant to the preceding paragraph or an action is taken over under the provisions of paragraph (3) of that Article. In this case, the phrase "Article 138, paragraph (1), items (i) and (ii) and, paragraph (2), items (i) and (ii)" in Article 157 of that Act is deemed to be replaced with "Article 138, paragraph (1), items (i) and (ii) and, paragraph (2), items (i) and (ii) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

Section 6 Partners and Members

(Participation of Partners and Members in the Reorganization Process)

Article 90 (1) A Partner or Member may, with the interest they hold, participate in reorganization proceedings.

- (2) Persons that may participate in reorganization proceedings as a Partner or Member are decided based on the entry or record in the partner registry or member registry.
- (3) The court, upon petition by a Partner or Member that is not specified or recorded in the partner registry or member registry, may permit the Partner or Member to participate in reorganization proceedings. In this case, the court may also prevent a Partner or Member specified or recorded in the partner registry or member registry from participating in reorganization proceedings.
- (4) The court, upon the petition of an interested person or by its own authority, may change or revoke the order of permission under the provisions of the first sentence of the preceding paragraph or the order under the provisions of the second sentence of that paragraph.
- (5) An immediate appeal may be filed against a judicial decision on the petition referred to in the first sentence of paragraph (3) and the order under the provisions of the second sentence of that paragraph and the preceding paragraph.
- (6) Where a judicial decision prescribed in the preceding paragraph or a judicial decision on the immediate appeal referred to in that paragraph is made, the written decision must be served upon the parties concerned. In this case, the provisions of the main clause of Article 10, paragraph (3) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 10 do not apply.

(Voting Rights of Partners and Members)

Article 91 (1) Each Partner or Member (other than an individual member of a labor bank) is entitled to one vote.

- (2) Each individual member of a labor bank is entitled to voting rights equivalent to one four-hundredth of one vote.
- (3) Notwithstanding the provisions of the preceding two paragraphs, where the reorganizing cooperative financial institution, at the time of the commencement of reorganization proceedings, is unable to pay its debts in full with its assets, the Partner or Member is not entitled to vote.

Section 7 Preparation and Confirmation of a Reorganization Plan

Subsection 1 Provisions of a Reorganization Plan

(Particulars to Be Provided for in Reorganization Plans)

Article 92 (1) In the reorganization plan, provisions must be established with respect to the following particulars:

- (i) modification of some or all of the rights of unsecured or secured reorganization creditors or Partners or Members;
- (ii) board members, inspectors, accounting auditors and liquidators of the reorganizing cooperative financial institution;
- (iii) payment of common-benefit claims;
- (iv) method of raising funds to pay debt;
- (v) use of earnings exceeding the amount expected in the reorganization plan;
- (vi) amount or estimated amount and use of money referred to in (a) and (b) below:
 - (a) amount or estimated amount of money to be allocated for distribution, etc. in the proceedings or disposition prescribed in the main clause of Article 51, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 36; and
 - (b) amount of money paid to the court pursuant to the provisions of Article 108, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 64 (in the case of Article 112, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 64, the total of the amount of money paid to the court pursuant to the provisions of that paragraph and the amount specified in the order referred to in Article 111, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 64).
- (vii) the content of known post-commencement claims, if there are any.

(2) Beyond what is provided for in the first sentence of Article 72, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 45, the reorganization plan may specify clauses on any of the acts set forth in the items of Article 32, paragraph (1), amendment of the articles of incorporation, acts prescribed in Article 57-3, paragraph (1) or (2) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 58, paragraph (1) or (2) of the Shinkin Bank Act or Article 62, paragraph (1) or (2) of the Labor Bank Act, the establishment of a Cooperative Financial Institution or Stock Company and any other particulars required for reorganization.

(Modification of Rights Based on Reorganization Plans)

Article 93 (1) The content of a reorganization plan for persons that have the following types of rights is equal among persons that have the same type of rights; provided, however, that this does not apply where any person that will suffer detriment has given consent or where equity will not be undermined even if the plan otherwise provides for a small reorganization claim, etc. or any

of the rights to claim set forth in Article 136, paragraph (2), items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 80, paragraph (1) or any other difference in Handling of persons that have the same type of rights:

- (i) secured reorganization claims;
 - (ii) a reorganization claim for which a general statutory lien or any other general priority exists;
 - (iii) a reorganization claim other than those set forth in the preceding item and the following item;
 - (iv) a consensually-subordinated reorganization claim; and
 - (v) interest of Partners or Members.
- (2) Where a priority exists with regard to the amount of a reorganization claim referred to in item (ii) of the preceding paragraph arising for a specific period of time, that period is calculated from the time of the commencement of reorganization proceedings.
- (3) The provisions of Article 168, paragraphs (3) to (7) and Article 169 to Article 172 of the Corporate Reorganization Act apply mutatis mutandis to a reorganization plan in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the items of paragraph (1)" in Article 168, paragraph (3) of that Act is deemed to be replaced with "the items of Article 93, paragraph (1) of the Act on Special Measures"; the phrase "Article 142, item (ii)" in paragraphs (4) and (7) of that Article is deemed to be replaced with "Article 84, item (ii) of the Act on Special Measures"; and the phrase "the main clause of Article 151, paragraph (1)" in Article 172 of that Act is deemed to be replaced with "the main clause of Article 151, paragraph (1) as applied mutatis mutandis pursuant to Article 88 of the Act on Special Measures".

(Board Members of Reorganizing Cooperative Financial Institutions)

Article 94 (1) The particulars referred to in the following items are specified in the respective clauses referred to therein:

- (i) clause on board member of a reorganizing cooperative financial institution: the name or means of appointment or selection and term of office of the board member and Representative Board Member;
- (ii) clause on inspector of a reorganizing cooperative financial institution: the name or means of appointment and term of office of the inspector;
- (iii) clause on accounting auditors of a reorganizing cooperative financial institution in cases where the reorganizing cooperative financial institution becomes a specified credit cooperative, etc. (meaning a specified credit cooperative, etc. as prescribed in Article 5-8, paragraph (3) of the Act on Financial Businesses by Cooperative; hereinafter the same applies in this Chapter) or specified bank (meaning a specified bank as prescribed in Article

38-2, paragraph (3) of the Shinkin Bank Act or Article 41-2, paragraph (3) of the Labor Bank Act; hereinafter the same applies in this Chapter) at the time of the order confirming the reorganization plan: the name or means of appointment and term of office of the accounting auditor.

- (2) Where a reorganizing cooperative financial institution becomes a Cooperative Financial Institution to be liquidated pursuant to the provisions of Article 475 of the Companies Act as applied mutatis mutandis pursuant to Article 69 of the Small and Medium-Sized Enterprise Cooperatives Act, Article 63 of the Shinkin Bank Act or Article 67 of the Labor Bank Act at the time of the order confirming the reorganization plan, the particulars referred to in the following items are specified in the respective clauses referred to therein:
- (i) clause on liquidator of a reorganizing cooperative financial institution: the name or means of appointment or selection and term of office of the liquidator and representative liquidator;
 - (ii) clause on inspector of a reorganizing cooperative financial institution: the name or means of appointment and term of office of the inspector.
- (3) The term of office referred to in items (i) and (ii) of paragraph (1) and item (ii) of the preceding paragraph may not exceed one year.

(Reduction of the Unit Amount of Contribution)

Article 95 In the clauses on the following acts, particulars that require a resolution of a general meeting if those acts are to be performed in cases where reorganization proceedings are not conducted must be specified:

- (i) reduction of the unit amount of contribution;
- (ii) amendment of the articles of incorporation;
- (iii) acts prescribed in Article 57-3, paragraph (1) or (2) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 58, paragraph (1) or (2) of the Shinkin Bank Act or Article 62, paragraph (1) or (2) of the Labor Bank Act; and
- (iv) dividend of surplus.

(Receipt of Contributions)

Article 96 The following particulars must be specified in the clauses on the receipt of contributions:

- (i) the number of units of contribution to be received;
- (ii) if assets other than monies are the subject of the contribution, a statement to the effect and the description and value of the assets;
- (iii) the due date or period for the payment of contribution or delivery of assets referred to in the preceding item;
- (iv) where the whole or part of the right of an unsecured or secured reorganization creditor (limited to a person qualified as a Partner or

- Member; hereinafter the same applies in the following item and item (vi) and Article 133) or a Partner or Member is extinguished as provided for in the reorganization plan pursuant to the provisions of Article 205, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 126, if it is arranged that, when the creditor or the Partner or Member applies for a contribution, all or part of the amount of the contribution is deemed to have been paid, a statement to that effect;
- (v) when the right to receive an allotment of contribution of a reorganizing cooperative financial institution is to be granted to the unsecured or secured reorganization creditor or Partner or Member upon application for contribution, a statement to that effect and the date of the application for contribution; and
 - (vi) in the case prescribed in the preceding item, particulars concerning the allotment of contribution to the unsecured or secured reorganization creditor or Partner or Member.

(Receipt of Contributions in Exchange for Extinguishment of Right of Unsecured or Secured Reorganization Creditor or Partner or Member)

Article 97 The following particulars must be specified in the clauses on the receipt of contributions in exchange for the extinguishment of the whole or part of the right of an unsecured or secured reorganization creditor (limited to a person qualified as a Partner or Member; hereinafter the same applies in item (ii) and Article 134) or Partner or Member:

- (i) the number of units of contribution to be received; and
- (ii) particulars concerning the allotment of contribution to the unsecured or secured reorganization creditor or Partner or Member.

(Absorption-Type Merger)

Article 98 (1) The following particulars must be specified in the clauses on Absorption-Type Merger (limited to Absorption-Type Merger (meaning Absorption-Type Merger prescribed in Article 63-2 of the Small and Medium-Sized Enterprise Cooperatives Act, Article 60 of the Shinkin Bank Act, Article 62-3 of the Labor Bank Act or Article 2, paragraph (4) of the Merger and Conversion Act; hereinafter the same applies in this Chapter) where the reorganizing cooperative financial institution disappears and the Financial Institution surviving the Absorption-Type Merger (hereinafter referred to as a "Financial Institution Surviving an Absorption-Type Merger" in this Chapter) is a Cooperative Financial Institution; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Absorption-Type Merger Agreement;

- (ii) when a Financial Institution Surviving an Absorption-Type Merger delivers a Contribution, etc. (meaning contribution or money of the Cooperative Financial Institution; hereinafter the same applies in this Chapter) to unsecured or secured reorganization creditor at the time of the Absorption-Type Merger, the following particulars concerning the Contribution, etc.:
 - (a) when the Contribution, etc. is a contribution of the Financial Institution Surviving an Absorption-Type Merger, the number of units of the contribution or the means of calculating the number (in cases where there is an unsecured or secured reorganization creditor that cannot become the Partner or Member of the Financial Institution Surviving an Absorption-Type Merger, including the amount of money delivered to those unsecured or secured reorganization creditor or the means of calculating the amount), and particulars concerning the amount of the stated capital and reserve funds of the Financial Institution Surviving an Absorption-Type Merger; and
 - (b) when the Contribution, etc. is money, the amount of the money or the means of calculating the amount;
 - (iii) in the case prescribed in the preceding item, particulars concerning the allotment of Contribution, etc. referred to in that item to the unsecured or secured reorganization creditor.
- (2) The following particulars must be specified in the clauses on Absorption-Type Merger (limited to Absorption-Type Merger where the reorganizing cooperative financial institution disappears and the Financial Institution Surviving an Absorption-Type Merger is a Bank; hereinafter the same applies in this paragraph):
 - (i) particulars that should be specified in the Absorption-Type Merger Agreement;
 - (ii) when a Financial Institution Surviving an Absorption-Type Merger delivers Shares, etc. (meaning shares or money; hereinafter the same applies in this Chapter) to an unsecured or secured reorganization creditor at the time of the Absorption-Type Merger, the following particulars concerning the Shares, etc.:
 - (a) when the Shares, etc. are the shares of the Financial Institution Surviving an Absorption-Type Merger, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Financial Institution Surviving an Absorption-Type Merger; and
 - (b) when the Shares, etc. are money, the amount of the money or the means of calculating the amount;
 - (iii) in the case prescribed in the preceding item, particulars concerning the

allotment of Shares, etc. referred to in that item to the unsecured or secured reorganization creditor;

(iv) when a Financial Institution Surviving an Absorption-Type Merger delivers its Bonds, etc. (meaning bonds or share options; hereinafter the same applies in this Chapter) to the Partners or Members of the reorganizing cooperative financial institution at the time of the Absorption-Type Merger, the following particulars concerning the Bonds, etc.:

(a) when the Bonds, etc. are the bonds of the Financial Institution Surviving an Absorption-Type Merger (other than one with regard to bonds with share options), the classes of the bonds, and the total amount of the bonds for each class or the means of calculating the amount;

(b) when the Bonds, etc. are the share options of the Financial Institution Surviving an Absorption-Type Merger (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and

(c) when the Bonds, etc. are the bonds with share options of the Financial Institution Surviving an Absorption-Type Merger, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;

(v) in the case prescribed in the preceding item, particulars concerning the allotment of the Bonds, etc. referred to in that item to Partners or Members of the reorganizing cooperative financial institution.

(3) Particulars that should be specified in the Absorption-Type Merger Agreement must be specified in the clauses on Absorption-Type Merger (limited to Absorption-Type Merger where a reorganizing cooperative financial institution becomes a Financial Institution Surviving an Absorption-Type Merger).

(Consolidation-Type Mergers)

Article 99 (1) The following particulars must be specified in the clauses on Consolidation-Type Merger (limited to Consolidation-Type Merger (meaning Consolidation-Type Merger prescribed in Article 63-3 of the Small and Medium-Sized Enterprise Cooperatives Act, Article 61 of the Shinkin Bank Act, Article 62-4 of the Labor Bank Act or Article 2, paragraph (5) of the Merger and Conversion Act; hereinafter the same applies in this Chapter) where a reorganizing cooperative financial institution disappears and the Financial Institution established by the Consolidation-Type Merger (hereinafter referred to as a "Financial Institution Established by Consolidation-Type Merger" in this Chapter) is a Cooperative Financial Institution; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Consolidation-Type Merger Agreement;
 - (ii) when a Financial Institution Established by Consolidation-Type Merger delivers its contribution to unsecured or secured reorganization creditor at the time of the Consolidation-Type Merger, the number of units of the contribution or the means of calculating the number (in cases where there is an unsecured or secured reorganization creditor that cannot become the Partner or Member of the Financial Institution Established by Consolidation-Type Merger, including the amount of money delivered to those unsecured or secured reorganization creditor or the means of calculating the amount), and particulars concerning the amount of the stated capital and reserve funds of the Financial Institution Established by Consolidation-Type Merger; and
 - (iii) in the case prescribed in the preceding item, particulars concerning the allotment of contribution referred to in that item to unsecured or secured reorganization creditor.
- (2) The following particulars must be specified in the clauses on Consolidation-Type Merger (limited to Consolidation-Type Merger where the reorganizing cooperative financial institution disappears and the Financial Institution Established by Consolidation-Type Merger is a Bank; hereinafter the same applies in this paragraph):
- (i) particulars that should be specified in the Consolidation-Type Merger Agreement;
 - (ii) when a Financial Institution Established by Consolidation-Type Merger delivers its shares to unsecured or secured reorganization creditor at the time of the Consolidation-Type Merger, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Financial Institution Established by Consolidation-Type Merger;
 - (iii) in the case prescribed in the preceding item, the particulars concerning the allotment of shares referred to in that item to unsecured or secured reorganization creditor; and
 - (iv) when a Financial Institution Established by Consolidation-Type Merger delivers its Bonds, etc. to Partners or Members or shareholders of a Financial Institution that disappears as a result of the Consolidation-Type Merger (hereinafter referred to as a "Financial Institution Disappearing in a Consolidation-Type Merger" in this Chapter) at the time of the Consolidation-Type Merger, the following particulars concerning the Bonds, etc.:
 - (a) when the Bonds, etc. are the bonds of the Financial Institution

- Established by Consolidation-Type Merger (other than one with regard to bonds with share options), the classes of the bonds, and the total amount of the bonds for each class or the means of calculating the amount;
- (b) when the Bonds, etc. are the share options of the Financial Institution Established by Consolidation-Type Merger (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and
 - (c) when the Bonds, etc. are the bonds with share options of the Financial Institution Established by Consolidation-Type Merger, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
 - (v) in the case prescribed in the preceding item, particulars concerning the allotment of Bonds, etc. referred to in that item to Partners or Members or shareholders of the Financial Institution Disappearing in a Consolidation-Type Merger.

(Dissolution)

Article 100 The provisions of Article 178 of the Corporate Reorganization Act apply mutatis mutandis to the clauses on the dissolution of Cooperative Financial Institutions in need of reorganization.

(Conversion)

Article 101 (1) The following particulars must be specified in the clauses on conversion (limited to conversion in which a reorganizing cooperative financial institution becomes another type of Cooperative Financial Institution; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the conversion plan (excluding particulars set forth in Article 61, paragraph (1), items (iii) and (iv) of the Merger and Conversion Act);
- (ii) the following particulars concerning any board member, inspector and accounting auditor of the converted cooperative financial institution:
 - (a) the name or means of appointment or selection and term of office of the board member and Representative Board Member of the converted cooperative financial institution;
 - (b) the name or means of appointment and term of office of the inspector of the converted cooperative financial institution; and
 - (c) in cases where the converted cooperative financial institution is a specified credit cooperative, etc. or a specified bank, the name or means of appointment and term of office of the accounting auditor of the converted cooperative financial institution;

- (iii) when a converted cooperative financial institution delivers a Contribution, etc. to unsecured or secured reorganization creditor at the time of the conversion, the following particulars concerning the Contribution, etc.:
 - (a) when the Contribution, etc. is a contribution of the converted cooperative financial institution, the number of units of the contribution or the means of calculating the number (in cases where there is an unsecured or secured reorganization creditor that cannot become the Partner or Member of the converted cooperative financial institution, including the amount of money delivered to those unsecured or secured reorganization creditor or the means of calculating the amount), and particulars concerning the amount of the stated capital and reserve funds of the converted cooperative financial institution; and
 - (b) when the Contribution, etc. is money, the amount of the money or the means of calculating the amount;
 - (iv) in the case prescribed in the preceding item, particulars concerning the allotment of Contribution, etc. referred to in that item to unsecured or secured reorganization creditor.
- (2) The provisions of Article 96 apply mutatis mutandis to the clauses on the receipt of contributions of converted cooperative financial institutions.
- (3) The term of office referred to in paragraph (1), item (ii), (a) and (b) may not exceed one year.

Article 102 (1) The following particulars must be specified in the clauses on conversion (limited to conversion in which a reorganizing cooperative financial institution becomes an Ordinary Bank; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the conversion plan (excluding particulars set forth in Article 59, paragraph (1), items (iv) and (v) of the Merger and Conversion Act);
- (ii) the name or means of appointment and term of office of the director and accounting auditor of the converted bank, and, in cases where the converted bank is a Company with Supervisory Committee (meaning a Company with Supervisory Committee prescribed in Article 2, item (xi)-2 of the Companies Act; the same applies in (c) of the following item), whether or not the director is a Supervisory Committee Member (meaning a Supervisory Committee Member prescribed in Article 38, paragraph (2) of that Act); and
- (iii) particulars referred to in (a) to (d) below for the cases set forth in (a) to (d), respectively:
 - (a) in cases where the converted bank is a company with accounting advisors (meaning a company with accounting advisors prescribed in Article 2, item (viii) of the Companies Act), the name or means of appointment and term

- of office of the accounting advisor of the converted bank;
- (b) in cases where the converted bank is a company with company auditors (meaning a company with company auditors prescribed in Article 2, item (ix) of the Companies Act), the name or means of appointment or selection and term of office of the representative director and company auditor of the converted bank;
 - (c) in cases where the converted bank is a Company with Supervisory Committee, the name or means of appointment or selection and term of office of the representative director of the converted bank;
 - (d) in cases where the converted bank is a Company with Nominating Committee, etc. (meaning a Company with Nominating Committee, etc. prescribed in Article 2, item (xii) of the Companies Act), the name or means of appointment or selection and term of office of the committee member, executive officer and representative executive officer of each committee (meaning each committee prescribed in Article 400, paragraph (1) of that Act);
 - (iv) when a converted bank delivers Shares, etc. to unsecured or secured reorganization creditor at the time of the conversion, the following particulars concerning the Shares, etc.:
 - (a) when the Shares, etc. are the shares of the converted bank, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the converted bank; and
 - (b) when the Shares, etc. are money, the amount of the money or the means of calculating the amount;
 - (v) in the case prescribed in the preceding item, particulars concerning the allotment of Shares, etc. referred to in that item to the unsecured or secured reorganization creditor.
- (2) The provisions of Article 175 to Article 177 of the Corporate Reorganization Act apply mutatis mutandis to clauses on the solicitation of subscribers for Shares for Subscription (meaning Shares for Subscription prescribed in Article 199, paragraph (1) of the Companies Act; hereinafter the same applies in this Chapter), Share Options for Subscription (meaning Share Options for Subscription prescribed in Article 238, paragraph (1) of the Companies Act, and in cases where the Share Options for Subscription are attached to bonds with share options, including the bonds with share options; hereinafter the same applies in this Chapter) or Bonds for subscription (meaning Bonds for subscription prescribed in Article 676 of the Companies Act, excluding bonds with share options; hereinafter the same applies in this Chapter) of a converted bank referred to in the preceding paragraph. In this case, the phrase

"Article 205, paragraph (1)" in Article 175, item (ii), Article 176, item (ii) and Article 177, item (iii) of the Corporate Reorganization Act is deemed to be replaced with "Article 205, paragraph (1) as applied mutatis mutandis pursuant to Article 126 of the Act on Special Measures".

(Establishment of New Cooperative Financial Institutions)

Article 103 (1) The following particulars must be specified in the clauses on the establishment of a Cooperative Financial Institution; provided, however, that this does not apply to cases where a Cooperative Financial Institution is to be established by a Consolidation-Type Merger:

- (i) the particulars set forth in the items of Article 33, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act, the items of Article 23, paragraph (3) of the Shinkin Bank Act or the items of Article 23-2, paragraph (1) of the Labor Bank Act concerning the Cooperative Financial Institution (hereinafter referred to as the "new Cooperative Financial Institution" in this Article) to be established;
- (ii) particulars provided for in the articles of incorporation (other than one in relation to the particulars set forth in preceding item) of the new Cooperative Financial Institution;
- (iii) where the whole or part of the right of an unsecured or secured reorganization creditor or a Partner or Member (limited to a person qualified as a Partner or Member of the new Cooperative Financial Institution; hereinafter the same applies in this paragraph) is extinguished as provided for in the reorganization plan pursuant to the provisions of Article 205, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 126, if it is arranged that, when the creditor or the Partner or Member applies for a contribution, all or part of the amount of the contribution is deemed to have been paid to the new Cooperative Financial Institution, a statement to that effect;
- (iv) when the right to receive an allotment of contribution of a new Cooperative Financial Institution is to be granted to the unsecured or secured reorganization creditor or Partner or Member upon application for contribution as provided for in the reorganization plan, a statement to that effect and the date of the application for contribution;
- (v) in the case prescribed in the preceding item, particulars concerning the allotment of contribution to the unsecured or secured reorganization creditor or Partner or Member;
- (vi) the assets that should be transferred from the reorganizing cooperative financial institution to the new Cooperative Financial Institution and its amount;
- (vii) the name or means of appointment or selection and term of office of any

- board member, inspector and Representative Board Member of the new Cooperative Financial Institution;
- (viii) in cases where the new Cooperative Financial Institution is a specified credit cooperative, etc. or a specified bank, the name or means of appointment and term of office of the accounting auditor of the new Cooperative Financial Institution;
- (ix) when a new Cooperative Financial Institution receives contributions of the new Cooperative Financial Institution in exchange for the extinguishment of the whole or part of the right of an unsecured or secured reorganization creditor or Partner or Member, the particulars set forth in the items of Article 97.
- (2) The term of office referred to in item (vii) of the preceding paragraph may not exceed one year.

(Incorporation of a New Stock Company)

Article 104 The provisions of Article 183 of the Corporate Reorganization Act apply mutatis mutandis to clauses on the incorporation of a Stock Company in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Consolidation-Type Merger, Incorporation-type Company Split or share transfer" in that Article is deemed to be replaced with "Consolidation-Type Merger (meaning Consolidation-Type Merger prescribed in Article 63-3 of the Small and Medium-Sized Enterprise Cooperatives Act, Article 61 of the Shinkin Bank Act, Article 62-4 of the Labor Bank Act or Article 2, paragraph (5) of the Merger and Conversion Act)"; the phrase "Article 205, paragraph (1)" in paragraph (iv) of that Article is deemed to be replaced with "Article 205, paragraph (1) as applied mutatis mutandis pursuant to Article 126 of the Act on Special Measures"; the phrase "shareholder" in that item to item (vi) of that Article and item (xiii) of that Article is deemed to be replaced with "Partner or Member (meaning Partner or Member prescribed in Article 2, paragraph (10) of the Act on Special Measures)"; and the phrase "reorganizing company" in item (vii) of that Article is deemed to be replaced with "reorganizing cooperative financial institution (meaning reorganizing cooperative financial institution prescribed in Article 4, paragraph (7) of the Act on Special Measures)".

Article 105 Deleted

Article 106 Deleted

Article 107 Deleted

Subsection 2 Submission of a Proposed Reorganization Plan

(Period for Submitting a Proposed Reorganization Plan)

Article 108 The provisions of Article 184 of the Corporate Reorganization Act apply mutatis mutandis to the preparation and submission of a proposed reorganization plan in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 138, paragraph (1)" in paragraph (1) of that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

(Proposed Reorganization Plan Specifying Discontinuation of All Business)

Article 109 (1) When it has become obvious that it is difficult to prepare a proposed reorganization plan specifying the continuation of the business of a reorganizing cooperative financial institution by the reorganizing cooperative financial institution (including the case of entity conversion), the continuation of that business by another person by the transfer of business, a merger or establishment of a Cooperative Financial Institution or Stock Company after the commencement of reorganization proceedings, the court may permit the preparation of a proposed reorganization plan specifying the discontinuation of the entire business of the reorganizing cooperative financial institution upon petition by a person prescribed in Article 184, paragraph (1) or (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding Article; provided, however, that this does not apply when it is prejudicial to the common interests of creditors.

(2) The provisions of Article 185, paragraph (2) of the Corporate Reorganization Act apply mutatis mutandis to the permission referred to in the main clause of the preceding paragraph.

(Revision of Proposed Reorganization Plan)

Article 110 The provisions of Article 186 of the Corporate Reorganization Act apply mutatis mutandis to the revision of a proposed reorganization plan in the reorganization proceedings of a Cooperative Financial Institution.

(Opinions of Administrative Agencies)

Article 111 The provisions of Article 187 of the Corporate Reorganization Act apply mutatis mutandis to a proposed reorganization plan specifying particulars requiring the administrative agency's permission, confirmation, license or any other disposition in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the preceding Article" in that Article is deemed to be replaced with "the preceding Article as

applied mutatis mutandis pursuant to Article 110 of the Act on Special Measures".

(Opinions of the Labor Union of a Reorganizing Cooperative Financial Institution)

Article 112 The court must hear opinions of the labor union, etc. prescribed in Article 33, paragraph (3), item (iii) with regard to a proposed reorganization plan. The same applies to a proposed reorganization plan as revised under the provisions of Article 186 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 110.

Subsection 3 Resolution on a Proposed Reorganization Plan

(Order to Refer to Resolution)

Article 113 The provisions of Article 189 of the Corporate Reorganization Act apply mutatis mutandis to the cases where a proposed reorganization plan has been submitted in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 146, paragraph (3)" in paragraph (1), item (i) of that Article is deemed to be replaced with "Article 146, paragraph (3) as applied mutatis mutandis pursuant to Article 87 of the Act on Special Measures"; the phrase "Article 84, paragraph (1)" in item (ii) of that paragraph is deemed to be replaced with "Article 84, paragraph (1) as applied mutatis mutandis pursuant to Article 55 of the Act on Special Measures"; the phrase "Article 85, paragraph (1)" is deemed to be replaced with "Article 85, paragraph (1) as applied mutatis mutandis pursuant to Article 56 of the Act on Special Measures"; the phrase "the items of Article 199, paragraph (2)" in item (iii) of that paragraph is deemed to be replaced with "the items of Article 199, paragraph (2) as applied mutatis mutandis pursuant to Article 120, paragraph (2) of the Act on Special Measures"; the phrase "Article 236, item (ii)" in item (iv) of that paragraph is deemed to be replaced with "Article 236, item (ii) as applied mutatis mutandis pursuant to Article 152, paragraph (1) of the Act on Special Measures"; the phrase "Article 193, paragraph (2)" in paragraph (2) of that Article is deemed to be replaced with "Article 193, paragraph (2) as applied mutatis mutandis pursuant to Article 116 of the Act on Special Measures"; the phrase "the main clause of Article 115, paragraph (1)" in paragraph (3) of that Article is deemed to be replaced with "the main clause of Article 115, paragraph (1) as applied mutatis mutandis pursuant to Article 66 of the Act on Special Measures"; and the phrase "the items of Article 114, paragraph (1)" in paragraph (5) of that Article is deemed to be replaced with "the items of Article 114, paragraph (1) as applied mutatis mutandis pursuant to Article 66 of the Act on Special Measures".

(Means of Determination of the Amount or Number of Voting Rights When a Meeting of Persons Concerned Is to Be Held)

- Article 114 (1) Where the court designates either of the means referred to in Article 189, paragraph (2), item (i) or (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding Article as the means for exercising a voting right, the trustee, unsecured or secured reorganization creditor that filed a proof or Partner or Member may make an objection to the voting right of holders of filed an unsecured or secured reorganization claim or Partner or Member on the date of a meeting of persons concerned; provided, however, that this does not apply to a voting right held by a holders of filed an unsecured or secured reorganization claim of which the amount is determined pursuant to the provisions of Article 150, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 87.
- (2) In the case prescribed in the main clause of the preceding paragraph, voting right holders may exercise their voting rights in accordance with the amount or number specified in each of the following items for the categories set forth in the respective items:
- (i) holders of filed an unsecured or secured reorganization claim and holds a voting right of which the amount is determined pursuant to the provisions of Article 150, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 87: the amount thus determined;
 - (ii) holders of filed an unsecured or secured reorganization claim and holds a voting right without objection referred to in the main clause of the preceding paragraph: the amount filed;
 - (iii) a Partner or Member (excluding individual member of a labor bank) that holds a voting right without objection referred to in the main clause of the preceding paragraph: one vote;
 - (iv) an individual member of a labor bank that holds a voting right without objection referred to in the main clause of the preceding paragraph: one four-hundredth of one vote;
 - (v) holders of filed unsecured or secured reorganization claims or Partners or Members that hold a voting right subject to objection referred to in the main clause of the preceding paragraph: the amount or number specified by the court; provided, however, that the voting right may not be exercised if the court has decided not to allow the exercise of the voting right.
- (3) The court, upon the petition of an interested person or by its own authority, may change the order made under the provisions of item (v) of the preceding paragraph at any time.

(Means of Determining the Amount or Number of Voting Rights When a

Meeting of Persons Concerned Is Not to Be Held)

Article 115 (1) Where the court designates the means referred to in Article 189, paragraph (2), item (ii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 113 as the means for exercising a voting right, voting right holders may exercise their voting rights in accordance with the amount or number specified in each of the following items for the categories set forth in the respective items:

- (i) holders of voting rights of which the amount is determined pursuant to the provisions of Article 150, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 87: the amount thus determined;
 - (ii) holders of filed unsecured or secured reorganization claims (other than one referred to in the preceding item): the amount specified by the court; provided, however, that the voting right may not be exercised if the court has decided not to allow exercising the voting right;
 - (iii) a Partner or Member (excluding individual member of a labor bank): one vote;
 - (iv) an individual member of a labor bank: one four-hundredth of one vote.
- (2) The court, upon the petition of an interested person or by its own authority, may change the order made under the provisions of item (ii) of the preceding paragraph at any time.

(Means of Exercising Voting Rights)

Article 116 The provisions of Article 193 to Article 195 of the Corporate Reorganization Act apply mutatis mutandis to voting rights in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the first sentence of Article 189, paragraph (2)" in Article 193, paragraph (2) of that Act is deemed to be replaced with "the first sentence of Article 189, paragraph (2) as applied mutatis mutandis pursuant to Article 113 of the Act on Special Measures"; the phrase "shareholder registry" in Article 194, paragraph (1) of that Act is deemed to be replaced with "partner registry or member registry"; and the phrase "Article 200, paragraph (2)" in Article 195 of that Act is deemed to be replaced with "Article 200, paragraph (2) as applied mutatis mutandis pursuant to Article 121 of the Act on Special Measures".

(Requirements for Approval of a Proposed Reorganization Plan)

Article 117 The provisions of Article 196 of the Corporate Reorganization Act apply mutatis mutandis to a resolution on a proposed reorganization plan in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the items of Article 168, paragraph (1)" in paragraphs (1) and (2) of that Article is deemed to be replaced with "the items of Article 93,

paragraph (1) of the Act on Special Measures"; and the phrase "shares" in that paragraph and paragraph (5), item (iii) of that Article is deemed to be replaced with "interest of a Partner or Member (meaning Partner or Member prescribed in Article 2, paragraph (10) of the Act on Special Measures)".

(Modification of Proposed Reorganization Plans)

Article 118 The provisions of Article 197 of the Corporate Reorganization Act apply mutatis mutandis to the modification of a proposed reorganization plan in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 189, paragraph (2), item (i) or (iii)" in that Article is deemed to be replaced with "Article 189, paragraph (2), item (i) or (iii) as applied mutatis mutandis pursuant to Article 113 of the Act on Special Measures".

(Continuance of an Established Date for a Meeting of Persons Concerned)

Article 119 The provisions of Article 198 of the Corporate Reorganization Act apply mutatis mutandis to the continuation of the date of a meeting of persons concerned in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 189, paragraph (2), item (i) or (iii)" in paragraph (1) of that Article is deemed to be replaced with "Article 189, paragraph (2), item (i) or (iii) as applied mutatis mutandis pursuant to Article 113 of the Act on Special Measures"; the phrase "Article 196, paragraph (1)" is deemed to be replaced with "Article 196, paragraph (1) as applied mutatis mutandis pursuant to Article 117 of the Act on Special Measures"; and the phrase "shares" in item (iii) of that paragraph is deemed to be replaced with "interest of a Partner or Member (meaning Partner or Member prescribed in Article 2, paragraph (10) of the Act on Special Measures)".

Subsection 4 Order Confirming or Disconfirming a Reorganization Plan

(Requirements for Confirmation of a Reorganization Plan)

Article 120 (1) Where a proposed reorganization plan is approved, the court must issue an order confirming or disconfirming the reorganization plan.
(2) The provisions of Article 199, paragraphs (2) to (7) of the Corporate Reorganization Act apply mutatis mutandis to an order confirming or disconfirming the reorganization plan of a Cooperative Financial Institution. In this case, the phrase "perform an act referred to in Article 45, paragraph (1), item (vii) with another company" in paragraph (2), item (v) of that Article is deemed to be replaced with "merger"; the phrase "the preceding paragraph" is deemed to be replaced with "Article 120, paragraph (1) of the Act on Special Measures"; the phrase "the relevant other company" is deemed to be replaced

with "Cooperative Financial Institution or Bank that is the other party to the merger"; the phrase "the act" is deemed to be replaced with "the merger"; the phrase "Article 187" in item (vi) of that paragraph is deemed to be replaced with "Article 187 as applied mutatis mutandis pursuant to Article 111 of the Act on Special Measures"; the phrase "the preceding two paragraphs or paragraph (1) of the following Article" in paragraph (4) of that Article is deemed to be replaced with "the provisions of the preceding two paragraphs or paragraph (1) of the following Article as applied mutatis mutandis pursuant to Article 121 of the Act on Special Measures"; the phrase "the main clause of Article 115, paragraph (1)" in paragraph (5) of that Article is deemed to be replaced with "the main clause of Article 115, paragraph (1) as applied mutatis mutandis pursuant to Article 66 of the Act on Special Measures"; and the phrase "Article 46, paragraph (3), item (iii)" in that paragraph and paragraph (7) of that Article is deemed to be replaced with "Article 33, paragraph (3), item (iii) of the Act on Special Measures".

(Confirmation in Cases Where There Are Types of Rights for Which Consent Could Not Be Obtained)

Article 121 The provisions of Article 200, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where a proposed reorganization plan is not approved because consent that meets the requirements referred to in paragraph (5) of that Article could not be obtained for some types of rights prescribed in Article 196, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 117 and the provisions of Article 200, paragraphs (2) and (3) of that Act apply mutatis mutandis to the cases where it is obvious that the consent that meets the requirements referred to in paragraph (5) of that Article cannot be obtained for some types of rights prescribed in Article 196, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 117 for a proposed reorganization plan.

(Time When a Reorganization Plan Becomes Effective)

Article 122 A reorganization plan becomes effective at the time of the order confirming it.

(Immediate Appeal against an Order Confirming a Reorganization Plan)

Article 123 The provisions of Article 202 of the Corporate Reorganization Act apply mutatis mutandis to an immediate appeal against an order confirming or disconfirming the reorganization plan of a Cooperative Financial Institution. In this case, the phrase "Article 168, paragraph (1), items (iv) to (vi)" in paragraph (2) of that Article is deemed to be replaced with "Article 93, paragraph (1), item (iv) or (v) of the Act on Special Measures"; and the phrase

"Article 13" in paragraph (5) of that Article is deemed to be replaced with "Article 12 of the Act on Special Measures".

Section 8 Procedures after the Confirmation of a Reorganization Plan
Subsection 1 Effect of an Order Confirming a Reorganization Plan

(Scope of the Effect of a Reorganization Plan)

Article 124 (1) A reorganization plan is effective in the interest of and regarding the following persons:

- (i) a reorganizing cooperative financial institution;
 - (ii) all reorganization creditors and similar persons and Partners or Members;
 - (iii) any person that incurs a debt or provides security for the purpose of reorganization of the business of the reorganizing cooperative financial institution;
 - (iv) a converted cooperative financial institution or converted bank;
 - (v) a new Cooperative Financial Institution (meaning a Cooperative Financial Institution established under clauses prescribed in Article 103, paragraph (1) as specified in the reorganization plan; hereinafter the same applies in this Chapter); and
 - (vi) a new Stock Company (meaning a Stock Company incorporated under clauses prescribed in Article 183 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 104 as specified in the reorganization plan; hereinafter the same applies in this Chapter).
- (2) A reorganization plan does not affect any rights held by an unsecured or secured reorganization creditor against the guarantor of a reorganizing cooperative financial institution or any other person that owes debts jointly with the reorganizing cooperative financial institution, and any security provided by persons other than the reorganizing cooperative financial institution in the interest of an unsecured or secured reorganization creditor.

(Discharge from an Unsecured or Secured Reorganization Claim)

Article 125 (1) If the court issues an order confirming a reorganization plan, the reorganizing cooperative financial institution is discharged from its liabilities for all of an unsecured or secured reorganization claim, except for the following rights, and any rights of Partners, etc. and any security interest on the assets of the reorganizing cooperative financial institution are extinguished:

- (i) rights approved pursuant to the provisions of the reorganization plan or provisions of this Chapter;
- (ii) a claim to the severance pay of a person that was a board member, etc. (meaning a board member, inspector, Representative Board Member, liquidator or representative liquidator) or employee of the reorganizing

cooperative financial institution after the commencement of reorganization proceedings and remains in such a position even after the order confirming the reorganization plan;

- (iii) a claim to fines, etc. arising prior to the commencement of reorganization proceedings prescribed in Article 84, item (ii); and
 - (iv) among rights to impose taxes or other charges (excluding a claim for a Foreign Tax Subject to Mutual Assistance), in cases where a sentence to imprisonment with required labor or a fine is imposed after the commencement of reorganization proceedings for evading or attempting to evade tax, etc., or having tax, etc. refunded by misconduct or failing to pay or deliver tax, etc. that should have been collected and paid or delivered, or the subject of notification is performed under the provisions of Article 14, paragraph (1) of the National Tax Violations Control Act (Act No. 67 of 1900) (including as applied mutatis mutandis pursuant to the Local Tax Act (Act No. 226 of 1950)), the right to impose taxes or other charges the amount of which evasion was performed or attempted, refunded or not paid or delivered, for which there is no filing of a proof.
- (2) Notwithstanding the provisions of the preceding paragraph, the effect of discharge and extinguishment of security interests under the provisions of that paragraph with regard to a claim for a Foreign Tax Subject to Mutual Assistance may be asserted only in relation to the mutual assistance under the provisions of Article 11, paragraph (1) of the Act on Special Provisions for Enforcement of Tax Treaties, etc.
- (3) The provisions of Article 204, paragraph (2) of the Corporate Reorganization Act apply mutatis mutandis to the rights to claim referred to in paragraph (1), items (iii) and (iv) if the court issues an order confirming the reorganization plan in the reorganization proceedings of a Cooperative Financial Institution.

(Modification of Rights of Holders of a Filed Unsecured or Secured Reorganization Claim)

Article 126 The provisions of Article 205 to Article 208 of the Corporate Reorganization Act apply mutatis mutandis to an order confirming a reorganization plan during the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the provisions of Article 151 to Article 153" in Article 205, paragraph (4) of that Act is deemed to be replaced with "the provisions of Article 151"; the phrase "Membership Company referred to in Article 203, paragraph (1), item (iv), company referred to in item (v) of that paragraph" in Article 206, paragraph (2) of that Act is deemed to be replaced with "converted cooperative financial institution and converted bank referred to in Article 124, paragraph (1), item (iv) of the Act on Special Measures, new Cooperative Financial Institution prescribed in item (v) of that

paragraph, new Stock Company prescribed in item (vi) of that paragraph"; the phrase "and" is deemed to be replaced with "and"; the phrase "Article 169, paragraph (1)" in Article 207 of that Act is deemed to be replaced with "Article 169, paragraph (1) as applied mutatis mutandis pursuant to Article 93, paragraph (3) of the Act on Special Measures"; the phrase "Article 50, paragraph (1)" in Article 208 of that Act is deemed to be replaced with "Article 50, paragraph (1) as applied mutatis mutandis pursuant to Article 36 of the Act on Special Measures"; the phrase "procedure for compulsory execution, etc., procedure for the exercise of an enterprise mortgage prescribed in Article 24, paragraph (1), item (ii)" is deemed to be replaced with "procedure for compulsory execution, etc. prescribed in Article 24, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 19 of the Act on Special Measures"; and the phrase "Article 50, paragraph (5)" is deemed to be replaced with "Article 50, paragraph (5) as applied mutatis mutandis pursuant to Article 36 of the Act on Special Measures".

Subsection 2 Implementation of a Reorganization Plan

(Implementation of the Reorganization Plan)

- Article 127 (1) The provisions of Article 209 (excluding paragraph (3)) of the Corporate Reorganization Act apply mutatis mutandis to a reorganization plan in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "reorganizing company" in paragraph (1) of that Article is deemed to be replaced with "reorganizing cooperative financial institution prescribed in Article 4, paragraph (7) of the Act on Special Measures (including converted cooperative financial institution and converted bank prescribed in Article 32, paragraph (1) of the Act on Special Measures)"; the phrase "company referred to in Article 203, paragraph (1), item (v)" in paragraph (2) of that Article is deemed to be replaced with "new Cooperative Financial Institution prescribed in Article 124, paragraph (1), item (v) of the Act on Special Measures and new Stock Company prescribed in item (vi) of that paragraph"; the phrase "the first sentence of Article 72, paragraph (4)" in paragraph (4) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 45 of the Act on Special Measures"; and the phrase "the main clause of Article 151, paragraph (1)" in item (ii) of that paragraph is deemed to be replaced with "the main clause of Article 151, paragraph (1) as applied mutatis mutandis pursuant to Article 88 of the Act on Special Measures".
- (2) The provisions of Article 209, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to requests for reports and inspections of a converted cooperative financial institution by a trustee and examiner and

requests for reports and inspections of a new Cooperative Financial Institution by a trustee. In this case, the phrase "Director at Incorporation, Auditor at Incorporation, director, accounting advisor, company auditor, executive officer, accounting auditor, member that executes business" in that paragraph is deemed to be replaced with "board member, inspector, accounting auditor".

(3) The provisions of Article 209, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to requests for reports and inspections of a converted bank by a trustee and examiner and requests for reports and inspections of a new Stock Company by a trustee. In this case, the phrase "accounting auditor, member that executes business" in that paragraph is deemed to be replaced with "accounting auditor".

(Exclusion of Provisions of Laws and Regulations on Resolution of General Meeting)

Article 128 (1) Notwithstanding the provisions of the Small and Medium-Sized Enterprise Cooperatives Act, Shinkin Bank Act, Labor Bank Act or any other laws and regulations or the articles of incorporation, implementing a reorganization plan does not require a general meeting resolution, resolution of the shareholders meeting or any other order of authorities of the reorganizing cooperative financial institution, converted cooperative financial institution, converted bank, new Cooperative Financial Institution or new Stock Company.

(2) In connection with the implementation of a reorganization plan, notwithstanding the provisions of the Companies Act or any other laws and regulations, shareholders of a converted bank or new Stock Company may not request the converted bank or new Stock Company to purchase the shares which the shareholders hold.

(3) For the implementation of a reorganization plan, notwithstanding the provisions of the items of Article 828, paragraph (1) (including as applied mutatis mutandis pursuant to the provisions of Article 32, Article 57 (including as applied mutatis mutandis pursuant to Article 57, paragraph (3), item (vi) of the Small and Medium-Sized Enterprise Cooperatives Act) and Article 67 of the Small and Medium-Sized Enterprise Cooperatives Act, the provisions of Article 28, Article 52-2 (including as applied mutatis mutandis pursuant to Article 58, paragraph (7) of the Shinkin Bank Act) and Article 61-7 of the Shinkin Bank Act, the provisions of Article 28, Article 57-2 (including as applied mutatis mutandis pursuant to Article 62, paragraph (7) of Labor Bank Act) and Article 65 of the Labor Bank Act, the provisions of Article 53, paragraph (1) and Article 65, paragraph (1) of the Merger and Conversion Act and the provisions of Article 14, paragraph (3) of the Act on Preferred Equity Investment by Cooperative Financial Institution (Act No. 44 of 1993); hereinafter the same applies in this paragraph) and the items of Article 828,

paragraph (2) and the items of Article 829 (including as applied mutatis mutandis pursuant to Article 14, paragraph (4) of the Act on Preferred Equity Investment by Cooperative Financial Institution; hereinafter the same applies in this paragraph) of the Companies Act and Article 22, paragraph (5), items (i) and (ii) of the Act on Preferred Equity Investment by Cooperative Financial Institution, a Partner or Member, board member, inspector, liquidator, shareholder, etc. (meaning shareholder, etc. prescribed in Article 828, paragraph (2), item (i) of the Companies Act), holder of share options, preferred equity investor (meaning preferred equity investor referred to in Article 13, paragraph (1) of the Act on Preferred Equity Investment by Cooperative Financial Institution), bankruptcy trustee or creditor of a reorganizing cooperative financial institution, converted cooperative financial institution, converted bank, new Cooperative Financial Institution or new Stock Company may not file any lawsuit for nullification of any acts set forth in the items of Article 828, paragraph (1) of the Companies Act or any an action for declaratory judgment of absence of any acts set forth in the items of Article 829 of that Act.

(Special Provisions on Board Members of a Reorganizing Cooperative Financial Institution)

Article 129 (1) When the name of any board member, inspector, Representative Board Member, accounting auditor, liquidator or representative liquidator is specified in a reorganization plan pursuant to the provisions of Article 94, these respective persons become a board member, inspector, Representative Board Member, accounting auditor, liquidator or representative liquidator at the time of the order confirming the reorganization plan.

(2) When the means of appointment of any board member, inspector, accounting auditor or liquidator is specified in a reorganization plan pursuant to the provisions of Article 94, these persons are appointed by the means specified in the reorganization plan.

(3) When the means of selection of a Representative Board Member or representative liquidator is specified in a reorganization plan pursuant to the provisions of Article 94, paragraph (1), item (i) or paragraph (2), item (i), these persons are selected by the means specified in the reorganization plan.

(4) The existing board member, inspector, accounting auditor or liquidator of a reorganizing cooperative financial institution resigns at the time of the order confirming the reorganization plan; provided, however, that they are not precluded from continuing to serve as a board member, inspector, accounting auditor or liquidator pursuant to the provisions of paragraph (1).

(5) The provisions of the preceding paragraph apply mutatis mutandis to the existing Representative Board Member or representative liquidator of a

reorganizing cooperative financial institution.

- (6) The term of office of a person appointed as a board member, inspector, accounting auditor or liquidator pursuant to the provisions of paragraphs (1) to (3) and a person selected as Representative Board Member or representative liquidator pursuant to these provisions is as specified in a reorganization plan.

(Special Provisions on Reduction of the Unit Amount of Contribution)

Article 130 In cases where the reduction of the unit amount of contribution by a reorganizing cooperative financial institution is specified in a reorganization plan pursuant to the provisions of Article 95, item (i), the provisions of Article 56 and Article 56-2 of the Small and Medium-Sized Enterprise Cooperatives Act, Article 51 and Article 52 of the Shinkin Bank Act or Article 56 and Article 57 of the Labor Bank Act do not apply.

(Special Provisions on Amendment of the Articles of Incorporation)

Article 131 The provisions of Article 213 of the Corporate Reorganization Act apply mutatis mutandis to the cases where the amendment of the articles of incorporation by a reorganizing cooperative financial institution is specified in a reorganization plan in the reorganization proceedings of the Cooperative Financial Institution pursuant to the provisions of Article 95, item (ii).

(Special Provisions on Transfers of Business)

Article 132 In cases where the performance of an act referred to in Article 95, item (iii) by a reorganizing cooperative financial institution is specified in a reorganization plan, the provisions of Article 34 and Article 35 of the Banking Act as applied mutatis mutandis pursuant to Article 6, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 89, paragraph (1) of the Shinkin Bank Act or Article 94, paragraph (1) of the Labor Bank Act do not apply.

(Special Provisions on Receipt of Contributions)

Article 133 (1) In cases where the granting of the right to receive the allotment of a contribution referred to in Article 96, item (v) to an unsecured or secured reorganization creditor or a Partner or Member is specified in the reorganization plan pursuant to the provisions of that item, a reorganizing cooperative financial institution must make notification of the following particulars to the unsecured or secured reorganization creditor or the Partner or Member:

- (i) the unit amount and the number of units of contribution to be allotted to the unsecured or secured reorganization creditor or Partner or Member;
- (ii) the date referred to in Article 96, item (v); and

- (iii) a statement to the effect that the right to receive the allotment of a contribution referred to in Article 96, item (v) may be assigned to a Partner or Member or a person qualified as a Partner or Member with the approval of the reorganizing cooperative financial institution.
- (2) The notice under the provisions of the preceding paragraph must be given two weeks before the date referred to in item (ii) of that paragraph.
- (3) A person that holds the right to receive the allotment of a contribution referred to in Article 96, item (v) loses the right when, despite the fact that the reorganizing cooperative financial institution gave notice under the provisions of paragraph (1), the person fails to apply for a contribution by the date referred to in item (ii) of that paragraph.
- (4) In the case prescribed in paragraph (1), in cases where the number of units of the contribution to be allotted to an unsecured or secured reorganization creditor or Partner or Member that holds the right to receive the allotment of the contribution referred to in Article 96, item (v) includes a fraction less than one yen, the fraction is rounded down to the nearest whole number.

(Special Provisions on Receipt of Contributions in Exchange for
Extinguishment of the Right of an Unsecured or Secured Reorganization
Creditor or Partner or Member)

Article 134 In cases where the receipt of contributions in exchange for the extinguishment of the whole or part of the right of an unsecured or secured reorganization creditor or Partner or Member is specified in the reorganization plan pursuant to the provisions of Article 97, the unsecured or secured reorganization creditor or Partner or Member becomes the Partner or Member, in accordance with the provisions on the particulars set forth in item (ii) of that Article, at the time of the order confirming the reorganization plan.

(Special Provisions on an Absorption-Type Merger)

- Article 135 (1) In cases where the Absorption-Type Merger prescribed in Article 98, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii), (a) of that paragraph, an unsecured or secured reorganization creditor becomes the Partner or Member of the Financial Institution Surviving an Absorption-Type Merger, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the Absorption-Type Merger comes into effect (hereinafter referred to as the "effective date" in this Article).
- (2) In cases where the Absorption-Type Merger prescribed in Article 98, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, the

provisions of Article 63-4, paragraphs (1), (2), (4) and (5) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 61-2, paragraphs (1), (2), (4) and (5) of the Shinkin Bank Act, or Article 62-5, paragraphs (1), (2), (4) and (5) of the Labor Bank Act, and Article 34, paragraphs (1) and (2), Article 36 (excluding the part in relation to the notice to the pledgee), and Articles 36-2 to 38 of the Merger and Conversion Act do not apply to Cooperative Financial Institutions in need of reorganization.

- (3) In cases where the Absorption-Type Merger prescribed in Article 98, paragraph (2) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii), (a) of that paragraph, the unsecured or secured reorganization creditor becomes the shareholder of the shares referred to in item (ii), (a) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the effective date.
- (4) In cases where the Absorption-Type Merger prescribed in Article 98, paragraph (2) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, in the cases set forth in each of the following items, the Partner or Member of the reorganizing cooperative financial institution becomes the one of the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the effective date:
 - (i) in cases where there is any provision on the particulars set forth in Article 98, paragraph (2), item (iv), (a), the bondholder of bonds referred to in (a) of that item;
 - (ii) in cases where there is any provision on the particulars set forth in Article 98, paragraph (2), item (iv), (b), the holder of share options referred to in (b) of that item; and
 - (iii) in cases where there is any provision on the particulars set forth in Article 98, paragraph (2), item (iv), (c), the bondholder of bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.
- (5) In the case prescribed in the preceding paragraph, the provisions of Article 34, paragraphs (1) and (2), Article 36 (excluding the part in relation to the notice to the pledgee), and Articles 36-2 to 38 of the Merger and Conversion Act do not apply to Cooperative Financial Institutions in need of reorganization.
- (6) In cases where the Absorption-Type Merger prescribed in Article 98, paragraph (3) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 63-5, paragraph (1), (2), (6) and (7) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 61-3, paragraphs (1), (2),

(6) and (7) of the Shinkin Bank Act, or Article 62-6, paragraphs (1), (2), (6) and (7) of the Labor Bank Act, Articles 40 and 42-2 of the Merger and Conversion Act, and Article 36 (excluding the part in relation to the notice to the pledgee), Article 37 and Article 38 of the Merger and Conversion Act as applied mutatis mutandis pursuant to Article 43 of the Merger and Conversion Act do not apply to Cooperative Financial Institutions in need of reorganization.

(Special Provisions on Consolidation-Type Mergers)

- Article 136 (1) In cases where a Consolidation-Type Merger by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of Article 99, the duties of the organizing committee member concerning the reorganizing cooperative financial institution is performed by the trustee.
- (2) In cases where the Consolidation-Type Merger prescribed in Article 99, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii) of that paragraph, the unsecured or secured reorganization creditor becomes the Partner or Member of the Financial Institution Established by Consolidation-Type Merger, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the Financial Institution Established by Consolidation-Type Merger is established.
- (3) In cases where the Consolidation-Type Merger prescribed in Article 99, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 63-6, paragraphs (1), (2), (4) and (5) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 61-4, paragraphs (1), (2), (4) and (5) of the Shinkin Bank Act, or Article 62-7, paragraphs (1), (2), (4) and (5) of the Labor Bank Act, and Article 34, paragraphs (1) and (2), Article 36 (excluding the part in relation to the notice to the pledgee), and Articles 36-2 to 38 of the Merger and Conversion Act do not apply to Cooperative Financial Institutions in need of reorganization.
- (4) In cases where the Consolidation-Type Merger prescribed in Article 99, paragraph (2) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii) of that paragraph, the unsecured or secured reorganization creditor becomes the shareholder of the shares referred to in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which a Financial Institution Established by Consolidation-Type Merger is established.

- (5) In cases where the Consolidation-Type Merger prescribed in Article 99, paragraph (2) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, in the cases set forth in each of the following items, the Partners or Members or shareholders of a Financial Institution Disappearing in a Consolidation-Type Merger become the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the day on which the Financial Institution Established by Consolidation-Type Merger is established:
- (i) in cases where there is a provision on the particulars set forth in Article 99, paragraph (2), item (iv), (a), the bondholder of bonds referred to in (a) of that item;
 - (ii) in cases where there is a provision on the particulars set forth in Article 99, paragraph (2), item (iv), (b), the holder of share options referred to in (b) of that item; and
 - (iii) in cases where there is a provision on the particulars set forth in Article 99, paragraph (2), item (iv), (c), the bondholder of bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.
- (6) In the case prescribed in the preceding paragraph, the provisions of Article 34, paragraphs (1) and (2), Article 36 (excluding the part in relation to the notice to the pledgee), and Articles 36-2 to 38 of the Merger and Conversion Act do not apply to Cooperative Financial Institutions in need of reorganization.

(Special Provisions on Dissolution)

Article 137 In cases where the dissolution of a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of the main clause of Article 178 of the Corporate Reorganization Act as applied *mutatis mutandis* pursuant to Article 100, the reorganizing cooperative financial institution is dissolved at the time specified in the reorganization plan.

(Special Provisions on Conversion)

Article 138 (1) In cases where the conversion prescribed in Article 101, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (iii), (a) of that paragraph, the unsecured or secured reorganization creditor becomes the Partner or Member of the converted cooperative financial institution, in accordance with the provisions on the particulars set forth in item (iv) of that paragraph, on the day on which the conversion comes into effect (hereinafter referred to as the

"effective date" in this Article).

- (2) The provisions of Article 129, paragraphs (1) to (3) and (6) apply mutatis mutandis to the cases where the conversion prescribed in Article 101, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph. In this case, the phrase "Article 94" in Article 129, paragraph (1) and (2) is deemed to be replaced with "Article 101, paragraph (1), item (ii)"; the phrase ", accounting auditor, liquidator or representative liquidator" in paragraph (1) of that Article and ", accounting auditor or liquidator" in paragraphs (2) and (6) of that Article is deemed to be replaced with "or accounting auditor"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that the conversion came into effect"; the phrase "Article 94, paragraph (1), item (i) or paragraph (2), item (i)" in paragraph (3) of that Article is deemed to be replaced with "Article 101, paragraph (1), item (ii), (a)"; and the phrase "Representative Board Member or representative liquidator" in that paragraph and paragraph (6) of that Article is deemed to be replaced with "Representative Board Member".
- (3) In cases where the conversion prescribed in Article 101, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 34, paragraphs (1) and (2), Article 36 (excluding the part in relation to the notice to the pledgee), Article 37 and Article 38 of the Merger and Conversion Act as applied mutatis mutandis pursuant to Article 63 of the Merger and Conversion Act do not apply.
- (4) The provisions of Article 61, paragraph (4) of the Merger and Conversion Act do not apply to the term of office of the board member and inspector of the converted cooperative financial institution appointed pursuant to the provisions of paragraph (2).
- (5) In cases where the conversion prescribed in Article 102, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (iv), (a) of that paragraph, the unsecured or secured reorganization creditor becomes the shareholder of the shares referred to in item (iv), (a) of that paragraph, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the effective date.
- (6) The provisions of Article 211, paragraphs (1) to (3) and (6) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the conversion prescribed in Article 102, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph. In this case, the phrase "Article 173" in Article 211, paragraphs (1) and (2) of that Act is deemed to be replaced with "Article 102,

paragraph (1), item (ii) or (iii) of the Act on Special Measures"; the phrase ", accounting auditor, liquidator or representative liquidator" in paragraph (1) of that Article and the phrase ", accounting auditor or liquidator" in paragraphs (2) and (6) of that Article is deemed to be replaced with "or accounting auditor"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that the conversion (meaning conversion prescribed in Article 32, paragraph (1), item (vi) of the Act on Special Measures) came into effect"; the phrase "Article 173, paragraph (1), items (ii) to (iv) or (viii) or paragraph (2), item (ii)" in paragraph (3) of that Article is deemed to be replaced with "Article 102, paragraph (1), item (iii), (b), (c) or (d) of the Act on Special Measures"; and the phrase ", representative executive officer or representative liquidator" in that paragraph and paragraph (6) of that Article is deemed to be replaced with "or representative executive officer".

(7) In cases where the conversion prescribed in Article 102, paragraph (1) by a reorganizing cooperative financial institution is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 34, paragraphs (1) and (2), Article 36 (excluding the part in relation to the notice to the pledgee), Article 37 and Article 38 of the Merger and Conversion Act as applied mutatis mutandis pursuant to Article 63 of the Merger and Conversion Act do not apply.

(Special Provisions on Receipt of Contributions of a Converted Cooperative Financial Institution)

Article 139 The provisions of Article 133 apply mutatis mutandis to the cases where the reorganization plan specifies that the unsecured or secured reorganization creditor or Partner or Member is to be granted the right to receive the allotment of contributions referred to in Article 96, item (v) pursuant to the provisions of that item as applied mutatis mutandis pursuant to Article 101, paragraph (2). In this case, the phrase "reorganizing cooperative financial institution" in Article 133, paragraphs (1) and (3) is deemed to be replaced with "converted cooperative financial institution"; and the phrase "Article 96, item (v)" in items (ii) and (iii) of paragraph (1) and paragraphs (3) and (4) of that Article is deemed to be replaced with "Article 96, item (v) as applied mutatis mutandis pursuant to Article 101, paragraph (2)".

(Special Provisions on Solicitation of Subscribers for Shares for Subscription of a Converted Bank)

Article 140 (1) The provisions of Article 215, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the solicitation of subscribers for Shares for Subscription by a converted bank is specified in

- the reorganization plan pursuant to the provisions of Article 175 of that Act as applied mutatis mutandis pursuant to Article 102, paragraph (2), when there is a provision in the articles of incorporation to the effect that the right to receive the allotment of Shares for Subscription referred to in Article 202, paragraph (1), item (i) of the Companies Act is to be granted to shareholders.
- (2) In cases where the granting of the right to receive the allotment of Shares for Subscription referred to in Article 175, item (iii) of the Corporate Reorganization Act to an unsecured or secured reorganization creditor or a Partner or Member is specified in the reorganization plan pursuant to the provisions of that item as applied mutatis mutandis pursuant to Article 102, paragraph (2), the converted bank must make notification of the following particulars to the unsecured or secured reorganization creditor or the Partner or Member:
- (i) the number of Shares for Subscription to be allotted to the unsecured or secured reorganization creditor or Partner or Member (in the case of a company with class shares, the classes of Shares for Subscription and the number of shares of each class);
 - (ii) the date referred to in Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2); and
 - (iii) a statement to the effect that the right to receive the allotment of Shares for Subscription referred to in Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) may be assigned.
- (3) The notice under the provisions of the preceding paragraph is given two weeks before the date referred to in item (ii) of that paragraph.
- (4) A person that holds the right to receive the allotment of Shares for Subscription referred to in Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) loses the right when, despite the fact that a converted bank gave notice under the provisions of paragraph (2), the person fails to apply to subscribe for Shares for Subscription by the date referred to in item (ii) of that paragraph.
- (5) In the case prescribed in paragraph (2), in cases where the number of Shares for Subscription to be allotted to an unsecured or secured reorganization creditor or Partner or Member that holds the right to receive the allotment of Shares for Subscription referred to in Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) includes a fraction less than one unit, the fraction is to be rounded down to the nearest whole number.
- (6) In the case prescribed in paragraph (1), the provisions of Article 199,

paragraph (5), Article 207, Article 210 and Part II, Chapter II, Section 8, Subsection 6 of the Companies Act do not apply.

(Special Provisions on Solicitation of Subscribers for Share Options for Subscription of a Converted Bank)

- Article 141 (1) The provisions of Article 215, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the solicitation of subscribers for Share Options for Subscription by a converted bank is specified in the reorganization plan pursuant to the provisions of Article 176 of that Act as applied mutatis mutandis pursuant to Article 102, paragraph (2), when there is a provision in the articles of incorporation to the effect that the right to receive the allotment of Share Options for Subscription referred to in Article 241, paragraph (1), item (i) of the Companies Act is to be granted to shareholders.
- (2) In cases where the granting of the right to receive the allotment of Share Options for Subscription referred to in Article 176, item (iii) of the Corporate Reorganization Act to an unsecured or secured reorganization creditor or a Partner or Member is specified in the reorganization plan pursuant to the provisions of that item as applied mutatis mutandis pursuant to Article 102, paragraph (2), the converted bank must make notification of the following particulars to the unsecured or secured reorganization creditor or the Partner or Member:
- (i) the description and number of Share Options for Subscription to be allotted to the unsecured or secured reorganization creditor or Partner or Member;
 - (ii) the date referred to in Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2); and
 - (iii) a statement to the effect that the right to receive the allotment of Share Options for Subscription referred to in Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) may be assigned.
- (3) The notice under the provisions of the preceding paragraph must be given two weeks before the date referred to in item (ii) of that paragraph.
- (4) A person that holds the right to receive the allotment of Share Options for Subscription referred to in Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) loses the right when, despite the fact that a converted bank gave notice under the provisions of paragraph (2), the person fails to apply to subscribe for Share Options for Subscription by the date referred to in item (ii) of that paragraph.
- (5) In the case prescribed in paragraph (2), in cases where the number of Share

Options for Subscription to be allotted to an unsecured or secured reorganization creditor or Partner or Member that holds the right to receive the allotment of Share Options for Subscription referred to in Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) includes a fraction of less than one unit, the fraction is to be rounded down to the nearest whole number

- (6) In cases where the solicitation of subscribers for Share Options for Subscription by a converted bank is specified in the reorganization plan pursuant to the provisions of Article 176 of that Act as applied mutatis mutandis pursuant to Article 102, paragraph (2), the provisions of Article 238, paragraph (5) Article 247, Article 285, paragraph (1), items (i) and (ii), Article 286, Article 286-2, paragraph (1), item (i) and Article 286-3 of the Companies Act do not apply.
- (7) In the case prescribed in the preceding paragraph, when share options with provisions on particulars set forth in Article 236, paragraph (1), item (iii) of the Companies Act are exercised before the end of reorganization proceedings, the provisions of Article 284 of that Act do not apply.

(Special Provisions on Solicitation of Subscribers for Bonds for Subscription of a Converted Bank)

Article 142 (1) In cases where the granting of the right to receive the allotment of Bonds for subscription referred to in Article 177, item (iv) of the Corporate Reorganization Act to an unsecured or secured reorganization creditor or a Partner or Member is specified in the reorganization plan pursuant to the provisions of that item as applied mutatis mutandis pursuant to Article 102, paragraph (2), the converted bank must make notification of the following particulars to the unsecured or secured reorganization creditor or the Partner or Member:

- (i) the classes of Bonds for subscription to be allotted to the unsecured or secured reorganization creditor or Partner or Member, and the total amount for each class of Bonds for subscription;
- (ii) the date referred to in Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2); and
- (iii) a statement to the effect that the right to receive the allotment of Bonds for subscription referred to in Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) may be assigned.
- (2) The notice under the provisions of the preceding paragraph is given two weeks before the date referred to in item (ii) of that paragraph.
- (3) A person that holds the right to receive the allotment of Bonds for

subscription referred to in Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) loses the right when, despite the fact that a converted bank gave notice under the provisions of paragraph (1), the person fails to apply to subscribe for Bonds for subscription by the date referred to in item (ii) of that paragraph.

- (4) In the case prescribed in paragraph (1), in cases where the number of Bonds for subscription to be allotted to an unsecured or secured reorganization creditor or Partner or Member that holds the right to receive the allotment of Bonds for subscription referred to in Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2) includes a fraction less than one unit, the fraction is rounded down to the nearest whole number.

(Special Provisions on Establishment of New Cooperative Financial Institution or New Stock Company)

Article 143 (1) In cases where the establishment of a new cooperative financial institution or a new stock company is specified in the reorganization plan pursuant to the provisions of Article 103, paragraph (1) or the provisions of the main clause of Article 183 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 104, the duties of the incorporator concerning the new cooperative financial institution or new Stock Company (hereinafter referred to as a "new corporation" in this Article) are performed by the trustee.

- (2) In the case prescribed in the preceding paragraph, the articles of incorporation of the new corporation do not come into effect unless the certification of the court has been obtained.
- (3) In the case prescribed in paragraph (1), a resolution of the organizational meeting of the new corporation may be adopted only if the content of the resolution does not defeat the purpose of the reorganization plan.
- (4) In the case prescribed in paragraph (1), when the new corporation is not established, a reorganizing cooperative financial institution is responsible for any act performed by the trustee in relation to the establishment of the new corporation pursuant to the provisions of that paragraph and bear the expenses disbursed in relation to the establishment of the new corporation.
- (5) The provisions of Article 129, paragraphs (1) to (3) and (6) apply mutatis mutandis to the appointment or selection and term of office of any board member, inspector, Representative Board Member and accounting auditor at the time of establishment of a new cooperative financial institution in the case prescribed in paragraph (1); the provisions of Article 133 apply mutatis mutandis to the cases where the right to receive the allotment of contributions

of the new cooperative financial institution is to be granted to the unsecured or secured reorganization creditor or Partner or Member; and the provisions of Article 134 apply mutatis mutandis to the receipt of contributions of the new cooperative financial institution in exchange for the extinguishment of the right of the unsecured or secured reorganization creditor or Partner or Member. In this case, the phrase "Article 94, paragraph (1), item (i)" in Article 129, paragraph (1) is deemed to be replaced with "Article 106, paragraph (1), item (vii)"; the phrase "of the order confirming the reorganization plan" is deemed to be replaced with "that the new cooperative financial institution was established"; the phrase "item (ii) of that paragraph" is deemed to be replaced with "that item"; the phrase "Article 94, paragraph (2)" in paragraph (2) of that Article is deemed to be replaced with "Article 106, paragraph (1), item (vii)"; the phrase "that paragraph" is deemed to be replaced with "that item"; the phrase "the main clause of Article 35, paragraph (3)" in paragraph (3) of that Article is deemed to be replaced with "the proviso to Article 35, paragraph (3)"; the phrase "the main clause of Article 34, paragraph (3)" is deemed to be replaced with "the proviso to Article 34, paragraph (3)"; and the phrase "general meeting" is deemed to be replaced with "organizational meeting".

(6) The provisions of Article 211, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to the appointment or selection of a Director at Incorporation, etc. (meaning Director at Incorporation, etc. prescribed in Article 183, item (x) of that Act as applied mutatis mutandis pursuant to Article 104; hereinafter the same applies in this paragraph) at the time of incorporation of a new Stock Company in the case prescribed in paragraph (1), and the provisions of Article 211, paragraph (6) of that Act apply mutatis mutandis to the term of office of a director of new company, etc. (meaning director of new company, etc. prescribed in that item; hereinafter the same applies in this paragraph) in cases where a Director at Incorporation, etc. of the new Stock Company becomes the director of a new company, etc. after the incorporation of the new Stock Company. In this case, the phrase "Article 173" in Article 211, paragraphs (1) and (2) of that Act is deemed to be replaced with "Article 183, item (viii) or (ix) as applied mutatis mutandis pursuant to Article 104 of the Act on Special Measures"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that the new Stock Company (meaning new Stock Company prescribed in Article 124, paragraph (1), item (vi) of the Act on Special Measures) was incorporated"; and the phrase "Article 173, paragraph (1), items (ii) to (iv) or (viii) or paragraph (2), item (ii)" in paragraph (3) of that Article is deemed to be replaced with "Article 183, item (ix), (a) or (e) as applied mutatis mutandis pursuant to Article 104 of the Act on Special Measures".

(7) The provisions of Article 140, paragraphs (2) to (5) apply mutatis mutandis to

the cases where the unsecured or secured reorganization creditor or Partner or Member is to be granted the right to receive the allotment of Shares Solicited at Incorporation (meaning Shares Solicited at Incorporation prescribed in Article 58, paragraph (1) of the Companies Act; hereinafter the same applies in this Chapter) of a new Stock Company referred to in Article 183, item (v) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 104; the provisions of the preceding two Articles apply mutatis mutandis to the solicitation of subscribers for Share Options for Subscription or Bonds for subscription of a new Stock Company; and the provisions of Article 217-2 of the Corporate Reorganization Act apply mutatis mutandis to the issue of Shares Issued at Incorporation, share options or bonds of a new Stock Company in exchange for the extinguishment of the right of the unsecured or secured reorganization creditor or Partner or Member In this case, the phrase "converted bank" in Article 140, paragraphs (2) and (4), Article 141, paragraphs (2) and (4) and paragraphs (1) and (3) of the preceding Article is deemed to be replaced with "new Stock Company"; the phrase "Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2)" in Article 140, paragraph (2), items (ii) and (iii), paragraphs (4) and (5) is deemed to be replaced with "Article 183, item (v) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 104"; the phrase "Article 176 of that Act as applied mutatis mutandis pursuant to Article 102, paragraph (2)" in Article 141, paragraph (1) is deemed to be replaced with "Article 183, item (xi) of that Act as applied mutatis mutandis pursuant to Article 104"; the phrase "Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2)" in paragraphs (2), (4) and (5) of that Article and the phrase "Article 176 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2)" in paragraph (6) of that Article is deemed to be replaced with "Article 183, item (xi) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 104"; the phrase "Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 102, paragraph (2)" in paragraphs (1), (3) and (4) of the preceding Article is deemed to be replaced with "Article 183, item (xii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 104"; the terms "Article 177-2, paragraph (1)" and "item (iii) of that paragraph" in Article 217-2, paragraph (1) of that Act, the terms "Article 177-2, paragraph (2)" and "item (vi) of that paragraph" in paragraph (2) of that Article and the terms "Article 177-2, paragraph (3)" and "item (vii) of that paragraph" in paragraph (3) of that Article is deemed to be replaced with "Article 183, item (xiii) as applied mutatis mutandis pursuant to Article 104 of the Act on Special Measures"; the phrase "or shareholders" in that

Article is deemed to be replaced with "or Partner or Member (meaning Partner or Member prescribed in Article 2, paragraph (10) of the Act on Special Measures)"; and the phrase "the order confirming the reorganization plan is made" is deemed to be replaced with "the new Stock Company (meaning new Stock Company prescribed in Article 124, paragraph (1), item (vi) of the Act on Special Measures) was incorporated".

- (8) When the establishment of a new Cooperative Financial Institution is specified in the case prescribed in paragraph (1), the provisions of Article 24, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 22, paragraph (1) and Article 23, paragraphs (2) and (5) of the Shinkin Bank Act or Article 22, paragraph (1) and Article 23, paragraph (2) of the Labor Bank Act do not apply.
- (9) When the incorporation of a new Stock Company is specified in the case prescribed in paragraph (1), the provisions of Article 25, paragraph (1), items (i) and (2), Article 26, paragraph (2), Article 27, item (v), Article 30, Part II Chapter I Section 3 (excluding Article 37, paragraph (3)), Section 4 (excluding Article 39), Sections 5 and 6, Article 50, Article 51, Section 8 of that Chapter, Article 58, Article 59, paragraph (1), items (i) (limited to the part in relation to the name of the notary), (ii) (limited to the part in relation to the particulars set forth in Article 27, item (v) and the items of Article 32, paragraph (1) of the Companies Act) and (iii), Article 65, paragraph (1), Article 88 to Article 90 inclusive, Article 93 and Article 94 (limited to the part in relation to the particulars set forth in Article 93, paragraph (1), items (i) and (ii) of that Act in the same provisions) and Article 103 of the Companies Act do not apply.

(Handling of Severance Pay of Persons Transferred to Converted Cooperative Financial Institutions)

Article 144 (1) A person that was a board member, etc. or an employee prescribed in Article 125, paragraph (1), item (ii) of a reorganizing cooperative financial institution after the commencement of reorganization proceedings, retired from the reorganizing cooperative financial institution upon entity conversion of the reorganizing cooperative financial institution or upon the establishment of a new Cooperative Financial Institution or a new Stock Company as specified in the reorganization plan and successively became a board member, etc. or an employee prescribed in that item of a converted cooperative financial institution or a new Cooperative Financial Institution or director, accounting advisor, company auditor, representative director, executive officer, representative executive officer or employee of the converted bank or new Stock Company may not receive the payment of a severance pay from the reorganizing cooperative financial institution.

- (2) The period of service for the calculation of severance pay of the person

prescribed in the preceding paragraph at the reorganizing cooperative financial institution is deemed to be the period of service at the converted cooperative financial institution, converted bank, new Cooperative Financial Institution or new Stock Company.

(Special Provisions on Jurisdictions)

Article 145 Notwithstanding the provisions of Article 868, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 51 of the Merger and Conversion Act as applied mutatis mutandis pursuant to Article 67 of the Merger and Conversion Act, cases in relation to the petition for permission under the provisions of Article 234, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 51 of the Merger and Conversion Act as applied mutatis mutandis pursuant to Article 67 of the Merger and Conversion Act in cases where the conversion of a reorganizing cooperative financial institution is specified in the reorganization plan is under the jurisdiction of the reorganization court until the end of reorganization proceedings.

(Assignment of a Right to Receive the Allotment of Contributions)

Article 146 (1) In cases where the right to receive the allotment of contributions of a reorganizing cooperative financial institution, converted cooperative financial institution or a new Cooperative Financial Institution was granted to an unsecured or secured reorganization creditor or Partner or Member as specified in the reorganization plan, the relevant right may be assigned to the Partner or Member or a person that is qualified therefor with the approval of the Cooperative Financial Institution.

(2) In cases where the right to receive the allotment of Shares for Subscription, Shares Solicited at Incorporation, Share Options for Subscription or Bonds for subscription of a converted bank or new Stock Company was granted to an unsecured or secured reorganization creditor or Partner or Member as specified in the reorganization plan, the relevant right may be assigned to another person.

(Special Provisions on the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade)

Article 147 The provisions of Article 229 of the Corporate Reorganization Act apply mutatis mutandis to the cases where, as specified in a reorganization plan, an unsecured or secured reorganization creditor or Partner or Member is to acquire shares of a converted bank or a Stock Company incorporated as specified in the Reorganization Plan.

(Succession to Rights Based on Permission and Confirmation)

Article 148 When the transfer of rights and duties based on permission, confirmation, a license or any other disposition obtained from an administrative agency by a reorganizing cooperative financial institution to the same type of new Cooperative Financial Institution is specified in the reorganization plan, notwithstanding the provisions of any other laws and regulations, the new Cooperative Financial Institution succeeds to the rights and duties.

(Special Provisions on the Corporation Tax Act)

Article 148-2 (1) When the succession to obligations subject to a right to impose taxes or other charges of a reorganizing cooperative financial institution by a new Cooperative Financial Institution or a new Stock Company is specified in the reorganization plan, the new Cooperative Financial Institution or new Stock Company is liable to perform the obligations, and the reorganizing cooperative financial institution is relieved from the obligations.

(2) When an order commencing reorganization proceedings is made, the business year of a reorganizing cooperative financial institution ends at the time of the commencement thereof, and the subsequent business year is to end at the time when the reorganization plan is confirmed (when reorganization proceedings are closed by that time, the day on which the reorganization proceedings were closed); provided, however, that this does not preclude the application of the provisions of the proviso to Article 13, paragraph (1) of the Corporation Tax Act (Act No. 34 of 1965) and Article 72-13, paragraph (4) of the Local Tax Act.

Subsection 3 Modification of a Reorganization Plan

Article 149 (1) The provisions of Article 233, paragraphs (1) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the need to modify any particulars specified in the reorganization plan arises due to unavoidable circumstances after the order confirming the reorganization plan of a Cooperative Financial Institution.

(2) An immediate appeal may be filed against the order prescribed in Article 233, paragraph (5) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding paragraph.

(3) The provisions of Article 202, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the case referred to in the preceding paragraph. In this case, the phrase "Article 168, paragraph (1), items (iv) to (vi)" in paragraph (2) of that Article is deemed to be replaced with "Article 93, paragraph (1), item (iv) or (v) of the Act on Special Measures"; and the phrase "Article 13" in paragraph (5) of that Article is deemed to be replaced

with "Article 12 of the Act on Special Measures".

(4) The provisions of Article 72, paragraph (7) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the provisions of the reorganization plan are revoked under the provisions of the first sentence of Article 72, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 45 due to the modification of the reorganization plan. In this case, the phrase "Article 10, paragraph (4)" in Article 72, paragraph (7) of that Act is deemed to be replaced with "Article 10, paragraph (4) as applied mutatis mutandis pursuant to Article 10 of the Act on Special Measures".

Section 9 End of Reorganization Proceedings

Subsection 1 Grounds to End Reorganization Proceedings

Article 150 The provisions of Article 234 of the Corporate Reorganization Act apply mutatis mutandis to the end of the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 44, paragraph (1)" in item (ii) of that Article is deemed to be replaced with "Article 44, paragraph (1) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures".

Subsection 2 Ending Reorganization Proceedings before Confirmation of a Reorganization Plan

Division 1 Order Disconfirming a Reorganization Plan

(Effect of Entries in the Schedule of an Unsecured or Secured Reorganization Creditor Once an Order of Disconfirmation Becomes Final and Binding)

Article 151 The provisions of Article 235 of the Corporate Reorganization Act apply mutatis mutandis once the order disconfirming a reorganization plan becomes final and binding during the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 147, paragraph (2), Article 148, paragraph (4) or the second sentence of Article 149, paragraph (3)" in paragraph (2) of that Article is deemed to be replaced with "Article 147, paragraph (2), Article 148, paragraph (4) or the second sentence of Article 149, paragraph (3) as applied mutatis mutandis pursuant to Article 87 of the Act on Special Measures".

Division 2 Discontinuing Reorganization Proceedings before Confirmation of a Reorganization Plan

(Discontinuing Reorganization Proceedings Due to Difficulty Reorganizing)

Article 152 (1) The provisions of Article 236, Article 237 and Article 238,

paragraphs (1) to (5) of the Corporate Reorganization Act apply mutatis mutandis to an order of discontinuance of reorganization proceedings in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "the main clause of Article 198, paragraph (1)" in Article 236, item (iii) of that Act is deemed to be replaced with "the main clause of Article 198, paragraph (1) as applied mutatis mutandis pursuant to Article 119 of the Act on Special Measures"; the phrase "Article 138, paragraph (1)" in Article 237, paragraph (1) of that Act is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 17, paragraph (1)" is deemed to be replaced with "Article 15, paragraph (1) of the Act on Special Measures"; and the phrase "Article 13" in Article 238, paragraph (3) of that Act is deemed to be replaced with "Article 12 of the Act on Special Measures".

(2) The provisions of Article 235 of the Corporate Reorganization Act apply mutatis mutandis to cases where an order of discontinuance of reorganization proceedings becomes final and binding under the provisions of Article 236 or Article 237 of that Act as applied mutatis mutandis pursuant to the preceding paragraph. In this case, the phrase "Article 147, paragraph (2), Article 148, paragraph (4) or the second sentence of Article 149, paragraph (3)" in Article 235, paragraph (2) of that Act is deemed to be replaced with "Article 147, paragraph (2), Article 148, paragraph (4) or the second sentence of Article 149, paragraph (3) as applied mutatis mutandis pursuant to Article 87 of the Act on Special Measures".

Subsection 3 Ending Reorganization Proceedings after Confirmation of a Reorganization Plan

Division 1 Conclusion of Reorganization Proceedings

(Order Concluding Reorganization Proceedings)

Article 153 The provisions of Article 239 of the Corporate Reorganization Act apply mutatis mutandis to an order concluding the reorganization proceedings of a cooperative financial institution.

(Effect of Entries in the Schedule of an Unsecured or Secured Reorganization Creditor after the Conclusion of Reorganization Proceedings)

Article 154 The provisions of Article 240 of the Corporate Reorganization Act apply mutatis mutandis to the effect of entries in the schedule of reorganization creditors and the schedule of secured reorganization creditors after the conclusion of the reorganization proceedings of a Cooperative Financial Institution.

Division 2 Discontinuing Reorganization Proceedings after Confirmation of a Reorganization Plan

Article 155 (1) The provisions of Article 241, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to an order discontinuing the reorganization proceedings of a Cooperative Financial Institution.

(2) The provisions of Article 238, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order of discontinuance of reorganization proceedings is made under the provisions of Article 241, paragraph (1) of that Act as applied mutatis mutandis pursuant to the preceding paragraph, the provisions of Article 238, paragraph (4) of that Act apply mutatis mutandis to the cases where an order to revoke the order becomes final and binding, and the provisions of Article 240 of that Act apply mutatis mutandis to the cases where an order of discontinuance of reorganization proceedings becomes final and binding under the provisions of Article 241, paragraph (1) of that Act as applied mutatis mutandis pursuant to the preceding paragraph. In this case, the phrase "Article 13" in Article 238, paragraph (3) of that Act is deemed to be replaced with "Article 12 of the Act on Special Measures".

Section 10 Special Provisions If Foreign Insolvency Proceedings Are Underway

(Cooperation with Foreign Trustees)

Article 156 The provisions of Article 242 of the Corporate Reorganization Act apply mutatis mutandis if foreign insolvency proceedings (meaning proceedings commenced in a foreign state, which are equivalent to bankruptcy proceedings or rehabilitation proceedings; hereinafter the same applies in this Section) are underway in respect of a reorganizing cooperative financial institution.

(Presumption of a Cause to Commence Reorganization Proceedings)

Article 157 The provisions of Article 243 of the Corporate Reorganization Act apply mutatis mutandis to the cases where there are foreign insolvency proceedings for a Cooperative Financial Institution. In this case, the phrase "Article 17, paragraph (1)" in that Article is deemed to be replaced with "Article 15, paragraph (1) of the Act on Special Measures".

(Authority of a Foreign Trustee)

Article 158 (1) The provisions of Article 244 and Article 245, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to a foreign trustee in

foreign insolvency proceedings for a Cooperative Financial Institution (meaning a person that has a right to administer and dispose of the assets of the Cooperative Financial Institution in foreign insolvency proceedings). In this case, the phrase "Article 17, paragraph (1), item (i)" in Article 244, paragraph (1) of that Act is deemed to be replaced with "Article 15, paragraph (1), item (i) of the Act on Special Measures"; the phrase "Article 242, paragraph (1)" in paragraphs (2) and (3) of that Article is deemed to be replaced with "Article 242, paragraph (1) as applied mutatis mutandis pursuant to Article 156 of the Act on Special Measures"; the phrase "Article 184, paragraph (1)" in that paragraph is deemed to be replaced with "Article 184, paragraph (1) as applied mutatis mutandis pursuant to Article 108 of the Act on Special Measures"; and the phrase "Article 43, paragraph (1)" in paragraph (4) of that Article is deemed to be replaced with "Article 43, paragraph (1) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures".

(2) The provisions of Article 245, paragraphs (2) and (3) of the Corporate Reorganization Act apply mutatis mutandis to a trustee in the reorganization proceedings of a Cooperative Financial Institution.

Section 11 Transfers Between Reorganization Proceedings and Other Insolvency Proceedings

Subsection 1 Transfer from Bankruptcy Proceedings to Reorganization Proceedings

(Petitions to Commence Reorganization Proceedings Filed by a Bankruptcy Trustee)

Article 158-2 The provisions of Article 246 of the Corporate Reorganization Act apply mutatis mutandis if there is a fact constituting cause to commence reorganization proceedings as prescribed in Article 15, paragraph (1) in connection with a Cooperative Financial Institution that is a bankrupt. In this case, the phrase "Article 20, paragraph (1)" in Article 246, paragraph (4) of that Act is deemed to be replaced with "Article 20, paragraph (1) as applied mutatis mutandis pursuant to Article 18 of the Act on Special Measures".

(Order Not Requiring Filing of Proofs of a Reorganization Claim)

Article 158-3 (1) Where the court makes an order commencing reorganization proceedings, when it finds it appropriate while taking into consideration the content and cause of each bankruptcy claim filed in the bankruptcy proceedings to be stayed pursuant to the provisions of Article 50, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 36, the number of denied/disputed bankruptcy claims prescribed in the main clause of Article 125, paragraph (1) of the Bankruptcy Act, whether or

not any liquidating distribution will be made through the bankruptcy proceedings, and any other circumstances concerned, it may make an order, upon making the order commencing a reorganization, to the effect that reorganization creditors that hold a reorganization claim that have been filed as bankruptcy claims in the bankruptcy proceedings (excluding the right to impose taxes or other charges as prescribed in Article 97, item (iv) of that Act and right to claim a fine, etc. prescribed in item (vi) of that Article) are not required to file a proof of the reorganization claim.

- (2) The provisions of Article 247, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order under the provisions of the preceding paragraph is made. In this case, the phrase "Article 43, paragraph (1)" in paragraph (2) of that Article is deemed to be replaced with "Article 43, paragraph (1) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures"; the phrase "Article 138, paragraph (1)" in paragraphs (3) and (5) of that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 138, paragraph (1), item (i)" in paragraph (4), items (i) and (ii) of that Article is deemed to be replaced with "Article 138, paragraph (1), item (i) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; and the phrase "Article 138, paragraph (1), item (ii)" in items (iii) and (iv) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

Subsection 2 Transfer from Rehabilitation Proceedings to Reorganization Proceedings

(Petition to Commence Reorganization Proceedings Filed by the Trustee During Rehabilitation Proceedings)

- Article 158-4 The provisions of Article 248 of the Corporate Reorganization Act apply mutatis mutandis if there is a fact constituting cause to commence reorganization proceedings as prescribed in Article 15, paragraph (1) in connection with a Cooperative Financial Institution that is a rehabilitation debtor. In this case, the phrase "Article 246, paragraph (3)" in Article 248, paragraph (3) of that Act is deemed to be replaced with "Article 246, paragraph (3) as applied mutatis mutandis pursuant to Article 158-2 of the Act on Special Measures"; and the phrase "Article 20, paragraph (1)" in paragraph (4) of that Article is deemed to be replaced with "Article 20, paragraph (1) as applied mutatis mutandis pursuant to Article 18 of the Act on Special Measures".

(Order Not Requiring Filing of Proofs of a Reorganization Claim)

Article 158-5 (1) Where the court makes an order commencing reorganization proceedings, when it finds it appropriate while taking into consideration the content and cause of each rehabilitation claim filed in the rehabilitation proceedings to be stayed pursuant to the provisions of Article 50, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 36, the number of denied/disputed rehabilitation claims prescribed in the main clause of Article 105, paragraph (1) of the Civil Rehabilitation Act, whether or not any right will be modified by a rehabilitation plan and the content of the modification, and any other circumstances concerned, it may make an order, upon making the order commencing a reorganization, to the effect that reorganization creditors that hold a reorganization claim that have been filed as rehabilitation claims in the rehabilitation proceedings (excluding fines, etc. arising prior to the commencement of rehabilitation proceedings prescribed in Article 97, item (i) of that Act) are not required to file a proof of the reorganization claim.

(2) The provisions of Article 249, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order under the provisions of the preceding paragraph is made. In this case, the phrase "Article 43, paragraph (1)" in paragraph (2) of that Article is deemed to be replaced with "Article 43, paragraph (1) as applied mutatis mutandis pursuant to Article 31 of the Act on Special Measures"; the phrase "Article 138, paragraph (1)" in paragraphs (3) and (5) of that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 138, paragraph (1), item (i)" in paragraph (4), items (i) and (ii) of that Article is deemed to be replaced with "Article 138, paragraph (1), item (i) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; and the phrase "Article 138, paragraph (1), item (ii)" in item (iii) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

Subsection 3 Transfer from Reorganization Proceedings to Bankruptcy Proceedings

(Transfer of a Bankruptcy Case Where an Order Commencing Reorganization Proceedings Is Made)

Article 158-6 Where, before or after the commencement of bankruptcy proceedings, an order commencing reorganization proceedings is made against the same debtor, the court (meaning a judge or panel of judges in charge of the bankruptcy case), when it finds it appropriate in order to handle the

bankruptcy case, may by its own authority transfer the bankruptcy case to the reorganization court.

(Petitions to Commence Bankruptcy Proceedings before the End of Reorganization Proceedings)

Article 158-7 (1) Where, with regard to the reorganizing cooperative financial institution against which bankruptcy proceedings have not yet been commenced, an order of revocation of the order commencing reorganization proceedings or an order of discontinuance of reorganization proceedings or the court issues an order disconfirming the reorganization plan, notwithstanding the provisions of Article 50, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 36, a petition to commence bankruptcy proceedings may be filed with the reorganization court against the relevant reorganizing cooperative financial institution even before the respective order becomes final and binding. The same applies where, after the bankruptcy proceedings commenced against the reorganizing cooperative financial institution have ceased to be effective as a result of the order confirming the reorganization plan, an order of discontinuance of reorganization proceedings under the provisions of Article 241, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 155, paragraph (1) is made.

(2) The provisions of the first sentence of the preceding paragraph do not apply to the cases where rehabilitation proceedings have already commenced for a reorganizing cooperative financial institution prescribed in the first sentence of that paragraph.

(3) An order to commence bankruptcy proceedings based on the petition for commencement of bankruptcy proceedings filed under the provisions of paragraph (1) may not be made unless the order prescribed in the first sentence of that paragraph or an order of discontinuance of reorganization proceedings referred to in the second sentence of that paragraph becomes final and binding.

(Order to Commence Bankruptcy Proceedings by the Court's Authority at the End of Reorganization Proceedings)

Article 158-8 (1) Where, with regard to the Cooperative Financial Institution against which bankruptcy proceedings have not yet been commenced, the court, when it finds that a fact constituting the grounds referred to in Article 234, items (i) to (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 150 exists with regard to the relevant Cooperative Financial Institution, by its own authority, may make an order to commence bankruptcy proceedings in accordance with the Bankruptcy Act;

provided, however, that this does not apply to the cases where rehabilitation proceedings have already been commenced for the relevant Cooperative Financial Institution.

(2) Where, after the bankruptcy proceedings commenced against the reorganizing cooperative financial institution have ceased to be effective as a result of an order confirming the reorganization plan, an order of discontinuance of reorganization proceedings under the provisions of Article 241, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 155, paragraph (1) becomes final and binding, the court, by its own authority, must make an order to commence bankruptcy proceedings in accordance with the Bankruptcy Act; provided, however, that this does not apply where the court makes an order to commence bankruptcy proceedings based on a petition for commencement of bankruptcy proceedings under the provisions of the second sentence of paragraph (1) of the preceding Article.

(Provisional Remedy Prior to Commencement of Bankruptcy Proceedings at the End of Reorganization Proceedings)

Article 158-9 (1) In the following cases, the court, when it finds it necessary, by its own authority, may issue a stay order under the provisions of Article 24, paragraph (1) of the Bankruptcy Act or a comprehensive prohibition order prescribed in Article 25, paragraph (2) of that Act; order a provisional remedy under the provisions of Article 28, paragraph (1) of that Act; issue a Provisional Administration Order prescribed in Article 91, paragraph (2) of that Act; or order a provisional remedy under the provisions of Article 171, paragraph (1) of that Act (hereinafter referred to as a "provisional remedy or other measures" in this Article and Article 158-12, paragraph (4)):

- (i) where, with regard to the Cooperative Financial Institution against which bankruptcy proceedings have not yet been commenced, an order of dismissal with prejudice on the merits of a petition to commence reorganization proceedings is made;
- (ii) where, with regard to the Cooperative Financial Institution against which bankruptcy proceedings have not yet been commenced, an order of revocation of the order commencing reorganization proceedings, the order of discontinuance of the reorganization proceedings or an order of disconfirmation of the reorganization plan becomes final and binding; or
- (iii) where, after the bankruptcy proceedings commenced against the reorganizing cooperative financial institution have ceased to be effective as a result of the order confirming the reorganization plan, an order of discontinuance of reorganization proceedings under the provisions of Article 241, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 155, paragraph (1) becomes final and binding.

- (2) If the court, after issuing a provisional remedy or other measures under the provisions of item (i) or (ii) of the preceding paragraph, has decided not to make an order to commence bankruptcy proceedings under the provisions of the main clause of paragraph (1) of the preceding Article, it must revoke the provisional remedy or other measures without delay.
- (3) The provisional remedy or other measures issued under the provisions of paragraph (1), item (i) ceases to be effective when an order to revoke the order prescribed in that item is made.
- (4) Notwithstanding the provisions of Article 24, paragraph (4), Article 25, paragraph (6), Article 28, paragraph (3), Article 91, paragraph (5) and Article 171, paragraph (4) of the Bankruptcy Act, no immediate appeal may be filed against an order made under the provisions of paragraph (2).

(Application of the Bankruptcy Act in Bankruptcy Proceedings at the End of Reorganization Proceedings)

Article 158-10 (1) In the following cases concerning the Cooperative Financial Institution against which bankruptcy proceedings have not yet been commenced, for the purpose of application of the relevant provisions of the Bankruptcy Act (meaning the provisions of Article 71, paragraph (1), item (iv) and, paragraph (2), items (ii) and (iii), Article 72, paragraph (1), item (iv) and paragraph (2), items (ii) and (iii), Article 160 (excluding paragraph (1), item (i)), Article 162 (excluding paragraph (1), item (ii)), Article 163, paragraph (2), Article 164, paragraph (1) (including cases where applied mutatis mutandis pursuant to paragraph (2) of that Article), Article 166 and Article 167, paragraph (2) (including cases where applied mutatis mutandis pursuant to Article 170, paragraph (2) of that Act) of the Bankruptcy Act; the same applies in paragraph (3)), a petition to commence reorganization proceedings or other such procedures (meaning a petition to commence reorganization proceedings, petition for commencement of rehabilitation proceedings in rehabilitation proceedings that have ceased to be effective as a result of the order confirming the reorganization plan, or any act conducted by a board member of the relevant Cooperative Financial Institution or any other person equivalent thereto, which is to constitute the crime referred to in Article 265 of the Bankruptcy Act; hereinafter the same applies in this paragraph) is deemed to be a petition for commencement of bankruptcy proceedings only where no petition for commencement of bankruptcy proceedings has been filed prior to the petition to commence reorganization proceedings or other such procedures:

- (i) where an order to commence bankruptcy proceedings is made under the provisions of the main clause of Article 158-8, paragraph (1);
- (ii) where, based on a petition for commencement of bankruptcy proceedings filed before an order of dismissal with prejudice on the merits of a petition to

- commence reorganization proceedings becomes final and binding, an order to commence bankruptcy proceedings is made after the order of dismissal becomes final and binding;
- (iii) where, based on a petition for commencement of bankruptcy proceedings filed before an order to commence reorganization proceedings is made, an order to commence bankruptcy proceedings is made after any grounds referred to in Article 234, item (ii) or (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 150 have arisen, or after an order of discontinuance of reorganization proceedings under the provisions of Article 236 or Article 237, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 152, paragraph (1) becomes final and binding; or
- (iv) where, based on a petition for commencement of bankruptcy proceedings filed under the provisions of the first sentence of Article 158-7, paragraph (1), an order to commence bankruptcy proceedings is made.
- (2) For the purpose of application of the provisions of the first sentence of Article 176 of the Bankruptcy Act in cases where an order to commence bankruptcy proceedings prescribed in the items of the preceding paragraph is made at the end of reorganization proceedings as a result of an order of disconfirmation of the reorganization plan or order of discontinuance of reorganization proceedings becoming final and binding, the respective dates on which the following orders are made is deemed to be the date to commence bankruptcy proceedings referred to in the first sentence of that Article:
- (i) order commencing reorganization proceedings; and
- (ii) order to commence rehabilitation proceedings that have ceased to be effective in the rehabilitation proceedings as a result of an order confirming the reorganization plan.
- (3) For the purpose of application of the relevant provisions of the Bankruptcy Act in cases where, with regard to the reorganizing cooperative financial institution against which bankruptcy proceedings have been commenced, an order to commence bankruptcy proceedings is made based on a petition for commencement of bankruptcy proceedings filed under the provisions of the second sentence of Article 158-7, paragraph (1) or an order to commence bankruptcy proceedings is made under the provisions of Article 158-8, paragraph (2), it is deemed that a petition for commencement of bankruptcy proceedings was filed at the time when the petition for commencement of bankruptcy proceedings in the bankruptcy proceedings that ceased to be effective as a result of the order confirming the reorganization plan had been filed.
- (4) For the purpose of application of the provisions of the first sentence of Article 176 of the Bankruptcy Act in cases where an order to commence bankruptcy

proceedings prescribed in the preceding paragraph is made, the date to commence bankruptcy proceedings in the bankruptcy proceedings that have ceased to be effective as a result of the order confirming the reorganization plan is deemed to be the date of commencement of bankruptcy proceedings referred to in the first sentence of that Article.

(5) For the purpose of application of the provisions of Article 148, paragraph (1), item (iii) of the Bankruptcy Act in cases where an order to commence bankruptcy proceedings prescribed in the items of paragraph (1) or paragraph (3) is made, the phrase "comprehensive prohibition order" in that item is deemed to be replaced with "comprehensive prohibition order or comprehensive prohibition order prescribed in Article 25, paragraph (2) of the Corporate Reorganization Act (Act No. 154 of 2002) as applied mutatis mutandis pursuant to Article 19 of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions (Act No. 95 of 1996)"; the phrase "there is a period" is deemed to be replaced with "there is a period or a period during which a procedure for collection of national tax delinquency cannot be enforced pursuant to the provisions of Article 50, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 36 of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions".

(6) Where an order to commence bankruptcy proceedings prescribed in the preceding paragraph is made, common-benefit claims (including the rights to claim prescribed in Article 62, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 41, paragraph (1) and the rights to claim prescribed in Article 75, paragraphs (1) and (4) in cases where reorganization proceedings are not commenced; the same applies in Article 158-13) are claims on the estate. The same applies where bankruptcy proceedings commenced against the Cooperative Financial Institution against which bankruptcy proceedings are continued as a result of any of the grounds referred to in Article 234, items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 150 arising or an order of discontinuance of reorganization proceedings under the provisions of Article 236 or Article 237, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 152, paragraph (1) becoming final and binding.

(Order Not Requiring Filing of Proofs of Bankruptcy Claims)

Article 158-11 (1) Where the court (meaning a judge or panel of judges in charge of the bankruptcy case) makes an order to commence bankruptcy proceedings prescribed in the items of paragraph (1) or in paragraph (3) of the preceding Article, when it finds it appropriate while taking into consideration the content and cause of each reorganization claim, etc. as well as the amount of the voting

rights as filed in the reorganization proceedings that are closed, the number of denied/disputed unsecured or secured reorganization claims prescribed in the main clause of Article 151, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 88, whether or not any right will be modified by a reorganization plan and the content of the modification, and any other circumstances concerned, it may make an order, upon making the order to commence bankruptcy proceedings, to the effect that bankruptcy creditors that hold bankruptcy claims that have been filed as an unsecured or secured reorganization claim in the relevant reorganization proceedings (excluding the right to impose taxes or other charges and right to claim fines, etc. prescribed in Article 84, item (ii) arising prior to the commencement of reorganization proceedings) are not required to file a proof of the bankruptcy claims.

(2) The provisions of Article 255, paragraphs (2) to (6) of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order under the provisions of the preceding paragraph is made. In this case, the phrase "136, paragraph (1), item (iii), (b) to (d)" in paragraph (4), item (i) of that Article is deemed to be replaced with "136, paragraph (1), item (iii), (b) to (d) as applied mutatis mutandis pursuant to Article 80, paragraph (1) of the Act on Special Measures"; the phrase "Article 138, paragraph (1), item (iii) or paragraph (2), item (iii)" is deemed to be replaced with "Article 138, paragraph (1), item (iii) or paragraph (2), item (iii) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 138, paragraph (1), item (i) or paragraph (2), item (i)" in the provisions of items (ii) to (iv) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (i) or paragraph (2), item (i) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; the phrase "Article 136, paragraph (1), item (i), (ii) or (iii), (a)" in item (iii) of that paragraph is deemed to be replaced with "Article 136, paragraph (1), item (i), (ii) or (iii), (a) as applied mutatis mutandis pursuant to Article 80, paragraph (1) of the Act on Special Measures"; the phrase "Article 136, paragraph (2), items (i) to (iii)" in item (iv) of that paragraph is deemed to be replaced with "Article 136, paragraph (2), items (i) to (iii) as applied mutatis mutandis pursuant to Article 80, paragraph (1) of the Act on Special Measures"; the phrase "Article 138, paragraph (1), item (ii)" in items (v) and (vi) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures"; and the phrase "Article 138, paragraph (1), item (iii)" in item (vii) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (iii) as applied mutatis mutandis pursuant to Article 81 of the Act on Special Measures".

(Handling of Actions against Orders to Uphold a Request for Avoidance)

- Article 158-12 (1) In cases where any of the events referred to in Article 234, item (iii) or (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 150 occurs, when an order to commence bankruptcy proceedings prescribed in the items of Article 158-10, paragraph (1) or paragraph (3) of that Article is made, a bankruptcy trustee may take over court proceedings in relation to an action referred to in Article 97, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 60 that is discontinued pursuant to the provisions of Article 52, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 37. In this case, the other party may also file a petition for taking over the court proceedings.
- (2) In the case referred to in the preceding paragraph, the other party's right to claim court costs against a trustee is a claim on the estate.
- (3) In the case referred to in paragraph (1), if the bankruptcy proceedings are closed before the court proceedings in relation to an action referred to in Article 97, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 60 that is discontinued pursuant to the provisions of Article 52, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 37 is taken over under the provisions of paragraph (1), the relevant court proceedings are closed.
- (4) Court proceedings in an action referred to in Article 97, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 60, which is discontinued pursuant to the provisions of Article 52, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 37 and pertains to a reorganization case involving the Cooperative Financial Institution against which bankruptcy proceedings have not yet been commenced, are closed if an order to commence bankruptcy proceedings prescribed in the items of Article 158-10, paragraph (1) is not made within one month from the date of discontinuance thereof (if, for a certain part of the one-month period, a provisional remedy or other measures is issued under the provisions of Article 158-9, paragraph (1), item (i) or (ii) or a provisional remedy or other measures is issued in bankruptcy proceedings based on a petition for commencement of bankruptcy proceedings referred to in the items of Article 158-10, paragraph (2), that part of the period is excluded).
- (5) The proceedings for petition for a reorganization claim, etc. assessment prescribed in the main clause of Article 151, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 88, which are to continue to be pending pursuant to the provisions of Article 163, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 88, and the proceedings for petition for valuation prescribed in Article 153, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 88 is

closed when an order to commence bankruptcy proceedings prescribed in the items of Article 158-10, paragraph (1) or (3) is made. In this case, the provisions of Article 163, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 88 do not apply.

- (6) The provisions of paragraph (4) apply mutatis mutandis to court proceedings in relation to an action to oppose assessment of an unsecured or secured reorganization claim prescribed in Article 152, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 88, which is discontinued pursuant to the provisions of Article 163, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 88, and pertains to a reorganization case involving the Cooperative Financial Institution against which bankruptcy proceedings have not yet been commenced.

Subsection 4 Continuation of Rehabilitation Proceedings Once Reorganization Proceedings End

Article 158-13 Where a rehabilitation case involving a Cooperative Financial Institution is pending, when rehabilitation proceedings are continued as a result of any of the events referred to in Article 234, items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 150 arising or an order of discontinuance of reorganization proceedings under the provisions of Article 236 or Article 237, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 152, paragraph (1) becoming final and binding, common-benefit claims are common-benefit claims in rehabilitation proceedings.

Section 12 Miscellaneous Provisions

(Requesting a Registration for a Reorganizing Cooperative Financial Institution)

Article 159 (1) When an order commencing reorganization proceedings is made, a court clerk, by their own authority, without delay, must commission the registry office which has jurisdiction over the location of the principal office of a reorganizing cooperative financial institution to make a registration to commence reorganization proceedings.

- (2) The registration referred to in the preceding paragraph must include the name and address of each trustee, if the permission referred to in the proviso to Article 69, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 44 is granted for independent performance of duties by each trustee, a statement to that effect, and if the permission referred to in the proviso to that paragraph is granted for division

- of duties among trustees, a statement to that effect and the content of the duties assigned to each trustee.
- (3) The provisions of paragraph (1) apply mutatis mutandis where there is a change to any of the particulars prescribed in the preceding paragraph.
- (4) When a Provisional Administration Order or Supervision Order is issued against a cooperative financial institution awaiting reorganization proceedings, a court clerk, by their own authority, must without delay commission the registry office which has jurisdiction over the location of the principal office of the cooperative financial institution awaiting reorganization proceedings to make a registration of the Provisional Administration Order or Supervision Order.
- (5) When making the registration referred to in the preceding paragraph, the particulars specified in each of the following items must also be registered for the categories of registrations set forth in the respective items:
- (i) registration of a Provisional Administration Order as prescribed in the preceding paragraph: The name and address of each provisional administrator, if the permission referred to in the proviso to Article 69, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 24, paragraph (1) is granted for independent performance of duties by each provisional administrator, a statement to that effect, and if the permission referred to in the proviso to that paragraph is granted for division of duties among provisional administrators, a statement to that effect and the contents of the duties assigned to each provisional administrator; and
 - (ii) registration of Supervision Order prescribed in the preceding paragraph: The name and address of each supervisor, and acts designated pursuant to the provisions of Article 25, paragraph (2).
- (6) The provisions of paragraph (4) apply mutatis mutandis where a judicial decision prescribed in that paragraph is changed or revoked or there is a change to any of the particulars prescribed in the preceding paragraph.
- (7) The provisions of paragraph (1) apply mutatis mutandis when the court issues an order confirming the reorganization plan or any upon the occurrence of the events referred to in Article 234, items (ii) to (v) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 150.
- (8) A registrar, when making a registration of the confirmation of the reorganization plan pursuant to the provisions of the preceding paragraph, by their own authority, must cancel a registration of the commencement of bankruptcy proceedings or commencement of rehabilitation proceedings against the reorganizing cooperative financial institution, if there is any such registration.
- (9) A registrar, when making a registration of the disconfirmation of the

reorganization plan pursuant to the provisions of paragraph (7), by their own authority, must restore a registration cancelled pursuant to the provisions of the preceding paragraph, if there is any such registration.

Article 160 (1) When the powers of the authorities of a reorganizing cooperative financial institution pursuant to the provisions of the first sentence of Article 72, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 45 are restored, a court clerk, by their own authority, without delay, must commission the registry office which has jurisdiction over the location of the principal office of the reorganizing cooperative financial institution to make a registration to that effect.

(2) The provisions of the preceding paragraph apply mutatis mutandis to cases where provisions of the reorganization plan under the first sentence of Article 72, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 45 or an order by the court is revoked.

(Requesting a Registration for Registered Rights)

Article 161 (1) In the following cases, a court clerk, by their own authority, without delay, must commission a registration of the provisional remedy concerned:

(i) if a provisional remedy under the provisions of Article 28, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 20 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) is issued with respect to any registered right that belongs to the cooperative financial institution awaiting reorganization proceedings;

(ii) where a provisional remedy under the provisions of Article 29-2, paragraph (1) or Article 30, paragraph (1) (including the cases where these provisions are applied mutatis mutandis pursuant to Article 44, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 31) or the provisions of Article 99, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 62 is issued with regard to any registered right.

(2) The provisions of the preceding paragraph apply mutatis mutandis where the provisional remedy prescribed in that paragraph is changed or revoked or the provisional remedy ceases to be effective.

(3) Where a registration is cancelled under the provisions of the preceding paragraph, when an order to revoke the order commencing reorganization proceedings has become final and binding, a court clerk, without delay and by their own authority, must commission restoration of the registration cancelled pursuant to the provisions of that paragraph.

(Requesting a Registration in Connection with the Implementation of a Reorganization Plan)

- Article 162 (1) The provisions of Article 159, paragraph (1) apply mutatis mutandis to the cases where any particulars that should be registered arise with regard to a reorganizing cooperative financial institution, converted cooperative financial institution, or Cooperative Financial Institution to be established as specified in a reorganization plan before the execution of the reorganization plan or the end of reorganization proceedings pursuant to the provisions of this Chapter. In this case, when any particulars that should be registered arise with respect to the particulars set forth in the items of Article 93, paragraph (2) of the Small and Medium-Sized Enterprise Cooperatives Act, the items of Article 74, paragraph (2) of the Shinkin Bank Act or the items of Article 78, paragraph (2) of the Labor Bank Act, the phrase "principal office" in Article 159, paragraph (1) is deemed to be replaced with "principal office and secondary office".
- (2) The provisions of Article 258, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where any particulars that should be registered arise with regard to a converted bank or Stock Company to be incorporated as specified in a reorganization plan before the implementation of the reorganization plan or the end of reorganization proceedings pursuant to the provisions of this Chapter.
- (3) Where a reorganizing cooperative financial institution is to merge with another Cooperative Financial Institution or a bank, when a court clerk commissions the following registrations, the registration of the dissolution of the other Cooperative Financial Institution or bank which is the other party to the merger must also be commissioned:
- (i) registration of modification due to an Absorption-Type Merger of the reorganizing cooperative financial institution surviving the Absorption-Type Merger;
 - (ii) registration of establishment due to Consolidation-Type Merger of the Cooperative Financial Institution or Stock Company to be established as a result of the Consolidation-Type Merger.
- (4) The provisions of paragraphs (1) and (2) do not apply to the registration of dissolution of a reorganizing cooperative financial institution in cases where another Cooperative Financial Institution or bank survives after a merger with the reorganizing cooperative financial institution.
- (5) The provisions of paragraph (1) of the preceding Article apply mutatis mutandis to the cases where the acquisition, loss or modification of a registered right occurs before the end of reorganization proceedings as a result of the implementation of a reorganization plan; provided, however, that this

does not apply to the registration of anyone other than a reorganizing cooperative financial institution, unsecured or secured reorganization creditor, Partner or Member, converted cooperative financial institution, converted bank, Cooperative Financial Institution established as specified in a reorganization plan and a Stock Company incorporated as specified in a reorganization plan as the holder of the right.

- (6) For the purpose of application of the provisions of Article 159, paragraph (1) as applied mutatis mutandis pursuant to paragraph (1) concerning the requesting of a registration of the modification of the total number of units and the total amount of the contribution of a Cooperative Financial Institution, the phrase "without delay" in that paragraph is deemed to be replaced with "without delay, as of the final day of each business year, after the end of the business year".

(Registration of Avoidance)

Article 163 The provisions of Article 262 of the Corporate Reorganization Act apply mutatis mutandis to a registration of avoidance in the reorganization proceedings of a Cooperative Financial Institution. In this case, the phrase "Article 234, item (ii) or (iii)" in paragraph (6) of that Article is deemed to be replaced with "Article 234, item (ii) or (iii) as applied mutatis mutandis pursuant to Article 150 of the Act on Special Measures"; the phrase "Article 236 or Article 237, paragraph (1)" is deemed to be replaced with "Article 236 or Article 237, paragraph (1) as applied mutatis mutandis pursuant to Article 152, paragraph (1) of the Act on Special Measures".

(Document to Be Attached to a Paper-Based Request for Registration)

Article 164 Information that needs to be provided along with request information or application information on registration under the provisions of this Chapter, or documents that should be attached to the written commission or written application, are specified by Cabinet Order.

(Special Provisions on Registration and License Tax)

Article 165 (1) Registration and license tax is not imposed on the registrations under the provisions of Article 161 and the provisions of Article 262 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 163.

- (2) The tax rate of the registration and license tax for the registration of the increase in stated capital as a result of an Absorption-Type Merger of a reorganizing cooperative financial institution in cases where the Absorption-Type Merger is specified in a reorganization plan is one one-thousandth (0.35% of the portion of the amount of stated capital increased as a result of the

Absorption-Type Merger that does not correspond to the amount equivalent to the delivery of shares to an unsecured or secured reorganization creditor), notwithstanding the provisions of Article 9 of the Registration and License Tax Act (Act No. 35 of 1967).

- (3) The tax rate of the registration and license tax for the registration of the incorporation of a Stock Company as a result of a Consolidation-Type Merger of a reorganizing cooperative financial institution in cases where the Consolidation-Type Merger is specified in a reorganization plan is one one-thousandth (0.35% of the portion of the amount of stated capital that corresponds to the portion prescribed in the tax rate column of Article 24, item (i), (e) of Appended Table 1 of that Act (excluding the amount equivalent to the delivery of shares to an unsecured or secured reorganization creditor)), notwithstanding the provisions of Article 9 of the Registration and License Tax Act.
- (4) The tax rate of the Registration and license tax for the registration of the incorporation of a Stock Company as a result of a conversion of a reorganizing cooperative financial institution in cases where the conversion is specified in a reorganization plan is one one-thousandth (0.35% of the portion of the amount of stated capital that does not correspond to the amount equivalent to the delivery of shares to an unsecured or secured reorganization creditor), notwithstanding the provisions of Article 9 of the Registration and License Tax Act.
- (5) The tax rate of the registration and license tax for the registration of the increase in stated capital in cases where the issue of shares of a converted bank is specified in a reorganization plan is 0.35%, notwithstanding the provisions of Article 9 of the Registration and License Tax Act.
- (6) The provisions of Article 264, paragraph (7) of the Corporate Reorganization Act apply mutatis mutandis to the tax rate of the registration and license tax for the registration of the incorporation of a new Stock Company in cases where the incorporation of a new Stock Company is specified in a reorganization plan in the reorganization proceedings of a Cooperative Financial Institution.
- (7) The provisions of Article 264, paragraph (8) of the Corporate Reorganization Act apply mutatis mutandis to the tax rate of the Registration and license tax for the registration of the transfer or establishment of a new Cooperative Financial Institution or new Stock Company in cases where the transfer or establishment of a right on real assets or a vessel from a reorganizing cooperative financial institution to new Cooperative Financial Institution or new Stock Company is specified in a reorganization plan in the reorganization proceedings of a Cooperative Financial Institution.

(Application Mutatis Mutandis to Registration)

Article 166 The provisions of Article 161, Article 162, paragraph (5), Article 262 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 163, Article 164 and paragraph (1) of the preceding Article apply mutatis mutandis to registered rights.

Article 167 Deleted

Chapter III Reorganization Proceedings of a Mutual Company

Section 1 General Provisions

(Reorganization Proceedings of a Mutual Company)

Article 168 Beyond what is provided for in Section 3 and Section 6 of the following Chapter the reorganization proceedings of a Mutual Company is governed by the provisions of this Chapter.

(Definitions)

Article 169 (1) The term "reorganization proceedings" as used in this Chapter means the process of establishing a reorganization plan for a Mutual Company pursuant to the provisions of this Chapter and Section 3 and Section 6 of the following Chapter and of implementing the reorganization plan once that plan has been established (and includes the process of conducting proceedings and arriving at the judicial decision as to whether to issue an order commencing reorganization proceedings in response to a petition to commence reorganization proceedings).

(2) The term "reorganization plan" as used in this Chapter means a plan that establishes provisions for modifying some or all of the rights of unsecured and secured reorganization creditors or of members, and which establishes the other provisions prescribed in Article 259.

(3) The term "reorganization case" as used in this Chapter means a case involving reorganization proceedings.

(4) The term "reorganization court" as used in this Chapter means the district court before which a reorganization case is pending.

(5) The term "the court" as used in this Chapter (excluding Article 331-6 and Article 331-11, paragraph (1)) means the judge or panel of judges handling a reorganization case.

(6) The term "company awaiting reorganization proceedings" as used in this Chapter means a Mutual Company that has a reorganization case pending before the reorganization court but for which an order commencing reorganization proceedings has not yet been issued.

(7) The term "reorganizing company" as used in this Chapter means a Mutual

Company that has a reorganization case pending before the reorganization court and for which an order commencing reorganization proceedings has been issued.

- (8) The term "reorganization claim" as used in this Chapter means a claim on assets arising against a reorganizing company due to a cause occurring prior to the commencement of the reorganization proceedings or any the following rights, if this does not fall under the category of secured reorganization claim or common-benefit claim:
- (i) a claim to interest after the commencement of the reorganization proceedings;
 - (ii) a claim to damages or a penalty for default after the commencement of the reorganization proceedings;
 - (iii) a claim to expenses for participation in the reorganization proceedings;
 - (iv) a right in personam as prescribed in Article 58, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 204 (including as applied mutatis mutandis pursuant to paragraph (2) of that Article);
 - (v) a claim to damages from the other party, if an executory contract is cancelled pursuant to the provisions of Article 61, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 206, paragraph (1);
 - (vi) a claim to damages under the provisions of Article 58, paragraph (2) of the Bankruptcy Act as applied mutatis mutandis pursuant to Article 206, paragraph (3);
 - (vii) a claim under the provisions of Article 59, paragraph (1) of the Bankruptcy Act as applied mutatis mutandis pursuant to Article 206, paragraph (3) (other than one held by the reorganizing company); or
 - (viii) a right provided for in Article 91-2, paragraph (2), item (ii) or (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 226.
- (9) The term "reorganization creditor" as used in this Chapter means a person that has a reorganization claim.
- (10) The term "secured reorganization claim" as used in this Chapter means a secured claim under a security interest (limited to a special statutory lien, pledge, or mortgage, or a right of retention under the provisions of the Commercial Code or the Companies Act) in the assets of the reorganizing company which exists at the time of the commencement of the reorganization proceedings and which has arisen from a cause occurring prior to the commencement of the reorganization proceedings, or a claim set forth in one of the items of paragraph (8) (other than one that is a common-benefit claim), within the scope of what the security interest would secure if the value of the

asset that is the subject matter of the security interest is the market value of that asset at the commencement of the reorganization proceedings; provided, however, that this is limited to the part of the secured claim (excluding bonds) that falls under the category of a claim to interest, damages, or penalty for default that arises by the time one year has passed since the commencement of the reorganization proceedings (or by the time of the order confirming the reorganization plan, if the court issues it by that time).

- (11) The term "secured reorganization creditor" as used in this Chapter means a person that has a secured reorganization claim.
- (12) The term "unsecured or secured reorganization claim" as used in this Chapter means a reorganization claim or secured reorganization claim; provided, however, that in Subsection 2 of the following Section, "unsecured or secured reorganization claim" means anything that would become a reorganization claim or secured reorganization claim if an order commencing reorganization proceedings were to be issued for a company awaiting reorganization proceedings.
- (13) The term "unsecured or secured reorganization creditor" as used in this Chapter means a reorganization creditor or secured reorganization creditor; provided, however, that in Subsection 2 of the following Section, "unsecured or secured reorganization creditor" means a person that would become a reorganization creditor or secured reorganization creditor if an order commencing reorganization proceedings were to be issued for a company awaiting reorganization proceedings.
- (14) The term "assets of a reorganizing company" as used in this Chapter means all of the assets belonging to the reorganizing company.
- (15) The term "right to impose taxes or other charges" as used in this Chapter means a right that entitles a person to collect monies as provided by the National Tax Collection Act or as is prescribed for the collection of national taxes, which does not fall under the category of a common-benefit claim.

(Technical Replacement of Terms for Application, Mutatis Mutandis, of the Provisions of the Corporate Reorganization Act)

Article 170 (1) For the purpose of applying mutatis mutandis the provisions of the Corporate Reorganization Act to the provisions of this Chapter (excluding Article 172, Article 273, Article 308, paragraph (1), Article 309, paragraph (1), Article 316, paragraph (7) and Article 335, paragraph (2)), except as otherwise provided, the phrase "this Act" in the provisions of that Act is deemed to be replaced with "Chapter III of the Act on Special Measures"; the phrase "Stock Company" is deemed to be replaced with "Mutual Company (meaning Mutual Company prescribed in Article 2, paragraph (6) of the Act on Special Measures)"; the phrase "shareholder" is deemed to be replaced with "member";

the phrase "trade name" is deemed to be replaced with "name"; the phrase "head office" is deemed to be replaced with "principal office"; and the phrase "business office" is deemed to be replaced with "office".

(2) The term "Act on Special Measures" in the provisions of the Corporate Reorganization Act as replaced pursuant to the provisions of this Chapter as applied mutatis mutandis pursuant to this Chapter means the Act on Special Measures for the Reorganization Proceedings of Financial Institutions.

(Status of Foreign Nationals)

Article 171 The provisions of Article 3 of the Corporate Reorganization Act apply mutatis mutandis to the status of foreign nationals or foreign corporations in the reorganization proceedings of a Mutual Company.

(Jurisdiction over Reorganization Cases)

Article 172 The provisions of Article 5 (excluding paragraphs (2) and (4)) and Article 6 of the Corporate Reorganization Act apply mutatis mutandis to the jurisdiction over a reorganization case of a Mutual Company. In this case, the phrase "the location of the principal business office of the Stock Company (if the principal business office is in a foreign state, the location of the principal business office in Japan)" in Article 5, paragraph (1) of that Act is deemed to be replaced with "the location of the principal office of the Mutual Company (meaning Mutual Company prescribed in Article 2, paragraph (6) of the Act on Special Measures; hereinafter the same applies in this Article)"; the phrase "a Stock Company holds the majority of voting rights (excluding the voting rights of the shares which may not be exercised for all particulars that may be resolved at a shareholders meeting, and including the voting rights of the shares that are deemed to have voting rights pursuant to the provisions of Article 879, paragraph (3) of the Companies Act; the same applies hereinafter) of all shareholders of another Stock Company" in paragraph (3) of that Article is deemed to be replaced with "the Mutual Company has a Stock Company as a subsidiary company prescribed in Article 2, paragraph (12) of the Insurance Business Act (Act No. 105 of 1995)"; the phrase "the relevant other Stock Company" is deemed to be replaced with "the Stock Company"; the phrase "the Stock Company (hereinafter referred to as a "Parent Stock Company" in this paragraph and the following paragraph)" is deemed to be replaced with "the Mutual Company"; the phrase ", and if a reorganization case is pending against the Parent Stock Company, a petition to commence reorganization proceedings against the subsidiary stock company may also be filed with the district court before which the reorganization case against the Parent Stock Company is pending" is deleted; the phrase "Stock Company" in paragraph (5) of that Article is deemed to be replaced with "Mutual Company"; the phrase "Article

444 of the Companies Act" is deemed to be replaced with "Article 54-10 of the Insurance Business Act"; the phrase "the Stock Company" is deemed to be replaced with "the Mutual Company"; the phrase "other Stock Company" is deemed to be replaced with "Stock Company"; the phrase "annual shareholders meeting" is deemed to be replaced with "annual members meeting (or an annual general meeting if a general meeting is held)"; the phrase "and if a reorganization case is pending against the Stock Company, a petition to commence reorganization proceedings against the relevant other Stock Company may also be filed with the district court before which the reorganization case against the Stock Company is pending" is deleted; and the phrase "this Act" in Article 6 of that Act is deemed to be replaced with "Chapter III of the Act on Special Measures".

(Transfer of Reorganization Cases)

Article 173 The provisions of Article 7 of the Corporate Reorganization Act apply mutatis mutandis to the transfer of a Mutual Company reorganization case. In this case, in item (iii) of that Article, the phrase "Article 5, paragraph (2) to (6)" is deemed to be replaced with "Article 5, paragraph (3), (5) or (6) as applied mutatis mutandis pursuant to Article 172 of the Act on Special Measures".

(Optional Oral Arguments and Appeals)

Article 174 The provisions of Article 8 and Article 9 of the Corporate Reorganization Act apply mutatis mutandis to proceedings and judicial decisions related to the reorganization proceedings of a Mutual Company.

(Public Notices)

Article 175 The provisions of Article 10 of the Corporate Reorganization Act apply mutatis mutandis to public notices or service under the provisions of this Chapter.

(Inspection of Case Documents)

Article 176 The provisions of Article 11 and Article 12 of the Corporate Reorganization Act apply mutatis mutandis to documents and other articles relating to the reorganization case of a Mutual Company and certificates of particulars concerning the reorganization case. In this case, the phrase "this Act" in Article 11, paragraph (1) of that Act is deemed to be replaced with "Act on Special Measures"; the phrase "Article 24, paragraph (1) or (2)" in paragraph (4), item (i) of that Article is deemed to be replaced with "Article 24, paragraph (1) or (2) as applied mutatis mutandis pursuant to Article 184 of the Act on Special Measures"; the phrase "Article 25, paragraph (2)" is deemed to be replaced with "Article 25, paragraph (2) as applied mutatis mutandis

pursuant to Article 184 of the Act on Special Measures"; the phrase "Article 28, paragraph (1)" is deemed to be replaced with "Article 28, paragraph (1) as applied mutatis mutandis pursuant to Article 185 of the Act on Special Measures"; the phrase "Article 29, paragraph (3)" is deemed to be replaced with "Article 29, paragraph (3) as applied mutatis mutandis pursuant to Article 186 of the Act on Special Measures"; the phrase "Article 30, paragraph (2)" is deemed to be replaced with "Article 187, paragraph (2) of the Act on Special Measures"; the phrase "Article 35, paragraph (2)" is deemed to be replaced with "Article 190, paragraph (2) of the Act on Special Measures"; the phrase "Article 39-2, paragraph (1)" is deemed to be replaced with "Article 194-2, paragraph (1) of the Act on Special Measures"; the phrase "the proviso to Article 32, paragraph (1), the first sentence of Article 46, paragraph (2) or Article 72, paragraph (2) (including as applied mutatis mutandis pursuant to Article 32, paragraph (3))" in Article 12, paragraph (1), item (i) of that Act is deemed to be replaced with "the proviso to Article 32, paragraph (1) as applied mutatis mutandis pursuant to Article 188 of the Act on Special Measures, Article 72, paragraph (2) as applied mutatis mutandis pursuant to the first sentence of Article 198, paragraph (2) of the Act on Special Measures or Article 211 of the Act on Special Measures (including as applied mutatis mutandis pursuant to Article 32, paragraph (3) as applied mutatis mutandis pursuant to Article 188 of the Act on Special Measures)"; the phrase "Article 84, paragraph (2)" in item (ii) of that paragraph is deemed to be replaced with "Article 84, paragraph (2) as applied mutatis mutandis pursuant to Article 221 of the Act on Special Measures"; and the phrase "Article 125, paragraph (2)" is deemed to be replaced with "Article 238, paragraph (2) of the Act on Special Measures".

(Application Mutatis Mutandis of the Code of Civil Procedure)

Article 177 Except as otherwise provided, the provisions of the Code of Civil Procedure apply mutatis mutandis to the reorganization proceedings of a Mutual Company.

(Rules of the Supreme Court)

Article 178 Beyond what is provided for in this Chapter and Section 3 and Section 6 of the following Chapter, Rules of the Supreme Court prescribe the necessary particulars concerning the reorganization proceedings of a Mutual Company.

Article 179 Deleted

Section 2 Petition to Commence Reorganization Proceedings and Associated Provisional Measures

Subsection 1 Petition to Commence Reorganization Proceedings

(Petition to Commence Reorganization Proceedings)

Article 180 (1) When there is a fact constituting cause to commence the reorganization proceedings of a Mutual Company (meaning a fact that falls under any of the following items), the Mutual Company may file a petition to commence reorganization proceedings for the Mutual Company:

- (i) there is a risk that a fact constituting the grounds for commencement of bankruptcy proceedings would occur; or
- (ii) the payment of debts that are due poses the risk of causing significant hindrance to the continuation of business.

(2) When a fact that falls under paragraph (1), item (i) exists with regard to a Mutual Company, the following persons may also file a petition to commence reorganization proceedings for the Mutual Company:

- (i) creditors that hold claims equivalent to one-tenth or more of the total amount of funds of the Mutual Company (including the reserve for redemption of funds referred to in Article 56 of the Insurance Business Act);
- (ii) members equivalent in number to one-tenth or more of all members of the Mutual Company or 10,000 or more members.

(Obligation to File for Petition for Commencement of Bankruptcy Proceedings and Filing of Petitions to Commence Reorganization Proceedings)

Article 181 The provisions of Article 18 of the Corporate Reorganization Act apply mutatis mutandis to the cases where, pursuant to the provisions of other Acts, the liquidator of a Mutual Company must file a petition for the commencement of bankruptcy proceedings or commencement of special liquidation for the Mutual Company.

(Petitions to Commence Reorganization Proceedings by a Mutual Company after Dissolution)

Article 182 In order for a Mutual Company in liquidation or special liquidation or against which bankruptcy proceedings have been commenced to file a petition to commence reorganization proceedings, there must be a resolution specified in Article 62, paragraph (2) of the Insurance Business Act.

(Proceedings for Filing Petitions to Commence Reorganization Proceedings)

Article 183 The provisions of Article 20 to Article 23 of the Corporate Reorganization Act apply mutatis mutandis to a petition to commence reorganization proceedings for a Mutual Company. In this case, the phrase "Article 17, paragraph (1)" in Article 20, paragraph (1) in that Act is deemed to be replaced with "Article 180, paragraph (1) of the Act on Special Measures";

the phrase "Article 17, paragraph (2)" in paragraph (2) of that Article and Article 22, paragraph (2) of that Act is deemed to be replaced with "Article 180, paragraph (2) of the Act on Special Measures"; the phrase "creditors or shareholders" in Article 20, paragraph (2) of that Act is deemed to be replaced with "creditors"; the phrase "the amount of claim or the number of voting rights (excluding the voting rights of the shares which may not be exercised for all particulars that may be resolved at a shareholders meeting, and including the voting rights of the shares that are deemed to have voting rights pursuant to the provisions of Article 879, paragraph (3) of the Companies Act)" is deemed to be replaced with "the amount of claim"; the phrase "Article 17" in Article 22, paragraph (1) of that Act is deemed to be replaced with "Article 180 of the Act on Special Measures"; the phrase "representative (when the head office is in a foreign state, the representative in Japan)" in paragraph (2) of that Article is deemed to be replaced with "representative"; the phrase "paragraph (1) or (2) of the following Article" in Article 23 of that Act is deemed to be replaced with "paragraph (1) or (2) of the following Article as applied mutatis mutandis pursuant to Article 184 of the Act on Special Measures"; the phrase "Article 25, paragraph (2)" is deemed to be replaced with "Article 25, paragraph (2) as applied mutatis mutandis pursuant to Article 184 of the Act on Special Measures", the phrase "Article 28, paragraph (1)" is deemed to be replaced with "Article 28, paragraph (1) as applied mutatis mutandis pursuant to Article 185 of the Act on Special Measures"; the phrase "Article 29, paragraph (3)" is deemed to be replaced with "Article 29, paragraph (3) as applied mutatis mutandis pursuant to Article 186 of the Act on Special Measures"; the phrase "Article 30, paragraph (2)" is deemed to be replaced with "Article 187, paragraph (2) of the Act on Special Measures"; the phrase "Article 35, paragraph (2)" is deemed to be replaced with "Article 190, paragraph (2) of the Act on Special Measures"; and the phrase "Article 39-2, paragraph (1)" is deemed to be replaced with "Article 194-2, paragraph (1) of the Act on Special Measures".

**Subsection 2 Provisional Measures Associated with Petitions to
Commence Reorganization Proceedings
Division 1 Order to Stay Other Procedures Affecting a Company
Awaiting Commencement of Reorganization Proceedings**

Article 184 The provisions of Article 24 to Article 27 of the Corporate Reorganization Act apply mutatis mutandis to the cases where a petition to commence reorganization proceedings for a Mutual Company is filed. In this case, the phrase "Article 28, paragraph (1)" in Article 25, paragraph (1) of that Act is deemed to be replaced with "Article 28, paragraph (1) as applied mutatis

mutandis pursuant to Article 185 of the Act on Special Measures"; the phrase "Article 30, paragraph (2)" is deemed to be replaced with "Article 187, paragraph (2) of the Act on Special Measures"; the phrase "Article 35, paragraph (2)" is deemed to be replaced with "Article 190, paragraph (2)" of the Act on Special Measures"; and the phrase "the main clause of Article 10, paragraph (3)" in Article 27, paragraph (6) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

Division 2 Provisional Remedies and Other Measures Affecting the Business and Assets of Companies Awaiting Commencement of Reorganization Proceedings

(Provisional Remedies Affecting the Business and Assets of Companies Awaiting Commencement of Reorganization Proceedings)

Article 185 The provisions of Article 28 of the Corporate Reorganization Act apply mutatis mutandis to a provisional remedy in cases where a petition to commence reorganization proceedings for a Mutual Company is filed. In this case, the phrase "the main clause of Article 10, paragraph (3)" in paragraph (5) of that Article is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

(Claim for Extinguishment of the Right of Retention under Commercial Law Prior to the Commencement of Reorganization Proceedings)

Article 186 The provisions of Article 29 of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a right of retention under the provisions of the Commercial Code or the Companies Act on the assets of a company awaiting reorganization proceedings in the reorganization proceedings of a Mutual Company.

Division 3 Provisional Administration Orders

(Provisional Administration Orders)

Article 187 (1) Where a petition to commence reorganization proceedings is filed, the court, upon the petition of an interested person or by its own authority, may make a disposition to order that the business and assets of the company awaiting reorganization proceedings be administered by a provisional administrator until an order is made on the petition to commence reorganization proceedings, when it finds it necessary in order to achieve the purpose of reorganization proceedings.

- (2) The court, when making a disposition under the provisions of the preceding paragraph (hereinafter referred to as a "Provisional Administration Order" in this Chapter), must appoint one or more provisional administrators in the Provisional Administration Order; provided, however, that the person prescribed in Article 67, paragraph (3) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 210 may not be appointed as provisional administrator.
- (3) The provisions of Article 30, paragraphs (3) to (5) and Article 31 of the Corporate Reorganization Act apply mutatis mutandis to a Provisional Administration Order in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 10, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "Article 10, paragraph (4) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

(Powers of Provisional Administrators)

Article 188 The provisions of Article 32 and Article 33 of the Corporate Reorganization Act apply mutatis mutandis to a provisional administrator in the reorganization proceedings for a Mutual Company. In this case, "Article 67, paragraph (3)" in paragraph (1) of that Article is deemed to be replaced with "Article 67, paragraph (3) as applied mutatis mutandis pursuant to Article 210 of the Act on Special Measures".

(Application Mutatis Mutandis of the Provisions on Trustees to Provisional Administrators)

Article 189 (1) The provisions of Article 219, paragraphs (1) to (4) and the provisions of Article 54, Article 57, Article 59, Article 67, paragraph (2), Article 68, Article 69, Article 73, Article 74, paragraph (1), Article 76 to Article 80, and Article 82, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to a provisional administrator in the reorganization proceedings for a Mutual Company, and the provisions of Article 219, paragraphs (1) to (4) apply mutatis mutandis to a provisional administrator representative in the reorganization proceedings for a Mutual Company. In this case, the phrase "public notice under the provisions of Article 43, paragraph (1)" in Article 59 of that Act is deemed to be replaced with "public notice under the provisions of Article 31, paragraph (1) as applied mutatis mutandis pursuant to Article 187, paragraph (3) of the Act on Special Measures"; the phrase "subsidiary company (meaning a subsidiary company prescribed in Article 2, item (iii) of the Companies Act)" in Article 77, paragraph (2) of that Act is deemed to be replaced with "substantive subsidiary company (meaning a substantive subsidiary company prescribed in Article 33-2, paragraph (1) of the Insurance Business Act)"; the phrase "successor trustee"

in Article 82, paragraph (2) of that Act is deemed to be replaced with "successor provisional administrator or trustee"; and the phrase "successor trustee" in paragraph (3) of that Article is deemed to be replaced with "successor provisional administrator, trustee".

- (2) The provisions of Article 52, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to the cases where a Provisional Administration Order is issued in the reorganization proceedings of a Mutual Company, and the provisions of paragraphs (4) to (6) of that Article apply mutatis mutandis to the cases where a Provisional Administration Order ceases to be effective in the reorganization proceedings for a Mutual Company (excluding cases where an order commencing reorganization proceedings is made). In this case, the phrase "court proceedings (excluding court proceedings in relation to action referred to in Article 97, paragraph (1) in cases where any of the events referred to in Article 234, item (iii) or (iv) occurs)" in paragraph (5) of that Article is deemed to be replaced with "court proceedings".
- (3) With respect to cases relating to assets of a company awaiting reorganization proceedings that are pending before an administrative agency in the reorganization proceedings of a Mutual Company, the provisions specified in the following items apply mutatis mutandis to the cases set forth in the respective items:
- (i) cases where a Provisional Administration Order is issued: Article 52, paragraphs (1) to (3) of the Corporate Reorganization Act;
 - (ii) cases where a Provisional Administration Order ceases to be effective (excluding cases where an order commencing reorganization proceedings is made): Article 52, paragraphs (4) to (6) of the Corporate Reorganization Act.
- (4) The provisions of Article 65 of the Corporate Reorganization Act apply mutatis mutandis to the cases where a director, executive officer or liquidator intends to carry out, for themselves or for a third party, any transactions in the line of business of the company awaiting reorganization proceedings during the period which a provisional administrator is in the process of appointment in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 356, paragraph (1) of the Companies Act (including as applied mutatis mutandis pursuant to Article 419, paragraph (2) or Article 482, paragraph (4) of that Act)" in paragraph (1) of that Article is deemed to be replaced with "Article 356, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 53-15 of the Insurance Business Act (including as applied mutatis mutandis pursuant to Article 419, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 53-32 of the Insurance Business Act) or Article 356, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 180-8, paragraph (4) of the Insurance Business Act".

- (5) The provisions of the main clause of Article 66, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to any director, accounting advisor, company auditor, executive officer and liquidator of a company awaiting reorganization proceedings during the period which a provisional administrator is in the process of appointment in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 361, paragraph (1) of the Companies Act" in that paragraph is deemed to be replaced with "Article 53-28, paragraph (3) of the Insurance Business Act".

Division 4 Supervision Orders

(Supervision Orders)

- Article 190 (1) Where a petition to commence reorganization proceedings is filed, the court, upon the petition of an interested person or by its own authority, may make a disposition to order supervision by a supervisor until an order is made on the petition to commence reorganization proceedings, when it finds it necessary in order to achieve the purpose of reorganization proceedings.
- (2) The court, when making the disposition referred to in the preceding paragraph (hereinafter referred to as a "Supervision Order" in this Chapter), in the Supervision Order, must appoint one or more supervisors and designate acts that the company awaiting reorganization proceedings may not conduct without obtaining their consent.
- (3) The provisions of Article 35, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to any act conducted without the supervisor's consent in the reorganization proceedings of a Mutual Company, and the provisions of paragraphs (4) to (6) of that Article apply mutatis mutandis to a Supervision Order in the reorganization proceedings of a Mutual Company.

(Public Notice and Service Concerning Supervision Orders)

Article 191 The provisions of Article 36 of the Corporate Reorganization Act apply mutatis mutandis to a public notice or service concerning a Supervision Order in the reorganization proceedings of a Mutual Company. In this case, the phrase "paragraph (4) of the preceding Article" in paragraph (2) of that Article is deemed to be replaced with "paragraph (4) of the preceding Article as applied mutatis mutandis pursuant to Article 190, paragraph (3) of the Act on Special Measures"; and the phrase "Article 10, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "Article 10, paragraph (4) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

(Examinations on the Aptitude of Trustees of Directors)

Article 192 The provisions of Article 37 of the Corporate Reorganization Act

apply mutatis mutandis to the examination concerning the aptitude of a trustee by a supervisor in the reorganization proceedings of a Mutual Company.

(Application Mutatis Mutandis of the Provisions on the Trustee to a Supervisor)

Article 193 The provisions of Article 219, paragraphs (1) to (4) and the provisions of Article 67, paragraph (2), Article 68, Article 69, paragraph (1), Article 77 and Article 80 of the Corporate Reorganization Act apply mutatis mutandis to a supervisor in the reorganization proceedings of a Mutual Company. In this case, the phrase "subsidiary company (meaning a subsidiary company prescribed in Article 2, item (iii) of the Companies Act)" in Article 77, paragraph (2) of that Act is deemed to be replaced with "substantive subsidiary company (meaning a substantivesubsidiary company prescribed in Article 33-2, paragraph (1) of the Insurance Business Act)".

Division 5 Ordering an Examination before Commencement of Reorganization Proceedings

(Ordering an Examination before Commencement of Reorganization Proceedings)

Article 194 The court, when it finds it necessary even during the period from the time when a petition to commence reorganization proceedings is filed to the time when an order on the petition is made, upon the petition of an interested person or by its own authority, may issue an examination order prescribed in Article 238, paragraph (2) directed to some or all of the following particulars:

- (i) the existence or nonexistence of any fact constituting cause to commence reorganization proceedings as prescribed in Article 180, paragraph (1) and any of the grounds set forth in Article 41, paragraph (1), items (ii) to (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 196, the status of the business and assets of the company awaiting reorganization proceedings and any other particulars required for making a decision on the petition to commence reorganization proceedings and whether or not it is appropriate to commence reorganization proceedings;
- (ii) whether or not there are circumstances that require a provisional remedy under the provisions of Article 28, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 185, a Provisional Administration Order, a Supervision Order, a provisional remedy under the provisions of the following Article or Article 195 or Ruling Evaluating Subject Officers' Liability prescribed in Article 100, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 229, and the necessity of the relevant disposition, order or ruling; and

(iii) any other particulars requiring an examination or a statement of opinion by the examiner in relation to the reorganization case.

(Provisional Remedy for a Right of Avoidance)

Article 194-2 (1) The court, when it finds it necessary in order to secure a right of avoidance during the period from the time when a petition to commence reorganization proceedings is filed to the time when an order on the petition is made, upon the petition of an interested person (or a provisional administrator if any provisional administrator is appointed) or by its own authority, may issue an order of provisional seizure, provisional disposition or any other necessary provisional remedy.

(2) The provisions of Article 39-2, paragraphs (2) to (6) of the Corporate Reorganization Act apply mutatis mutandis to a provisional remedy under the provisions of the preceding paragraph. In this case, the phrase "the main clause of Article 10, paragraph (3)" in paragraph (6) of that Article is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

(Provisional Remedies on Assets of Officers Prior to the Commencement of Reorganization Proceedings)

Article 195 (1) The court, when it finds urgent necessity even during the period from the time when a petition to commence reorganization proceedings is filed to the time when an order on the petition is made, upon the petition of the company awaiting reorganization proceedings (or a provisional administrator if any provisional administrator is appointed) or by its own authority, may issue a provisional remedy as referred to in the items of Article 99, paragraph (1), item (i) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 228.

(2) The provisions of Article 99, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to cases where a provisional remedy under the provisions of the preceding paragraph is issued. In this case, the phrase "the main clause of Article 10, paragraph (3)" in paragraph (5) of that Article is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

Section 3 Order Commencing Reorganization Proceedings and the Legal Effect Thereof

Subsection 1 Order Commencing Reorganization Proceedings

Article 196 The provisions of Article 41, Article 42, Article 43 (excluding item (ii)

of paragraph (3)) and Article 44 of the Corporate Reorganization Act apply mutatis mutandis to an order commencing reorganization proceedings for a Mutual Company. In this case, the phrase "Article 17" in Article 41, paragraph (1) of that Act is deemed to be replaced with "Article 180 of the Act on Special Measures"; the phrase "Article 138 to Article 140 or Article 142" in Article 42, paragraph (2) of that Act is deemed to be replaced with "Article 138 or Article 139 as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures, Article 140, paragraph (1) or (2) as applied mutatis mutandis pursuant to Article 249 of the Act on Special Measures or Article 251 of the Act on Special Measures"; the phrase "the items of Article 190, paragraph (1)" in Article 43, paragraph (1), item (v) of that Act is deemed to be replaced with "the items of Article 190, paragraph (1) as applied mutatis mutandis pursuant to Article 283 of the Act on Special Measures"; the phrase "Article 39" in paragraph (3), item (iv) of that Article is deemed to be replaced with "Article 194 of the Act on Special Measures"; the phrase "debts" in paragraph (4), item (ii) of that Article is deemed to be replaced with "debts with regard to claims that take preference over a reorganization claim on the funds"; the phrase "shareholder" is deemed to be replaced with "fund contributor"; the phrase "paragraph (3), items (i) to (iii) and the preceding paragraph" in paragraph (5) of that Article is deemed to be replaced with "paragraph (3), items (i) and (iii) and the preceding paragraph"; the phrase "paragraph (3), items (i) and (ii) and the preceding paragraph" is deemed to be replaced with "paragraph (3), item (i) and the preceding paragraph"; the phrase "Section 2 of the preceding Chapter" in Article 44, paragraph (2) of that Act is deemed to be replaced with "Chapter III, Section 2, Subsection 2 of the Act on Special Measures"; and the phrase "item (iv)" in paragraph (3) of that Article is deemed to be replaced with "items (ii) and (iv)".

Subsection 2 Legal Effect of an Order Commencing Reorganization Proceedings

(Prohibition of Changes to Basic Particulars Concerning the Organization of a Reorganizing Company)

Article 197 (1) During the period after the commencement of reorganization proceedings until the close thereof, unless it is provided for in a reorganization plan, neither a reorganizing company may perform any of the following acts, nor may a Stock Company after entity conversion of a reorganizing company as specified in a reorganization plan (hereinafter referred to as a "Converted Stock Company" in this Chapter) perform any of the acts set forth in the items of Article 45, paragraph (1) of the Corporate Reorganization Act:

(i) conclusion of insurance contracts (limited to those in which policyholders

- are members);
 - (ii) distribution of surplus;
 - (iii) reduction of the reserve for the redemption of funds;
 - (iv) solicitation of funds;
 - (v) solicitation of subscribers for Bonds for subscription (meaning Bonds for subscription prescribed in Article 61 of the Insurance Business Act in the case of a Mutual Company, and meaning Bonds for subscription prescribed in Article 676 of the Companies Act in the case of a Stock Company carrying on an insurance business (meaning insurance business prescribed in Article 2, paragraph (1) of that Act); hereinafter the same applies in this Chapter and Section 2 of the following Chapter);
 - (vi) entity conversion (meaning entity conversion prescribed in Article 86, paragraph (1) of the Insurance Business Act; hereinafter the same applies in this Chapter);
 - (vii) share exchange on entity conversion (meaning share exchange on entity conversion prescribed in Article 96-5, paragraph (1) of the Insurance Business Act; hereinafter the same applies in this Chapter) or share transfer on entity conversion (meaning share transfer on entity conversion prescribed in Article 96-8, paragraph (1) of that Act; hereinafter the same applies in this Chapter);
 - (viii) transfer of insurance contracts (meaning transfer of insurance contracts prescribed in Article 135, paragraph (1) of the Insurance Business Act (including as applied mutatis mutandis pursuant to Article 272-29 of that Act); the same applies hereinafter) or receipt of transfer of insurance contracts;
 - (ix) dissolution; or
 - (x) merger.
- (2) During the period after the commencement of reorganization proceedings until the close thereof, the articles of incorporation of a reorganizing company or Converted Stock Company may not be amended unless as specified in a reorganization plan or unless the permission of the court is obtained.

(Transfers of Business)

Article 198 (1) During the period after the commencement of reorganization proceedings until the close thereof, unless it is provided for in a reorganization plan, the acts set forth in Article 62-2, paragraph (1), items (i) to (ii)-2 of the Insurance Business Act in relation to a reorganizing company (hereinafter referred to as a "Transfer of Business, etc." in this Article) may not be conducted; provided, however, that this does not apply to a Transfer of Business, etc. in relation to the reorganizing company pursuant to the provisions of the following paragraph to paragraph (8).

- (2) During the period after the commencement of reorganization proceedings until an order to refer a proposed reorganization plan to a resolution is made, a trustee, with permission of the court, may implement a Transfer of Business, etc. in relation to a reorganizing company. In this case, the court may grant permission only when it finds the Transfer of Business, etc. necessary for the reorganization of the business of the reorganizing company.
- (3) The court, when granting the permission referred to in the preceding paragraph, must hear the opinions of the following:
- (i) known reorganization creditors (in cases where the reorganizing company, at the time of the commencement of reorganization proceedings, is unable to pay its debts in full with its assets with regard to claims that take preference over consensually-subordinated reorganization claims (meaning claims for which the reorganization creditor and the reorganizing company, prior to the commencement of reorganization proceedings, reach an agreement to the effect that if bankruptcy proceedings are commenced against that reorganizing company, the claim will be subordinated to a subordinate bankruptcy claim prescribed in Article 99, paragraph (1) of the Bankruptcy Act in the order of priority for receiving a liquidating distribution in the bankruptcy proceedings; hereinafter the same applies in this Chapter), the holders of the consensually-subordinated reorganization claim, and in cases where the reorganizing company, at the time of the commencement of reorganization proceedings, is unable to pay its debts in full with its assets with regard to claims that take preference over a reorganization claim on the funds, contributors to the relevant funds are excluded); provided, however, that if there is a reorganization creditors committee prescribed in Article 233, paragraph (1), it is sufficient to hear the opinions of the committee;
 - (ii) known secured reorganization creditors; provided, however, that if there is a secured reorganization creditors committee prescribed in Article 233, paragraph (2), it is sufficient to hear the opinions of the committee; and
 - (iii) labor unions, etc. (meaning a labor union consisting of the majority of the employees of the reorganizing company if there is any such labor union; or a person representing the majority of the employees of the reorganizing company if no such labor union exists).
- (4) A trustee must, when implementing a Transfer of Business, etc. or transferring an important part of the business of a reorganizing company pursuant to the provisions of paragraph (2), make a public notice or give a notice of the following particulars to members in advance:
- (i) the other party, time and value of the Transfer of Business, etc., and the description of business subject to the Transfer of Business, etc. (or, in the case of implementing the act set forth in Article 62-2, paragraph (1), item (ii)-2 of the Insurance Business Act, the description of business of a

- substantive subsidiary company prescribed in that item); and
- (ii) to the effect that any member that opposes the Transfer of Business, etc. must give a notice to the trustee in writing to that effect within two weeks from the day on which the public notice is made or the notice is given.
- (5) The notice given to a member under the provisions of the preceding paragraph may be addressed to the place or contact address notified by the member to the reorganizing company or the trustee.
 - (6) The notice given to a member under the provisions of paragraph (4) is deemed to have been delivered at the time when the notice should have normally arrived.
 - (7) In any of the cases referred to in the following items, the court may not grant the permission referred to in paragraph (2):
 - (i) when a petition for the permission referred to in paragraph (2) is filed after one month has elapsed from the day on which public notice is made or notice is given under the provisions of paragraph (4); or
 - (ii) when members exceeding one-quarter of all members give a notice to the trustee in writing of their opposition to the Transfer of Business, etc. under paragraph (2) within the period prescribed in item (ii) of paragraph (4).
 - (8) In cases where the reorganizing company, at the time of the permission referred to in paragraph (2), is unable to pay its debts in full with its assets, the provisions of paragraph (4) to the preceding paragraph do not apply.
 - (9) Any act conducted without the permission referred to in paragraph (2) is void; provided, however, that this may not be asserted against a third party without knowledge.
 - (10) In cases where a Transfer of Business, etc. in relation to a reorganizing company is to be implemented with the permission referred to in paragraph (2), the provisions of Article 62-2 of the Insurance Business Act do not apply.

(Prohibition of Payment of an Unsecured or Secured Reorganization Claim)

Article 199 The provisions of Article 47 and Article 47-2 of the Corporate Reorganization Act apply mutatis mutandis to an unsecured or secured reorganization claim in the reorganization proceedings of a Mutual Company. In this case, the phrase "a reorganization claim which are consensually-subordinated a reorganization claim" in Article 47, paragraph (6) of that Act is deemed to be replaced with "a reorganization claim which are consensually-subordinated a reorganization claim and a reorganization claim on the funds"; and the phrase "Article 24, paragraph (2)" in paragraph (7), items (i) and (ii) of that Article is deemed to be replaced with "Article 24, paragraph (2) as applied mutatis mutandis pursuant to Article 184 of the Act on Special Measures".

(Set-Offs)

Article 200 The provisions of Article 48 to Article 49-2 of the Corporate Reorganization Act apply mutatis mutandis to a set-off by an unsecured or secured reorganization creditor in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 138, paragraph (1)" in Article 48, paragraph (1) of that Act is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

(Order to Stay Other Procedures)

Article 201 The provisions of Article 50 and Article 51 of the Corporate Reorganization Act apply mutatis mutandis to compulsory execution and other procedures in cases where an order commencing reorganization proceedings for a Mutual Company is made. In this case, the phrase "Article 24, paragraph (1), item (ii)" in Article 50, paragraphs (1) and (5), item (i) of that Act is deemed to be replaced with "Article 24, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 184 of the Act on Special Measures"; the phrase "Article 24, paragraph (2)" in paragraphs (2), (5), item (ii) and (10) of that Article is deemed to be replaced with "Article 24, paragraph (2) as applied mutatis mutandis pursuant to Article 184 of the Act on Special Measures"; the phrase "Article 204, paragraph (2)" in paragraph (11) of that Article is deemed to be replaced with "Article 204, paragraph (2) as applied mutatis mutandis pursuant to Article 295, paragraph (3) of the Act on Special Measures"; and the phrase "the first sentence of Article 72, paragraph (4)" in Article 51, paragraph (2) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures".

(Handling of Actions Relating to Assets of a Reorganizing Company)

Article 202 The provisions of Article 52 of the Corporate Reorganization Act apply mutatis mutandis to court proceedings relating to the assets of a reorganizing company in the reorganization proceedings for a Mutual Company. In this case, the phrase "Article 234, item (iii) or (iv)" in paragraph (5) of that Article is deemed to be replaced with "Article 234, item (iii) or (iv) as applied mutatis mutandis pursuant to Article 323 of the Act on Special Measures"; and the phrase "Article 97, paragraph (1)" is deemed to be replaced with Article 97, paragraph (1) as applied mutatis mutandis pursuant to Article 226 of the Act on Special Measures".

(Handling of Actions for Obligee's Subrogation Rights, Actions for Avoidance of Fraudulent Acts)

Article 202-2 (1) If an action filed by a reorganization creditor pursuant to the

provisions of Article 423 or Article 424 of the Civil Code or an action of avoidance or action of objection to an order upholding a request for avoidance filed under the provisions of the Bankruptcy Act or Civil Rehabilitation Act is pending at the time of the commencement of reorganization proceedings, the respective court proceedings are discontinued.

(2) The provisions of Article 52-2, paragraphs (2) to (6) of the Corporate Reorganization Act apply mutatis mutandis to the cases where court proceedings are discontinued pursuant to the provisions of the preceding paragraph.

(Handling of Cases Pending before an Administrative Agency)

Article 203 The provisions of Article 53 of the Corporate Reorganization Act apply mutatis mutandis to a case relating to the assets of a reorganizing company in the reorganization proceedings for a Mutual Company that is pending before an administrative agency.

(Effect of Juridical Acts by a Reorganizing Company)

Article 204 The provisions of Article 54 to Article 59 of the Corporate Reorganization Act apply mutatis mutandis to the effect of acts performed after the commencement of reorganization proceedings for a Mutual Company. In this case, the phrase "Article 43, paragraph (1)" in that Article is deemed to be replaced with "Article 43, paragraph (1) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures".

(Co-Ownership)

Article 205 The provisions of Article 60 of the Corporate Reorganization Act apply mutatis mutandis if, in the reorganization proceedings of a Mutual Company, the reorganizing company holds a property right jointly with another or other persons.

(Executory Contracts)

Article 206 (1) The provisions of Article 61, paragraphs (1) to (4) and Article 62 of the Corporate Reorganization Act apply mutatis mutandis to an executory contract to which a reorganizing company in the reorganization proceedings for a Mutual Company is a party.

(2) The provisions of Article 54 of the Bankruptcy Act apply mutatis mutandis to the cases where a contract is cancelled under the provisions of the Article 61 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding paragraph. In this case, the phrase "bankruptcy creditor" in Article 54, paragraph (1) of the Bankruptcy Act is deemed to be replaced with "reorganization creditor (meaning reorganization creditor prescribed in Article

169, paragraph (9) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions); the phrase "the bankrupt" in paragraph (2) of that Article is deemed to be replaced with "reorganizing company (meaning reorganizing company prescribed in Article 169, paragraph (7) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "bankruptcy estate" is deemed to be replaced with "assets of the reorganizing company (meaning assets of the reorganizing company as prescribed in paragraph (14) of that Article)"; and the phrase "holder of claim on the estate" is deemed to be replaced with "common benefit creditor".

- (3) The provisions of Article 56, Article 58 and Article 59 of the Bankruptcy Act apply mutatis mutandis to the cases where reorganization proceedings for a Mutual Company are commenced. In this case, the phrase "Article 53, paragraphs (1) and (2)" in Article 56, paragraph (1) of that Act is deemed to be replaced with "Article 61, paragraphs (1) and (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 206, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions"; the phrase "the bankrupt" is deemed to be replaced with "reorganizing company (meaning reorganizing company prescribed in Article 169, paragraph (7) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "claim on the estate" in paragraph (2) of that Article is deemed to be replaced with "common-benefit claim"; the phrase "commencement of bankruptcy proceedings" in Article 58, paragraph (1) of that Act is deemed to be replaced with "commencement of reorganization proceedings (meaning reorganization proceedings prescribed in Article 169, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "bankruptcy creditor" in Article 54, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 58, paragraph (3) is deemed to be replaced with "reorganization creditor (meaning reorganization creditor prescribed in Article 169, paragraph (9) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "bankruptcy proceedings" in Article 59, paragraph (1) of that Act is deemed to be replaced with "reorganization proceedings (meaning reorganization proceedings prescribed in Article 169, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; and the phrase "The claim under the provisions of the preceding paragraph belongs to the bankruptcy estate if it is held by the bankrupt or is a "bankruptcy claim" if it is held by the counter party" in paragraph (2) of that Article is deemed to be replaced with "The claim under the provisions of the preceding paragraph is a reorganization claim (meaning reorganization claim prescribed in Article 169,

paragraph (8) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions) if it is held by the counter party".

(Right of Segregation)

Article 207 (1) The provisions of Article 64, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to a right to segregate, from a reorganizing company in the reorganization proceedings for a Mutual Company, assets that do not belong to the reorganizing company.

(2) The provisions of Article 63 and Article 64 of the Bankruptcy Act apply mutatis mutandis to the cases where reorganization proceedings for a Mutual Company are commenced. In this case, the phrase "order of commencement of bankruptcy proceedings" in Article 63, paragraph (1) of that Act is deemed to be replaced with "order commencing reorganization proceedings (meaning reorganization proceedings prescribed in Article 169, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "bankruptcy trustee" in that paragraph and Article 64 of that Act is deemed to be replaced with "trustee"; the phrase "Article 53, paragraphs (1) and (2)" in Article 63, paragraph (2) of that Act is deemed to be replaced with "Article 61, paragraphs (1) and (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 206, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions"; the phrase "paragraph (1)" in paragraph (3) of that Article is deemed to be replaced with "the preceding two paragraphs"; the phrase "that paragraph" is deemed to be replaced with "paragraph (1)"; the phrase "the bankrupt" in Article 64, paragraph (1) of that Act is deemed to be replaced with "Mutual Company (meaning Mutual Company prescribed in Article 2, paragraph (6) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; and the phrase "commencement of bankruptcy proceedings" is deemed to be replaced with "commencement of reorganization proceedings (meaning reorganization proceedings prescribed in Article 169, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)".

(Restrictions of Competition of Directors)

Article 208 The provisions of Article 65 of the Corporate Reorganization Act apply mutatis mutandis to cases where a director, executive officer or liquidator of a reorganizing company intends to carry out a transaction in the line of business of the reorganizing company on behalf of themselves or a third party during the period after the commencement of reorganization proceedings for a Mutual Company until the close thereof. In this case, the phrase "Article 356, paragraph (1) of the Companies Act (including as applied mutatis

mutandis pursuant to Article 419, paragraph (2) or Article 482, paragraph (4) of that Act)" in paragraph (1) of that Article is deemed to be replaced with "Article 356, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 53-15 of the Insurance Business Act (including as applied mutatis mutandis pursuant to Article 419, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 53-32 of the Insurance Business Act) or Article 356, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 180-8, paragraph (4) of the Insurance Business Act"; and the phrase "the first sentence of Article 72, paragraph (4)" is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures".

(Remuneration of Directors)

Article 209 The provisions of Article 66 of the Corporate Reorganization Act apply mutatis mutandis to any director, accounting advisor, company auditor, executive officer and liquidator of a reorganizing company in the reorganization proceedings for a Mutual Company. In this case, the phrase "Article 361, paragraph (1) of the Companies Act" in paragraph (1) of that Article is deemed to be replaced with "Article 53-28, paragraph (3) of the Insurance Business Act"; the phrase "the first sentence of Article 72, paragraph (4)" is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures"; and the phrase "Article 361, paragraphs (1) (including as applied mutatis mutandis pursuant to Article 482, paragraph (4) of that Act) and (3), Article 379, paragraphs (1) and (2), Article 387, paragraphs (1) and (2) and Article 404, paragraph (3) of the Companies Act" in paragraph (2) of that Article is deemed to be replaced with "Article 361, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 53-15 and Article 180-8, paragraph (4) of the Insurance Business Act, Article 361, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 53-15 of the Insurance Business Act, Article 379, paragraphs (1) and (2) of the Companies Act as applied mutatis mutandis pursuant to Article 53-17 of the Insurance Business Act, Article 387, paragraphs (1) and (2) of the Companies Act as applied mutatis mutandis pursuant to Article 53-20 of the Insurance Business Act and Article 53-28, paragraph (3) of the Insurance Business Act".

Subsection 3 Trustees

Division 1 Appointment and Supervision of Trustees

Article 210 The provisions of Article 67 to Article 71 of the Corporate Reorganization Act apply mutatis mutandis to a trustee in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 100, paragraph (1)" in Article 67, paragraph (3) of that Act is deemed to be replaced with "Article 100, paragraph (1) as applied mutatis mutandis pursuant to Article 229 of the Act on Special Measures".

Division 2 Authority of the Trustee

(Authority of the Trustee)

Article 211 The provisions of Article 72 of the Corporate Reorganization Act apply mutatis mutandis to the powers of a trustee in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 6, paragraph (1)" in paragraph (2), item (iv) of that Article is deemed to be replaced with "Article 61, paragraph (1) as applied mutatis mutandis pursuant to Article 206, paragraph (1) of the Act on Special Measures"; the phrase "Article 64, paragraph (1)" in item (viii) of that paragraph is deemed to be replaced with "Article 64, paragraph (1) as applied mutatis mutandis pursuant to Article 207, paragraph (1) of the Act on Special Measures"; and the phrase "Article 10, paragraph (4)" in paragraph (7) of that Article is deemed to be replaced with "Article 10, paragraph (4) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

(Administration of Business and Assets of a Reorganizing Company)

Article 212 The provisions of Article 73 of the Corporate Reorganization Act apply mutatis mutandis to the administration of the business and assets of a reorganizing company in the reorganization proceedings for a Mutual Company.

(Standing to Sue or Be Sued)

Article 213 The provisions of Article 74 of the Corporate Reorganization Act apply mutatis mutandis to action relating to the assets of a reorganizing company in the reorganization proceedings for a Mutual Company. In this case, "the first sentence of Article 72, paragraph (4)" in paragraphs (2) and (3) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures".

(Management of Postal Items)

Article 214 The provisions of Article 75 and Article 76 of the Corporate Reorganization Act apply mutatis mutandis to the management of postal items, etc. that are addressed to a reorganizing company in the reorganization

proceedings for a Mutual Company. In this case, the phrase "the first sentence of Article 72, paragraph (4)" in Article 75, paragraph (3) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures".

(Examination of a Reorganizing Company and substantive Subsidiary Company)

Article 215 The provisions of Article 77 of the Corporate Reorganization Act apply mutatis mutandis to the powers of a trustee in the reorganization proceedings of a Mutual Company. In this case, the phrase "subsidiary company (meaning a subsidiary company prescribed in Article 2, item (iii) of the Companies Act)" in paragraph (2) of that Article is deemed to be replaced with "substantive subsidiary company (meaning a substantive subsidiary company prescribed in Article 33-2, paragraph (1) of the Insurance Business Act)".

(Trustee's Transactions for Their Own Behalf)

Article 216 The provisions of Article 78 of the Corporate Reorganization Act apply mutatis mutandis to transactions performed by a trustee in the reorganization proceedings of a Mutual Company with the reorganizing company.

(Restriction of Trustee Competition)

Article 217 The provisions of Article 79 of the Corporate Reorganization Act apply mutatis mutandis to cases where a trustee in the reorganization proceedings of a Mutual Company intends to carry out a transaction in the line of business of a reorganizing company on their own behalf, or on behalf of a third party.

(Trustee's Duty of Care)

Article 218 The provisions of Article 80 of the Corporate Reorganization Act apply mutatis mutandis to the duties of a trustee in the reorganization proceedings of a Mutual Company.

(Trustee's Duty to Strive to Provide Information)

Article 218-2 A trustee must strive to provide a person that has a claim to salary or a right to claim severance pay, both of which are an unsecured or secured reorganization claim, with information necessary for their participation in the reorganization proceedings.

(Remuneration for Trustees)

Article 219 (1) A trustee may receive advance payments of expenses as well as remuneration determined by the court.

(2) A trustee must, after their appointment, obtain permission of the court in order to accept any claims against a reorganizing company, Converted Stock Company, or Mutual Company or Stock Company established as specified in a reorganization plan or any membership rights of a reorganizing company or a Mutual Company established as specified in a reorganization plan, or any shares issued by a Converted Stock Company or a Stock Company incorporated as specified in a reorganization plan, or assign these.

(3) A trustee may not receive payment of expenses and remuneration if they have conducted any act prescribed in the preceding paragraph without obtaining the permission referred to in that paragraph.

(4) An immediate appeal may be filed against an order made pursuant to the provisions of paragraph (1).

(5) The provisions of the preceding paragraphs apply mutatis mutandis to a trustee representative and legal advisor referred to in Article 71 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 210.

(Duty to Report upon Termination of Office)

Article 220 (1) A trustee, upon termination of their office, must submit a report of account to the court without delay.

(2) In the case referred to in the preceding paragraph, if there is a vacancy in the office of trustee, the report of account referred to in that paragraph, notwithstanding the provisions of that paragraph, must be submitted by a successor trustee.

(3) Upon the termination of a trustee's office, if there are pressing circumstances, the trustee or their successor must take necessary measures until a successor trustee or the reorganizing company is able to administer assets.

(4) In cases where any of the events referred to in Article 234, items (ii) to (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 323 occurs, except in the cases prescribed in Article 331-10, paragraph (6) or Article 331-13, a trustee must pay common-benefit claims; provided, however, that with regard to a common-benefit claim which is in dispute in terms of its existence or nonexistence or its amount, a trustee must make a statutory deposit in the interest of the person that holds the claim.

Division 3 Investigation into the State of a Reorganizing Company's Assets

(Evaluation of Assets)

Article 221 The provisions of Article 83 and Article 84 of the Corporate Reorganization Act apply mutatis mutandis to the investigation into the state of assets of a reorganizing company in the reorganization proceedings for a Mutual Company. In this case, the phrase "Ministry of Justice Order" in Article 83, paragraph (5) of that Act is deemed to be replaced with "Cabinet Office Order"; the phrase "Article 99, paragraph (1)" in Article 84, paragraph (1), item (iii) of that Act is deemed to be replaced with "Article 99, paragraph (1) as applied mutatis mutandis pursuant to Article 228 of the Act on Special Measures"; and the phrase "Article 100, paragraph (1)" is deemed to be replaced with "Article 100, paragraph (1) as applied mutatis mutandis pursuant to Article 229 of the Act on Special Measures".

(Report to Meetings for Reporting the Status of Assets)

Article 222 The provisions of Article 85 of the Corporate Reorganization Act apply mutatis mutandis to a meeting of persons concerned for reporting the status of assets of a reorganizing company in the reorganization proceedings for a Mutual Company. In this case, the phrase "the items of paragraph (1) of the preceding Article" in paragraph (1) of that Article is deemed to be replaced with "the items of paragraph (1) of the preceding Article as applied mutatis mutandis pursuant to Article 221 of the Act on Special Measures"; and the phrase "Article 46, paragraph (3), item (iii)" in paragraph (3) of that Article is deemed to be replaced with "Article 198, paragraph (3), item (iii) of the Act on Special Measures".

Subsection 4 Right of Avoidance

(Avoidance of Acts Prejudicial to Unsecured and Secured Reorganization Creditors)

Article 223 (1) The following acts (excluding acts concerning the provisions of security or extinguishment of debt) may be avoided in the interest of the assets of the reorganizing company after the commencement of reorganization proceedings:

- (i) an act conducted by the reorganizing company while knowing that it would prejudice an unsecured or secured reorganization creditor; provided, however, that this does not apply where the person that has benefited from the act did not know, at the time of the act, the fact that it would prejudice any unsecured or secured reorganization creditor; and
- (ii) an act that would prejudice an unsecured or secured reorganization creditor, conducted by the reorganizing company after the suspension of payments or the filing of a petition to commence reorganization proceedings, commencement of bankruptcy proceedings, commencement of rehabilitation

proceedings or commencement of special liquidation (hereinafter referred to as "Suspension of Payments, etc." in this Article) took place; provided, however, that this does not apply where the person that has benefited from the act did not know, at the time of the act, the fact that Suspension of Payments, etc. had taken place nor the fact that the act would prejudice any unsecured or secured reorganization creditor.

- (2) With respect to an act concerning the extinguishment of debt conducted by the reorganizing company, if the value of the performance received by the creditor exceeds the amount of the debt extinguished by the act, and the act satisfies any of the requirements set forth in the items of the preceding paragraph, that act may be avoided in the interest of the assets of the reorganizing company after the commencement of reorganization proceedings only with regard to the part other than the part equivalent to the amount of the debt extinguished.
- (3) Any gratuitous act, or any onerous act that should be deemed to be equal to that gratuitous act, conducted by the reorganizing company after or within six months prior to Suspension of Payments, etc. may be avoided in the interest of the assets of the reorganizing company after the commencement of reorganization proceedings.

(Denying Acts of Disposing of Assets for Reasonable Consideration)

Article 223-2 (1) When a reorganizing company, after conducting an act of disposing of its assets, has received reasonable consideration from the other party to the act, the act may be denied in the interest of the assets of the reorganizing company after the commencement of reorganization proceedings, if it satisfies all of the following requirements:

- (i) the act has the actual risk that the reorganizing company would conceal, gratuitously convey or otherwise dispose of the assets in a manner prejudicial to unsecured or secured reorganization creditor (hereinafter referred to as "concealing or other disposal" in this Article) by realizing real property or otherwise changing the type of assets by way of the relevant disposition;
 - (ii) the reorganizing company, at the time of the act, had the intention of concealing or other disposal of the money or any other assets that it received as consideration for the act; and
 - (iii) the other party, at the time of the act, knew that the reorganizing company had the intention of concealing or other disposal referred to in the preceding item.
- (2) For the purpose of application of the provisions of the preceding paragraph, if the other party to the act in question is a director, accounting advisor (when the accounting advisor is a corporation, including any member that is supposed

to carry out that corporation's duties), company auditor, executive officer, accounting auditor (when the accounting auditor is a corporation, including any member that is supposed to carry out that corporation's duties) or liquidator of a reorganizing company, the other party is presumed to have known, at the time of the act, that the reorganizing company had the intention of concealing or other disposal referred to in item (ii) of that paragraph.

(Avoidance of Provision of Security to Specific Creditors)

Article 223-3 (1) The following acts (limited to acts concerning the provisions of security or extinguishment of debt conducted with regard to an existing debt) may be avoided in the interest of the assets of the reorganizing company after the commencement of reorganization proceedings:

(i) an act conducted by the reorganizing company after it became unable to pay debts (the condition in which the reorganizing company, due to the lack of ability to pay, is generally and continuously unable to pay its debts as they become due; hereinafter the same applies in this Article) or a petition to commence reorganization proceedings, commencement of bankruptcy proceedings, commencement of rehabilitation proceedings or commencement of special liquidation was filed (hereinafter referred to as a "petition to commence reorganization proceedings or other such procedures" in this Article); provided, however, that this apply only where the creditor, at the time of the act, knew either of the facts referred to in (a) or (b) below for the cases set forth in (a) or (b), respectively:

(a) where the act was conducted after the reorganizing company became unable to pay debts: the fact that the reorganizing company was unable to pay debts or suspended payments; or

(b) where the act was conducted after a petition to commence reorganization proceedings or other such procedures was filed: the fact that a petition to commence reorganization proceedings or other such procedures was filed;

(ii) an act that is not included in the scope of the obligations of the reorganizing company in terms of the act itself or the time of performance of the act, which was conducted within 30 days before the reorganizing company became unable to pay debts; provided, however, that this does not apply if the creditor did not know, at the time of the act, the fact that it would prejudice other unsecured or secured reorganization creditors.

(2) For the purpose of application of the provisions of item (i) of the preceding paragraph, in the following cases, the creditor is presumed to have known, at the time of the act referred to in that item, either of the facts referred to in (a) or (b) below for the cases set forth in (a) or (b), respectively (in the case referred to in (a) of that item, both the fact that the reorganizing company was unable to pay debts and that the reorganizing company suspended payments):

- (i) where the creditor is a director, accounting advisor (when the accounting advisor is a corporation, including any member that is supposed to carry out that corporation's duties), company auditor, executive officer, accounting auditor (when the accounting auditor is a corporation, including any member that is supposed to carry out that corporation's duties) or liquidator of the reorganizing company; or
 - (ii) where the act referred to in item (i) of the preceding paragraph is not included in the scope of the obligations of the reorganizing company in terms of the act itself or the means or time of performance of the act.
- (3) For the purpose of application of the provisions of the items of paragraph (1), after the suspension of payments took place (limited to suspension that took place within one year prior to the filing of a petition to commence reorganization proceedings or other such procedures), the reorganizing company is presumed to have been unable to pay debts.

(Exceptions to Payment of Debts on Negotiable Instruments)

Article 224 (1) The provisions of paragraph (1), item (i) of the preceding Article do not apply where a person that has received payment of a negotiable instrument from a reorganizing company would lose their right on the negotiable instrument against one or more debtors on the negotiable instrument unless they receive the payment.

- (2) In the case referred to in the preceding paragraph, if the final obligor for redemption or the person that had entrusted the drawing of the negotiable instrument knew or was negligent in not knowing, at the time of drawing, the fact that Suspension of Payments, etc. had taken place, a trustee may have these persons redeem the money paid by the reorganizing company to them.
- (3) The provisions of paragraph (1) of the preceding Article do not apply to any act concerning the provisions of security or extinguishment of debt, which is conducted by a reorganizing company with regard to a right to impose taxes or other charges (excluding a claim for a Foreign Tax Subject to Mutual Assistance) or a claim to a fine, etc. arising prior to the commencement of reorganization proceedings prescribed in Article 251, item (ii) for the person that has the power to collect the tax, etc. or fine.

(Denying Requirements of Perfection for Changes in Rights)

Article 225 (1) Where an act necessary for duly asserting the establishment, transfer or modification of a right against a third party (including a provisional registration) was conducted after Suspension of Payments, etc. took place, the act may be denied if it was conducted after 15 days had elapsed since the date of establishment, transfer or modification of the right, while knowing that Suspension of Payments, etc. had taken place; provided, however, that this

does not apply to a definitive registration or definitive registration based on prior unavoidable provisional registration.

- (2) The provisions of the preceding paragraph apply mutatis mutandis to a Registration based on which the acquisition of a right becomes effective.

(Effect of the Exercise of a Right of Avoidance)

Article 226 The provisions of Article 89 to Article 98 of the Corporate Reorganization Act apply mutatis mutandis to the right of avoidance in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 86, paragraph (3)" in Article 90 and Article 91, paragraph (2) of that Act is deemed to be replaced with "Article 223, paragraph (3) of the Act on Special Measures"; the phrase "Article 86, paragraph (1) or (3) or Article 86-2, paragraph (1)" in Article 91-2, paragraphs (1) and (4) of that Act is deemed to be replaced with "Article 223, paragraph (1) or (3) or Article 223-2, paragraph (1) of the Act on Special Measures"; the phrase "any of the persons set forth in the items of Article 86-2, paragraph (2)" in paragraph (3) of that Article and Article 93, paragraph (1), item (ii) of that Act is deemed to be replaced with "director, accounting advisor (when the accounting advisor is a corporation, including any member that is supposed to carry out that corporation's duties), company auditor, executive officer, accounting auditor (when the accounting auditor is a corporation, including any member that is supposed to carry out that corporation's duties) or liquidator of the reorganizing company"; the phrase "Article 86-3, paragraph (1)" in Article 92 of that Act is deemed to be replaced with "Article 223-3, paragraph (1) of the Act on Special Measures"; the phrase "Article 39-2, paragraph (1)" in Article 94, paragraph (1) in that Act is deemed to be replaced with "Article 194-2, paragraph (1) of the Act on Special Measures"; the phrase "Article 44, paragraph (2)" in that paragraph and paragraph (3) of that Article is deemed to be replaced with "Article 44, paragraph (2) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures"; the phrase "Article 39-2, paragraph (2)" in that paragraph is deemed to be replaced with "Article 39-2, paragraph (2) as applied mutatis mutandis pursuant to Article 194-2, paragraph (2) of the Act on Special Measures"; the phrase "the main clause of Article 10, paragraph (3)" in Article 96, paragraph (4) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures"; the phrase "Article 234, item (ii) or (v)" in Article 97, paragraph (6) of that Act is deemed to be replaced with "Article 234, item (ii) or (v) as applied mutatis mutandis pursuant to Article 323 of the Act on Special Measures"; and the phrase "Article 52, paragraph (4)" is deemed to be replaced with "Article 52, paragraph (4) as applied mutatis mutandis pursuant to Article 202 of the Act on Special Measures".

Article 227 Deleted

**Subsection 5 Enforcing the Liability of a Reorganizing Company's
Officers**

(Provisional Remedy upon Assets of Officers)

Article 228 The provisions of Article 99 of the Corporate Reorganization Act apply mutatis mutandis to a provisional remedy in cases where an order commencing reorganization proceedings for a Mutual Company is made. In this case, the phrase "Article 52, paragraph (1), Article 52-2, paragraph (1) or (2), Article 103, paragraph (2), Article 213, paragraph (1), Article 286, paragraph (1) or Article 286-3, paragraph (1) of the Companies Act" in paragraph (1), item (ii) of that Article is deemed to be replaced with "Article 52, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 30-14 of the Insurance Business Act"; and the phrase "the main clause of Article 10, paragraph (3)" in paragraph (5) of that Article is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

(Petition for Assessment of Liability of Officers)

Article 229 The provisions of Article 100 to Article 103 of the Corporate Reorganization Act apply mutatis mutandis to the assessment of right to claim prescribed in the items of Article 99, paragraph (1) of that Act as applied mutatis mutandis pursuant to the preceding Article. In this case, the phrase "the items of paragraph (1) of the preceding Article" in Article 100, paragraph (1) of that Act is deemed to be replaced with "the items of paragraph (1) of the preceding Article as applied mutatis mutandis pursuant to Article 228 of the Act on Special Measures"; and the phrase "the main clause of Article 10, paragraph (3)" in Article 101, paragraph (3) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

**Subsection 6 Request to Extinguish a Security Interest
Division 1 Request to Extinguish a Security Interest**

(Order Permitting Extinguishment of a Security Interest; Request for Valuation)

Article 230 The provisions of Article 104 to Article 112 of the Corporate Reorganization Act apply mutatis mutandis to the extinguishment of security interest in the reorganization proceedings of a Mutual Company. In this case,

the phrase "the main clause of Article 10, paragraph (3)" in Article 104, paragraphs (4) and (6), Article 106, paragraph (6) and Article 111, paragraph (5) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures"; the phrase "the first sentence of Article 72, paragraph (4)" in Article 109 and Article 111, paragraph (6) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures"; and the phrase "Article 138, paragraph (1)" in paragraph (3) of that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

Division 2 Deposit by the Third-Party Debtor of a Pledge on a Claim

Article 231 The provisions of Article 113 of the Corporate Reorganization Act apply mutatis mutandis to a debtor of the monetary claim that is the subject matter of the pledge in relation to a secured reorganization claim in the reorganization proceedings of a Mutual Company.

Subsection 7 Stakeholder Meetings

Article 232 The provisions of Article 114 to Article 116 of the Corporate Reorganization Act apply mutatis mutandis to a meeting of persons concerned in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 117, paragraph (2)" in Article 114, paragraph (1), item (ii) of that Act is deemed to be replaced with "Article 233, paragraph (1) of the Act on Special Measures"; the phrase "Article 117, paragraph (6)" in item (iii) of that paragraph is deemed to be replaced with "Article 233, paragraph (2) of the Act on Special Measures"; the phrase "shareholders' committee prescribed in Article 117, paragraph (7)" in item (iv) of that paragraph is deemed to be replaced with "members' committee prescribed in Article 233, paragraph (3) of the Act on Special Measures"; the phrase "holds one-tenth or more of the voting rights of all shareholders" in item (vi) of that paragraph is deemed to be replaced with "are equivalent in number to one-tenth or more of all members (limited to members that filed a proof referred to in Article 257; hereinafter the same applies in this item)"; the phrase "Article 42, paragraph (2)" in Article 115, paragraph (1) of that Act is deemed to be replaced with "Article 42, paragraph (2) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures"; and the phrase "Article 46, paragraph (3), item (iii)" in paragraph (3) of that Article is deemed to be replaced with "Article 198, paragraph (3), item (iii) of the Act on Special Measures".

Subsection 8 Reorganization Creditors Committees and Reorganization Creditors' Representatives

(Reorganization Creditors Committees)

- Article 233 (1) The provisions of Article 117, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a committee consisting of reorganization creditors in the reorganization proceedings of a Mutual Company, and the provisions of paragraphs (2) to (5) of that Article apply mutatis mutandis to the cases where there is a committee approved pursuant to the provisions of paragraph (1) of that Article as applied mutatis mutandis pursuant to this paragraph (hereinafter referred to as a "reorganization creditors committee" in this Chapter). In this case, the phrase "the first sentence of Article 72, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures".
- (2) The provisions of Article 117, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a committee consisting of secured reorganization creditors in the reorganization proceedings of a Mutual Company, and the provisions of paragraphs (2) to (5) of that Article apply mutatis mutandis to the cases where there is a committee approved pursuant to the provisions of paragraph (1) of that Article as applied mutatis mutandis pursuant to this paragraph (hereinafter referred to as a "secured reorganization creditors committee" in this Chapter). In this case, the phrase "the first sentence of Article 72, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures".
- (3) The provisions of Article 117, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a committee consisting of members in the reorganization proceedings of a Mutual Company, and the provisions of paragraphs (2) to (5) of that Article apply mutatis mutandis to the cases where there is a committee approved pursuant to the provisions of paragraph (1) of that Article as applied mutatis mutandis pursuant to this paragraph (hereinafter referred to as a "members' committee" in this Chapter). In this case, the phrase "the first sentence of Article 72, paragraph (4)" in paragraph (3) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures".

(Hearing of Opinions of a Reorganization Creditors Committee)

Article 234 The provisions of Article 118 to Article 120 of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a reorganization creditors committee in the reorganization proceedings of a Mutual Company. In this case, the phrase "the first sentence of Article 72, paragraph (4)" in Article 118, paragraph (1) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures"; the phrase "Article 83, paragraph (3) or (4) or Article 84" in Article 119, paragraph (1) of that Act is deemed to be replaced with "Article 83, paragraph (3) or (4) or Article 84 as applied mutatis mutandis pursuant to Article 221 of the Act on Special Measures"; the phrase "Article 12, paragraph (1)" in paragraph (2) of that Article is deemed to be replaced with "Article 12, paragraph (1) as applied mutatis mutandis pursuant to Article 176 of the Act on Special Measures"; the phrase "Article 84, paragraph (2)" in Article 120 of that Act is deemed to be replaced with "Article 84, paragraph (2) as applied mutatis mutandis pursuant to Article 221 of the Act on Special Measures for the Reorganization of Financial Institution".

(Application Mutatis Mutandis to Secured Reorganization Creditors Committee and Members' Committee)

Article 235 The provisions of Article 118 to Article 120 of the Corporate Reorganization Act apply mutatis mutandis to the cases where there is a secured reorganization creditors committee or members' committee in the reorganization proceedings of a Mutual Company. In this case, the phrase "the first sentence of Article 72, paragraph (4)" in Article 118, paragraph (1) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures"; the phrase "Article 83, paragraph (3) or (4) or Article 84" in Article 119, paragraph (1) of that Act is deemed to be replaced with "Article 83, paragraph (3) or (4) or Article 84 as applied mutatis mutandis pursuant to Article 221 of the Act on Special Measures"; the phrase "Article 12, paragraph (1)" in paragraph (2) of that Article is deemed to be replaced with "Article 12, paragraph (1) as applied mutatis mutandis pursuant to Article 176 of the Act on Special Measures"; and the phrase "Article 84, paragraph (2)" in Article 120 of that Act is deemed to be replaced with "Article 84, paragraph (2) as applied mutatis mutandis pursuant to Article 221 of the Act on Special Measures".

(Reorganization Creditors' Representatives)

Article 236 The provisions of Article 122 and Article 123 of the Corporate Reorganization Act apply mutatis mutandis to the appointment of a

reorganization creditors' representative in the reorganization proceedings of a Mutual Company.

(Compensation)

Article 237 The provisions of Article 124 of the Corporate Reorganization Act apply mutatis mutandis to the reimbursement of expenses and payment of compensation in the reorganization proceedings of a Mutual Company.

Subsection 9 Examination Orders

(Examination Orders)

Article 238 (1) After the commencement of reorganization proceedings, the court, when it finds it necessary, upon the petition of an interested person or by its own authority, may make a disposition to order an examination or a statement of opinion by an examiner regarding some or all of the following particulars:

- (i) whether or not there are circumstances that require a provisional remedy under the provisions of Article 99, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 228 or Ruling Evaluating Subject Officers' Liability prescribed in Article 100, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 229, and the necessity of the relevant order or ruling;
- (ii) whether or not the balance sheet and inventory of assets prepared by the trustee are appropriate, and whether or not the trustee's report on the status of the administration of the business and assets of the reorganizing company and any other particulars ordered by the court are appropriate;
- (iii) whether or not the proposed reorganization plan or reorganization plan is appropriate; and
- (iv) any other particulars requiring an examination or a statement of opinion by the examiner relating to the reorganization case.

(2) The court, when making the disposition referred to in the preceding paragraph (hereinafter referred to as an "examination order" in this Chapter), in the examination order, must appoint one or more examiners and specify the particulars that should be subject to an examination or a statement of opinion by the examiner(s) and the period during which they should make the report or statement to the court.

(3) The provisions of Article 125, paragraphs (3) to (6) of the Corporate Reorganization Act apply mutatis mutandis to an examination order in the reorganization proceedings of a Mutual Company. In this case, the phrase "the main clause of Article 10, paragraph (3)" in that paragraph is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

(Application Mutatis Mutandis of the Provisions on Trustees to Examiners)
Article 239 The provisions of Article 219, paragraphs (1) to (4) and the provisions of Article 67, paragraph (2), Article 68, the main clause of Article 69, paragraph (1), Article 77 and Article 80 of the Corporate Reorganization Act apply mutatis mutandis to an examiner in the reorganization proceedings of a Mutual Company. In this case, the phrase "subsidiary company (meaning a subsidiary company prescribed in Article 2, item (iii) of the Companies Act" in Article 77, paragraph (2) of that Act is deemed to be replaced with "substantive subsidiary company (meaning a substantive subsidiary company prescribed in Article 33-2, paragraph (1) of the Insurance Business Act)".

Section 4 Common-Benefit Claims and Post-Commencement Claims

Subsection 1 Common-Benefit Claims

(Rights to Claim in the Scope of Common-Benefit Claims)
Article 240 The following rights to claim are common-benefit claims:

- (i) a claim to expenses for court proceedings for the common interest of unsecured or secured reorganization creditor and member;
- (ii) a claim to expenses for the management of the business and the administration and disposition of the assets of a reorganizing company after the commencement of reorganization proceedings;
- (iii) a claim to expenses involved in implementing the reorganization plan (excluding one arising after the end of reorganization proceedings);
- (iv) a claim to expenses, remuneration and compensation payable under the provisions of Article 219, paragraph (1) (including as applied mutatis mutandis pursuant to Article 189, paragraph (1), Article 193, Article 219, paragraph (5) and the preceding Article), the provisions of Article 117, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 233, the provisions of Article 123, paragraph (5) of that Act as applied mutatis mutandis pursuant to Article 236, the provisions of Article 124, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 237, and the provisions of Article 162 of that Act as applied mutatis mutandis pursuant to Article 255;
- (v) a claim arising from the borrowing of funds or any other act conducted by the trustee or reorganizing company (limited to cases where authorities of the reorganizing company pursuant to the provisions of the first sentence of Article 72, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 211 restored its powers) with respect to the business and assets of the reorganizing company;
- (vi) a claim arising against the reorganizing company after the commencement

- of reorganization proceedings from management without mandate or unjust enrichment; and
- (vii) a claim to unavoidable expenses that should be paid for the interest of the reorganizing company, which has arisen after the commencement of reorganization proceedings (other than one set forth in the preceding items).

(Borrowings Prior to Commencement)

- Article 241 (1) A right to claim arising from the borrowing of funds or any other act conducted by a provisional administrator as empowered with respect to the business and assets of a company awaiting reorganization proceedings is a common-benefit claim.
- (2) Where a company awaiting reorganization proceedings (excluding one for which a provisional administrator is appointed; hereinafter the same applies in this paragraph and paragraph (4)), after a petition to commence reorganization proceedings is filed and before reorganization proceedings is commenced, borrows funds or conducts any other act indispensable for the continuation of business of the company awaiting reorganization proceedings, the court may grant permission to the effect that the other party's right to claim arising from the act is a common-benefit claim.
- (3) The court may empower a supervisor to give approval in lieu of the permission referred to in the preceding paragraph.
- (4) When a company awaiting reorganization proceedings has conducted any of the acts prescribed in paragraph (2) with the permission referred to in paragraph (2) or approval referred to in the preceding paragraph, the other party's right to claim arising from the act is a common-benefit claim.

(Income Tax. Withheld at the Source)

- Article 242 A right to claim income tax, consumption tax, liquor tax, tobacco tax, gasoline tax, local gasoline tax, liquefied petroleum gas tax, petroleum and coal tax and local consumption tax withheld at the source, prefectural tobacco tax (including tobacco tax imposed by the Tokyo metropolitan government) and municipal tobacco tax (including tobacco tax imposed in special wards) collected by means of self-assessment and payment, and local tax that should be collected and paid by a person under obligation of special collection, arising from a cause that has occurred prior to the commencement of reorganization proceedings against a reorganizing company, for which, by the time of the commencement of reorganization proceedings, the due date of payment has not yet arrived is a common-benefit claim.

(Salaries for Employees)

- Article 243 (1) Where an order commencing reorganization proceedings for a

- Mutual Company is made, a claim to salaries for employees of the Mutual Company for six months preceding the commencement of reorganization proceedings and a claim to the refund of the fidelity guarantee deposit of employees of the Mutual Company arising from a cause that has occurred prior to the commencement of reorganization proceedings is a common-benefit claim.
- (2) In the case prescribed in the preceding paragraph, a claim to the severance pay of an employee of the Mutual Company that has retired prior to the order confirming the reorganization plan is a common-benefit claim for an amount equivalent to the total amount of the employee's salary for the six months preceding retirement or for an amount equivalent to one-third of the amount of the severance pay, whichever is larger.
 - (3) Notwithstanding the provisions of that paragraph, the right to claim severance pay referred to in the preceding paragraph which is a claim for periodic payments is a common-benefit claim for an amount equivalent to one-third of the amount of the periodic payments in each period.
 - (4) The provisions of preceding two paragraphs do not apply to the right to claim severance pay deemed as a common-benefit claim pursuant to the provisions of Article 240.
 - (5) In the case prescribed in paragraph (1), a claim to the return of a deposit of an employee of the Mutual Company arising from a cause that has occurred prior to the commencement of reorganization proceedings is a common-benefit claim for an amount equivalent to the total amount of the employee's salary for six months preceding the commencement of reorganization proceedings or for an amount equivalent to one-third of the amount of the deposit, whichever is larger.

(Expenses and Remuneration of Bond Administrators)

Article 244 The provisions of Article 131 of the Corporate Reorganization Act apply mutatis mutandis to a bond administrator, etc. prescribed in Article 43, paragraph (1), item (v) of that Act as applied mutatis mutandis pursuant to Article 196.

(Handling of Common-Benefit Claims)

Article 245 The provisions of Article 132 and Article 133 of the Corporate Reorganization Act apply mutatis mutandis to the handling of a common-benefit claim in the reorganization proceedings of a Mutual Company. In this case, the phrase "the first sentence of Article 72, paragraph (4)" in Article 132, paragraph (3) of that Act is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures".

Subsection 2 Post-Commencement Claims

- Article 246 (1) A right to claim assets arising from a cause that has occurred after the commencement of reorganization proceedings (excluding one that is a common-benefit claim or reorganization claim, etc.) is a post-commencement claim.
- (2) The provisions of Article 134, paragraphs (2) and (3) of the Corporate Reorganization Act apply mutatis mutandis to a post-commencement claim in the reorganization proceedings of a Mutual Company.

Section 5 Reorganization Creditors and Secured Reorganization Creditors

Subsection 1 Participation of Reorganization Creditors and Secured Reorganization Creditors in the Reorganization Process

- Article 247 (1) The provisions of Article 135, paragraph (1), Article 136 and Article 137 of the Corporate Reorganization Act apply mutatis mutandis to, in the reorganization proceedings of a Mutual Company, the participation of unsecured or secured reorganization creditor in reorganization proceedings. In this case, the phrase "Article 142, item (ii)" in Article 136, paragraph (2), item (v) of that Act is deemed to be replaced with "Article 251, item (ii) of the Act on Special Measures".
- (2) The provisions of Article 104 and Article 105 of the Bankruptcy Act apply mutatis mutandis to the exercise of rights by an unsecured or secured reorganization creditor in cases where reorganization proceedings for a Mutual Company are commenced. In this case, the phrase "commencement of bankruptcy proceedings" in Article 104 and Article 105 of that Act is deemed to be replaced with "commencement of reorganization proceedings (meaning reorganization proceedings prescribed in Article 169, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "in bankruptcy proceedings " in Article 104, paragraphs (1), (3) and (4) and Article 105 of that Act is deemed to be replaced with "in reorganization proceedings (meaning reorganization proceedings prescribed in Article 169, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; the phrase "the bankrupt" in the provisions of Article 104, paragraphs (3) to (5) of that Act is deemed to be replaced with "reorganizing company (meaning reorganizing company prescribed in Article 169, paragraph (7) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)"; and the phrase "bankruptcy creditor" in paragraph (4) of that Article is deemed to be replaced with "unsecured or secured reorganization creditor (meaning

unsecured or secured reorganization creditor prescribed in Article 169, paragraph (13) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions)".

- (3) Notwithstanding the provisions of Article 135, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to paragraph (1), in order to participate in reorganization proceedings by reason of a claim for a Foreign Tax Subject to Mutual Assistance, a Decision of Implementation of Mutual Assistance is required.
- (4) Notwithstanding the provisions of Article 136, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to paragraph (1), where a reorganizing company, at the time of the commencement of reorganization proceedings, is unable to pay its debts in full with its assets with regard to claims that take preference over a reorganization claim on the funds, the contributor to the relevant funds is not entitled to vote.

Subsection 2 Reporting Reorganization Claims and Secured Reorganization Claims

(Reporting an Unsecured or Secured Reorganization Claim)

Article 248 The provisions of Article 138 and Article 139 of the Corporate Reorganization Act apply mutatis mutandis to the reporting of an unsecured or secured reorganization claim in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 42, paragraph (1)" in Article 138, paragraph (1) of that Act is deemed to be replaced with "Article 42, paragraph (1) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures"; the phrase "grounds" in item (i) of that paragraph is deemed to be replaced with "grounds (in cases where the reorganization claim is a claim in relation to an insurance contract, if it is arranged that the policyholder of the insurance contract is a member, including a statement to that effect)"; and the phrase "or consensually-subordinated a reorganization claim" in item (ii) of that paragraph is deemed to be replaced with ", consensually-subordinated a reorganization claim or a reorganization claim on the funds".

(Special Provisions on Filing of Proofs of Rights to Claim Severance Pay)

Article 249 The provisions of Article 140, paragraphs (1) and (2) of the Corporate Reorganization Act apply mutatis mutandis to the right to claim the severance pay of any director, accounting advisor, company auditor, representative director, executive officer, representative executive officer, liquidator, representative liquidator or employee of a reorganizing company in the reorganization proceedings for a Mutual Company. In this case, the phrase "Article 138, paragraph (1)" in that paragraph is deemed to be replaced with

"Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

(Change of Name of the Holder of a Filed Claim)

Article 250 The provisions of Article 141 of the Corporate Reorganization Act apply mutatis mutandis to a person that has acquired a filed reorganization claim, etc. (in cases where the reorganization claim is a claim in relation to an insurance contract, including the membership right in relation to the insurance contract) in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 138, paragraph (1)" in that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

(Filing Notification of the Right to Impose Taxes or Other Charges)

Article 251 A person that holds any of the following rights to claim must file a proof to the court, without delay, with regard to the amount and cause of that right to claim, the content of any security interest, and if the claim in question is a claim for a Foreign Tax Subject to Mutual Assistance, a statement to that effect:

- (i) the right to impose taxes or other charges; and
- (ii) a claim to fines, etc. arising prior to the commencement of reorganization proceedings (meaning the right to claim a fine, petty fine, court costs for a criminal case, collection of equivalent value or civil fine arising prior to the commencement of reorganization proceedings that does not fall under the category of a common-benefit claim).

Article 252 Deleted

Subsection 3 Investigation and Finalization of Reorganization Claims and Secured Reorganization Claims

Division 1 Investigation of Reorganization Claims and Secured Reorganization Claims

(Preparation of Schedule of Reorganization Creditors and Schedule of Secured Reorganization Creditors)

Article 253 (1) A court clerk must prepare a schedule of reorganization creditors and a schedule of secured reorganization creditors with regard to a filed unsecured or secured reorganization claim.

(2) In the schedule of reorganization creditors referred to in the preceding paragraph, for each reorganization claim, the particulars set forth in Article 138, paragraph (1), items (i) to (iii) of the Corporate Reorganization Act as

applied mutatis mutandis pursuant to Article 248, and any other particulars specified by Rules of the Supreme Court must be entered.

- (3) In the schedule of secured reorganization creditors referred to in paragraph (1), for each secured reorganization claim, the particulars set forth in Article 138, paragraph (2), items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 248, and any other particulars specified by Rules of the Supreme Court must be entered.
- (4) If there are any errors in the entries in the schedule of reorganization creditors or schedule of secured reorganization creditors, a court clerk, upon petition or by their own authority, may make a disposition to correct the statements at any time.

(Investigation of an Unsecured or Secured Reorganization Claim)

Article 254 The provisions of Article 145 to Article 150 of the Corporate Reorganization Act apply mutatis mutandis to an investigation of a reorganization claim, etc. (in cases where the reorganization claim is a claim in relation to an insurance contract, including the membership right in relation to the insurance contract) in the reorganization proceedings of a Mutual Company. In this case, the phrase "paragraphs (2) and (3) of the preceding Article" in Article 145 of that Act is deemed to be replaced with "Article 253, paragraphs (2) and (3) of the Act on Special Measures"; the phrase "Article 138, paragraph (1)" in Article 146, paragraph (1) and Article 147, paragraph (3) of that Act is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "or consensually-subordinated a reorganization claim" in Article 146, paragraph (1), item (i) of that Act is deemed to be replaced with ", consensually-subordinated a reorganization claim and a reorganization claim on the funds"; the phrase " the amount of voting rights" is deemed to be replaced with "the amount of voting rights and in cases where the reorganization claim is a claim in relation to an insurance contract (limited to cases where a notification to the effect that the policyholder of the insurance contract is a member has been made), membership rights and the voting rights"; the phrase "Article 139, paragraph (1) or (3)" in paragraph (2) of that Article and Article 148, paragraph (1) of that Act is deemed to be replaced with "Article 139, paragraph (1) or (3) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "Article 42, paragraph (1)" in Article 146, paragraph (3) of that Act is deemed to be replaced with "Article 42, paragraph (1) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures"; the phrase "Article 140, paragraph (2) (including as applied mutatis mutandis pursuant to paragraph (3) of that Article)" in Article 149, paragraph (1) of that Act is deemed to be replaced with

"Article 140, paragraph (2) as applied mutatis mutandis pursuant to Article 249 of the Act on Special Measures"; and the phrase "Article 139, paragraph (5)" is deemed to be replaced with "Article 139, paragraph (5) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

Division 2 Court Proceedings to Finalize Reorganization Claims and Secured Reorganization Claims

(Assessment Orders for an Unsecured or Secured Reorganization Claim)

Article 255 The provisions of Article 151 to Article 163 of the Corporate Reorganization Act apply mutatis mutandis to the determination of a reorganization claim, etc. (in cases where the reorganization claim is a claim in relation to an insurance contract, including the membership right in relation to the insurance contract) in the reorganization proceedings of a Mutual Company. In this case, the phrase "or consensually-subordinated a reorganization claim" in Article 151, paragraph (1), items (i) and (iii) and Article 156, paragraph (1) of that Act is deemed to be replaced with ", consensually-subordinated a reorganization claim or a reorganization claim on the funds; the phrase "the first sentence of Article 149, paragraph (3)" in Article 151, paragraph (1) of that Act is deemed to be replaced with "the first sentence of Article 149, paragraph (3) as applied mutatis mutandis pursuant to Article 254 of the Act on Special Measures"; the phrase "Article 149, paragraph (4)" in paragraph (2) of that Article and Article 158, paragraph (3) is deemed to be replaced with "Article 149, paragraph (4) as applied mutatis mutandis pursuant to Article 254 of the Act on Special Measures; the phrase "the main clause of Article 10, paragraph (3)" in Article 151, paragraph (5) and Article 154, paragraph (4) of that Act is deemed to be replaced with "the main clause of Article 10, paragraph (3) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures"; the phrase "Article 5, paragraph (6)" in Article 152, paragraph (3) of that Act is deemed to be replaced with "Article 5, paragraph (6) as applied mutatis mutandis pursuant to Article 172 of the Act on Special Measures"; the phrase "Article 7, item (iii)" is deemed to be replaced with "Article 7, item (iii) as applied mutatis mutandis pursuant to Article 173 of the Act on Special Measures"; the phrase "Article 5, paragraph (1)" is deemed to be replaced with "Article 5, paragraph (1) as applied mutatis mutandis pursuant to Article 172 of the Act on Special Measures"; the phrase "Article 138, paragraph (2), item (ii)" in Article 154, paragraph (5), item (i) of that Act is deemed to be replaced with "Article 138, paragraph (2), item (ii) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "Article 138, paragraph (1), items (i) and (ii) and paragraph (2), items (i) and (ii)" in Article 157 of that Act is deemed to be replaced with "Article 138,

paragraph (1), items (i) and (ii) and paragraph (2), items (i) and (ii) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "Article 147, paragraph (1) or Article 148, paragraph (4)" in Article 158, paragraph (4) of that Act is deemed to be replaced with "Article 147, paragraph (1) or Article 148, paragraph (4) as applied mutatis mutandis pursuant to Article 254 of the Act on Special Measures"; and the phrase "Article 52, paragraph (4)" in Article 163, paragraph (5) of that Act is deemed to be replaced with "Article 52, paragraph (4) as applied mutatis mutandis pursuant to Article 202 of the Act on Special Measures".

Division 3 Special Provisions on the Right to Impose Taxes and Other Charges

Article 256 (1) The provisions of Article 164, paragraphs (1) to (4) of the Corporate Reorganization Act apply mutatis mutandis to the right to impose taxes or other charges in the reorganization proceedings of a Mutual Company and the right to claim fines, etc. arising prior to the commencement of reorganization proceedings prescribed in Article 251, item (ii). In this case, the phrase "the preceding two subsections (excluding Article 144)" in Article 164, paragraph (1) of that Act is deemed to be replaced with "Chapter III, Section 5, Subsection 3, Division 1 and Division 2 of the Act on Special Measures (excluding Article 253 of the Act on Special Measures)"; and the phrase "Article 142" in paragraph (2) of that Article is deemed to be replaced with "Article 251 of the Act on Special Measures".

(2) The provisions of Article 150, paragraph (2) of the Corporate Reorganization Act apply mutatis mutandis to a filed right to claim under the provisions of Article 251, and the provisions of Article 157, Article 160 and Article 161, paragraph (1) of that Act apply mutatis mutandis to the cases where an objection is made under the provisions of Article 164, paragraph (2) of that Act as applied mutatis mutandis pursuant to the preceding paragraph or an action is taken over under the provisions of paragraph (3) of that Article. In this case, the phrase "Article 138, paragraph (1), items (i) and (ii) and paragraph (2), items (i) and (ii)" in Article 157 of that Act is deemed to be replaced with "Article 138, paragraph (1), items (i) and (ii) and paragraph (2), items (i) and (ii) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

Section 6 Members

(Member's Participation in the Reorganization Process)

Article 257 A member that filed a proof of claim in relation to an insurance

contract (limited to cases where a notification of the fact that the insurance contract specifies members as policyholders has been made) may participate in the reorganization proceedings by reason of their membership rights.

(Member's Voting Rights)

Article 258 (1) Each member has one voting right.

(2) Notwithstanding the provisions of the preceding paragraph, when a reorganizing company finds it impossible to pay its debts in full with its assets at the time of the commencement of reorganization proceedings, its members are not entitled to vote.

Section 7 Preparation and Confirmation of a Reorganization Plan **Subsection 1 Provisions of a Reorganization Plan**

(Particulars to Be Provided for in a Reorganization Plan)

Article 259 (1) In a reorganization plan, provisions must be made with respect to the following particulars:

- (i) modification of some or all of the rights of unsecured or secured reorganization creditors or members;
 - (ii) director, accounting advisor, company auditor, executive officer, accounting auditor and liquidator of a reorganizing company;
 - (iii) payment of common-benefit claims;
 - (iv) means of raising funds to pay debt;
 - (v) use of earnings exceeding the amount expected in the reorganization plan;
 - (vi) amount or estimated amount and use of money referred to in (a) and (b) below:
 - (a) amount or estimated amount of money to be allocated for distribution, etc. in the proceedings or disposition prescribed in the main clause of Article 51, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 201; and
 - (b) amount of money paid to the court pursuant to the provisions of Article 108, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 230 (in the case of Article 112, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 230, the total of the amount of money paid to the court pursuant to the provisions of that paragraph and the amount specified in the order referred to in Article 111, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 230).
 - (vii) the content of known post-commencement claims, if there is any.
- (2) Beyond what is provided for in the first sentence of Article 72, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to

Article 211, the reorganization plan may specify clauses on any of the acts set forth in the items of Article 197, paragraph (1), amendment of the articles of incorporation, business transfer, etc. (meaning the acts referred to in Article 62-2, paragraph (1), items (i) to (iii) of the Insurance Business Act; hereinafter the same applies in Article 262, item (iv) and Article 301-2), entrustment of business and property administration (meaning entrustment of business and property administration prescribed in Article 144, paragraph (1) of the Insurance Business Act; hereinafter the same applies in this Chapter and Section 2 of the following Chapter), the establishment of a Mutual Company or Stock Company and any other particulars required for reorganization.

(Modification of Rights Based on a Reorganization Plan)

Article 260 (1) The content of a reorganization plan for persons that have the following types of rights must be equal among persons that have the same type of rights; provided, however, that this does not apply where any person that will suffer detriment has given consent or where equity will not be undermined even if the Plan otherwise provides for a small reorganization claim, etc. or any of the rights to claim set forth in Article 136, paragraph (2), items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 247, paragraph (1) or any other difference in handling of persons that have the same type of rights:

(i) secured reorganization claims;

(ii) a reorganization claim for which a general statutory lien or any other general priority exists;

(iii) a reorganization claim other than those set forth in the preceding item, the following item and item (v);

(iv) a consensually-subordinated reorganization claim;

(v) a reorganization claim on the funds; and

(vi) membership rights.

(2) Where a priority exists with regard to the amount of a reorganization claim referred to in item (ii) of the preceding paragraph arising for a specific period of time, that period is calculated from the time of the commencement of reorganization proceedings.

(3) The provisions of Article 168, paragraphs (3) to (7) and Article 169 to Article 172 of the Corporate Reorganization Act apply mutatis mutandis to a reorganization plan in the reorganization proceedings of a Mutual Company. In this case, the phrase "the items of paragraph (1)" in Article 168, paragraph (3) of that Act is deemed to be replaced with "the items of Article 260, paragraph (1) of the Act on Special Measures"; the phrase "Article 142, item (ii)" in paragraphs (4) and (7) of that Article is deemed to be replaced with "Article 251, item (ii) of the Act on Special Measures"; and the phrase "the main clause

of Article 151, paragraph (1)" in Article 172 of that Act is deemed to be replaced with "the main clause of Article 151, paragraph (1) as applied mutatis mutandis pursuant to Article 255 of the Act on Special Measures".

(Directors of a Reorganizing Company)

Article 261 (1) The particulars referred to in the following items must be specified in the respective clauses referred to therein:

- (i) a clause regarding a director of a reorganizing company (other than one referred to in the following item and item (iii)): the name or means of appointment or selection and term of office of the director and representative director;
- (ii) a clause regarding a director of a reorganizing company in cases where the reorganizing company becomes a Company with a Supervisory Committee (meaning a Company with a Supervisory Committee prescribed in Article 4, paragraph (1), item (iii) of the Insurance Business Act; hereinafter the same applies in this Chapter) at the time of the order confirming the reorganization plan: the names or means of appointment or selection and terms of office of the director that is a Supervisory Committee Member (meaning a Supervisory Committee Member prescribed in Article 2, paragraph (19) of that Act; hereinafter the same applies in this Chapter), the director that is not a Supervisory Committee Member, and the representative director;
- (iii) a clause regarding a director of a reorganizing company in cases where the reorganizing company becomes a Company with Nominating Committee, etc. (meaning a Company with Nominating Committee, etc. prescribed in Article 4, paragraph (1), item (iii) of the Insurance Business Act; hereinafter the same applies in this Chapter) at the time of the order confirming the reorganization plan: the name or means of appointment or selection and term of office of the director and committee members of each committee (meaning each committee prescribed in Article 53-24, paragraph (1) of that Act; hereinafter the same applies in this Chapter);
- (iv) a clause regarding an accounting advisor of a reorganizing company in cases where the reorganizing company becomes a company with accounting advisors (meaning company with accounting advisors prescribed in Article 8-2, paragraph (1), item (ii) of the Insurance Business Act; hereinafter the same applies in this Chapter) at the time of the order confirming the reorganization plan: the name or means of appointment and term of office of the accounting advisor;
- (v) a clause regarding a company auditor of a reorganizing company in cases where the reorganizing company becomes a company with company auditors (meaning company with company auditors prescribed in Article 30-11,

- paragraph (1) of the Insurance Business Act; hereinafter the same applies in this Chapter) at the time of the order confirming the reorganization plan: the name or means of appointment and term of office of the company auditor;
- (vi) a clause regarding an accounting auditor of a reorganizing company in cases where the reorganizing company becomes a company with accounting auditors (meaning company with accounting auditors prescribed in Article 53-22, paragraph (3) of the Insurance Business Act; hereinafter the same applies in this Chapter) at the time of the order confirming the reorganization plan: the name or means of appointment and term of office of the accounting auditor;
 - (vii) a clause on an executive officer of a reorganizing company in cases where the reorganizing company becomes a company with a nominating committee, etc. at the time of the order confirming the reorganization plan: the name or means of appointment or selection and term of office of the executive officer and representative executive officer.
- (2) Where a reorganizing company becomes a Liquidation Mutual Company (meaning Liquidation Mutual Company prescribed in Article 180-2 of the Insurance Business Act) at the time of the order confirming the reorganization plan, the particulars referred to in the following items must be specified in the respective clauses referred to therein:
- (i) a clause regarding a liquidator of a reorganizing company (other than one referred to in the following items): the name or means of appointment and term of office of the liquidator;
 - (ii) a clause regarding a liquidator of a reorganizing company in cases where the reorganizing company designates a representative liquidator at the time of the order confirming the reorganization plan: the name or means of appointment or selection and term of office of the liquidator and representative liquidator;
 - (iii) a clause regarding a company auditor of a reorganizing company: the name or means of appointment and term of office of the company auditor.

(Distribution of Surplus)

Article 262 In the clauses on the following acts, particulars that require a resolution of a general meeting of members (or a general meeting if it is held) or any other order of authorities of the Mutual Company if those acts are to be performed in cases where reorganization proceedings are not conducted must be specified:

- (i) distribution of surplus;
- (ii) reduction of the reserve for redemption of funds;
- (iii) amendment of the articles of incorporation;
- (iv) business transfer, etc.;

- (v) transfer of insurance contracts or receipt of transfer of insurance contracts;
and
- (vi) entrustment of business and property administration.

(Solicitation of Additional Funds)

Article 263 The following particulars must be specified in the clauses on the solicitation of additional funds:

- (i) the particulars set forth in Article 60-2, paragraph (1), items (ii) and (iii) of the Insurance Business Act;
- (ii) where the whole or part of the right of an unsecured or secured reorganization creditor or a member is extinguished as provided for in the reorganization plan pursuant to the provisions of Article 205, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 296, if it is arranged that, when the creditor or member makes an offer referred to in Article 60-2, paragraph (2) of the Insurance Business Act, all or part of the amount of the contribution to the funds is deemed to have been paid in, a statement to that effect;
- (iii) where the right to receive the allotment of the contribution to the funds of the reorganizing company is to be granted through an offer referred to in Article 60-2, paragraph (2) of the Insurance Business Act to an unsecured or secured reorganization creditor or member, a statement to that effect and the date on which the offer of contribution to the funds is made;
- (iv) in the case prescribed in the preceding item, particulars concerning the allotment of the contribution to the funds to an unsecured or secured reorganization creditor or member.

(Solicitation of Subscribers for Bonds for Subscription)

Article 264 The following particulars must be specified in the clauses on the solicitation of subscribers for Bonds for subscription:

- (i) the particulars set forth in the items of Article 61 of the Insurance Business Act;
- (ii) when the Bonds for subscription are secured bonds, the content of the security interest and the trade name of the entrusted company of the trust agreement prescribed in Article 2, paragraph (1) of the Secured Bond Trust Act (Act No. 52 of 1905);
- (iii) where the whole or part of the right of an unsecured or secured reorganization creditor or a member is extinguished as provided for in the reorganization plan pursuant to the provisions of Article 205, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 296, if it is arranged that, when the creditor or member makes an offer referred to in Article 61-2, paragraph (2) of the Insurance Business Act,

all or part of the amount to be paid in for Bonds for subscription is deemed to have been paid in, a statement to that effect;

- (iv) where the right to receive the allotment of Bonds for subscription of a reorganizing company is to be granted through an offer referred to in Article 61-2, paragraph (2) of the Insurance Business Act to an unsecured or secured reorganization creditor or member, a statement to that effect and the date on which offer of subscription for the Bonds for subscription is made;
- (v) in the case prescribed in the preceding item, particulars concerning the allotment of Bonds for subscription to an unsecured or secured reorganization creditor or member.

(Allotment of Contribution to Funds in Exchange for Extinguishment of the Right of an Unsecured or Secured Reorganization Creditor or Member)

Article 265 (1) The following particulars must be specified in the clauses on the allotment of contribution to the funds in exchange for the extinguishment of the whole or part of the right of an unsecured or secured reorganization creditor or member:

- (i) the amount of the additional funds to be solicited;
- (ii) the right held by the unsecured or secured reorganization creditor or member and the means of redemption of the funds; and
- (iii) particulars concerning the allotment of the funds to the unsecured or secured reorganization creditor or member.

(2) The following particulars must be specified in the clauses on the issuance of bonds in exchange for the extinguishment of the whole or part of the right of an unsecured or secured reorganization creditor or member:

- (i) the total amount of bonds to be issued;
- (ii) the amount of each bond to be issued;
- (iii) interest rate on the bonds to be issued;
- (iv) the means and due date of redemption of the bonds to be issued;
- (v) particulars set forth in Article 61, items (v) to (viii) and (xii) of the Insurance Business Act;
- (vi) when the bonds to be issued are secured bonds, the content of the security interest and the trade name of the entrusted company of the trust agreement prescribed in Article 2, paragraph (1) of the Secured Bond Trust Act; and
- (vii) particulars concerning the allotment of bonds to be issued to an unsecured or secured reorganization creditor or member.

(Entity Conversion)

Article 266 (1) The following particulars must be specified in the clauses on entity conversion:

- (i) particulars that should be specified in the entity conversion plan (excluding

- particulars set forth in Article 86, paragraph (4), items (iii) and (iv) of the Insurance Business Act and particulars set forth in item (1) of the following Article and Article 268, item(i));
- (ii) the name or means of appointment and term of office of the director of the Converted Stock Company, and, in cases where the Converted Stock Company is a Company with Supervisory Committee, whether or not the director is a Supervisory Committee Member;
 - (iii) particulars referred to in (a) to (e) below for the cases set forth in (a) to (e), respectively:
 - (a) in cases where the Converted Stock Company is a company with accounting advisors, the name or means of appointment and term of office of the accounting advisor;
 - (b) in cases where the Converted Stock Company is a company with company auditors, the name or means of appointment or selection and term of office of the representative director and company auditor;
 - (c) in cases where the Converted Stock Company is a company with accounting auditors, the name or means of appointment and term of office of the accounting auditor;
 - (d) in cases where the Converted Stock Company is a Company with Supervisory Committee, the name or means of appointment and term of office of the representative director;
 - (e) in cases where the Converted Stock Company is a Company with Supervisory Committee, the name or means of appointment or selection and term of office of the committee members of each committee, executive officer and representative executive officer;
 - (iv) when a Converted Stock Company delivers Shares, etc. (meaning shares or money; hereinafter the same applies in this Chapter) to an unsecured or secured reorganization creditor at the time of the entity conversion, the following particulars concerning the Shares, etc.:
 - (a) when the Shares, etc. are the shares of the Converted Stock Company, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Converted Stock Company; and
 - (b) when the Shares, etc. are money, the amount of the money or the means of calculating the amount;
 - (v) in the case prescribed in the preceding item, particulars concerning the allotment of Shares, etc. referred to in that item to the unsecured or secured reorganization creditor;
 - (vi) where the whole or part of the right of an unsecured or secured reorganization creditor or a member is extinguished as provided for in the

- reorganization plan pursuant to the provisions of Article 205, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 296, if it is arranged that, when the creditor or member makes an offer referred to in Article 93, paragraph (2) of the Insurance Business Act, all or part of the amount to be paid in for Shares Issued on Entity Conversion (meaning Shares Issued on Entity Conversion prescribed in Article 92, item (i) of that Act; hereinafter the same applies in this Chapter) of the Converted Stock Company is deemed to have been paid in, a statement to that effect;
- (vii) where the right to receive the allotment of Shares Issued on Entity Conversion of the Converted Stock Company is to be granted through an offer referred to in Article 93, paragraph (2) of the Insurance Business Act to an unsecured or secured reorganization creditor or member, a statement to that effect and the date on which offer of subscription for the Shares Issued on Entity Conversion is made;
- (viii) in the case prescribed in the preceding item, particulars concerning the allotment of Shares Issued on Entity Conversion to an unsecured or secured reorganization creditor or member;
- (ix) the minimum number of Shares Issued on Entity Conversion that should be issued upon entity conversion in cases where entity conversion is carried out without issuing some of the Shares Issued on Entity Conversion pursuant to the provisions of Article 307, paragraph (3).
- (2) The provisions of Article 175 to Article 177 of the Corporate Reorganization Act apply mutatis mutandis to clauses on the solicitation of subscribers for Shares for Subscription (meaning Shares for Subscription prescribed in Article 199, paragraph (1) of the Companies Act; hereinafter the same applies in this Chapter), Share Options for Subscription (meaning Share Options for Subscription prescribed in Article 238, paragraph (1) of the Companies Act, and in cases where the Share Options for Subscription are attached to bonds with share options, including the bonds with share options; hereinafter the same applies in this Chapter) or Bonds for subscription (excluding the bonds attached to bonds with share options; hereinafter the same applies in this Chapter) of a Converted Stock Company. In this case, the phrase "Article 205, paragraph (1)" in Article 175, item (ii), Article 176, item (ii) and Article 177, item (iii) of the Corporate Reorganization Act is deemed to be replaced with "Article 205, paragraph (1) as applied mutatis mutandis pursuant to Article 296 of the Act on Special Measures".

(Share Exchange on Entity Conversion)

Article 267 The following particulars must be specified in the clauses on share exchange on entity conversion:

- (i) particulars that should be specified in the contract for share exchange on entity conversion;
- (ii) when a Wholly Owing Parent Company for Share Exchange on Entity Conversion (meaning Wholly Owing Parent Company for Share Exchange on Entity Conversion prescribed in Article 96-5, paragraph (1) of the Insurance Business Act; hereinafter the same applies in this Article) delivers Shares, etc. to an unsecured or secured reorganization creditor at the time of the share exchange on entity conversion, the following particulars concerning the Shares, etc.:
 - (a) when the Shares, etc. are the shares of the Wholly Owing Parent Company for Share Exchange on Entity Conversion, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Wholly Owing Parent Company for Share Exchange on Entity Conversion; and
 - (b) when the Shares, etc. are money, the amount of the money or the means of calculating the amount;
- (iii) in the case prescribed in the preceding item, particulars concerning the allotment of the Shares, etc. referred to in that item to the unsecured or secured reorganization creditor;
- (iv) when a Wholly Owing Parent Company for Share Exchange on Entity Conversion delivers its Bonds, etc. (meaning bonds or share options; hereinafter the same applies in this Chapter) to the member of a reorganizing company at the time of the share exchange on entity conversion, the following particulars concerning the Bonds, etc.:
 - (a) when the Bonds, etc. are the bonds of the Wholly Owing Parent Company for Share Exchange on Entity Conversion (excluding the bonds attached to bonds with share options), the classes of the bonds and the total amount of bonds for each class or the means of calculating the amount;
 - (b) when the Bonds, etc. are the share options of the Wholly Owing Parent Company for Share Exchange on Entity Conversion (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and
 - (c) when the Bonds, etc. are the bonds with share options of the Wholly Owing Parent Company for Share Exchange on Entity Conversion, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
- (v) in the case prescribed in the preceding item, particulars concerning the

allotment of the Bonds, etc. referred to in that item to the members of a reorganizing company.

(Share Transfer on Entity Conversion)

Article 268 The following particulars must be specified in the clauses on share transfer on entity conversion:

- (i) particulars that should be specified in the entity conversion plan (limited to those concerning share transfer on entity conversion);
- (ii) when a Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion (meaning Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion prescribed in Article 96-8, paragraph (1) of the Insurance Business Act; hereinafter the same applies in this Article) delivers Shares, etc. of the Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion to an unsecured or secured reorganization creditor at the time of the share transfer on entity conversion, the following particulars concerning the Shares, etc.:
 - (a) when the Shares, etc. are the shares of the Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion; and
 - (b) when the Shares, etc. are money, the amount of the money or the means of calculating the amount;
- (iii) in the case prescribed in the preceding item, particulars concerning the allotment of the Shares, etc. referred to in that item to the unsecured or secured reorganization creditor;
- (iv) when a Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion delivers its Bonds, etc. to the member of a reorganizing company at the time of the share transfer on entity conversion, the following particulars concerning the Bonds, etc.:
 - (a) when the Bonds, etc. are the bonds of the Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion (other than one attached to bonds with share options), the classes of the bonds and the total amount of bonds for each class or the means of calculating the amount;
 - (b) when the Bonds, etc. are the share options of the Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and

- (c) when the Bonds, etc. are the bonds with share options of the Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
- (v) in the case prescribed in the preceding item, particulars concerning the allotment of Bonds, etc. referred to in that item to members of the reorganizing company.

(Dissolution)

Article 269 The provisions of Article 178 of the Corporate Reorganization Act apply mutatis mutandis to the clauses on the dissolution of a reorganizing company in the reorganization proceedings of a Mutual Company.

(Absorption-Type Merger)

Article 270 (1) The following particulars must be specified in the clauses on Absorption-Type Merger (limited to Absorption-Type Merger (meaning Absorption-Type Merger prescribed in Article 160 of the Insurance Business Act; hereinafter the same applies in this Chapter) where a reorganizing company disappears and the company to survive the Absorption-Type Merger (hereinafter referred to as a "Company Surviving an Absorption-Type Merger" in this Article) is a Mutual Company; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Absorption-Type Merger Agreement;
 - (ii) when a Company Surviving an Absorption-Type Merger arranges an unsecured or secured reorganization creditor to be the contributor to the funds of the Company Surviving an Absorption-Type Merger, at the time of the Absorption-Type Merger, the amount of the funds or the means of calculating the amount;
 - (iii) in the case prescribed in the preceding item, particulars concerning the allotment of the funds referred to in that item to the unsecured or secured reorganization creditor;
 - (iv) when a Company Surviving an Absorption-Type Merger delivers its bonds to the members of the reorganizing company at the time of the Absorption-Type Merger, the classes of the bonds and the total amount of the bonds for each class or the means of calculating the amount;
 - (v) in the case prescribed in the preceding item, particulars concerning the allotment of bonds referred to in that item to the members of the reorganizing company.
- (2) The following particulars must be specified in the clauses on Absorption-Type

Merger (limited to Absorption-Type Merger where a reorganizing company disappears and the Company Surviving an Absorption-Type Merger is a Stock Company; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Absorption-Type Merger Agreement;
 - (ii) when a Company Surviving an Absorption-Type Merger delivers Shares, etc. to an unsecured or secured reorganization creditor at the time of the Absorption-Type Merger, the following particulars concerning the Shares, etc.:
 - (a) when the Shares, etc. are the shares of the Company Surviving an Absorption-Type Merger, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Company Surviving an Absorption-Type Merger; and
 - (b) when the Shares, etc. are money, the amount of the money or the means of calculating the amount;
 - (iii) in the case prescribed in the preceding item, particulars concerning the allotment of Shares, etc. referred to in that item to the unsecured or secured reorganization creditor;
 - (iv) when a Company Surviving an Absorption-Type Merger delivers its Bonds, etc. to the fund contributors or members of the Company Surviving an Absorption-Type Merger at the time of the Absorption-Type Merger, the following particulars concerning the Bonds, etc.:
 - (a) when the Bonds, etc. are the bonds of the Company Surviving an Absorption-Type Merger (other than one attached to bonds with share options), the classes of the bonds, and the total amount of the bonds for each class or the means of calculating the amount;
 - (b) when the Bonds, etc. are the share options of the Company Surviving an Absorption-Type Merger (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and
 - (c) when the Bonds, etc. are the bonds with share options of the Company Surviving an Absorption-Type Merger, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
 - (v) in the case prescribed in the preceding item, particulars concerning the allotment of the Bonds, etc. referred to in that item to the fund contributors or members of the reorganizing company.
- (3) The following particulars must be specified in the clauses on Absorption-Type

Merger (limited to Absorption-Type Merger where a reorganizing company becomes a Company Surviving an Absorption-Type Merger; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Absorption-Type Merger Agreement;
- (ii) when a reorganizing company delivers its bonds to the members of the company that disappears as a result of the Absorption-Type Merger (hereinafter referred to as a "Company Disappearing in an Absorption-Type Merger" in this Chapter) at the time of the Absorption-Type Merger, the classes of the bonds, and the total amount of the bonds for each class or the means of calculating the amount;
- (iii) in the case prescribed in the preceding item, particulars concerning the allotment of the bonds referred to in that item to the members of the Company Disappearing in an Absorption-Type Merger.

(Consolidation-Type Mergers)

Article 271 (1) The following particulars must be specified in the clauses on Consolidation-Type Merger (limited to Consolidation-Type Merger (meaning Consolidation-Type Merger prescribed in Article 161, paragraph (1) of the Insurance Business Act; hereinafter the same applies in this Chapter) where a reorganizing company disappears and the company established by the Consolidation-Type Merger (hereinafter referred to as a "Company Established by Consolidation-Type Merger" in this Chapter) is a Mutual Company; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Consolidation-Type Merger Agreement;
- (ii) when a Company Established by Consolidation-Type Merger arranges an unsecured or secured reorganization creditor to be the contributor to the funds of the Company Established by Consolidation-Type Merger, at the time of the Consolidation-Type Merger, the amount of the funds or the means of calculating the amount;
- (iii) in the case prescribed in the preceding item, particulars concerning the allotment of the funds referred to in that item to an unsecured or secured reorganization creditor;
- (iv) when a Company Established by Consolidation-Type Merger delivers its bonds to the members of the company that disappears as a result of the Consolidation-Type Merger (hereinafter referred to as a "Company Disappearing in a Consolidation-Type Merger" in this Chapter) at the time of the Consolidation-Type Merger, the classes of the bonds, and the total amount of the bonds for each class or the means of calculating the amount;
- (v) in the case prescribed in the preceding item, particulars concerning the

allotment of the bonds referred to in that item to the members of the Company Disappearing in a Consolidation-Type Merger.

- (2) The following particulars must be specified in the clauses on Consolidation-Type Merger (limited to Consolidation-Type Merger where a reorganizing company disappears and the Company Established by Consolidation-Type Merger is a Stock Company; hereinafter the same applies in this paragraph):
- (i) particulars that should be specified in the Consolidation-Type Merger Agreement;
 - (ii) when a Company Established by Consolidation-Type Merger delivers its shares to an unsecured or secured reorganization creditor at the time of the Consolidation-Type Merger, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Company Established by Consolidation-Type Merger;
 - (iii) in the case prescribed in the preceding item, particulars concerning the allotment of the shares referred to in that item to the unsecured or secured reorganization creditor;
 - (iv) when a Company Established by Consolidation-Type Merger delivers its Bonds, etc. to fund contributors, the fund contributors, members or shareholders of a Company Disappearing in a Consolidation-Type Merger at the time of the Consolidation-Type Merger, the following particulars concerning the Bonds, etc.:
 - (a) when the Bonds, etc. are the bonds of the Company Established by Consolidation-Type Merger (other than one attached to bonds with share options), the classes of the bonds, and the total amount of the bonds for each class or the means of calculating the amount;
 - (b) when the Bonds, etc. are the share options of the Company Established by Consolidation-Type Merger (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and
 - (c) when the Bonds, etc. are the bonds with share options of the Company Established by Consolidation-Type Merger, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
 - (v) in the case prescribed in the preceding item, particulars concerning the allotment of the Bonds, etc. referred to in that item to the fund contributors, members or shareholders of the Company Disappearing in a Consolidation-Type Merger.

(Establishment of a New Mutual Company)

Article 272 The following particulars must be specified in the clauses on the establishment of a Mutual Company; provided, however, that this does not apply to the cases where a Mutual Company is to be established by Consolidation-Type Merger:

- (i) the particulars set forth in Article 23, paragraph (1), items (i) to (iv) and (viii) of the Insurance Business Act concerning the Mutual Company to be established (hereinafter referred to as a "New Mutual Company" in this Article);
- (ii) particulars provided for in the articles of incorporation (other than one in relation to the particulars set forth in preceding item) of the New Mutual Company;
- (iii) where the whole or part of the right of an unsecured or secured reorganization creditor or a member is extinguished as provided for in the reorganization plan pursuant to the provisions of Article 205, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 296, if it is arranged that, when the creditor or member makes an offer referred to in Article 28, paragraph (2) of the Insurance Business Act, all or part of the amount of contribution to be made to the funds of the New Mutual Company is deemed to have been paid in, a statement to that effect;
- (iv) when the right to receive an allotment of the contribution to the funds of a New Mutual Company is to be granted through an offer referred to in Article 28, paragraph (2) of the Insurance Business Act to an unsecured or secured reorganization creditor or member as provided for in the reorganization plan, a statement to that effect and the date on which the offer of contribution to the funds is made;
- (v) in the case prescribed in the preceding item, particulars concerning the allotment of the contribution to the funds to the unsecured or secured reorganization creditor or member;
- (vi) the assets that should be transferred from a reorganizing company to a New Mutual Company and their amount;
- (vii) the name or means of appointment of the Director at Incorporation of a New Mutual Company, and, in cases where the New Mutual Company is a Company with Supervisory Committee, whether or not the Director at Incorporation is a Supervisory Committee Member at Incorporation (meaning a Supervisory Committee Member at Incorporation prescribed in Article 30-10, paragraph (2) of the Insurance Business Act; the same applies in item (ix));
- (viii) particulars referred to in (a) to (e) below for the cases set forth in (a) to (e), respectively:
 - (a) in cases where the New Mutual Company is a company with accounting

- advisors, the name or means of appointment of the Accounting Advisor at Incorporation;
- (b) in cases where the New Mutual Company is a company with company auditors, the name or means of appointment or selection of the Representative Director at Incorporation and Auditor at Incorporation;
- (c) in cases where the New Mutual Company is a company with accounting auditors, the name or means of appointment of the Accounting Auditor at Incorporation;
- (d) in cases where the New Mutual Company is a Company with Supervisory Committee, the name or means of appointment of the Representative Director at Incorporation;
- (e) in cases where the New Mutual Company is a Company with Supervisory Committee, the name or means of appointment or selection of the Committee Member at Incorporation, Executive Officer at Incorporation and Representative Executive Officer at Incorporation;
- (ix) in cases where the Director at Incorporation (in cases where the New Mutual Company is a Company with Supervisory Committee, the Director at Incorporation that is a Supervisory Committee Member at Incorporation, or the Director at Incorporation that is not a Supervisory Committee Member at Incorporation), Accounting Advisor at Incorporation, Auditor at Incorporation, Representative Director at Incorporation, Committee Member at Incorporation, Executive Officer at Incorporation, Representative Executive Officer at Incorporation or Accounting Auditor at Incorporation (referred to as a "Director at Incorporation, etc." in Article 316, paragraph (5)) of a New Mutual Company becomes a director (in cases where the New Mutual Company is a Company with Supervisory Committee, the director that is a Supervisory Committee Member, or the director that is not a Supervisory Committee Member), accounting advisor, company auditor, representative director, committee member of any committee, executive officer, representative executive officer or accounting auditor (referred to as a "Director, etc. of the New Mutual Company" in that paragraph) after the establishment of the New Mutual Company, the term of office of the Director, etc. of the New Mutual Company;
- (x) when a New Mutual Company solicits subscribers for Bonds for subscription, the particulars set forth in the items of Article 264;
- (xi) when a New Mutual Company allots the contribution to the funds at the time of establishment of the New Mutual Company or issues bonds of the New Mutual Company in exchange for the extinguishment of the whole or part of the right of an unsecured or secured reorganization creditor or member, the particulars set forth in the items of Article 265, paragraph (1) or the items of paragraph (2) of that Article.

(Incorporation of a New Stock Company)

Article 273 The provisions of Article 183 of the Corporate Reorganization Act apply mutatis mutandis to clauses on the incorporation of a Stock Company in the reorganization proceedings of a Mutual Company. In this case, the phrase "Consolidation-Type Merger, Incorporation-type Company Split or share transfer" in that Article is deemed to be replaced with "Consolidation-Type Merger (meaning Consolidation-Type Merger prescribed in Article 161, paragraph (1) of the Insurance Business Act) or share transfer on entity conversion (meaning share transfer on entity conversion prescribed in Article 96-8, paragraph (1) of that Act)"; the phrase "Article 205, paragraph (1)" in paragraph (iv) of that Article is deemed to be replaced with "Article 205, paragraph (1) as applied mutatis mutandis pursuant to Article 296 of the Act on Special Measures"; the phrase "shareholder" in that item to item (vi) of that Article and item (xiii) of that Article is deemed to be replaced with "member".

Article 274 Deleted

Article 275 Deleted

Article 276 Deleted

Subsection 2 Submission of a Proposed Reorganization Plan

(Period for Submitting a Proposed Reorganization Plan)

Article 277 The provisions of Article 184 of the Corporate Reorganization Act apply mutatis mutandis to the preparation and submission of a proposed reorganization plan in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 138, paragraph (1)" in paragraph (1) of that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

(Proposed Reorganization Plans Specifying Discontinuation of the Entire Business)

Article 278 (1) When it has become obvious that it is difficult to prepare a proposed reorganization plan specifying the continuation of the business of a reorganizing company by the relevant reorganizing company (including the case of entity conversion), the continuation of that business by another person by the transfer of business, transfer of insurance contracts, merger or establishment of a Mutual Company or Stock Company after the commencement of reorganization proceedings, the court may permit the

preparation of a proposed reorganization plan specifying the discontinuation of the entire business of the reorganizing company upon petition by a person prescribed in Article 184, paragraph (1) or (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding Article; provided, however, that this does not apply when it is prejudicial to the common interests of creditors.

(2) The provisions of Article 185, paragraph (2) of the Corporate Reorganization Act apply mutatis mutandis to the permission referred to in the main clause of the preceding paragraph.

(Revision of Proposed Reorganization Plan)

Article 279 The provisions of Article 186 of the Corporate Reorganization Act apply mutatis mutandis to the revision of a proposed reorganization plan in the reorganization proceedings of a Mutual Company.

(Opinions of Administrative Agencies)

Article 280 The provisions of Article 187 of the Corporate Reorganization Act apply mutatis mutandis to a proposed reorganization plan specifying particulars requiring the administrative agency's permission, confirmation, license or any other disposition in the reorganization proceedings of a Mutual Company. In this case, the phrase "the preceding Article" in that Article is deemed to be replaced with "the preceding Article as applied mutatis mutandis pursuant to Article 279 of the Act on Special Measures".

(Opinions of the Labor Union of a Reorganizing Company)

Article 281 The court must hear opinions of the labor union, etc. prescribed in Article 198, paragraph (3), item (iii) with regard to a proposed reorganization plan. The same applies to a proposed reorganization plan as revised under the provisions of Article 186 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 279.

Subsection 3 Resolution on a Proposed Reorganization Plan

(Order to Refer to a Resolution)

Article 282 The provisions of Article 189 of the Corporate Reorganization Act apply mutatis mutandis to the cases where a proposed reorganization plan has been submitted in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 146, paragraph (3)" in paragraph (1), item (i) of that Article is deemed to be replaced with "Article 146, paragraph (3) as applied mutatis mutandis pursuant to Article 254 of the Act on Special Measures"; the phrase "Article 84, paragraph (1)" in item (ii) of that paragraph

is deemed to be replaced with "Article 84, paragraph (1) as applied mutatis mutandis pursuant to Article 221 of the Act on Special Measures"; the phrase "Article 85, paragraph (1)" is deemed to be replaced with "Article 85, paragraph (1) as applied mutatis mutandis pursuant to Article 222 of the Act on Special Measures"; the phrase "the items of Article 199, paragraph (2)" in item (iii) of that paragraph is deemed to be replaced with "the items of Article 199, paragraph (2) as applied mutatis mutandis pursuant to Article 290, paragraph (2) of the Act on Special Measures"; the phrase "Article 236, item (ii)" in item (iv) of that paragraph is deemed to be replaced with "Article 236, item (ii) as applied mutatis mutandis pursuant to Article 325, paragraph (1) of the Act on Special Measures"; the phrase "Article 193, paragraph (2)" in paragraph (2) of that Article is deemed to be replaced with "Article 193, paragraph (2) as applied mutatis mutandis pursuant to Article 286 of the Act on Special Measures"; the phrase "the main clause of Article 115, paragraph (1)" in paragraph (3) of that Article is deemed to be replaced with "the main clause of Article 115, paragraph (1) as applied mutatis mutandis pursuant to Article 232 of the Act on Special Measures"; and the phrase "the items of Article 114, paragraph (1)" in paragraph (5) of that Article is deemed to be replaced with "the items of Article 114, paragraph (1) as applied mutatis mutandis pursuant to Article 232 of the Act on Special Measures".

(Restriction on Exercise of Voting Rights by Bondholders)

Article 283 The provisions of Article 190 of the Corporate Reorganization Act apply mutatis mutandis to bondholders of the bonds which are an unsecured or secured reorganization claim against a Mutual Company. In this case, the phrase "Article 43, paragraph (1), item (v)" in paragraph (1) of that Article is deemed to be replaced with "Article 43, paragraph (1), item (v) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures"; and the phrase "Article 706, paragraph (1) of the Companies Act" in paragraph (3) of that Article is deemed to be replaced with "Article 61-7, paragraph (4) of the Insurance Business Act".

(Means of Determining the Amount or Number of Voting Rights Where a Meeting of Persons Concerned Is to Be Held)

Article 284 (1) Where the court designates either of the means referred to in Article 189, paragraph (2), item (i) or (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 282 as the means for exercising a voting right, the trustee, holders of filed an unsecured or secured reorganization claim or member may make an objection to the voting right of holders of filed an unsecured or secured reorganization claim or member on the date of a meeting of persons concerned; provided, however, that this does not

apply to a voting right held by a holders of filed an unsecured or secured reorganization claim of which the amount is determined pursuant to the provisions of Article 150, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 254 and the voting right held by a member which is determined pursuant to that paragraph.

- (2) In the case prescribed in the main clause of the preceding paragraph, voting right holders may exercise their voting rights in accordance with the amount or number specified in each of the following items for the categories set forth in the respective items:
 - (i) a holder of a filed unsecured or secured reorganization claim that holds a voting right of which the amount is determined pursuant to the provisions of Article 150, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 254: The amount thus determined;
 - (ii) a holder of a filed unsecured or secured reorganization claim that holds a voting right without objection referred to in the main clause of the preceding paragraph: The amount filed;
 - (iii) a member that holds a membership right determined pursuant to the provisions of Article 150, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 254 or a member that holds a voting right without objection referred to in the main clause of the preceding paragraph: One vote;
 - (iv) a holder of a filed unsecured or secured reorganization claim or a member that holds a voting right subject to objection referred to in the main clause of the preceding paragraph: The amount or number specified by the court; provided, however, that the voting right may not be exercised if the court has decided not to allow the exercise of the voting right.
- (3) The court, upon the petition of an interested person or by its own authority, may change the order made under the provisions of item (iv) of the preceding paragraph at any time.

(Means of Determining the Amount or Number of Voting Rights Where Meeting of Persons Concerned Is Not to Be Held)

Article 285 (1) Where the court designates the means referred to in Article 189, paragraph (2), item (ii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 282 as the means for exercising a voting right, voting right holders may exercise their voting rights in accordance with the amount or number specified in each of the following items for the categories set forth in the respective items:

- (i) a holder of a filed unsecured or secured reorganization claim that holds a voting right of which the amount is determined pursuant to the provisions of Article 150, paragraph (1) of the Corporate Reorganization Act as applied

- mutatis mutandis pursuant to Article 254: The amount thus determined;
- (ii) a holder of a filed unsecured or secured reorganization claim (other than one referred to in the preceding item): The amount specified by the court; provided, however, that the voting right may not be exercised if the court has decided not to allow the exercise of the voting right;
 - (iii) a member that holds a membership right determined pursuant to the provisions of Article 150, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 254: One vote;
 - (iv) a member that filed a proof (other than one referred to in the preceding item): One vote; provided, however, that the voting right may not be exercised if the court has decided not to allow the exercise of the voting right.
- (2) The court, upon the petition of an interested person or by its own authority, may change the order made under the provisions of item (ii) or (iv) of the preceding paragraph at any time.

(Means of Exercising Voting Rights)

Article 286 The provisions of Article 193 to Article 195 of the Corporate Reorganization Act apply mutatis mutandis to voting rights in the reorganization proceedings of a Mutual Company. In this case, the phrase "the first sentence of Article 189, paragraph (2)" in Article 193, paragraph (2) of that Act is deemed to be replaced with "the first sentence of Article 189, paragraph (2) as applied mutatis mutandis pursuant to Article 282 of the Act on Special Measures"; the phrase "specified or recorded in the schedule of secured reorganization creditors or shareholder registry" in Article 194, paragraph (1) of that Act is deemed to be replaced with "or specified in the schedule of secured reorganization creditors"; and the phrase "Article 200, paragraph (2)" in Article 195 of that Act is deemed to be replaced with "Article 200, paragraph (2) as applied mutatis mutandis pursuant to Article 291 of the Act on Special Measures".

(Requirements for Approval of a Proposed Reorganization Plan)

Article 287 The provisions of Article 196 of the Corporate Reorganization Act apply mutatis mutandis to a resolution on a proposed reorganization plan in the reorganization proceedings of a Mutual Company. In this case, the phrase "the items of Article 168, paragraph (1)" in paragraphs (1) and (2) of that Article is deemed to be replaced with "the items of Article 260, paragraph (1) of the Act on Special Measures"; and the phrase "shares" in that paragraph and paragraph (5), item (iii) of that Article is deemed to be replaced with "membership rights".

(Modification of a Proposed Reorganization Plan)

Article 288 The provisions of Article 197 of the Corporate Reorganization Act apply mutatis mutandis to the modification of a proposed reorganization plan in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 189, paragraph (2), item (i) or (iii)" in that Article is deemed to be replaced with "Article 189, paragraph (2), item (i) or (iii) as applied mutatis mutandis pursuant to Article 282 of the Act on Special Measures".

(Continuance of the Date of a Meeting of Persons Concerned)

Article 289 The provisions of Article 198 of the Corporate Reorganization Act apply mutatis mutandis to the continuation of the date of a meeting of persons concerned in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 189, paragraph (2), item (i) or (iii)" in paragraph (1) of that Article is deemed to be replaced with "Article 189, paragraph (2), item (i) or (iii) as applied mutatis mutandis pursuant to Article 282 of the Act on Special Measures"; the phrase "Article 196, paragraph (1)" is deemed to be replaced with "Article 196, paragraph (1) as applied mutatis mutandis pursuant to Article 287 of the Act on Special Measures"; and the phrase "shares" in item (iii) of that paragraph is deemed to be replaced with "membership rights".

Subsection 4 Order Confirming or Disconfirming a Reorganization Plan

(Requirements for Confirmation of a Reorganization Plan)

Article 290 (1) Where a proposed reorganization plan is approved, the court must issue an order confirming or disconfirming the reorganization plan.

(2) The provisions of Article 199, paragraphs (2) to (7) of the Corporate Reorganization Act apply mutatis mutandis to an order confirming or disconfirming the reorganization plan of a Mutual Company. In this case, the phrase "Article 45, paragraph (1), item (vii) with a company" in paragraph (2), item (v) of that Article is deemed to be replaced with "Article 197, paragraph (1), item (vii), (viii) or (x) of the Act on Special Measures with a Mutual Company or Stock Company"; the phrase "the preceding paragraph" is deemed to be replaced with "Article 290, paragraph (1) of the Act on Special Measures"; the phrase "company" is deemed to be replaced with "Mutual Company or Stock Company"; the phrase "Article 187" in item (vi) of that paragraph is deemed to be replaced with "Article 187 as applied mutatis mutandis pursuant to Article 280 of the Act on Special Measures"; the phrase "the preceding two paragraphs or paragraph (1) of the following Article" in paragraph (4) of that Article is deemed to be replaced with "the provisions of the preceding two paragraphs or paragraph (1) of the following Article as applied mutatis mutandis pursuant to Article 291 of the Act on Special Measures"; the phrase "the main clause of Article 115, paragraph (1)" in paragraph (5) of that Article is deemed to be

replaced with "the main clause of Article 115, paragraph (1) as applied mutatis mutandis pursuant to Article 232 of the Act on Special Measures"; and the phrase "Article 46, paragraph (3), item (iii)" in that paragraph and paragraph (7) of that Article is deemed to be replaced with "Article 198, paragraph (3), item (iii) of the Act on Special Measures".

(Confirmation in Cases Where There Are Types of Rights for Which Consent Could Not Be Obtained)

Article 291 The provisions of Article 200, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where a proposed reorganization plan is not approved because consent that meets the requirements referred to in paragraph (5) of that Article could not be obtained for some types of rights prescribed in Article 196, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 287 and the provisions of Article 200, paragraphs (2) and (3) of that Act apply mutatis mutandis to the cases where it is obvious that the consent that meets the requirements referred to in paragraph (5) of that Article cannot be obtained for some types of rights prescribed in Article 196, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 287 for a proposed reorganization plan.

(Period When a Reorganization Plan Becomes Effective)

Article 292 A reorganization plan becomes effective at the time of the order confirming it.

(Immediate Appeal against an Order Confirming the Reorganization Plan)

Article 293 (1) The provisions of Article 202 of the Corporate Reorganization Act apply mutatis mutandis to an immediate appeal against an order confirming or disconfirming the reorganization plan of a Mutual Company. In this case, the phrase "Article 168, paragraph (1), items (iv) to (vi)" in paragraph (2) of that Article is deemed to be replaced with "Article 260, paragraph (1), item (iv) or (vi) of the Act on Special Measures"; and the phrase "Article 13" in paragraph (5) of that Article is deemed to be replaced with "Article 177 of the Act on Special Measures".

(2) Notwithstanding the provisions of Article 202, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding paragraph, where a reorganizing company, at the time of the commencement of reorganization proceedings, is unable to pay its debts in full with its assets with regard to claims that take preference over a reorganization claim on the funds, the contributor to the relevant funds may not file an immediate appeal except on the grounds that the content of a reorganization plan is in violation of Article 260, paragraph (1), item (v).

Section 8 Procedures after the Confirmation of a Reorganization Plan
Subsection 1 Effect of an Order Confirming a Reorganization Plan

(Scope of the Effect of a Reorganization Plan)

Article 294 (1) A reorganization plan is effective in the interest of and against the following persons:

- (i) a reorganizing company;
 - (ii) all unsecured and secured reorganization creditors and members;
 - (iii) any person that assumes a debt or provides security for the purpose of reorganization of the business of the reorganizing company;
 - (iv) a Converted Stock Company;
 - (v) a Stock Company incorporated by share transfer on entity conversion (other than one conducted jointly) as specified in the reorganization plan or a new Stock Company (meaning a Stock Company incorporated under the clause prescribed in Article 183 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 273 as specified in the reorganization plan; hereinafter the same applies in this Chapter); and
 - (vi) a New Mutual Company (meaning a Mutual Company established under clauses prescribed in Article 272 as specified in the reorganization plan; hereinafter the same applies in this Chapter).
- (2) A reorganization plan does not affect any rights held by an unsecured or secured reorganization creditor against the guarantor of a reorganizing company or any other person that owes debts jointly with the reorganizing company, and any security provided by persons other than the reorganizing company in the interest of the unsecured or secured reorganization creditor.

(Discharge from an Unsecured or Secured Reorganization Claim)

Article 295 (1) If the court issues an order confirming a reorganization plan, the reorganizing company is discharged from its liability for all an unsecured or secured reorganization claim, except for the following rights, and any rights of members and any security interest on the assets of the reorganizing company is extinguished:

- (i) rights approved pursuant to the provisions of the reorganization plan or provisions of this Chapter;
- (ii) a claim to the severance pay of a person that was a director, etc. (meaning director, accounting advisor, company auditor, representative director, executive officer, representative executive officer, liquidator or representative liquidator) or employee of the reorganizing company after the commencement of reorganization proceedings and remains in such a position even after the order confirming the reorganization plan;

- (iii) a claim to fines, etc. arising prior to the commencement of reorganization proceedings prescribed in Article 251, item (ii); and
 - (iv) among rights to impose taxes or other charges (excluding a claim for a Foreign Tax Subject to Mutual Assistance), in cases where a sentence to imprisonment with required labor or a fine is imposed after the commencement of reorganization proceedings for evading or attempting to evade tax, etc., or receiving a tax, etc. refund through misconduct, or failing to pay or deliver tax, etc. that should have been collected and paid or delivered, or the subject of notification is performed under the provisions of Article 14, paragraph (1) of the National Tax Violations Control Act (including as applied mutatis mutandis pursuant to the Local Tax Act), the right to impose taxes or other charges in the amount of which evasion was performed or attempted, refunded or not paid or delivered for which there is no filing of a proof.
- (2) Notwithstanding the provisions of the preceding paragraph, the effect of discharge and extinguishment of security interests under the provisions of that paragraph with regard to a claim for a Foreign Tax Subject to Mutual Assistance may be asserted only in relation to the mutual assistance under the provisions of Article 11, paragraph (1) of the Act on Special Provisions for Enforcement of Tax Treaties, etc.
- (3) The provisions of Article 204, paragraph (2) of the Corporate Reorganization Act apply mutatis mutandis to the rights to claim referred to in paragraph (1), items (iii) and (iv) if the court issues an order confirming the reorganization plan during the reorganization proceedings of a Mutual Company.

(Modification of Rights of Holders of Filed Unsecured or Secured Reorganization Claims)

Article 296 The provisions of Article 205, paragraphs (1), (2) and (5) and Article 206 to Article 208 of the Corporate Reorganization Act apply mutatis mutandis to the order confirming the reorganization plan during the reorganization proceedings of a Mutual Company. In this case, the phrase "unsecured or secured reorganization creditor" in Article 205, paragraph (2) of that Act is deemed to be replaced with "unsecured or secured reorganization creditor or member"; the phrase "an unsecured or secured reorganization claim" in that paragraph and Article 206, paragraph (2) of that Act is deemed to be replaced with "an unsecured or secured reorganization claim or membership rights"; the phrase "Membership Company referred to in Article 203, paragraph (1), item (iv), company referred to in item (v) of that paragraph" in that paragraph is deemed to be replaced with "Stock Company referred to in Article 294, paragraph (1), items (iv) and (v) of the Act on Special Measures, New Mutual Company prescribed in item (vi) of that paragraph"; the phrase "and" is

deemed to be replaced with "and"; the phrase "Article 169, paragraph (1)" in Article 207 of that Act is deemed to be replaced with "Article 169, paragraph (1) as applied mutatis mutandis pursuant to Article 260, paragraph (3) of the Act on Special Measures"; the phrase "Article 50, paragraph (1)" in Article 208 of that Act is deemed to be replaced with "Article 50, paragraph (1) as applied mutatis mutandis pursuant to Article 201 of the Act on Special Measures"; the phrase "Article 24, paragraph (1), item (ii)" is deemed to be replaced with "Article 24, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 184 of the Act on Special Measures"; and the phrase "Article 50, paragraph (5)" is deemed to be replaced with "Article 50, paragraph (5) as applied mutatis mutandis pursuant to Article 201 of the Act on Special Measures".

Subsection 2 Implementation of a Reorganization Plan

(Implementation of the Reorganization Plan)

Article 297 (1) The provisions of Article 209 (excluding paragraph (3)) of the Corporate Reorganization Act apply mutatis mutandis to a reorganization plan in the reorganization proceedings of a Mutual Company. In this case, the phrase "reorganizing company" in paragraph (1) of that Article is deemed to be replaced with "reorganizing company prescribed in Article 169, paragraph (7) of the Act on Special Measures (including Converted Stock Company prescribed in Article 197, paragraph (1) of the Act on Special Measures)"; the phrase "company referred to in Article 203, paragraph (1), item (v)" in paragraph (2) of that Article is deemed to be replaced with "Stock Company referred to in Article 294, paragraph (1), item (v) of the Act on Special Measures and New Mutual Company prescribed in item (vi) of that paragraph"; the phrase "the first sentence of Article 72, paragraph (4)" in paragraph (4) of that Article is deemed to be replaced with "the first sentence of Article 72, paragraph (4) as applied mutatis mutandis pursuant to Article 211 of the Act on Special Measures"; and the phrase "the main clause of Article 151, paragraph (1)" in item (ii) of that paragraph is deemed to be replaced with "the main clause of Article 151, paragraph (1) as applied mutatis mutandis pursuant to Article 255 of the Act on Special Measures".

(2) The provisions of Article 209, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to requests for reports and inspections of a New Mutual Company by a trustee. In this case, the phrase "accounting auditor, member that executes business" in that paragraph is deemed to be replaced with "accounting auditor".

(3) The provisions of Article 209, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to requests for reports and inspections of a

Converted Stock Company by a trustee and examiner and requests for reports and inspections of a Stock Company by a trustee referred to in Article 294, paragraph (1), item (v). In this case, the phrase "accounting auditor, member that executes business" in Article 209, paragraph (3) of that Act is deemed to be replaced with "accounting auditor".

(Exclusion of Provisions of Laws and Regulations on a Resolution of a General Meeting of Members)

Article 298 (1) Notwithstanding the provisions of the Insurance Business Act or any other laws and regulations or the articles of incorporation, implementing a reorganization plan does not require a resolution of a general meeting of members (or a general meeting if it is held), resolution of the shareholders meeting or any other order of authorities of a reorganizing company, Converted Stock Company, New Mutual Company or new Stock Company.

(2) For the implementation of a reorganization plan, notwithstanding the provisions of the Companies Act or any other laws and regulations, shareholders of a Converted Stock Company or new Stock Company may not request the Converted Stock Company or new Stock Company to purchase their holdings of shares.

(3) For the implementation of a reorganization plan, notwithstanding the provisions of the items of Article 828, paragraph (1) (including as applied mutatis mutandis pursuant to the provisions of Article 30-15, Article 57, paragraph (6), Article 60-2, paragraph (5) and Article 171 of the Insurance Business Act; hereinafter the same applies in this paragraph), the items of Article 828, paragraph (2) and Article 829 of the Companies Act and Article 96-16, paragraphs (1) and (2) of the Insurance Business Act, member, etc. (meaning member, etc. prescribed in the Article 84-2, paragraph (2) of the Insurance Business Act), shareholder, etc. (meaning shareholder, etc. prescribed in Article 828, paragraph (2), item (i) of the Companies Act), holder of share options, bankruptcy trustee or creditor of a reorganizing company, Converted Stock Company, New Mutual Company or new Stock Company may not file any lawsuit for nullification of any acts set forth in the items of Article 828, paragraph (1) of the Companies Act or any lawsuit for nullification of entity conversion referred to in Article 96-16, paragraph (1) of the Insurance Business Act or any an action for declaratory judgment of absence of any acts set forth in the items of Article 829 of the Companies Act.

(Special Provisions on a Director of a Reorganizing Company)

Article 299 (1) When the name of any director (in cases where the Company under Reorganization is a Company with a Supervisory Committee, the director that is a Supervisory Committee Member, or the director that is not a

Supervisory Committee Member; hereinafter the same applies in this paragraph and the following paragraph), accounting advisor, company auditor, representative director, committee members of each committee, executive officer, representative executive officer, accounting auditor, liquidator or representative liquidator is specified in a reorganization plan pursuant to the provisions of Article 261, these respective persons become a director, accounting advisor, company auditor, representative director, committee members of each committee, executive officer, representative executive officer, accounting auditor, liquidator or representative liquidator at the time of the order confirming the reorganization plan.

- (2) When the means of appointment of any director, accounting advisor, company auditor, executive officer, accounting auditor or liquidator is specified in a reorganization plan pursuant to the provisions of Article 261, these persons are appointed by the means specified in the reorganization plan.
- (3) When the means of selection of a representative director, committee member of each member, representative executive officer or representative liquidator is specified in a reorganization plan pursuant to the provisions of Article 261, paragraph (1), items (i) to (iii) or (vii) or, paragraph (2), item (ii), these persons are selected by the means specified in the reorganization plan.
- (4) Any existing director, accounting advisor, company auditor, executive officer, accounting auditor or liquidator of a reorganizing company resigns at the time of the order confirming the reorganization plan; provided, however, that they are not precluded from continuing to serve as a director, accounting advisor, company auditor, executive officer, accounting auditor or liquidator pursuant to the provisions of paragraph (1).
- (5) The provisions of the preceding paragraph apply mutatis mutandis to any existing representative director, committee members of each committee, representative executive officer or representative liquidator of a reorganizing company.
- (6) The term of office of a person appointed as a director, accounting advisor, company auditor, executive officer, accounting auditor or liquidator pursuant to the provisions of paragraphs (1) to (3) and a person selected as representative director, committee members of each committee, representative executive officer or representative liquidator pursuant to these provisions is as specified in a reorganization plan.

(Special Provisions on the Reduction of Reserves for the Redemption of Funds)
Article 300 In cases where the reduction of the reserve for redemption of funds by a reorganizing company is specified in a reorganization plan pursuant to the provisions of Article 262, item (ii), the provisions of Article 57, paragraph (4) of the Insurance Business Act do not apply.

(Special Provisions on Amendment of the Articles of Incorporation)

Article 301 The provisions of Article 213 of the Corporate Reorganization Act apply mutatis mutandis to the cases where the amendment of the articles of incorporation by a reorganizing company is specified in a reorganization plan in the reorganization proceedings of a Mutual Company pursuant to the provisions of Article 262, item (iii).

(Special Provisions on Business Transfers)

Article 301-2 In cases where the implementation of business transfer, etc. (limited to the acts set forth in Article 62-2, paragraph (1), item (i) or (ii) of the Insurance Business Act) is provided in a reorganization plan pursuant to the provisions of Article 262, item (iv), the provisions of Article 23-2 of the Companies Act as applied mutatis mutandis pursuant to Article 21, paragraph (1) of the Insurance Business Act do not apply to creditors of a reorganizing company.

(Special Provisions on Transfer of Insurance Contracts)

Article 302 (1) In cases where the performance of an act referred to in Article 262, item (v) by a reorganizing company is specified in a reorganization plan pursuant to the provisions of that item, the provisions of Article 136-2, Article 137 and Article 138, paragraph (2) of the Insurance Business Act (including the cases where these provisions are applied mutatis mutandis pursuant to Article 272-29 of that Act) do not apply.

(2) For the purpose of application of the provisions of Article 138, paragraph (1) of the Insurance Business Act to a reorganizing company in the case prescribed in the preceding paragraph (including as applied mutatis mutandis pursuant to Article 272-29 of that Act), the phrase "resolution under Article 136, paragraph (1)" in that paragraph is deemed to be replaced with "order confirming a reorganization plan specifying transfer of insurance contracts".

(3) In the case prescribed in paragraph (1), for the purpose of application of the provisions of Article 143, paragraph (1) of the Insurance Business Act to the reorganizing company when the transfer of business by a reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 262, item (iv), the phrase "a Mutual Company carrying out the insurance premium trust business has adopted a resolution on the transfer of all insurance contracts, and the general meeting of members (or the general meeting, where the company has it) or the meeting of the board of directors has adopted a resolution on the transfer of a business including the insurance premium trust business" is deemed to be replaced with "the order confirming the reorganization plan is made with respect to a Mutual Company carrying

out the insurance premium trust business, specifying the transfer of insurance contracts involving all insurance contracts and the transfer of business in relation to the insurance premium trust business"; the phrase "of the latter resolution" is deemed to be replaced with "of the order"; and the phrase "the resolution" is deemed to be replaced with "the order".

(Special Provisions on Solicitation of Additional Funds)

Article 303 (1) In cases where the granting of the right to receive the allotment of the contribution to the funds referred to in Article 263, item (iii) to an unsecured or secured reorganization creditor or a member is specified in the reorganization plan pursuant to the provisions of that item, a reorganizing company must make notification of the following particulars to the unsecured or secured reorganization creditor or the member, and when bearer form Bond certificates are issued for an unsecured or secured reorganization claim of the unsecured or secured reorganization creditor that holds the relevant right, or when the provisions of Chapter IV of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. (Act No. 75 of 2001) as applied mutatis mutandis pursuant to Article 117 of that Act (including as applied mutatis mutandis pursuant to that Act or any other laws and regulations) is applied, make a public notice of the following particulars:

- (i) the content of the contribution to the funds of which the unsecured or secured reorganization creditor or member holds the right to receive the allotment;
 - (ii) the date referred to in Article 263, item (iii); and
 - (iii) a statement to the effect that the right to receive the allotment of the contribution to the funds referred to in Article 263, item (iii) may be assigned.
- (2) The notice or public notice under the provisions of the preceding paragraph must be given two weeks before the date referred to in item (ii) of that paragraph.
- (3) A person that holds the right to receive the allotment of the contribution to the funds referred to in Article 263, item (iii) loses the right when, despite the fact that the reorganizing company gave notice or public notice under the provisions of paragraph (1), they fail to make an offer of contribution to the funds by the date referred to in item (ii) of that paragraph.
- (4) In the case prescribed in paragraph (1), in cases where the amount of the contribution to the funds to be allotted to an unsecured or secured reorganization creditor or member that holds the right to receive the allotment of the contribution to the funds referred to in Article 263, item (iii) includes a fraction less than one yen, the fraction is rounded down to zero.

(Special Provisions on the Solicitation of Subscribers for Bonds for

Subscription)

Article 304 (1) In cases where the granting of the right to receive the allotment of Bonds for subscription referred to in Article 264, item (iv) to an unsecured or secured reorganization creditor or a member is specified in the reorganization plan pursuant to the provisions of that item, a reorganizing company must notify the unsecured or secured reorganization creditor or the member of the following particulars, and when bearer form Bond certificates are issued for an unsecured or secured reorganization claim of the unsecured or secured reorganization creditor that holds the relevant right, or when the provisions of Chapter IV of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. as applied mutatis mutandis pursuant to Article 117 of that Act (including as applied mutatis mutandis pursuant to that Act or any other laws and regulations) is applied, make a public notice of the following particulars:

- (i) the classes of Bonds for subscription to be allotted to the unsecured or secured reorganization creditor or member, and the total amount for each class of Bonds for subscription;
 - (ii) the date referred to in Article 264, item (iv); and
 - (iii) a statement to the effect that the right to receive the allotment of Bonds for subscription referred to in Article 264, item (iv) may be assigned.
- (2) The notice or public notice under the provisions of the preceding paragraph must be given two weeks before the date referred to in item (ii) of that paragraph.
- (3) A person that holds the right to receive the allotment of Bonds for subscription referred to in Article 264, item (iv) loses the right when, despite the fact that the reorganizing company gave notice or public notice under the provisions of paragraph (1), the person fails to apply to subscribe for Bonds for subscription by the date referred to in item (ii) of that paragraph.
- (4) In the case prescribed in paragraph (1), in cases where the number of Bonds for subscription to be allotted to an unsecured or secured reorganization creditor or member that holds the right to receive the allotment of Bonds for subscription referred to in Article 264, item (iv) includes a fraction less than one unit, the fraction is rounded down to the nearest whole number.

(Special Provisions on Allotment of Contribution to Funds in Exchange for Extinguishment of a Right of an Unsecured or Secured Reorganization Creditor or Member)

Article 305 (1) In cases where the allotment of the contribution to the funds in exchange for the extinguishment of the whole or part of the right of an unsecured or secured reorganization creditor or member is specified in the reorganization plan pursuant to the provisions of Article 265, paragraph (1), the unsecured or secured reorganization creditor or member becomes the fund

contributor referred to in item (iii) of that Article, in accordance with the provisions on the particulars set forth in that item, at the time of the order confirming the reorganization plan.

- (2) In cases where the issuance of bonds in exchange for the extinguishment of the whole or part of the right of an unsecured or secured reorganization creditor or member is specified in the reorganization plan pursuant to the provisions of Article 265, paragraph (2), the unsecured or secured reorganization creditor or member becomes the bondholder of bonds referred to in item (vii) of that paragraph, in accordance with the provisions on the particulars set forth in that item, at the time of the order confirming the reorganization plan.

(Special Provisions on Entity Conversion)

Article 306 (1) In cases where an entity conversion of a reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 266, paragraph (1), if there is any provision on the particulars set forth in item (iv), (a) of that paragraph, the unsecured or secured reorganization creditor becomes the shareholder of the shares referred to in item (iv), (a) of that paragraph, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the day on which the entity conversion comes into effect.

- (2) The provisions of Article 211, paragraphs (1) to (3) and (6) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the entity conversion of a reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 266, paragraph (1). In this case, the phrase "Article 173" in Article 211, paragraphs (1) and (2) of that Act is deemed to be replaced with "Article 266, paragraph (1), item (ii) or (iii) of the Act on Special Measures"; the phrase "each committee" in paragraphs (1), (3) and (6) of that Article is deemed to be replaced with "each committee (meaning each committee prescribed in Article 261, paragraph (1), item (iii) of the Act on Special Measures)"; the phrase ", accounting auditor, liquidator or representative liquidator" in paragraph (1) of that Article and the phrase ", accounting auditor or liquidator" in paragraphs (2) and (6) of that Article is deemed to be replaced with "or accounting auditor"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that the entity conversion came into effect"; the phrase "Article 173, paragraph (1), items (ii) to (iv) or (viii) or, paragraph (2), item (ii)" in paragraph (3) of that Article is deemed to be replaced with "Article 266, paragraph (1), item (iii), (b), (d) or (e) of the Act on Special Measures"; and the phrase ", representative executive officer or representative liquidator" in that paragraph and paragraph (6) of that Article is deemed to be replaced with "or

representative executive officer".

- (3) In cases where an entity conversion of a reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 266, paragraph (1), the provisions of Article 87 and Article 88 of the Insurance Business Act do not apply.

(Special Provisions on Shares Issued on Entity Conversion)

Article 307 (1) The provisions of Article 215, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the granting of the right to receive the allotment of Shares Issued on Entity Conversion referred to in Article 266, paragraph (1), item (vii) to an unsecured or secured reorganization creditor or member is specified in the reorganization plan pursuant to the provisions of that item. In this case, the phrase "bearer form Share Option certificates or bearer form" in Article 215, paragraph (2) of that Act is deemed to be replaced with "bearer form"; the phrase "Chapter IV" is deemed to be replaced with "Chapter IV of that Act as applied mutatis mutandis pursuant to Article 117"; and the phrase "Article 175, item (iii)" in items (ii) and (iii) of that paragraph and paragraphs (4) and (5) of that Article is deemed to be replaced with "Article 266, paragraph (1), item (vii) of the Act on Special Measures".

- (2) In cases where the issuance of Shares Issued on Entity Conversion by the reorganizing company is specified in the reorganization plan, the provisions of Article 207, Article 212 (excluding paragraph (1), item (i)) and Article 213 (excluding paragraph (1), items (i) and (iii)) of the Companies Act as applied mutatis mutandis pursuant to Article 96-4 of the Insurance Business Act, Article 213-2 of the Companies Act as applied mutatis mutandis pursuant to Article 96-4-2 of the Insurance Business Act and Article 96-4-3 of the Insurance Business Act do not apply.

- (3) In the case prescribed in paragraph (1), when there are any Shares Issued on Entity Conversion that could not be allotted, an entity conversion may be conducted without issuing the Shares Issued on Entity Conversion unless it violates the conditions concerning the entity conversion specified in the reorganization plan pursuant to the provisions of Article 266, paragraph (1), item (ix); provided, however, that this is limited to cases where it does not violate the provisions of Article 37, item (3) of the Companies Act.

(Special Provisions on Solicitation of Subscribers for Shares for Subscription)

Article 308 (1) The provisions of Article 215, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the solicitation of subscribers for Shares for Subscription by a Converted Stock Company is specified in the reorganization plan pursuant to the provisions of Article 175 of

that Act as applied mutatis mutandis pursuant to Article 266, paragraph (2), when there is a provision in the articles of incorporation to the effect that the right to receive the allotment of Shares for Subscription referred to in Article 202, paragraph (1), item (i) of the Companies Act is to be granted to shareholders.

- (2) In cases where the granting of the right to receive the allotment of Shares for Subscription referred to in Article 175, item (iii) of the Corporate Reorganization Act to an unsecured or secured reorganization creditor or a member is specified in the reorganization plan pursuant to the provisions of that item as applied mutatis mutandis pursuant to Article 266, paragraph (2), the Converted Stock Company must make notification of the following particulars to the unsecured or secured reorganization creditor or the member, and, when bearer form Bond certificates are issued for an unsecured or secured reorganization claim of the unsecured or secured reorganization creditor that holds the relevant right or when the provisions of Chapter IV of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. as applied mutatis mutandis pursuant to Article 117 of that Act (including as applied mutatis mutandis pursuant to that Act or any other laws and regulations) is applied, must make a public notice of the following particulars:
 - (i) the number of Shares for Subscription to be allotted to the unsecured or secured reorganization creditor or member (in the case of a company with class shares, the classes of Shares for Subscription and the number of shares of each class);
 - (ii) the date referred to in Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2); and
 - (iii) a statement to the effect that the right to receive the allotment of Shares for Subscription referred to in Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) may be assigned.
- (3) The notice or public notice under the provisions of the preceding paragraph must be given two weeks before the date referred to in item (ii) of that paragraph.
- (4) A person that holds the right to receive the allotment of Shares for Subscription referred to in Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) loses the right when, despite the fact that a Converted Stock Company gave notice or public notice under the provisions of paragraph (2), the person fails to apply to subscribe for Shares for Subscription by the date referred to in item (ii) of that paragraph.
- (5) In the case prescribed in paragraph (2), in cases where the number of Shares

for Subscription to be allotted to an unsecured or secured reorganization creditor or member that holds the right to receive the allotment of Shares for Subscription referred to in Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) includes a fraction less than one unit, the fraction is rounded down to the nearest whole number.

- (6) In the case prescribed in paragraph (1), the provisions of Article 199, paragraph (5), Article 207, Article 210 and Part II, Chapter II, Section 8, Subsection 6 of the Companies Act do not apply.

(Special Provisions on Solicitation of Subscribers for Share Options for Subscription of Converted Stock Company)

Article 309 (1) The provisions of Article 215, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the solicitation of subscribers for Share Options for Subscription by a Converted Stock Company is specified in the reorganization plan pursuant to the provisions of Article 176 of that Act as applied mutatis mutandis pursuant to Article 266, paragraph (2), when there is a provision in the articles of incorporation to the effect that the right to receive the allotment of Share Options for Subscription referred to in Article 241, paragraph (1), item (i) of the Companies Act is to be granted to shareholders.

- (2) In cases where the granting of the right to receive the allotment of Share Options for Subscription referred to in Article 176, item (iii) of the Corporate Reorganization Act to an unsecured or secured reorganization creditor or a member is specified in the reorganization plan pursuant to the provisions of that item as applied mutatis mutandis pursuant to Article 266, paragraph (2), the Converted Stock Company must make notification of the following particulars to the unsecured or secured reorganization creditor or the member, and, when bearer form Bond certificates are issued for an unsecured or secured reorganization claim of the unsecured or secured reorganization creditor that holds the relevant right or when the provisions of Chapter IV of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. as applied mutatis mutandis pursuant to Article 117 of that Act (including as applied mutatis mutandis pursuant to that Act or any other laws and regulations) is applied, must make a public notice of the following particulars:

- (i) the description and number of Share Options for Subscription to be allotted to the unsecured or secured reorganization creditor or member;
- (ii) the date referred to in Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2); and
- (iii) a statement to the effect that the right to receive the allotment of Share

Options for Subscription referred to in Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) may be assigned.

- (3) The notice or public notice under the provisions of the preceding paragraph must be given two weeks before the date referred to in item (ii) of that paragraph.
- (4) A person that holds the right to receive the allotment of Share Options for Subscription referred to in Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) loses the right when, despite the fact that a Converted Stock Company gave notice or public notice under the provisions of paragraph (2), the person fails to apply to subscribe for Share Options for Subscription by the date referred to in item (ii) of that paragraph.
- (5) In the case prescribed in paragraph (2), in cases where the number of Share Options for Subscription to be allotted to an unsecured or secured reorganization creditor or member that holds the right to receive the allotment of Share Options for Subscription referred to in Article 176, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) includes a fraction less than one unit, the fraction is rounded down to the nearest whole number.
- (6) In cases where the solicitation of subscribers for Share Options for Subscription by a Converted Stock Company is specified in the reorganization plan pursuant to the provisions of Article 176 of that Act as applied mutatis mutandis pursuant to Article 266, paragraph (2), the provisions of Article 238, paragraph (5) Article 247, Article 285, paragraph (1), items (i) and (ii), Article 286, Article 286-2, paragraph (1), item (i) and Article 286-3 of the Companies Act do not apply.
- (7) In the case prescribed in the preceding paragraph, when share options with provisions on particulars set forth in Article 236, paragraph (1), item (iii) of the Companies Act are exercised before the end of reorganization proceedings, the provisions of Article 284 of that Act do not apply.

(Special Provisions on Solicitation of Subscribers for Bonds for Subscription of a Converted Stock Company)

- Article 310 (1) In cases where the granting of the right to receive the allotment of Bonds for subscription referred to in Article 177, item (iv) of the Corporate Reorganization Act to an unsecured or secured reorganization creditor or a member is specified in the reorganization plan pursuant to the provisions of that item as applied mutatis mutandis pursuant to Article 266, paragraph (2), the Converted Stock Company must notify the unsecured or secured reorganization creditor or the member of the following particulars, and when

bearer form Bond certificates are issued for an unsecured or secured reorganization claim of the unsecured or secured reorganization creditor that holds the relevant right, or when the provisions of Chapter IV of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. as applied mutatis mutandis pursuant to Article 117 of that Act (including as applied mutatis mutandis pursuant to that Act or any other laws and regulations) is applied, make a public notice of the following particulars:

- (i) the classes of Bonds for subscription to be allotted to the unsecured or secured reorganization creditor or member, and the total amount for each class of Bonds for subscription;
 - (ii) the date referred to in Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2); and
 - (iii) a statement to the effect that the right to receive the allotment of Bonds for subscription referred to in Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) may be assigned.
- (2) The notice or public notice under the provisions of the preceding paragraph must be given two weeks before the date referred to in item (ii) of that paragraph.
- (3) A person that holds the right to receive the allotment of Bonds for subscription referred to in Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) loses the right when, despite the fact that a Converted Stock Company gave notice or public notice under the provisions of paragraph (1), the person fails to apply to subscribe for Bonds for subscription by the date referred to in item (ii) of that paragraph.
- (4) In the case prescribed in paragraph (1), in cases where the number of Bonds for subscription to be allotted to an unsecured or secured reorganization creditor or member that holds the right to receive the allotment of Bonds for subscription referred to in Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2) includes a fraction less than one unit, the fraction is rounded down to the nearest whole number.

(Special Provisions on Share Exchanges on Entity Conversion)

Article 311 (1) In cases where share exchange on entity conversion by a reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 267, if there is any provision on the particulars set forth in item (ii), (a) of that Article, the unsecured or secured reorganization creditor becomes the shareholder of the shares referred to in item (ii), (a) of that Article,

in accordance with the provisions on the particulars set forth in item (iii) of that Article, on the day on which the entity conversion comes into effect (hereinafter referred to as the "effective date" in this Article).

(2) In cases where the share exchange on entity conversion is specified in the reorganization plan pursuant to the provisions of Article 267, in the cases set forth in each of the following items, the members of the reorganizing company become the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (v) of that Article, on the effective date:

(i) in cases where there is a provision on the particulars set forth in Article 267, item (iv), (a), the bondholder of bonds referred to in (a) of that item;

(ii) in cases where there is a provision on the particulars set forth in Article 267, item (iv), (b), the holder of share options referred to in (b) of that item; and

(iii) in cases where there is a provision on the particulars set forth in Article 267, item (iv), (c), the bondholder of bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.

(Special Provisions on a Share Transfer on Entity Conversion)

Article 312 (1) In cases where a share transfer on entity conversion by a reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 268, if there is any provision on the particulars set forth in item (ii), (a) of that Article, an unsecured or secured reorganization creditor becomes the shareholder of the shares referred to in item, item (ii), (a) of that Article, in accordance with the provisions on the particulars set forth in item (iii) of that Article, on the date of the establishment of a Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion.

(2) In cases where the share transfer on entity conversion is specified in the reorganization plan pursuant to the provisions of Article 268, in the cases set forth in each of the following items, the members of the reorganizing company become the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (v) of that Article, on the date of the establishment of the Wholly Owing Parent Company Formed by Share Transfer on Entity Conversion:

(i) in cases where there is any provision on the particulars set forth in Article 268, item (iv), (a), the bondholder of bonds referred to in (a) of that item;

(ii) in cases where there is any provision on the particulars set forth in Article 268, item (iv), (b), the holder of share options referred to in (b) of that item; and

(iii) in cases where there is any provision on the particulars set forth in Article

268, item (iv), (c), the bondholder of bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.

(Special Provisions on Dissolution)

Article 313 (1) In cases where the dissolution of a reorganizing company is specified in the reorganization plan pursuant to the provisions of the main clause of Article 178 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 269, the reorganizing company is dissolved at the time specified in the reorganization plan.

(2) In the case referred to in the preceding paragraph, the provisions of Article 156-2 and Article 157 of the Insurance Business Act do not apply.

(Special Provisions on Absorption-Type Mergers)

Article 314 (1) In cases where the Absorption-Type Merger prescribed in Article 270, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii) of that paragraph, the unsecured or secured reorganization creditor becomes the fund contributor referred to in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the Absorption-Type Merger comes into effect (hereinafter referred to as the "effective date" in this Article).

(2) In cases where the Absorption-Type Merger prescribed in Article 270, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (iv) of that paragraph, the members of the reorganizing company become the bondholders of bonds referred to in item (iv) of that paragraph, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the effective date.

(3) In cases where the Absorption-Type Merger prescribed in Article 270, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 740 of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act and the provisions of Article 165-15, Article 165-16-2 and Article 165-17 of the Insurance Business Act do not apply to the reorganizing company.

(4) In cases where the Absorption-Type Merger prescribed in Article 270, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii), (a) of that paragraph, the unsecured or

- secured reorganization creditor becomes the shareholder of the shares referred to in item (ii), (a) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the effective date.
- (5) In cases where the Absorption-Type Merger prescribed in Article 270, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, in the cases set forth in each of the following items, the fund contributors or members of the reorganizing company become the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the effective date:
- (i) in cases where there is a provision on the particulars set forth in Article 270, paragraph (2), item (iv), (a), the bondholder of bonds referred to in (a) of that item;
 - (ii) in cases where there is a provision on the particulars set forth in Article 270, paragraph (2), item (iv), (b), the holder of share options referred to in (b) of that item; and
 - (iii) in cases where there is a provision on the particulars set forth in Article 270, paragraph (2), item (iv), (c), the bondholder of bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.
- (6) In the case prescribed in the preceding paragraph, the provisions of Article 740 of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act and the provisions of Article 165-15, Article 165-16-2 and Article 165-17 of the Insurance Business Act do not apply to a reorganizing company.
- (7) In cases where the Absorption-Type Merger prescribed in Article 270, paragraph (3) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii) of that paragraph, the members of a Company Disappearing in an Absorption-Type Merger become the bondholders of the bonds referred to in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the effective date.
- (8) In cases where the Absorption-Type Merger prescribed in Article 270, paragraph (3) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 740 of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act, Article 165-19 of the Insurance Business Act, and Articles 165-16-2 and 165-17 of the Insurance Business Act as applied mutatis mutandis pursuant to Article 165-20 of that Act do not apply to the reorganizing company.

(Special Provisions on a Consolidation-Type Merger)

- Article 315 (1) In cases where the Consolidation-Type Merger prescribed in Article 271, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii) of that paragraph, an unsecured or secured reorganization creditor becomes the fund contributor referred to in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which a Company Established by Consolidation-Type Merger is established.
- (2) In cases where the Consolidation-Type Merger prescribed in Article 271, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (iv) of that paragraph, the members of a Company Disappearing in a Consolidation-Type Merger become the bondholders of bonds referred to in item (iv) of that paragraph, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the day on which the Company Established by Consolidation-Type Merger is established.
- (3) In cases where the Consolidation-Type Merger prescribed in Article 271, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 740 of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act and the provisions of Article 165-15, Article 165-16-2 and Article 165-17 of the Insurance Business Act do not apply to a reorganizing company.
- (4) In cases where the Consolidation-Type Merger prescribed in Article 271, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there is any provision on the particulars set forth in item (ii) of that paragraph, the unsecured or secured reorganization creditor becomes the shareholder of the shares referred to in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which a Company Established by Consolidation-Type Merger is established.
- (5) In cases where the Consolidation-Type Merger prescribed in Article 271, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, in the cases set forth in each of the following items, the fund contributors, members or shareholders of a Company Disappearing in a Consolidation-Type Merger become the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the day on which the

Company Established by Consolidation-Type Merger is established:

- (i) in cases where there is a provision on the particulars set forth in Article 271, paragraph (2), item (iv), (a), the bondholder of bonds referred to in (a) of that item;
 - (ii) in cases where there is a provision on the particulars set forth in Article 271, paragraph (2), item (iv), (b), the holder of share options referred to in (b) of that item; and
 - (iii) in cases where there is a provision on the particulars set forth in Article 271, paragraph (2), item (iv), (c), the bondholder of bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.
- (6) In the case prescribed in the preceding paragraph, the provisions of Article 740 of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act and the provisions of Article 165-15, Article 165-16-2 and Article 165-17 of the Insurance Business Act do not apply to a reorganizing company.

(Special Provisions on Establishment of New Mutual Company or New Stock Company)

- Article 316 (1) In cases where the establishment of a New Mutual Company or a new Stock Company is specified in the reorganization plan pursuant to the provisions of the main clause of Article 272 or the provisions of the main clause of Article 183 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 273, the duties of the incorporator concerning the New Mutual Company or new Stock Company (hereinafter referred to as a "New Corporation" in this Article) is performed by the trustee.
- (2) In the case prescribed in the preceding paragraph, the articles of incorporation of the New Corporation do not come into effect unless the certification of the court has been obtained.
 - (3) In the case prescribed in paragraph (1), a resolution of the organizational meeting of the New Corporation may be adopted only if the content of the resolution does not defeat the purpose of the reorganization plan.
 - (4) In the case prescribed in paragraph (1), when the New Corporation is not established, a reorganizing company is responsible for any act performed by the trustee in relation to the establishment of the New Corporation pursuant to the provisions of that paragraph and bears the expenses disbursed in relation to the establishment of the New Corporation.
 - (5) The provisions of Article 299, paragraphs (1) to (3) apply mutatis mutandis to the appointment or selection of the Director at Incorporation, etc. at the time of establishment of a New Mutual Company in the case prescribed in paragraph (1); the provisions of paragraph (6) of that Article apply mutatis mutandis to

the term of office of director, etc. of the New Mutual Company in cases where a Director at Incorporation, etc. of the New Mutual Company becomes the director, etc. of the New Mutual Company after the establishment of the New Mutual Company; the provisions of Article 303 apply mutatis mutandis to the cases where the right to receive the allotment of the contribution to the funds of the New Mutual Company is to be granted to the unsecured or secured reorganization creditor or member; the provisions of Article 304 apply mutatis mutandis to the solicitation of subscribers for Bonds for subscription of the New Mutual Company; and the provisions of Article 305 apply mutatis mutandis to the allotment of the contribution to the funds or the issue of bonds at the time of establishment of the New Mutual Company in exchange for the extinguishment of the right of the unsecured or secured reorganization creditor or member. In this case, the phrase "Article 261" in Article 299, paragraphs (1) and (2) is deemed to be replaced with "Article 272, item (vii) or (viii)"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that a New Mutual Company was established"; the phrase "Article 261, paragraph (1), items (i) to (iii) or (vii) or paragraph (2), item (ii)" in paragraph (3) of that Article is deemed to be replaced with "Article 272, item (viii), (b), (d) or (e)"; the phrase "Article 263, paragraph (iii)" in Article 303, paragraphs (1), (3) and (4) is deemed to be replaced with "Article 272, item (iv)"; the phrase "reorganizing company" in paragraphs (1) and (3) of that Article and Article 304, paragraphs (1) and (3) is deemed to be replaced with "New Mutual Company"; the phrase "Article 264, item (iv)" in paragraphs (1), (3) and (4) of that Article is deemed to be replaced with "Article 272, item (x)"; the phrase "of the order confirming the reorganization plan" in paragraph Article 305 is deemed to be replaced with "that a New Mutual Company was established"; the phrase "Article 265, paragraph (1)" in paragraph (1) of that Article and the phrase "Article 265, paragraph (2)" in paragraph (2) of that Article is deemed to be replaced with "Article 272, item (xi)"; and the phrase "item (iii) of that paragraph" in paragraph (1) of that Article and the phrase "item (vii) of that paragraph" in paragraph (2) of that Article is deemed to be replaced with "that item".

(6) The provisions of Article 211, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to the appointment or selection of Director at Incorporation, etc. (meaning Director at Incorporation, etc. prescribed in Article 183, item (x) of that Act as applied mutatis mutandis pursuant to Article 273; hereinafter the same applies in this paragraph) at the time of incorporation of a new Stock Company in the case prescribed in paragraph (1), and the provisions of Article 211, paragraph (6) of that Act apply mutatis mutandis to the term of office of director of new company, etc. (meaning director of new company, etc. prescribed in that item; hereinafter the

same applies in this paragraph) in cases where a Director at Incorporation, etc. of the new Stock Company becomes the director of new company, etc. after the incorporation of the new Stock Company. In this case, the phrase "Article 173" in Article 211, paragraphs (1) and (2) of that Act is deemed to be replaced with "Article 183, item (viii) or (ix) as applied mutatis mutandis pursuant to Article 273 of the Act on Special Measures"; the phrase "each committee" in paragraphs (1) and (3) of that Article is deemed to be replaced with "each committee (meaning each committee prescribed in Article 261, paragraph (1), item (iii) of the Act on Special Measures)"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that the new Stock Company (meaning new Stock Company prescribed in Article 294, paragraph (1), item (v) of the Act on Special Measures) was incorporated"; the phrase "Article 173, paragraph (1), items (ii) to (iv) or (viii) or paragraph (2), item (ii)" in paragraph (3) of that Article is deemed to be replaced with "Article 183, item (ix), (a) or (e) as applied mutatis mutandis pursuant to Article 273 of the Act on Special Measures".

- (7) The provisions of Article 308, paragraphs (2) to (5) apply mutatis mutandis to the cases where the unsecured or secured reorganization creditor or member is to be granted the right to receive the allotment of Shares Solicited at Incorporation (meaning Shares Solicited at Incorporation prescribed in Article 58, paragraph (1) of the Companies Act; hereinafter the same applies in this Chapter) of a new Stock Company referred to in Article 183, item (v) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 273; the provisions of Article 309 and Article 310 apply mutatis mutandis to the solicitation of subscribers for Share Options for Subscription or Bonds for subscription of a new Stock Company; and the provisions of Article 217-2 of the Corporate Reorganization Act apply mutatis mutandis to the issue of Shares Issued at Incorporation, share options or bonds of a new Stock Company in exchange for the extinguishment of the right of the unsecured or secured reorganization creditor or member. In this case, the phrase "Converted Stock Company" in Article 308, paragraphs (2) and (4), Article 309, paragraphs (2) and (4) and Article 310, paragraphs (1) and (3) is deemed to be replaced with "new Stock Company"; the phrase "Article 175, item (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2)" in Article 308, paragraph (2), items (ii) and (iii), paragraphs (4) and (5) is deemed to be replaced with "Article 183, item (v) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 273"; the phrase "Article 176 of that Act as applied mutatis mutandis pursuant to Article 266, paragraph (2)" in Article 309, paragraph (1) is deemed to be replaced with "Article 183, item (xi) of that Act as applied mutatis mutandis pursuant to Article 273"; the phrase "Article 176, item (iii) of the Corporate Reorganization

- Act as applied mutatis mutandis pursuant to Article 266, paragraph (2)" in paragraphs (2), (4) and (5) of that Article and the phrase "Article 176 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2)" in paragraph (6) of that Article is deemed to be replaced with "Article 183, item (xi) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 273"; the phrase "Article 177, item (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 266, paragraph (2)" in Article 310, paragraphs (1), (3) and (4) is deemed to be replaced with "Article 183, item (xii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 273"; the terms "Article 177-2, paragraph (1)" and "item (iii) of that paragraph" in Article 217-2, paragraph (1) of that Act, the terms "Article 177-2, paragraph (2)" and "item (vi) of that paragraph" in paragraph (2) of that Article, and "Article 177-2, paragraph (3)" and "item (vii) of that paragraph" in paragraph (3) of that Article is deemed to be replaced with "Article 183, item (xiii) as applied mutatis mutandis pursuant to Article 273 of the Act on Special Measures"; the phrase "or shareholders" in that Article is deemed to be replaced with "or member"; and the phrase "of the order confirming the reorganization plan" is deemed to be replaced with "that the new Stock Company (meaning new Stock Company prescribed in Article 294, paragraph (1), item (v) of the Act on Special Measures) was incorporated".
- (8) When the establishment of a New Mutual Company is specified in the case prescribed in paragraph (1), the provisions of Article 22, paragraph (2), Article 23, paragraph (1), item (ix) and paragraph (4), Article 24, paragraph (2), Article 28, paragraph (1), item (i) (limited to the part in relation to the name of the notary) and (ii) (limited to the part in relation to Article 23, paragraph (1), item (ix) of the Insurance Business Act), Article 30-7, paragraph (1), items (i) (limited to the part in relation to the name of the notary) and (ii) (limited to the part in relation to Article 23, paragraph (1), item (ix) of that Act), Article 30-8, paragraph (1), Article 30-10, paragraphs (1) and (8), Article 30-11 (limited to the part in relation to the particulars set forth in paragraph (1), items (i) and (ii) of that Article) and Article 30-14 of the Insurance Business Act do not apply.
- (9) When the incorporation of a new Stock Company is specified in the case prescribed in paragraph (1), the provisions of Article 25, paragraph (1), item (i) and paragraph (2), Article 26, paragraph (2), Article 27, item (v), Article 30, Part II Chapter I Section 3 (excluding Article 37, paragraph (3)), Section 4 (excluding Article 39), Sections 5 and 6, Article 50, Article 51, Section 8 of that Chapter, Article 58, Article 59, paragraph (1), items (i) (limited to the part in relation to the name of the notary) and (ii) (limited to the part in relation to the particulars set forth in Article 27, item (v) and the items of Article 32, paragraph (1) of the Companies Act) and (iii), Article 65, paragraph (1), Article

88 to Article 90 inclusive, Article 93 and Article 94 (limited to the part in relation to the particulars set forth in Article 93, paragraph (1), items (i) and (ii) of that Act in the same provisions) and Article 103 of the Companies Act do not apply.

(Handling of Severance Pay of Persons Transferred to a Converted Mutual Company)

Article 317 (1) A person that was a director, etc. or an employee prescribed in Article 295, paragraph (1), item (ii) of a reorganizing company after the commencement of reorganization proceedings, retired from the reorganizing company upon entity conversion of the reorganizing company or upon the establishment of a New Mutual Company or new Stock Company as specified in the reorganization plan and successively became a director, etc. or an employee prescribed in that item of a Converted Stock Company or director, etc. or an employee prescribed in that item of the New Mutual Company or new Stock Company may not receive the payment of a severance pay from the reorganizing company.

(2) The period of service of the person prescribed in the preceding paragraph at the reorganizing company for the calculation of severance pay is deemed to be the period of service at the Converted Stock Company, New Mutual Company or new Stock Company.

(Special Provisions on Jurisdictions)

Article 318 Notwithstanding the provisions of Article 868, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 90, paragraph (3) of the Insurance Business Act, cases in relation to the petition for permission under the provisions of Article 234, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 90, paragraph (3) of the Insurance Business Act in cases where the entity conversion of a reorganizing company is specified in the reorganization plan are under the jurisdiction of the reorganization court until the end of reorganization proceedings.

(Assignment of Rights to Receive the Allotment of Contributions to Funds)

Article 319 (1) In cases where the right to receive the allotment of the contribution to the funds or Bonds for subscription of a reorganizing company or New Mutual Company was granted to an unsecured or secured reorganization creditor or member as specified in the reorganization plan, the relevant right may be assigned to another person.

(2) In cases where the right to receive the allotment of Shares for Subscription, Shares Issued upon Entity Conversion, Shares Solicited at Incorporation, Share Options for Subscription or Bonds for subscription of a Converted Stock

Company or new Stock Company was granted to an unsecured or secured reorganization creditor or member as specified in the reorganization plan, the relevant right may be assigned to another person.

(Special Provisions on the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade)

Article 320 The provisions of Article 229 of the Corporate Reorganization Act apply mutatis mutandis to the cases where, as specified in a reorganization plan, an unsecured or secured reorganization creditor or member is to acquire shares of a Converted Stock Company or a Stock Company incorporated as specified in the reorganization plan.

(Succession to Rights Based on Permission, Confirmation)

Article 321 When the transfer of rights and duties based on permission, confirmation, license or any other disposition obtained from an administrative agency by a reorganizing company to a New Mutual Company or new Stock Company is specified in the reorganization plan, notwithstanding the provisions of any other laws and regulations, the New Mutual Company or new Stock Company succeeds to the rights and duties.

(Special Provisions on the Corporation Tax Act)

- Article 321-2 (1) When the succession to obligations subject to the right to impose taxes or other charges of a reorganizing company by a New Mutual Company or a new Stock Company is specified in the reorganization plan, the New Mutual Company or new Stock Company is liable to perform the obligations, and the reorganizing company is relieved from the obligations.
- (2) When an order commencing reorganization proceedings is made, the business year of a reorganizing company is to end at the time of the commencement thereof, and the subsequent business year is to end at the time when the reorganization plan is confirmed (when reorganization proceedings are closed by that time, the day on which the reorganization proceedings were closed); provided, however, that this does not preclude the application of the provisions of the proviso to Article 13, paragraph (1) of the Corporation Tax Act and Article 72-13, paragraph (4) of the Local Tax Act.
- (3) The provisions of Article 71 or Article 81-19 the Corporation Tax Act and Article 72-26 of the Local Tax Act do not apply to corporation tax or business tax for the business year or the consolidated business year of a reorganizing company that is continuing at the time of commencement of reorganization proceedings.

Subsection 3 Modification of a Reorganization Plan

- Article 322 (1) The provisions of Article 233, paragraphs (1) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the need to modify any particulars specified in the reorganization plan arises due to unavoidable circumstances after the order confirming the reorganization plan of a Mutual Company.
- (2) An immediate appeal may be filed against the order prescribed in Article 233, paragraph (5) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding paragraph.
- (3) The provisions of Article 293, paragraph (2) and Article 202, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the case referred to in the preceding paragraph. In this case, the phrase "Article 202, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding paragraph" in Article 293, paragraph (2) is deemed to be replaced with "Article 322, paragraph (2)"; the phrase "Article 168, paragraph (1), items (iv) to (vi)" in Article 202, paragraph (2) of that Act is deemed to be replaced with "Article 260, paragraph (1), item (iv) or (vi) of the Act on Special Measures"; and the phrase "Article 13" in paragraph (5) of that Article is deemed to be replaced with "Article 177 of the Act on Special Measures".
- (4) The provisions of Article 72, paragraph (7) of the Corporate Reorganization Act apply mutatis mutandis to the cases where the provisions of the reorganization plan are revoked under the provisions of the first sentence of Article 72, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 211 due to the modification of the reorganization plan. In this case, the phrase "Article 10, paragraph (4)" in Article 72, paragraph (7) of that Act is deemed to be replaced with "Article 10, paragraph (4) as applied mutatis mutandis pursuant to Article 175 of the Act on Special Measures".

Section 9 End of Reorganization Proceedings

Subsection 1 Grounds to End Reorganization Proceedings

Article 323 The provisions of Article 234 of the Corporate Reorganization Act apply mutatis mutandis to the end of the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 44, paragraph (1)" in item (ii) of that Article is deemed to be replaced with "Article 44, paragraph (1) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures".

Subsection 2 Ending Reorganization Proceedings before Confirmation of a Reorganization Plan

Division 1 Order Disconfirming a Reorganization Plan

(Effect of Entries in Schedule of Unsecured or Secured Reorganization Creditor once an Order of Disconfirmation Becomes Final and Binding)

Article 324 The provisions of Article 235 of the Corporate Reorganization Act apply mutatis mutandis once the order disconfirming the reorganization plan becomes final and binding during the reorganization proceedings of a Mutual Company. In this case, the phrase "for an unsecured or secured reorganization claim" in paragraph (1) of that Article is deemed to be replaced with "for an unsecured or secured reorganization claim or membership rights"; the phrase "Article 147, paragraph (2), Article 148, paragraph (4) or the second sentence of Article 149, paragraph (3)" in paragraph (2) of that Article is deemed to be replaced with "Article 147, paragraph (2), Article 148, paragraph (4) or the second sentence of Article 149, paragraph (3) as applied mutatis mutandis pursuant to Article 254 of the Act on Special Measures".

Division 2 Discontinuing Reorganization Proceedings before Confirmation of a Reorganization Plan

(Discontinuing Reorganization Proceedings Due to Difficulty Reorganizing)

Article 325 (1) The provisions of Article 236, Article 237 and Article 238, paragraphs (1) to (5) of the Corporate Reorganization Act apply mutatis mutandis to an order of discontinuance of reorganization proceedings in the reorganization proceedings of a Mutual Company. In this case, the phrase "the main clause of Article 198, paragraph (1)" in Article 236, item (iii) of that Act is deemed to be replaced with "the main clause of Article 198, paragraph (1) as applied mutatis mutandis pursuant to Article 289 of the Act on Special Measures"; the phrase "Article 138, paragraph (1)" in Article 237, paragraph (1) of that Act is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "Article 17, paragraph (1)" is deemed to be replaced with "Article 180, paragraph (1) of the Act on Special Measures"; and the phrase "Article 13" in Article 238, paragraph (3) of that Act is deemed to be replaced with "Article 177 of the Act on Special Measures".

(2) The provisions of Article 235 of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order of discontinuance of reorganization proceedings becomes final and binding under the provisions of Article 236 or Article 237 of that Act as applied mutatis mutandis pursuant to the preceding paragraph. In this case, the phrase "for an unsecured or secured reorganization claim" in Article 235, paragraph (1) of that Act is deemed to be replaced with "for an unsecured or secured reorganization claim or membership

rights"; the phrase "Article 147, paragraph (2), Article 148, paragraph (4) or the second sentence of Article 149, paragraph (3)" in paragraph (2) of that Article is deemed to be replaced with "Article 147, paragraph (2), Article 148, paragraph (4) or the second sentence of Article 149, paragraph (3) as applied mutatis mutandis pursuant to Article 254 of the Act on Special Measures".

Subsection 3 Ending Reorganization Proceedings after Confirmation of a Reorganization Plan

Division 1 Conclusion of Reorganization Proceedings

(Order Concluding Reorganization Proceedings)

Article 326 The provisions of Article 239 of the Corporate Reorganization Act apply mutatis mutandis to an order concluding the reorganization proceedings of a Mutual Company.

(Effect of Entries in Schedule of Unsecured or Secured Reorganization Creditor after the Conclusion of Reorganization Proceedings)

Article 327 The provisions of Article 240 of the Corporate Reorganization Act apply mutatis mutandis to the effect of entries in the schedule of reorganization creditors and the schedule of secured reorganization creditors after the conclusion of the reorganization proceedings of a Mutual Company.

Division 2 Discontinuing Reorganization Proceedings after Confirmation of a Reorganization Plan

Article 328 (1) The provisions of Article 241, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to an order of discontinuance of reorganization proceedings for a Mutual Company.

(2) The provisions of Article 238, paragraphs (1) to (3) of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order of discontinuance of reorganization proceedings is made under the provisions of Article 241, paragraph (1) of that Act as applied mutatis mutandis pursuant to the preceding paragraph, the provisions of Article 238, paragraph (4) of that Act apply mutatis mutandis to the cases where an order to revoke the order becomes final and binding, and the provisions of Article 240 of that Act apply mutatis mutandis to the cases where an order of discontinuance of reorganization proceedings becomes final and binding under the provisions of Article 241, paragraph (1) of that Act as applied mutatis mutandis pursuant to the preceding paragraph. In this case, the phrase "Article 13" in Article 238, paragraph (3) of that Act is deemed to be replaced with "Article 177 of the Act on Special Measures".

Section 10 Special Provisions If Foreign Insolvency Proceedings Are Underway

(Cooperation with Foreign Trustees)

Article 329 The provisions of Article 242 of the Corporate Reorganization Act apply mutatis mutandis if foreign insolvency proceedings (meaning proceedings commenced in a foreign state, which are equivalent to bankruptcy proceedings or rehabilitation proceedings; hereinafter the same applies in this Section) are underway, in the reorganization proceedings of a Mutual Company, in respect of the reorganizing company.

(Presumption of Cause to Commence Reorganization Proceedings)

Article 330 The provisions of Article 243 of the Corporate Reorganization Act apply mutatis mutandis to the cases where there are foreign insolvency proceedings for a Mutual Company. In this case, the phrase "Article 17, paragraph (1)" in that Article is deemed to be replaced with "Article 180, paragraph (1) of the Act on Special Measures".

(Authority of a Foreign Trustee)

Article 331 (1) The provisions of Article 244 and Article 245, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to a foreign trustee in foreign insolvency proceedings for a Mutual Company (meaning a person that has a right to administer and dispose of the assets of the Mutual Company in foreign insolvency proceedings). In this case, the phrase "Article 17, paragraph (1), item (i)" in Article 244, paragraph (1) of that Act is deemed to be replaced with "Article 180, paragraph (1), item (i) of the Act on Special Measures"; the phrase "Article 242, paragraph (1)" in paragraphs (2) and (3) of that Article is deemed to be replaced with "Article 242, paragraph (1) as applied mutatis mutandis pursuant to Article 329 of the Act on Special Measures"; the phrase "Article 184, paragraph (1)" in that paragraph is deemed to be replaced with "Article 184, paragraph (1) as applied mutatis mutandis pursuant to Article 277 of the Act on Special Measures"; and the phrase "Article 43, paragraph (1)" in paragraph (4) of that Article is deemed to be replaced with "Article 43, paragraph (1) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures".

(2) The provisions of Article 245, paragraphs (2) and (3) of the Corporate Reorganization Act apply mutatis mutandis to a trustee in the reorganization proceedings of a Mutual Company.

Section 11 Transfers Between Reorganization Proceedings and Other

Insolvency Proceedings

Subsection 1 Transfer from Bankruptcy Proceedings to Reorganization Proceedings

(Petitions to Commence Reorganization Proceedings Filed by Bankruptcy Trustee)

Article 331-2 The provisions of Article 246 of the Corporate Reorganization Act apply mutatis mutandis if there is a fact constituting cause to commence reorganization proceedings as prescribed in Article 180, paragraph (1) in connection with a Mutual Company that is a bankrupt. In this case, the phrase "Article 20, paragraph (1)" in Article 246, paragraph (4) of that Act is deemed to be replaced with "Article 20, paragraph (1) as applied mutatis mutandis pursuant to Article 183 of the Act on Special Measures".

(Order Not Requiring Filing of Proofs of a Reorganization Claim)

Article 331-3 (1) Where the court makes an order commencing reorganization proceedings, when it finds it appropriate while taking into consideration the content and cause of each bankruptcy claim filed in the bankruptcy proceedings to be stayed pursuant to the provisions of Article 50, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 201, the number of denied/disputed bankruptcy claims prescribed in the main clause of Article 125, paragraph (1) of the Bankruptcy Act, whether or not any liquidating distribution will be made through the bankruptcy proceedings, and any other circumstances concerned, it may make an order, upon making the order commencing a reorganization, to the effect that reorganization creditors that hold a reorganization claim that have been filed as bankruptcy claims in the bankruptcy proceedings (excluding the right to impose taxes or other charges as prescribed in Article 97, item (iv) of that Act and right to claim a fine, etc. prescribed in item (vi) of that Article) are not required to file a proof of the reorganization claim.

(2) The provisions of Article 247, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order under the provisions of the preceding paragraph is made. In this case, the phrase "Article 43, paragraph (1)" in paragraph (2) of that Article is deemed to be replaced with "Article 43, paragraph (1) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures"; the phrase "Article 138, paragraph (1)" in paragraphs (3) and (5) of that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "Article 138, paragraph (1), item (i)" in paragraph (4), items (i) and (ii) of that Article is deemed to be replaced with "Article 138, paragraph (1), item (i) as applied

mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; and the phrase "Article 138, paragraph (1), item (ii)" in items (iii) and (iv) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

Subsection 2 Transfer from Rehabilitation Proceedings to Reorganization Proceedings

(Petitions to Commence Reorganization Proceedings Filed by a Trustee in Rehabilitation Proceedings)

Article 331-4 The provisions of Article 248 of the Corporate Reorganization Act apply mutatis mutandis if there is a fact constituting cause to commence reorganization proceedings as prescribed in Article 180, paragraph (1) in connection with a Mutual Company that is a rehabilitation debtor. In this case, the phrase "Article 246, paragraph (3)" in Article 248, paragraph (3) of that Act is deemed to be replaced with "Article 246, paragraph (3) as applied mutatis mutandis pursuant to Article 331-2 of the Act on Special Measures"; and the phrase "Article 20, paragraph (1)" in paragraph (4) of that Article is deemed to be replaced with "Article 20, paragraph (1) as applied mutatis mutandis pursuant to Article 183 of the Act on Special Measures".

(Order Not Requiring Filing of Proofs of a Reorganization Claim)

Article 331-5 (1) Where the court makes an order commencing reorganization proceedings, when it finds it appropriate while taking into consideration the content and cause of each rehabilitation claim filed in the rehabilitation proceedings to be stayed pursuant to the provisions of Article 50, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 201, the number of denied/disputed rehabilitation claims prescribed in the main clause of Article 105, paragraph (1) of the Civil Rehabilitation Act, whether or not any right will be modified by a rehabilitation plan and the content of the modification, and any other circumstances concerned, it may make an order, upon making the order commencing a reorganization, to the effect that reorganization creditors that hold a reorganization claim that have been filed as rehabilitation claims in the rehabilitation proceedings (excluding fines, etc. arising prior to the commencement of rehabilitation proceedings prescribed in Article 97, item (i) of that Act) are not required to file a proof of the reorganization claim.

(2) The provisions of Article 249, paragraphs (2) to (5) of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order under the provisions of the preceding paragraph is made. In this case, the phrase

"Article 43, paragraph (1)" in paragraph (2) of that Article is deemed to be replaced with "Article 43, paragraph (1) as applied mutatis mutandis pursuant to Article 196 of the Act on Special Measures"; the phrase "Article 138, paragraph (1)" in paragraphs (3) and (5) of that Article is deemed to be replaced with "Article 138, paragraph (1) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "Article 138, paragraph (1), item (i)" in paragraph (4), items (i) and (ii) of that Article is deemed to be replaced with "Article 138, paragraph (1), item (i) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; and the phrase "Article 138, paragraph (1), item (ii)" in item (iii) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

Subsection 3 Transfer from Reorganization Proceedings to Bankruptcy Proceedings

(Transfer of a Bankruptcy Case in the Event of an Order Commencing Reorganization Proceedings)

Article 331-6 Where, before or after the commencement of bankruptcy proceedings, an order commencing reorganization proceedings is made against the same debtor, the court (meaning a judge or panel of judges in charge of the bankruptcy case), when it finds it appropriate in order to handle the bankruptcy case, by its own authority, may transfer the bankruptcy case to the reorganization court.

(Petition for Commencement of Bankruptcy Proceedings Prior to the Closing of Reorganization Proceedings)

Article 331-7 (1) Where, with regard to the reorganizing company against which bankruptcy proceedings have not yet been commenced, an order of revocation of the order commencing reorganization proceedings, or an order of discontinuance of reorganization proceedings, or the court issues an order disconfirming the reorganization plan, notwithstanding the provisions of Article 50, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 201, a petition for commencement of bankruptcy proceedings may be filed with the reorganization court against the reorganizing company even before the respective order becomes final and binding. The same applies where, after the bankruptcy proceedings commenced against the reorganizing company have ceased to be effective as a result of the order confirming the reorganization plan, an order of discontinuance of reorganization proceedings under the provisions of Article 241, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 328, paragraph (1)

is made.

- (2) The provisions of the first sentence of the preceding paragraph do not apply to the cases where rehabilitation proceedings have already commenced for a reorganizing company prescribed in the first sentence of that paragraph.
- (3) An order to commence bankruptcy proceedings based on the petition for commencement of bankruptcy proceedings filed under the provisions of paragraph (1) may not be made unless the order prescribed in the first sentence of that paragraph or an order of discontinuance of reorganization proceedings referred to in the second sentence of that paragraph becomes final and binding.

(Order to Commence Bankruptcy Proceedings by the Court's Authority at the
End of Reorganization Proceedings)

Article 331-8 (1) Where, with regard to the Mutual Company against which bankruptcy proceedings have not yet been commenced, the court, when it finds that a fact constituting the grounds referred to in Article 234, items (i) to (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 323 exists with regard to the Mutual Company, by its own authority, may make an order to commence bankruptcy proceedings in accordance with the Bankruptcy Act; provided, however, that this does not apply to the cases where rehabilitation proceedings have already been commenced for the Mutual Company.

- (2) Where, after the bankruptcy proceedings commenced against the reorganizing company have ceased to be effective as a result of the order confirming the reorganization plan, an order of discontinuance of reorganization proceedings under the provisions of Article 241, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 328, paragraph (1) becomes final and binding, the court, by its own authority, must make an order to commence bankruptcy proceedings in accordance with the Bankruptcy Act; provided, however, that this does not apply where the court makes an order to commence bankruptcy proceedings based on a petition for commencement of bankruptcy proceedings under the provisions of the second sentence of paragraph (1) of the preceding Article.

(Provisional Remedy Prior to Commencement of Bankruptcy Proceedings at the
End of Reorganization Proceedings)

Article 331-9 (1) In the following cases, the court, when it finds it necessary, by its own authority, may issue a stay order under the provisions of Article 24, paragraph (1) of the Bankruptcy Act, comprehensive prohibition order prescribed in Article 25, paragraph (2) of that Act, provisional remedy under the provisions of Article 28, paragraph (1) of that Act, Provisional

Administration Order prescribed in Article 91, paragraph (2) of that Act or provisional remedy under the provisions of Article 171, paragraph (1) of that Act (hereinafter referred to as a "provisional remedy or other measures" in this Article and Article 331-12, paragraph (4)):

- (i) where, with regard to the Mutual Company against which bankruptcy proceedings have not yet been commenced, an order of dismissal with prejudice on the merits of a petition to commence reorganization proceedings is made;
 - (ii) where, with regard to the reorganizing company against which bankruptcy proceedings have not yet been commenced, an order of revocation of the order commencing reorganization proceedings, an order of discontinuance of reorganization proceedings or an order disconfirming the reorganization plan becomes final and binding; or
 - (iii) where, after the bankruptcy proceedings commenced against the reorganizing company have ceased to be effective as a result of an order confirming the reorganization plan, an order of discontinuance of reorganization proceedings under the provisions of Article 241, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 328, paragraph (1) becomes final and binding.
- (2) If the court, after ordering a provisional remedy or other measures under the provisions of item (i) or (ii) of the preceding paragraph, has decided not to make an order to commence bankruptcy proceedings under the provisions of the main clause of paragraph (1) of the preceding Article, it must revoke the provisional remedy or other measures without delay.
- (3) The provisional remedy or other measures under the provisions of paragraph (1), item (i) ceases to be effective when an order to revoke the order prescribed in that item is made.
- (4) Notwithstanding the provisions of Article 24, paragraph (4), Article 25, paragraph (6), Article 28, paragraph (3), Article 91, paragraph (5) and Article 171, paragraph (4) of the Bankruptcy Act, no immediate appeal may be filed against an order made under the provisions of paragraph (2).

(Application of the Bankruptcy Act in Bankruptcy Proceedings at the End of Reorganization Proceedings)

Article 331-10 (1) In the following cases concerning the Mutual Company against which bankruptcy proceedings have not yet been commenced, for the purpose of application of the relevant provisions of the Bankruptcy Act (meaning the provisions of Article 71, paragraph (1), item (iv) and paragraph (2), items (ii) and (iii), Article 72, paragraph (1), item (iv) and paragraph (2), items (ii) and (iii), Article 160 (excluding paragraph (1), item (i)), Article 162 (excluding paragraph (1), item (ii)), Article 163, paragraph (2), Article 164, paragraph (1)

(including cases where applied mutatis mutandis pursuant to paragraph (2) of that Article), Article 166 and Article 167, paragraph (2) (including cases where applied mutatis mutandis pursuant to Article 170, paragraph (2) of that Act) of the Bankruptcy Act; the same applies in paragraph (3)), a petition to commence reorganization proceedings or other such procedures (meaning a petition to commence reorganization proceedings, petition for commencement of special liquidation in special liquidation proceedings that have ceased to be effective as a result of the commencement of reorganization proceedings, petition for commencement of rehabilitation proceedings in rehabilitation proceedings that have ceased to be effective as a result of an order confirming the reorganization plan, or any act conducted by a director or executive officer of the Mutual Company or any other person equivalent thereto, which is to constitute the crime referred to in Article 265 of the Bankruptcy Act; hereinafter the same applies in this paragraph) is deemed to be a petition for commencement of bankruptcy proceedings only where no petition for commencement of bankruptcy proceedings has been filed prior to the petition to commence reorganization proceedings or other such procedures:

- (i) where an order to commence bankruptcy proceedings is made under the provisions of the main clause of Article 331-8, paragraph (1);
 - (ii) where, based on a petition for commencement of bankruptcy proceedings filed before an order of dismissal with prejudice on the merits of a petition to commence reorganization proceedings becomes final and binding, an order to commence bankruptcy proceedings is made after the order of dismissal becomes final and binding;
 - (iii) where, based on a petition for commencement of bankruptcy proceedings filed before an order to commence reorganization proceedings is made, an order to commence bankruptcy proceedings is made after any grounds referred to in Article 234, item (ii) or (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 323 have arisen, or after an order of discontinuance of reorganization proceedings under the provisions of Article 236 or Article 237, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 325, paragraph (1) becomes final and binding; or
 - (iv) where, based on a petition for commencement of bankruptcy proceedings filed under the provisions of the first sentence of Article 331-7, paragraph (1), an order to commence bankruptcy proceedings is made.
- (2) For the purpose of application of the provisions of the first sentence of Article 176 of the Bankruptcy Act in cases where an order to commence bankruptcy proceedings prescribed in the items of the preceding paragraph is made at the end of reorganization proceedings as a result of an order of disconfirmation of the reorganization plan or order of discontinuance of reorganization

proceedings becoming final and binding, the respective dates on which the following orders are made is deemed to be the date of commencement of bankruptcy proceedings referred to in the first sentence of that Article:

- (i) order commencing reorganization proceedings;
- (ii) order to commence rehabilitation proceedings that have ceased to be effective in the rehabilitation proceedings as a result of an order confirming the reorganization plan.

- (3) For the purpose of application of the relevant provisions of the Bankruptcy Act in cases where, with regard to the reorganizing company against which bankruptcy proceedings have been commenced, an order to commence bankruptcy proceedings is made based on a petition for commencement of bankruptcy proceedings filed under the provisions of the second sentence of Article 331-7, paragraph (1) or an order to commence bankruptcy proceedings is made under the provisions of Article 331-8, paragraph (2), it is deemed that a petition for commencement of bankruptcy proceedings was filed at the time when the petition for commencement of bankruptcy proceedings in the bankruptcy proceedings that ceased to be effective as a result of an order confirming the reorganization plan had been filed.
- (4) For the purpose of application of the provisions of the first sentence of Article 176 of the Bankruptcy Act in cases where an order to commence bankruptcy proceedings prescribed in the preceding paragraph is made, the date of commencement of bankruptcy proceedings in the bankruptcy proceedings that have ceased to be effective as a result of an order confirming the reorganization plan is deemed to be the date of commencement of bankruptcy proceedings referred to in the first sentence of that Article.
- (5) For the purpose of application of the provisions of Article 148, paragraph (1), item (iii) of the Bankruptcy Act in cases where an order to commence bankruptcy proceedings prescribed in the items of paragraph (1) or paragraph (3) is made, the phrase "comprehensive prohibition order" in that item is deemed to be replaced with "comprehensive prohibition order or comprehensive prohibition order prescribed in Article 25, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 184 of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions"; the phrase "there is a period" is deemed to be replaced with "there is a period or a period during which a procedure for collection of national tax delinquency cannot be enforced pursuant to the provisions of Article 50, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 201 of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions".
- (6) Where an order to commence bankruptcy proceedings prescribed in the preceding paragraph is made, common-benefit claims (including the rights to

claim prescribed in Article 62, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 206, paragraph (1) and the rights to claim prescribed in Article 241, paragraphs (1) and (4) in cases where reorganization proceedings is not commenced; the same applies in Article 331-13) are claims on the estate. The same applies where bankruptcy proceedings commenced against the Mutual Company against which bankruptcy proceedings are continued as a result of any of the grounds referred to in Article 234, items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 323 arising or an order of discontinuance of reorganization proceedings under the provisions of Article 236 or Article 237, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 325, paragraph (1) becoming final and binding.

(Order Not Requiring Filing of Proofs of Bankruptcy Claims)

Article 331-11 (1) Where the court (meaning a judge or panel of judges in charge of the bankruptcy case) makes an order to commence bankruptcy proceedings prescribed in the items of paragraph (1) or in paragraph (3) of the preceding Article, when it finds it appropriate while taking into consideration the content and cause of each reorganization claim, etc. as well as the amount of the voting rights as filed in the reorganization proceedings that are closed, the number of denied/disputed an unsecured or secured reorganization claim prescribed in the main clause of Article 151, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 255, whether or not any right will be modified by a reorganization plan and the content of the modification, and any other circumstances concerned, it may make an order, upon making the order to commence bankruptcy proceedings, to the effect that bankruptcy creditors that hold bankruptcy claims that have been filed as an unsecured or secured reorganization claim in the reorganization proceedings (excluding the right to impose taxes or other charges and right to claim fines, etc. prescribed in Article 251, item (ii) arising prior to the commencement of reorganization proceedings) are not required to file a proof of the bankruptcy claims.

(2) The provisions of Article 255, paragraphs (2) to (6) of the Corporate Reorganization Act apply mutatis mutandis to the cases where an order under the provisions of the preceding paragraph is made. In this case, the phrase "136, paragraph (1), item (iii), (b) to (d)" in paragraph (4), item (i) of that Article is deemed to be replaced with "136, paragraph (1), item (iii), (b) to (d) as applied mutatis mutandis pursuant to Article 247, paragraph (1) of the Act on Special Measures"; the phrase "Article 138, paragraph (1), items (iii) or paragraph (2), item (iii)" is deemed to be replaced with "Article 138, paragraph (1), item (iii) or paragraph (2), item (iii) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "Article 138,

paragraph (1), item (i) or paragraph (2), item (i)" in the provisions of items (ii) to (iv) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (i) or paragraph (2), item (i) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; the phrase "Article 136, paragraph (1), item (i), (ii) or (iii), (a)" in item (iii) of that paragraph is deemed to be replaced with "Article 136, paragraph (1), item (i), (ii) or (iii), (a) as applied mutatis mutandis pursuant to Article 247, paragraph (1) of the Act on Special Measures"; the phrase "Article 136, paragraph (2), items (i) to (iii)" in item (iv) of that paragraph is deemed to be replaced with "Article 136, paragraph (2), items (i) to (iii) as applied mutatis mutandis pursuant to Article 247, paragraph (1) of the Act on Special Measures"; the phrase "Article 138, paragraph (1), item (ii)" in items (v) and (vi) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures"; and the phrase "Article 138, paragraph (1), item (iii)" in item (vii) of that paragraph is deemed to be replaced with "Article 138, paragraph (1), item (iii) as applied mutatis mutandis pursuant to Article 248 of the Act on Special Measures".

(Handling of Actions against an Order to Uphold a Request for Avoidance)

- Article 331-12 (1) In cases where any of the events referred to in Article 234, item (iii) or (iv) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 323 occurs, when an order to commence bankruptcy proceedings prescribed in the items of Article 331-10, paragraph (1) or paragraph (3) of that Article is made, a bankruptcy trustee may take over court proceedings in relation to an action referred to in Article 97, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 226 that is discontinued pursuant to the provisions of Article 52, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 202. In this case, the other party may also file a petition for taking over the court proceedings.
- (2) In the case referred to in the preceding paragraph, the other party's right to claim court costs against a trustee is a claim on the estate.
- (3) In the case referred to in paragraph (1), if the bankruptcy proceedings are closed before the court proceedings in relation to an action referred to in Article 97, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 226 that is discontinued pursuant to the provisions of Article 52, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 202 is taken over under the provisions of paragraph (1), the relevant court proceedings are closed.
- (4) Court proceedings in an action referred to in Article 97, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 226, which are discontinued pursuant to the provisions of Article 52, paragraph

- (4) of that Act as applied mutatis mutandis pursuant to Article 202 and pertains to a reorganization case involving the Mutual Company against which bankruptcy proceedings have not yet been commenced, are closed if an order to commence bankruptcy proceedings prescribed in the items of Article 331-10, paragraph (1) is not made within one month from the date of discontinuance thereof (if, for a certain part of the one-month period, a provisional remedy or other measures is issued under the provisions of Article 331-9, paragraph (1), item (i) or (ii) or a provisional remedy or other measures is issued in bankruptcy proceedings based on a petition for commencement of bankruptcy proceedings referred to in the items of Article 331-10, paragraph (2), that part of the period is excluded).
- (5) The proceedings for petition for reorganization claim, etc. assessment prescribed in the main clause of Article 151, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 255, which are to continue to be pending pursuant to the provisions of Article 163, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 255, and the proceedings for petition for valuation prescribed in Article 153, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 255 is closed when an order to commence bankruptcy proceedings prescribed in the items of Article 331-10, paragraph (1) or (3) is made. In this case, the provisions of Article 163, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 255 do not apply.
- (6) The provisions of paragraph (4) apply mutatis mutandis to court proceedings in relation to an action to oppose assessment of an unsecured or secured reorganization claim prescribed in Article 152, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 255, which is discontinued pursuant to the provisions of Article 163, paragraph (4) of that Act as applied mutatis mutandis pursuant to Article 255, and pertains to a reorganization case involving the Mutual Company against which bankruptcy proceedings have not yet been commenced.

Subsection 4 Continuation of Rehabilitation Proceedings Once Reorganization Proceedings End

Article 331-13 Where a rehabilitation case involving a Mutual Company is pending, when rehabilitation proceedings are continued as a result of any of the events referred to in Article 234, items (i) to (iii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 323 arising or an order of discontinuance of reorganization proceedings under the provisions of Article 236 or Article 237, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 325, paragraph (1) becoming final and

binding, common-benefit claims are common-benefit claims in rehabilitation proceedings.

Section 12 Miscellaneous Provisions

(Requesting a Registration for a Reorganizing Company)

Article 332 (1) When an order commencing reorganization proceedings is made, a court clerk, by their own authority, without delay, must commission the registry office having jurisdiction over the location of the principal office of a reorganizing company to make a registration to commence reorganization proceedings.

(2) The registration referred to in the preceding paragraph must include the name and address of each trustee, if the permission referred to in the proviso to Article 69, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 210 is granted for independent performance of duties by each trustee, a statement to that effect, and if the permission referred to in the proviso to that paragraph is granted for division of duties among trustees, a statement to that effect and the contents of the duties assigned to each trustee.

(3) The provisions of paragraph (1) apply mutatis mutandis where there is a change to any of the particulars prescribed in the preceding paragraph.

(4) When a Provisional Administration Order or Supervision Order is issued against a company awaiting reorganization proceedings, a court clerk, by their own authority, without delay, must commission the registry office having jurisdiction over the location of the principal office of the company awaiting reorganization proceedings to make a registration of the Provisional Administration Order or Supervision Order.

(5) When making the registration referred to in the preceding paragraph, the particulars specified in each of the following items must also be registered for the categories of registrations set forth in the respective items:

(i) a Registration of Provisional Administration Order prescribed in the preceding paragraph: the name and address of each provisional administrator, if the permission referred to in the proviso to Article 69, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 189, paragraph (1) is granted for independent performance of duties by each provisional administrator, a statement to that effect, and if the permission referred to in the proviso to that paragraph is granted for division of duties among provisional administrators, a statement to that effect and the contents of the duties assigned to each provisional administrator; and

(ii) a Registration of Supervision Order prescribed in the preceding paragraph:

- the name and address of each supervisor, and acts designated pursuant to the provisions of Article 190, paragraph (2).
- (6) The provisions of paragraph (4) apply mutatis mutandis where a judicial decision prescribed in that paragraph is changed or revoked or there is a change to any of the particulars prescribed in the preceding paragraph.
 - (7) The provisions of paragraph (1) apply mutatis mutandis if the court issues an order confirming the reorganization plan or on the occurrence of any of the events referred to in Article 234, items (ii) to (v) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 323.
 - (8) A registrar, when making a registration of the commencement of reorganization proceedings pursuant to the provisions of paragraph (1), by their own authority, must cancel a registration of the commencement of special liquidation proceedings against the reorganizing company, if there is any such registration.
 - (9) A registrar, when making a registration of the revocation of an order commencing reorganization proceedings pursuant to the provisions of paragraph (7), by their own authority, must restore a registration cancelled pursuant to the provisions of the preceding paragraph, if there is any such registration.
 - (10) The provisions of paragraph (8) apply mutatis mutandis to a registration of the commencement of bankruptcy proceedings or commencement of rehabilitation proceedings in the case of registering the confirmation of a reorganization plan, and the provisions of the preceding paragraph apply mutatis mutandis to a registration cancelled pursuant to the provisions of paragraph (8) as applied mutatis mutandis pursuant to this paragraph in cases where an order to revoke the order confirming the reorganization plan becomes final and binding.

Article 333 (1) When the powers of the authorities of a reorganizing company pursuant to the provisions of the first sentence of Article 72, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 211 are restored, a court clerk, by their own authority, without delay, must commission the registry office having jurisdiction over the location of the principal office of the reorganizing company to make a registration to that effect.

- (2) The provisions of the preceding paragraph apply mutatis mutandis to the cases where provisions of the reorganization plan under the first sentence of Article 72, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 211 or an order by the court is revoked.

(Requesting the Registration of Registered Rights)

Article 334 (1) In the following cases, a court clerk, by their own authority, without delay, must commission a registration of the provisional remedy concerned:

- (i) where a provisional remedy under the provisions of Article 28, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 185 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196) is issued with respect to any registered right that belongs to the company awaiting reorganization proceedings;
 - (ii) where a provisional remedy under the provisions of Article 194-2, paragraph (1) or Article 195, paragraph (1) (including the cases where these provisions are applied mutatis mutandis pursuant to Article 44, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 196) or the provisions of Article 99, paragraph (1) of that Act as applied mutatis mutandis pursuant to Article 228 is issued with regard to any registered right.
- (2) The provisions of the preceding paragraph apply mutatis mutandis where the provisional remedy prescribed in that paragraph is changed or revoked or the provisional remedy ceases to be effective.
- (3) Where an order commencing reorganization proceedings is made, when a court clerk learns that a registration under the provisions of Article 938, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 184 of the Insurance Business Act (including as applied mutatis mutandis pursuant to Article 938, paragraph (4) of the Companies Act as applied mutatis mutandis pursuant to Article 184 of the Insurance Business Act) exists with regard to a registered right belonging to a reorganizing company, the court clerk must commission the cancellation of the registration by their own authority, without delay.
- (4) Where a registration is cancelled under the provisions of the preceding paragraph, when an order to revoke the order commencing reorganization proceedings has become final and binding, a court clerk, by their own authority, without delay, must commission restoration of the registration cancelled pursuant to the provisions of that paragraph.

(Requesting a Registration in Connection with the Implementation of the Reorganization Plan)

Article 335 (1) The provisions of Article 332, paragraph (1) apply mutatis mutandis to the cases where any particulars that should be registered arise with regard to a reorganizing company or Mutual Company to be established as specified in a reorganization plan before the implementation of the reorganization plan or the end of reorganization proceedings pursuant to the

provisions of this Chapter. In this case, when any particulars that should be registered arise with respect to the particulars set forth in the items of Article 930, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 64, paragraph (3) of the Insurance Business Act, the phrase "principal office" in Article 332, paragraph (1) is deemed to be replaced with "principal office and secondary office".

- (2) The provisions of Article 258, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to the cases where any particulars that should be registered arise with regard to a Converted Stock Company or Stock Company to be incorporated as specified in a reorganization plan before the implementation of the reorganization plan or the end of reorganization proceedings pursuant to the provisions of this Chapter.
- (3) Where a reorganizing company is to merge with a Mutual Company or a Stock Company, when a court clerk commissions the following registrations, the registration of the dissolution of the other Mutual Company or Stock Company which is the other party to the merger must also be commissioned:
 - (i) registration of modification due to an Absorption-Type Merger of the reorganizing company surviving the Absorption-Type Merger;
 - (ii) registration of establishment due to Consolidation-Type Merger of the Mutual Company or Stock Company to be established as a result of the Consolidation-Type Merger.
- (4) The provisions of paragraphs (1) and (2) do not apply to the registration of dissolution of a reorganizing company in cases where the other Mutual Company or Stock Company survives after the merger with the reorganizing company.
- (5) The provisions of paragraph (1) of the preceding Article apply mutatis mutandis to the cases where the acquisition, loss or modification of a registered right occurs before the end of reorganization proceedings as a result of the implementation of a reorganization plan; provided, however, that this does not apply to the registration of anyone other than a reorganizing company, unsecured or secured reorganization creditor, member, Converted Stock Company, Mutual Company established as specified in a reorganization plan and a Stock Company incorporated as specified in a reorganization plan as the holder of the right.

(Registration of Avoidance)

Article 336 The provisions of Article 262 of the Corporate Reorganization Act apply mutatis mutandis to a registration of avoidance in the reorganization proceedings of a Mutual Company. In this case, the phrase "Article 234, item (i) or (iii)" in paragraph (6) of that Article is deemed to be replaced with "Article 234, item (ii) or (iii) as applied mutatis mutandis pursuant to Article

323 of the Act on Special Measures"; the phrase "Article 236 or Article 237, paragraph (1)" is deemed to be replaced with "Article 236 or Article 237, paragraph (1) as applied mutatis mutandis pursuant to Article 325, paragraph (1) of the Act on Special Measures".

(Documents to Be Attached to a Paper-Based Request for Registration)

Article 337 Information that needs to be provided along with request information or application information on registration under the provisions of this Chapter, or documents that should be attached to the written commission or written application are specified by Cabinet Order.

(Special Provisions on Registration and License Tax)

Article 338 (1) Registration and license tax is not imposed on the registrations under the provisions of Article 332 to Article 334 and the provisions of Article 262 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 336.

- (2) The tax rate of the Registration and license tax for the registration of the increase in stated capital as a result of an Absorption-Type Merger of a reorganizing company in cases where the Absorption-Type Merger is specified in a reorganization plan is one one-thousandth (0.35% of the portion of the amount of stated capital increased as a result of the Absorption-Type Merger that does not correspond to the amount equivalent to the delivery of shares to unsecured or secured reorganization creditor), notwithstanding the provisions of Article 9 of the Registration and License Tax Act.
- (3) The tax rate of the Registration and license tax for the registration of the incorporation of a Stock Company as a result of a Consolidation-Type Merger of a reorganizing company in cases where the Consolidation-Type Merger is specified in a reorganization plan is one one-thousandth (0.35% of the portion of the amount of stated capital that corresponds to the portion prescribed in the tax rate column of Article 24, item (i), (e) of Appended Table 1 of that Act (excluding amount equivalent to the delivery of shares to unsecured or secured reorganization creditor)), notwithstanding the provisions of Article 9 of the Registration and License Tax Act.
- (4) The tax rate of the Registration and license tax for the registration of the incorporation of a Stock Company as a result of an entity conversion of a reorganizing company in cases where the conversion is specified in a reorganization plan is one one-thousandth (0.35% of the portion of the amount of stated capital that does not correspond to the amount equivalent to the delivery of shares to unsecured or secured reorganization creditor), notwithstanding the provisions of Article 9 of the Registration and License Tax Act.

- (5) The tax rate of the Registration and license tax for the registration of the increase in stated capital in cases where the issue of shares of a Converted Stock Company is specified in a reorganization plan is 0.35%, notwithstanding the provisions of Article 9 of the Registration and License Tax Act.
- (6) The provisions of Article 264, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to the tax rate of the Registration and license tax for the registration of the increase in stated capital as a result of share exchange on entity conversion in cases where share exchange on entity conversion by a reorganizing company is specified in a reorganization plan pursuant to the provisions of Article 267.
- (7) The provisions of Article 264, paragraph (4) of the Corporate Reorganization Act apply mutatis mutandis to the tax rate of the Registration and license tax for the registration of the incorporation of a new Stock Company as a result of a share transfer on entity conversion by a reorganizing company in cases where the share transfer on entity conversion is specified in a reorganization plan pursuant to the provisions of Article 268.
- (8) The provisions of Article 264, paragraph (7) of the Corporate Reorganization Act apply mutatis mutandis to the tax rate of the Registration and license tax for the registration of the incorporation of a new Stock Company in cases where the incorporation of a new Stock Company is specified in a reorganization plan in the reorganization proceedings of a Mutual Company.
- (9) The provisions of Article 264, paragraph (8) of the Corporate Reorganization Act apply mutatis mutandis to the tax rate of the Registration and license tax for the registration of the transfer or establishment of a right on real property or a vessel in cases where the transfer or establishment of the right from a reorganizing company to a New Mutual Company or a Stock Company incorporated as specified in a reorganization plan in the reorganization proceedings of a Mutual Company is specified in the reorganization plan.

(Application Mutatis Mutandis to Registration)

Article 339 The provisions of Article 334, Article 335, paragraph (5), Article 262 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 336, Article 337 and paragraph (1) of the preceding Article apply mutatis mutandis to registered rights.

Article 340 Deleted

Chapter IV Special Provisions on the Reorganization Proceedings of Financial Institutions and Similar Entities

Section 1 Special Provisions on the Reorganization Proceedings of Banks

Subsection 1 General Provisions

(Definitions)

- Article 341 (1) The term "reorganizing company" as used in this Section means a reorganizing company as prescribed in Article 2, paragraph (7) of the Corporate Reorganization Act that is a bank.
- (2) The term "unsecured and secured reorganization creditors" as used in this Section means unsecured and secured reorganization creditors as prescribed in Article 2, paragraph (13) of the Corporate Reorganization Act.
- (3) The term "reorganization plan" as used in this Section means a reorganization plan as prescribed in Article 2, paragraph (2) of the Corporate Reorganization Act.
- (4) The term "reorganization proceedings" as used in this Section means reorganization proceedings as prescribed in Article 2, paragraph (1) of the Corporate Reorganization Act.
- (5) The term "court" as used in this Section means a court as prescribed in Article 2, paragraph (5) of the Corporate Reorganization Act.

(Application of Provisions of the Corporate Reorganization Act to Banks)

Article 342 In applying the provisions of the Corporate Reorganization Act set forth in the left-hand column of the table below to banks, the terms and phrases in these provisions set forth in the middle column of that table is deemed to be replaced with the terms and phrases set forth in the right-hand column of that table:

Article 11, paragraph (1)	(including...)	(including...) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions (Act No. 95 of 1996; hereinafter referred to as the "Act on Special Measures")
Article 14	this Act	this Act and Chapter 4, Sections 1, 3, and 4 of the Act on Special Measures

Article 45, paragraph (1)	conduct...	conduct... or conduct the acts set forth in the items of Article 32, paragraph (1) of the Act on Special Measures with regard to a Shinkin Bank formed as a result of an entity conversion of a reorganizing company in accordance with the Reorganization Plan (hereinafter referred to as a "Converted Shinkin Bank").
Article 45, paragraph (1), item (vii)	Membership Company	Membership Company or Shinkin Bank
Article 45, paragraph (2)	reorganizing company	reorganizing company or Converted Shinkin Bank
Article 77, paragraph (2)	(Article 2, item (iii) of the Companies Act	(Article 2, paragraph (8) of the Banking Act (Act No. 59 of 1981) or Article 13-2, paragraph (2) of the Long Term Credit Bank Act (Act No. 187 of 1952)
Article 81, paragraph (2)	or Reorganization Plan	, Converted Shinkin Bank or Reorganization Plan
	to a company	to a company or Cooperative Financial Institution (meaning a Cooperative Financial Institution prescribed in Article 2, paragraph (2) of the Act on Special Measures; the same applies hereinafter)
	interest	interest, or interest in a Converted Shinkin Bank or a Cooperative Financial Institution established in accordance with the Reorganization Plan
Article 167, paragraph (2)	Establishment	Establishment, Establishment of a Cooperative Financial Institution

Article 185, paragraph (1)	to continue to operate	to continue to operate (including cases of entity conversion)
	of a Stock Company	of a Stock Company or Cooperative Financial Institution
Article 199, paragraph (2), item (v)	company	company or Cooperative Financial Institution
Article 203, paragraph (1), item (iv)	Membership Company	Membership Company or Converted Shinkin Bank
Article 203, paragraph (1), item (v)	or Article 183	or Article 183
	companies established	companies established or Cooperative Financial Institutions established in accordance with the Reorganization Plan pursuant to the clauses prescribed in Article 103, paragraph (1) of the Act on Special Measures as applied mutatis mutandis pursuant to Article 346 of the Act on Special Measures (hereinafter referred to as "New Cooperative Financial Institutions")
Article 204, paragraph (1), item (i)	this Act	provisions of this Act or Chapter 4, Section 1 of the Act on Special Measures
Article 206, paragraph (2)	Membership Companies, companies set forth in item (v) of that paragraph	Membership Companies or Converted Shinkin Banks, companies set forth in item (v) of that paragraph, or New Cooperative Financial Institutions
Article 209, paragraph (1)	reorganizing company	reorganizing company (including Converted Shinkin Bank)
Article 209, paragraph (2)	company	company or New Cooperative Financial Institution
Article 209, paragraph (3)	company	company or New Cooperative Financial Institution

	executive officers	executive officers, board members, inspectors
Article 209, paragraph (4), item (i)	this Act	provisions of this Act or Chapter 4, Section 1 of the Act on Special Measures
Article 210, paragraph (1)	Stock Company	Stock Company or New Cooperative Financial Institution
Article 210, paragraph (3)	Articles 828, 829 and	items of Article 828, paragraph (1) (including the cases where applied mutatis mutandis pursuant to Article 32 of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949), Article 28 of the Shinkin Bank Act (Act No. 238 of 1951), Article 28 of the Labor Bank Act (Act No. 227 of 1953), and Article 53, paragraph (1) and Article 65, paragraph (1) of the Act on Financial Institutions' Merger and Conversion (Act No. 86 of 1968); hereinafter the same applies in this paragraph), items of Article 828, paragraph (2), Article 829, and
	Stock Company	Stock Company, Converted Shinkin Bank or New Cooperative Financial Institution
	Article 828, paragraph (2), item (i) of that Act	Article 828, paragraph (2), item (i) of the Companies Act
	holders of share options	holders of share options, Partners or Members (meaning Partners or Members prescribed in Article 2, paragraph (10) of the Act on Special Measures), board members, inspectors

Article 232, paragraph (1)	new company	new company or New Cooperative Financial Institution prescribed in Article 354, paragraph (1) of the Act on Special Measures
	new company	company or the New Cooperative Financial Institution
Article 241, paragraph (3)	and this Act	and the provisions of this Act and Chapter 4, Section 1 of the Act on Special Measures
Article 261, paragraph (1)	this Act	provisions of this Act or Chapter 4, Section 1 of the Act on Special Measures
Article 261, paragraph (2)	another company	another company or Cooperative Financial Institution
Article 261, paragraph (2), item (ii)	company	company or Shinkin Bank
Article 261, paragraph (3)	another company	another company or Shinkin Bank
Article 261, paragraph (6)	and	, Converted Shinkin Bank, and
	company	companies and Cooperative Financial Institutions
Article 264, paragraph (8)	Stock Company	Stock Company or Cooperative Financial Institution

Subsection 2 Special Provisions on the Provisions of a Reorganization Plan

(Absorption-Type Mergers)

Article 343 (1) The following particulars must be specified in the clauses on an Absorption-Type Merger (limited to Absorption-Type Merger (meaning Absorption-Type Merger prescribed in Article 2, paragraph (4) of the Merger and Conversion Act; hereinafter the same applies in this Section) where the reorganizing company (but only one that is an Ordinary Bank) disappears and the Financial Institution Surviving an Absorption-Type Merger (hereinafter referred to as a "Financial Institution Surviving an Absorption-Type Merger" in this Section) is a Shinkin Bank; hereinafter the same applies in this

paragraph):

- (i) particulars that should be specified in the Absorption-Type Merger Agreement;
 - (ii) when a Financial Institution Surviving an Absorption-Type Merger delivers a Contribution, etc. (meaning Contribution or money of the Cooperative Financial Institution; hereinafter the same applies in this Section) to unsecured and secured reorganization creditors at the time of the Absorption-Type Merger, the following particulars concerning the Contribution, etc.:
 - (a) when the Contribution, etc. is a Contribution of the Financial Institution Surviving an Absorption-Type Merger, the number of units of the Contribution or the means of calculating the number (in cases where there are unsecured and secured reorganization creditors that cannot become members of the Financial Institution Surviving an Absorption-Type Merger, including the amount of money delivered to those unsecured and secured reorganization creditors or the means of calculating the amount), and particulars concerning the amount of the stated capital and reserve funds of the Financial Institution Surviving an Absorption-Type Merger; and
 - (b) when the Contribution, etc. is money, the amount of the money or the means of calculating the amount;
 - (iii) in the case prescribed in the preceding item, particulars concerning the allotment of Contribution, etc. referred to in that item to unsecured and secured reorganization creditors.
- (2) The following particulars must be specified in the clauses on Absorption-Type Merger (limited to Absorption-Type Merger where the reorganizing company becomes the Financial Institution Surviving an Absorption-Type Merger; hereinafter the same applies in this paragraph):
- (i) particulars that should be specified in the Absorption-Type Merger Agreement;
 - (ii) when a reorganizing company delivers its Bonds, etc. (meaning Bonds or share options; hereinafter the same applies in this Section) to Partners or Members of the Financial Institution that disappears as a result of the Absorption-Type Merger (hereinafter referred to as a "Financial Institution Disappearing in an Absorption-Type Merger" in this Section) at the time of the Absorption-Type Merger, the following particulars concerning the Bonds, etc.:
 - (a) when the Bonds, etc. are the bonds of the reorganizing company (other than one in relation to bonds with share options), the classes of the bonds, and the total amount of the Bonds for each class or the means of calculating the amount;
 - (b) when the Bonds, etc. are the share options of the reorganizing company

- (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and
- (c) when the Bonds, etc. are the bonds with share options of the reorganizing company, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
- (iii) in the case prescribed in the preceding item, particulars concerning the allotment of Bonds, etc. referred to in that item to Partners or Members of the Financial Institution Disappearing in an Absorption-Type Merger.

(Consolidation-Type Merger)

Article 344 (1) The following particulars must be specified in the clauses on Consolidation-Type Merger (limited to Consolidation-Type Merger (meaning Consolidation-Type Merger prescribed in Article 2, paragraph (5) of the Merger and Conversion Act; hereinafter the same applies in this Section) where the reorganizing company disappears and the Financial Institution established by the Consolidation-Type Merger (hereinafter referred to as a "Financial Institution Established by Consolidation-Type Merger" in this Section) is a Stock Company; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Consolidation-Type Merger Agreement;
- (ii) when a Financial Institution Established by Consolidation-Type Merger delivers its shares to unsecured and secured reorganization creditors at the time of the Consolidation-Type Merger, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Financial Institution Established by Consolidation-Type Merger;
- (iii) in the case prescribed in the preceding item, particulars concerning the allotment of shares referred to in that item to unsecured and secured reorganization creditors;
- (iv) when a Financial Institution Established by Consolidation-Type Merger delivers its Bonds, etc. to shareholders or Partners or Members of a Financial Institution that disappears as a result of the Consolidation-Type Merger (hereinafter referred to as a "Financial Institution Disappearing in a Consolidation-Type Merger" in this Section) at the time of the Consolidation-Type Merger, the following particulars concerning the Bonds, etc.:
 - (a) when the Bonds, etc. are the bonds of the Financial Institution Established by Consolidation-Type Merger (other than one with regard to bonds with share options), the classes of the bonds, and the total amount of the Bonds for each class or the means of calculating the amount;

- (b) when the Bonds, etc. are the share options of the Financial Institution Established by Consolidation-Type Merger (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and
 - (c) when the Bonds, etc. are the bonds with share options of the Financial Institution Established by Consolidation-Type Merger, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
 - (v) in the case prescribed in the preceding item, particulars concerning the allotment of Bonds, etc. referred to in that item to shareholders or Partners or Members of the Financial Institution Disappearing in a Consolidation-Type Merger.
- (2) The following particulars must be specified in the clauses relating to Consolidation-Type Merger (limited to Consolidation-Type Merger where the reorganizing company (but only one that is an Ordinary Bank) disappears and the Financial Institution Established by Consolidation-Type Merger is a Shinkin Bank; hereinafter the same applies in this paragraph):
- (i) particulars that should be specified in the Consolidation-Type Merger Agreement;
 - (ii) when a Financial Institution Established by Consolidation-Type Merger delivers its Contribution to unsecured and secured reorganization creditors at the time of the Consolidation-Type Merger, the number of units of the Contribution or the means of calculating the number (in cases where there are unsecured and secured reorganization creditors that cannot become members of the Financial Institution Established by Consolidation-Type Merger, including the amount of money delivered to those unsecured and secured reorganization creditors or the means of calculating the amount), and particulars concerning the amount of the stated capital and reserve funds of the Financial Institution Established by Consolidation-Type Merger; and
 - (iii) in the case prescribed in the preceding item, particulars concerning the allotment of Contribution referred to in that item to unsecured and secured reorganization creditors.

(Conversion)

Article 345 (1) The following particulars must be specified in the clauses relating to Conversion (limited to Conversions which are prescribed in Article 2, paragraph (7) of the Merger and Conversion Act and where the reorganizing company (but only one that is an Ordinary Bank) is a Shinkin Bank; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Conversion plan (excluding particulars set forth in Article 56, paragraph (1), items (iii) and (iv) of the Merger and Conversion Act);
 - (ii) the following particulars concerning any board member, inspector and accounting auditor of the Converted Shinkin Bank (meaning Converted Shinkin Bank prescribed in Article 56, paragraph (1) of the Merger and Conversion Act; hereinafter the same applies in this Section):
 - (a) the name or means of appointment or selection and term of office of any board member and Representative Board Member of the Converted Shinkin Bank;
 - (b) the name or means of appointment and term of office of any inspector of the Converted Shinkin Bank; and
 - (c) in cases where the Converted Shinkin Bank is a specified bank (meaning specified bank prescribed in Article 38-2, paragraph (3) of the Shinkin Bank Act), the name or means of appointment and term of office of any accounting auditor of the Converted Shinkin Bank;
 - (iii) when a Converted Shinkin Bank delivers a Contribution, etc. to unsecured and secured reorganization creditors at the time of the Conversion, the following particulars concerning the Contribution, etc.:
 - (a) when the Contribution, etc. is a Contribution of the Converted Shinkin Bank, the number of units of the Contribution or the means of calculating the number (in cases where there are unsecured and secured reorganization creditors that cannot become members of the Converted Shinkin Bank, including the amount of money delivered to those unsecured and secured reorganization creditors or the means of calculating the amount), and particulars concerning the amount of the stated capital and reserve funds of the Converted Shinkin Bank; and
 - (b) when the Contribution, etc. is money, the amount of the money or the means of calculating the amount;
 - (iv) in the case prescribed in the preceding item, particulars concerning the allotment of Contribution, etc. referred to in that item to unsecured and secured reorganization creditors.
- (2) The provisions of Article 96 (excluding item (ii) and item (iii) (limited to the part in relation to item (ii))) apply mutatis mutandis to the clauses on the receipt of Contributions of the Converted Shinkin Bank. In this case, the terms "Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 126", "Partners or Members", and "of the Partners or Members" in item (iv) of that Article is deemed to be replaced with "Corporate Reorganization Act", "members", and "of the shareholders", respectively, and the phrase "Partners or Members" in items (v) and (vi) of that Article is deemed to be replaced with "shareholders".

(3) The term of office referred to in paragraph (1), item (ii), (a) and (b) may not exceed one year.

(Establishment of a New Cooperative Financial Institution)

Article 346 The provisions of Article 103 apply mutatis mutandis to the clauses concerning the Establishment of a Cooperative Financial Institution in the reorganization proceedings of banks. In this case, the terms "Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 126" and "or Partners or Members" in paragraph (1), item (iii) of that Article is deemed to be replaced with "Corporate Reorganization Act" and "or shareholders", respectively; the phrase "Partners or Members" in items (iv), (v) and (ix) of that paragraph is deemed to be replaced with "shareholders"; and the phrase "reorganizing cooperative financial institution" in item (vi) of that paragraph is deemed to be replaced with "reorganizing company (meaning reorganizing company prescribed in Article 341, paragraph (1))".

Article 347 Deleted

Article 348 Deleted

Subsection 3 Special Provisions on the Implementation of a Reorganization Plan

(Special Provisions on Transfers of Business)

Article 349 In the case where the reorganization plan prescribes the transfer or acquisition of the whole or part of the business by the reorganizing company pursuant to the provisions of Article 174, item (vi) of the Corporate Reorganization Act, the provisions of Articles 34 and 35 of the Banking Act do not apply to the reorganizing company.

(Special Provisions on Absorption-Type Mergers)

Article 350 (1) In cases where the Absorption-Type Merger prescribed in Article 343, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there are any provisions on the particulars set forth in item (ii), (a) of that paragraph, the unsecured and secured reorganization creditors become members of the Financial Institution Surviving an Absorption-Type Merger, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the Absorption-Type Merger comes into effect (hereinafter referred to as the "effective date" in this Article).

(2) In cases where the Absorption-Type Merger prescribed in Article 343,

paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Articles 21, 23 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options), and 26 of the Merger and Conversion Act do not apply to the reorganizing company.

- (3) In cases where the Absorption-Type Merger prescribed in Article 343, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, in the cases set forth in each of the following items, the Partner or Member of the Financial Institution Disappearing in an Absorption-Type Merger becomes the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the effective date:
- (i) in cases where there is a provision on the particulars set forth in Article 343, paragraph (2), item (ii), (a), the bondholder of Bonds referred to in (a) of that item;
 - (ii) in cases where there is a provision on the particulars set forth in Article 343, paragraph (2), item (ii), (b), the holder of share options referred to in (b) of that item; and
 - (iii) in cases where there is a provision on the particulars set forth in Article 343, paragraph (2), item (ii), (c), the bondholder of Bonds in relation to bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.
- (4) In the case prescribed in the preceding paragraph, the provisions of Article 28 of the Merger and Conversion Act and the provisions of Articles 23 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options) and 26 of the Merger and Conversion Act as applied mutatis mutandis pursuant to Article 31 of the Merger and Conversion Act do not apply to the reorganizing company.

(Special Provisions on Consolidation-Type Mergers)

- Article 351 (1) In cases where the Consolidation-Type Merger by a reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 344, duties of the organizing committee member concerning the reorganizing company are performed by the trustee.
- (2) In cases where the Consolidation-Type Merger prescribed in Article 344, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there are any provisions on the particulars set forth in item (ii) of that paragraph, the unsecured and secured reorganization creditors become the shareholders of the shares referred to in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the

- Financial Institution Established by Consolidation-Type Merger is established.
- (3) In cases where the Consolidation-Type Merger prescribed in Article 344, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, in the cases set forth in each of the following items, the shareholders or Partners or Members of the Financial Institution Disappearing in a Consolidation-Type Merger become the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the day on which the Financial Institution Established by Consolidation-Type Merger is established:
- (i) in cases where there is a provision on the particulars set forth in Article 344, paragraph (1), item (iv), (a), the bondholder of Bonds referred to in (a) of that item;
 - (ii) in cases where there is a provision on the particulars set forth in Article 344, paragraph (1), item (iv), (b), the holder of share options referred to in (b) of that item; and
 - (iii) in cases where there is a provision on the particulars set forth in Article 344, paragraph (1), item (iv), (c), the bondholder of Bonds in relation to bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.
- (4) In the case prescribed in the preceding paragraph, the provisions of Articles 21, 23 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options) and 26 of the Merger and Conversion Act do not apply to the reorganizing company.
- (5) In cases where the Consolidation-Type Merger prescribed in Article 344, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there are any provisions on the particulars set forth in item (ii) of that paragraph, the unsecured and secured reorganization creditors become members of the Financial Institution Established by Consolidation-Type Merger, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the Financial Institution Established by Consolidation-Type Merger is established.
- (6) In cases where the Consolidation-Type Merger prescribed in Article 344, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Articles 21, 23 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options), and 26 of the Merger and Conversion Act do not apply to the reorganizing company.

(Special Provisions on Conversion)

- Article 352 (1) In cases where the Conversion prescribed in Article 345, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there are any provisions on the particulars set forth in item (iii), (a) of that paragraph, the unsecured and secured reorganization creditors become members of the Converted Shinkin Bank, in accordance with the provisions on the particulars set forth in item (iv) of that paragraph, on the day on which the Conversion comes into effect.
- (2) The provisions of Article 129, paragraphs (1) to (3) and (6) apply mutatis mutandis to the cases where the Conversion prescribed in Article 345, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph. In this case, the phrase "Article 94" in Article 129, paragraphs (1) and (2) is deemed to be replaced with "Article 345, paragraph (1), item (ii)"; the terms ", accounting auditor, liquidator or representative liquidator" in paragraph (1) of that Article and ", accounting auditor or liquidator" in paragraphs (2) and (6) of that Article is deemed to be replaced with "or accounting auditor"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that the Conversion came into effect"; the phrase "Article 94, paragraph (1), item (i) or paragraph (2), item (i)" in paragraph (3) of that Article is deemed to be replaced with "Article 345, paragraph (1), item (ii), (a)"; and the phrase "Representative Board Member or representative liquidator" in that paragraph and paragraph (6) of that Article is deemed to be replaced with "Representative Board Member".
- (3) In cases where the Conversion prescribed in Article 345, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Articles 21, 23 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options), and 26 of the Merger and Conversion Act as applied mutatis mutandis pursuant to Article 58 of the Merger and Conversion Act do not apply.
- (4) The provisions of Article 56, paragraph (6) of the Merger and Conversion Act do not apply to the term of office of any board member and inspector of the Converted Shinkin Bank appointed pursuant to the provisions of paragraph (2).
- (5) The provisions of Article 209, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to the request for reports and inspections to the Converted Shinkin Bank by the trustee and the examiner. In this case, the phrase "Director at Incorporation, Auditor at Incorporation, director, accounting advisor, company auditor, executive officer, accounting auditor, member that executes business" in that paragraph is deemed to be replaced with "board member, inspector, accounting auditor".

(Special Provisions on Receipt of Contributions of a Converted Shinkin Bank)

Article 353 The provisions of Article 133 apply mutatis mutandis to the cases where the reorganization plan specifies that the unsecured and secured reorganization creditors or shareholders are to be granted the right to receive the allotment of Contributions referred to in Article 96, item (v) pursuant to the provisions of that item as applied mutatis mutandis pursuant to Article 345, paragraph (2). In this case, the phrase "reorganizing cooperative financial institution" in Article 133, paragraphs (1) and (3) is deemed to be replaced with "Converted Shinkin Bank"; the phrase "must notify them of the following particulars" in paragraph (1) of that Article is deemed to be replaced with "must notify them of the following particulars and in cases where bearer form Share Option certificates or bearer form bond certificates are issued with regard to the reorganization claim, etc. of the unsecured and secured reorganization creditors that have the relevant rights or where the provisions of Chapter 4 of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. (including as applied mutatis mutandis pursuant to that Act or other laws and regulations) apply, must give a public notice of the following particulars"; the phrase "Partners or Members" in items (i) and (iii) of that paragraph and paragraph (4) of that Article is deemed to be replaced with "shareholders"; the phrase "Article 96, item (v)" in paragraphs (1), items (ii) and (iii), (3), and (4) of that Article is deemed to be replaced with "Article 96, item (v) as applied mutatis mutandis pursuant to Article 345, paragraph (2)"; and the phrase "notice" in paragraphs (2) and (3) of that Article is deemed to be replaced with "notice or public notice".

(Special Provisions on Establishment of a New Cooperative Financial Institution)

Article 354 (1) In cases where the incorporation of a Cooperative Financial Institution is specified in the reorganization plan pursuant to the provisions of Article 103, paragraph (1) as applied mutatis mutandis pursuant to Article 346, the duties of the incorporator concerning the Cooperative Financial Institution (hereinafter referred to as a "New Cooperative Financial Institution" in this Article) are performed by the trustee.

(2) In the case prescribed in the preceding paragraph, the articles of incorporation of the New Cooperative Financial Institution do not come into effect unless the certification of the court has been obtained.

(3) In the case prescribed in paragraph (1), a resolution of the organizational meeting of the New Cooperative Financial Institution may be adopted only if the content of the resolution does not defeat the purpose of the reorganization plan.

- (4) In the case prescribed in paragraph (1), when the New Cooperative Financial Institution is not established, the reorganizing company is responsible for any act performed by the trustee in relation to the incorporation of the New Cooperative Financial Institution pursuant to the provisions of that paragraph and bear the expenses disbursed in relation to the incorporation of the New Cooperative Financial Institution.
- (5) The provisions of Article 129, paragraphs (1) to (3) and (6) apply mutatis mutandis to the appointment or selection and term of office of any board member, inspector, Representative Board Member and accounting auditor in the case prescribed in paragraph (1); the provisions of Article 133 apply mutatis mutandis to cases where the right to receive the allotment of Contributions of the New Cooperative Financial Institution is to be granted to the unsecured and secured reorganization creditors or shareholder; and the provisions of Article 134 apply mutatis mutandis to the receipt of Contributions of the New Cooperative Financial Institution in exchange for the extinction of the right of the unsecured and secured reorganization creditors or shareholder. In this case, the phrase "Article 94" in Article 129, paragraphs (1) and (2) is deemed to be replaced with "Article 103, paragraph (1), item (vii) or (viii) as applied mutatis mutandis pursuant to Article 346"; the phrase ", accounting auditor, liquidator or representative liquidator" in paragraph (1) of that Article and the phrase ", accounting auditor or liquidator" in paragraphs (2) and (6) of that Article is deemed to be replaced with "or accounting auditor"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article and Article 134 is deemed to be replaced with "that the New Cooperative Financial Institution was established"; the phrase "Article 94, paragraph (1), item (i) or paragraph (2), item (i)" in Article 129, paragraph (3) is deemed to be replaced with "Article 103, paragraph (1), item (vii) as applied mutatis mutandis pursuant to Article 346"; the phrase "Representative Board Member or representative liquidator" in that paragraph and paragraph (6) of that Article is deemed to be replaced with "Representative Board Member"; the phrase "Article 96, item (v)" in Article 133, paragraph (1), (3) and (4) is deemed to be replaced with "Article 103, paragraph (1), item (iv) as applied mutatis mutandis pursuant to Article 346"; the phrase "reorganizing cooperative financial institution" in paragraphs (1) and (3) of that Article is deemed to be replaced with "New Cooperative Financial Institution"; the phrase "must notify them of the following particulars" in paragraph (1) of that Article is deemed to be replaced with "must notify them of the following particulars and in cases where bearer form Share Option certificates or bearer form bond certificates are issued with regard to the reorganization claim, etc. of the unsecured and secured reorganization creditors that have the relevant rights or where the provisions of Chapter 4 of the Act on Book-Entry Transfer of Company Bonds,

Shares, etc. (including as applied mutatis mutandis pursuant to that Act or other laws and regulations) apply, must give a public notice of the following particulars"; the phrase "Partners or Members" in items (i) and (iii) of that paragraph is deemed to be replaced with "shareholders"; the phrase "notice" in paragraphs (2) and (3) of that Article is deemed to be replaced with "notice or public notice"; and the terms "Article 97", "or Partners or Members", and "item (ii) of that Article" is deemed to be replaced with "Article 103, paragraph (1), item (ix) as applied mutatis mutandis pursuant to Article 346", "or shareholders" and "that item".

- (6) In the case prescribed in paragraph (1), the provisions of Article 24, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act, Article 22, paragraph (1) and Article 23, paragraphs (2) and (5) of the Shinkin Bank Act or Article 22, paragraph (1) and Article 23, paragraph (2) of the Labor Bank Act do not apply.
- (7) The provisions of Article 209, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to the request for reports and inspections to New Cooperative Financial Institutions by the trustee. In this case, the phrase "Director at Incorporation, Auditor at Incorporation, director, accounting advisor, company auditor, executive officer, accounting auditor, member that executes business" in that paragraph is deemed to be replaced with "board member, inspector, accounting auditor".

(Handling of Severance Pay of Persons Transferred to a Converted Shinkin Bank)

- Article 354-2 (1) A person that was a director, accounting advisor, auditor, representative director, executive officer, representative executive officer, or employee of a reorganizing company after the commencement of reorganization proceedings, retired from the reorganizing company upon entity conversion of the reorganizing company or upon the incorporation of a New Cooperative Financial Institution prescribed in paragraph (1) of the preceding Article as specified in the reorganization plan and successively became a board member, inspector, Representative Board Member, or an employee of the Converted Shinkin Bank or the New Cooperative Financial Institution may not receive the payment of a severance pay from the reorganizing company.
- (2) The period of service of the person prescribed in the preceding paragraph at the reorganizing company for the calculation of severance pay is deemed to be the period of service at the Converted Shinkin Bank or the New Cooperative Financial Institution prescribed in paragraph (1) of the preceding Article.

(Assignment of a Right to Receive the Allotment of Contributions)

Article 354-3 In cases where the right to receive the allotment of Contributions

of a Converted Shinkin Bank or a New Cooperative Financial Institution prescribed in Article 354, paragraph (1) was granted to unsecured and secured reorganization creditors or shareholder as specified in the reorganization plan, the relevant right may be assigned to the Partner or Member or a person that is qualified therefor with the approval of the Converted Shinkin Bank or the New Cooperative Financial Institution.

Subsection 4 Miscellaneous Provisions

(Requesting a Registration for the Implementation of a Reorganization Plan)

Article 355 (1) The provisions of Article 258, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to cases where the implementation of the reorganization plan or the provisions of that Act or the provisions of this Section give rise, before the end of reorganization proceedings, to particulars requiring registration concerning the Converted Shinkin Bank or the Cooperative Financial Institution to be established in accordance with the reorganization plan. In this case, if they give rise to particulars requiring registration concerning particulars set forth in the items of Article 93, paragraph (2) of the Small and Medium-Sized Enterprise Cooperatives Act, the items of Article 74, paragraph (2) of the Shinkin Bank Act, or the items of Article 78, paragraph (2) of the Labor Bank Act, the phrase "head office (if the head office is located in a foreign state, the business office in Japan; the same applies in paragraph (4) and paragraph (1) of the following Article)" in Article 258, paragraph (1) of the Corporate Reorganization Act is deemed to be replaced with "principal office and secondary office".

(2) In applying the provisions of Article 258, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to the preceding paragraph concerning the request for registration of a change in the total number of units or amount of Contribution in a Converted Shinkin Bank, the phrase "without delay" in that paragraph is deemed to be replaced with "as of the last day of each business year, without delay after the last day of the business year".

(Documents to Be Attached to a Written Commission of Registration)

Article 356 Documents and other items to be attached to a paper-based request or paper-based application for registration prescribed in this Section are specified by Cabinet Order.

Section 1-2 Special Provisions on the Reorganization Proceedings of the Shoko Chukin Bank Limited

Article 356-2 In applying the provisions of the Corporate Reorganization Act set forth in the left-hand column of the table below to the Shoko Chukin Bank Limited, the terms and phrases in these provisions set forth in the middle column of that table is deemed to be replaced with the terms and phrases set forth in the right-hand column of that table:

Article 11, paragraph (1)	(including...)	(including...) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions (Act No. 95 of 1996; hereinafter referred to as the "Act on Special Measures")
Article 14	this Act	this Act and Chapter 4, Sections 1-2, 3, and 4 of the Act on Special Measures
Article 77, paragraph (2)	(Article 2, item (iii) of the Companies Act	(Article 23, paragraph (2) of the Shoko Chukin Bank Limited Act (Act No. 74 of 2007)

Section 2 Special Provisions on the Reorganization Proceedings of Stock Companies Carrying on Insurance Business
Subsection 1 General Provisions

(Definitions)

Article 357 (1) The term "reorganization proceedings" as used in this Section means reorganization proceedings as prescribed in Article 2, paragraph (1) of the Corporate Reorganization Act.

(2) The term "reorganizing company" as used in this Section means a reorganizing company as prescribed in Article 2, paragraph (7) of the Corporate Reorganization Act that carries on the Insurance Business.

(3) The term "unsecured and secured reorganization creditors" as used in this Section means unsecured and secured reorganization creditors as prescribed in Article 2, paragraph (13) of the Corporate Reorganization Act.

(4) The term "reorganization plan" as used in this Section means a reorganization plan as prescribed in Article 2, paragraph (2) of the Corporate Reorganization Act.

(5) The term "court" as used in this Section means a court as prescribed in Article 2, paragraph (5) of the Corporate Reorganization Act.

(Application of Provisions of the Corporate Reorganization Act to Stock Companies Carrying on the Insurance Business)

Article 358 In applying the provisions of the Corporate Reorganization Act set forth in the left-hand column of the table below to stock companies carrying on the Insurance Business, the terms and phrases in these provisions set forth in the middle column of that table is deemed to be replaced with the terms and phrases set forth in the right-hand column of that table:

Article 11, paragraph (1)	(including...)	(including...) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions (hereinafter referred to as the "Act on Special Measures")
Article 14	this Act	this Act and Chapter 4, Sections 2, 3, and 6 of the Act on Special Measures
Article 45, paragraph (1)	conduct...	conduct... or conduct the acts listed set forth in the items of Article 197, paragraph (1) of the Special Treatment Act Act on Special Measures with regard to a Mutual Company (meaning a Mutual Company prescribed in Article 2, paragraph (6) of the Special Treatment Act Act on Special Measures; the same shall apply applies hereinafter) formed as a result of an entity conversion of a Company under Reorganization reorganizing company in accordance with the Reorganization Plan (hereinafter referred to as a "Converted Mutual Company").
Article 45, paragraph (1), item (vii)	Membership Company	Membership Company or Mutual Company

	share exchange or share transfer	share exchange (including share exchange on Entity Conversion prescribed in Article 96-5, paragraph (1) of the Insurance Business Act (Act No. 105 of 1995)), share transfer (including share transfer on Entity Conversion prescribed in Article 96-5, paragraph (1) of that Act conducted jointly with a Mutual Company) or transfer of insurance contracts (meaning transfer of insurance contracts prescribed in Article 135, paragraph (1) of that Act (including the cases where applied mutatis mutandis pursuant to Article 272-29 of that Act); the same applies hereinafter)
Article 45, paragraph (2)	reorganizing company	Company under Reorganization reorganizing company or Converted Mutual Company
Article 77, paragraph (2)	subsidiary company (meaning a subsidiary company prescribed in Article 2, item (iii) of the Companies Act	de facto substantive subsidiary company (meaning a de facto substantive subsidiary company prescribed in Article 33-2, paragraph (1) of the Insurance Business Act
Article 81, paragraph (2)	or Reorganization Plan	, Converted Mutual Company or Reorganization Plan
	to a company	to a company or Mutual Company

	interest	interest or membership rights of a Converted Mutual Company or a Mutual Company established in accordance with the Reorganization Plan
Article 167, paragraph (2)	acts set forth in	acts set forth in..., entrustment of business and property administration (meaning entrustment of business and property administration prescribed in 144, paragraph (1) of the Insurance Business Act)
	Establishment	Establishment, the Establishment of a Mutual Company
Article 185, paragraph (1)	to continue to operate	to continue to operate (including cases of entity conversion)
	or the Establishment of a Stock Company	, the Establishment of a Stock Company or Mutual Company or transfer of insurance contracts
Article 199, paragraph (2), item (v)	company	company or Mutual Company
Article 203, paragraph (1), item (iv)	Membership Company	Membership Company or Mutual Company
Article 203, paragraph (1), item (v)	or Article 183	or Article 183
	companies established	companies established or Mutual Companies established in accordance with the Reorganization Plan pursuant to the clauses prescribed in Article 272 of the Act on Special Measures as applied mutatis mutandis pursuant to Article 363 of the Act on Special Measures (hereinafter referred to as "New Mutual Companies")

Article 204, paragraph (1), item (i)	this Act	provisions of this Act or Chapter 4, Section 2 of the Act on Special Measures
Article 206, paragraph (2)	Membership Companies, companies set forth in item (v) of that paragraph	Membership Companies or Mutual Companies, companies set forth in item (v) of that paragraph, or New Mutual Companies
Article 209, paragraph (1)	reorganizing company	reorganizing company (including Converted Mutual Company)
Article 209, paragraph (2)	company	company or New Mutual Company
Article 209, paragraph (3)	company	company or New Mutual Company
Article 209, paragraph (4), item (i)	this Act	provisions of this Act or Chapter 4, Section 2 of the Act on Special Measures
Article 210, paragraph (1)	Stock Company	Stock Company or New Mutual Company
Article 210, paragraph (3)	Articles 828, 829 and Article 846-2	the items of Article 828, paragraph (1) (including the cases where applied mutatis mutandis pursuant to Articles 30-15 and 171 of the Insurance Business Act; hereinafter the same applies in this paragraph) and the items of paragraph (2) of that Article, Article 829, Article 846-2 of the Companies Act and Article 84-2 of the Insurance Business Act
	Stock Company	Stock Company, Converted Mutual Company, or New Mutual Company
	that Act	the Companies Act
	holders of share options	holders of share options, Members, etc. (meaning Members, etc. prescribed in Article 84-2, paragraph (2) of the Insurance Business Act)

	an action seeking invalidation of any of the acts listed in the items of Article 828, paragraph (1) of that Act	a lawsuit for invalidation of any of the acts listed in the items of Article 828, paragraph (1) of that Act, or a lawsuit for nullification of entity conversion prescribed in Article 84-2, paragraph (1) of the Insurance Business Act,
Article 212	the provisions of	the provisions of... and the provisions of Articles 16 and 17 of the Insurance Business Act
Article 220, paragraph (2)	the provisions of	the provisions of... and the provisions of Article 165-24 (excluding paragraph (9)) of the Insurance Business Act
Article 220, paragraph (6)	the provisions of	the provisions of... and the provisions of Article 165-24 (excluding paragraph (9)) of the Insurance Business Act
Article 221, paragraph (2)	the provisions of	the provisions of... and the provisions of Article 165-24 (excluding paragraph (9)) of the Insurance Business Act
Article 222, paragraph (1)	the provisions of	the provisions of... and the provisions of Article 173-4 (excluding paragraphs (10) and (12)) of the Insurance Business Act
Article 222, paragraph (3)	the provisions of	the provisions of... and the provisions of Article 173-4 (excluding paragraphs (10) and (12)) of the Insurance Business Act
Article 223, paragraph (1)	the provisions of	the provisions of... and the provisions of Article 173-4 (excluding paragraphs (10) and (12)) of the Insurance Business Act

Article 232, paragraph (1)	new company	new company or New Mutual Company prescribed in Article 372, paragraph (1) of the Act on Special Measures
	new company	new company or the New Mutual Company
Article 241, paragraph (3)	and this Act	and the provisions of this Act and Chapter 4, Section 2 of the Act on Special Measures
Article 261, paragraph (1)	this Act	provisions of this Act or Chapter 4, Section 2 of the Act on Special Measures
Article 261, paragraph (2)	another company	another company or Mutual Company
Article 261, paragraph (2), item (ii)	companies established	companies or Mutual Companies established
Article 261, paragraph (3)	another company	another company or Mutual Company
Article 261, paragraph (6)	and	, Converted Mutual Company, and
	companies established	companies or Mutual Companies established
Article 264, paragraph (8)	Stock Company	Stock Company or Mutual Company

Subsection 2 Special Provisions on the Provisions of a Reorganization Plan

(Transfer of Insurance Contracts)

Article 359 In the clauses relating to the following acts, the particulars requiring a resolution of a shareholders meeting must be specified if any of these acts is to be carried out when reorganization proceedings have not been commenced:

- (i) making a transfer of insurance contracts or receiving a transfer of insurance contracts; and
- (ii) entrustment of business and property administration.

(Entity Conversion)

Article 360 (1) The following particulars must be specified in the clauses on entity conversion (meaning entity conversion prescribed in Article 68, paragraph (3) of the Insurance Business Act; hereinafter the same applies in

this Section):

- (i) particulars that should be specified in the entity conversion plan;
- (ii) the name or means of appointment and term of office of the directors of the Mutual Company after the entity conversion (hereinafter referred to as a "Converted Mutual Company" in this Section), and, in cases where the Converted Mutual Company is a Company with Supervisory Committee (meaning a Company with Supervisory Committee prescribed in Article 4, paragraph (1), item (iii) of the Insurance Business Act; the same applies in item (d) of the following item), whether or not the director is a Supervisory Committee Member (meaning a Supervisory Committee Member prescribed in Article 2, paragraph (19) of that Act);
- (iii) the particulars specified in (a) to (e) below for the categories of cases respectively prescribed therein:
 - (a) in cases where the Converted Mutual Company is a company with accounting advisors (meaning company with accounting advisors prescribed in Article 5-2, paragraph (1), item (ii) of the Insurance Business Act), the name or means of appointment and term of office of the accounting advisors;
 - (b) in cases where the Converted Mutual Company is a company with company auditors (meaning company with company auditors prescribed in Article 30-18, paragraph (1) of the Insurance Business Act), the name or means of appointment or selection and term of office of the representative director and the company auditors;
 - (c) in cases where the Converted Mutual Company is a company with accounting auditors (meaning company with accounting auditors prescribed in Article 53-22, paragraph (3) of the Insurance Business Act), the name or means of appointment and term of office of the accounting auditors; and
 - (d) in cases where the Converted Mutual Company is a Company with Supervisory Committee, the name or means of appointment and term of office of the representative director;
 - (e) in cases where the Converted Mutual Company is a Company with Nominating Committee, etc. (meaning a Company with Nominating Committee, etc. prescribed in Article 4, paragraph (1), item (iii) of the Insurance Business Act), the name or means of appointment or selection and term of office of the members of each committee (meaning each committee prescribed in Article 53-24, paragraph (1) of that Act), the executive officers, and the representative executive officer;
- (iv) when unsecured and secured reorganization creditors become the fund contributors of the Converted Mutual Company upon its entity conversion, the amount of the funds or the means of calculating the amount; and

(v) in the case prescribed in the preceding item, particulars concerning the allotment of funds referred to in that item to unsecured and secured reorganization creditors.

(2) The provisions of Article 263 and the provisions of Article 264 apply mutatis mutandis to clauses relating to the solicitation of additional funds of a Converted Mutual Company and clauses relating to the solicitation of subscribers for Bonds for subscription of a Converted Mutual Company, respectively. In this case, the phrase "the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 296" in Article 263, item (ii) and Article 264, item (iii) is deemed to be replaced with "the Corporate Reorganization Act"; the phrase "members" in the provisions of Article 263, items (ii) to (iv) and Article 264, items (iii) to (v) is deemed to be replaced with "shareholders"; and the phrase "reorganizing company" in Article 263, item (iii) and Article 264, item (iv) is deemed to be replaced with "Converted Mutual Company".

(Absorption-Type Mergers)

Article 361 (1) The following particulars must specified in the clauses relating to Absorption-Type Merger (limited to Absorption-Type Merger (meaning Absorption-Type Merger prescribed in Article 160 of the Insurance Business Act; hereinafter the same applies in this Section) where the reorganizing company disappears and the company surviving the Absorption-Type Merger (hereinafter referred to as a "Company Surviving an Absorption-Type Merger" in this Section) is a Mutual Company; hereinafter the same applies in this paragraph):

(i) particulars that should be specified in the Absorption-Type Merger Agreement;

(ii) when unsecured and secured reorganization creditors become the fund contributors of the Company Surviving an Absorption-Type Merger upon an Absorption-Type Merger, the amount of the funds or the means of calculating the amount; and

(iii) in the case prescribed in the preceding item, particulars concerning the allotment of funds referred to in that item to unsecured and secured reorganization creditors.

(2) The following particulars must be specified in the clauses relating to Absorption-Type Merger (limited to Absorption-Type Merger where the reorganizing company becomes the Company Surviving an Absorption-Type Merger; hereinafter the same applies in this paragraph):

(i) particulars that should be specified in the Absorption-Type Merger Agreement;

(ii) when a reorganizing company delivers its Bonds, etc. (meaning Bonds or

share options; hereinafter the same applies in this Section) to fund contributors or members of the company that disappears as a result of the Absorption-Type Merger (hereinafter referred to as a "Company Disappearing in an Absorption-Type Merger" in this Section) at the time of the Absorption-Type Merger, the following particulars concerning the Bonds, etc.:

- (a) when the Bonds, etc. are the bonds of the reorganizing company (other than one with regard to bonds with share options), the classes of the bonds, and the total amount of the Bonds for each class or the means of calculating the amount;
- (b) when the Bonds, etc. are the share options of the reorganizing company (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and
- (c) when the Bonds, etc. are the bonds with share options of the reorganizing company, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
- (iii) in the case prescribed in the preceding item, particulars concerning the allotment of Bonds, etc. referred to in that item to fund contributors or members of the Company Disappearing in an Absorption-Type Merger.

(Consolidation-Type Mergers)

Article 362 (1) The following particulars must be specified in the clauses relating to Consolidation-Type Merger (limited to Consolidation-Type Merger (meaning Consolidation-Type Merger prescribed in Article 161, paragraph (1) of the Insurance Business Act; hereinafter the same applies in this Section) where the reorganizing company disappears and the company established by the Consolidation-Type Merger (hereinafter referred to as a "Company Established by Consolidation-Type Merger" in this Section) is a Stock Company; hereinafter the same applies in this paragraph):

- (i) particulars that should be specified in the Consolidation-Type Merger Agreement;
- (ii) when a Company Established by Consolidation-Type Merger delivers its shares to unsecured and secured reorganization creditors at the time of the Consolidation-Type Merger, the number of the shares (in the case of a company with class shares, the classes of shares and the number of shares for each class) or the means of calculating the number, and particulars concerning the amount of the stated capital and reserve funds of the Company Established by Consolidation-Type Merger;
- (iii) in the case prescribed in the preceding item, particulars concerning the allotment of shares referred to in that item to unsecured and secured

- reorganization creditors;
- (iv) when a Company Established by Consolidation-Type Merger delivers its Bonds, etc. to shareholders or fund contributors or members of a company that disappears as a result of the Consolidation-Type Merger (hereinafter referred to as a "Company Disappearing in a Consolidation-Type Merger" in this Section) at the time of the Consolidation-Type Merger, the following particulars concerning the Bonds, etc.:
 - (a) when the Bonds, etc. are the bonds of the Company Established by Consolidation-Type Merger (other than one with regard to bonds with share options), the classes of the bonds, and the total amount of the Bonds for each class or the means of calculating the amount;
 - (b) when the Bonds, etc. are the share options of the Company Established by Consolidation-Type Merger (other than one attached to bonds with share options), the description and number of the share options or the means of calculating the number; and
 - (c) when the Bonds, etc. are the bonds with share options of the Company Established by Consolidation-Type Merger, particulars prescribed in (a) concerning the relevant bonds with share options and particulars prescribed in (b) concerning share options attached to the relevant bonds with share options;
 - (v) in the case prescribed in the preceding item, particulars concerning the allotment of Bonds, etc. referred to in that item to shareholders or fund contributors or members of the Company Disappearing in a Consolidation-Type Merger.
- (2) The following particulars must be specified in the clauses relating to Consolidation-Type Merger (limited to Consolidation-Type Merger where the reorganizing company disappears and the Company Established by the Consolidation-Type Merger is a Mutual Company; hereinafter the same applies in this paragraph):
- (i) particulars that should be specified in the Consolidation-Type Merger Agreement;
 - (ii) when unsecured and secured reorganization creditors become the fund contributors of the Company Established by Consolidation-Type Merger upon a Consolidation-Type Merger, the amount of the funds or the means of calculating the amount; and
 - (iii) in the case prescribed in the preceding item, particulars concerning the allotment of funds referred to in that item to unsecured and secured reorganization creditors;
 - (iv) when a Company Established by Consolidation-Type Merger delivers its bonds to the members of the Company Disappearing in a Consolidation-Type Merger at the time of the Consolidation-Type Merger, the classes of the

- bonds, and the total amount of the bonds for each class or the means of calculating the amount; and
- (v) in the case prescribed in the preceding item, particulars concerning the allotment of Bonds referred to in that item to members of the Company Disappearing in a Consolidation-Type Merger.

(Establishment of a New Mutual Company)

Article 363 The provisions of Article 272 apply mutatis mutandis to the clauses concerning the Establishment of a Mutual Company in the reorganization proceedings of stock companies carrying on the Insurance Business. In this case, the phrase "Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 296" in item (iii) of that Article is deemed to be replaced with "Corporate Reorganization Act" and the phrase "members" in that item to item (v) of that Article inclusive and item (xi) of that Article is deemed to be replaced with "shareholders".

Article 364 Deleted

Article 365 Deleted

Subsection 3 Special Provisions on the Implementation of a Reorganization Plan

(Special Provisions on the Transfer of Insurance Contracts)

Article 366 The provisions of Article 302, paragraphs (1) and (2) apply mutatis mutandis to the cases where the acts set forth in Article 359, item (i) by a reorganizing company are specified in the reorganization plan.

(Special Provisions on Entity Conversion)

- Article 367 (1) In cases where the entity conversion of the reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 360, paragraph (1), if there are any provisions on the particulars set forth in item (iv) of that paragraph, the unsecured and secured reorganization creditors become the fund contributors referred to in item (iv) of that paragraph, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the day on which the entity conversion comes into effect.
- (2) The provisions of Article 299, paragraphs (1) to (3) and (6) apply mutatis mutandis to the cases where the entity conversion of the reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 360, paragraph (1). In this case, the phrase "Article 261" in Article 299, paragraphs (1) and (2) is deemed to be replaced with "Article 360, paragraph (1), item (ii)

or (iii)"; the terms ", accounting auditor, liquidator or representative liquidator" in paragraph (1) of that Article and ", accounting auditor or liquidator" in paragraphs (2) and (6) of that Article is deemed to be replaced with "or accounting auditor"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that the entity conversion came into effect"; the phrase "Article 261, paragraph (1), items (i) to (iii) or (vii) or paragraph (2), item (ii)" in paragraph (3) of that Article is deemed to be replaced with "Article 360, paragraph (1), item (iii), (b), (d) or (e)"; and the phrase ", representative executive officer or representative liquidator" in that paragraph and paragraph (6) of that Article is deemed to be replaced with "or representative executive officer".

(3) In cases where the entity conversion of the reorganizing company is specified in the reorganization plan pursuant to the provisions of Article 360, paragraph (1), the provisions of Article 740 of the Companies Act and the provisions of Article 69-2, Article 70, and Articles 72 to 79 of the Insurance Business Act do not apply.

(4) The provisions of Article 209, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to the request for reports and inspections to a Converted Mutual Company by the trustee and the examiner. In this case, the terms "Director at Incorporation, Auditor at Incorporation, director" and "accounting auditor, member that executes business" in that paragraph is deemed to be replaced with "director" and "accounting auditor", respectively.

(Special Provisions on Solicitation of Additional Funds of Converted Mutual Company)

Article 368 The provisions of Article 303 apply mutatis mutandis to the cases where the reorganization plan specifies that the unsecured and secured reorganization creditors or shareholders are to be granted the right to receive the allotment of Contribution to the funds of the Converted Mutual Company pursuant to the provisions of Article 263, item (iii) as applied mutatis mutandis pursuant to Article 360, paragraph (2). In this case, the phrase "reorganizing company" in Article 303, paragraphs (1) and (3) is deemed to be replaced with "Converted Mutual Company"; the terms "bearer form" and "Chapter 4 of that Act as applied mutatis mutandis pursuant to Article 117" in paragraph (1) of that Article is deemed to be replaced with "bearer form Share Option certificates or bearer form" and "Chapter 4", respectively; the phrase "members" in item (i) of that paragraph and paragraph (4) of that Article is deemed to be replaced with "shareholders"; and the phrase "Article 263, item (iii)" in paragraphs (1), items (ii) and (iii), (3) and (4) of that Article is deemed to be replaced with "Article 263, item (iii) as applied mutatis mutandis pursuant to Article 360, paragraph (2)".

(Special Provisions on Solicitation of Subscribers for Bonds for Subscription of a Converted Mutual Company)

Article 369 The provisions of Article 217 of the Corporate Reorganization Act apply *mutatis mutandis* to the cases where the reorganization plan specifies that the unsecured and secured reorganization creditors or shareholders are to be granted the right to receive the allotment of Bonds for subscription referred to in Article 264, item (iv) pursuant to the provisions of that item as applied *mutatis mutandis* pursuant to Article 360, paragraph (2). In this case, the phrase "reorganizing company" in Article 217, paragraphs (1) and (3) is deemed to be replaced with "Converted Mutual Company"; and the phrase "Article 177, item (iv)" in paragraphs (1), items (ii) and (iii), (3), and (4) of that Article is deemed to be replaced with "Article 264, item (iv) of the Act on Special Measures as applied *mutatis mutandis* pursuant to Article 360, paragraph (2) of the Act on Special Measures".

(Special Provisions on Absorption-Type Mergers)

Article 370 (1) In cases where the Absorption-Type Merger prescribed in Article 361, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there are any provisions on the particulars set forth in item (ii) that paragraph, the unsecured and secured reorganization creditors become the fund contributors prescribed in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the Absorption-Type Merger comes into effect (hereinafter referred to as the "effective date" in this Article).

(2) In cases where the Absorption-Type Merger prescribed in Article 361, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 740 of the Companies Act and the provisions of Articles 165-2, 165-3-2, 165-4 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options), and 165-7 of the Insurance Business Act do not apply to the reorganizing company.

(3) In cases where the Absorption-Type Merger prescribed in Article 361, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, in the cases set forth in each of the following items, the fund contributors or members of the Company Disappearing in an Absorption-Type Merger become the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the effective date:

(i) in cases where there is a provision on the particulars set forth in Article 361,

- paragraph (2), item (ii), (a), the bondholder of Bonds referred to in (a) of that item;
- (ii) in cases where there is a provision on the particulars set forth in Article 361, paragraph (2), item (ii), (b), the holder of share options referred to in (b) of that item; and
- (iii) in cases where there is a provision on the particulars set forth in Article 361, paragraph (2), item (ii), (c), the bondholder of Bonds in relation to bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.
- (4) In the case prescribed in the preceding paragraph, the provisions of Article 740 of the Companies Act, the provisions of Articles 165-9 and 165-11-2 of the Insurance Business Act, and the provisions of Articles 165-4 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options) and 165-7 of that Act as applied mutatis mutandis pursuant to Article 165-12 of that Act do not apply to the reorganizing company.

(Special Provisions on Consolidation-Type Mergers)

- Article 371 (1) In cases where the Consolidation-Type Merger prescribed in Article 362, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there are any provisions on the particulars set forth in item (ii) of that paragraph, the unsecured and secured reorganization creditors become the shareholders of shares referred to in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the Company Established by Consolidation-Type Merger is established.
- (2) In cases where the Consolidation-Type Merger prescribed in Article 362, paragraph (1) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, in the cases set forth in each of the following items, the shareholders or contributors to the funds or members of the Company Disappearing in a Consolidation-Type Merger become the persons prescribed in the respective items, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the day on which the Company Established by Consolidation-Type Merger is established:
- (i) in cases where there are any provisions on the particulars set forth in Article 362, paragraph (1), item (vi), (a), the bondholder of Bonds referred to in (a) of that item;
- (ii) in cases where there are any provisions on the particulars set forth in Article 362, paragraph (1), item (vi), (b), the holder of share options referred

- to in (b) of that item; and
- (iii) in cases where there are any provisions on the particulars set forth in Article 362, paragraph (1), item (vi), (c), the bondholder of Bonds in relation to bonds with share options referred to in (c) of that item and the holder of share options attached to the bonds with share options.
- (3) In the case prescribed in the preceding paragraph, the provisions of Article 740 of the Companies Act and the provisions of Articles 165-2, 165-3-2, 165-4 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options), and 165-7 of the Insurance Business Act do not apply to the Companies under Reorganization.
- (4) In cases where the Consolidation-Type Merger prescribed in Article 362, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there are any provisions on the particulars set forth in item (ii) of that paragraph, the unsecured and secured reorganization creditors become the fund contributors referred to in item (ii) of that paragraph, in accordance with the provisions on the particulars set forth in item (iii) of that paragraph, on the day on which the Company Established by Consolidation-Type Merger is established.
- (5) In cases where the Consolidation-Type Merger prescribed in Article 362, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, if there are any provisions on the particulars set forth in item (iv) of that paragraph, members of the Company Disappearing in a Consolidation-Type Merger become the bondholders of Bonds referred to in item (iv) of that paragraph, in accordance with the provisions on the particulars set forth in item (v) of that paragraph, on the day on which the Company Established by Consolidation-Type Merger is established.
- (6) In cases where the Consolidation-Type Merger prescribed in Article 362, paragraph (2) by a reorganizing company is specified in the reorganization plan pursuant to the provisions of that paragraph, the provisions of Article 740 of the Companies Act and the provisions of Articles 165-2, 165-3-2, 165-4 (excluding the part in relation to the notice to registered pledgees of shares and registered pledgees of share options), and 165-7 of the Insurance Business Act do not apply to the reorganizing company.

(Special Provisions on Establishment of a New Mutual Company)

Article 372 (1) In cases where the Establishment of a Mutual Company is specified in the reorganization plan pursuant to the provisions of the main clause of Article 272 as applied mutatis mutandis pursuant to Article 363, duties of the incorporator concerning the Mutual Company (hereinafter referred to as a "New Mutual Company" in this Article) are performed by the

trustee.

- (2) In the case prescribed in the preceding paragraph, the articles of Establishment of the New Mutual Company do not come into effect unless the certification of the court has been obtained.
- (3) In the case prescribed in paragraph (1), a resolution of the organizational meeting of the New Mutual Company may be adopted only if the content of the resolution does not defeat the purpose of the reorganization plan.
- (4) In the case prescribed in paragraph (1), when the New Mutual Company is not established, the reorganizing company is responsible for any act performed by the trustee in relation to the Establishment of the New Mutual Company pursuant to the provisions of that paragraph and bears the expenses disbursed in relation to the Establishment of the New Mutual Company.
- (5) The provisions of Article 299, paragraph (1) to (3) apply mutatis mutandis to the appointment or selection of any Director at Incorporation, etc. (meaning Director at Incorporation, etc. prescribed in Article 272, item (ix) as applied mutatis mutandis pursuant to Article 363; hereinafter the same applies in this paragraph) in the case prescribed in paragraph (1); the provisions of Article 299, paragraph (6) apply mutatis mutandis to the term of office of directors, etc. of the New Mutual Company in cases where any Director at Incorporation, etc. of the New Mutual Company become the directors, etc. of the New Mutual Company (meaning directors, etc. of the New Mutual Company prescribed in that item; hereinafter the same applies in this paragraph) after the Establishment of the New Mutual Company; the provisions of Article 303 apply mutatis mutandis to cases where the right to receive the allotment of Contributions to the fund of the New Mutual Company is to be granted to the unsecured and secured reorganization creditors or shareholder; the provisions of Article 304 apply mutatis mutandis to the solicitation of subscribers for Bonds for Subscription of the New Mutual Company; and the provisions of Article 305 apply mutatis mutandis to the allotment of Contributions to the fund or the issue of Bonds at the time of Establishment of the New Mutual Company in exchange for the extinction of the right of the unsecured and secured reorganization creditors or shareholder. In this case, the phrase "Article 261" in Article 299, paragraph (1) and (2) is deemed to be replaced with "Article 272, item (vii) or (viii) as applied mutatis mutandis pursuant to Article 363"; the phrase "of the order confirming the reorganization plan" in paragraph (1) of that Article is deemed to be replaced with "that the New Mutual Company was established"; the terms "Article 261, paragraph (1), items (i) to (iii) or (vii) or paragraph (2), item (ii)" in paragraph (3) of that Article is deemed to be replaced with "Article 272, item (viii), (b), (d) or (e) as applied mutatis mutandis pursuant to Article 363"; the phrase "Article 263, item (iii)" in Article 303, paragraphs (1), (3) and (4) is deemed to be replaced

with "Article 272, item (iv) as applied mutatis mutandis pursuant to Article 363"; the phrase "reorganizing company" in paragraphs (1) and (3) of that Article and Article 304, paragraphs (1) and (3) is deemed to be replaced with "New Mutual Company"; the terms "bearer form" and "Chapter 4 of that Act as applied mutatis mutandis pursuant to Article 117" in Article 303, paragraph (1) and Article 304, paragraph (1) is deemed to be replaced with "bearer form Share Option certificates or bearer form" and "Chapter 4", respectively; the phrase "member" in Article 303, paragraph (1), item (i) and paragraph (4), Article 304, paragraphs (1) and (4), and Article 305 is deemed to be replaced with "shareholder"; the phrase "Article 264, item (iv)" in Article 304, paragraphs (1), (3) and (4) is deemed to be replaced with "Article 272, item (x) as applied mutatis mutandis pursuant to Article 363"; the phrase "of the order confirming the reorganization plan" in Article 305 is deemed to be replaced with "that the New Mutual Company was established"; the terms "Article 265, paragraph (1)" in paragraph (1) of that Article and "Article 265, paragraph (2)" in paragraph (2) of that Article is deemed to be replaced with "Article 272, item (xi) as applied mutatis mutandis pursuant to Article 363"; and the terms "item (iii) of that paragraph" in paragraph (1) of that Article and "item (vii) of that paragraph" in paragraph (2) of that Article is deemed to be replaced with "that item".

(6) In the case prescribed in paragraph (1), the provisions of Article 22, paragraph (2), Article 23, paragraph (1), item (ix) and paragraph (4), Article 24, paragraph (2), Article 28, paragraph (1), items (i) (limited to the part in relation to the name of the notary) and (ii) (limited to the part in relation to the particulars set forth in Article 23, paragraph (1), item (ix) of the Insurance Business Act), Article 30-7, paragraph (1), item (i) (limited to the part in relation to the name of the notary) and (ii) (limited to the part in relation to Article 23, paragraph (1), item (ix) of that Act), Article 30-8, paragraph (1), Article 30-10, paragraphs (1) and (8), Article 30-11 (limited to the part in relation to the particulars set forth in paragraph (1), items (i) and (ii) of that Article) and Article 30-14 of the Insurance Business Act do not apply.

(7) The provisions of Article 209, paragraph (3) of the Corporate Reorganization Act apply mutatis mutandis to the request for reports and inspections to a New Mutual Company by the trustee. In this case, the terms "accounting auditor, member that executes business" in that paragraph is deemed to be replaced with "accounting auditor".

(Handling of Severance Pay of Persons Transferred to a Converted Mutual Company)

Article 373 (1) A person that was a director, accounting advisor, auditor, representative director, executive officer, representative executive officer, or

employee of a reorganizing company after the commencement of reorganization proceedings, retired from the reorganizing company upon its entity conversion or upon the Establishment of a New Mutual Company prescribed in paragraph (1) of the preceding Article as specified in the reorganization plan and successively became a director, accounting advisor, auditor, representative director, executive officer, representative executive officer, or an employee of the Converted Mutual Company or the New Mutual Company may not receive the payment of severance pay from the reorganizing company.

- (2) The period of service of the person prescribed in the preceding paragraph at the reorganizing company for the calculation of severance pay is deemed to be the period of service at the Converted Mutual Company or the New Mutual Company prescribed in paragraph (1) of the preceding Article.

(Assignment of the Right to Receive the Allotment of Contributions to Funds)

Article 373-2 In cases where the right to receive the allotment of Contribution to the funds or Bonds for subscription of a Converted Mutual Company or New Mutual Company prescribed in Article 372, paragraph (1) was granted to unsecured and secured reorganization creditors or shareholders as specified in the reorganization plan, the relevant right may be assigned to another person.

Subsection 4 Miscellaneous Provisions

(Requesting a Registration for the Implementation of a Reorganization Plan)

Article 374 The provisions of Article 258, paragraph (1) of the Corporate Reorganization Act apply mutatis mutandis to cases where the implementation of the reorganization plan or the provisions of that Act or the provisions of this Section give rise, before the end of reorganization proceedings, to particulars requiring registration concerning the Converted Mutual Company or the Mutual Company to be established in accordance with the reorganization plan. In this case, if they give rise to particulars requiring registration concerning particulars set forth in the items of Article 930, paragraph (2) of the Companies Act as applied mutatis mutandis pursuant to Article 64, paragraph (3) of the Insurance Business Act, the phrase "head office (if the head office is located in a foreign state, the business office in Japan; the same applies in paragraph (4) and paragraph (1) of the following Article)" in Article 258, paragraph (1) of the Corporate Reorganization Act is deemed to be replaced with "principal office and secondary office".

(Documents to Be Attached to a Written Commission of a Registration)

Article 375 Documents and other items to be attached to a paper-based request or paper-based application for registration prescribed in this Section are

specified by Cabinet Order.

Section 3 Petitions to Commence Reorganization Proceedings or Other Such Procedures by the Supervisory Agency

(Definitions)

Article 376 The terms "reorganization proceedings", "reorganization case", "unsecured and secured reorganization creditors", "court", "an unsecured or secured reorganization claim", "reorganization creditors", "a reorganization claim", or "reorganization plan" as used in this Section to Section 6 mean: with regard to stock companies, reorganization proceedings, reorganization case, unsecured and secured reorganization creditors, court, an unsecured or secured reorganization claim, reorganization creditors, a reorganization claim, or reorganization plan, respectively, prescribed in Article 2 of the Corporate Reorganization Act; with regard to Cooperative Financial Institutions, reorganization proceedings, reorganization case, unsecured and secured reorganization creditors, court, an unsecured or secured reorganization claim, reorganization creditors, a reorganization claim, or reorganization plan, respectively, prescribed in Article 4; and with regard to Mutual Companies, reorganization proceedings, reorganization case, unsecured and secured reorganization creditors, court, an unsecured or secured reorganization claim, reorganization creditors, a reorganization claim, or reorganization plan, respectively, prescribed in Article 169.

(Petitions to Commence Reorganization Proceedings or Other Such Procedures)

Article 377 (1) When a fact constituting grounds for the commencement of bankruptcy proceedings is likely to arise in relation to a Financial Institution, Foreign Bank (meaning the Foreign Bank prescribed in Article 10, paragraph (2), item (viii) of the Banking Act; the same applies hereinafter) in relation to Foreign Bank Branch, Bank Holding Company, Long-Term Credit Bank Holding Company, Financial Instruments Business Operator (meaning the Financial Instruments Business Operator prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act), Designated Parent Company, Insurance Company, Insurance Holding Company or Small Amount and Short Term Insurance Provider (hereinafter referred to as a "financial institution or similar entity" in this Section), the Supervisory Agency may file a petition to commence reorganization proceedings of the financial institution or similar entity.

(2) When the Supervisory Agency finds that the maintenance of an orderly credit system may be materially affected if it files a petition to commence reorganization proceedings of a Financial Institution, Foreign Bank in relation

to Foreign Bank Branch, Bank Holding Company or Long-Term Credit Bank Holding Company pursuant to the provisions of the preceding paragraph, it must consult in advance with the Minister of Finance about measures necessary for the maintenance of an orderly financial system; provided, however, that this does not apply to the cases where the petition to commence reorganization proceedings is for the Shoko Chukin Bank Limited.

- (3) When the Supervisory Agency finds that continuing the smooth distribution of securities may be significantly affected if it files a petition to commence reorganization proceedings of a Financial Instruments Business Operator or Designated Parent Company pursuant to the provisions of paragraph (1), it must consult in advance with the Minister of Finance about measures necessary for continuing the smooth distribution of securities.
- (4) When the Supervisory Agency finds that the maintenance of the reliability of the Insurance Business may be materially affected if it files a petition to commence reorganization proceedings of an Insurance Company, Insurance Holding Company or Small Amount and Short Term Insurance Provider pursuant to the provisions of paragraph (1), it must consult in advance with the Minister of Finance about measures necessary for maintaining the reliability of the Insurance Business.
- (5) In cases where the Supervisory Agency files a petition to commence reorganization proceedings pursuant to the provisions of paragraph (1), the provisions of Article 20, paragraph (1) (including as applied mutatis mutandis pursuant to Articles 18 and 183) of the Corporate Reorganization Act do not apply.
- (6) The provisions of Article 22, paragraph (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Articles 18 and 183) apply mutatis mutandis to the cases where the Supervisory Agency files a petition to commence reorganization proceedings pursuant to the provisions of paragraph (1).

(Appeals Against an Order to Dismiss with Prejudice on the Merits Petitions to Commence Reorganization Proceedings)

Article 378 Notwithstanding the provisions of the first sentence of Article 9 of Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Articles 9 and 174), the Supervisory Agency may file an immediate appeal against an order to dismiss with prejudice on the merits a petition to commence reorganization proceedings filed pursuant to the provisions of paragraph (1) of the preceding Article.

(Notice to the Supervisory Agency)

Article 379 The court clerk must notify the Supervisory Agency when a petition

to commence the reorganization proceedings of a financial institution or similar entity is filed (unless the Supervisory Agency filed the petition to commence reorganization proceedings pursuant to the provisions of Article 377, paragraph (1)).

(Petition for an Order to Stay Other Procedures)

- Article 380 (1) When a petition to commence reorganization proceedings of a financial institution or similar entity is filed, the Supervisory Agency may file a petition under the provisions of Article 24, paragraph (1) or Article 25, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act).
- (2) In the case prescribed in the preceding paragraph, the Supervisory Agency may, notwithstanding the provisions of the first sentence of Article 9 of the Corporate Reorganization Act, file an immediate appeal against a stay order under the provisions of Article 24, paragraph (1) or (2) of that Act (including as applied mutatis mutandis pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act); an order under the provisions of Article 24, paragraph (4) of that Act (including as applied mutatis mutandis pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act); an revocation order under the provisions of Article 24, paragraph (5) of that Act (including as applied mutatis mutandis pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act); an prohibition order under the provisions of Article 25, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act).

paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act); an order under the provisions of Article 25, paragraph (4) of that Act (including as applied mutatis mutandis pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act); and an revocation order under the provisions of Article 25, paragraph (5) of that Act (including as applied mutatis mutandis pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act) or a judicial decision on a petition under the provisions of Article 27, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act).

- (3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Petition for a Provisional Remedy or Other Measures)

Article 381 (1) When a petition to commence reorganization proceedings of a financial institution or similar entity is filed, the Supervisory Agency may file a petition under the provisions of Article 28, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 20 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 185 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act; the same applies in the following paragraph).

- (2) In the case prescribed in the preceding paragraph, the Supervisory Agency, notwithstanding the provisions of the first sentence of Article 9 of the Corporate Reorganization Act, may file an immediate appeal against a provisional remedy under the provisions of Article 28, paragraph (1) of that Act or an order under the provisions of paragraph (2) of that Article (including as applied mutatis mutandis pursuant to Article 20 (including as applied mutatis

mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 185 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act).

(3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Petition for a Provisional Administration Order)

Article 382 (1) When a petition to commence reorganization proceedings of a financial institution or similar entity is filed, the Supervisory Agency may file a petition under the provisions of Article 22, paragraph (1) (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 31; the same applies in the following paragraph) or Article 187, paragraph (1) (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196; the same applies in the following paragraph), or Article 30, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act; the same applies in the following paragraph).

(2) In the case prescribed in the preceding paragraph, the Supervisory Agency, notwithstanding the provisions of the first sentence of Article 9 of the Corporate Reorganization Act, may file an immediate appeal against a disposition under the provisions of Article 22, paragraph (1) or Article 187, paragraph (1) or Article 30, paragraph (1) of that Act or an order under the provisions of Article 30, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 22, paragraph (3) (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 187, paragraph (3) (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act).

(3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Petition for a Supervision Order)

Article 383 (1) When a petition to commence reorganization proceedings of a financial institution or similar entity is filed, the Supervisory Agency may file a petition under the provisions of Article 25, paragraph (1) (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 31; the same applies in the following paragraph) or Article 190 (including as

applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196; the same applies in the following paragraph), or Article 35, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act; the same applies in the following paragraph).

- (2) In the case prescribed in the preceding paragraph, the Supervisory Agency, notwithstanding the provisions of the first sentence of Article 9 of the Corporate Reorganization Act, may file an immediate appeal against a disposition under the provisions of Article 25, paragraph (1) or Article 190, paragraph (1) or Article 35, paragraph (1) of that Act or an order under the provisions of Article 35, paragraph (4) of that Act (including as applied mutatis mutandis pursuant to Article 25, paragraph (3) (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 190, paragraph (3) (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196), and Article 44, paragraph (2) of that Act).
- (3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Special Provisions on Notice of a Reorganization Case)

Article 383-2 For the purpose of application of the provisions of Article 42, paragraph (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Articles 31 and 196) to reorganization cases in relation to financial institution or similar entity, the number of known unsecured and secured reorganization creditors is deemed to be 1,000 or more.

Section 4 Authority of the Deposit Insurance Corporation of Japan

(Special Provisions on Cases Where a Period for Filing Is Specified)

Article 384 If the court intends to issue an order commencing reorganization proceedings of a Financial Institution, it must hear the opinion of the Deposit Insurance Corporation of Japan (hereinafter referred to as a "Corporation") in advance about the period during which a proof of an unsecured or secured reorganization claim should be filed as specified pursuant to the provisions of Article 42, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 31).

(Special Provisions on a Notice of a Comprehensive Prohibition Order)

Article 385 (1) When an order under the provisions of Article 26, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis

pursuant to Article 19 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 31) and Article 44, paragraph (2) of that Act; hereinafter the same applies in this Article) is made against a Financial Institution, the notice under the provisions of Article 26, paragraph (1) of that Act is not required to be given to the depositors and similar creditors (meaning creditors in relation to Deposits and Other Claims; the same applies hereinafter) that would have become reorganization creditors if an order commencing reorganization proceedings had been made against the Financial Institution.

(2) In the case prescribed in the preceding paragraph, a notice of the main text of the order under Article 26, paragraph (1) of the Corporate Reorganization Act must be given to the Corporation.

(Special Provisions on Notice of an Order Commencing Reorganization Proceedings)

Article 386 (1) When an order commencing reorganization proceedings has been made against a Financial Institution, the notice under the provisions of Article 43, paragraph (3), item (i) (including as applied mutatis mutandis pursuant to Article 31) of that Act is not required to be given to depositors and similar creditors that are reorganization creditors.

(2) In the case prescribed in the preceding paragraph, a notice to the Corporation of the particulars of which a public notice must be made pursuant to the provisions of Article 43, paragraphs (1) and (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 31) must be given.

(3) In reorganization proceedings of a Financial Institution, where there is a change to the particulars referred to in Article 43, paragraph (1), item (ii) or (iii) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 31; the same applies in the following paragraph) before the schedule of depositors is submitted pursuant to the provisions of Article 392, paragraph (1) (for the particulars referred to in that item, limited to cases where there is any change to the period for which an unsecured or secured reorganization claim should be filed) or where an order to revoke the order commencing reorganization proceedings becomes final and binding, the notice under the provisions of Article 43, paragraph (3), item (i) of that Act as applied mutatis mutandis pursuant to Article 43, paragraph (5) of that Act (including as applied mutatis mutandis pursuant to Article 31) or the provisions of the main clause of Article 44, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 31) is not required to be given to depositors and similar creditors that are reorganization creditors and have not filed the particulars specified in the provisions of Article 138, paragraph (1)

of that Act (including as applied mutatis mutandis pursuant to Article 81).

(4) In the case prescribed in the preceding paragraph, a notice to the Corporation of the details of the change to the particulars referred to in Article 43, paragraph (1), item (ii) or (iii) of the Corporate Reorganization Act (for the particulars referred to in that item, limited to the period for which an unsecured or secured reorganization claim should be filed) or the main text of the order to revoke the order commencing reorganization proceedings must be given; provided, however, that this does not apply to the case where an order under Article 42, paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 31) is made.

(Business Transfers)

Article 387 The court, when granting the permission referred to in Article 33, paragraph (2) or Article 46, paragraph (2) of the Corporate Reorganization Act in reorganization proceedings of a Financial Institution, must hear the opinion of the Corporation.

(Meeting for Reporting the Status of Assets)

Article 388 In a meeting of persons concerned prescribed in Article 85, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 56) in reorganization proceedings of a Financial Institution, the court must hear the opinion of the Corporation about the appointment of a trustee and the particulars concerning the business and assets management of the Financial Institution.

(Notice of the Date of a Meeting of Persons Concerned)

Article 389 A court clerk must, where a meeting of persons concerned is convened before the expiration of the period for filing a proof of claim (meaning period for filing a proof of claim prescribed in Article 138, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 81); hereinafter the same applies in this Section) in reorganization proceedings of a Financial Institution, give a notice to the Corporation of the date of the meeting of persons concerned; provided, however, that this does not apply to the case where an order under Article 42, paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 31) is made.

(Reorganization Creditors Committees)

Article 390 (1) For the purpose of application of the provisions of Article 67, paragraph (1) and Article 117, paragraph (1) of the Corporate Reorganization Act and paragraph (4) of that Article (including as applied mutatis mutandis pursuant to Article 67, paragraph (1); hereinafter the same applies in this

paragraph) before the submission of the schedule of depositors by the Corporation pursuant to the provisions of Article 392, paragraph (1), the phrase "of reorganization creditors" in Article 67, paragraph (1) and Article 117, paragraph (1) of that Act is deemed to be replaced with "of reorganization creditors (including the Deposit Insurance Corporation of Japan)" and the phrase "petition by reorganization creditors" in paragraph (4) of that Article is deemed to be replaced with "petition by reorganization creditors (including the Deposit Insurance Corporation of Japan)".

- (2) The provisions of Article 396 apply mutatis mutandis to the cases where the Corporation is a member of the reorganization creditors committee prescribed in Article 117, paragraph (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 67, paragraph (1)). In this case, the phrase "Depositors Represented by the Corporation" in Article 396 is deemed to be replaced with "depositors and similar creditors"

(Preparation and Public Inspection of a Depositor Schedule)

Article 391 (1) The Corporation must, upon receiving the notice under Article 386, paragraph (2), prepare a schedule of depositors stating the particulars prescribed in Article 86, paragraph (2) or Article 144, paragraph (2) of the Corporate Reorganization Act with respect to the Deposits and Other Claims that are known a reorganization claim (other than one whose creditor is the Corporation), without delay.

- (2) When the Corporation has prepared a schedule of depositors, it must immediately give a public notice to that effect and of the place where it is made available for public inspection and make the schedule of depositors available for public inspection by depositors and similar creditors until the day immediately preceding the last day of the period for filing a proof of claim.
- (3) The date of commencement of public inspection of a schedule of depositors under the provisions of the preceding paragraph must be the day at least two weeks before the day immediately preceding the last day of the period for filing a proof of claim.
- (4) When the Corporation, after making a schedule of depositors available for public inspection, becomes aware that there are Deposits and Other Claims (other than one whose creditor is the Corporation) not stated in the schedule of depositors, it must, without delay, add the statement of the particulars prescribed in paragraph (1) in relation to the Deposits and Other Claims to the schedule of depositors. The same applies to cases when the Corporation becomes aware that the statement regarding the Deposits and Other Claims stated in the schedule of depositors should be changed in the interest of the creditors in relation to the Deposits and Other Claims.
- (5) The Corporation may, even after making a schedule of depositors available for

public inspection, with the approval of the depositors and similar creditors stated in the schedule of depositors, delete a statement regarding the Deposits and Other Claims in relation to the depositors and similar creditors or change a statement that is detrimental to the interest of the depositors and similar creditors; provided, however, that in cases where the Corporation has acquired pursuant to the provisions of Article 58, paragraph (1) or (3) of the Deposit Insurance Act or purchased pursuant to the provisions of Article 70 of that Act the Deposits and Other Claims in relation to the depositors and similar creditors stated in the schedule of depositors, the Corporation may, without the approval of the depositors and similar creditors, delete a statement regarding the Deposits and Other Claims or change a statement that is detrimental to the interest of the depositors and similar creditors

(Submission of a Depositor Schedule)

- Article 392 (1) The Corporation must submit a schedule of depositors prepared pursuant to the provisions of the preceding Article to the court on the last day of the period for filing a proof of claim.
- (2) The provisions of the first sentence of paragraph (4) of the preceding Article apply mutatis mutandis to the cases where the Corporation becomes aware that there are Deposits and Other Claims (other than one whose creditor is the Corporation and those that have already been filed with the court by depositors and similar creditors) not stated in a schedule of depositors after submitting it to the court.
- (3) The addition of a statement prescribed in the first sentence of paragraph (4) of the preceding Article may not be made after an order to refer the proposed reorganization plan to a resolution is made.
- (4) The Corporation, when it submits a schedule of depositors under the provisions of paragraph (1) or adds a statement under the provisions of the first sentence of paragraph (4) of the preceding Article, must file with the court the particulars referred to in the items of Article 138, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 81) (excluding the particulars prescribed in paragraph (1) of the preceding Article).

(Effect of Submission of a Depositor Schedule)

Article 393 For the purpose of application of the provisions of the Corporate Reorganization Act or the provisions of Chapter 2, Deposits and Other Claims stated in a schedule of depositors submitted pursuant to the provisions of paragraph (1) of the preceding Article (other than ones that have been filed by depositors and similar creditors pursuant to the provisions of Article 138, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to

Article 81) before the submission) are deemed to have been filed within the period for filing a proof of claim; and the Deposits and Other Claims in relation to the addition of a statement under the provisions of the first sentence of Article 391, paragraph (4) as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article are deemed to have been filed under the provisions of Article 139, paragraph (1) of that Article (including as applied mutatis mutandis pursuant to Article 81).

(Participation of Depositors)

Article 394 (1) If a creditor in relation to the Deposits and Other Claims (other than one for which the transfer of the title of holder of a filed claim under the provisions of Article 141 of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 83) has been made with the Corporation; hereinafter the same applies in this Article and the following Article) that are deemed to have been filed under the provisions of the preceding Article intends to personally participate in reorganization proceedings, the creditor must notify the court to that effect; provided, however, that this does not apply to acts involved in court proceedings to finalize a reorganization claim.

(2) The notice under the provisions of the preceding paragraph (hereinafter referred to as a "Participation Notice" in this Article and the following Article) may be given until the end of reorganization proceedings.

(3) The court must, when a Participation Notice is given, give a notice of same to the Corporation.

(4) A depositor or similar creditor that gave a Participation Notice is to personally participate in reorganization proceedings by with regard to the whole of Deposits and Other Claims in relation to the depositor or similar creditor that are deemed to have been filed under the provisions of the preceding Article.

(Powers of the Deposit Insurance Corporation of Japan)

Article 395 A Corporation must conduct any and all acts involved in reorganization proceedings (other than acts involved in the court proceedings to finalize the a reorganization claim that constitute Claims Represented by the Corporation (as defined below) to which the Corporation has raised objection in the investigation of an unsecured or secured reorganization claim) in the interest of the creditors in relation to the Deposits and Other Claims that are deemed to have been filed under the provisions of Article 393 (excluding depositors and similar creditors that gave a Participation Notice; hereinafter referred to as "Depositors Represented by the Corporation" in this Section) with regard to Deposits and Other Claims in relation to the Depositors

Represented by the Corporation (hereinafter referred to as "Claims Represented by the Corporation" in this Section); provided, however, that in order to withdraw the filing of a proof in relation to Claims Represented by the Corporation or change the particulars that have been filed concerning Claims Represented by the Corporation in a manner detrimental to the interest of Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation or withdraw a petition for reorganization claim, etc. assessment (meaning a petition for reorganization claim, etc. assessment prescribed in Article 151, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 88)) in relation to Claims Represented by the Corporation or perform any of the procedural acts set forth in Article 32, paragraph (2), item (i) or (ii) of the Code of Civil Procedure in an action to finalize a reorganization claim in relation to Claims Represented by the Corporation, the delegation of power from Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation is required.

(Obligations of the Deposit Insurance Corporation of Japan)

Article 396 (1) The Corporation must conduct the acts referred to in the preceding Article in a fair and sincere manner in the interest of Depositors Represented by the Corporation.

(2) The Corporation must conduct the acts referred to in the preceding Article with the due care of a prudent manager for Depositors Represented by the Corporation.

(Change to the Particulars Pertaining to Filing)

Article 397 (1) When the Corporation becomes aware that any of the particulars in relation to the filing relating to Claims Represented by the Corporation should be changed in the interest of the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation, it must change those particulars in relation to the filing without delay.

(2) The provisions of Article 392, paragraph (3) apply mutatis mutandis to the change referred to in the preceding paragraph.

(3) The change under the provisions of paragraph (1) is, for the purpose of application of the provisions of the Corporate Reorganization Act or the provisions of Chapter 2, deemed to be the change under the provisions of Article 139, paragraph (5) of that Act (including as applied mutatis mutandis pursuant to Article 81) unless otherwise provided for in this Chapter.

(Expenses for Special Periods for Investigation)

Article 398 Any expenses relating to the Special Period for Investigation

prescribed in Article 148, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 87) in relation to Claims Represented by the Corporation (hereinafter referred to as a "Special Period for Investigation" in this Article) are, notwithstanding the provisions of Article 148, paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 87), borne by the Corporation; provided, however, that the Corporation may, in the case where a Special Period for Investigation is set for the examination of the Deposits and Other Claims that have been restored to their original state pursuant to the provisions of Article 92 of that Act (including as applied mutatis mutandis pursuant to Article 60) or where there are other reasonable grounds, claim reimbursement of the whole or part of the expenses from Depositors Represented by the Corporation.

(Notice of an Objection)

Article 399 (1) Where, in an investigation of an unsecured or secured reorganization claim, a trustee has disapproved the details of Claims Represented by the Corporation or an objection has been made with regard to the details by any holder of filed an unsecured or secured reorganization claim (meaning holder of the filed an unsecured or secured reorganization claim prescribed in Article 42, paragraph (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 31)) or shareholders or Partners or Members (excluding the case where the Corporation has raised objection with regard to the Claims Represented by the Corporation), the Corporation must, without delay, give a notice to that effect to the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation.

(2) Where, in an investigation of an unsecured or secured reorganization claim, the Corporation has raised objection with regard to the details of Claims Represented by the Corporation, a court clerk must give a notice of this to the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation.

(Notices and Public Notices for the Exercise of Voting Rights)

Article 400 (1) Where a means referred to in Article 189, paragraph (2), item (i) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 113) is set as a means for exercising voting rights concerning a proposed reorganization plan or proposed modification, if the Corporation intends to exercise voting rights on behalf of Depositors Represented by the Corporation, it must, by two weeks prior to the date of the first meeting of persons concerned a resolution of which the proposed reorganization plan or proposed modification is referred to, give a notice to

Depositors Represented by the Corporation (other than ones that are unable to exercise voting rights), and give a public notice of the content or outline of the proposed reorganization plan or proposed modification to which it intends to give consent.

- (2) Where the means referred to in Article 189, paragraph (2), item (ii) or (iii) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 113) are set as means for exercising voting rights concerning a proposed reorganization plan or proposed modification, if the Corporation intends to exercise voting rights on behalf of Depositors Represented by the Corporation, it must, by two weeks prior to the last day of the period prescribed in Article 189, paragraph (2), item (ii) of that Act (including as applied mutatis mutandis pursuant to Article 113), give a notice to Depositors Represented by the Corporation (other than ones that are unable to exercise voting rights), and give a public notice of the content or outline of the proposed reorganization plan or proposed modification to which it intends to give consent.

(Notice by the Deposit Insurance Corporation of Japan)

Article 401 (1) The notice given under the provisions of Article 399, paragraph (1) and the preceding Article is deemed to have been delivered when the notice should have normally arrived.

- (2) The provisions of Article 10, paragraphs (1) and (2) of the Corporate Reorganization Act apply mutatis mutandis to the public notice under the provisions of Article 391, paragraph (2) and the preceding Article.

(Permission of the Performance of Settlement of Obligations)

Article 402 (1) Where an order to the effect that loans of funds must be granted to a Financial Institution against which an order commencing reorganization proceedings was made pursuant to the provisions of Article 69-3, paragraph (1) of the Deposit Insurance Act (including as applied mutatis mutandis pursuant to Article 127 of that Act) has been made, the court may, notwithstanding the provisions of Article 47, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 34), upon the petition of a trustee, grant permission of the performance of settlement obligations under Article 69-3, paragraph (1) of the Deposit Insurance Act or the repayment of deposits, etc. under the provisions of that paragraph as applied mutatis mutandis pursuant to Article 127 of that Act.

- (2) The court must, upon granting permission pursuant to the provisions of the preceding paragraph, specify the type of the settlement obligations to be performed or the type of the deposits, etc. to be repaid, a limit of performance or repayment (hereinafter referred to as a "performance, etc." in this Article,

Article 473, paragraphs (2) and (3), and Article 513, paragraphs (2) and (3)), and a period in which the performance, etc. is to be made (the last day of the period must precede the last day of the period for filing a proof of claim).

- (3) The court must, when specifying the type of the settlement obligations to be performed or the type of the deposits, etc. to be repaid, a limit of performance, etc. and a period in which the performance, etc. to be made pursuant to the provisions of the preceding paragraph, hear the opinion of the Corporation in advance.

Section 5 Authority of the Investor Protection Fund

(Special Provisions on Cases Where a Period for Filing Is Specified)

Article 403 If the court intends to issue an order commencing reorganization proceedings of a Financial Instruments Business Operator, it must hear the opinion of the Investor Protection Fund (meaning the Investor Protection Fund prescribed in Article 79-21 of the Financial Instruments and Exchange Act in which the Financial Instruments Business Operator participates; hereinafter referred to as a "Fund") in advance about the period for which a proof of an unsecured or secured reorganization claim should be filed as specified pursuant to the provisions of Article 42, paragraph (1) of the Corporate Reorganization Act.

(Special Provisions on Notices of a Comprehensive Prohibition Order)

Article 404 (1) When an order under the provisions of Article 26, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act; hereinafter the same applies in this Article) is made against a Financial Instruments Business Operator, the notice under the provisions of Article 26, paragraph (1) of that Act is not required to be given to the Customers (meaning creditors in relation to Customer Claims; the same applies hereinafter) that would have become reorganization creditors if an order commencing reorganization proceedings had been made against the Financial Instruments Business Operator.

- (2) In the case prescribed in the preceding paragraph, the court must give a notice of the main text of the order under Article 26, paragraph (1) of the Corporate Reorganization Act to the Fund.

(Special Provisions on Notices of an Order Commencing Reorganization Proceedings)

Article 405 (1) When the court has made an order commencing reorganization proceedings against a Financial Instruments Business Operator, the notice under the provisions of Article 43, paragraph (3), item (i) of that Act is not

required to be given to Customers that are reorganization creditors.

- (2) In the case prescribed in the preceding paragraph, the court must give a notice to the Fund of the particulars of which a public notice should make pursuant to the provisions of Article 43, paragraphs (1) and (2) of the Corporate Reorganization Act.
- (3) In reorganization proceedings of a Financial Instruments Business Operator, where there is any change to the particulars referred to in Article 43, paragraph (1), item (ii) or (iii) of the Corporate Reorganization Act before the customer list is submitted pursuant to the provisions of Article 411, paragraph (1) (for the particulars referred to in that item, limited to cases where there is any change to the period for which a proof of an unsecured or secured reorganization claim should be filed) or where an order to revoke the order commencing reorganization proceedings becomes final and binding, the notice under the provisions of paragraph (3), item (i) of that Article as applied *mutatis mutandis* pursuant to Article 43, paragraph (5) of that Act or the provisions of the main clause of Article 44, paragraph (3) of that Act is not required to be given to Customers that are reorganization creditors and have not filed the particulars specified in the provisions of Article 138, paragraph (1) of that Act.
- (4) In the case prescribed in the preceding paragraph, the court must give a notice to the Fund of the details of the change to the particulars referred to in Article 43, paragraph (1), item (ii) or (iii) of the Corporate Reorganization Act (for the particulars referred to in that item, limited to the period for which a proof of an unsecured or secured reorganization claim should be filed) or the main text of the order to revoke the order commencing reorganization proceedings; provided, however, that this does not apply to the case where an order under Article 42, paragraph (2) of that Act has been made.

(Transfers of Business)

Article 406 The court, when granting the permission referred to in Article 46, paragraph (2) of the Corporate Reorganization Act in reorganization proceedings of a Financial Instruments Business Operator, must hear the opinion of the Fund.

(Meetings for Reporting the Status of Assets)

Article 407 In a meeting of persons concerned prescribed in Article 85, paragraph (1) of the Corporate Reorganization Act in reorganization proceedings of a Financial Instruments Business Operator, the court must hear the opinion of the Fund about the appointment of a trustee and the particulars concerning the business and assets management of the Financial Instruments Business Operator.

(Notice of the Date of a Meeting of Persons Concerned)

Article 408 A court clerk must, where a meeting of persons concerned is convened before the expiration of the period for filing a proof of claim (meaning period for filing a proof of claim prescribed in Article 138, paragraph (1) of the Corporate Reorganization Act; hereinafter the same applies in this Section) in reorganization proceedings of a Financial Instruments Business Operator, give a notice to the Fund of the date of the meeting of persons concerned; provided, however, that this does not apply to the case where an order under Article 42, paragraph (2) of that Act has been made.

(Reorganization Creditors Committees)

Article 409 (1) For the purpose of application of the provisions of Article 117, paragraphs (1) and (4) of the Corporate Reorganization Act before the submission of the customer list by the Fund pursuant to the provisions of Article 411, paragraph (1), the phrase "of reorganization creditors" in paragraph (1) of that Article is deemed to be replaced with "of reorganization creditors (including the Investor Protection Fund (meaning the Investor Protection Fund prescribed in Article 79-21 of the Financial Instruments and Exchange Act in which the reorganizing company participates; hereinafter the same applies in this Article))" and the phrase "petition by reorganization creditors" in paragraph (4) of that Article is deemed to be replaced with "petition by reorganization creditors (including the Investor Protection Fund)".

(2) The provisions of Article 415 apply mutatis mutandis to the cases where the Fund is a member of the reorganization creditors committee prescribed in Article 117, paragraph (2) of the Corporate Reorganization Act. In this case, the phrase "Customers Represented by the Fund" in Article 415 is deemed to be replaced with "Customers".

(Preparation and Public Inspection of Customer Lists)

Article 410 (1) The Fund must, upon receiving the notice under Article 405, paragraph (2), prepare a schedule of depositors stating the particulars prescribed in Article 144, paragraph (2) of the Corporate Reorganization Act with respect to the Customer Claims that are known a reorganization claim (other than one whose creditor is the Fund), without delay.

(2) When the Fund has prepared a customer list, it must immediately give a public notice to that effect and of the place where it is made available for public inspection and make the customer list available for public inspection by Customers until the day immediately preceding the last day of the period for filing a proof of claim.

(3) The date of commencement of public inspection of a customer list under the

provisions of the preceding paragraph must be the day at least two weeks before the day immediately preceding the last day of the period for filing a proof of claim.

- (4) When the Fund, after the making a customer list available for public inspection, becomes aware that there are Customer Claims (other than one whose creditor is the Fund) not stated in the customer list, it must, without delay, add the statement of the particulars prescribed in paragraph (1) in relation to the Customer Claims to the customer list. The same applies to cases when the Fund becomes aware that the statement regarding the Customer Claims stated in the customer list should be changed in the interest of the creditors in relation to the Customer Claims.
- (5) The Fund may, even after making a customer list available for public inspection, with the approval of the Customers stated in the customer list, delete a statement regarding the Customer Claims in relation to those customers or change a statement that is detrimental to the interest of those customers; provided, however, that in cases where the Fund has acquired the Customer Claims in relation to the Customers stated in the customer list pursuant to the provisions of Article 79-57, paragraph (4) of the Financial Instruments and Exchange Act, the Fund may, without the approval of those customers, delete a statement regarding the Customer Claims or change a statement that is detrimental to the interest of those customers.

(Submission of a Customer List)

- Article 411 (1) The Fund must submit a customer list prepared pursuant to the provisions of the preceding Article to the court on the last day of the period for filing a proof of claim.
- (2) The provisions of the first sentence of paragraph (4) of the preceding Article apply *mutatis mutandis* to the cases where the Fund becomes aware that there are Customer Claims (other than one whose creditor is the Fund and those that have already been filed with the court by Customers) not stated in a customer list after submitting it to the court.
 - (3) The addition of a statement prescribed in the first sentence of paragraph (4) of the preceding Article may not be made after an order to refer the proposed reorganization plan to a resolution is made.
 - (4) The Fund, when it submits a customer list under the provisions of paragraph (1) or adds a statement under the provisions of the first sentence of paragraph (4) of the preceding Article, must file with the court the particulars referred to in the items of Article 138, paragraph (1) of the Corporate Reorganization Act (excluding the particulars prescribed in paragraph (1) of the preceding Article).
 - (5) For the purpose of application of the provisions of Article 14, paragraph (1) of the Corporate Reorganization Act to reorganization proceedings of a Financial

Instruments Business Operator, the phrase "this Act (including other Acts as applied mutatis mutandis pursuant to this Act)" in that paragraph is deemed to be replaced with "this Act (including other Acts as applied mutatis mutandis pursuant to this Act) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions".

(Effect of the Submission of a Customer List)

Article 412 For the purpose of application of the provisions of the Corporate Reorganization Act, Customer Claims stated in a customer list submitted pursuant to the provisions of paragraph (1) of the preceding Article (other than ones that have been filed by Customers pursuant to the provisions of Article 138, paragraph (1) of that Act before the submission) are deemed to have been filed within the period for filing a proof of claim; and the Customer Claims in relation to the addition of a statement under the provisions of the first sentence of Article 410, paragraph (4) as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article are deemed to have been filed under the provisions of Article 139, paragraph (1) of that Article.

(Participation of Customers)

Article 413 (1) If a creditor in relation to the Customer Claims (other than one for which a transfer of the title of the holder of filed claims under the provisions of Article 141 of the Corporate Reorganization Act have been made with the Fund; hereinafter the same applies in this Article and the following Article) that are deemed to have been filed under the provisions of the preceding Article intends to personally participate in reorganization proceedings, the creditor must notify the court to that effect; provided, however, that this does not apply to acts involved in court proceedings to finalize a reorganization claim.

(2) The notice under the provisions of the preceding paragraph (hereinafter referred to as a "Participation Notice" in this Article and the following Article) may be given until the end of reorganization proceedings.

(3) The court must, when a Participation Notice is given, give a notice of this to the Fund.

(4) A customer that gave a Participation Notice is to personally participate in reorganization proceedings with regard to the all Customer Claims in relation to the customer that are deemed to have been filed under the provisions of the preceding Article.

(Powers of an Investor Protection Fund)

Article 414 The Fund must perform any and all acts involved in reorganization proceedings (other than acts involved in court proceedings to finalize the a

reorganization claim that constitute Claims Represented by the Fund (as defined below) to which the Fund has raised objection in the investigation of an unsecured or secured reorganization claim) in the interest of the creditors in relation to the Customer Claims that are deemed to have been filed under the provisions of Article 412 (other than customers that gave a Participation Notice; hereinafter referred to as "Customers Represented by the Fund" in this Section) with regard to Customer Claims in relation to the Customers Represented by the Fund (hereinafter referred to as "Claims Represented by the Fund" in this Section); provided, however, that in order to withdraw the filing of a proof in relation to Claims Represented by the Fund or change the particulars that have been filed concerning Claims Represented by the Fund in a manner detrimental to Customers Represented by the Fund in relation to the Claims Represented by the Fund, or to withdraw a petition for reorganization claim, etc. assessment (meaning a petition for reorganization claim, etc. assessment prescribed in Article 151, paragraph (1) of the Corporate Reorganization Act) in relation to Claims Represented by the Fund or perform any of the procedural acts set forth in Article 32, paragraph (2), item (i) or (ii) of the Code of Civil Procedure in an action concerning the determination of a reorganization claim in relation to Claims Represented by the Fund, the delegation of power from Customers Represented by the Fund in relation to the Claims Represented by the Fund is required.

(Obligations of an Investor Protection Funds)

- Article 415 (1) The Fund must conduct the acts referred to in the preceding Article in a fair and sincere manner in the interest of Customers Represented by the Fund.
- (2) The Fund must conduct the acts referred to in the preceding Article with the due care of a prudent manager for Customers Represented by the Fund.

(Change to the Particulars in Relation to Filing)

- Article 416 (1) When the Fund becomes aware that any of the particulars in relation to the filing relating to Claims Represented by the Fund should be changed in the interest of the Customers Represented by the Fund in relation to the Claims Represented by the Fund, it must change those particulars in relation to the filing without delay.
- (2) The provisions of Article 411, paragraph (3) apply mutatis mutandis to the change referred to in the preceding paragraph.
- (3) The change under the provisions of paragraph (1) is, for the purpose of application of the provisions of the Corporate Reorganization Act, deemed to be the change under the provisions of Article 139, paragraph (5) of that Act unless otherwise provided for in this Chapter.

(Expenses for Special Periods for Investigation)

Article 417 Any expenses relating to the Special Period for Investigation prescribed in Article 148, paragraph (1) of the Corporate Reorganization Act in relation to Claims Represented by the Fund (hereinafter referred to as a "Special Period for Investigation" in this Article) is, notwithstanding the provisions of Article 148, paragraph (2) of that Act, borne by the Fund; provided, however, that the Fund may, in the case where a Special Period for Investigation is set for the examination of the Customer Claims that have been restored to their original state pursuant to the provisions of Article 92 of that Act or where there are other reasonable grounds, claim reimbursement of the whole or part of the expenses from Customers Represented by the Fund.

(Notice of an Objection)

Article 418 (1) Where, in an investigation of an unsecured or secured reorganization claim, a trustee has disapproved the details of Claims Represented by the Fund or an objection has been made with regard to the details by any holder of filed an unsecured or secured reorganization claim (meaning holder of filed an unsecured or secured reorganization claim prescribed in Article 42, paragraph (2) of the Corporate Reorganization Act) or shareholder (excluding the case where the Fund has raised objection with regard to the Claims Represented by the Fund), the Fund must, without delay, give a notice to that effect to the Customers Represented by the Fund in relation to the Claims Represented by the Fund.

(2) Where, in an investigation of an unsecured or secured reorganization claim, the Fund has raised objection with regard to the details of Claims Represented by the Fund, a court clerk must give a notice of same to the Customers Represented by the Fund in relation to the Claims Represented by the Fund.

(Notices and Public Notices for the Exercise of Voting Rights)

Article 419 (1) Where a means referred to in Article 189, paragraph (2), item (i) of the Fund Reorganization Act is set as a means for exercising voting rights concerning a proposed reorganization plan or proposed modification, if the Corporation intends to exercise voting rights on behalf of Customers Represented by the Fund, it must, by two weeks prior to the date of the first meeting of persons concerned, a resolution of which the proposed reorganization plan or proposed modification is referred to, give a notice to Customers Represented by the Fund (other than ones that are unable to exercise voting rights), and give a public notice of the content or outline of the proposed reorganization plan or proposed modification to which it intends to give consent.

(2) Where the means referred to in Article 189, paragraph (2), item (ii) or (iii) of the Fund Reorganization Act are set as the means for exercising voting rights concerning a proposed reorganization plan or proposed modification, if the Fund intends to exercise voting rights on behalf of Customers Represented by the Fund, it must, by two weeks prior to the last day of the period prescribed in item (ii) of that paragraph, give a notice to Customers Represented by the Fund (other than ones that are unable to exercise voting rights), and give a public notice of the content or outline of the proposed reorganization plan or proposed modification to which it intends to give consent.

(Notices by the Investor Protection Fund)

Article 420 (1) The notice given under the provisions of Article 418, paragraph (1) and the preceding Article is deemed to have been delivered when the notice should have normally arrived.

(2) The provisions of Article 10, paragraphs (1) and (2) of the Corporate Reorganization Act apply mutatis mutandis to the public notice given under the provisions of Article 410, paragraph (2) and the preceding Article.

Section 6 Authority of the Policyholders Protection Corporation

Subsection 1 Authority of the Policyholders Protection Corporation

(Special Provisions on Cases Where a Period for Filing Is Specified)

Article 421 If the court intends to issue an order commencing reorganization proceedings of an Insurance Company, it must hear the opinion of the Policyholders Protection Corporation (meaning the Policyholders Protection Corporation prescribed in Article 259 of the Insurance Business Act in which the Insurance Company participates; hereinafter referred to as a "Protection Corporation") in advance about the period for which a proof of an unsecured or secured reorganization claim should be filed as specified pursuant to the provisions of Article 42, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 196).

(Special Provisions on Notices of a Comprehensive Prohibition Order)

Article 422 (1) When an order under the provisions of Article 26, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 184 (including as applied mutatis mutandis pursuant to Article 44, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 196) and Article 44, paragraph (2) of that Act; hereinafter the same applies in this Article) is made against an Insurance Company, the notice under the provisions of Article 26, paragraph (1) of that Act is not required to be given to Policyholders, etc. (meaning policyholders and other persons that

have a right in relation to an insurance contract (where the policyholder is a member of a Mutual Company, including membership rights; hereinafter the same applies in this Section); hereinafter the same applies in this Section) that would have become reorganization creditors if an order commencing reorganization proceedings had been made against the Insurance Company.

(2) In the case prescribed in the preceding paragraph, a notice of the main text of the order under Article 26, paragraph (1) of the Corporate Reorganization Act must be given to the Protection Corporation.

(Special Provisions on Notice of an Order Commencing Reorganization Proceedings)

Article 423 (1) When an order commencing reorganization proceedings against an Insurance Company has been made, the notice under the provisions of Article 43, paragraph (3), item (i) (including as applied mutatis mutandis pursuant to Article 196) of that Act is not required to be given to Policyholders, etc. that are reorganization creditors.

(2) In the case prescribed in the preceding paragraph, a notice of the particulars of which a public notice should be made pursuant to the provisions of Article 43, paragraphs (1) and (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 196) must be given to the Protection Corporation.

(3) In reorganization proceedings of an Insurance Company, where there is any change to the particulars referred to in Article 43, paragraph (1), item (ii) or (iii) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 196; the same applies in the following paragraph) before a list of insurance policyholders is submitted pursuant to the provisions of Article 429, paragraph (1) (for the particulars referred to in that item, limited to cases where there is a change to the period for which a proof of an unsecured or secured reorganization claim should be filed) or where an order to revoke the order commencing reorganization proceedings becomes final and binding, the notice under the provisions of Article 43, paragraph (3), item (i) of that Act as applied mutatis mutandis pursuant to Article 43, paragraph (5) of that Act (including as applied mutatis mutandis pursuant to Article 196) or the provisions of the main clause of Article 44, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 196) is not required to be given to Policyholders, etc. that are reorganization creditors and have not filed the particulars specified in the provisions of Article 138, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 248).

(4) In the case prescribed in the preceding paragraph, the court must give a notice to the Protection Corporation of the details of the change to the particulars referred to in Article 43, paragraph (1), item (ii) or (iii) of the

Corporate Reorganization Act (for the particulars referred to in that item, limited to the period for which a proof of an unsecured or secured reorganization claim should be filed) or the main text of the order to revoke the order commencing reorganization proceedings; provided, however, that this does not apply to the case where an order under Article 42, paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 196) is made.

(Transfers of Business)

Article 424 The court, when granting the permission referred to in Article 198, paragraph (2) or Article 46, paragraph (2) of the Corporate Reorganization Act in reorganization proceedings of an Insurance Company, must hear the opinion of the Protection Corporation.

(Meeting for Reporting the Status of Assets)

Article 425 In a meeting of persons concerned prescribed in Article 85, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 222) in reorganization proceedings of an Insurance Company, the court must hear the opinion of the Protection Corporation about the appointment of a trustee and the particulars concerning the business and assets management of the Insurance Company.

(Notice of the Date of a Meeting of Persons Concerned)

Article 426 A court clerk must, where a meeting of persons concerned is convened before the expiration of the period for filing a proof of claim (meaning period for filing a proof of claim prescribed in Article 138, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 248); hereinafter the same applies in this Section) in reorganization proceedings of an Insurance Company, give a notice to the Protection Corporation of the date of the meeting of persons concerned; provided, however, that this does not apply to the case where an order under Article 42, paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 196) is made.

(Reorganization Creditors Committees)

Article 427 (1) For the purpose of application of the provisions of Article 233, paragraph (1) and Article 117, paragraph (1) of the Corporate Reorganization Act and paragraph (4) of that Article (including as applied mutatis mutandis pursuant to Article 233, paragraph (1); hereinafter the same applies in this paragraph) before the submission of the list of insurance policyholders by the Protection Corporation pursuant to the provisions of Article 429, paragraph (1),

the phrase "of reorganization creditors" in Article 233, paragraph (1) and Article 117, paragraph (1) of that Act is deemed to be replaced with "of reorganization creditors (including the Policyholders Protection Corporation (meaning the Policyholders Protection Corporation prescribed in Article 259 of the Insurance Business Act in which the reorganizing company participates))" and the phrase "petition by reorganization creditors" in paragraph (4) of that Article is deemed to be replaced with "petition by reorganization creditors (including the Policyholders Protection Corporation)".

- (2) The provisions of Article 433 apply mutatis mutandis to the cases where the Protection Corporation is a member of the reorganization creditors committee prescribed in Article 117, paragraph (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 233, paragraph (1)). In this case, the phrase "Policyholders Represented by the Protection Corporation" in Article 433 is deemed to be replaced with "Policyholders, etc."

(Preparation and Public Inspection of Lists of Insurance Policyholders)

Article 428 (1) The Protection Corporation must, upon receiving the notice under Article 423, paragraph (2), prepare a list of insurance policyholders stating the particulars prescribed in Article 253, paragraph (2) or Article 144, paragraph (2) of the Corporate Reorganization Act with respect to the rights in relation to insurance contracts that are known a reorganization claim (other than one whose creditor is the Protection Corporation), without delay.

- (2) When the Protection Corporation has prepared a list of insurance policyholders, it must immediately give a public notice to that effect and of the place where it is made available for public inspection and make the list of insurance policyholders available for public inspection by Policyholders, etc. until the day immediately preceding the last day of the period for filing a proof of claim.

- (3) The date of commencement of a public inspection of a list of insurance policyholders under the provisions of the preceding paragraph must be the day at least two weeks before the day immediately preceding the last day of the period for filing a proof of claim.

- (4) When the Protection Corporation, after making a list of insurance policyholders available for public inspection, becomes aware that there are rights in relation to insurance contracts (other than one whose creditor is the Protection Corporation) not stated in the list of insurance policyholders, it must, without delay, add the statement of the particulars prescribed in paragraph (1) in relation to the rights in relation to insurance contracts to the list of insurance policyholders. The same applies to cases when the Protection Corporation becomes aware that the statement regarding the rights in relation to insurance contracts stated in the list of insurance policyholders should be

changed in the interest of the persons that have the rights in relation to insurance contracts.

- (5) The Protection Corporation may, even after making a list of insurance policyholders available for public inspection, with the approval of the Policyholders, etc. stated in the list of insurance policyholders, delete a statement regarding the rights in relation to insurance contracts in relation to the Policyholders, etc. or change a statement that is detrimental to the interest of the Policyholders, etc.; provided, however, that in cases where the Protection Corporation has purchased the rights in relation to insurance contracts in relation to the Policyholders, etc. stated in the list of insurance policyholders pursuant to the provisions of Article 270-6-8 of the Insurance Business Act, the Protection Corporation may, without the approval of the Policyholders, etc., delete a statement regarding the rights in relation to insurance contracts or change a statement that is detrimental to the interest of the Policyholders, etc.

(Submission of List of Insurance Policyholders)

- Article 429 (1) The Protection Corporation must submit a list of insurance policyholders prepared pursuant to the provisions of the preceding Article to the court on the last day of the period for filing a proof of claim.
- (2) The provisions of the first sentence of paragraph (4) of the preceding Article apply mutatis mutandis to the cases where the Protection Corporation becomes aware that there are rights in relation to insurance contracts (other than one whose creditor is the Protection Corporation and those that have already been filed with the court by Policyholders, etc.) not stated in a list of insurance policyholders after submitting it to the court.
- (3) The addition of a statement prescribed in the first sentence of paragraph (4) of the preceding Article may not be made after an order to refer the proposed reorganization plan to a resolution is made.
- (4) The Protection Corporation, when it submits a list of insurance policyholders under the provisions of paragraph (1) or adds a statement under the provisions of the first sentence of paragraph (4) of the preceding Article, must file with the court the particulars referred to in the items of Article 138, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 248) (excluding the particulars prescribed in paragraph (1) of the preceding Article).

(Effect of Submission of a List of Insurance Policyholders)

- Article 430 For the purpose of application of the provisions of the Corporate Reorganization Act or the provisions of the preceding Chapter, the rights in relation to insurance contracts stated in a list of insurance policyholders submitted pursuant to the provisions of paragraph (1) of the preceding Article

(other than ones that have been filed by Policyholders, etc. pursuant to the provisions of Article 138, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 248) before the submission) are deemed to have been filed within the period for filing a proof of claim; and the rights in relation to insurance contracts in relation to the addition of a statement under the provisions of the first sentence of Article 428, paragraph (4) as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article are deemed to have been filed under the provisions of Article 139, paragraph (1) of that Article (including as applied mutatis mutandis pursuant to Article 248).

(Participation of Policyholders)

- Article 431 (1) If a person that has rights in relation to insurance contracts (other than one for which the transfer of the title of holder of a filed claim under the provisions of Article 141 of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 250) has been made with the Protection Corporation; hereinafter the same applies in this Article and the following Article) that are deemed to have been filed under the provisions of the preceding Article intends to personally participate in reorganization proceedings, the person must notify the court to that effect; provided, however, that this does not apply to acts involved in court proceedings to finalize a reorganization claim.
- (2) The notice under the provisions of the preceding paragraph (hereinafter referred to as a "Participation Notice" in this Article and the following Article) may be given until the end of reorganization proceedings.
- (3) The court must, when a Participation Notice is given, give a notice of same to the Protection Corporation.
- (4) A Policyholder, etc. that gave a Participation Notice is to personally participate in reorganization proceedings with regard to the whole of the rights in relation to insurance contracts in relation to the Policyholder, etc. that are deemed to have been filed under the provisions of the preceding Article.

(Authority of the Policyholders Protection Corporation)

Article 432 The Protection Corporation is to perform any and all acts involved in reorganization proceedings (other than acts involved in court proceedings to finalize a reorganization claim that constitute the following Claims Represented by the Protection Corporation (as defined below)) in the interest of the persons that have rights in relation to insurance contracts that are deemed to have been filed under the provisions of Article 430 (excluding Policyholders, etc. that gave a Participation Notice; hereinafter referred to as "Policyholders Represented by the Protection Corporation" in this Section) with regard to rights in relation to insurance contracts in relation to the Policyholders

Represented by the Protection Corporation (hereinafter referred to as "Claims Represented by the Protection Corporation" in this Section); provided, however, that in order to withdraw the filing of a proof in relation to Claims Represented by the Protection Corporation or change the particulars that have been filed concerning Claims Represented by the Protection Corporation in a manner detrimental to the interest of Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation or withdraw a petition for reorganization claim, etc. assessment (meaning a petition for reorganization claim, etc. assessment prescribed in Article 151, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 255)) in relation to Claims Represented by the Protection Corporation or perform any of the procedural acts set forth in Article 32, paragraph (2), item (i) or (ii) of the Code of Civil Procedure in an action concerning the determination of a reorganization claim in relation to Claims Represented by the Protection Corporation, the delegation of power from Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation is required:

- (i) insurance claims;
- (ii) the right to demand compensation for losses (other than the right set forth in the preceding item); and
- (iii) claims Represented by the Protection Corporation to which the Protection Corporation has raised objection in the investigation of an unsecured or secured reorganization claim.

(Obligations of the Policyholders Protection Corporation)

Article 433 (1) The Protection Corporation must conduct the acts referred to in the preceding Article in a fair and sincere manner in the interest of Policyholders Represented by the Protection Corporation.

(2) The Protection Corporation must conduct the acts referred to in the preceding Article with the due care of a prudent manager for Policyholders Represented by the Protection Corporation.

(Change to the Particulars Relating to Filing)

Article 434 (1) When the Protection Corporation becomes aware that any of the particulars in relation to the filing relating to Claims Represented by the Protection Corporation should be changed in the interest of the Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation, it must change those particulars in relation to the filing without delay.

(2) The provisions of Article 429, paragraph (3) apply mutatis mutandis to the change referred to in the preceding paragraph.

(3) The change under the provisions of paragraph (1) is, for the purpose of application of the provisions of the Corporate Reorganization Act or the provisions of the preceding Chapter, deemed to be the change under the provisions of Article 139, paragraph (5) of that Act (including as applied mutatis mutandis pursuant to Article 248) unless otherwise provided for in this Chapter.

(Expenses for Special Periods for Investigation)

Article 435 Any expenses relating to the Special Period for Investigation prescribed in Article 148, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 254) in relation to Claims Represented by the Protection Corporation (hereinafter referred to as a "Special Period for Investigation" in this Article) are, notwithstanding the provisions of Article 148, paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 254), borne by the Protection Corporation; provided, however, that the Protection Corporation may, in the case where a Special Period for Investigation is set for the examination of the claims in relation to insurance contracts that have been restored to their original state pursuant to the provisions of Article 92 of that Act (including as applied mutatis mutandis pursuant to Article 226) or where there are other reasonable grounds, claim reimbursement of the whole or part of the expenses from Policyholders Represented by the Protection Corporation.

(Notice of an Objection)

Article 436 (1) Where, in an investigation of an unsecured or secured reorganization claim, a trustee has disapproved the details of Claims Represented by the Protection Corporation or an objection has been made with regard to the details by any holder(s) of filed an unsecured or secured reorganization claim (meaning holder of the filed an unsecured or secured reorganization claim prescribed in Article 42, paragraph (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 196)) or shareholder or member (excluding the case where the Protection Corporation has raised objection with regard to the Claims Represented by the Protection Corporation), the Protection Corporation must, without delay, give a notice to that effect to the Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation.

(2) Where, in an investigation of an unsecured or secured reorganization claim, the Protection Corporation has raised objection with regard to the details of Claims Represented by the Protection Corporation, a court clerk must give a notice of same to the Policyholders Represented by the Protection Corporation

in relation to the Claims Represented by the Protection Corporation.

(Notices and Public Notices for the Exercise of Voting Rights)

Article 437 (1) Where a means referred to in Article 189, paragraph (2), item (i) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 282) is set as a means for exercising voting rights concerning a proposed reorganization plan or proposed modification, if the Protection Corporation intends to exercise voting rights on behalf of the Policyholders Represented by the Protection Corporation, it must, by two weeks prior to the date of the first meeting of persons concerned to which a resolution of the proposed reorganization plan or proposed modification is referred, give a notice to Policyholders Represented by the Protection Corporation (other than ones that are unable to exercise voting rights), and give a public notice of the content or gist of the proposed reorganization plan or proposed modification to which it intends to give consent.

(2) Where the means referred to in Article 189, paragraph (2), item (ii) or (iii) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 282) are set as means for exercising voting rights concerning a proposed reorganization plan or proposed modification, if the Protection Corporation intends to exercise voting rights on behalf of Policyholders Represented by the Protection Corporation, it must, by two weeks prior to the last day of the period prescribed in Article 189, paragraph (2), item (ii) of that Act (including as applied mutatis mutandis pursuant to Article 282), give a notice to Policyholders Represented by the Protection Corporation (other than ones that are unable to exercise voting rights), and give a public notice of the content or outline of the proposed reorganization plan or proposed modification to which it intends to give consent.

(Notices by Policyholders Protection Corporation)

Article 438 (1) The notice given under the provisions of Article 436, paragraph (1) and the preceding Article is deemed to have been delivered when the notice should have normally arrived.

(2) The provisions of Article 10, paragraphs (1) and (2) of the Corporate Reorganization Act apply mutatis mutandis to the public notice given under the provisions of Article 428, paragraph (2) and the preceding Article.

Subsection 2 Handling of Insurance Contracts during the Reorganization Proceedings of an Insurance Company

(Special Provisions on a Trustee's Right to Terminate)

Article 439 The provisions of Article 61, paragraphs (1) to (4) of the Corporate

Reorganization Act (including as applied mutatis mutandis pursuant to Article 206, paragraph (1)) do not apply to insurance contracts (excluding reinsurance contracts) in which an Insurance Company is the insurer.

(Special Provisions on Performance of Covered Insurance Claims)

- Article 440 (1) Where an order commencing reorganization proceedings of an Insurance Company has been made, and when the Insurance Company concludes a contract under the provisions of Article 270-6-7, paragraph (3) of the Insurance Business Act with the Protection Corporation, notwithstanding the provisions of Article 47, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 199), it may perform obligations in relation to covered insurance claims prescribed in Article 245, item (i) of that Act (referred to as "Covered Insurance Claims" in Article 546, paragraph (1)) based on the claim by the reorganization creditors in relation to the insurance claims in relation to the Covered Insurance Contracts prescribed in Article 270-3, paragraph (2), item (i) of the Insurance Business Act (referred to as "Covered Insurance Contracts" in Article 445, paragraphs (2) and (4) and Article 546, paragraph (1)) and any other rights specified by Cabinet Order (hereinafter referred to as "Insurance Claims, etc." in this Article to Article 442, Article 546, and Article 547).
- (2) For the Insurance Claims, etc. for which the claim under the provisions of the preceding paragraph is made after the expiration of the period for filing a proof of claim, but before the order confirming the reorganization plan, the reorganization creditors in relation to the Insurance Claims, etc. must, within an unextendable period of two weeks after making the claim, file the particulars referred to in Article 138 or Article 139, paragraph (1) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 248), change the notified particulars pursuant to the provisions of Article 139, paragraph (5) of that Act (including as applied mutatis mutandis pursuant to Article 248), or transfer the title of the holder of a filed claim pursuant to the provisions of Article 141 of that Act (including as applied mutatis mutandis pursuant to Article 250) (hereinafter referred to as "Filing, etc.").
- (3) A reorganization creditor, even where they have received payment under the provisions of paragraph (1), may participate in reorganization proceedings with regard to the whole of claims as of the time before receiving the payment.
- (4) A reorganization creditor that received payment under the provisions of paragraph (1) may not receive any payment through reorganization proceedings until other reorganization creditors that have rights of the same nature receive payment of the same proportion.
- (5) The reorganization creditor referred to in the preceding paragraph may not

exercise voting rights with respect to the part of claims for which they received payment under the provisions of paragraph (1).

Article 441 When an Insurance Company receives a claim under the provisions of paragraph (1) of the preceding Article, it must give a notice to the Protection Corporation of the particulars prescribed in Article 428, paragraph (1) with respect to Insurance Claims, etc. in relation to the claim without delay.

(Special Provisions on Filing of Rights in Relation to Insurance Contracts)

Article 442 (1) Where a policyholder made a Filing, etc. with respect to the rights in relation to insurance contracts that are a reorganization claim, the reorganization plan must have clauses relating to the particulars referred to in Article 259, paragraph (1), item (i) or Article 167, paragraph (1), item (i) of the Corporate Reorganization Act also with respect to the rights in relation to insurance contracts that are a reorganization claim for which no Filing, etc. has been made (including those held by a person other than the policyholder and excluding Insurance Claims, etc. in relation to the claim under Article 440, paragraph (1)).

(2) The provisions of the preceding paragraph do not preclude a person that has rights in relation to insurance contracts (excluding policyholders) from making a Filing, etc. A Filing, etc. in this case is to be made after the relevant rights arise due to the occurrence of an insured event or for any other reason.

(Special Provisions on Investigating and Finalizing Rights under Insurance Contracts)

Article 443 (1) Where a Filing, etc. under the provisions of Article 440, paragraph (2) is made or where a Filing, etc. under the provisions of paragraph (2) of the preceding Article is made after the expiration of the period for filing a proof of claim, but before the order confirming the reorganization plan is made, the provisions of Article 145 to Article 148-2 of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 254) do not apply to the rights in relation to the Filing, etc.

(2) Where a Filing, etc. referred to in the preceding paragraph is made, the court must, for the purpose of conducting an investigation of an unsecured or secured reorganization claim in relation to the Filing, etc., immediately give a notice to that effect to the trustee and the Insurance Company.

(3) The trustee may, within two weeks from the day on which the notice under the provisions of the preceding paragraph is given, make an objection to the court in writing with regard to the particulars prescribed in the items of Article 146, paragraph (2) of the Corporate Reorganization Act (in the case where the Insurance Company is a Mutual Company, the items of Article 146,

paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 254) for the categories referred to in the respective items with regard to the rights in relation to the Filing, etc. under paragraph (1). The same applies to the cases where the Insurance Company makes an objection to the details of the rights in relation to the Filing, etc.

- (4) When an objection is made pursuant to the provisions of the first sentence of the preceding paragraph, a court clerk must immediately give a notice to that effect to the creditors in relation to the rights pertaining to the Filing, etc. referred to in paragraph (1).
- (5) For the purpose of application of the provisions of Article 151, paragraph (2) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 255; hereinafter the same applies in this paragraph) to the rights to which the trustee made an objection under the first sentence of paragraph (3), the phrase "the last day of the period for investigation of an unsecured or secured reorganization claim to which an objection was raised as prescribed in the main clause of the preceding paragraph or the notice under Article 149, paragraph (4)" in that paragraph is deemed to be replaced with "the notice under the provisions of Article 443, paragraph (4) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions".

(Valuation of Claims Regarding Insurance Contracts of Policyholders)

Article 444 The estimated amount as of the time of the commencement of reorganization proceedings as prescribed in Article 136, paragraph (1), item (iii) of the Corporate Reorganization Act (including as applied mutatis mutandis pursuant to Article 247, paragraph (1)) is, with regard to the claims in relation to insurance contracts of policyholders (excluding claims in relation to insurance contracts for which insurance claims and any other right specified by Cabinet Order have arisen due to the occurrence of an insured event or for any other reason (hereinafter referred to as "Insurance Claims, etc." in this Article) as of the time of the commencement of reorganization proceedings (limited to those to be extinguished upon payment in relation to the Insurance Claims, etc.)), the amount referred to in item (i) in the case of a Life Insurance Company (meaning Life Insurance Company prescribed in Article 2, paragraph (3) of the Insurance Business Act; the same applies in paragraph (3) of the following Article) and a Foreign Life Insurance Company, etc. (meaning Foreign Life Insurance Company prescribed in Article 2, paragraph (8) of the Insurance Business Act; the same applies in paragraph (3) of the following Article) and the sum total of the amounts referred to in items (ii) and (iii) in the case of a Non-Life Insurance Company (meaning Non-Life Insurance Company prescribed in Article 2, paragraph (4) of the Insurance Business Act) and Foreign Non-Life Insurance Company, etc. (meaning Foreign Non-Life

Insurance Company prescribed in Article 2, paragraph (9) of the Insurance Business Act):

- (i) the amount of money reserved for the insured as of the time of the commencement of reorganization proceedings;
- (ii) any unearned premium (referring to the insurance premium paid for that part of the period of insurance stipulated in an insurance contract which had not lapsed by the time of the commencement of reorganization proceedings); and
- (iii) the amount of money reserved as a reserve for refund as of the time of the commencement of reorganization proceedings.

(Reorganization Plan of an Insurance Company)

Article 445 (1) In cases where the reorganization plan changes claims in relation to the same class of insurance contracts, the provisions of Article 260, paragraph (1) or Article 168, paragraph (1) of the Corporate Reorganization Act must not be interpreted as precluding the use of the same levels for the means of funding the policy reserve and the levels of the coefficients that should constitute the basis for calculating the amount of the policy reserve, such as expected mortality.

(2) The provisions of Article 260, paragraph (1) or Article 168, paragraph (1) of the Corporate Reorganization Act must not be interpreted as precluding the reorganization plan from setting disadvantageous terms and conditions for claims in relation to cancellation refunds arising after the commencement of reorganization proceedings of an Insurance Company (in the case where the court, pursuant to the provisions of Article 28, paragraph (1) of the Corporate Reorganization Act (including as applied *mutatis mutandis* pursuant to Article 185), has issued a provisional remedy to prohibit the Insurance Company from carrying out payment or any other act that extinguishes obligations to unsecured and secured reorganization creditors, after the provisional remedy is issued) and benefits prescribed in Article 250, paragraph (1) of the Insurance Business Act as those specified by Cabinet Office Order or Ministry of Finance Order (limited to those in relation to Covered Insurance Contracts other than specified Covered Insurance Contract prescribed in Article 245, paragraph (ii) of that Act (referred to as a "specified Covered Insurance Contract" in paragraph (4))) as compared with other claims in relation to insurance contracts.

(3) The provisions of Article 260, paragraph (1) or Article 168, paragraph (1) of the Corporate Reorganization Act must not be interpreted as precluding the reorganization plan from setting advantageous terms and conditions for claims in relation to performance-linked insurance contracts (meaning performance-linked insurance contracts prescribed in Article 100-5, paragraph (1) of the

Insurance Business Act) as compared with other claims in relation to insurance contracts.

- (4) The reorganization plan may not set a reduction or release or any other clause that affects rights with respect to the part of claims in relation to insurance contracts (limited to Covered Insurance Contracts other than specified Covered Insurance Contracts; hereinafter the same applies in this paragraph) of policyholders corresponding to the policy reserve that should be reserved from insurance premiums received after the commencement of reorganization proceedings of an Insurance Company.

Chapter V Special Provisions on Rehabilitation Proceedings in Financial Institutions and Similar Entities

Section 1 Supervisory Agency Petitions to Commence Rehabilitation Proceedings

(Petition to Commence Rehabilitation Proceedings)

- Article 446 (1) When a fact constituting the grounds for the commencement of bankruptcy proceedings is likely to occur to a Financial Institution, Foreign Bank in relation to Foreign Bank Branch, Bank Holding Company, Long-Term Credit Bank Holding Company, federation of Shinkin Banks, federation of credit cooperatives, federation of labor banks, Financial Instruments Business Operator (meaning the Financial Instruments Business Operator prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act), Designated Parent Company or Insurance Holding Company (referred to as the "financial institution or similar entity" in this Section), the Supervisory Agency may file a petition to the court for commencement of rehabilitation proceedings.
- (2) The provisions of Article 377, paragraph (2) apply mutatis mutandis to a petition for commencement of rehabilitation proceedings of a Financial Institution, Foreign Bank in relation to Foreign Bank Branch, Bank Holding Company, Long-Term Credit Bank Holding Company, federation of Shinkin Banks, federation of credit cooperatives or federation of labor banks filed by the Supervisory Agency pursuant to the provisions of the preceding paragraph; the provisions of paragraph (3) of that Article apply mutatis mutandis to a petition for commencement of rehabilitation proceedings of a Financial Instruments Business Operator or Designated Parent Company filed by the Supervisory Agency pursuant to the provisions of the preceding paragraph; and the provisions of paragraph (4) of that Article apply mutatis mutandis to a petition for commencement of rehabilitation proceedings of an Insurance Holding Company filed by the Supervisory Agency pursuant to the provisions of the preceding paragraph.
- (3) If the Supervisory Agency files a petition for commencement of rehabilitation

proceedings pursuant to the provisions of paragraph (1), the provisions of Article 23, paragraph (1) of the Civil Rehabilitation Act do not apply.

(Appeal against an Order to Dismiss with Prejudice on the Merits a Petition to Commence Rehabilitation Proceedings)

Article 447 Notwithstanding the provisions of the first sentence of Article 9 of the Civil Rehabilitation Act, the Supervisory Agency may file an immediate appeal against an order to dismiss with prejudice on the merits a petition for commencement of rehabilitation proceedings filed pursuant to the provisions of paragraph (1) of the preceding Article.

(Notice to the Supervisory Agency)

Article 448 When a petition to commence rehabilitation proceedings in a financial institution or similar entity is filed (excluding cases where the Supervisory Agency filed a petition for commencement of rehabilitation proceedings pursuant to the provisions of Article 446, paragraph (1)), a court clerk must give a notice to the Supervisory Agency to that effect.

(Petition for an Order to Stay Other Procedures)

Article 449 (1) If a petition to commence rehabilitation proceedings in a financial institution or similar entity has been filed, the Supervisory Agency may file a petition under the provisions of Article 26, paragraph (1) or Article 27, paragraph (1) of the Civil Rehabilitation Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act).

(2) In the case prescribed in the preceding paragraph, the Supervisory Agency may, notwithstanding the provisions of the first sentence of Article 9 of the Civil Rehabilitation Act, file an immediate appeal against: a stay order under the provisions of Article 26, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act); an order under the provisions of Article 26, paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act); a revocation order under the provisions of Article 26, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act); a prohibition order under the provisions of Article 27, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act); an order under the provisions of Article 27, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act); a revocation order under the provisions of Article 27, paragraph (4) of that Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act); or a judicial decision on a petition under the provisions of Article 29, paragraph (1) of that Act (including

as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act).
(3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Petition for a Provisional Remedy or Other Measures)

Article 450 (1) If a petition to commence rehabilitation proceedings in a financial institution or similar entity has been filed, the Supervisory Agency may file a petition under the provisions of Article 30, paragraph (1) of the Civil Rehabilitation Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act; the same applies in the following paragraph).

(2) In the case prescribed in the preceding paragraph, the Supervisory Agency may, notwithstanding the provisions of the first sentence of Article 9 of the Civil Rehabilitation Act, file an immediate appeal against a provisional remedy under the provisions of Article 30, paragraph (1) of that Act or an order under the provisions of paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act).

(3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Petition for a Provisional Administration Order)

Article 451 (1) If a petition to commence rehabilitation proceedings in a financial institution or similar entity has been filed, the Supervisory Agency may file a petition under the provisions of Article 79, paragraph (1) of the Civil Rehabilitation Act (including as applied mutatis mutandis pursuant to paragraph (3) of that Article; the same applies in the following paragraph).

(2) In the case prescribed in the preceding paragraph, the Supervisory Agency may, notwithstanding the provisions of the first sentence of Article 9 of the Civil Rehabilitation Act, file an immediate appeal against a disposition under Article 79, paragraph (1) of that Act or an order under the provisions of paragraph (4) of that Article.

(3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Petition for an Order to Suspend Exercise of Security Interest)

Article 452 In cases where a petition for commencement of rehabilitation proceedings in a financial institution or similar entity has been filed, the Supervisory Agency may file a petition under the provisions of Article 31, paragraph (1) of the Civil Rehabilitation Act only prior to an order to commence rehabilitation proceedings.

(Petition for an Administration Order)

- Article 453 (1) In cases where a petition for commencement of rehabilitation proceedings in a financial institution or similar entity has been filed, the Supervisory Agency may file a petition under the provisions of Article 64, paragraph (1) of the Civil Rehabilitation Act.
- (2) In the case prescribed in the preceding paragraph, the Supervisory Agency may, notwithstanding the provisions of the first sentence of Article 9 of the Civil Rehabilitation Act, file an immediate appeal against a disposition under Article 64, paragraph (1) of that Act or an order under the provisions of paragraph (4) of that Article.
- (3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Special Provisions on the Shinkin Bank Act Concerning Transfers of Business)

Article 454 The provisions of Article 43 of the Civil Rehabilitation Act (excluding paragraph (8)) apply mutatis mutandis to Cooperative Financial Institutions. In this case, the phrase "Stock Company" in paragraph (1) of that Article is deemed to be replaced with "Cooperative Financial Institution (meaning Cooperative Financial Institution prescribed in Article 2, paragraph (2) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions (Act No. 95 of 1996))"; the phrases "the acts prescribed in Article 467, paragraph (1), items (i) to (ii)-2 of the Companies Act (hereinafter referred to as a "Transfer of Business, etc." in this paragraph and paragraph (8))" and "Transfer of Business, etc." in that paragraph is deemed to be replaced with "transfer of the whole or part of its business"; the terms "paragraph (1) of that Article" and "approval by a resolution of a shareholders meeting" is deemed to be replaced with "Article 48-3 and Article 58, paragraph (1) of the Shinkin Bank Act (Act No. 238 of 1951), Article 53 and Article 57-3, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949), and Article 53 and Article 62, paragraph (1) of the Labor Bank Act (Act No. 227 of 1953)" and "resolution at a general meeting of Partners or Members or the general meeting", respectively; the phrase "shareholders" in paragraphs (2) and (6) of that Article is deemed to be replaced with "members or partners"; and the terms "to shareholders", "the shareholder registry", and "by shareholders" is deemed to be replaced with "to members or partners", "the member registry or partner registry", and "by members or partners", respectively.

(Special Provisions on Jurisdictions, Transfers, and Notices of Rehabilitation Cases)

Article 455 (1) For the purpose of application of the provisions of Article 5, paragraphs (8) and (9) and Article 7, item (iv), (b) and (c) of the Civil

Rehabilitation Act to rehabilitation cases in relation to a financial institution or similar entity, the number of rehabilitation creditors is deemed to be 1,000 or more.

- (2) For the purpose of application of the provisions of Article 34, paragraph (2) of the Civil Rehabilitation Act to rehabilitation cases in relation to financial institution or similar entity, the number of known rehabilitation creditors is deemed to be 1,000 or more.

Article 456 Deleted

Section 2 Authority of the Deposit Insurance Corporation of Japan

(Special Provisions on Cases Where a Period for Filing Is Specified)

Article 457 If the court intends to issue an order to commence rehabilitation proceedings of a Financial Institution, it must hear the opinion of the Corporation in advance about the period during which a proof of rehabilitation claims should be filed as specified pursuant to the provisions of Article 34, paragraph (1) of the Civil Rehabilitation Act.

(Special Provisions on Notices of a Comprehensive Prohibition Order)

- Article 458 (1) When an order under the provisions of Article 28, paragraph (1) of the Civil Rehabilitation Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act; hereinafter the same applies in this Article) is made against a Financial Institution, the notice under the provisions of Article 28, paragraph (1) of that Act is not required to be given to depositors and similar creditors that are rehabilitation creditors.
- (2) In the case prescribed in the preceding paragraph, a notice of the main text of an order under Article 28, paragraph (1) of the Civil Rehabilitation Act must be given to the Corporation.

(Special Provisions on Notice of an Order Commencing Rehabilitation Proceedings)

- Article 459 (1) When the court has made an order to commence rehabilitation proceedings against a Financial Institution, the notice under the provisions of Article 35, paragraph (3), item (i) of the Civil Rehabilitation Act is not required to be given to depositors and similar creditors that are rehabilitation creditors.
- (2) In the case prescribed in the preceding paragraph, the court must give a notice to the Corporation of the particulars of which a public notice should be made pursuant to the provisions of Article 35, paragraphs (1) and (2) of the Civil Rehabilitation Act.
- (3) In rehabilitation proceedings of a Financial Institution, where there is a

change to the period for which a proof of rehabilitation claims should be filed as specified pursuant to the provisions of Article 34, paragraph (1) of the Civil Rehabilitation Act, or an order to revoke the order to commence rehabilitation proceedings becomes final and binding, before a schedule of depositors is submitted pursuant to the provisions of Article 463, paragraph (1), the notice under the provisions of paragraph (3), item (i) of that Article as applied mutatis mutandis pursuant to Article 35, paragraph (5) of that Act or the provisions of the main clause of Article 37 of that Act is not required to be given to depositors and similar creditors that are rehabilitation creditors and have not filed the particulars specified in the provisions of Article 94, paragraph (1) of that Act.

- (4) In the case prescribed in the preceding paragraph, the court must give a notice to the Corporation of the details of the change to the period for which a proof of an unsecured or secured reorganization claim should be filed as specified pursuant to the provisions of Article 34, paragraph (1) of the Civil Rehabilitation Act or the main text of the order to revoke the order to commence rehabilitation proceedings; provided, however, that this does not apply to the case where an order under paragraph (2) of that Article has been made.

(Notice of the Date of a Meeting of Creditors)

Article 460 A court clerk must, where a meeting of creditors is convened before the expiration of the period for filing a proof of claim (meaning period for filing a proof of claim prescribed in Article 94, paragraph (1) of the Civil Rehabilitation Act; hereinafter the same applies in this Chapter) in rehabilitation proceedings of a Financial Institution, give a notice to the Corporation of the date of the meeting of creditors; provided, however, that this does not apply to cases where an order under Article 34, paragraph (2) of that Act has been made.

(Creditors Committees)

Article 461 (1) For the purpose of application of the provisions of Article 117, paragraph (1) and (4) of the Civil Rehabilitation Act before the submission of a schedule of depositors by the Corporation pursuant to the provisions of Article 463, paragraph (1), the phrase "of rehabilitation creditors" in paragraph (1) of that Article is deemed to be replaced with "of rehabilitation creditors (including the Deposit Insurance Corporation of Japan)" and the phrase "petition by rehabilitation creditors" in paragraph (4) of that Article is deemed to be replaced with "petition by rehabilitation creditors (including the Deposit Insurance Corporation of Japan)".

- (2) The provisions of Article 467 apply mutatis mutandis to the cases where the

Corporation is a member of the creditors committee prescribed in Article 117, paragraph (2) of the Civil Rehabilitation Act. In this case, the phrase "Depositors Represented by the Corporation" in Article 467 is deemed to be replaced with "depositors and similar creditors".

(Preparation and Public Inspection of a Depositor Schedule)

- Article 462 (1) The Corporation must, upon receiving the notice under Article 459, paragraph (2), prepare a schedule of depositors stating the particulars prescribed in Article 99, paragraph (2) of the Civil Rehabilitation Act with respect to the Deposits and Other Claims that are known rehabilitation claims (other than one whose creditor is the Corporation), without delay.
- (2) When the Corporation has prepared a schedule of depositors, it must immediately give a public notice to that effect and of the place where it is made available for public inspection and make the schedule of depositors available for public inspection by depositors and similar creditors until the day immediately preceding the last day of the period for filing a proof of claim.
- (3) The date of commencement of public inspection of a schedule of depositors under the provisions of the preceding paragraph must be the day at least two weeks before the day immediately preceding the last day of the period for filing a proof of claim.
- (4) When the Corporation, after making a schedule of depositors available for public inspection, becomes aware that there are Deposits and Other Claims (other than one whose creditor is the Corporation) not stated in the schedule of depositors, it must, without delay, add the statement of the particulars prescribed in paragraph (1) in relation to the Deposits and Other Claims to the schedule of depositors. The same applies to cases when the Corporation becomes aware that the statement regarding the Deposits and Other Claims stated in the schedule of depositors should be changed in the interest of the creditors in relation to the Deposits and Other Claims.
- (5) The Corporation may, even after making a schedule of depositors available for public inspection, with the approval of the depositors and similar creditors stated in the schedule of depositors, delete a statement regarding the Deposits and Other Claims in relation to the depositors and similar creditors or change a statement that is detrimental to the interest of the depositors and similar creditors; provided, however, that in cases where the Corporation has acquired pursuant to the provisions of Article 58, paragraph (1) or (3) of the Deposit Insurance Act or purchased pursuant to the provisions of Article 70 of that Act the Deposits and Other Claims in relation to the depositors and similar creditors stated in the schedule of depositors, the Corporation may, without the approval of the depositors and similar creditors, delete a statement regarding the Deposits and Other Claims or change a statement that is detrimental to

the interest of the depositors and similar creditors

(Submission of a Depositor Schedule)

- Article 463 (1) The Corporation must submit a schedule of depositors prepared pursuant to the provisions of the preceding Article to the court on the last day of the period for filing a proof of claim.
- (2) The provisions of the first sentence of paragraph (4) of the preceding Article apply mutatis mutandis to the cases where the Corporation becomes aware that there are Deposits and Other Claims (other than one whose creditor is the Corporation and those that have already been filed with the court by depositors and similar creditors) not stated in a schedule of depositors after submitting it to the court.
- (3) The addition of a statement prescribed in the first sentence of paragraph (4) of the preceding Article may not be made after an order to refer the proposed rehabilitation plan to a resolution is made.
- (4) The Corporation, when it submits a schedule of depositors under the provisions of paragraph (1) or adds a statement under the provisions of the first sentence of paragraph (4) of the preceding Article, must file with the court the particulars prescribed in the items of Article 94, paragraph (1) of the Civil Rehabilitation Act (excluding the particulars prescribed in paragraph (1) of the preceding Article).
- (5) For the purpose of application of the provisions of Article 16, paragraph (1) of the Civil Rehabilitation Act to rehabilitation proceedings of a Financial Institution, the phrase "this Act (including other Acts as applied mutatis mutandis pursuant to this Act)" in that paragraph is deemed to be replaced with "this Act (including other Acts as applied mutatis mutandis pursuant to this Act) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions (Act No. 95 of 1996)".

(Effect of Submission of a Depositor Schedule)

Article 464 For the purpose of application of the provisions of the Civil Rehabilitation Act, Deposits and Other Claims stated in a schedule of depositors submitted pursuant to the provisions of paragraph (1) of the preceding Article (other than ones that have been filed by depositors and similar creditors pursuant to the provisions of Article 94, paragraph (1) of that Act before the submission) are deemed to have been filed within the period for filing a proof of claim; and the filing of the Deposits and Other Claims in relation to the addition of a statement under the provisions of the first sentence of Article 462, paragraph (4) as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article is deemed to have been subsequently completed pursuant to the provisions of Article 95, paragraph (1) of that

Article.

(Participation of Depositors)

- Article 465 (1) If a creditor in relation to the Deposits and Other Claims (other than one for which the transfer of the title of holder of a filed claim under the provisions of Article 96 of the Civil Rehabilitation Act has been made with the Corporation; hereinafter the same applies in this Article and the following Article) that are deemed to have been filed or whose filing is deemed to have been subsequently completed under the provisions of the preceding Article intends to personally participate in rehabilitation proceedings, the creditor must notify the court to that effect; provided, however, that this does not apply to acts involved in court proceedings to finalize rehabilitation claims.
- (2) The notice under the provisions of the preceding paragraph (hereinafter referred to as a "Participation Notice" in this Article and the following Article) may be given until the close of rehabilitation proceedings.
- (3) The court must, when a Participation Notice is given, give a notice of same to the Corporation.
- (4) A depositor or similar creditor that gave a Participation Notice is to personally participate in rehabilitation proceedings with regard to the whole of Deposits and Other Claims in relation to the depositor or similar creditor that are deemed to have been filed or whose filing is deemed to have been subsequently completed under the provisions of the preceding Article.

(Powers of the Deposit Insurance Corporation of Japan)

Article 466 The Corporation must conduct any and all acts involved in rehabilitation proceedings (other than acts involved in court proceedings to finalize the rehabilitation claims that constitute Claims Represented by the Corporation (as defined below) to which the Corporation has raised an objection in the investigation of rehabilitation claims) in the interest of the creditors in relation to the Deposits and Other Claims that are deemed to have been filed or whose filing is deemed to have been subsequently completed under the provisions of Article 464 (excluding depositors and similar creditors that gave a Participation Notice; hereinafter referred to as "Depositors Represented by the Corporation" in this Section) with regard to Deposits and Other Claims in relation to the Depositors Represented by the Corporation (hereinafter referred to as "Claims Represented by the Corporation" in this Section); provided, however, that in order to withdraw the filing of a proof in relation to Claims Represented by the Corporation or change the particulars that have been filed concerning Claims Represented by the Corporation in a manner detrimental to the interest of Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation or

withdraw a petition for rehabilitation claim assessment in relation to Claims Represented by the Corporation under the main clause of Article 105, paragraph (1) of the Civil Rehabilitation Act or perform any of the procedural acts set forth in Article 32, paragraph (2), item (i) or (ii) of the Code of Civil Procedure in an action concerning the determination of rehabilitation claims in relation to Claims Represented by the Corporation, the delegation of power from Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation is required.

(Obligations of the Deposit Insurance Corporation of Japan)

- Article 467 (1) The Corporation must conduct the acts referred to in the preceding Article in a fair and sincere manner in the interest of Depositors Represented by the Corporation.
- (2) The Corporation must conduct the acts referred to in the preceding Article with the due care of a prudent manager for Depositors Represented by the Corporation.

(Change to the Particulars Pertaining to a Filing)

- Article 468 (1) When the Corporation becomes aware that any of the particulars in relation to the filing relating to Claims Represented by the Corporation should be changed in the interest of the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation, it must change those particulars in relation to the filing without delay.
- (2) The provisions of Article 463, paragraph (3) apply mutatis mutandis to the change referred to in the preceding paragraph.
- (3) The change under the provisions of paragraph (1) is, for the purpose of application of the provisions of the Civil Rehabilitation Act, deemed to be the change under the provisions of Article 95, paragraph (5) of that Act unless otherwise provided for in this Chapter.

(Expenses for Special Periods for Investigation)

Article 469 Any expenses relating to the Special Period for Investigation prescribed in Article 103, paragraph (1) of the Civil Rehabilitation Act in relation to Claims Represented by the Corporation (hereinafter referred to as a "Special Period for Investigation" in this Chapter) are, notwithstanding the provisions of paragraph (2) of that Article, borne by the Corporation; provided, however, that the Corporation may, in the case where a Special Period for Investigation is set for the examination of the Deposits and Other Claims that have been restored to their original state pursuant to the provisions of Article 133 of that Act or where there are other reasonable grounds, claim reimbursement of the whole or part of the expenses from Depositors

Represented by the Corporation.

(Notice of an Objection)

Article 470 (1) Where, in an investigation of rehabilitation claims, a Rehabilitation Debtor, etc. (meaning Rehabilitation Debtor, etc. prescribed in Article 2, item (ii) of the Civil Rehabilitation Act; hereinafter the same applies in this Chapter) has disapproved the details of Claims Represented by the Corporation or an objection has been made with regard to the details by any holder of filed rehabilitation claims (meaning holder of filed rehabilitation claims prescribed in Article 102, paragraph (1) of that Act; hereinafter the same applies in this Chapter) (excluding the case where the Corporation has raised objection with regard to the Claims Represented by the Corporation), the Corporation must, without delay, give a notice to that effect to the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation.

(2) Where, in an investigation of rehabilitation claims, the Corporation has raised objection with regard to the details of Claims Represented by the Corporation, a court clerk must give a notice of same to the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation.

(Notices and Public Notices for the Exercise of Voting Rights)

Article 471 (1) Where a means referred to in Article 169, paragraph (2), item (i) of the Civil Rehabilitation Act is set as a means for exercising voting rights concerning a proposed rehabilitation plan or proposed modification, if the Corporation intends to exercise voting rights on behalf of Depositors Represented by the Corporation, it must, by two weeks prior to the date of the first meeting of creditors to which a resolution of the proposed rehabilitation plan or proposed modification is referred, give a notice to Depositors Represented by the Corporation (other than ones that are unable to exercise voting rights), and give a public notice of the content or gist of the proposed rehabilitation plan or proposed modification to which it intends to give consent.

(2) Where the means referred to in Article 169, paragraph (2), item (ii) or (iii) of the Civil Rehabilitation Act are set as means for exercising voting rights concerning a proposed rehabilitation plan or proposed modification, if the Corporation intends to exercise voting rights on behalf of Depositors Represented by the Corporation, it must, by two weeks prior to the last day of the period prescribed in item (ii) of that paragraph, give a notice to Depositors Represented by the Corporation (other than ones that are unable to exercise voting rights), and give a public notice of the content or outline of the proposed rehabilitation plan or proposed modification to which it intends to give consent.

(3) If the Corporation seeks to give consent, on behalf of Depositors Represented by the Corporation, to the proposed rehabilitation plan under Article 211, paragraph (1) of the Civil Rehabilitation Act or Article 217, paragraph (1) of that Act or to consent to no procedure to investigate or finalize rehabilitation claims being conducted, it must give a notice to Depositors Represented by the Corporation, and give a public notice of the content of the proposed rehabilitation plan at least two weeks prior to the date of the consent.

(Notice by the Deposit Insurance Corporation of Japan)

Article 472 (1) The notice given under the provisions of Article 470, paragraph (1) and the preceding Article is deemed to have been delivered when the notice should have normally arrived.

(2) The provisions of Article 10, paragraphs (1) and (2) of the Civil Rehabilitation Act apply mutatis mutandis to the public notice given under the provisions of Article 462, paragraph (2) and the preceding Article.

(Permission of the Performance of Settlement of Obligations)

Article 473 (1) Where an order to the effect that loans of funds are granted to a Financial Institution against which an order to commence rehabilitation proceedings was made pursuant to the provisions of Article 69-3, paragraph (1) of the Deposit Insurance Act (including as applied mutatis mutandis pursuant to Article 127 of that Act) has been made, the court may, notwithstanding the provisions of Article 85, paragraph (1) of the Civil Rehabilitation Act, upon the petition of a Rehabilitation Debtor, etc., grant permission of the performance of settlement obligations under Article 69-3, paragraph (1) of the Deposit Insurance Act or the repayment of deposits, etc. under the provisions of that paragraph as applied mutatis mutandis pursuant to Article 127 of that Act.

(2) The court must, upon granting permission pursuant to the provisions of the preceding paragraph, specify the type of the settlement obligations to be performed or the type of the deposits, etc. to be repaid, a limit of performance, etc., and a period in which the performance, etc. is to be made (the last day of the period must precede the last day of the period for filing a proof of claim).

(3) The court must, when specifying the type of the settlement obligations to be performed or the time of the deposits, etc. to be repaid, a limit of performance, etc. and a period in which the performance, etc. must be made pursuant to the provisions of the preceding paragraph, hear the opinion of the Corporation in advance.

Section 3 Authority of the Investor Protection Fund

(Special Provisions on Cases Where a Period for Filing Is Specified)

Article 474 If the court intends to issue an order to commence rehabilitation proceedings of a Financial Instruments Business Operator, it must hear the opinion of the Fund in advance about the period during which a proof of rehabilitation claims should be filed as specified pursuant to the provisions of Article 34, paragraph (1) of the Civil Rehabilitation Act.

(Special Provisions on a Notice of a Comprehensive Prohibition Order)

Article 475 (1) When an order under the provisions of Article 28, paragraph (1) of the Civil Rehabilitation Act (including as applied mutatis mutandis pursuant to Article 36, paragraph (2) of that Act; hereinafter the same applies in this Article) is made against a Financial Instruments Business Operator, the notice under the provisions of Article 28, paragraph (1) of that Act is not required to be given to customers that are rehabilitation creditors.

(2) In the case prescribed in the preceding paragraph, the court must give a notice of the main text of the order under Article 28, paragraph (1) of the Civil Rehabilitation Act to the Fund.

(Special Provisions on Notice of an Order Commencing Rehabilitation Proceedings)

Article 476 (1) When the court has made an order to commence rehabilitation proceedings against a Financial Instruments Business Operator, the notice under the provisions of Article 35, paragraph (3), item (i) of the Civil Rehabilitation Act is not required to be given to customers that are rehabilitation creditors.

(2) In the case prescribed in the preceding paragraph, the court must give a notice to the Fund of the particulars of which a public notice should be made pursuant to the provisions of Article 35, paragraphs (1) and (2) of the Civil Rehabilitation Act.

(3) In rehabilitation proceedings of a Financial Instruments Business Operator, where there is a change to the period for which a proof of rehabilitation claims should be filed as specified pursuant to the provisions of Article 34, paragraph (1) of the Civil Rehabilitation Act, or an order to revoke the order to commence rehabilitation proceedings becomes final and binding, before a customer list is submitted pursuant to the provisions of Article 480, paragraph (1), the notice under the provisions of paragraph (3), item (i) of that Article as applied mutatis mutandis pursuant to Article 35, paragraph (5) of that Act or the provisions of the main clause of Article 37 of that Act is not required to be given to customers that are rehabilitation creditors and have not filed the particulars specified in the provisions of Article 94, paragraph (1) of that Act.

(4) In the case prescribed in the preceding paragraph, the court must give a notice to the Fund of the details of the change to the period for which a proof of

an unsecured or secured reorganization claim should be filed as specified pursuant to the provisions of Article 34, paragraph (1) of the Civil Rehabilitation Act or the main text of the order to revoke the order to commence rehabilitation proceedings; provided, however, that this does not apply to the case where an order under paragraph (2) of that Article has been made.

(Notice of the Date of a Meeting of Creditors)

Article 477 A court clerk must, where a meeting of creditors is convened before the expiration of the period for filing a proof of claim in rehabilitation proceedings of a Financial Instruments Business Operator, give a notice to the Fund of the date of the meeting of creditors; provided, however, that this does not apply to the case where an order under Article 34, paragraph (2) of the Civil Rehabilitation Act has been made.

(Creditors Committees)

Article 478 (1) For the purpose of application of the provisions of Article 117, paragraphs (1) and (4) of the Civil Rehabilitation Act before the submission of a customer list by the Fund pursuant to the provisions of Article 480, paragraph (1), the phrase "of rehabilitation creditors" in paragraph (1) of that Article is deemed to be replaced with "of rehabilitation creditors (including the Investor Protection Fund (meaning the Investor Protection Fund prescribed in Article 79-21 of the Financial Instruments and Exchange Act (Act No. 25 of 1948) in which the rehabilitation debtor participates; hereinafter the same applies in this Article))" and the phrase "petition by rehabilitation creditors" in paragraph (4) of that Article is deemed to be replaced with "petition by rehabilitation creditors (including the Investor Protection Fund)".

(2) The provisions of Article 484 apply mutatis mutandis to the cases where the Fund is a member of the creditors committee prescribed in Article 117, paragraph (2) of the Civil Rehabilitation Act. In this case, the phrase "Customers Represented by the Fund" in Article 484 is deemed to be replaced with "customers".

(Preparation and Public Inspections of Customer Lists)

Article 479 (1) The Fund must, upon receiving the notice under Article 476, paragraph (2), prepare a customer list stating the particulars prescribed in Article 99, paragraph (2) of the Civil Rehabilitation Act with respect to the Customer Claims that are known rehabilitation claims (other than one whose creditor is the Fund), without delay.

(2) When the Fund has prepared a customer list, it must immediately give a public notice to that effect and of the place where it is made available for

public inspection and make the customer list available for public inspection by customers until the day immediately preceding the last day of the period for filing a proof of claim.

- (3) The date of commencement of public inspection of a customer list under the provisions of the preceding paragraph must be the day at least two weeks before the day immediately preceding the last day of the period for filing a proof of claim.
- (4) When the Fund, after the making a customer list available for public inspection, becomes aware that there are Customer Claims (other than one whose creditor is the Fund) not stated in the customer list, it must, without delay, add the statement of the particulars prescribed in paragraph (1) in relation to the Customer Claims to the customer list. The same applies to cases when the Fund becomes aware that the statement regarding the Customer Claims stated in the customer list should be changed in the interest of the creditors to which the Customer Claims relate.
- (5) The Fund may, even after making a customer list available for public inspection, with the approval of the customers stated in the customer list, delete a statement regarding the Customer Claims relating to those customers or change a statement that is detrimental to the interest of those customers; provided, however, that in cases where the Fund has acquired the Customer Claims in relation to the customers stated in the customer list pursuant to the provisions of Article 79-57, paragraph (4) of the Financial Instruments and Exchange Act, the Fund may, without the approval of those customers, delete a statement regarding the Customer Claims or change a statement that is detrimental to the interest of those customers.

(Submission of a Customer List)

- Article 480 (1) The Fund must submit a customer list prepared pursuant to the provisions of the preceding Article to the court on the last day of the period for filing a proof of claim.
- (2) The provisions of the first sentence of paragraph (4) of the preceding Article apply mutatis mutandis to the cases where the Fund becomes aware that there are Customer Claims (other than one whose creditor is the Fund and those that have already been filed with the court by customers) not stated in a customer list after submitting it to the court.
 - (3) The addition of a statement prescribed in the first sentence of paragraph (4) of the preceding Article may not be made after an order to refer the proposed rehabilitation plan to a resolution is made.
 - (4) The Fund, when it submits a customer list under the provisions of paragraph (1) or adds a statement under the provisions of the first sentence of paragraph (4) of the preceding Article as applied mutatis mutandis pursuant to paragraph

(2), must file with the court the particulars prescribed in the items of Article 94, paragraph (1) of the Civil Rehabilitation Act (excluding the particulars prescribed in paragraph (1) of the preceding Article).

(5) For the purpose of application of the provisions of Article 16, paragraph (1) of the Civil Rehabilitation Act to rehabilitation proceedings of a Financial Instruments Business Operator, the phrase "this Act (including other Acts as applied mutatis mutandis pursuant to this Act)" in that paragraph is deemed to be replaced with "this Act (including other Acts as applied mutatis mutandis pursuant to this Act) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions".

(Effect of the Submission of Customer Lists)

Article 481 For the purpose of application of the provisions of the Civil Rehabilitation Act, Customer Claims stated in a customer list submitted pursuant to the provisions of paragraph (1) of the preceding Article (other than ones that have been filed by customers pursuant to the provisions of Article 94, paragraph (1) of that Act before the submission) are deemed to have been filed within the period for filing a proof of claim; and the filing of the Customer Claims in relation to the addition of a statement under the provisions of the first sentence of Article 479, paragraph (4) as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article is deemed to have been subsequently completed pursuant to the provisions of Article 95, paragraph (1) of that Article.

(Customer Participation)

Article 482 (1) If a creditor in relation to the Customer Claims (other than one for which the transfer of the title of holder of a filed claim under the provisions of Article 96 of the Civil Rehabilitation Act has been made with the Fund; hereinafter the same applies in this Article and the following Article) that are deemed to have been filed or whose filing is deemed to have been subsequently completed under the provisions of the preceding Article intends to personally participate in rehabilitation proceedings, the creditor must notify the court to that effect; provided, however, that this does not apply to acts involved in court proceedings to finalize rehabilitation claims.

(2) The notice under the provisions of the preceding paragraph (hereinafter referred to as a "Participation Notice" in this Article and the following Article) may be given until the close of rehabilitation proceedings.

(3) The court must, when a Participation Notice is given, give a notice of this to the Fund.

(4) A customer that gave a Participation Notice is to personally participate in rehabilitation proceedings with regard to all of the Customer Claims in

relation to the customer, that are deemed to have been filed or whose filing is deemed to have been subsequently completed under the provisions of the preceding Article.

(Authority of the Investor Protection Fund)

Article 483 The Fund must perform any and all acts involved in rehabilitation proceedings (other than acts involved in court proceedings to finalize the rehabilitation claims that constitute Claims Represented by the Fund (as defined below) to which the Fund has raised an objection in the investigation of rehabilitation claims) in the interest of the creditors in relation to the Customer Claims that are deemed to have been filed or whose filing is deemed to have been subsequently completed under the provisions of Article 481 (other than customers that gave a Participation Notice; hereinafter referred to as "Customers Represented by the Fund" in this Section) with regard to Customer Claims in relation to the Customers Represented by the Fund (hereinafter referred to as "Claims Represented by the Fund" in this Section); provided, however, that in order to withdraw the filing of a proof in relation to Claims Represented by the Fund or change the particulars that have been filed concerning Claims Represented by the Fund in a manner detrimental to the interest of Customers Represented by the Fund in relation to the Claims Represented by the Fund or withdraw a petition for rehabilitation claim assessment in relation to Claims Represented by the Fund under the main clause of Article 105, paragraph (1) of the Civil Rehabilitation Act or perform any of the procedural acts set forth in Article 32, paragraph (2), item (i) or (ii) of the Code of Civil Procedure in an action concerning the determination of rehabilitation claims in relation to Claims Represented by the Fund, the delegation of power from Customers Represented by the Fund in relation to the Claims Represented by the Fund is required.

(Obligations of the Investor Protection Fund)

Article 484 (1) The Fund must conduct the acts referred to in the preceding Article in a fair and sincere manner in the interest of Customers Represented by the Fund.

(2) The Fund must conduct the acts referred to in the preceding Article with the due care of a prudent manager for Customers Represented by the Fund.

(Change to the Particulars Pertaining to Filing)

Article 485 (1) When the Fund becomes aware that any of the particulars in relation to the filing relating to Claims Represented by the Fund should be changed in the interest of the Customers Represented by the Fund in relation to the Claims Represented by the Fund, it must change those particulars in

relation to the filing without delay.

- (2) The provisions of Article 480, paragraph (3) apply mutatis mutandis to the change referred to in the preceding paragraph.
- (3) The change under the provisions of paragraph (1) is, for the purpose of application of the provisions of the Civil Rehabilitation Act, deemed to be the change under the provisions of Article 95, paragraph (5) of that Act unless otherwise provided for in this Chapter.

(Expenses for Special Periods for Investigation)

Article 486 Any expenses relating to the Special Period for Investigation in relation to Claims Represented by the Fund are, notwithstanding the provisions of Article 103, paragraph (2) of the Civil Rehabilitation Act, borne by the Fund; provided, however, that the Fund may, in the case where a Special Period for Investigation is set for the examination of the Customer Claims that have been restored to their original state pursuant to the provisions of Article 133 of that Act or where there are other reasonable grounds, claim reimbursement of the whole or part of the expenses from Customers Represented by the Fund.

(Notice of an Objection)

- Article 487 (1) Where, in an investigation of rehabilitation claims, a Rehabilitation Debtor, etc. has disapproved the details of Claims Represented by the Fund or an objection has been made with regard to the details by any holder of filed rehabilitation claims (excluding the case where the Fund has raised objection with regard to the Claims Represented by the Fund), the Fund must, without delay, give a notice to that effect to the Customers Represented by the Fund in relation to the Claims Represented by the Fund.
- (2) Where, in an investigation of rehabilitation claims, the Fund has raised objection with regard to the details of Claims Represented by the Fund, a court clerk must give a notice of same to the Customers Represented by the Fund in relation to the Claims Represented by the Fund.

(Notices and Public Notices for the Exercise of Voting Rights)

Article 488 (1) Where a means referred to in Article 169, paragraph (2), item (i) of the Civil Rehabilitation Act is set as a means for exercising voting rights concerning a proposed rehabilitation plan or proposed modification, if the Fund intends to exercise voting rights on behalf of Customers Represented by the Fund, it must, by two weeks prior to the date of the first meeting of creditors to which a resolution of the proposed rehabilitation plan or proposed modification is referred, give a notice to Customers Represented by the Fund (other than ones that are unable to exercise voting rights), and give a public notice of the

content or outline of the proposed rehabilitation plan or proposed modification to which it intends to give consent.

- (2) Where the means referred to in Article 169, paragraph (2), item (ii) or (iii) of the Civil Rehabilitation Act are set as means for exercising voting rights concerning a proposed rehabilitation plan or proposed modification, if the Fund intends to exercise voting rights on behalf of Customers Represented by the Fund, it must, by two weeks prior to the last day of the period prescribed in item (ii) of that paragraph, give a notice to Customers Represented by the Fund (other than ones that are unable to exercise voting rights), and give a public notice of the content or outline of the proposed rehabilitation plan or proposed modification to which it intends to give consent.
- (3) If the Fund seeks to consent, on behalf of Customers Represented by the Fund, to the proposed rehabilitation plan under Article 211, paragraph (1) of the Civil Rehabilitation Act or Article 217, paragraph (1) of that Act or to consent to no procedure to investigate or determine rehabilitation claims being conducted, it must give a notice to Customers Represented by the Fund, and give a public notice of the content of the proposed rehabilitation plan at least two weeks prior to the date of the consent.

(Notices by the Investor Protection Fund)

- Article 489 (1) The notice given under the provisions of Article 487, paragraph (1) and the preceding Article is deemed to have been delivered when the notice should have normally arrived.
- (2) The provisions of Article 10, paragraphs (1) and (2) of the Civil Rehabilitation Act apply mutatis mutandis to the public notice given under the provisions of Article 479, paragraph (2) and the preceding Article.

**Chapter VI Special Provisions on Bankruptcy Proceedings in Financial
Institutions and Similar Entities**
**Section 1 Supervisory Agency Petitions to Commence Bankruptcy
Proceedings**

(Petition for Commencement of Bankruptcy Proceedings)

- Article 490 (1) When a fact constituting the grounds for the commencement of bankruptcy proceedings has occurred to a Financial Institution, Foreign Bank in relation to a Foreign Bank Branch, Bank Holding Company, Long-Term Credit Bank Holding Company, federation of Shinkin Banks, federation of credit cooperatives, federation of labor banks, Financial Instruments Business Operator (meaning Financial Instruments Business Operator prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act), Designated Parent Company, Insurance Company, Insurance Holding

Company Insurance Company, or Small Amount and Short Term Insurance Provider (hereinafter referred to as a "financial institution or similar entity" in this Section), the Supervisory Agency may file a petition for commencement of bankruptcy proceedings.

- (2) The provisions of Article 377, paragraph (2) apply mutatis mutandis to a petition for commencement of bankruptcy proceedings of a Financial Institution, Foreign Bank in relation to Foreign Bank Branch, Bank Holding Company, Long-Term Credit Bank Holding Company, federation of Shinkin Banks, federation of credit cooperatives or federation of labor banks filed by the Supervisory Agency pursuant to the provisions of the preceding paragraph; the provisions of paragraph (3) of that Article apply mutatis mutandis to a petition for commencement of bankruptcy proceedings of a Financial Instruments Business Operator or Designated Parent Company filed by the Supervisory Agency pursuant to the provisions of the preceding paragraph; and the provisions of paragraph (4) of that Article apply mutatis mutandis to a petition for commencement of bankruptcy proceedings of an Insurance Company, Insurance Holding Company or Small Amount and Short Term Insurance Provider filed by the Supervisory Agency pursuant to the provisions of the preceding paragraph.
- (3) If the Supervisory Agency files a petition for commencement of bankruptcy proceedings pursuant to the provisions of paragraph (1), the provisions of Article 20, paragraph (2) and the first sentence of Article 23, paragraph (1) of the Bankruptcy Act do not apply.

(Appeal against an Order to Dismiss with Prejudice on the Merits a Petition to Commence Bankruptcy Proceedings)

Article 491 Notwithstanding the provisions of the first sentence of Article 9 of the Bankruptcy Act, the Supervisory Agency may file an immediate appeal against an order to dismiss with prejudice on the merits a petition for commencement of bankruptcy proceedings filed pursuant to the provisions of paragraph (1) of the preceding Article.

(Notice to the Supervisory Agency)

Article 492 When a petition for commencement of bankruptcy proceedings in a financial institution or similar entity is filed (excluding cases where the Supervisory Agency filed a petition for commencement of bankruptcy proceedings pursuant to the provisions of Article 490, paragraph (1)), a court clerk must notify the Supervisory Agency of this.

(Petition for an Order to Stay Other Procedures)

Article 493 (1) In cases where a petition for commencement of bankruptcy

proceedings in a financial institution or similar entity has been filed, the Supervisory Agency may file a petition under the provisions of Article 24, paragraph (1) or Article 25, paragraph (1) of the Bankruptcy Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act).

- (2) In the case prescribed in the preceding paragraph, the Supervisory Agency may, notwithstanding the provisions of the first sentence of Article 9 of the Bankruptcy Act, file an immediate appeal against: a stay order under the provisions of Article 24, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act); an order under the provisions of Article 24, paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act); a revocation order under the provisions of Article 24, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act); a prohibition order under the provisions of Article 25, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act); an order under the provisions of Article 25, paragraph (4) of that Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act); a revocation order under the provisions of Article 25, paragraph (5) of that Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act); or a judicial decision on a petition under the provisions of Article 27, paragraph (1) of that Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act).
- (3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Petition for a Provisional Remedy or Other Measures)

- Article 494 (1) In cases where a petition for commencement of bankruptcy proceedings in a financial institution or similar entity has been filed, the Supervisory Agency may file a petition under the provisions of Article 28, paragraph (1) of the Bankruptcy Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act; the same applies in the following paragraph).
- (2) In the case prescribed in the preceding paragraph, the Supervisory Agency may, notwithstanding the provisions of the first sentence of Article 9 of the Bankruptcy Act, file an immediate appeal against a provisional remedy under the provisions of Article 28, paragraph (1) of that Act or an order under the provisions of paragraph (2) of that Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act).
- (3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Petition for a Provisional Administration Order)

- Article 495 (1) In cases where a petition for commencement of bankruptcy proceedings in a financial institution or similar entity has been filed, the Supervisory Agency may file a petition under the provisions of Article 91, paragraph (1) of the Bankruptcy Act (including as applied mutatis mutandis pursuant to paragraph (3) of that Article; the same applies in the following paragraph).
- (2) In the case prescribed in the preceding paragraph, the Supervisory Agency may, notwithstanding the provisions of the first sentence of Article 9 of the Bankruptcy Act, file an immediate appeal against a disposition under the provisions of Article 91, paragraph (1) of that Act or an order under the provisions of paragraph (4) of that Article.
- (3) The immediate appeal referred to in the preceding paragraph does not have the effect of a stay of execution.

(Special Provisions on Jurisdiction, Transfer, and Notice of a Bankruptcy Case)

- Article 496 (1) For the purpose of application of the provisions of Article 5, paragraphs (8) and (9) and Article 7, item (iv), (b) and (c) of the Bankruptcy Act to bankruptcy cases in relation to financial institution or similar entity, the number of creditors that have claims that would have become bankruptcy claims if an order to commence bankruptcy proceedings had been made (after an order to commence bankruptcy proceedings, bankruptcy creditors) is deemed to be 1,000 or more.
- (2) For the purpose of application of the provisions of Article 31, paragraph (5) of the Bankruptcy Act to bankruptcy cases in relation to financial institution or similar entity, the number of known bankruptcy creditors is deemed to be 1,000 or more.

Section 2 Authority of the Deposit Insurance Corporation of Japan

(Special Provisions on Cases Where a Period for Filing Is Specified)

- Article 497 If the court intends to issue an order to commence bankruptcy proceedings of a Financial Institution, it must hear the opinion of the Corporation in advance about the period for which a proof of bankruptcy claims should be filed as specified pursuant to the provisions of Article 31, paragraph (1), item (i) of the Bankruptcy Act.

(Special Provisions on a Notice of a Comprehensive Prohibition Order)

- Article 498 (1) When an order under the provisions of Article 26, paragraph (1) of the Bankruptcy Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act; hereinafter the same applies in this

Article) has been made against a Financial Institution, the notice under the provisions of Article 26, paragraph (1) of that Act is not required to be given to depositors and similar creditors

- (2) In the case prescribed in the preceding paragraph, a notice of the main text of the order under Article 26, paragraph (1) of the Bankruptcy Act must be given to the Corporation.

(Special Provisions on a Notice of an Order Commencing Bankruptcy Proceedings)

Article 499 (1) When the court has made an order to commence bankruptcy proceedings against a Financial Institution, the notice under the provisions of Article 32, paragraph (3), item (i) of the Bankruptcy Act is not required to be given to depositors and similar creditors that are bankruptcy creditors.

- (2) In the case prescribed in the preceding paragraph, a notice of the particulars of which a public notice should be made pursuant to the provisions of Article 32, paragraphs (1) and (2) of the Bankruptcy Act must be given to the Corporation.

(3) In bankruptcy proceedings of a Financial Institution, where there is a change to the particulars referred to in Article 32, item (1), (ii) or (iii) of the Bankruptcy Act (for the particulars referred to in that item, limited to cases where there is a change to the period referred to in Article 31, paragraph (1), item (i) of that Act or the date referred to in item (ii) of that paragraph), or an order to revoke the order to commence bankruptcy proceedings becomes final and binding, before a schedule of depositors is submitted pursuant to the provisions of Article 504, paragraph (1), the notice under the provisions of paragraph (3), item (i) of that Article as applied mutatis mutandis pursuant to Article 32, paragraph (5) of that Act or the provisions of the main clause of Article 33, paragraph (3) of that Act is not required to be given to depositors and similar creditors that are bankruptcy creditors and have not filed the particulars specified in the provisions of Article 111, paragraph (1) of that Act.

- (4) In the case prescribed in the preceding paragraph, a notice of the details of the change to the particulars referred to in Article 32, paragraph (1), item (ii) or (iii) of the Bankruptcy Act (for the particulars referred to in that item, limited to the period referred to in Article 31, paragraph (1), item (i) of that Act or the date referred to in item (ii) of that paragraph) or the main text of the order to revoke the order of commencement of bankruptcy proceedings must be given to the Corporation; provided, however, that this does not apply to the case where an order under Article 31, paragraph (5) of that Act has been made.

(Notices Concerning an Offer to Receive a Small-Amount Distribution)

Article 500 The Corporation must, upon receiving the notice under the provisions of paragraph (2) of the preceding Article, give a notice to depositors

and similar creditors that are bankruptcy creditors without delay to the effect that if they have the intention of receiving distribution money, even when the total amount of distribution given to them is less than the amount specified by Rules of the Supreme Court as prescribed in Article 111, paragraph (1), item (iv) of the Bankruptcy Act (hereinafter referred to as an "Intention of Receiving a Small-Amount Distribution" in this Chapter), they must notify the Corporation to that effect by the day immediately preceding the last day of the period for filing a proof of claim (meaning period for filing a proof of claim prescribed in that paragraph; hereinafter the same applies in this Chapter).

(Notice of a Date of a Meeting of Creditors)

Article 501 A court clerk must, where a meeting of creditors is convened before the expiration of the period for filing a proof of claim in bankruptcy proceedings of a Financial Institution, give a notice to the Corporation of the date of the meeting of creditors; provided, however, that this does not apply to the case where an order under Article 31, paragraph (5) of the Bankruptcy Act has been made.

(Creditors Committees)

Article 502 (1) For the purpose of application of the provisions of Article 144, paragraph (1) and (4) of the Bankruptcy Act before the submission of a schedule of depositors by the Corporation pursuant to the provisions of Article 504, paragraph (1), the phrase "of bankruptcy creditors" in paragraph (1) of that Article is deemed to be replaced with "of bankruptcy creditors (including the Deposit Insurance Corporation of Japan)" and the phrase "petition by bankruptcy creditors" in paragraph (4) of that Article is deemed to be replaced with "petition by bankruptcy creditors (including the Deposit Insurance Corporation of Japan)".

(2) The provisions of Article 508 apply mutatis mutandis to the cases where the Corporation is a member of the creditors committee prescribed in Article 144, paragraph (2) of the Bankruptcy Act. In this case, the phrase "Depositors Represented by the Corporation" in Article 508 is deemed to be replaced with "depositors and similar creditors"

(Preparation and Public Inspection of Schedule of Depositors)

Article 503 (1) The Corporation must, upon receiving the notice under Article 499, paragraph (2), prepare a schedule of depositors stating the particulars prescribed in Article 115, paragraph (2) of the Bankruptcy Act with respect to the Deposits and Other Claims that are known bankruptcy claims (other than one whose creditor is the Corporation), without delay.

(2) When the Corporation has prepared a schedule of depositors, it must

immediately give a public notice to that effect and of the place where it is made available for public inspection and make the schedule of depositors available for public inspection by depositors and similar creditors until the day immediately preceding the last day of the period for filing a proof of claim.

- (3) The date of commencement of public inspection of the schedule of depositors under the provisions of the preceding paragraph must be the day at least two weeks before the day immediately preceding the last day of the period for filing a proof of claim.
- (4) When the Corporation, after making a schedule of depositors available for public inspection, becomes aware that there are Deposits and Other Claims (other than one whose creditor is the Corporation) not stated in the schedule of depositors, it must, without delay, add the statement of the particulars prescribed in paragraph (1) in relation to the Deposits and Other Claims to the schedule of depositors. The same applies to cases when the Corporation becomes aware that the statement regarding the Deposits and Other Claims stated in the schedule of depositors should be changed in the interest of the creditors in relation to the Deposits and Other Claims.
- (5) The Corporation must, if it receives an offer from a creditor in relation to Deposits and Other Claims stated in the schedule of depositors to the effect that they have the Intention of Receiving Small Amount Distribution (hereinafter referred to as a "Small Amount Distribution Receiving Offer" in this Chapter) after making the schedule of depositors available for public inspection, add a statement to that effect to the schedule of depositors.
- (6) The Corporation may, even after making a schedule of depositors available for public inspection, with the approval of the depositors and similar creditors stated in the schedule of depositors, delete a statement regarding the Deposits and Other Claims in relation to the depositors and similar creditors or change a statement that is detrimental to the interest of the depositors and similar creditors; provided, however, that in cases where the Corporation has acquired pursuant to the provisions of Article 58, paragraph (1) or (3) of the Deposit Insurance Act or purchased pursuant to the provisions of Article 70 of that Act the Deposits and Other Claims in relation to the depositors and similar creditors stated in the schedule of depositors, the Corporation may, without the approval of the depositors and similar creditors, delete a statement regarding the Deposits and Other Claims or change a statement that is detrimental to the interest of the depositors and similar creditors

(Submission of Depositor Schedules)

- Article 504 (1) The Corporation must submit a schedule of depositors prepared pursuant to the provisions of the preceding Article to the court on the last day of the period for filing a proof of claim.

- (2) The provisions of the first sentence of paragraph (4) of the preceding Article apply mutatis mutandis to the cases where the Corporation becomes aware that there are Deposits and Other Claims (other than one whose creditor is the Corporation and those that have already been filed with the court by depositors and similar creditors) not stated in a schedule of depositors after submitting it to the court.
- (3) The Corporation, when it submits the schedule of depositors under the provisions of paragraph (1) or adds a statement under the provisions of the first sentence of paragraph (4) of the preceding Article as applied mutatis mutandis pursuant to the preceding paragraph, must file with the court the particulars referred to in the items of Article 111, paragraph (1) of the Bankruptcy Act (excluding the particulars prescribed in paragraph (1) of the preceding Article).
- (4) The provisions of paragraph (5) of the preceding Article apply mutatis mutandis to the case where Corporation received a Small Amount Distribution Receiving Offer after submitting a schedule of depositors to the court.
- (5) For the purpose of application of the provisions of Article 11, paragraph (1) of the Bankruptcy Act to bankruptcy proceedings of a Financial Institution, the phrase "this Act (including other Acts as applied mutatis mutandis pursuant to this Act)" in that paragraph is deemed to be replaced with "this Act (including other Acts as applied mutatis mutandis pursuant to this Act) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions".

(Effect of Submission of Depositor Schedules)

Article 505 For the purpose of application of the provisions of the Bankruptcy Act, Deposits and Other Claims stated in a schedule of depositors submitted pursuant to the provisions of paragraph (1) of the preceding Article (other than ones that have been filed by depositors and similar creditors pursuant to the provisions of Article 111, paragraph (1) of that Act before the submission) are deemed to have been filed within the period for filing a proof of claim; and the Deposits and Other Claims in relation to the addition of a statement under the provisions of the first sentence of Article 503, paragraph (4) as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article are, if the statement is added prior to the expiration of the ordinary period for investigation prescribed in Article 112, paragraph (1) of that Act (hereinafter referred to as an "Ordinary Period for Investigation" in this Chapter) or the close of the ordinary date of investigation prescribed in that paragraph (hereinafter referred to as an "Ordinary Date of Investigation" in this Chapter), deemed to have been filed after the expiration of the period for filing a proof of claim, but prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, and are, if the statement is

added after the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to have been filed under the provisions of that paragraph.

(Participation of Depositors)

- Article 506 (1) If a creditor in relation to the Deposits and Other Claims (other than one for which a transfer of the title of the holder of a filed claim under the provisions of Article 113, paragraph (1) of the Bankruptcy Act has been made with the Corporation; hereinafter the same applies in this Article and the following Article) that are deemed to have been filed under the provisions of the preceding Article intends to personally participate in bankruptcy proceedings, the creditor must notify the court to that effect; provided, however, that this does not apply to acts involved in court proceedings to finalize bankruptcy claims.
- (2) The notice under the provisions of the preceding paragraph (hereinafter referred to as a "Participation Notice" in this Article and the following Article) may be given until the close of bankruptcy proceedings.
- (3) The court must, when a Participation Notice is given, give a notice of same to the Corporation.
- (4) A depositor or similar creditor that personally gave a Participation Notice is to participate in bankruptcy proceedings with regard to the whole of Deposits and Other Claims in relation to the depositor or similar creditor that are deemed to have been filed under the provisions of the preceding Article.

(Powers of the Deposit Insurance Corporation of Japan)

Article 507 The Corporation is to conduct any and all acts involved in bankruptcy proceedings (other than acts involved in court proceedings to finalize bankruptcy claims in relation to Claims Represented by the Corporation (as defined below) to which the Corporation has raised objection in the investigation of bankruptcy claims) in the interest of the creditors in relation to the Deposits and Other Claims that are deemed to have been filed under the provisions of Article 505 (excluding depositors and similar creditors that gave a Participation Notice; hereinafter referred to as "Depositors Represented by the Corporation" in this Section) with regard to Deposits and Other Claims in relation to the Depositors Represented by the Corporation (hereinafter referred to as "Claims Represented by the Corporation" in this Section); provided, however, that in order to withdraw the filing of a proof in relation to Claims Represented by the Corporation or change the particulars that have been filed concerning Claims Represented by the Corporation in a manner detrimental to the interest of Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation or

withdraw a petition for bankruptcy claim assessment (meaning petition for bankruptcy claim assessment prescribed in Article 125, paragraph (1) of the Bankruptcy Act; hereinafter the same applies in this Chapter) in relation to Claims Represented by the Corporation or perform any of the procedural acts set forth in Article 32, paragraph (2), item (i) or (ii) of the Code of Civil Procedure in an action concerning the determination of bankruptcy claims in relation to Claims Represented by the Corporation, the delegation of power from Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation is required.

(Obligations of the Deposit Insurance Corporation of Japan)

Article 508 (1) The Corporation must conduct the acts referred to in the preceding Article in a fair and sincere manner in the interest of Depositors Represented by the Corporation.

(2) The Corporation must conduct the acts referred to in the preceding Article with the due care of a prudent manager for Depositors Represented by the Corporation.

(Change to the Particulars Pertaining to Filing)

Article 509 (1) When the Corporation becomes aware that any of the particulars in relation to the filing relating to Claims Represented by the Corporation should be changed in the interest of the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation, it must change those particulars in relation to the filing without delay.

(2) For the purpose of application of the provisions of the Bankruptcy Act to the change under the provisions of the preceding paragraph, the change is, if it arises prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to be the change to the filed particulars that arises after the expiration of the period for filing a proof of claim, but prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation; and the change is, if it arises after the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to be the change under the provisions of Article 112, paragraph (4) of that Act, unless otherwise provided for in this Chapter.

(Expenses for a Special Period for Investigation or Special Date of Investigation)

Article 510 Any expenses relating to the Special Period for Investigation prescribed in Article 119, paragraph (1) of the Bankruptcy Act (hereinafter referred to as a "Special Period for Investigation" in this Chapter) or the

special date of investigation prescribed in Article 122, paragraph (1) of that Act (hereinafter referred to as a "Special Date of Investigation" in this Chapter) in relation to Claims Represented by the Corporation are, notwithstanding the provisions of Article 119, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 122, paragraph (2) of that Act), borne by the Corporation; provided, however, that the Corporation may, in the case where a Special Period for Investigation or Special Date of Investigation is set for the examination of the Deposits and Other Claims that have been restored to their original state pursuant to the provisions of Article 169 of that Act or where there are other reasonable grounds, claim reimbursement of the whole or part of the expenses from Depositors Represented by the Corporation.

(Notice of an Objection)

- Article 511 (1) Where, in an investigation of bankruptcy claims, a bankruptcy trustee has disapproved the amount, etc. (meaning amount, etc. prescribed in Article 125, paragraph (1) of the Bankruptcy Act; hereinafter the same applies in this Chapter) of Claims Represented by the Corporation or an objection has been made with regard to the amount, etc. by any holder of filed bankruptcy claims (meaning holder of filed bankruptcy claims prescribed in Article 31, paragraph (5) of that Act; hereinafter the same applies in this Chapter) (excluding the case where the Corporation has raised objection with regard to the Claims Represented by the Corporation), the Corporation must, without delay, give a notice to that effect to the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation.
- (2) Where, in an investigation of bankruptcy claims, the Corporation has raised objection with regard to the amount, etc. of Claims Represented by the Corporation, a court clerk must give a notice of same to the Depositors Represented by the Corporation in relation to the Claims Represented by the Corporation.

(Notice by the Deposit Insurance Corporation of Japan)

- Article 512 (1) The notice given under the provisions of Article 500 and paragraph (1) of the preceding Article is deemed to have been delivered when the notice should have normally arrived.
- (2) The provisions of Article 10, paragraphs (1) and (2) of the Bankruptcy Act apply mutatis mutandis to the public notice given under the provisions of Article 503, paragraph (2).

(Permission of the Performance of Settlement Obligations)

- Article 513 (1) Where an order to the effect that loans of funds are granted to a Financial Institution against which an order to commence bankruptcy

- proceedings was made pursuant to the provisions of Article 69-3, paragraph (1) of the Deposit Insurance Act (including as applied mutatis mutandis pursuant to Article 127 of that Act) has been made, the court may, notwithstanding the provisions of Article 100, paragraph (1) of the Bankruptcy Act, upon the petition of a bankruptcy trustee, grant permission of the performance of settlement obligations under Article 69-3, paragraph (1) of the Deposit Insurance Act or the repayment of deposits, etc. under the provisions of that paragraph as applied mutatis mutandis pursuant to Article 127 of that Act.
- (2) The court must, upon granting permission pursuant to the provisions of the preceding paragraph, specify the type of the settlement obligations to be performed or the type of the deposits, etc. to be repaid, a limit of performance, etc., and a period in which the performance, etc. is made (the last day of the period must precede the last day of the period for filing a proof of claim).
- (3) The court must, when specifying the type of the settlement obligations to be performed or the type of the deposits, etc. to be repaid, a limit of performance, etc. and a period in which the performance, etc. is made pursuant to the provisions of the preceding paragraph, hear the opinion of the Corporation in advance.

Section 3 Authority of the Investor Protection Fund

(Special Provisions on Cases Where a Period for Filing Is Specified)

Article 514 If the court intends to issue an order to commence bankruptcy proceedings of a Financial Instruments Business Operator, it must hear the opinion of the Fund in advance about the period for which a proof of bankruptcy claims should be filed as specified pursuant to the provisions of Article 31, paragraph (1), item (i) of the Bankruptcy Act.

(Special Provisions on Notice of a Comprehensive Prohibition Order)

Article 515 (1) When an order under the provisions of Article 26, paragraph (1) of the Bankruptcy Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act; hereinafter the same applies in this Article) is made against a Financial Instruments Business Operator, the notice under the provisions of Article 26, paragraph (1) of that Act is required to be given to customers.

(2) In the case prescribed in the preceding paragraph, the court must give a notice of the main text of the order under Article 26, paragraph (1) of the Bankruptcy Act to the Fund.

(Special Provisions on Notice of an Order to Commence Bankruptcy Proceedings)

- Article 516 (1) When an order to commence bankruptcy proceedings against a Financial Instruments Business Operator has been made, the notice under the provisions of Article 32, paragraph (3), item (i) of the Bankruptcy Act is not required to be given to customers that are bankruptcy creditors.
- (2) In the case prescribed in the preceding paragraph, a notice to the Fund of the particulars of which a public notice should be made pursuant to the provisions of Article 32, paragraphs (1) and (2) of the Bankruptcy Act must be given.
- (3) In bankruptcy proceedings of a Financial Instruments Business Operator, where there is a change to the particulars referred to in Article 32, paragraph (1), item (ii) or (iii) of the Bankruptcy Act (for the particulars referred to in that item, limited to cases where there is any change to the period referred to in Article 31, paragraph (1), item (i) of that Act or the date referred to in item (ii) of that paragraph), or an order to revoke the order to commence bankruptcy proceedings becomes final and binding, before the customer list is submitted pursuant to the provisions of Article 521, paragraph (1), the notice under the provisions of paragraph (3), item (i) of that Article as applied mutatis mutandis pursuant to Article 32, paragraph (5) of that Act or the provisions of the main clause of Article 33, paragraph (3) of that Act is not required to be given to customers that are bankruptcy creditors and have not filed the particulars specified in the provisions of Article 111, paragraph (1) of that Act.
- (4) In the case prescribed in the preceding paragraph, a notice of the details of the change to the particulars referred to in Article 32, paragraph (1), item (ii) or (iii) of the Bankruptcy Act (for the particulars referred to in that item, limited to the period referred to in Article 31, paragraph (1), item (i) of that Act or the date referred to in item (ii) of that paragraph) or the main text of the order to revoke the order to commence bankruptcy proceedings must be given to the Fund; provided, however, that this does not apply to the case where an order under Article 31, paragraph (5) of that Act has been made.

(Notices Concerning an Offer to Receive a Small-Amount Distribution)

Article 517 The Fund must, upon receiving the notice under the provisions of paragraph (2) of the preceding Article, give a notice to customers that are bankruptcy creditors without delay to the effect that if they have the Intention of Receiving a Small-Amount Distribution, they should notify the Fund to that effect by the day immediately preceding the last day of the period for filing a proof of claim.

(Notice of the Date of a Meeting of Creditors)

Article 518 A court clerk must, where a meeting of creditors is convened before the expiration of the period for filing a proof of claim in bankruptcy proceedings of a Financial Instruments Business Operator, give a notice to the

Fund of the date of the meeting of creditors; provided, however, that this does not apply to cases where an order under Article 31, paragraph (5) of the Bankruptcy Act has been made.

(Creditors Committees)

Article 519 (1) For the purpose of application of the provisions of Article 144, paragraph (1) and (4) of the Bankruptcy Act before the submission of a customer list by the Fund pursuant to the provisions of Article 522, paragraph (1), the phrase "of bankruptcy creditors" in paragraph (1) of that Article is deemed to be replaced with "of bankruptcy creditors (including the Investor Protection Fund (meaning the Investor Protection Fund prescribed in Article 79-21 of the Financial Instruments and Exchange Act (Act No. 25 of 1948) in which the bankrupt participates as of the time of the commencement of bankruptcy proceedings; hereinafter the same applies in this Article))" and the phrase "petition by bankruptcy creditors" in paragraph (4) of that Article is deemed to be replaced with "petition by bankruptcy creditors (including the Investor Protection Fund)".

(2) The provisions of Article 525 apply mutatis mutandis to the cases where the Fund is a member of the creditors committee prescribed in Article 144, paragraph (2) of the Bankruptcy Act. In this case, the phrase "Customers Represented by the Fund" in Article 525 is deemed to be replaced with "customers".

(Preparation and Public Inspection of Customer Lists)

Article 520 (1) The Fund must, upon receiving the notice under Article 516, paragraph (2), prepare a customer list stating the particulars prescribed in Article 115, paragraph (2) of the Bankruptcy Act with respect to the Customer Claims that are known bankruptcy claims (other than one whose creditor is the Fund), without delay.

(2) When the Fund has prepared a customer list, it must immediately give a public notice to that effect and of the place where it is made available for public inspection, and make the customer list available for public inspection by customers until the day immediately preceding the last day of the period for filing a proof of claims.

(3) The date to commence public inspection of the customer list under the provisions of the preceding paragraph must be the day at least two weeks before the day immediately preceding the last day of the period for filing a proof of claim.

(4) When the Fund, after making a customer list available for public inspection, becomes aware that there are Customer Claims (other than one whose creditor is the Fund) not stated in the customer list, it must, without delay, add the

statement of the particulars prescribed in paragraph (1) in relation to the Customer Claims to the customer list. The same applies to cases when the Fund becomes aware that the statement regarding the Customer Claims stated in the customer list should be changed in the interest of the creditors in relation to the Customer Claims.

- (5) The Corporation must, if it receives a Small Amount Distribution Receiving Offer from a creditor in relation to Customer Claims stated in a customer list after making the customer list available for public inspection, add a statement to that effect to the customer list.
- (6) The Fund may, even after making a customer list available for public inspection, with the approval of the customers stated in the customer list, delete a statement regarding the Customer Claims in relation to those customers or change a statement that is detrimental to the interest of those customers; provided, however, that in cases where the Fund has acquired the Customer Claims in relation to the customers stated in the customer list pursuant to the provisions of Article 79-57, paragraph (4) of the Financial Instruments and Exchange Act, the Fund may, without the approval of those customers, delete a statement regarding the Customer Claims or change a statement that is detrimental to the interest of those customers.

(Submission of Customer Lists)

- Article 521 (1) The Fund must submit a customer list prepared pursuant to the provisions of the preceding Article to the court on the last day of the period for filing a proof of claim.
- (2) The provisions of the first sentence of paragraph (4) of the preceding Article apply mutatis mutandis to the cases where the Fund becomes aware that there are Customer Claims (other than one whose creditor is the Fund and those that have already been filed with the court by customers) not stated in a customer list after submitting it to the court.
 - (3) The Fund, when it submits a customer list under the provisions of paragraph (1) or adds a statement under the provisions of the first sentence of paragraph (4) of the preceding Article as applied mutatis mutandis pursuant to the preceding paragraph, must file with the court the particulars referred to in the items of Article 111, paragraph (1) of the Bankruptcy Act (excluding the particulars prescribed in paragraph (1) of the preceding Article).
 - (4) The provisions of paragraph (5) of the preceding Article apply mutatis mutandis to the case where the Fund received a Small Amount Distribution Receiving Offer after submitting a customer list to the court.
 - (5) For the purpose of application of the provisions of Article 11, paragraph (1) of the Bankruptcy Act to bankruptcy proceedings of a Financial Instruments Business Operator, the phrase "this Act (including other Acts as applied

mutatis mutandis pursuant to this Act)" in that paragraph is deemed to be replaced with "this Act (including other Acts as applied mutatis mutandis pursuant to this Act) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions".

(Effect of the Submission of a Customer List)

Article 522 For the purpose of application of the provisions of the Bankruptcy Act, Customer Claims stated in a customer list submitted pursuant to the provisions of paragraph (1) of the preceding Article (other than ones that have been filed by customers pursuant to the provisions of Article 111, paragraph (1) of that Act before the submission) are deemed to have been filed within the period for filing a proof of claim; and the Customer Claims in relation to the addition of a statement under the provisions of the first sentence of Article 520, paragraph (4) as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article are, if the statement is added prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to have been filed after the expiration of the period for filing a proof of claim, but prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, and are, if the statement is added after the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to have been filed under the provisions of Article 112, paragraph (1) of that Act.

(Participation of Customers)

- Article 523 (1) If a creditor in relation to the Customer Claims (other than one for which a transfer of the title of the holder of a filed claim under the provisions of Article 113, paragraph (1) of the Bankruptcy Act has been made with the Fund; hereinafter the same applies in this Article and the following Article) that are deemed to have been filed under the provisions of the preceding Article intends to personally participate in bankruptcy proceedings, the creditor must notify the court to that effect; provided, however, that this does not apply to acts involved in court proceedings to finalize bankruptcy claims.
- (2) The notice under the provisions of the preceding paragraph (hereinafter referred to as a "Participation Notice" in this Article and the following Article) may be given until the close of bankruptcy proceedings.
- (3) The court must, when a Participation Notice is given, give a notice of this to the Fund.
- (4) A customer that gave a Participation Notice is to personally participate in bankruptcy proceedings with regard to the all Customer Claims regarding the customer that are deemed to have been filed under the provisions of the

preceding Article.

(Powers of the Investor Protection Fund)

Article 524 The Fund must perform any and all acts involved in bankruptcy proceedings (other than acts involved in court proceedings to finalize bankruptcy claims in relation to Claims Represented by the Fund (as defined below) to which the Fund has raised objection in the investigation of bankruptcy claims) in the interest of the creditors in relation to the Customer Claims that are deemed to have been filed under the provisions of Article 522 (other than customers that gave a Participation Notice; hereinafter referred to as "Customers Represented by the Fund" in this Section) with regard to Customer Claims in relation to the Customers Represented by the Fund (hereinafter referred to as "Claims Represented by the Fund" in this Section); provided, however, that in order to withdraw the filing of a proof in relation to Claims Represented by the Fund or change the particulars that have been filed concerning Claims Represented by the Fund in a manner detrimental to the interest of Customers Represented by the Fund in relation to the Claims Represented by the Fund or withdraw a petition for bankruptcy claim assessment in relation to Claims Represented by the Fund or perform any of the procedural acts set forth in Article 32, paragraph (2), item (i) or (ii) of the Code of Civil Procedure in an action concerning the determination of bankruptcy claims in relation to Claims Represented by the Fund, the delegation of power from Customers Represented by the Fund in relation to the Claims Represented by the Fund is required.

(Obligations of the Investor Protection Fund)

Article 525 (1) The Fund must conduct the acts referred to in the preceding Article in a fair and sincere manner in the interest of Customers Represented by the Fund.
(2) The Fund must conduct the acts referred to in the preceding Article with the due care of a prudent manager for Customers Represented by the Fund.

(Change to the Particulars Pertaining to Filing)

Article 526 (1) When the Fund becomes aware that any of the particulars in relation to the filing relating to Claims Represented by the Fund should be changed in the interest of the Customers Represented by the Fund in relation to the Claims Represented by the Fund, it must change those particulars in relation to the filing without delay.
(2) For the purpose of application of the provisions of the Bankruptcy Act to the change under the provisions of the preceding paragraph, the change is, if it arises prior to the expiration of the Ordinary Period for Investigation or the

close of the Ordinary Date of Investigation, deemed to be the change to the filed particulars that arises after the expiration of the period for filing a proof of claim, but prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation; and the change is, if it arises after the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to be the change under the provisions of Article 112, paragraph (4) of that Act, unless otherwise provided for in this Chapter.

(Expenses for Special Periods for Investigation or Special Dates of Investigation)

Article 527 Any expenses relating to the Special Period for Investigation or Special Date of Investigation in relation to Claims Represented by the Fund are, notwithstanding the provisions of Article 119, paragraph (3) of the Bankruptcy Act (including as applied mutatis mutandis pursuant to Article 122, paragraph (2) of that Act), borne by the Fund; provided, however, that the Fund may, in the case where a Special Period for Investigation or Special Date of Investigation is set for the examination of the Customer Claims that have been restored to their original state pursuant to the provisions of Article 169 of that Act or where there are other reasonable grounds, claim reimbursement of the whole or part of the expenses from Customers Represented by the Fund.

(Notice of an Objection)

Article 528 (1) Where, in an investigation of bankruptcy claims, a bankruptcy trustee has disapproved the amount, etc. of Claims Represented by the Fund or an objection has been made with regard to the details by any holder of filed bankruptcy claims (excluding cases where the Fund has raised objection with regard to the Claims Represented by the Fund), the Fund must, without delay, give a notice to that effect to the Customers Represented by the Fund regarding the Claims Represented by the Fund.

(2) Where, in an investigation of bankruptcy claims, the Fund has raised an objection with regard to the amount, etc. of Claims Represented by the Fund, a court clerk must give a notice of same to the Customers Represented by the Fund in relation to the Claims Represented by the Fund.

(Notices by the Investor Protection Fund)

Article 529 (1) The notice given under the provisions of Article 517 and paragraph (1) of the preceding Article is deemed to have been delivered when the notice should have normally arrived.

(2) The provisions of Article 10, paragraphs (1) and (2) of the Bankruptcy Act apply mutatis mutandis to the public notice given under the provisions of

Article 520, paragraph (2).

Section 4 Authority of the Policyholders Protection Corporation

(Special Provisions on Cases Where a Period for Filing Is Specified)

Article 530 If the court intends to issue an order to commence bankruptcy proceedings of an Insurance Company, it must hear the opinion of the Protection Corporation in advance about the period during which a proof of bankruptcy claims should be filed as specified pursuant to the provisions of Article 31, paragraph (1), item (i) of the Bankruptcy Act.

(Special Provisions on a Notice of a Comprehensive Prohibition Order)

Article 531 (1) When an order under the provisions of Article 26, paragraph (1) of the Bankruptcy Act (including as applied mutatis mutandis pursuant to Article 33, paragraph (2) of that Act; hereinafter the same applies in this Article) is made against an Insurance Company, the notice under the provisions of Article 26, paragraph (1) of that Act is not required to be given to the Policyholders, etc. (meaning policyholders and other persons that have a right in relation to an insurance contract; hereinafter the same applies in this Section).

(2) In the case prescribed in the preceding paragraph, the court must give a notice of the main text of an order under Article 26, paragraph (1) of the Bankruptcy Act to the Protection Corporation.

(Special Provisions on a Notice of an Order Commencing Bankruptcy Proceedings)

Article 532 (1) When the court has made an order to commence bankruptcy proceedings against an Insurance Company, the notice under the provisions of Article 32, paragraph (3), item (i) of the Bankruptcy Act is not required to be given to Policyholders, etc. that are bankruptcy creditors.

(2) In the case prescribed in the preceding paragraph, the court must give a notice to the Protection Corporation of the particulars of which a public notice should make pursuant to the provisions of Article 32, paragraphs (1) and (2) of the Bankruptcy Act.

(3) In bankruptcy proceedings of an Insurance Company, where there is a change to the particulars referred to in Article 32, paragraph (1), item (ii) or (iii) of the Bankruptcy Act (for the particulars referred to in that item, limited to cases where there is a change to the period referred to in Article 31, paragraph (1), item (i) of that Act or the date referred to in item (ii) of that paragraph), or an order to revoke the order to commence bankruptcy proceedings becomes final and binding, before the list of insurance policyholders is submitted pursuant to

the provisions of Article 537, paragraph (1), the notice under the provisions of paragraph (3), item (i) of that Article as applied mutatis mutandis pursuant to Article 32, paragraph (5) of that Act or the provisions of the main clause of Article 33, paragraph (3) of that Act is not required to be given to Policyholders, etc. that are bankruptcy creditors and have not filed the particulars specified in the provisions of Article 111, paragraph (1) of that Act.

- (4) In the case prescribed in the preceding paragraph, a notice of the details of the change to the particulars referred to in Article 32, paragraph (1), item (ii) or (iii) of the Bankruptcy Act (for the particulars referred to in that item, limited to the period referred to in Article 31, paragraph (1), item (i) of that Act or the date referred to in item (ii) of that paragraph) or the main text of the order to revoke the order to commence bankruptcy proceedings must be given to the Protection Corporation; provided, however, that this does not apply to cases where an order under Article 31, paragraph (5) of that Act has been made.

(Notices Concerning an Offer to Receive a Small-Amount Distribution)

Article 533 The Protection Corporation must, upon receiving the notice under the provisions of paragraph (2) of the preceding Article, give a notice to Policyholders, etc. that are bankruptcy creditors without delay to the effect that if they have the Intention of Receiving a Small-Amount Distribution, they must notify the Protection Corporation to that effect by the day immediately preceding the last day of the period for filing a proof of claim.

(Notices of the Date of a Meeting of Creditors)

Article 534 A court clerk must, where a meeting of creditors is convened before the expiration of the period for filing a proof of claim in bankruptcy proceedings of an Insurance Company, give a notice to the Protection Corporation of the date of the meeting of creditors; provided, however, that this does not apply to cases where an order under Article 31, paragraph (5) of the Bankruptcy Act has been made.

(Creditors Committees)

Article 535 (1) For the purpose of application of the provisions of Article 144, paragraph (1) and (4) of the Bankruptcy Act before the submission of a list of insurance policyholders by the Protection Corporation pursuant to the provisions of Article 537, paragraph (1), the phrase "of bankruptcy creditors" in paragraph (1) of that Article is deemed to be replaced with "of bankruptcy creditors (including the Policyholders Protection Corporation (meaning the Policyholders Protection Corporation prescribed in Article 259-21 of the Insurance Business Act (Act No. 105 of 1995) in which the bankrupt participates as of the time of the commencement of bankruptcy proceedings;

hereinafter the same applies in this Article))" and the phrase "petition by bankruptcy creditors" in paragraph (4) of that Article is deemed to be replaced with "petition by bankruptcy creditors (including the Policyholders Protection Corporation)".

- (2) The provisions of Article 541 apply mutatis mutandis to the cases where the Protection Corporation is a member of the creditors committee prescribed in Article 144, paragraph (2) of the Bankruptcy Act. In this case, the phrase "Policyholders Represented by the Protection Corporation" in Article 541 is deemed to be replaced with "Policyholders, etc."

(Preparation and Public Inspection of Lists of Insurance Policyholders)

Article 536 (1) The Protection Corporation must, upon receiving the notice under Article 532, paragraph (2), prepare a list of insurance policyholders stating the particulars prescribed in Article 115, paragraph (2) of the Bankruptcy Act with respect to the known rights in relation to insurance contracts (other than one whose creditor is the Protection Corporation), without delay.

- (2) When the Protection Corporation has prepared a list of insurance policyholders, it must immediately give a public notice to that effect and of the place where it is made available for public inspection and make the list of insurance policyholders available for public inspection by Policyholders, etc. until the day immediately preceding the last day of the period for filing a proof of claim.

- (3) The date of commencement of public inspection of a list of insurance policyholders under the provisions of the preceding paragraph must be the day at least two weeks before the day immediately preceding the last day of the period for filing a proof of claim.

- (4) When the Protection Corporation, after making a list of insurance policyholders available for public inspection, becomes aware that there are rights in relation to insurance contracts (other than one whose creditor is the Protection Corporation) not stated in the list of insurance policyholders, it must, without delay, add the statement of the particulars prescribed in paragraph (1) in relation to the rights in relation to insurance contracts to the list of insurance policyholders. The same applies to cases when the Protection Corporation becomes aware that the statement regarding the rights in relation to insurance contracts stated in the list of insurance policyholders should be changed in the interest of the persons that have the rights in relation to insurance contracts.

- (5) The Protection Corporation must, if it receives a Small Amount Distribution Receiving Offer from a person that has rights in relation to insurance contracts stated in a customer list after making the list of insurance policyholders available for public inspection, add a statement to that effect to the list of

insurance policyholders.

- (6) The Protection Corporation may, even after making a list of insurance policyholders available for public inspection, with the approval of the Policyholders, etc. stated in the list of insurance policyholders, delete a statement regarding the rights in relation to insurance contracts in relation to the Policyholders, etc. or change a statement that is detrimental to the interest of the Policyholders, etc.; provided, however, that in cases where the Protection Corporation has purchased the rights in relation to insurance contracts in relation to the Policyholders, etc. stated in the list of insurance policyholders pursuant to the provisions of Article 270-6-8 of the Insurance Business Act, the Protection Corporation may, without the approval of the Policyholders, etc., delete a statement regarding the rights in relation to insurance contracts or change a statement that is detrimental to the interest of the Policyholders, etc.

(Submission of Lists of Insurance Policyholders)

- Article 537 (1) The Protection Corporation must submit a list of insurance policyholders prepared pursuant to the provisions of the preceding Article to the court on the last day of the period for filing a proof of claim.
- (2) The provisions of the first sentence of paragraph (4) of the preceding Article apply mutatis mutandis to the cases where the Protection Corporation becomes aware that there are rights in relation to insurance contracts (other than one whose creditor is the Protection Corporation and those that have already been filed with the court by Policyholders, etc.) not stated in a list of insurance policyholders after submitting it to the court.
- (3) The Protection Corporation, when it submits a list of insurance policyholders under the provisions of paragraph (1) or adds a statement under the provisions of the first sentence of paragraph (4) of the preceding Article as applied mutatis mutandis pursuant to the preceding paragraph, must file with the court the particulars referred to in the items of Article 111, paragraph (1) of the Bankruptcy Act (excluding the particulars prescribed in paragraph (1) of the preceding Article).
- (4) The provisions of paragraph (5) of the preceding Article apply mutatis mutandis to the case where the Protection Corporation received a Small Amount Distribution Receiving Offer after submitting a list of insurance policyholders to the court.
- (5) For the purpose of application of the provisions of Article 11, paragraph (1) of the Bankruptcy Act to bankruptcy proceedings of an Insurance Company, the phrase "this Act (including other Acts as applied mutatis mutandis pursuant to this Act)" in that paragraph is deemed to be replaced with "this Act (including other Acts as applied mutatis mutandis pursuant to this Act) and the Act on Special Measures for the Reorganization Proceedings of Financial Institutions".

(Effect of the Submission of Lists of Insurance Policyholders)

Article 538 For the purpose of application of the provisions of the Bankruptcy Act, the rights in relation to insurance contracts stated in a list of insurance policyholders submitted pursuant to the provisions of paragraph (1) of the preceding Article (other than ones that have been filed by Policyholders, etc. pursuant to the provisions of Article 111, paragraph (1) of that Act before the submission) are deemed to have been filed within the period for filing a proof of claim; and the rights in relation to insurance contracts in relation to the addition of a statement under the provisions of the first sentence of Article 536, paragraph (4) as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article are, if the statement is added prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to have been filed after the expiration of the period for filing a proof of claim, but prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, and are, if the statement is added after the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to have been filed under the provisions of Article 112, paragraph (1) of that Act.

(Participation of Policyholders)

Article 539 (1) If a creditor in relation to the rights in relation to insurance contracts (other than one for which a transfer of the title of the holder of a filed claim under the provisions of Article 113, paragraph (1) of the Bankruptcy Act has been made with the Protection Corporation; hereinafter the same applies in this Article and the following Article) that are deemed to have been filed under the provisions of the preceding Article intends to personally participate in bankruptcy proceedings, the creditor must notify the court to that effect; provided, however, that this does not apply to acts involved in court proceedings to finalize bankruptcy claims.

(2) The notice under the provisions of the preceding paragraph (hereinafter referred to as a "Participation Notice" in this Article and the following Article) may be given up until the closing of bankruptcy proceedings.

(3) The court must, when a Participation Notice is given, give a notice of this to the Protection Corporation.

(4) A Policyholder, etc. that gave a Participation Notice is to personally participate in bankruptcy proceedings with regard to all of the rights in relation to insurance contracts regarding the Policyholder, etc. that are deemed to have been filed under the provisions of the preceding Article.

(Authority of the Policyholders Protection Corporation)

Article 540 The Protection Corporation must perform any and all acts involved in bankruptcy proceedings (other than acts involved in court proceedings to finalize the bankruptcy claims that constitute the following Claims Represented by the Protection Corporation (as defined below)) in the interest of the persons that have rights in relation to insurance contracts that are deemed to have been filed under the provisions of Article 538 (excluding Policyholders, etc. that gave a Participation Notice; hereinafter referred to as "Policyholders Represented by the Protection Corporation" in this Section) with regard to rights in relation to insurance contracts in relation to the Policyholders Represented by the Protection Corporation (hereinafter referred to as "Claims Represented by the Protection Corporation" in this Section); provided, however, that in order to withdraw the filing of a proof in relation to Claims Represented by the Protection Corporation or change the particulars that have been filed concerning Claims Represented by the Protection Corporation in a manner detrimental to the interest of Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation or withdraw a petition for bankruptcy claim assessment in relation to Claims Represented by the Protection Corporation or perform any of the procedural acts set forth in Article 32, paragraph (2), item (i) or (ii) of the Code of Civil Procedure in an action concerning the determination of bankruptcy claims in relation to Claims Represented by the Protection Corporation, the delegation of power from Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation is required:

- (i) insurance claims;
- (ii) the right to demand compensation for losses (other than the right set forth in the preceding item); and
- (iii) claims Represented by the Protection Corporation to which the Protection Corporation has raised objection in the investigation of bankruptcy claims.

(Obligations of the Policyholders Protection Corporation)

Article 541 (1) The Protection Corporation must conduct the acts referred to in the preceding Article in a fair and sincere manner in the interest of Policyholders Represented by the Protection Corporation.

(2) The Protection Corporation must conduct the acts referred to in the preceding Article with the due care of a prudent manager for Policyholders Represented by the Protection Corporation.

(Changes to the Particulars Pertaining to Filing)

Article 542 (1) When the Protection Corporation becomes aware that any of the particulars in relation to the filing relating to Claims Represented by the

Protection Corporation should be changed in the interest of the Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation, it must change those particulars in relation to the filing without delay.

- (2) For the purpose of application of the provisions of the Bankruptcy Act to the change under the provisions of the preceding paragraph, the change is, if it arises prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to be the change to the filed particulars that arises after the expiration of the period for filing a proof of claim, but prior to the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation; and the change is, if it arises after the expiration of the Ordinary Period for Investigation or the close of the Ordinary Date of Investigation, deemed to be the change under the provisions of Article 112, paragraph (4) of that Act, unless otherwise provided for in this Chapter.

(Expenses for Special Periods for Investigation or Special Dates of Investigation)

Article 543 Any expenses relating to the Special Period for Investigation or Special Date of Investigation in relation to Claims Represented by the Protection Corporation are, notwithstanding the provisions of Article 119, paragraph (3) of the Bankruptcy Act (including as applied mutatis mutandis pursuant to Article 122, paragraph (2) of that Act), borne by the Protection Corporation; provided, however, that the Protection Corporation may, in the case where a Special Period for Investigation or Special Date of Investigation is set for the examination of the rights in relation to insurance contracts that have been restored to their original state pursuant to the provisions of Article 169 of that Act or where there are other reasonable grounds, claim reimbursement of the whole or part of the expenses from Policyholders Represented by the Protection Corporation.

(Notice of an Objection)

Article 544 (1) Where, in an investigation of bankruptcy claims, a bankruptcy trustee has disapproved the amount, etc. of Claims Represented by the Protection Corporation or an objection has been made with regard to the details by any holder of filed bankruptcy claims (excluding the case where the Protection Corporation has raised objection with regard to the Claims Represented by the Protection Corporation), the Protection Corporation must, without delay, give a notice to that effect to the Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation.

(2) Where, in an investigation of bankruptcy claims, the Protection Corporation has raised objection with regard to the amount, etc. of Claims Represented by the Protection Corporation, a court clerk must give a notice of same to the Policyholders Represented by the Protection Corporation in relation to the Claims Represented by the Protection Corporation.

(Notices by Policyholders Protection Corporation)

Article 545 (1) The notice given under the provisions of Article 533 and paragraph (1) of the preceding Article is deemed to have been delivered when the notice should have normally arrived.

(2) The provisions of Article 10, paragraphs (1) and (2) of the Bankruptcy Act apply mutatis mutandis to the public notice given under the provisions of Article 536, paragraph (2).

(Special Provisions on Payment of Covered Insurance Claims)

Article 546 (1) Where an order to commence bankruptcy proceedings of an Insurance Company has been made, and when the Insurance Company concludes a contract under the provisions of Article 270-6-7, paragraph (3) of the Insurance Business Act with the Protection Corporation, notwithstanding the provisions of Article 100, paragraph (1) of the Bankruptcy Act, it may perform obligations in relation to covered insurance claims based on the claim by the bankruptcy creditors in relation to Insurance Claims, etc. in relation to Covered Insurance Contracts.

(2) A bankruptcy creditor, even where they have received payment under the provisions of the preceding paragraph, may participate in bankruptcy proceedings with regard to all of the claims as of the time before receiving the payment.

(3) A bankruptcy creditor that received payment under the provisions of paragraph (1) may not receive any payment through bankruptcy proceedings until other bankruptcy creditors receive payment of the same proportion as the bankruptcy creditor did.

(4) The bankruptcy creditor referred to in the preceding paragraph may not exercise voting rights with respect to the part of claims for which they received payment under the provisions of paragraph (1).

Article 547 When an Insurance Company receives a claim under the provisions of paragraph (1) of the preceding Article, it must give a notice to the Protection Corporation of the particulars prescribed in Article 536, paragraph (1) with respect to Insurance Claims, etc. in relation to the claim without delay.

Chapter VII Miscellaneous Provisions

(Delegation of Authority)

Article 548 The Prime Minister delegates their authority under this Act (other than one specified by Cabinet Order) to the Commissioner of the Financial Services Agency.

Chapter VIII Penal Provisions

(Crime of Fraudulent Reorganization)

Article 549 (1) A person that, before or after the commencement of reorganization proceedings prescribed in Article 4, paragraph (1), for the purpose of harming creditors, secured creditors of a Cooperative Financial Institution (meaning persons that have special statutory liens, pledges, mortgages, or rights of retention provided for in the provisions of the Commercial Code or the Companies Act with respect to the assets of a Cooperative Financial Institution; hereinafter the same applies in this Chapter), or Partners or Members, has conducted any of the acts set forth in the following items will be punished by imprisonment with required labor for not more than ten years or a fine of not more than 10 million yen, or both, when an order commencing reorganization proceedings under the provisions of Article 41, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 31 against the Cooperative Financial Institution becomes final and binding. The same applies to a person that has knowingly served as the other party to the act referred to in item (iv), when an order commencing reorganization proceedings prescribed in Article 41, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 31 becomes final and binding:

(i) an act of concealing or damaging the Cooperative Financial Institution;

(ii) an act of faking the transfer of the Cooperative Financial Institution's assets or assumption of debts;

(iii) an act of altering the existing status of the Cooperative Financial Institution's assets, thereby reducing its value; and

(iv) an act of disposing of the Cooperative Financial Institution's assets in a manner disadvantageous to creditors, secured creditors in relation to the Cooperative Financial Institution, or Partners or Members, or an act, committed by the Cooperative Financial Institution, of assuming debts disadvantageous to creditors, secured creditors in relation to the Cooperative Financial Institution, or Partners or Members.

(2) Beyond what is prescribed in the preceding paragraph, the provisions of the preceding paragraph also apply to a person who, knowing that an order commencing reorganization proceedings prescribed in Article 41, paragraph (1)

of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 31 is made or Provisional Administration Order prescribed in Article 22, paragraph (2) is issued against a Cooperative Financial Institution, for the purpose of harming creditors, secured creditors in relation to the Cooperative Financial Institution, or Partners or Members, has acquired the Cooperative Financial Institution's assets or has had a third party acquire it, without the consent of a trustee in reorganization proceedings prescribed in Article 4, paragraph (1) or any other justifiable grounds.

(3) The provisions of paragraph (1) also apply to a person who, before or after the commencement of reorganization proceedings prescribed in Article 169, paragraph (1), for the purpose of harming creditors, secured creditors in relation to a Mutual Company (meaning persons that have special statutory liens, pledges, mortgages, or rights of retention provided for in the provisions of the Commercial Code or the Companies Act with respect to the assets of a Mutual Company; hereinafter the same applies in this Chapter), or members, has conducted any of the acts set forth in the following items, when an order commencing reorganization proceedings under the provisions of Article 41, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 196 against a Mutual Company becomes final and binding. The same applies to a person that has knowingly served as the other party to the act referred to in item (iv), when an order commencing reorganization proceedings prescribed in Article 41, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 196 becomes final and binding:

(i) an act of concealing or damaging the Mutual Company;

(ii) an act of faking the transfer of the Mutual Company's assets or assumption of debts;

(iii) an act of altering the existing status of the Mutual Company's assets, thereby reducing its value; and

(iv) an act of disposing of the Mutual Company's assets in a manner disadvantageous to creditors, secured creditors in relation to the Mutual Company, or members, or an act, committed by the Mutual Company, of assuming debts disadvantageous to creditors, secured creditors in relation to the Mutual Company, or members.

(4) Beyond what is prescribed in the preceding paragraph, the provisions of paragraph (1) also apply to a person who, knowing that an order commencing reorganization proceedings prescribed in Article 41, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 196 is made or Provisional Administration Order prescribed in Article 187, paragraph (2) is issued against a Mutual Company, for the purpose of harming creditors, secured creditors in relation to the Mutual Company, or members,

has acquired the Mutual Company's assets or has had a third party acquire it, without the consent of a trustee in reorganization proceedings prescribed in Article 169, paragraph (1) or any other justifiable grounds.

(Crime of Providing Securities to a Specific Creditor)

Article 550 (1) Where a representative person, agent, employee or other worker of a Cooperative Financial Institution, before or after the commencement of reorganization proceedings prescribed in Article 4, paragraph (1), in connection with the business of the Cooperative Financial Institution, with regard to its debt to a specific creditor or secured creditor in relation to the Cooperative Financial Institution, for the purpose of harming other creditors or secured creditors in relation to the Cooperative Financial Institution, has conducted an act concerning the provisions of security or extinguishment of debt that is not included in the scope of the Cooperative Financial Institution's obligation in terms of the act itself or the means or time of performance of the act, and an order commencing reorganization proceedings under the provisions of Article 41, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 31 against the Cooperative Financial Institution has become final and binding, the representative person, agent, employee or worker will be punished by imprisonment with required labor for not more than five years or a fine of not more than five million yen, or both.

(2) The provisions of preceding paragraph also apply to a representative person, agent, employee or other worker of a Mutual Company who, before or after the commencement of reorganization proceedings prescribed in Article 169, paragraph (1), in connection with the business of the Mutual Company, with regard to its debt to a specific creditor or secured creditor in relation to the Mutual Company, for the purpose of harming other creditors or secured creditors in relation to the Mutual Company, has conducted an act concerning the provisions of security or extinguishment of debt that is not included in the scope of the Mutual Company's obligations in terms of the act itself or the means or time of performance of the act, and an order commencing reorganization proceedings under the provisions of Article 41, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 196 against the Mutual Company has become final and binding.

(Crime of a Special Breach of Trust by a Trustee)

Article 551 (1) Where a trustee, trustee representative, provisional administrator, provisional administrator representative, supervisor, or examiner in reorganization proceedings prescribed in Article 4, paragraph (1), for the purpose of promoting their own interest or the interest of a third party, or inflicting damage on creditors, secured creditors in relation to a Cooperative

Financial Institution, or Partners or Members, has committed an act in breach of their duty and caused financial loss to creditors, secured creditors in relation to a Cooperative Financial Institution, or Partners or Members, the trustee, trustee representative, provisional administrator, provisional administrator representative, supervisor, or examiner will be punished by imprisonment with required labor for not more than ten years or a fine of not more than ten million yen, or both.

- (2) The provisions of the preceding paragraph also apply to a trustee, trustee representative, provisional administrator, provisional administrator representative, supervisor, or examiner in reorganization proceedings prescribed in Article 169, paragraph (1) who, for the purpose of promoting their own interest or the interest of a third party, or inflicting damage on creditors, secured creditors in relation to a Mutual Company, or members, has committed an act in breach of their duty and caused financial loss to creditors, secured creditors in relation to a Mutual Company, or members.
- (3) Where a trustee, provisional administrator, supervisor, or examiner in reorganization proceedings prescribed in Article 4, paragraph (1) or Article 169, paragraph (1) (hereinafter referred to as a "Trustee, etc." in this paragraph) is a corporation, the provisions of the preceding two paragraphs apply to its officer or official that performs the duties of a Trustee, etc.

(Crime of Refusing Reports and Inspections)

Article 552 (1) A person that is or was a Director at Incorporation, an Auditor at Incorporation, board member, director, accounting advisor, inspector, company auditor, executive officer, accounting auditor, liquidator, or employee or any other worker or that was an incorporator of a cooperative financial institution awaiting reorganization proceedings prescribed in Article 4, paragraph (6), reorganizing cooperative financial institution prescribed in paragraph (7) of that Article, converted cooperative financial institution or converted bank referred to in Article 124, paragraph (1), item (iv), new Cooperative Financial Institution prescribed in item (v) of that paragraph, or new Stock Company prescribed in item (vi) of that paragraph (referred to as a "cooperative financial institution or similar entity awaiting reorganization proceedings" in paragraph (3)), and has refused to give a report under the provisions of Article 77, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 24, paragraph (1), Article 28, Article 49 or Article 73 or under the provisions of Article 209, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 127, paragraph (2) or (3) or given a false report will be punished by imprisonment with required labor for not more than three years or a fine of not more than three million yen, or both.

- (2) The provisions of the preceding paragraph also apply to a representative

person, agent, employee or other worker (referred to as a "representative person, etc." in paragraphs (4) and (6)) of any of the persons prescribed in the preceding paragraph who, in connection with the business of those persons, has refused to give a report under the provisions of Article 77, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 24, paragraph (1), Article 28, Article 49 or Article 73 or under the provisions of Article 209, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 127, paragraph (2) or (3) or given a false report.

- (3) The provisions of paragraph (1) also apply to a person prescribed in paragraph (1) (other than one that was any of those persons as prescribed in that paragraph) who, in connection with the business of the cooperative financial institution or similar entity awaiting reorganization proceedings has refused an inspection under the provisions of Article 77, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 24, paragraph (1), Article 28, Article 49 or Article 73 or under the provisions of Article 209, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 127, paragraph (2) or (3).
- (4) The provisions of paragraph (1) also apply to a representative person, etc. of a subsidiary company (meaning a subsidiary company prescribed in Article 4, paragraph (1) of the Act on Financial Businesses by Cooperative, Article 32, paragraph (6) of the Shinkin Bank Act, or Article 32, paragraph (5) of the Labor Bank Act; hereinafter the same applies in this paragraph) of a cooperative financial institution awaiting reorganization proceedings as prescribed in Article 4, paragraph (6) or reorganizing cooperative financial institution prescribed in paragraph (7) of that Article who, in connection with the business of the subsidiary company, has refused to give a report or refused an inspection under the provisions of Article 77, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 24, paragraph (1), Article 28, Article 49 or Article 73 or given a false report.
- (5) The provisions of paragraph (1) also apply to a person that is or was a board member, inspector, accounting auditor, liquidator, or employee or other worker of a Converted Shinkin Bank prescribed in Article 345, paragraph (1), item (ii) or new Cooperative Financial Institution prescribed in Article 354, paragraph (1) (referred to as a "Converted Shinkin Bank, etc." in paragraph (7)) and has refused to give a report under the provisions of Article 209, paragraph (3) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 352, paragraph (5) or Article 354, paragraph (7) or given a false report.
- (6) The provisions of paragraph (1) also apply to a representative person, etc. of any of the persons prescribed in the preceding paragraph who, in connection with the business of those persons, has refused to give a report under the provisions of Article 209, paragraph (3) of the Corporate Reorganization Act as

applied mutatis mutandis pursuant to Article 352, paragraph (5) or Article 354, paragraph (7) or given a false report.

- (7) The provisions of paragraph (1) also apply to a person prescribed in paragraph (5) (other than one that was any of those persons as prescribed in that paragraph) who, in connection with the business of the Converted Shinkin Bank, etc., has refused an inspection under the provisions of Article 209, paragraph (3) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 352, paragraph (5) or Article 354, paragraph (7).

Article 553 (1) A person that is or was a Director at Incorporation, an Auditor at Incorporation, director, accounting advisor, company auditor, executive officer, accounting auditor, liquidator, or employee or any other worker or that was an incorporator of a company awaiting reorganization proceedings prescribed in Article 169, paragraph (6), reorganizing company prescribed in paragraph (7) of that Article, Converted Stock Company referred to in Article 294, paragraph (1), item (iv), Stock Company or new Stock Company prescribed in item (v) of that paragraph, or New Mutual Company prescribed in item (vi) of that paragraph (referred to as a "company awaiting reorganization proceedings or other such company" in paragraph (3)), that has refused to give a report under the provisions of Article 77, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 189, paragraph (1), Article 193, Article 215 or Article 239 or under the provisions of Article 209, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 297, paragraph (2) or (3) or given a false report will be punished by imprisonment with required labor for not more than three years or a fine of not more than three million yen, or both.

- (2) The provisions of the preceding paragraph also apply to a representative person, agent, employee or other worker (referred to as a "representative person, etc." in paragraphs (4) and (6)) of any of the persons prescribed in the preceding paragraph who, in connection with the business of those persons, has refused to give a report under the provisions of Article 77, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 189, paragraph (1), Article 193, Article 215 or Article 239 or under the provisions of Article 209, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 297, paragraph (2) or (3) or given a false report.

- (3) The provisions of paragraph (1) also apply to a person prescribed in paragraph (1) (other than one that was any of those persons as prescribed in that paragraph) who, in connection with the business of the company awaiting reorganization proceedings or other such company, has refused an inspection under the provisions of Article 77, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 189,

paragraph (1), Article 193, Article 215 or Article 239 or under the provisions of Article 209, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 297, paragraph (2) or (3).

- (4) The provisions of paragraph (1) also apply to a representative person, etc. of a substantivesubsidiary company (meaning asubstantive subsidiary company prescribed in Article 33-2, paragraph (1) of the Insurance Business Act; hereinafter the same applies in this paragraph) of a company awaiting reorganization proceedings prescribed in Article 169, paragraph (6) or reorganizing company prescribed in paragraph (7) of that Article who, in connection with the business of the substantivesubsidiary company, has refused to give a report or refused an inspection under the provisions of Article 77, paragraph (2) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 189, paragraph (1), Article 193, Article 215 or Article 239 or given a false report.
- (5) The provisions of paragraph (1) also apply to a person that is or was a director, accounting advisor, company auditor, executive officer, accounting auditor, liquidator, or employee or other worker of a Converted Mutual Company prescribed in Article 360, paragraph (1), item (ii) or New Mutual Company prescribed in Article 372, paragraph (1) (referred to as a "Converted Mutual Company, etc." in paragraph (7)) and has refused to give a report under the provisions of Article 209, paragraph (3) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 367, paragraph (4) or Article 372, paragraph (7) or given a false report.
- (6) The provisions of paragraph (1) also apply to a representative person, etc. of any of the persons prescribed in the preceding paragraph who, in connection with the business of those persons, has refused to give a report under the provisions of Article 209, paragraph (3) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 367, paragraph (4) or Article 372, paragraph (7) or given a false report.
- (7) The provisions of paragraph (1) also apply to a person prescribed in paragraph (5) (other than one that was any of those persons as prescribed in that paragraph) who, in connection with the business of the Converted Mutual Company, etc., has refused an inspection under the provisions of Article 209, paragraph (3) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 367, paragraph (4) or Article 372, paragraph (7).

(Crime of Spoliation of Items Concerning the Status of Business and Assets)
Article 554 (1) A person who, before or after the commencement of reorganization proceedings prescribed in Article 4, paragraph (1), for the purpose of harming creditors, secured creditors in relation to a Cooperative Financial Institution, or Partners or Members, has spoliated, forged or altered

books, documents or any other items concerning the status of a Cooperative Financial Institution's business and assets will be punished by imprisonment with required labor for not more than three years or a fine of not more than three million yen, or both, when an order commencing reorganization proceedings prescribed in Article 41, paragraph (1) of the as applied mutatis mutandis pursuant to Article 31 against the Cooperative Financial Institution becomes final and binding.

(2) The provisions of the preceding paragraph also apply to a person who, before or after the commencement of reorganization proceedings prescribed in Article 169, paragraph (1), for the purpose of harming creditors, secured creditors in relation to a Mutual Company, or members, has spoliated, forged or altered books, documents or any other objects concerning the status of a Mutual Company's business and assets, when an order commencing reorganization proceedings prescribed in Article 41, paragraph (1) of the as applied mutatis mutandis pursuant to Article 196 against the Mutual Company becomes final and binding.

(Crime of Obstructing a Trustee from Conducting Duties)

Article 555 A person who, by the use of fraudulent means or force, has obstructed the a trustee, trustee representative, provisional administrator, provisional administrator representative, supervisor, or examiner from performance of their duties in reorganization proceedings prescribed in Article 4, paragraph (1) or Article 169, paragraph (1) will be punished by imprisonment with required labor for not more than three years or a fine of not more than three million yen, or both.

(Crime of Accepting a Bribe)

Article 556 (1) Where a trustee, trustee representative, provisional administrator, provisional administrator representative, supervisor, examiner, or legal advisor (meaning legal advisor prescribed in Article 71 of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 44 or Article 210; the same applies in the following paragraph) in reorganization proceedings prescribed in Article 4, paragraph (1) or Article 169, paragraph (1), in connection with their duties, has accepted, solicited or promised to accept a bribe, the trustee, trustee representative, provisional administrator, provisional administrator representative, supervisor, examiner, or legal advisor will be punished by imprisonment with required labor for not more than three years or a fine of not more than three million yen, or both.

(2) In the case referred to in the preceding paragraph, where the trustee, trustee representative, provisional administrator, provisional administrator representative, supervisor, examiner, or legal advisor has agreed to perform an

act in response to an unlawful request, they will be punished by imprisonment with required labor for not more than five years or a fine of not more than five million yen, or both.

- (3) Where a trustee, provisional administrator, supervisor, or examiner (hereinafter referred to as a "Trustee, etc." in this Article) in reorganization proceedings referred to in paragraph (1) is a corporation, if its officer or official that performs the duties of a Trustee, etc., in connection with the duties of the Trustee, etc., has accepted, solicited or promised to accept a bribe, the officer or official will be punished by imprisonment with required labor for not more than three years or a fine of not more than three million yen, or both. The same applies where a Trustee, etc. is a corporation, and its officer or official, in connection with the duties of a Trustee, etc., has caused the Trustee, etc. to accept or solicit or promise to accept a bribe.
- (4) In the case referred to in the preceding paragraph, where the officer or official has agreed to perform an act in response to an unlawful request, the officer or official will be punished by imprisonment with required labor for not more than five years or a fine of not more than five million yen, or both.
- (5) Where unsecured and secured reorganization creditors prescribed in Article 4, paragraph (13) or Article 169, paragraph (13) in reorganization proceedings referred to in paragraph (1), Partner or Member, member or representative or their agent, officer or official, in connection with the exercise of a voting right on the date of a meeting of persons concerned or exercise of a voting right by voting by document, etc. prescribed in Article 189, paragraph (2), item (ii) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 113 or Article 282, has accepted, solicited or promised to accept a bribe while agreeing to perform an act in response to an unlawful request, the unsecured and secured reorganization creditors, Partner or Member, member or representative or their agent, officer or official will be punished by imprisonment with required labor for not more than five years or a fine of not more than five million yen, or both.
- (6) In the cases referred to in the preceding paragraphs, a bribe accepted by the offender or by the Trustee, etc. that is a corporation will be confiscated. If all or part of the bribe cannot be confiscated, an equivalent value thereof will be collected.

(Crime of Offering a Bribe)

- Article 557 (1) A person that has given, offered or promised to offer a bribe prescribed in paragraph (1) or paragraph (3) of the preceding Article will be punished by imprisonment with required labor for not more than three years or a fine of not more than three million yen, or both.
- (2) A person that has given, offered or promised to offer a bribe prescribed in

paragraph (2), paragraph (4) or paragraph (5) of the preceding Article will be punished by imprisonment with required labor for not more than five years or a fine of not more than five million yen, or both.

(Crimes Committed Outside Japan)

Article 558 (1) The crimes referred to in Article 549, Article 550, Article 554, Article 555 and the preceding Article are handled according to Article 2 of the Penal Code (Act No. 45 of 1907).

(2) The crimes referred to in Article 551 and Article 556 (excluding paragraph (5)) are handled according to Article 4 of the Penal Code.

(3) The crime referred to in Article 556, paragraph (5) also applies to a person that has committed the crime outside Japan.

(Dual Criminal Liability Provision)

Article 559 When the representative person of a corporation, or an agent, employee or any other worker of a corporation or individual, in connection with the business or assets of the corporation or individual, has committed a violation of Article 549, Article 550, Article 552 (excluding paragraphs (1) and (5)), Article 553 (excluding paragraphs (1) and (5)), Article 554, Article 555, or Article 557, not only will the offender be punished, but also the corporation or individual will be punished by a fine prescribed in the respective Articles.

(Civil Fines)

Article 560 (1) A person that owes a debt or provides security for a reorganizing cooperative financial institution prescribed in Article 4, paragraph (7) or for the reorganization of its business will, if the person violates a court order under the provisions of Article 209, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 127, paragraph (1), be punished by a civil fine of not more than one million yen.

(2) The provisions of the preceding paragraph also apply to a person that owes a debt or provides securities to a reorganizing company prescribed in Article 169, paragraph (7) or for the reorganization of its business and violates a court order under the provisions of Article 209, paragraph (4) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 297, paragraph (1).