

# **Enforcement Order of the Act on Book-Entry Transfer of Corporate Bonds and Shares**

(Cabinet Order No. 362 of December 6, 2002)

The Cabinet hereby enacts this Cabinet Order revising the entire Enforcement Order of the Act on Book-Entry Transfer of Short-term Corporate Bonds (Cabinet Order No. 120 of 2002) pursuant to the provisions of the Act on Book-Entry Transfer of Corporate Bonds (Act No. 75 of 2001).

Chapter I Book-Entry Transfer Institution (Article 1 and Article 2)

Chapter II Participant Protection Trust (Article 3 - Article 6)

Chapter III Book-Entry Transfer of Corporate Bonds (Article 7 - Article 14)

Chapter IV Book-Entry Transfer of National Government Bonds (Article 15)

Chapter V Book-Entry Transfer of Local Government Bonds (Article 16 -  
Article 27)

Chapter V-2 Book-Entry Transfer of Beneficial Interests in Beneficiary  
Certificate-Issuing Trusts (Article 27-2 - Article 27-12)

Chapter VI Book-Entry Transfer of Shares (Article 28 - Article 41)

Chapter VII Book-Entry Transfer of Share Options (Article 42 - Article 50)

Chapter VIII Book-Entry Transfer of Bonds with Share Options (Article 51 -  
Article 59)

Chapter IX Book-Entry Transfer of Investment Equity (Article 60 - Article 70)

Chapter X Book-Entry Transfer Resulting from Entity Conversion (Article 71 -  
Article 83)

Chapter XI Miscellaneous Provisions (Article 84 - Article 86)

Supplementary Provisions

## **Chapter I Book-Entry Transfer Institution**

(Minimum Amount of Stated Capital)

Article 1 The amount to be specified by a Cabinet Order as prescribed in Article 5, paragraph (1) of the Act on Book-Entry Transfer of Corporate Bonds and Shares (Act No. 75 of 2001; hereinafter referred to as the "Act") is 500,000,000 yen.

(Participants Excluded from Joint Guarantee Requirement)

Article 2 Persons to be specified by a Cabinet Order as prescribed in Article 11, paragraph (2) of the Act are the following:

(i) a person listed in Article 44, paragraph (1), item (xiii) of the Act;

- (ii) a qualified institutional investor as prescribed in Article 2, paragraph (3), item (i) of the Financial Instruments and Exchange Act (Act No. 25 of 1948);
- (iii) a juridical person established by the State, a local government or a special Act (excluding those falling under the preceding item);
- (iv) a Book-Entry Transfer Institution, etc. (excluding those falling under the preceding three items);
- (v) a foreign government or a person equivalent to those listed in item (ii) or (iii) under the laws and regulations of a foreign state; or
- (vi) beyond the persons listed in the preceding items, those designated by the Commissioner of the Financial Services Agency, the Minister of Justice and the Minister of Finance.

## **Chapter II Participant Protection Trust**

(Matters for Public Notice Pertaining to Payments to Beneficiaries)

Article 3 Matters to be specified by a Cabinet Order as prescribed in Article 59, paragraph (1) of the Act are the following:

- (i) the method of notification of Claims Subject to Compensation set forth in Article 59, paragraph (1) of the Act;
- (ii) the period, place and method of payment of the amount set forth in Article 60, paragraph (1) of the Act;
- (iii) any materials and other articles which a Participant should submit or present when making a request set forth in Article 60, paragraph (1) of the Act; and
- (iv) any other matters that a trustee of a participant protection trust finds necessary.

(Reasons for Change to Notification Period)

Article 4 Reasons to be specified by a Cabinet Order as prescribed in Article 59, paragraph (2) of the Act are the following:

- (i) public notice of distribution pursuant to the provisions of Article 197, paragraph (1) of the Bankruptcy Act (Act No. 75 of 2004) (including cases where applied mutatis mutandis pursuant to Article 209, paragraph (3) of the same Act) has been given;
- (ii) notice pursuant to the provisions of Article 65-2 of the Act has been given;
- (iii) a decision approving a reorganization plan pursuant to the provisions of Article 199, paragraph (1) of the Corporate Reorganization Act (Act No. 154 of 2002) or Article 120, paragraph (1) of the Act on Special Treatment of Corporate Reorganization Proceedings and Other Insolvency Proceedings of Financial Institutions (Act No. 95 of 1996) has been made;
- (iv) a decision approving a rehabilitation plan pursuant to the provisions of

Article 174, paragraph (1) of the Civil Rehabilitation Act (Act No. 225 of 1999) has been made; or

(v) any other reason specified by a Cabinet Office Order, a Ministry of Justice Order or a Ministry of Finance Order.

(Maximum Amount of Payment to Beneficiaries)

Article 5 The amount to be specified by a Cabinet Order as prescribed in Article 60, paragraph (4) of the Act is 10,000,000 yen; provided, however, that if, prior to the payment prescribed in paragraph (1) of the same Article, distribution or repayment (excluding that related to claims with priority rights; hereinafter referred to as "repayment, etc." in this Article) has been made during bankruptcy proceedings, rehabilitation proceedings, reorganization proceedings, special liquidation proceedings, or foreign insolvency proceedings related to the Immediately Superior Institution in Bankruptcy (which means the Immediately Superior Institution in Bankruptcy as prescribed in Article 58 of the Act), the amount specified in the following items based on the case listed therein:

- (i) where the amount of the Claims Subject to Compensation (as prescribed in Article 60, paragraph (1) of the Act; hereinafter the same applies in this and the following Article) is 10,000,000 yen or less: The amount obtained by subtracting, from the amount of the Claims Subject to Compensation, the amount of repayment, etc. made to the Participant who holds the Claims Subject to Compensation (or, if the Participant holds other claims related to the repayment, etc. other than the Claims Subject to Compensation, the amount obtained by multiplying the amount of repayment, etc. to the Participant by the ratio obtained by dividing the amount of the Claims Subject to Compensation by the total amount of all claims related to the repayment, etc.; the same applies in the following item);
- (ii) where the amount of the Claims Subject to Compensation exceeds 10,000,000 yen: The amount obtained by subtracting, from 10,000,000 yen, the amount obtained by multiplying the amount of repayment, etc. made to the Participant who holds the Claims Subject to Compensation by the ratio obtained by dividing 10,000,000 yen by the amount of the Claims Subject to Compensation.

(Special Provisions of the Act on Special Measures Concerning Taxation in the Case of Payment Related to Claims Subject to Compensation)

Article 6 (1) Where any event by which a workers asset accumulation home savings contract as prescribed in Article 4-2, paragraph (1) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957) or its performance ceases to satisfy the requirements prescribed in Article 6, paragraph (4), item

(i), (b) or (c) of the Act on the Promotion of Workers Asset Accumulation (Act No. 92 of 1971) occurs due to a payment (a payment set forth in Article 61-2, paragraph (1) of the Act: the same applies in the following paragraph) related to Claims Subject to Compensation, with regard to the application of the provisions of Article 4-2, paragraph (2) and paragraph (9) of the Act on Special Measures Concerning Taxation, that event is deemed to be outside the scope of the cases to be specified by a Cabinet Order as prescribed in paragraph (2) or the events prescribed in paragraph (9) of the same Article.

(2) Where any event by which a workers asset accumulation pension savings contract as prescribed in Article 4-3, paragraph (1) of the Act on Special Measures Concerning Taxation or its performance ceases to satisfy the requirements prescribed in Article 6, paragraph (2), item (i), (b) or (c) of the Act on the Promotion of Workers Asset Accumulation occurs due to a payment related to Claims Subject to Compensation, with regard to the application of the provisions of Article 4-3, paragraph (2) and paragraph (10) of the Act on Special Measures Concerning Taxation, that event is deemed to be outside the scope of the cases to be specified by a Cabinet Order as prescribed in paragraph (2) of the same Article or the events prescribed in paragraph (10) of the same Article.

### **Chapter III Book-Entry Transfer of Corporate Bonds**

(Matters to be Entered or Recorded in a Book-Entry Transfer Account Register)

Article 7 Matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act are those concerning restrictions on the disposition of Book-Entry Transfer Corporate Bonds (Book-Entry Transfer Corporate Bonds as prescribed in Article 66 of the Act; the same applies hereinafter).

(Application for Entry or Record of Trust)

Article 8 (1) The entry or record in the book-entry transfer account register (hereinafter referred to as the "entry or record of trust" in this Chapter) as prescribed in Article 75, paragraph (1) of the Act is made upon application to the Immediately Superior Institution, depending upon the classification of the case under the following items, by the persons prescribed therein:

(i) where, by transfer or pledge of Book-Entry Transfer Corporate Bonds by a settlor of a trust (hereinafter simply referred to as a "settlor") to a trustee of a trust (hereinafter simply referred to as a "trustee"), the rights to the Book-Entry Transfer Corporate Bonds come to belong to the trust property:

Settlor;

(ii) where, by changing the trustee, the rights to Book-Entry Transfer

- Corporate Bonds belonging to the trust property are transferred to a new trustee (hereinafter simply referred to as a "new trustee") as prescribed in Article 62, paragraph (1) of the Trust Act (Act No. 108 of 2006): the previous trustee as prescribed in Article 59, paragraph (1) of the same Act (hereinafter simply referred to as the "previous trustee"); or
- (iii) any cases other than those listed in the preceding two items: Trustee
- (2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:
- (i) the account of the trustee or new trustee;
  - (ii) the issue and amount of Book-Entry Transfer Corporate Bonds related to the application; and
  - (iii) whether the entry or record of trust under the account set forth in item (i) is to be made in the Ownership Column (Ownership Column as prescribed in Article 69, paragraph (2), item (i), (a) of the Act; the same applies in Article 11, paragraph (2), item (iii)) or the Pledge Column (Pledge Column as prescribed in Article 69, paragraph (2), item (i), (b) of the Act; the same applies in Article 11, paragraph (2), item (iii)).

(Application by Subrogation)

- Article 9 (1) In the cases listed in paragraph (1), item (iii) of the preceding Article, a beneficiary of a trust (hereinafter simply referred to as a "beneficiary") or a settlor may apply for the entry or record of trust on behalf of a trustee.
- (2) A beneficiary or settlor must, in applying pursuant to the provisions of the preceding paragraph, indicate in the application the individual or business name and address of the trustee and the cause of subrogation, and submit materials certifying the cause of the subrogation and the fact that the rights to Book-Entry Transfer Corporate Bonds related to the application belong to the trust property.

(Simultaneous Application)

- Article 10 (1) In the case listed in Article 8, paragraph (1), item (i), an application for an entry or record of trust must be made simultaneously with an application for book-entry transfer related to the transfer or pledge of Book-Entry Transfer Corporate Bonds as prescribed in the same item.
- (2) In a case under the preceding paragraph, a Book-Entry Transfer Institution, etc. must, when it gives notice pursuant to the provisions of Article 70, paragraph (4), item (ii) or item (iv) of the Act, or pursuant to the provisions of paragraph (5), item (ii) or item (iv) (including cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article) or paragraph (7), item (ii) of the same Article (including cases where applied mutatis mutandis

pursuant to paragraph (8) of the same Article), simultaneously give notice of the matters listed in each item under Article 8, paragraph (2).

- (3) A Book-Entry Transfer Institution, etc. which has received notice pursuant to the provisions of the preceding paragraph must simultaneously make the entry or record of trust in the book-entry transfer account register it maintains in accordance with the contents of the notice given pursuant to the provisions of the preceding paragraph when it makes the entry or record pursuant to the provisions of Article 70, paragraph (4), item (iii), paragraph (5), item (iii) (including cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article) or paragraph (7), item (i) (including cases where applied mutatis mutandis pursuant to paragraph (8) of the same Article) of the Act.

(Application for Deletion of Entry or Record of Trust)

Article 11 (1) An entry or record of trust is deleted upon application by a person prescribed under an item below to the person's Immediately Superior Institution (or, in the case listed in item (iii), the trustee's Immediately Superior Institution), depending upon the classification of the case under the respective item:

- (i) where, by transfer of the rights to Book-Entry Transfer Corporate Bonds, the rights cease to belong to the trust property: Trustee;
  - (ii) where, by changing a trustee, rights to Book-Entry Transfer Corporate Bonds which are trust property are transferred to a new trustee: Previous trustee; or
  - (iii) where, due to the transfer of the rights to Book-Entry Transfer Corporate Bonds to trustee's own property, the rights to the Book-Entry Transfer Corporate Bonds cease to belong to the trust property: Trustee and beneficiary.
- (2) A person who intends to apply as set forth in the preceding paragraph must include the following in the application:
- (i) the account of the trustee or previous trustee;
  - (ii) the issue and amount of Book-Entry Transfer Corporate Bonds related to the application; and
  - (iii) whether the entry or record of trust is to be deleted from the Ownership or Pledge Column in the account described in item (i).
- (3) A beneficiary as prescribed in paragraph (1), item (iii) must, in applying pursuant to the provisions of the same paragraph, submit materials identifying itself as a beneficiary.

(Simultaneous Application)

Article 12 In the case described in paragraph (1), item (i) of the preceding Article, an application for deletion of the entry or record of trust must be submitted

simultaneously with an application for book-entry transfer related to the transfer of rights prescribed in the same item.

(Change of a Trustee)

- Article 13 (1) Upon a change in the trustee, the previous trustee must apply for book-entry transfer (hereinafter referred to as an "application for entry of an increase in the amount, etc." in this Article) and request that the entry or record of an increase in the amount of the rights to Book-Entry Transfer Corporate Bonds belonging to the trust property be made in the new trustee's account. Simultaneously with the application, an application (hereinafter referred to as an "application for entry of change of a trustee, etc." in this Article) must be submitted pursuant to the provisions of Article 8, paragraph (1) (limited to the portion related to item (ii)) and Article 11, paragraph (1) (limited to the portion related to item (ii)) for the rights to the Book-Entry Transfer Corporate Bonds. In this case, simultaneously with these applications, materials certifying the change must be submitted.
- (2) The provisions of Article 10, paragraphs (2) and (3) apply mutatis mutandis to the cases described in the first sentence of the preceding paragraph.
- (3) Where the duties of a trustee are terminated or where there is a change in the trustee pursuant to the provisions of Article 56, paragraph (1), items (i) through (iv) or (vi) of the Trust Act or Article 8 of the Act on Charitable Trusts (Act No. 62 of 1922), the new trustee may also apply for the entry of an increase in the amount, etc. and an application for entry of a change in the trustee, etc. In this case, entry of a change in the trustee, etc. must be applied for simultaneously with an application for entry of an increase in the amount, etc.
- (4) In the case described in the preceding paragraph, the provisions of the second sentence of paragraph (1) apply mutatis mutandis.

(Provision of Contents of Book-Entry Transfer Corporate Bonds)

Article 14 The method to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act is any of the following:

- (i) a method of delivering or sending a document stating the matters (hereinafter referred to as the "contents of Book-Entry Transfer Corporate Bonds" in this Article) listed in Article 69, paragraph (1), item (vii) of the Act (or, if the contents of Book-Entry Transfer Corporate Bonds are recorded in an electronic or magnetic record (which means an electronic or magnetic record as prescribed in Article 4, paragraph (3) of the Act; hereinafter the same applies in this item), a document prepared by outputting the contents of the information recorded in the electronic or magnetic record) to the Participant;

- (ii) a method of providing the contents of Book-Entry Transfer Corporate Bonds to a Participant by electronic or magnetic means (electronic or magnetic means as prescribed in Article 34, paragraph (3) of the Act; the same applies hereinafter) specified by a Cabinet Office Order or a Ministry of Justice Order (in the case of a Book-Entry Transfer Institution which handles national government bonds, a Cabinet Office Order, a Ministry of Justice Order or a Ministry of Finance Order; the same applies in the following item); or
- (iii) a method of making the contents of Book-Entry Transfer Corporate Bonds subject to notice as set forth in Article 69, paragraph (1) of the Act available to many and unspecified persons by electronic or magnetic means specified by a Cabinet Office Order or a Ministry of Justice Order until the day the total amount of the Book-Entry Transfer Corporate Bonds entered or recorded in the book-entry transfer account register maintained by the Book-Entry Transfer Institution is deleted from the book-entry transfer account register.

#### **Chapter IV Book-Entry Transfer of National Government Bonds**

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to National Government Bonds)

Article 15 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 91, paragraph (3), item (vi) of the Act, and the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 100, paragraph (1) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the table, are deemed to be replaced with the terms listed in the right column of the table.

Article 8, paragraph (2), item (iii)	Article 69, paragraph (2), item (i), (a) of the Act	Article 92, paragraph (2), item (i) of the Act
	Article 69, paragraph (2), item (i), (b) of the Act	Article 95, paragraph (3), item (ii) of the Act
Article 10, paragraph (2)	Article 70, paragraph (4), item (ii) of the Act	Article 95, paragraph (4), item (ii) of the Act
Article 10, paragraph (3)	Article 70, paragraph (4), item (iii) of the Act	Article 95, paragraph (4), item (iii) of the Act

#### **Chapter V Book-Entry Transfer of Local Government Bonds**

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to



Local Government Bonds)

Article 16 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 113 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 75, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 113 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 113 of the Act.

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to Investment Corporation Bonds)

Article 17 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 115 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 75, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 115 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 115 of the Act.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Investment Corporation Bonds)

Article 18 Where, under the provisions of Article 115 of the Act, the provisions of the Act are applied mutatis mutandis to investment corporation bonds as prescribed in the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951), the technical replacement of terms related to the provisions is to be carried out as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 85, paragraph (1)	Article 723, paragraph (1) of the Companies Act	Article 723, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 139-10, paragraph (2) of the Act on Investment Trusts and Investment Corporations

Article 85, paragraph (2)	Article 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act	Article 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 139-10, paragraph (2) of the Act on Investment Trusts and Investment Corporations
Article 86, paragraph (1)	Article 718, paragraph (1) of the Companies Act	Article 718, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 139-10, paragraph (2) of the Act on Investment Trusts and Investment Corporations
	paragraph (3) of the same Article	Article 718, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 139-10, paragraph (2) of the Act on Investment Trusts and Investment Corporations

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to Mutual Corporate Bonds)

Article 19 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 117 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 75, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 117 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 117 of the Act.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Mutual Corporate Bonds)

Article 20 Where, under the provisions of Article 117 of the Act, the provisions of the Act are applied mutatis mutandis to mutual corporate bonds as prescribed in the Insurance Business Act (Act No. 105 of 1995), the technical replacement of terms related to the provisions is to be carried out as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms

Article 85, paragraph (1)	Article 723, paragraph (1) of the Companies Act	Article 723, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act
Article 85, paragraph (2)	Article 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act	Article 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act
Article 86, paragraph (1)	Article 718, paragraph (1) of the Companies Act	Article 718, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act
	paragraph (3) of the same Article	Article 718, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 61-8, paragraph (2) of the Insurance Business Act

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to Specified Corporate Bonds)

Article 21 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 118 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 75, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 118 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 118 of the Act.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Specified Corporate Bonds)

Article 22 Where, under the provisions of Article 118 of the Act, the provisions of the Act are applied mutatis mutandis to specified corporate bonds (excluding convertible specified corporate bonds and specified corporate bonds with subscription rights for new preferred equity investments) as prescribed in the Act on the Securitization of Assets (Act No. 105 of 1998), the technical replacement of terms related to the provisions is to be carried out as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 85, paragraph (1)	Article 723, paragraph (1) of the Companies Act	Article 723, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
Article 85, paragraph (2)	Article 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act	Article 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
Article 86, paragraph (1)	Article 718, paragraph (1) of the Companies Act	Article 718, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
	paragraph (3) of the same Article	Article 718, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to Special Corporation Bonds)

Article 23 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) as applied mutatis mutandis pursuant to Article 120 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 75, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 120 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 120 of the Act.

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to Beneficial Interests in a Domestic or Foreign Investment Trust)

Article 24 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 121 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 75, paragraph (1) of the Act as applied mutatis

mutandis pursuant to Article 121 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 121 of the Act. In this case, the terms listed the middle column of the following table, found in the provisions listed in the left column of the table ,are deemed to be replaced with the terms listed in the right column of the table.

Article 8, paragraph (2), item (ii) and Article 11, paragraph (2), item (ii)	amount	number of units
Article 13, paragraph (1)	increase in the amount	increase in number of units
Article 14, item (i)	set forth in Article 69, paragraph (1), item (vii) of the Act	prescribed in the items of Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 121 following the deemed replacement of terms
Article 14, item (iii)	referred to in Article 69, paragraph (1) of the Act	set forth in the items of Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 121 of the Act following the deemed replacement of terms
	total amount	total number of units

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to Beneficial Interests in a Loan Trust)

Article 25 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 122 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or

record prescribed in Article 75, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 122 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 122 of the Act.

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to Beneficial Interests in a Specific Purpose Trust)

Article 26 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 124 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 75, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 124 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 124 of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the table are deemed to be replaced with the terms listed in the right column of the table.

Article 8, paragraph (2), item (ii) and Article 11, paragraph (2), item (ii)	amount	number of equity interests
Article 13, paragraph (1)	increase in the amount	increase in the number of equity interests
Article 14	total amount	total number of equity interests

(Mutatis Mutandis Application of Provisions Concerning Corporate Bonds to Foreign Bonds)

Article 27 The provisions of Article 7 apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 68, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 127 of the Act, the provisions of Articles 8 through 13 apply mutatis mutandis to the entry or record prescribed in Article 75, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 127 of the Act, and the provisions of Article 14 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 87, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 127 of the Act.

**Chapter V-2 Book-Entry Transfer of Beneficial Interests in a Beneficiary**

## Certificate-Issuing Trust

(Matters to be Entered or Recorded in a Book-Entry Transfer Account Register)

Article 27-2 The matters to be specified by a Cabinet Order as prescribed in Article 127-4, paragraph (3), item (vii) of the Act are to concern restrictions on the disposition of Book-Entry Transfer Beneficial Interests (which means Book-Entry Transfer Beneficial Interests as prescribed in Article 127-2, paragraph (1) of the Act; the same applies hereinafter).

(Measures and Instructions where Fractions Exist after the Consolidation of Book-Entry Transfer Beneficial Interests)

Article 27-3 (1) The entry or record to be specified by a Cabinet Order as prescribed in Article 127-11, paragraph (5) of the Act is as prescribed in the following items depending upon the classification of the Ownership Column, etc. (Ownership Column, etc. prescribed in Article 127-10, paragraph (3) of the Act; hereinafter the same applies in this Chapter) under the items:

- (i) the Ownership Column (Ownership Column as prescribed in Article 127-5, paragraph (2), item (i), (a) of the Act; hereinafter the same applies in this Chapter) on the account of the Participant set forth in Article 127-11, paragraph (5) of the Act: The entry or record of a decrease in the number (any fraction of the number of less than one (which is referred to as the "fraction in the Ownership Column" in item (iv)) is to be rounded up) that results from multiplying the number of Book-Entry Transfer Beneficial Interests as set forth in Article 127-11, paragraph (1), item (i) of the Act entered or recorded in the Ownership Column by the rate of decrease (the rate of decrease as prescribed in item (ii) of the same paragraph; the same applies in the following item);
- (ii) the Pledge Column (Pledge Column prescribed in Article 127-5, paragraph (2), item (i), (b) of the Act; hereinafter the same applies in this Chapter) on the account of the Participant set forth in Article 127-11, paragraph (5) of the Act: The entry or record of a decrease in the number (any fraction less than one in the number (which is referred to as the "fraction in the Pledge Column" in item (iv)) is to be rounded up) that results from multiplying the number of Book-Entry Transfer Beneficial Interests set forth in Article 127-11, paragraph (1), item (i) of the Act entered or recorded in the Pledge Column by the rate of decrease;
- (iii) the customer account that is among the accounts of a Superior Institution of the Participant prescribed in the preceding two items: The entry or record of a decrease in the number of Book-Entry Transfer Beneficial Interests entered or recorded as prescribed in the preceding two items;
- (iv) the Ownership Column on the beneficiary's account, in the book-entry

transfer account register maintained by the Immediately Superior Institution of the Participant who is the beneficiary of the Book-Entry Transfer Beneficial Interests set forth in Article 127-11, paragraph (1), item (i) of the Act book-entry transfer (if there is more than one such institution, the one specified by the Book-Entry Transfer Institution) of the beneficiary: The entry or record of an increase in the number that results from the totaling of the number obtained by subtracting the fraction in the Ownership Column for the Book-Entry Transfer Beneficial Interests held by the beneficiary from one and the number obtained by subtracting the fraction in the Pledge Column for the same from one (any fraction of the number of less than one (which is referred to as the "fraction for issuer" under item (vi)) is disregarded);

(v) the customer account that is among the accounts of the Book-Entry Transfer Institution, etc. at which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number entered or recorded as prescribed in the same item;

(vi) the Ownership Column of the account set forth in Article 127-11, paragraph (1), item (iv) of the Act: The entry or record of an increase in the total (any fraction of the total number of less than one is disregarded) of the issuer fraction; or

(vii) the customer account that is among the accounts of the Book-Entry Transfer Institution, etc. at which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number entered or recorded as prescribed in the same item.

(2) The instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 127-11, paragraph (5) of the Act are to be given to the persons listed in the following items with regard to the matters prescribed therein:

(i) all Subordinate Institutions: Instructions to the effect that the matters necessary for the entries or records prescribed in items (iii) through (vii) of the preceding paragraph should be reported;

(ii) the Account Management Institution required to make the entry or record prescribed in the preceding item: Matters subject to the entry or record. and

(Measures and Instructions in Cases Where Fractions Result from the Splitting of Book-Entry Transfer Beneficial Interests)

Article 27-4 (1) The entry or record to be specified by a Cabinet Order as prescribed in Article 127-12, paragraph (5) of the Act is as prescribed in the following items depending upon the classification of the Ownership Column, etc. under the items:

(i) the Ownership Column on the account of a Participant set forth in Article



- 127-12, paragraph (5) of the Act: The entry or record of an increase in the number (any fraction of the number of less than one (which is referred to as the "fraction in the Ownership Column" in item (iv)) is disregarded) resulting from multiplying the number of Book-Entry Transfer Beneficial Interests set forth in paragraph (1), item (i) of the same Article entered or recorded in the Ownership Column by the rate of increase (which means the rate of increase as prescribed in item (ii) of the same paragraph; the same applies in the following item);
- (ii) the Pledge Column on the account of a Participant set forth in Article 127-12, paragraph (5) of the Act: The entry or record of an increase in the number (any fraction of the number of less than one (which is referred to as the "fraction in the Pledge Column" in item (iv)) is disregarded) resulting from multiplying the number of Book-Entry Transfer Beneficial Interests set forth in paragraph (1), item (i) of the same Article that are entered or recorded in the Pledge Column by the rate of increase;
  - (iii) the customer account among the accounts of a Superior Institution to a Participant prescribed in the preceding two items: The entry or record of an increase in the number of Book-Entry Transfer Beneficial Interests entered or recorded as prescribed in the preceding two items;
  - (iv) the Ownership Column on the beneficiary's account, in the book-entry transfer account register maintained by the Immediately Superior Institution of the Participant who is the beneficiary of Book-Entry Transfer Beneficial Interests as set forth in Article 127-12, paragraph (1), item (i) of the Act (if there is more than one such institution, the one specified by the Book-Entry Transfer Institution) of the beneficiary: The entry or record of an increase in the number resulting from the totaling of the fraction in the Ownership Column and the fraction in the Pledge Column for the Book-Entry Transfer Beneficial Interests held by the beneficiary (any fraction of less than one of the number (which is referred to as the "issuer fraction" in item (vi)) is disregarded);
  - (v) the customer account that is among the accounts of the Book-Entry Transfer Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number that has been entered or recorded as prescribed in the same item;
  - (vi) the Ownership Column of the account set forth in Article 127-12, paragraph (1), item (iv) of the Act: The entry or record of an increase in the total (any fraction less of than one in the total number is disregarded) of the issuer fraction; or
  - (vii) the customer account that is among the accounts of the Book-Entry Transfer Institution, etc. with which the account set forth in the preceding

item has been opened and its Superior Institution: the entry or record of an increase in the number that has been entered or recorded as prescribed in the same item.

- (2) The instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 127-12, paragraph (5) of the Act are to be given to the entities listed in the following items with regard to the matters prescribed therein:
- (i) all Subordinate Institutions: Instructions to the effect that matters necessary for the entry or record prescribed in items (iii) through (vii) of the preceding paragraph should be reported; or
  - (ii) the Account Management Institution required to make the entry or record prescribed in the preceding item: Matters subject to the entry or record.

(Measures and Instructions where Fractions Result from the Delivery of Book-Entry Transfer Beneficial Interests of Other Issues by Consolidation of Trusts)

Article 27-5 (1) The entry or record to be specified by a Cabinet Order as prescribed in Article 127-13, paragraph (5) of the Act is as prescribed in the following items, depending upon the classification of the Ownership Column, etc. under the items:

- (i) the Ownership Column on the account of the Participant set forth in Article 127-13, paragraph (5) of the Act: The entry or record of an increase in the number (any fraction of said number of less than one (which is referred to as the "fraction in the Ownership Column" in item (iv)) is disregarded) related to the Book-Entry Transfer Beneficial Interests set forth in item (i) of the same paragraph resulting from the multiplying of the number of Book-Entry Transfer Beneficial Interests (hereinafter referred to as " Book-Entry Transfer Beneficial Interests after consolidation" in this paragraph) set forth in paragraph (1), item (ii) of the same Article that are entered or recorded in the Ownership Column by an allotment ratio (an allotment ratio prescribed in item (iii) of the same paragraph; the same applies in the following item);
- (ii) the Pledge Column on the account of the Participant set forth in Article 127-13, paragraph (5) of the Act: The entry or record of an increase in the number related to Book-Entry Transfer Beneficial Interests after consolidation (any fraction of said number of less than one (which is referred to as the "fraction in the Pledge Column" in item (iv)) is disregarded) that results from multiplying the number of Book-Entry Transfer Beneficial Interests set forth in paragraph (1), item (ii) of the same Article that are entered or recorded in the Pledge Column by an allotment ratio;
- (iii) customer account among the accounts of the Superior Institutions of a Participant prescribed in the preceding two items: The entry or record of an

- increase in the number of Book-Entry Transfer Beneficial Interests after consolidation that has been entered or recorded as prescribed in the preceding two items;
- (iv) the Ownership Column of an account of a Participant who is a beneficiary of Book-Entry Transfer Beneficial Interests as set forth in Article 127-13, paragraph (1), item (ii) of the Act in the book-entry transfer account register maintained by the Immediately Superior Institution (if there are more than one such institution, the one specified by the Book-Entry Transfer Institution) of the beneficiary: The entry or record of an increase in the total (any fraction of the number of less than one (which is referred to as the "issuer fraction" in item (vi)) is disregarded) of the fraction in the Ownership Column and the fraction in the Pledge Column related to the Book-Entry Transfer Beneficial Interests after consolidation held by the beneficiary;
  - (v) customer account among the accounts of the Book-Entry Transfer Institution, etc. at which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number related to the Book-Entry Transfer Beneficial Interests after consolidation entered or recorded as prescribed in the same item;
  - (vi) the Ownership Column of the account set forth in Article 127-13, paragraph (1), item (v) of the Act: The entry or record of an increase in the total number related to the Book-Entry Transfer Beneficial Interests after consolidation (any fraction of the total number of less than one is disregarded) of the issuer fraction;
  - (vii) the customer account among the accounts of the Book-Entry Transfer Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number related to Book-Entry Transfer Beneficial Interests after consolidation entered or recorded as prescribed in said item;
  - (viii) the Ownership Column or Pledge Column on the account of the Participant set forth in Article 127-13, paragraph (5) of the Act or the customer account among the accounts of the Immediately Superior Institution of the Participant: The deletion of the entry or record of all Book-Entry Transfer Beneficial Interests set forth in paragraph (1), item (ii) of the same Article.
- (2) The instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 127-13, paragraph (5) of the Act are to be given to the persons listed in the following items with regard to the matters prescribed therein:
- (i) all Subordinate Institutions: Instructions to the effect that matters necessary for the entries or records prescribed in items (iii) through (vii) of the preceding paragraph should be reported; and

- (ii) the Account Management Institution required to make the entry or record prescribed in the preceding item: Matters subject to the entry or record.

(Measures and Instructions where Fractions Result from the Delivery of Book-Entry Transfer Beneficial Interests of Other Issues by Split of Trusts)

Article 27-6 (1) The entry or record to be specified by a Cabinet Order as prescribed in Article 127-14, paragraph (5) of the Act is as prescribed in the following items depending upon the classification of the Ownership Column, etc. under the items:

- (i) the Ownership Column on the account of the Participant set forth in Article 127-14, paragraph (5) of the Act: The entry or record of an increase in the number (any fraction of the number of less than one (which is referred to as the "fraction in the Ownership Column" in item (iv)) is disregarded) related to the Book-Entry Transfer Beneficial Interests (hereinafter referred to as "Book-Entry Transfer Beneficial Interests after split" in this paragraph) set forth in item (i) of the same paragraph that results from multiplying the number of Book-Entry Transfer Beneficial Interests set forth in paragraph (1), item (ii) of the same Article that are entered or recorded in the Ownership Column by an allotment ratio (which means an allotment ratio prescribed in item (iii) of the same paragraph; the same applies in the following item);
- (ii) the Pledge Column on the account of the Participant set forth in Article 127-14, paragraph (5) of the Act: The entry or record of an increase in the number related to Book-Entry Transfer Beneficial Interests after a split (any fraction of the number of less than one (which is referred to as the "fraction in the Pledge Column" in item (iv)) is disregarded) that results from multiplying the number of Book-Entry Transfer Beneficial Interests as set forth in paragraph (1), item (ii) of the same Article that are entered or recorded in the Pledge Column by an allotment ratio;
- (iii) the customer account among the accounts of a Superior Institution of a Participant as prescribed in the preceding two items: The entry or record of an increase in the number of Book-Entry Transfer Beneficial Interests after a split that has been entered or recorded as prescribed in the preceding two items;
- (iv) ownership Column on the account of the Participant who is a beneficiary of Book-Entry Transfer Beneficial Interests set forth in Article 127-14, paragraph (1), item (ii) of the Act in the book-entry transfer account register maintained by the Immediately Superior Institution (if there is more than one such institution, the one specified by the Book-Entry Transfer Institution) of the beneficiary: The entry or record of an increase in the total (any fraction of the total of less than one (which is referred to as the "issuer

- fraction" in item (vi) is disregarded) obtained by adding the fractions in the Ownership and Pledge Columns related to the Book-Entry Transfer Beneficial Interests after a split held by the beneficiary;
- (v) the customer account among the accounts of the Book-Entry Transfer Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number related to the Book-Entry Transfer Beneficial Interests after a split that has been entered or recorded as prescribed in the same item;
  - (vi) the Ownership Column of the account set forth in Article 127-14, paragraph (1), item (v) of the Act: The entry or record of an increase in the total related to the Book-Entry Transfer Beneficial Interests after a split (any fraction of the total of less than one is disregarded) of the issuer fraction; or
  - (vii) the customer account among the accounts of the Book-Entry Transfer Institution, etc. at which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number related to Book-Entry Transfer Beneficial Interests after a split that has been entered or recorded as prescribed in the same item.
- (2) The instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 127-14, paragraph (5) of the Act are to be given to the persons listed in the following items with regard to the matters prescribed in the items:
- (i) all Subordinate Institutions: Instructions to the effect that matters necessary for the entry or record prescribed in items (iii) through (vii) of the preceding paragraph should be reported; or
  - (ii) the Account Management Institution required to make the entry or record prescribed in the preceding item: Matters subject to the entry or record.

(Application for Entry or Record of a Book-Entry Transfer Beneficial Interest Trust)

- Article 27-7 (1) The entry or record in the book-entry transfer account register (hereinafter referred to as the "entry or record of a Book-Entry Transfer Beneficial Interest Trust") prescribed in Article 127-18, paragraph (1) of the Act is entered upon application by a person prescribed in the following items to its Immediately Superior Institution based on the classification of the case under the items:
- (i) where, by transfer or pledge of Book-Entry Transfer Beneficial Interests by a settlor to a trustee, the Book-Entry Transfer Beneficial Interests become part of the trust property: Settlor;
  - (ii) where, by changing a trustee, the Book-Entry Transfer Beneficial Interests belonging to the trust property are transferred to a new trustee: Previous

trustee;

(iii) any cases other than those listed in the preceding two items: Trustee.

(2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:

(i) the account of the trustee or new trustee

(ii) the issue and number of Book-Entry Transfer Beneficial Interests related to the application

(iii) whether the entry or record of the Book-Entry Transfer Beneficial Interests Trust is to be made in the Ownership or Pledge Column in the account set forth in item (i)

(Application by Subrogation)

Article 27-8 (1) In a cases under paragraph (1), item (iii) of the preceding Article, a beneficiary or a settlor may apply for the entry or record of a Book-Entry Transfer Beneficial Interest Trust on behalf of a trustee.

(2) A beneficiary or settlor must, in applying pursuant to the provisions of the preceding paragraph, indicate in the application the individual or business name and address of the trustee and the cause of subrogation, and submit materials certifying the cause of the subrogation and the fact that the rights to Book-Entry Transfer Beneficial Interests related to the application belong to the trust property.

(Simultaneous Application)

Article 27-9 (1) In a case which falls under Article 27-7, paragraph (1), item (i), an application for the entry or record of a Book-Entry Transfer Beneficial Interest trust must be made simultaneously with an application for book-entry transfer related to the transfer or a pledge of Book-Entry Transfer Beneficial Interests as prescribed in the same item.

(2) In a case falling under the preceding paragraph, a Book-Entry Transfer Institution, etc. must, when it gives notice pursuant to the provisions of Article 127-7, paragraph (4), item (ii) or (iv) of the Act, or pursuant to the provisions of paragraph (5), item (ii) or (iv) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article) or the provisions of paragraph (7), item (ii) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (8) of the same Article), provide simultaneous notice on the matters listed in each item under Article 27-7, paragraph (2).

(3) A Book-Entry Transfer Institution, etc. which has received notice pursuant to the provisions of the preceding paragraph must, when it makes an entry or record pursuant to the provisions of Article 127-7, paragraph (4), item (iii), the provisions of paragraph (5), item (iii) of the same Article (including cases

where applied mutatis mutandis pursuant to paragraph (6) of the same Article), or the provisions of paragraph (7), item (i) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (8) of the same Article) of the Act, simultaneously make an entry or record of Book-Entry Transfer Beneficial Interests in the book-entry transfer account register it maintains in accordance with the contents of the notice given pursuant to the provisions of the preceding paragraph.

(Application for Deletion of Entry or Record of Book-Entry Transfer Beneficial Interests)

Article 27-10 (1) The entry or record of a Book-Entry Transfer Beneficial Interest Trust is deleted upon application by a person prescribed in the following items to its Immediately Superior Institution (or, in the case listed in item (iii), the trustee's Immediately Superior Institution), depending upon the classification of the case under the following items:

- (i) where Book-Entry Transfer Beneficial Interests cease to belong to the trust property due to transfer: Trustee
  - (ii) where the Book-Entry Transfer Beneficial Interests which belong to the trust property are transferred to a new trustee: Previous trustee
  - (iii) where, the Book-Entry Transfer Beneficial Interests cease to belong to the trust property because Book-Entry Transfer Beneficial Interests comes to belong to trustee's own property: Trustee and beneficiary
- (2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:
- (i) the account of the trustee or previous trustee
  - (ii) the issue and number of Book-Entry Transfer Beneficial Interests in connection with the application
  - (iii) whether the entry or record of a Book-Entry Transfer Beneficial Interest Trust is to be deleted from the Ownership Column or the Pledge Column of the account set forth in item (i)
- (3) A beneficiary prescribed in paragraph (1), item (iii) must, in applying pursuant to the provisions of the same paragraph, submit materials identifying itself as a beneficiary.

(Simultaneous Application)

Article 27-11 In the case listed in paragraph (1), item (i) of the preceding Article, an application for deletion of an entry or record of a Book-Entry Transfer Beneficial Interest Trust must be made simultaneously with an application for book-entry transfer related to transfer of Book-Entry Transfer Beneficial Interests prescribed in the same item.

(Change of Trustee)

- Article 27-12 (1) When a trustee is changed, the previous trustee must apply for book-entry transfer (hereinafter referred to as an "application for entry of an increase, etc." in paragraph (3)) requesting that the entry or record of an increase for Book-Entry Transfer Beneficial Interests belonging to the trust property be made in the new trustee's account, and simultaneously with the application, an application (which is referred to as an "application for entry of a change of a trustee, etc." in paragraph (3)) pursuant to the provisions of Article 27-7, paragraph (1) (limited to the portion related to item (ii)) and Article 27-10, paragraph (1) (limited to the portion related to item (ii)) for the Book-Entry Transfer Beneficial Interests. In this case, simultaneously with these applications, materials certifying the change must also be submitted.
- (2) The provisions of Article 27-9, paragraphs (2) and (3) apply mutatis mutandis to cases falling under the first sentence of the preceding paragraph.
- (3) Where the termination of a trustee's duties and change of the trustee occur pursuant to the provisions of Article 56, paragraph (1), items (i) through (iv) or (vi) of the Trust Act or Article 8 of the Act on Charitable Trusts, the new trustee may also apply for an entry of an increase, etc. and for an entry of a change of a trustee, etc. In this case, the application for an entry of a change of a trustee, etc. must be submitted simultaneously with the application for an entry of an increase, etc.
- (4) In the case of the preceding paragraph, the provisions of the second sentence of paragraph (1) apply mutatis mutandis.

## **Chapter VI Book-Entry Transfer of Shares**

(Matters to be Entered or Recorded in a Book-Entry Transfer Account Register)

Article 28 The matters to be specified by a Cabinet Order as prescribed in Article 129, paragraph (3), item (vii) of the Act are the following:

- (i) matters concerning restrictions on the disposition of Book-Entry Transfer Shares (Book-Entry Transfer Shares as prescribed in Article 128, paragraph (1) of the Act; the same applies hereinafter)
- (ii) where the issuer is a person listed in (a) through (c) below and the Participant is a person prescribed therein, a statement to that effect
- (a) a basic broadcaster as prescribed in Article 116, paragraph (1) of the Broadcast Act (Act No. 132 of 1950): A foreign national, etc. prescribed in the same paragraph
- (b) a supplier for basic broadcasting stations as prescribed in Article 125, paragraph (1) of the Broadcast Act: A foreign national, etc. as prescribed in the same paragraph
- (c) a certified broadcasting holding company as prescribed in Article 161,



paragraph (1) of the Broadcast Act: A foreign national, etc. prescribed in the same paragraph

- (iii) where an issuer is a domestic air carrier as prescribed in Article 120-2, paragraph (1) of the Civil Aeronautics Act (Act No. 231 of 1952) or its holding company, etc. and a Participant is a foreign national, etc. prescribed in the same paragraph, a statement to that effect
- (iv) where an issuer is Nippon Telegraph and Telephone Corporation and a Participant is a person listed in one of the items under Article 6, paragraph (1) of the Act on Nippon Telegraph and Telephone Corporation (Act No. 85 of 1984), a statement to that effect.

(Matters Requiring Notification under a New Entry or Record Procedure)

Article 29 The matters to be specified by a Cabinet Order as prescribed in Article 130, paragraph (1), item (viii) of the Act are those listed in items (ii) through (iv) of the preceding Article.

(Measures and Instructions where Fractions Result from the Consolidation of Book-Entry Transfer Shares)

Article 30 (1) The entry or record to be specified by a Cabinet Order as prescribed in Article 136, paragraph (5) of the Act is as prescribed in the following items, depending upon the classification of the Ownership Column, etc. (Ownership Column, etc. as prescribed in Article 135, paragraph (3) of the Act; hereinafter the same applies in this Chapter) under the items:

- (i) the Ownership Column (Ownership Column as prescribed in Article 130, paragraph (2), item (i), (a) of the Act; hereinafter the same applies in this Chapter) on the account of the Participant set forth in Article 136, paragraph (5) of the Act: The entry or record of a decrease in the number (any fraction of less than one in that number (which is referred to as the "fraction in the Ownership Column" in item (iv)) is to be rounded up) that results from multiplying the number of Book-Entry Transfer Shares set forth in Article 136, paragraph (1), item (i) of the Act (or: for Book-Entry Transfer Shares for which a request (hereinafter referred to as a "special shareholder request") set forth in Article 151, paragraph (2), item (i) of the Act has been made, the number for each special shareholder prescribed in the same item (hereinafter simply referred to as a "special shareholder"); for Book-Entry Transfer Shares entered or recorded in a purchase account (meaning the purchase account prescribed in Article 155, paragraph (1) of the Act; hereinafter the same applies in this Chapter) for which the purchase has not yet become effective, the number for each holder of Book-Entry Transfer Shares that has filed an application referred to in Article 155, paragraph (3) of the Act) that are entered or recorded in the Ownership Column by the rate of decrease

- (which means the rate of decrease as prescribed in Article 136, paragraph (1), item (ii) of the Act; the same applies in the following item)
- (ii) the Pledge Column (Pledge Column as prescribed in Article 130, paragraph (2), item (i), (b) of the Act; hereinafter the same applies in this Chapter) on the account of the Participant set forth in Article 136, paragraph (5) of the Act: The entry or record of the decrease in number for each shareholder, represented by the numbers that result from multiplying each shareholder's number of Book-Entry Transfer Shares set forth in Article 136, paragraph (1), item (i) of the Act that are entered or recorded in the relevant Pledge Column by the rate of decrease (any fraction of the number of less than one (which is referred to as the "fraction in the Pledge Column" in item (iv)) is to be rounded up; hereinafter the same applies in this item) Book-Entry Transfer, and the entry or record of the decrease in the number of said Book-Entry Transfer Shares, represented by the sum total of the numbers that result from the multiplication
  - (iii) the customer account among the accounts of an Superior Institution of a Participant prescribed in the preceding two items: The entry or record of a decrease in the number of Book-Entry Transfer Shares entered or recorded as prescribed in the preceding two items
  - (iv) the Ownership Column of the account of a Participant who is a shareholder (including special shareholders) of Book-Entry Transfer Shares as set forth in Article 136, paragraph (1), item (i) of the Act in the book-entry transfer account register maintained by the Immediately Superior Institution (if there is more than one such institution,, the one specified by the Book-Entry Transfer Institution) of the shareholder: The entry or record of an increase in the number that results from totaling the number obtained by subtracting the fraction in the Ownership Column for the Book-Entry Transfer Shares held by the shareholder from one and the number obtained by subtracting the fraction in the Pledge Column for the same from one (any fraction of the result obtained of less than one (which is referred to as the "issuer fraction" in item (vi)) is disregarded)
  - (v) the customer account among the accounts of the Book-Entry Transfer Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number that has been entered or recorded as prescribed in the same item
  - (vi) the Ownership Column of the account set forth in Article 136, paragraph (1), item (iv) of the Act: The entry or record of an increase in the total (any fraction less than one in that total number is disregarded) of the issuer fraction
  - (vii) the customer account among the accounts of the Book-Entry Transfer

- Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the total that has been entered or recorded as prescribed in the same item.
- (2) The instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 136, paragraph (5) of the Act are to be given to the persons listed in the following items in relation to the matters prescribed therein:
- (i) all Subordinate Institutions: Instructions to the effect that matters necessary for the entries or records prescribed in items (iii) through (vii) of the preceding paragraph should be reported
  - (ii) the Account Management Institution required to make the entry or record prescribed in the preceding item: Matters subject to the entry or record.

(Measures and Instructions in Cases Where Fractions Result from the Split of Book-Entry Transfer Shares)

Article 31 (1) The entry or record to be specified by a Cabinet Order as prescribed in Article 137, paragraph (5) of the Act is as prescribed in the following items depending upon the classification of the Ownership Column, etc. under the items:

- (i) the Ownership Column on the account of the Participant set forth in Article 137, paragraph (5) of the Act: The entry or record of an increase in the number (any fraction of the number of less than one (which is referred to as the "fraction in the Ownership Column" in item (iv)) is disregarded) that results from multiplying the number of Book-Entry Transfer Shares (or: for Book-Entry Transfer Shares for which a special shareholder request has been made, the number for each special shareholder; for Book-Entry Transfer Shares entered or recorded in a purchase account for which the purchase has not yet become effective, the number for each holder of Book-Entry Transfer Shares that has filed an application referred to in Article 155, paragraph (3) of the Act) set forth in paragraph (1), item (i) of the same Article that are entered or recorded in the Ownership Column by the rate of increase (which means the rate of increase as prescribed in Article 137, paragraph (1), item (ii) of the Act; the same applies in the following item)
- (ii) the Pledge Column on the account of the Participant set forth in Article 137, paragraph (5) of the Act: The entry or record of the increase in number for each shareholder, represented by the numbers that result from multiplying each shareholder's number of Book-Entry Transfer Shares set forth in paragraph (1), item (i) of the same Article that are entered or recorded in the relevant Pledge Column by the rate of increase (any fraction of the number of less than one (which is referred to as the "fraction in the Pledge Column" in item (iv)) is disregarded; hereinafter the same applies in this item), and the

- entry or record of the increase in the number of said Book-Entry Transfer Shares, represented by the sum total of the numbers that result from the multiplication
- (iii) customer account among the accounts of the Superior Institution of a Participant prescribed in the preceding two items: The entry or record of an increase in the number of Book-Entry Transfer Shares entered or recorded as prescribed in the preceding two items
  - (iv) the Ownership Column of the account of a Participant who is a shareholder (including special shareholders) of Book-Entry Transfer Shares as set forth in Article 137, paragraph (1), item (i) of the Act in the book-entry transfer account register maintained by the Immediately Superior Institution (if there is more than one such institution, the one specified by the Book-Entry Transfer Institution) of the shareholder: The entry or record of an increase in the number that results from totaling the fraction in the Ownership Column and the fraction in the Pledge Column for the Book-Entry Transfer Shares held by the shareholder (any fraction of the number of less than one (which is referred to as the "fraction for issuer" in item (vi)) is disregarded)
  - (v) customer account among the accounts of the Book-Entry Transfer Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number entered or recorded as prescribed in the same item
  - (vi) the Ownership Column of the account as set forth in Article 137, paragraph (1), item (iv) of the Act: The entry or record of an increase in the total (any fraction of the number of less than one is disregarded) of the issuer fraction
  - (vii) customer account among the accounts of the Book-Entry Transfer Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number entered or recorded as prescribed in the same item.
- (2) The instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 137, paragraph (5) of the Act are to be given to the persons listed in the following items in relation to the matters prescribed therein:
- (i) all Subordinate Institutions: Instructions to the effect that matters necessary for the entry or record prescribed in items (iii) through (vii) of the preceding paragraph should be reported
  - (ii) the Account Management Institution required to make the entry or record prescribed in the preceding item: Matters subject to the entry or record.

(Measures and Instructions in Cases Where Fractions Result from the Delivery of Book-Entry Transfer Shares of Other Issues as the Result of Merger)  
 Article 32 (1) The entry or record to be specified by a Cabinet Order as

prescribed in Article 138, paragraph (5) of the Act is as prescribed in the following items depending upon the classification of the Ownership Column, etc. under the items:

- (i) the Ownership Column on the account of the Participant set forth in Article 138, paragraph (5) of the Act: The entry or record of an increase in the number (any fraction of the number of less than one (which is referred to as the "fraction in the Ownership Column" in item (iv)) is disregarded) that results from multiplying the number of Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article (or: for Book-Entry Transfer Shares for which a special shareholder request has been made, the number for each special shareholder; for Book-Entry Transfer Shares entered or recorded in a purchase account for which the purchase has not yet become effective, the number for each holder of Book-Entry Transfer Shares that has filed an application referred to in Article 155, paragraph (3) of the Act) that are entered or recorded in the Ownership Column by an allotment ratio (which means an allotment ratio prescribed in Article 138, paragraph (1), item (iii) of the Act; the same applies in the following item), for the Book-Entry Transfer Shares set forth in item (i) of the same paragraph (hereinafter referred to as "Book-Entry Transfer Shares of the Surviving Company, etc." in this paragraph)
- (ii) the Pledge Column on the account of the Participant set forth in Article 138, paragraph (5) of the Act: The entry or record of the increase in the number of each shareholder's Book-Entry Transfer Shares in the Surviving Company, etc., represented by the numbers that result from multiplying each shareholder's number of Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article that are entered or recorded in the relevant Pledge Column by the allotment ratio (any fraction of the number of less than one (which is referred to as the "fraction in the Pledge Column" in item (iv)) is disregarded; hereinafter the same applies in this item), and the entry or record of the increase in the number of the Book-Entry Transfer Shares in the Surviving Company, etc., represented by the sum total of the numbers that result from the multiplication
- (iii) customer account among the accounts of the Superior Institution of a Participant prescribed in the preceding two items: The entry or record of an increase in the number of Book-Entry Transfer Shares of the Surviving Company, etc. that has been entered or recorded as prescribed in the preceding two items
- (iv) the Ownership Column of the account of a Participant who is a shareholder (including special shareholders) of Book-Entry Transfer Shares set forth in Article 138, paragraph (1), item (ii) of the Act in the book-entry transfer account register maintained by the Immediately Superior Institution (if

there is more than one such institution, the one specified by the Book-Entry Transfer Institution) of the shareholder: The entry or record of an increase in the number that results from totaling the fraction in the Ownership Column and the fraction in the Pledge Column for the Book-Entry Transfer Shares of the Surviving Company, etc. held by the shareholder (any fraction of the number of less than one (which is referred to as the "fraction for issuer" in item (vi)) is disregarded)

(v) Customer account among the accounts of the Book-Entry Transfer

Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number related to the Book-Entry Transfer Shares of the Surviving Company, etc. that has been entered or recorded as prescribed in the same item

(vi) the Ownership Column of the account set forth in Article 138, paragraph (1), item (v) of the Act: The entry or record of an increase in the total number (any fraction of the total number of less than one is disregarded) of the issuer fraction for the Book-Entry Transfer Shares of the Surviving Company, etc.

(vii) customer account among the accounts of the Book-Entry Transfer

Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number related to the Book-Entry Transfer Shares of the Surviving Company, etc. that has been entered or recorded as prescribed in the same item

(viii) the Ownership Column or Pledge Column on the account of the

Participant set forth in Article 138, paragraph (5) of the Act or the customer account among the accounts of the Superior Institution of the Participant:

The deletion of an entry or record of all Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article.

(2) The instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act are to be given to the persons listed in the following items in relation to the matters prescribed therein:

(i) all Subordinate Institutions: To the effect that matters necessary for the entry or record prescribed in items (iii) through (vii) of the preceding paragraph should be reported

(ii) the Account Management Institutions which are required to make entries or records as prescribed in the preceding item: Matters subject to the entry or record.

(Application for Entry or Record of Trust)

Article 33 (1) The entry or record in the book-entry transfer account register

(hereinafter referred to as the "entry or record of trust" in this Chapter) as prescribed in Article 142, paragraph (1) of the Act is entered upon application by a person prescribed in the following respective items depending upon the classification of the case under the items to the person's Immediately Superior Institution:

- (i) where, by transfer or pledge of Book-Entry Transfer Shares by a settlor to a trustee, the Book-Entry Transfer Shares come to belong to the trust property: Settlor
  - (ii) where, by changing a trustee, the rights to Book-Entry Transfer Shares which belong to the trust property are transferred to a new trustee: Previous trustee
  - (iii) any cases other than those listed in the preceding two items: Trustee.
- (2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:
- (i) the account of the trustee or new trustee
  - (ii) the issue and number of Book-Entry Transfer Shares related to the application
  - (iii) whether the entry or record of trust is to be made in the Ownership Column or Pledge Column in the account set forth in item (i).

#### (Application by Subrogation)

Article 34 (1) In the cases listed in paragraph (1), item (iii) of the preceding Article, a beneficiary or a settlor may apply for the entry or record of trust on behalf of a trustee.

- (2) A beneficiary or settlor must, in applying pursuant to the provisions of the preceding paragraph, indicate in the application the individual or business name and address of the trustee and the reason for the subrogation, and submit materials certifying the reason for the subrogation and the fact that the rights to Book-Entry Transfer Shares related to the application belong to the trust property.

#### (Simultaneous Application)

Article 35 (1) In the case listed in Article 33, paragraph (1), item (i), an application for an entry or record of trust must be submitted simultaneously with an application for book-entry transfer related to the transfer or pledge of Book-Entry Transfer Shares prescribed in the same item.

- (2) In the case of the preceding paragraph, a Book-Entry Transfer Institution, etc. must, when it provides notice pursuant to the provisions of Article 132, paragraph (4), item (ii) or (v) of the Act, or pursuant to the provisions of paragraph (5), item (ii) or (v) (including cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article) or paragraph (7), item (iii)

(including cases where applied mutatis mutandis pursuant to paragraph (8) of the same Article) of the same Article, simultaneously provide notice of the matters listed in each item under Article 33, paragraph (2).

- (3) A Book-Entry Transfer Institution, etc. which has received notice pursuant to the provisions of the preceding paragraph must, when generating an entry or record pursuant to the provisions of Article 132, paragraph (4), item (iii) or (iv) of the Act, or the provisions of paragraph (5), item (iii) or (iv) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article), or the provisions of paragraph (7), item (i) or (ii) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (8) of the same Article), simultaneously make an entry or record of trust in the book-entry transfer account register it maintains in accordance with the contents of the notice given pursuant to the provisions of the preceding paragraph.

(Application for Deletion of Entry or Record of Trust)

Article 36 (1) The entry or record of trust is deleted upon application by a person prescribed in the following respective items to the person's Immediately Superior Institution (or, in the case listed in item (iii), the trustee's Immediately Superior Institution) depending on the classification of the case under the items:

- (i) where, by transfer of the rights to Book-Entry Transfer Shares, the rights to the Book-Entry Transfer Shares cease to belong to the trust property:  
Trustee
- (ii) where, by changing a trustee, the rights to Book-Entry Transfer Shares belonging to the trust property are transferred to a new trustee: Previous trustee
- (iii) where, due to the transfer of the rights to Book-Entry Transfer Shares to trustee's own property, the rights to the Book-Entry Transfer Shares cease to belong to the trust property: Trustee and beneficiary.

(2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:

- (i) the account of the trustee or previous trustee
- (ii) the issue and number of Book-Entry Transfer Shares to which the application pertains.
- (iii) whether the entry or record of trust is to be deleted from the Ownership Column or the Pledge Column of the account set forth in item (i).

(3) A beneficiary prescribed in paragraph (1), item (iii) must, in applying pursuant to the provisions of the same paragraph, submit materials identifying itself as a beneficiary.



(Simultaneous Application)

Article 37 In the case listed in paragraph (1), item (i) of the preceding Article, an application for deletion of an entry or record of trust must be submitted simultaneously with an application for book-entry transfer in relation to a transfer of rights prescribed in the item.

(Change of a Trustee)

Article 38 (1) Upon a change of a trustee, the previous trustee must apply for book-entry transfer (hereinafter referred to as an "application for entry of an increase, etc." in paragraph (3)), requesting that the entry or record of an increase for Book-Entry Transfer Shares that belong to the trust property be entered in the new trustee's account, and simultaneously with the application, an application (which is referred to as an "application for entry of a change of a trustee, etc." in paragraph (3)) pursuant to the provisions of Articles 33, paragraph (1) (limited to the portion related to item (ii)) and Article 36, paragraph (1) (limited to the portion related to item (ii)) for the Book-Entry Transfer Shares. In this case, simultaneously with these applications, materials certifying the change must also be submitted.

(2) The provisions of Articles 35, paragraph (2) and paragraph (3) apply *mutatis mutandis* to cases under the first sentence of the preceding paragraph.

(3) Where the termination of the duties of a trustee and change of a trustee occur pursuant to the provisions of Article 56, paragraph (1), items (i) through (iv) or (vi) of the Trust Act or Article 8 of the Act on Charitable Trusts, a new trustee may also apply for entry of an increase, etc. and for change of an entry of a trustee, etc. In this case, an application for change of an entry of a trustee, etc. must be made simultaneously with an application for entry of an increase, etc.

(4) In a case under the preceding paragraph, the provisions of the second sentence of paragraph (1) apply *mutatis mutandis*.

(Notice to All Shareholders)

Article 39 The time to be specified by a Cabinet Order as prescribed in Article 151, paragraph (1), item (vii) of the Act is the time at which the court specifies a reference date as prescribed in Article 194, paragraph (1) of the Corporate Reorganization Act, and the date to be specified by a Cabinet Order as prescribed in the same item is the reference date.

(Period for Exercise of Minority Shareholders' Rights)

Article 40 The period to be specified by a Cabinet Order as prescribed in Article 154, paragraph (2) of the Act is four weeks.

(Provision of Contents of Book-Entry Transfer Shares)

Article 41 The method to be specified by a Cabinet Order as prescribed in Article 162, paragraph (1) of the Act is that of making the matters specified in the items under the same paragraph in relation to Book-Entry Transfer Shares to which the notices listed in the items pertain available to many and unspecified persons, by electronic or magnetic means specified by a Cabinet Office Order or a Ministry of Justice Order, until the day on which all the Book-Entry Transfer Shares entered or recorded in the book-entry transfer account register maintained by a Book-Entry Transfer Institution are deleted from the book-entry transfer account register.

## **Chapter VII Book-Entry Transfer of Share Options**

(Matters to be Entered or Recorded in a Book-Entry Transfer Account Register)

Article 42 Matters to be specified by a Cabinet Order as prescribed in Article 165, paragraph (3), item (vi) of the Act are the following:

- (i) matters concerning restrictions on the disposal of Book-Entry Transfer Share Options (Book-Entry Transfer Share Options as prescribed in Article 163 of the Act; the same applies hereinafter); and
- (ii) matters listed in Article 28, items (ii) through (iv).

(Matters to be Reported in a New Entry or Record Procedure)

Article 43 The matters to be specified by a Cabinet Order as prescribed in Article 166, paragraph (1), item (viii) of the Act are those listed in item (ii) of the preceding Article.

(Application for an Entry or Record of Trust)

Article 44 (1) The entry or record in the book-entry transfer account register (hereinafter referred to as the "entry or record of trust" in this Chapter) prescribed in Article 176, paragraph (1) of the Act is entered upon application by a person prescribed in one of the following items depending on the classification of the case under the items to the person's Immediately Superior Institution:

- (i) where, via transfer or pledge of Book-Entry Transfer Share Options by a settlor to a trustee, the Book-Entry Transfer Share Options come to belong to the trust property: Settlor;
- (ii) where, by a change of a trustee, the rights to Book-Entry Transfer Share Options which belong to the trust property are transferred to a new trustee: Previous trustee; or
- (iii) any cases other than those listed in the preceding two items: Trustee.

(2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:

- (i) the account of the trustee or new trustee;
- (ii) the issue and number of Book-Entry Transfer Share Options to which the application pertains; and
- (iii) whether the entry or record of trust in the account set forth in item (i) is to be entered in the Ownership Column (Ownership Column prescribed in Article 166, paragraph (2), item (i), (a) of the Act; the same applies in Article 47, paragraph (2), item (iii)) or the Pledge Column (Pledge Column as prescribed in Article 166, paragraph (2), item (i), (b) of the Act; the same applies in Article 47, paragraph (2), item (iii)).

(Application by Subrogation).

Article 45 (1) In the cases listed in paragraph (1), item (iii) of the preceding Article, a beneficiary or a settlor may apply for the entry or record of trust on behalf of a trustee.

- (2) A beneficiary or settlor must, in applying pursuant to the provisions of the preceding paragraph, indicate in the application the individual or business name and address of the trustee and the reason for the subrogation, and must submit materials certifying the reason for the subrogation and the fact that the rights to Book-Entry Transfer Share Options related to the application belong to the trust property.

(Simultaneous Application)

Article 46 (1) In the case listed in Article 44, paragraph (1), item (i), an application for an entry or record of trust must be made simultaneously with an application for book-entry transfer related to the transfer or pledge of Book-Entry Transfer Share Options prescribed in the same item.

- (2) In the case of the preceding paragraph, a Book-Entry Transfer Institution, etc. must, when it gives notice pursuant to the provisions of Article 168, paragraph (4), item (ii) or item (v) of the Act, or pursuant to the provisions of paragraph (5), item (ii) or item (v) (including cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article) or paragraph (7), item (iii) (including the cases where applied mutatis mutandis pursuant to paragraph (8) of the same Article) of the same Article, simultaneously provide notice on the matters listed in each item under Article 44, paragraph (2).
- (3) A Book-Entry Transfer Institution, etc. which has received notice pursuant to the provisions of the preceding paragraph must, when it makes an entry or record pursuant to the provisions of Article 168, paragraph (4), item (iii) or (iv) of the Act, or the provisions of paragraph (5), item (iii) or (iv) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article), or the provisions of paragraph (7), item (i) or (ii) of the same Article (including the cases where applied mutatis mutandis

pursuant to paragraph (8) of the same Article), simultaneously make an entry or record of trust in the book-entry transfer account register it maintains in accordance with the contents of the notice given pursuant to the provisions of the preceding paragraph.

(Application for Deletion of Entry or Record of Trust)

Article 47 (1) The entry or record of trust is deleted upon application by a person prescribed in the following items to its Immediately Superior Institution (or, in the case listed in item (iii), the trustee's Immediately Superior Institution) depending upon the classification of the case under the items:

(i) where, by transfer of the rights to Book-Entry Transfer Share Options, the rights to the Book-Entry Transfer Share Options cease to belong to the trust property: Trustee;

(ii) where, by change of a trustee, the rights to Book-Entry Transfer Share Options which belong to the trust property are transferred to a new trustee: Previous trustee; or

(iii) where, due to the transfer of the rights to Book-Entry Transfer Share Options to trustee's own property, the rights to the Book-Entry Transfer Share Options cease to belong to the trust property: Trustee and beneficiary.

(2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:

(i) the account of the trustee or previous trustee;

(ii) the issue and number of Book-Entry Transfer Share Options related to the application; and

(iii) whether the entry or record of trust is to be deleted from the Ownership Column or the Pledge Column of the account set forth in item (i).

(3) A beneficiary prescribed in paragraph (1), item (iii) must, in applying pursuant to the provisions of the same paragraph, submit materials identifying itself as a beneficiary.

(Simultaneous Application)

Article 48 In the case listed in paragraph (1), item (i) of the preceding Article, an application for deletion of an entry or record of trust must be submitted simultaneously with an application for book-entry transfer related to transfer of rights as prescribed in the same item.

(Change of a Trustee)

Article 49 (1) Upon a change of a trustee, the previous trustee applies for book-entry transfer (hereinafter referred to as an "application for entry of an increase, etc." in paragraph (3)), requesting that the entry or record of an increase for Book-Entry Transfer Share Options that belong to the trust

property be entered in the new trustee's account, and simultaneously apply (which is referred to as an "application for entry of a change of a trustee, etc." in paragraph (3)) pursuant to the provisions of Articles 44, paragraph (1) (limited to the portion related to item (ii)) and Article 47, paragraph (1) (limited to the portion related to item (ii)) for the Book-Entry Transfer Share Options. In this case, materials certifying the change must also be submitted simultaneously with these applications.

- (2) The provisions of Article 46, paragraphs (2) and (3) apply mutatis mutandis to cases under the first sentence of the preceding paragraph.
- (3) Where the termination of the duties of a trustee and change of a trustee occur pursuant to the provisions of Article 56, paragraph (1), items (i) through (iv) or (vi) of the Trust Act or Article 8 of the Act on Charitable Trusts, the new trustee may also apply for entry of an increase, etc. and for change of an entry of a trustee, etc. In this case, the applications must be submitted simultaneously.
- (4) In a case under the preceding paragraph, the provisions of the second sentence of paragraph (1) apply mutatis mutandis.

(Provision of Contents of Book-Entry Transfer Share Options)

Article 50 The method to be specified by a Cabinet Order as prescribed in Article 191, paragraph (1) of the Act is that of making the matters listed in Article 166, paragraph (1), item (ix) of the Act pertaining to Book-Entry Transfer Share Options related to a notice listed in Article 166, paragraph (1) of the Act available to many and unspecified persons using electronic means specified by a Cabinet Office Order or a Ministry of Justice Order, until the day all the Book-Entry Transfer Bonds with Share Options entered or recorded in the book-entry transfer account register maintained by a Book-Entry Transfer Institution are deleted from the book-entry transfer account register.

## **Chapter VIII Book-Entry Transfer of Bonds with Share Option**

(Matters to be Entered or Recorded in Book-Entry Transfer Account Register)

Article 51 The matters to be specified by a Cabinet Order as prescribed in Article 194, paragraph (3), item (vi) of the Act are the following:

- (i) matters concerning restrictions on the disposal of Book-Entry Transfer Bonds with Share Options (Book-Entry Transfer Bonds with Share Options prescribed in Article 192, paragraph (1) of the Act; the same applies hereinafter); and
- (ii) matters listed in Article 28, items (ii) through (iv).

(Matters to be Reported in a New Entry or Record Procedure)

Article 52 The matters to be specified by a Cabinet Order as prescribed in Article 195, paragraph (1), item (viii) of the Act are those listed in item (ii) of the preceding Article.

(Application for Entry or Record of Trust)

Article 53 (1) The entry or record in the book-entry transfer account register (hereinafter referred to as the "entry or record of trust" in this Chapter) prescribed in Article 207, paragraph (1) of the Act is entered upon application, depending upon the classification of the cases listed in the following items, by a person prescribed in the respective item to its Immediately Superior Institution:

- (i) where, by transfer or pledge of Book-Entry Transfer Bonds with Share Options by a settlor to a trustee, the Book-Entry Transfer Bonds with Share Options come to belong to the trust property: Settlor;
  - (ii) where, by change of a trustee, the rights to Book-Entry Transfer Bonds with Share Options which belong to the trust property are transferred to a new trustee: Previous trustee; or
  - (iii) any cases other than those listed in the preceding two items: Trustee.
- (2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:
- (i) the account of the trustee or new trustee;
  - (ii) the issue and number of Book-Entry Transfer Bonds with Share Options to which the application pertains; and
  - (iii) whether the entry or record of trust of the account set forth in item (i) is to be made in the Ownership Column (Ownership Column as prescribed in Article 195, paragraph (2), item (i), (a) of the Act; the same applies in Article 56, paragraph (2), item (iii)) or the Pledge Column (Pledge Column as prescribed in Article 195, paragraph (2), item (i), (b) of the Act; the same applies in Article 56, paragraph (2), item (iii)).

(Application by Subrogation)

Article 54 (1) In the cases listed in paragraph (1), item (iii) of the preceding Article, a beneficiary or a settlor may apply for the entry or record of trust on behalf of a trustee.

- (2) A beneficiary or settlor must, in applying pursuant to the provisions of the preceding paragraph, indicate in the application the individual or business name and address of the trustee and the reason for the subrogation, and submit materials certifying the cause of the subrogation and the fact that the rights to Book-Entry Transfer Bonds with Share Options related to the application belong to the trust property.

(Simultaneous Application)

- Article 55 (1) In the case listed in Article 53, paragraph (1), item (i), an application for entry or record of trust must be submitted simultaneously with an application for book-entry transfer-related to the transfer or pledge of Book-Entry Transfer Bonds with Share Options prescribed in the same item.
- (2) In the case of the preceding paragraph, a Book-Entry Transfer Institution, etc. must, when it gives a notice pursuant to the provisions of Article 197, paragraph (4), item (ii) or item (v) of the Act, or pursuant to the provisions of paragraph (5), item (ii) or item (v) of the same Article (including the cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article), or the provisions of paragraph (7), item (iii) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (8) of the same Article), simultaneously give notice on the matters listed in each item under Article 53, paragraph (2).
- (3) A Book-Entry Transfer Institution, etc. which has received notice pursuant to the provisions of the preceding paragraph must, when it makes the entry or record pursuant to the provisions of Article 197, paragraph (4), items (iii) or (iv) of the Act, or the provisions of paragraph (5), items (iii) or (iv) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (6) of the same Article), or the provisions of paragraph (7), items (i) or (ii) of the same Article (including cases where applied mutatis mutandis pursuant to paragraph (8) of the same Article), simultaneously make an entry or record of trust in the book-entry transfer account register it maintain accordance with the contents of the notice given pursuant to the provisions of the preceding paragraph.

(Application for Deletion of Entry or Record of Trust)

- Article 56 (1) The entry or record of trust is deleted upon application by a person prescribed in the respective item to its Immediately Superior Institution (or, in the case listed in item (iii), the trustee's Immediately Superior Institution), depending upon the classification of the case under the following items,:
- (i) where, by transfer of the rights to Book-Entry Transfer Bonds with Share Options, the rights to the Book-Entry Transfer Bonds with Share Options cease to belong to the trust property: Trustee;
- (ii) where, by a change of a trustee, the rights to Book-Entry Transfer Bonds with Share Options belonging to the trust property are transferred to a new trustee: Previous trustee; or
- (iii) where, due to the transfer of the rights to Book-Entry Transfer Bonds with Share Options to trustee's own property, the rights to the Book-Entry Transfer Bonds with Share Options cease to belong to the trust property: Trustee and beneficiary.

- (2) A person who intends to apply as set forth in the preceding paragraph must indicate the following matters in the application:
- (i) the account of the trustee or previous trustee;
  - (ii) the issue and number of Book-Entry Transfer Bonds with Share Options to which the application pertains; and
  - (iii) whether the entry or record of trust is to be deleted from the Ownership Column or the Pledge Column of the account set forth in item (i).
- (3) A beneficiary prescribed in paragraph (1), item (iii) in applying pursuant to the provisions of the same paragraph, submit materials identifying itself as a beneficiary.

(Simultaneous Application)

Article 57 In the case described in paragraph (1), item (i) of the preceding Article, an application for deletion of an entry or record of trust must be submitted simultaneously with an application for book-entry transfer related to the transfer of rights prescribed in the same item.

(Change of a Trustee)

Article 58 (1) Upon a change of a trustee, the previous trustee must apply for book-entry transfer (hereinafter referred to as an "application for entry of an increase, etc." in paragraph (3)) requesting that the entry or record of an increase for Book-Entry Transfer Bonds with Share Options that belong to the trust property be entered in the new trustee's account, and simultaneously with the application, an application (which is referred to as an "application for entry of a change of a trustee, etc." in paragraph (3)) pursuant to the provisions of Articles 53, paragraph (1) (limited to the portion related to item (ii)) and Article 56, paragraph (1) (limited to the portion related to item (ii)) for the Book-Entry Transfer Bonds with Share Options. In this case, materials certifying the change must also be submitted simultaneously with these applications.

- (2) The provisions of Article 55, paragraphs (2) and (3) apply mutatis mutandis to cases under the first sentence of the preceding paragraph.
- (3) Where the termination of the duties of a trustee and change of a trustee occur pursuant to the provisions of Article 56, paragraph (1), items (i) through (iv) or (vi) of the Trust Act or Article 8 of the Act on Charitable Trusts, the new trustee may also apply for entry of an increase, etc. and for change of an entry of a trustee, etc. In this case, an application for a change of an entry of a trustee, etc. must be made simultaneously with an application for entry of an increase, etc.
- (4) In the case of the preceding paragraph, the provisions of the second sentence of paragraph (1) apply mutatis mutandis.



(Provision of Contents of Book-Entry Transfer Bonds with Share Options)

Article 59 The method to be specified by a Cabinet Order as prescribed in Article 225, paragraph (1) of the Act is that of making the matters specified in each item under said paragraph pertaining to Book-Entry Transfer Bonds with Share Options related to a notice listed in each such item available to many and unspecified persons, by electronic or magnetic means specified by a Cabinet Office Order or a Ministry of Justice Order, until the day all such Book-Entry Transfer Bonds with Share Options entered or recorded in the book-entry transfer account register maintained by a Book-Entry Transfer Institution are deleted from said book-entry transfer account register.

### **Chapter IX Book-Entry Transfer of Investment Equity**

(Mutatis Mutandis Application of Provisions Concerning Shares to Investment Equity)

Article 60 The provisions of Article 28 (limited to the portion related to item (i)) apply mutatis mutandis to the matters to be specified by a Cabinet Order prescribed in Article 129, paragraph (3), item (vii) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act; the provisions of Article 30, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order under Article 136, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act; the provisions of Article 30, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 136, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act; the provisions of Article 31, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 137, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act; the provisions of Article 31, paragraph (2) apply mutatis mutandis to the instructions to be given to a Book-Entry Transfer Institution pursuant to the provisions of Article 137, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act, the provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act; the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act, the provisions of Articles 33

to 38 apply mutatis mutandis to an entry or record in the book-entry transfer account register prescribed in Article 142, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act; the provisions of Article 40 apply mutatis mutandis to the period to be specified by a Cabinet Order as prescribed in Article 154, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act; and the provisions of Article 41 apply mutatis mutandis to the method to be specified by a Cabinet Order as prescribed in Article 162, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 228, paragraph (1) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table are deemed to be replaced with the terms listed in the right column of the same table.

Article 30, paragraph (1), item (i)	number of Book-Entry Transfer Shares	number of units of Book-Entry Transfer Investment Equity
	special shareholder request	special investor request
	special shareholder prescribed	special investor prescribed
	special shareholder"	special investor"
	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units
Article 30, paragraph (1), item (ii)	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	number of Book-Entry Transfer Shares	number of units of Book-Entry Transfer Investment Equity
Article 30, paragraph (1), item (iii)	number of Book-Entry Transfer Shares	number of units of Book-Entry Transfer Investment Equity
	number	number of units
Article 30, paragraph (1), item (iv)	special shareholder	special investor
Article 31, paragraph (1), item (i)	number of Book-Entry Transfer Shares	number of units of Book-Entry Transfer Investment Equity
	special shareholder request	special investor request

	number for each such special shareholder	number for each such special investor
	number for each holder of Book-Entry Transfer Shares	number for each investor that holds Book-Entry Transfer Investment Equity
	multiplying the number	multiplying the number of units
	in that number	in that number of units
Article 31, paragraph (1), item (ii)	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	number of Book-Entry Transfer Shares	number of units of Book-Entry Transfer Investment Equity
Article 31, paragraph (1), item (iii)	number of Book-Entry Transfer Shares	number of units of Book-Entry Transfer Investment Equity
	number	number of units
Article 31, paragraph (1), item (iv)	special shareholder	special investor
Article 32, paragraph (1), item (i)	number of Book-Entry Transfer Shares	number of units of Book-Entry Transfer Investment Equity
	special shareholder request	special investor request
	number for each special shareholder	number for each special investor
	number for each holder of Book-Entry Transfer Shares	number for each investor that holds Book-Entry Transfer Investment Equity
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Investment Equity of the surviving investment company
Article 32, paragraph (1), item (ii)	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units

	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Investment Equity of the surviving investment company
	number of the such Book-Entry Transfer Shares of the Surviving Company, etc.	number of units of such Book-Entry Transfer Investment Equity of the surviving investment company
Article 32, paragraph (1), item (iii)	number of the Book-Entry Transfer Shares of the Surviving Company, etc.	number of units of the Book-Entry Transfer Investment Equity of the surviving investment company
	number	number of units
Article 32, paragraph (1), item (iv)	special shareholder	special investor
	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Investment Equity of the surviving investment company
Article 32, paragraph (1), items (v) through (vii)	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Investment Equity of the surviving investment company
Article 33, paragraph (2), item (ii) and Article 36, paragraph (2), item (ii)	and number	and number of units

(Replacement of Terms in the Provisions of Act as Applied Mutatis Mutandis to Investment Equity)

Article 61 Where the provisions of the Act are applied mutatis mutandis to investment equity as prescribed in the Act on Investment Trusts and Investment Corporations under Article 228, paragraph (1) of the Act, technical replacement of terms related to the provisions is made as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 153	Article 308, paragraph (1) of the Companies Act	the main text of Article 308, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 94, paragraph (1) of the Act on Investment Trusts and Investment Corporations

(Mutatis Mutandis Application of Provisions Concerning Shares to Preferred Equity Investments by a Cooperative Financial Institution)

Article 62 The provisions of Article 28 (limited to the portion related to item (i)) apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 129, paragraph (3), item (vii) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act; the provisions of Article 31, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 137, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act; the provisions of Article 31, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 137, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act; the provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act; the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act; the provisions of Articles 33 to 38 apply mutatis mutandis to the entry or record in the book-entry transfer account register prescribed in Article 142, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act; the provisions of Article 39 apply mutatis mutandis to the time to be specified by a Cabinet Order as prescribed in Article 151, paragraph (1), item (vii) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act and to the date to be specified by a Cabinet Order as prescribed in the same item; the provisions of Article 40 apply mutatis mutandis to the period to be specified by a Cabinet Order as prescribed in Article 154, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act; and the provisions of Article 41 apply mutatis mutandis to the method to be specified by a Cabinet Order as prescribed in Article 162, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 235, paragraph (1) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table, are deemed to be replaced with the terms listed in the right column of the same table.

Article 31, paragraph (1)	Ownership Column, etc.	Ownership Column, etc. (which means the Ownership Column, etc. prescribed in Article 135, paragraph (3) of the Act as applied mutatis mutandis by replacing certain terms pursuant to Article 235, paragraph (1) of the Act; hereinafter the same applies in this Chapter)
Article 31, paragraph (1), item (i)	Ownership Column of the account	Ownership Column of the account (Ownership Column as prescribed in Article 130, paragraph (2), item (i), (a) of the Act as applied mutatis mutandis by replacing certain terms pursuant to Article 235, paragraph (1) of the Act; hereinafter the same applies in this Chapter)
	number of Book-Entry Transfer Shares	number of units of book-entry transfer preferred equity investments
	special shareholder request	request set forth in Article 151, paragraph (2), item (i) of the Act as applied mutatis mutandis by replacing certain terms pursuant to Article 235, paragraph (1) of the Act (which is referred to as a "special preferred equity investor request" in paragraph (1), item (i) of the following Article)
	number for each special shareholder	number of units for each special preferred equity investor as prescribed in Article 151, paragraph (2), item (i) of the Act as applied mutatis mutandis by replacing certain terms pursuant to Article 235, paragraph (1) of the Act (hereinafter simply referred to as a "special preferred equity investor" in this paragraph and paragraph (1) of the following Article)
	multiplying the number	multiplying the number of units
	in that number	in that number of units
Article 31, paragraph (1), item (ii)	Pledge Column of the account	Pledge Column of the account (which means the Pledge Column prescribed in Article 130, paragraph (2), item (i), (b) of the Act as applied mutatis mutandis by replacing certain terms pursuant to Article 235, paragraph (1) of the Act; hereinafter the same applies in this Chapter)

	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	number of Book-Entry Transfer Shares	number of units of book-entry transfer preferred equity investments
Article 31, paragraph (1), item (iii)	number of Book-Entry Transfer Shares	number of units of book-entry transfer preferred equity investments
	number	number of units
Article 31, paragraph (1), item (iv)	special shareholder	special preferred equity investor
Article 32, paragraph (1), item (i)	number of Book-Entry Transfer Shares	number of units of book-entry transfer preferred equity investments
	special shareholder request	special preferred equity investor request
	number for each special shareholder	number of units for each special preferred equity investor
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving cooperative structured financial institution
Article 32, paragraph (1), item (ii)	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving cooperative structured financial institution
	number of such Book-Entry Transfer Shares of the Surviving Company, etc.	number of units of such book-entry transfer preferred equity investments of the surviving cooperative structured financial institution
Article 32, paragraph (1), item (iii)	number of such Book-Entry Transfer Shares of the Surviving Company, etc.	number of units of such book-entry transfer preferred equity investments of the surviving cooperative structured financial institution

	number	number of units
Article 32, paragraph (1), item (iv)	special shareholder	special preferred equity investor
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving cooperative structured financial institution
Article 32, paragraph (1), items (v) to (vii)	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving cooperative financial institution
Article 33, paragraph (2), item (ii) and Article 36, paragraph (2), item (ii)	and number	and number of units
Article 39	Article 194, paragraph (1) of the Corporate Reorganization Act	Article 194, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 116 of the Act on Special Treatment of Corporate Reorganization Proceedings and Other Insolvency Proceedings of Financial Institutions (Act No. 95 of 1996)

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis for Preferred Equity Investments by a Cooperative Financial Institution)

Article 63 Where the provisions of the Act are applied mutatis mutandis to preferred equity investments by a cooperative financial institution as prescribed in the Act on Preferred Equity Investment by Cooperative Financial Institutions (Act No. 44 of 1993) pursuant to the provisions of Article 235, paragraph (1) of the Act, the technical replacement of terms related to the provisions is carried out as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms



Article 147, paragraph (3) and paragraph (4) and Article 148, paragraph (3)	Article 124, paragraph (1) of the Companies Act	Article 124, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 26 of the Act on Preferred Equity Investment by Cooperative Financial Institutions
Article 159, paragraph (1)	Article 230, paragraph (1) of the Companies Act	Article 230, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 31, paragraph (2) of the Act on Preferred Equity Investment by Cooperative Financial Institutions
Article 159, paragraph (2)	Article 224, paragraph (1) of the Companies Act	Article 224, paragraph (1) of the Companies Act as applied mutatis mutandis by replacing certain terms pursuant to Article 31, paragraph (2) of the Act on Preferred Equity Investment by Cooperative Financial Institutions

(Mutatis Mutandis Application of Provisions Concerning Shares to Preferred Equity Investments by a Special Purpose Company)

Article 64 The provisions of Article 28 (limited to the portion related to item (i)) apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 129, paragraph (3), item (vii) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act; the provisions of Article 30, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 136, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act; the provisions of Article 30, paragraph (2) apply mutatis mutandis to the instructions to be provided by a Book-Entry Transfer Institution pursuant to the provisions of Article 136, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act; the provisions of Articles 33 through 38 apply mutatis mutandis to the entry or record in the book-entry transfer account register as prescribed in Article 142, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act; the provisions of Article 40 apply mutatis mutandis to the period to be specified by a Cabinet Order as prescribed in Article 154, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act; and the provisions of Article 41 apply mutatis mutandis to the method to be specified by a Cabinet Order as prescribed in Article 162, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table, are deemed to be replaced with the terms listed in the right column of the same

table.

Article 30, paragraph (1), item (i)	number of Book-Entry Transfer Shares	number of units of book-entry transfer preferred equity investments
	request (hereinafter referred to as "special shareholder request")	request
	special shareholder	special preferred equity partner
	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units
Article 30, paragraph (1), item (ii)	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	number of Book-Entry Transfer Shares	number of units of book-entry transfer preferred equity investments
Article 30, paragraph (1), item (iii)	number of Book-Entry Transfer Shares	number of units of book-entry transfer preferred equity investments
	number	number of units
Article 30, paragraph (1), item (iv)	special shareholder	special preferred equity partner
Article 33, paragraph (2), item (ii) and Article 36, paragraph (2), item (ii)	and number	and number of units

(Measures and Instructions where Fractions Result from the Retirement of Book-Entry Transfer Preferred Equity Investments in Proportion to the Number of Units of Preferred Equity Investments Held)

Article 65 (1) The entry or record to be specified by a Cabinet Order as prescribed in Article 242, paragraph (5) of the Act is as prescribed in the following items, depending upon the classification of the Ownership Column, etc. (Ownership Column, etc. as prescribed in Article 136, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act) as listed in the following items:

(i) the Ownership Column (Ownership Column as prescribed in Article 130,

paragraph (2), item (i), (a) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act; hereinafter the same applies in this paragraph) on the account of the Participant set forth in Article 136, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act: The entry or record of the decrease in the number (any fraction of the number of less than one (which is referred to as the "fraction in the Ownership Column" in item (iv)) is to be rounded up) that results from multiplying the number of units of book-entry transfer preferred equity investments (which means book-entry transfer preferred equity investments as prescribed in Article 234, paragraph (1) of the Act; hereinafter the same applies in this paragraph) (or: for book-entry transfer preferred equity investments for which a request set forth in Article 151, paragraph (2), item (i) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act has been made, the number of units of each special preferred equity partner as prescribed in the same item; for book-entry transfer preferred equity investments entered or recorded in a purchase account (meaning the purchase account prescribed in Article 155, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act) for which the purchase has not yet become effective, the number for each preferred equity partner that has filed an application referred to in Article 155, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act) that are entered or recorded in the Ownership Column by the rate of decrease (rate of decrease as prescribed in Article 136, paragraph (1), item (ii) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act; the same applies in the following item);

(ii) the Pledge Column (Pledge Column as prescribed in Article 130, paragraph (2), item (i), (b) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act) of a Participant's account set forth in Article 136, paragraph (5) of the Act as applied mutatis mutandis in Article 239, paragraph (1) of the Act: The entry or record of the decrease in the number of units for each such preferred equity partner, represented by the numbers that result from multiplying each preferred equity partner's number of book-entry transfer preferred equity investments set forth in paragraph (1), item (i) of the same Article that are entered or recorded in the Pledge Column by the rate of decrease (any fraction of less than one in that number of units (which is referred to as the "fraction in the Pledge Column" in item (iv)) is to be rounded up; hereinafter the same applies in this item) book-entry transfer, and the entry or record of the decrease in the number of said units of book-entry transfer preferred equity investments, represented by the sum total of the numbers of units that result from the multiplication;

- (iii) customer account among the accounts of a Participant's Superior Institution as prescribed in the preceding two items: The entry or record of a decrease in the number of units of book-entry transfer preferred equity investments that has been entered or recorded as prescribed in the preceding two items;
  - (iv) ownership Column of the account of a Participant who is a preferred equity partner (including a special preferred equity partner) of book-entry transfer preferred equity investments as set forth in Article 136, paragraph (1), item (i) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act in the book-entry transfer account register maintained by the Immediately Superior Institution (if there is more than one such institution, the one specified by the Book-Entry Transfer Institution) of the preferred equity partner: The entry or record of an increase in the number that results from totaling the number obtained by subtracting the fraction in the Ownership Column for the book-entry transfer preferred equity investments held by the preferred equity partner from one and the number obtained by subtracting the fraction in the Pledge Column for the same from one (any fraction of the number of less than one (which is referred to as the "issuer fraction" in item (vi)) is disregarded);
  - (v) customer account among the accounts of the Book-Entry Transfer Institution, etc. with which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number that has been entered or recorded as prescribed in the same item;
  - (vi) the Ownership Column of the account as set forth in Article 136, paragraph (1), item (iv) of the Act as applied mutatis mutandis pursuant to Article 239, paragraph (1) of the Act: The entry or record of an increase in the total number (any fraction of the total number of less than one is disregarded) of the issuer fraction; or
  - (vii) customer account among the accounts of the Book-Entry Transfer Institution, etc. at which the account set forth in the preceding item has been opened and its Superior Institution: The entry or record of an increase in the number that has been entered or recorded as prescribed in the same item.
- (2) The instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 242, paragraph (5) of the Act are to be given to the persons listed in the following items and are to indicate the matters prescribed in the respective items:
- (i) all Subordinate Institutions: The fact that matters necessary for the entry or record prescribed in items (iii) through (vii) of the preceding paragraph should be reported; or
  - (ii) the Account Management Institution which is required to make the entry or

record prescribed in the preceding item: Matters subject to the entry or record.

(Mutatis Mutandis Application of Provisions Concerning Share Options to Investment Equity Subscription Rights)

Article 65-2 The provisions of Article 42 (excluding item (ii)) apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 165, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 247-3, paragraph (1) of the Act; the provisions of Articles 44 through 49 apply mutatis mutandis to the entry or record in the book-entry transfer account register as prescribed in Article 176, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 247-3, paragraph (1) of the Act, and the provisions of Article 50 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 191, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 247-3, paragraph (1) of the Act.

(Mutatis Mutandis Application of Provisions Concerning Share Options to Subscription Rights for New Preferred Equity Investments by a Special Purpose Company)

Article 66 The provisions of Article 42 (excluding item (ii)) apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 165, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 249, paragraph (1) of the Act; the provisions of Articles 44 through 49 apply mutatis mutandis to the entry or record in the book-entry transfer account register as prescribed in Article 176, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 249, paragraph (1) of the Act, and the provisions of Article 50 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 191, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 249, paragraph (1) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the table, are deemed to be replaced with the terms listed in the right column of the same table.

Article 44, paragraph (2), item (ii) and Article 47, paragraph (2), item (ii)	and number	and amount
Article 49, paragraph (1)	increase	increased amount
	application for entry of an increase, etc.	application for entry of an increase in the amount, etc.

Article 49, paragraph (3)	application for description or an increase, etc.	application for entry of an increase in the amount, etc.
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(Mutatis Mutandis Application of Provisions Concerning Bonds with Share Options to Convertible Specified Corporate Bonds by Special Purpose Company)

Article 67 The provisions of Article 51 (excluding item (ii)) apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 194, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 251, paragraph (1) of the Act, the provisions of Articles 53 through 58 apply mutatis mutandis to the entry or record in the book-entry transfer account register as prescribed in Article 207, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 251, paragraph (1) of the Act, and the provisions of Article 59 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 225, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 251, paragraph (1) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the table, are deemed to be replaced with the terms listed in the right column of the same table.

Article 53, paragraph (2), item (i) and Article 56, paragraph (2), item (ii)	and number	and amount
Article 58, paragraph (1)	increase	increased in the amount
	application for entry of an increase, etc.	application for entry of an increase in the amount, etc.
Article 58, paragraph (3)	application for entry of an increase, etc.	application for entry of an increase in the amount, etc.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Convertible Specified Corporate Bonds by a Special Purpose Company)

Article 68 Where the provisions of the Act are applied mutatis mutandis to convertible specified corporate bonds as prescribed in the Act on the Securitization of Assets under the provisions of Article 251, paragraph (1) of the Act, the technical replacement of terms related to the provisions is carried out as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement Terms
Article 221, paragraph (1)	Article 723, paragraph (1) of the Companies Act	Article 723, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
Article 221, paragraph (2)	Article 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act	Articles 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
Article 222, paragraph (1)	Article 718, paragraph (1) of the Companies Act	Article 718, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
	paragraph (3) of the same Article	Article 718, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets

(Mutatis Mutandis Application of Provisions Concerning Bonds with Share Options to Specified Corporate Bonds with Subscription Rights for New Preferred Equity Investments by a Special Purpose Company)

Article 69 The provisions of Article 51 (excluding item (ii)) apply mutatis mutandis to the matters to be specified by a Cabinet Order as prescribed in Article 194, paragraph (3), item (vi) of the Act as applied mutatis mutandis pursuant to Article 254, paragraph (1) of the Act; the provisions of Articles 53 through 58 apply mutatis mutandis to the entry or record in the book-entry transfer account register as prescribed in Article 207, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 254, paragraph (1) of the Act; and the provisions of Article 59 apply mutatis mutandis to the methods to be specified by a Cabinet Order as prescribed in Article 225, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 254, paragraph (1) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table, are deemed to be replaced with the terms listed in the right column of the same table.

Article 53, paragraph (2), item (ii) and Article 56, paragraph (2), item (ii)	and number	and amount
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Article 58, paragraph (1)	increase	increase in the amount
	application for entry of an increase, etc.	application for entry of an increase in the amount, etc.
Article 58, paragraph (3)	application for entry of an increase, etc.	application for entry of an increase in the amount, etc.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis

Mutandis to Specified Corporate Bonds with Subscription Rights for New Preferred Equity Investments by a Special Purpose Company)

Article 70 Where the provisions of the Act are applied mutatis mutandis to specified corporate bonds with subscription rights for new preferred equity investments as prescribed in the Act on the Securitization of Assets in the provisions of Article 254, paragraph (1) of the Act, technical replacement of terms related to the provisions is made as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 221, paragraph (1)	Article 723, paragraph (1) of the Companies Act	Article 723, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
Article 221, paragraph (2)	Article 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act	Articles 718, paragraph (1) and Article 736, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
Article 222, paragraph (1)	Article 718, paragraph (1) of the Companies Act	Article 718, paragraph (1) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets
	paragraph (3) of the same Article	Article 718, paragraph (3) of the Companies Act as applied mutatis mutandis pursuant to Article 129, paragraph (2) of the Act on the Securitization of Assets

**Chapter X Book-Entry Transfer Resulting from Entity Conversion**



(Mutatis Mutandis Application of Provisions Concerning Shares in Cases Where Book-Entry Transfer Shares of a Bank Established by a Consolidation-Type Merger are Delivered to Shareholders of a Bank Dissolved in a Consolidation-Type Merger)

Article 71 The provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (1) of the Act, and the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (1) of the Act. In this case, the term "Book-Entry Transfer Shares of the Surviving Company, etc." in Article 32, paragraph (1), items (i) through (vii) deemed to be replaced with "Book-Entry Transfer Shares of the bank established by a consolidation-type merger."

(Mutatis Mutandis Application of Provisions Concerning Shares where Book-Entry Transfer Shares of a Surviving Bank, etc. in an Absorption-Type Merger are Delivered to Preferred Equity Investors of a Cooperative Financial Institution Dissolved in an Absorption-Type Merger)

Article 72 The provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (2) of the Act, and the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (2) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table are deemed to be replaced with the terms listed in the right column of the same table.

Article 32, paragraph (1), item (i)	the number of Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	the number of units of book-entry transfer preferred equity investments of the cooperative financial institution dissolved in an absorption-type merger or of the cooperative financial institution dissolved in a consolidation-type merger (hereinafter referred to as "book-entry transfer preferred equity investments of the dissolved cooperative financial institution" in this paragraph) prescribed in Article 256, paragraph (2) of the Act
	special shareholder request	special preferred equity investor request (meanings a request set forth in Article 151, paragraph (2), item (i) of the Act as applied mutatis mutandis by replacing certain terms pursuant to Article 235, paragraph (1) of the Act)
	number for each special shareholder	number of units for each special preferred equity investor (special preferred equity investor as prescribed in the same item; hereinafter the same shall apply in this paragraph)
	item (iii) of the same paragraph	Article 138, paragraph (1), item (iii) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (2) of the Act
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank, etc. established by a consolidation-type merger
Article 32, paragraph (1), item (ii)	Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	book-entry transfer preferred equity investments of the dissolved cooperative structured financial institution
	in the number	in the number of units
	multiplying the number	multiplying the number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank, etc. established by a consolidation-type merger

Article 32, paragraph (1), item (iii)	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank, etc. established by a consolidation-type merger
	number	number of units
Article 32, paragraph (1), item (iv)	Book-Entry Transfer Shares set forth in Article 138, paragraph (1), item (ii) of the Act	book-entry transfer preferred equity investments of the dissolved cooperative financial institution
	special shareholder	special preferred equity investor
	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank, etc. established by a consolidation-type merger
Article 32, paragraph (1), items (v) through (vii)	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank, etc. established by a consolidation-type merger
Article 32, paragraph (1), item (viii)	Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	book-entry transfer preferred equity investments of the dissolved cooperative structured financial institution

(Mutatis Mutandis Application of Provisions Concerning Shares where Book-Entry Transfer Preferred Equity Investments of a Surviving Cooperative Bank in an Absorption-Type Merger are Delivered to Shareholders of a Bank Dissolved in an Absorption-Type Merger)

Article 73 The provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (3) of the Act, and the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (3) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table, are deemed to be replaced with the terms listed in the right column of the same table.

Article 32, paragraph (1), item (i)	set forth in item (i) of the same paragraph	of the surviving shinkin bank in an absorption-type merger or shinkin bank established by a consolidation-type merger prescribed in Article 256, paragraph (3) of the Act
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving shinkin bank, etc.
Article 32, paragraph (1), item (ii)	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving shinkin bank, etc.
	number for each	number of units for each
Article 32, paragraph (1), item (iii)	number of Book-Entry Transfer Shares of the Surviving Company, etc.	number of units of book-entry transfer preferred equity investments of the surviving shinkin bank, etc.
	number	number of units
Article 32, paragraph (1), items (iv) through (vii)	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving shinkin bank, etc.

(Mutatis Mutandis Application of Provisions Concerning Shares where Book-Entry Transfer Preferred Equity Investments of a Surviving Cooperative Financial Institution in an Absorption-Type Merger are Delivered to Preferred Equity Investors of a Cooperative Financial Institution Dissolved in an Absorption-Type Merger)

Article 74 The provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (4) of the Act, and the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (4) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table, are deemed to be replaced with the terms listed in the right column of the same table.

Article 32, paragraph (1), item (i)	the number of Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	the number of units of book-entry transfer preferred equity investments of the cooperative financial institution dissolved in an absorption-type merger or the cooperative financial institution dissolved in a consolidation-type merger (hereinafter referred to as "book-entry transfer preferred equity investments of the dissolved cooperative financial institution" in this paragraph) prescribed in Article 256, paragraph (4) of the Act
	special shareholder request	special preferred equity investor request (meanings a request set forth in Article 151, paragraph (2), item (i) of the Act as applied mutatis mutandis by replacing certain terms pursuant to Article 235, paragraph (1) of the Act)
	number for each special shareholder	number of units for each special preferred equity investor (a special preferred equity investor as prescribed in the same item; hereinafter the same shall apply in this paragraph)
	item (iii) of the same paragraph	Article 138, paragraph (1), item (iii) of the Act as applied mutatis mutandis pursuant to Article 256, paragraph (4) of the Act
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	set forth in item (i) of the same paragraph	of the surviving cooperative financial institution in an absorption-type merger or the cooperative financial institution established by a consolidation-type merger as prescribed in Article 256, paragraph (4) of the Act
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving cooperative financial institution, etc.
Article 32, paragraph (1), item (ii)	Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	book-entry transfer preferred equity investments of the dissolved cooperative financial institution

	number for each	number of units for each
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving cooperative financial institution
	number of Book-Entry Transfer Shares of the Surviving Company, etc.	number of units of book-entry transfer preferred equity investments of the surviving cooperative financial institution, etc.
Article 32, paragraph (1), item (iii)	number of Book-Entry Transfer Shares of the Surviving Company, etc.	number of units of book-entry transfer preferred equity investments of the surviving cooperative financial institution, etc.
	number	number of units
Article 32, paragraph (1), item (iv)	Book-Entry Transfer Shares set forth in Article 138, paragraph (1), item (ii) of the Act	book-entry transfer preferred equity investments of the dissolved cooperative financial institution
	special shareholder	special preferred equity investor
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving cooperative financial institution, etc.
Article 32, paragraph (1), item (v) through (vii)	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the surviving cooperative financial institution, etc.
Article 32, paragraph (1), item (viii)	Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	book-entry transfer preferred equity investments of the dissolved cooperative financial institution

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis where Book-Entry Transfer Preferred Equity Investments of a Surviving Cooperative Bank in an Absorption-Type Merger are Delivered to Shareholders of a Bank Dissolved in an Absorption-Type Merger)

Article 75 Where the provisions of Article 160, paragraph (1) of the Act are applied mutatis mutandis to instances under the provisions of Article 257, paragraph (4) of the Act in which the shares of a bank dissolved in an absorption-type or consolidation-type merger are not Book-Entry Transfer Shares and the surviving cooperative bank in the absorption-type merger or

the cooperative bank established by the consolidation-type merger seeks to deliver, at the time of the absorption-type or consolidation-type merger, book-entry transfer preferred equity investments to the shareholders of the bank dissolved in said absorption-type or consolidation-type merger, the technical replacement of terms related to the provisions is carried out as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 160, paragraph (1)	Article 131, paragraph (1), item (i)	Article 131, paragraph (1), item (i) as applied mutatis mutandis pursuant to Article 235, paragraph (1)
	same paragraph	Article 131, paragraph (1) as applied mutatis mutandis pursuant to Article 235, paragraph (1)

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis where Book-Entry Transfer Preferred Equity Investments of a Surviving Cooperative Financial Institution in an Absorption-Type Merger are Delivered to Members of a Surviving Cooperative Financial Institution in an Absorption-Type Merger)

Article 76 Where the provisions of Article 160, paragraph (1) of the Act are applied mutatis mutandis to the delivery of book-entry transfer preferred equity investments by a surviving cooperative financial institution in an absorption-type merger or a cooperative financial institution established by a consolidation-type merger, at the time of the merger, book-entry transfer to members, etc. of a cooperative financial institution dissolved in an absorption-type or consolidation-type merger in relation to the provisions of Article 257, paragraph (5) of the Act, technical replacement of terms related to the provisions is carried out as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 160, paragraph (1)	Article 131, paragraph (1), item (i)	Article 131, paragraph (1), item (i) as applied mutatis mutandis pursuant to Article 235, paragraph (1)
	same paragraph	Article 131, paragraph (1) as applied mutatis mutandis pursuant to Article 235, paragraph (1)

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis where Book-Entry Transfer Preferred Equity Investments of a Surviving Cooperative Financial Institution in an Absorption-Type Merger are Delivered to Preferred Equity Investors of a Cooperative Financial Institution Dissolved in an Absorption-Type Merger)

Article 77 If preferred equity investments of a cooperative financial institution dissolved in an absorption-type or consolidation-type merger are not book-entry transfer preferred equity investments in relation to the provisions of Article 257, paragraph (6) of the Act, where a surviving cooperative financial institution in an absorption-type merger or a cooperative financial institution established by a consolidation-type merger delivers book-entry transfer preferred equity investments to preferred equity investors of a cooperative financial institution dissolved in an absorption-type or consolidation-type merger at the time of the merger, and where the provisions of Article 160, paragraph (1) of the Act are applied mutatis mutandis, technical replacement of terms related to the provisions is made as prescribed in the following table:

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 160, paragraph (1)	Article 131, paragraph (1), item (i)	Article 131, paragraph (1), item (i) as applied mutatis mutandis pursuant to Article 235, paragraph (1)
	same paragraph	Article 131, paragraph (1) as applied mutatis mutandis pursuant to Article 235, paragraph (1)

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis where Shares, other than Book-Entry Transfer Shares of a Surviving Bank in an Absorption-Type Merger are Delivered to Preferred Equity Investors of a Cooperative Financial Institution Dissolved in an Absorption-Type Merger)

Article 78 Where the provisions of Article 160, paragraph (3) of the Act are applied mutatis mutandis to instances under the provisions of Article 258, paragraph (3) of the Act in which the preferred equity investments of a cooperative financial institution dissolved in an absorption-type or consolidation-type merger are book-entry transfer preferred equity investments and the surviving bank in the absorption-type merger or the bank established by the consolidation-type merger seeks to deliver, at the time of the absorption-type or consolidation-type merger, shares, etc. other than Book-Entry Transfer Shares to the preferred equity investors of the cooperative financial institution



dissolved in the absorption-type or consolidation-type merger, or the surviving bank in an absorption-type merger or the bank established by a consolidation-type merger decides not to allot shares, etc., at the time of the absorption-type or consolidation-type merger, to preferred equity investors with a certain kind of preferred equity investment in the cooperative financial institution dissolved in the absorption-type or consolidation-type merger, the technical replacement of terms related to the provisions is made as prescribed in the following table.

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 160, paragraph (3)	Article 135, paragraph (1), item (ii)	Article 135, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 235, paragraph (1)

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis where Equity Investments other than Book-Entry Transfer Preferred Equity Investments of a Surviving Cooperative Financial Institution in an Absorption-Type Merger are Delivered to Preferred Equity Investors in a Cooperative Financial Institution Dissolved in an Absorption-Type Merger)

Article 79 Where the provisions of Article 160, paragraph (3) of the Act are applied mutatis mutandis to instances under the provisions of Article 258, paragraph (4) of the Act in which the preferred equity investments of a cooperative financial institution dissolved in an absorption-type or consolidation-type merger are book-entry transfer preferred equity investments and the surviving cooperative financial institution in the absorption-type merger or the cooperative financial institution established by the consolidation-type merger seeks to deliver, at the time of the absorption-type or consolidation-type merger, equity investments, etc. other than book-entry transfer preferred equity investments to the preferred equity investors of the cooperative financial institution dissolved in the absorption-type or consolidation-type merger, or the surviving cooperative financial institution in the absorption-type merger or cooperative financial institution established by the consolidation-type merger decides not to allot equity investments, etc. to preferred equity investors with a certain kind of preferred equity investment in the cooperative financial institution dissolved in the absorption-type or consolidation-type merger, the technical replacement of terms related to the provisions is made as prescribed in the following table.

Provision containing the terms to be replaced	Terms to be replaced	Replacement terms
Article 160, paragraph (3)	Article 135, paragraph (1), item (ii)	Article 135, paragraph (1), item (ii) as applied mutatis mutandis pursuant to Article 235, paragraph (1)

(Mutatis Mutandis Application of Provisions Concerning Shares where Book-Entry Transfer Shares are Delivered to Preferred Equity Investors in a cooperative financial institution that Executes a Conversion Pursuant to the Provisions of Article 4, Item (iii) of the Act on Financial Institution Merger and Conversion)

Article 80 The provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 262, paragraph (1) of the Act, and the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 262, paragraph (1) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table, are deemed to be replaced with the terms listed in the right column of the same table.

Article 32, paragraph (1), item (i)	the number of Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	the number of units of book-entry transfer preferred equity investments of the cooperative financial institution (hereinafter referred to as "book-entry transfer preferred equity investments of the converting cooperative financial institution" in this paragraph) that executes the conversion prescribed in Article 262, paragraph (1) of the Act
	special shareholder request	special preferred equity investor request (a request set forth in Article 151, paragraph (2), item (i) of the Act as applied mutatis mutandis by replacing certain terms pursuant to Article 235, paragraph (1) of the Act)

	number for each special shareholder	number of units for each special preferred equity investor (special preferred equity investor as prescribed in the same item; hereinafter the same applies in this paragraph)
	item (iii) of the same paragraph	Article 138, paragraph (1), item (iii) of the Act as applied mutatis mutandis pursuant to Article 262, paragraph (1) of the Act
	multiplying the number	multiplying the number of units
	in that number	in that number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank after conversion
Article 32, paragraph (1), item (ii)	Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	book-entry transfer preferred equity investments of the converting cooperative financial institution
	in the number	in the number of units
	multiplying the number	multiplying the number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank after conversion
Article 32, paragraph (1), item (iii)	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank after conversion
Article 32, paragraph (1), item (iv)	Book-Entry Transfer Shares set forth in Article 138, paragraph (1), item (ii) of the Act	book-entry transfer preferred equity investments of the converting cooperative financial institution
	special shareholder	special preferred equity investor
	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank after conversion
Article 32, paragraph (1), items (v) through (vii)	Book-Entry Transfer Shares of the Surviving Company, etc.	Book-Entry Transfer Shares of the bank after conversion

Article 32, paragraph (1), item (viii)	Book-Entry Transfer Shares set forth in paragraph (1), item (ii) of the same Article	book-entry transfer preferred equity investments of the converting cooperative financial institution
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(Mutatis Mutandis Application of Provisions Concerning Shares where Book-Entry Transfer Preferred Equity Investments are Delivered to Shareholders of an Ordinary Bank that Executes a Conversion Pursuant to the Provisions of Article 4, Item (ii) of the Act on Financial Institution Merger and Conversion)

Article 81 The provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 262, paragraph (3) of the Act, and the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 262, paragraph (3) of the Act. In this case, the terms listed in the middle column of the following table, found in the provisions listed in the left column of the same table, are deemed to be replaced with the terms listed in the right column of the same table.

Article 32, paragraph (1), item (i)	set forth in item (i) of the same paragraph	of the shinkin bank after conversion as prescribed in Article 262, paragraph (3) of the Act
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the shinkin bank after conversion
Article 32, paragraph (1), item (ii)	multiplying the number	multiplying the number of units
	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the shinkin bank after conversion
	number of ... for each	number of units of ... for each
Article 32, paragraph (1), item (iii)	number of Book-Entry Transfer Shares of the Surviving Company, etc.	number of units of book-entry transfer preferred equity investments of the shinkin bank after conversion
	number	number of units

Article 32, paragraph (1), items (iv) through (vii)	Book-Entry Transfer Shares of the Surviving Company, etc.	book-entry transfer preferred equity investments of the shinkin bank after conversion
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(Mutatis Mutandis Application of Provisions Concerning Shares in where Book-Entry Transfer Shares of a Company Established by a Consolidation-Type Merger are Delivered to Shareholders of a Stock Company Dissolved in a Consolidation-Type Merger That Is a Bank)

Article 82 The provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 263 of the Act, and the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 263 of the Act. In this case, the term "Book-Entry Transfer Shares of the Surviving Company, etc." in Article 32, paragraph (1), items (i) through (vii) is deemed to be replaced with "Book-Entry Transfer Shares of the stock company established by a consolidation-type merger."

(Mutatis Mutandis Application of Provisions Concerning Shares where Book-Entry Transfer Shares of a Financial Instruments Exchange Established by a Consolidation-Type Merger are Delivered to Shareholders of an Incorporated Financial Instruments Exchange Dissolved in a Consolidation-Type Merger)

Article 83 The provisions of Article 32, paragraph (1) apply mutatis mutandis to the entry or record to be specified by a Cabinet Order as prescribed in Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 270 of the Act, and the provisions of Article 32, paragraph (2) apply mutatis mutandis to the instructions to be given by a Book-Entry Transfer Institution pursuant to the provisions of Article 138, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 270 of the Act. In this case, the term "Book-Entry Transfer Shares of the Surviving Company, etc." in Article 32, paragraph (1), items (i) through (vii) is deemed to be replaced with "Book-Entry Transfer Shares of the financial instruments exchange established by a consolidation-type merger."

## **Chapter XI Miscellaneous Provisions**

(Interested Persons Who May Request Certification of Matters Entered or Recorded in a Book-Entry Transfer Account Register)

Article 84 An interested person to be specified by a Cabinet Order prescribed in Article 277 (including where applied mutatis mutandis pursuant to Article 48 of the Act) of the Act is any person who has the right to manage or dispose of the property of the Participant who holds the relevant account as its own account, and any other person specified by a Cabinet Office Order or a Ministry of Justice Order (or, in the case of a Book-Entry Transfer Institution dealing with national government bonds, a Cabinet Office Order, a Ministry of Justice Order or a Ministry of Finance Order).

(Powers Excluded from the Authorities Delegated to the Commissioner of the Financial Services Agency)

Article 85 The powers to be specified by a Cabinet Order as prescribed in Article 286, paragraph (1) of the Act are the following:

- (i) designation pursuant to the provisions of Article 3, paragraph (1) of the Act;
- (ii) public notice pursuant to the provisions of Article 3, paragraph (2) and Article 22, paragraph (2) of the Act;
- (iii) rescission of designation set forth in Article 3, paragraph (1) of the Act pursuant to the provisions of Article 22, paragraph (1) of the Act;
- (iv) approval pursuant to the provisions of Article 57 of the Act; or
- (v) notification pursuant to the provisions of Article 282, paragraph (1) of the Act in relation to the designation set forth in item (i) above or rescission of designation as set forth in item (iii) above.

(Delegation of Power to Conduct Inspections to the Exchange Surveillance Commission)

Article 86 Of the powers delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 286, paragraph (1) of the Act, the powers pursuant to the provisions of Article 20, paragraph (1) of the Act (including where applied mutatis mutandis pursuant to Article 43, paragraph (3) of the Act and where applied mutatis mutandis pursuant to the provisions of Article 48 of the Act by replacement of terms) are delegated to the Exchange Surveillance Commission; provided, however, that this does not preclude the Commissioner of the Financial Services Agency from personally exercising the authority to order submission of reports or materials.