

Regulation for Enforcement of the Loan Trust Act

(Cabinet Office Order No. 47 of July 13, 2007)

Pursuant to the provisions of the Loan Trust Act (Act No. 195 of 1952) and in order to enforce that Act, the Regulation for Enforcement of the Loan Trust Act is hereby established as follows.

(Information to Be Stated in a Beneficiary Certificate)

Article 1 The information specified by Cabinet Office Order as prescribed in Article 8, paragraph (4), item (viii) of the Loan Trust Act (hereinafter referred to as the "Act") is the following:

- (i) the details of the beneficial claim regarding each beneficial interest, including the details of the performance of the beneficial claim and the due date of the claim (if the due date is not specified, a statement to that effect);
- (ii) the provisions of the trust agreement concerning the reimbursement of expenses, etc. and compensation for loss or damage to the trustee of the loan trust;
- (iii) the method and time of payment of trust fees;
- (iv) if there are restrictions on the assignment of a beneficial interest, a statement to that effect and the details of the restrictions;
- (v) the provisions of the trust agreement concerning the exercise of rights of the beneficiary (including information concerning a trust supervisor and a beneficiary's agent); and
- (vi) if the loan trust has two or more beneficial interests involving beneficial claims of the same content, and these beneficial interests are governed by different provisions of the trust agreement concerning the exercise of rights held by the beneficiaries, the summary of these provisions.

(Information to Be Entered in a Beneficial Interest Register)

Article 2 (1) The information specified by Cabinet Office Order as prescribed in Article 186, item (i) of the Trust Act (Act No. 108 of 2006) as applied mutatis mutandis pursuant to Article 8, paragraph (5) of the Act following the deemed replacement of terms are the following:

- (i) the details of the beneficial claim regarding each beneficial interest, including the details of the performance of the beneficial claim and the due date of the claim (if the due date is not specified, a statement to that effect);
- (ii) if there are restrictions on the assignment of a beneficial interest, a statement to that effect and the details of the restrictions; and
- (iii) if the loan trust has two or more beneficial interests involving beneficial

claims of the same content, and these beneficial interests are governed by different provisions of the trust agreement concerning the exercise of rights held by the beneficiaries, the summary of these provisions.

(2) The information specified by Cabinet Office Order as prescribed in Article 186, item (v) of the Trust Act as applied mutatis mutandis pursuant to Article 8, paragraph (5) of the Act following the deemed replacement of terms are the following:

- (i) the name and address of the settlor of the loan trust;
- (ii) the name and address of the trustee of the loan trust;
- (iii) if there is a trust supervisor, the following information:
 - (a) the name and address; and
 - (b) if there are provisions as referred to in the proviso to Article 132, paragraph (1) of the Trust Act or the proviso to paragraph (2) of that Article, the details of those provisions;
- (iv) if there is a beneficiary's agent, the following information:
 - (a) the name and address; and
 - (b) if there are provisions as referred to in the proviso to Article 139, paragraph (1) of the Trust Act or the proviso to paragraph (3) of that Article, the details of those provisions;
- (v) if a beneficial interest register administrator prescribed in Article 188 of the Trust Act as applied mutatis mutandis pursuant to Article 8, paragraph (5) of the Act is specified, the name and address thereof; and
- (vi) beyond what is set forth in the preceding items, the provisions of the trust agreement of the loan trust.

(Electronic or Magnetic Record)

Article 3 What is specified by Cabinet Office Order as prescribed in Article 190, paragraph (2), item (ii) of the Trust Act as applied mutatis mutandis pursuant to Article 1 of the Order for Enforcement of the Loan Trust Act (Cabinet Order No. 211 of 1952; referred to as the "Order" in Article 6, paragraph (2)) following the deemed replacement of terms is information recorded in a file prepared using an object in which certain information can be securely recorded on a magnetic disk or any other means equivalent thereto.

(Method of Indicating Information Recorded in an Electronic or Magnetic Record)

Article 4 The method specified by Cabinet Office Order as prescribed in Article 190, paragraph (2), item (ii) of the Trust Act as applied mutatis mutandis pursuant to Article 8, paragraph (5) of the Act following the deemed replacement of terms, and in Article 18, item (v) of the Act, is the method of indicating, on paper or on a computer screen, the information recorded in an

electronic or magnetic record referred to in Article 190, paragraph (2), item (ii) of the Trust Act as applied mutatis mutandis pursuant to Article 8, paragraph (5) of the Act following the deemed replacement of terms.

(Request for Entry of Information to Be Entered in a Beneficial Interest Register)

Article 5 The case specified by Cabinet Office Order as prescribed in Article 198, paragraph (2) of the Trust Act as applied mutatis mutandis pursuant to Article 8, paragraph (5) of the Act following the deemed replacement of terms is the case when a beneficial interest acquirer (meaning a person who has acquired a beneficial interest in a loan trust from a person other than the trustee of the loan trust (excluding the trustee)) makes a request by presenting the beneficiary certificate.

(Electronic Signature)

Article 6 (1) The measure in lieu of signing or affixing names and seals specified by Cabinet Office Order as prescribed in Article 202, paragraph (3) of the Trust Act as applied mutatis mutandis pursuant to Article 8, paragraph (5) of the Act following the deemed replacement of terms is an electronic signature.

(2) The term "electronic signature" prescribed in the preceding paragraph means a measure which is implemented in relation to information that can be recorded in an electronic or magnetic record (meaning the electronic or magnetic record prescribed in Article 190, paragraph (2), item (ii) of the Trust Act as applied mutatis mutandis pursuant to Article 1 of the Order following the deemed replacement of terms), and which satisfies both of the following requirements:

- (i) the measure is intended to indicate that the information was created by the person who has implemented the measure; and
- (ii) the measure enables verification as to whether the information has been altered.

(Special Provisions for Cases When a Trustee of a Loan Trust Has Acquired a Beneficial Interest in the Loan Trust)

Article 7 If a trustee of a loan trust has acquired a beneficial interest in the loan trust, and the beneficial interest is not extinguished, the trustee must enter or record the fact that the beneficial interest belongs to the trustee's own property, as information to be entered in a beneficial interest register.