

# Order for Enforcement of the Commodity Derivatives Act

(Cabinet Order No. 280 of August 31, 1950)

The Cabinet hereby enacts this Cabinet Order based on the provisions of the Commodity Exchange Act (Act No. 239 of 1950).

(Designation of Commodities)

Article 1 (1) The goods specified by Cabinet Order as referred to in Article 2, paragraph (1), item (i) of the Commodity Derivatives Act (hereinafter referred to as the "Act") are the following goods:

- (i) cattle;
- (ii) swine;
- (iii) rapeseed;
- (iv) flaxseed;
- (v) wood;
- (vi) natural rubber;
- (vii) raw cotton;
- (viii) cotton yarn;
- (ix) dried cocoon;
- (x) raw silk;
- (xi) wool;
- (xii) wool yarn;
- (xiii) staple-fiber yarn; and
- (xiv) feed.

(2) Minerals specified by Cabinet Order as referred to in Article 2, paragraph (1), item (ii) of the Act are the following goods:

- (i) lithium ore;
- (ii) beryllium ore;
- (iii) boron ore;
- (iv) magnesium ore;
- (v) aluminum ore;
- (vi) rare earth metal ore;
- (vii) titanium ore;
- (viii) vanadium ore;
- (ix) gallium ore;
- (x) germanium ore;
- (xi) selenium ore;
- (xii) rubidium ore;

- (xiii) strontium ore;
- (xiv) zirconium ore;
- (xv) niobium ore;
- (xvi) platinum metal ore;
- (xvii) cadmium ore;
- (xviii) indium ore;
- (xix) tellurium ore;
- (xx) cesium ore;
- (xxi) barium ore;
- (xxii) hafnium ore;
- (xxiii) tantalum ore;
- (xxiv) rhenium ore;
- (xxv) thallium ore;
- (xxvi) precious stone;
- (xxvii) semiprecious stone;
- (xxviii) bentonite;
- (xxix) acid clay;
- (xxx) diatomaceous earth;
- (xxxi) pottery stone;
- (xxxii) mica; and
- (xxxiii) vermiculite.

(Exclusions from Application of Commodity Derivatives Business)

Article 2 The acts specified by Cabinet Order as referred to in Article 2, paragraph (22) of the Act are the following acts:

- (i) acts set forth in the items of Article 2, paragraph (22) of the Act, performed by the following entities:
  - (a) the national government;
  - (b) local governments;
  - (c) foreign governments and other entities equivalent to entities set forth in (a) and (b) under foreign laws and regulations;
- (ii) for foreign commodity derivatives business operator (meaning an entity other than a commodity derivatives business operator engaged in the acts set forth in the items of Article 2, paragraph (22) of the Act in the course of trade in a foreign country, in compliance with the laws and regulations of a foreign country; the same applies in item (iv)) that accept orders from an entity in Japan (limited to commodities investment advisors prescribed in Article 2, paragraph (4) of the Act on the Regulations of Commodities Investment Business (Act No. 66 of 1991) (referred to as "commodities investment advisors" in Article 41, item (iii)) or other entities prescribed by order of the competent ministry) without soliciting the acts set forth in items (i) and (ii)

- of the that paragraph, the acts set forth in the those items they perform from abroad for those entities in Japan (limited to acts for performing intermediation prescribed in those items, and excluding those that fall under the acts set forth in the preceding item);
- (iii) acts set forth in Article 2, paragraph (22), item (iii) or (iv) of the Act with an entity prescribed by order of the competent ministry as one with high-level capabilities for foreign commodity market transactions, or acts performed on behalf of that entity (excluding those falling under acts set forth in item (i));
  - (iv) acts set forth in Article 2, paragraph (22), items (iii) through (v) of the Act performed by a foreign commodity derivatives business operator from a foreign country with an entity in Japan as the other party (excluding entities that are individuals) through agency or brokerage without solicitation of the acts set forth in those items (excluding the acts of performing intermediation, brokerage, or action as an agent set forth in those items, and those that fall under acts set forth in item (i) and the preceding item); and
  - (v) acts set forth in Article 2, paragraph (22), item (v) of the Act with an entity prescribed by order of the competent ministry as an entity with a close personal relationship or a close capital relationship as counterparty, or performed on behalf of the entity (excluding those that fall under acts set forth in item (i) and the preceding item).

(Provision of Matters Using Information Communication Technology for Subscription Requests)

Article 3 (1) A person who seeks to provide matters prescribed in the following provisions by electronic or magnetic means (meaning the electronic or magnetic means prescribed in Article 12, paragraph (4) of the Act; hereinafter the same applies in this Article and Article 5) (the person is referred to as a "provider" in the following paragraph) must inform the other party to whom the matters are to be provided of the type and content of the electronic or magnetic means that the person seeks to use and obtain that party's consent in writing or by electronic or magnetic means, in advance, pursuant to the provisions of order of the competent ministry:

- (i) the provisions of Article 12, paragraph (4) of the Act; and
  - (ii) the provisions of Article 130, paragraph (3) of the Act.
- (2) A provider who has obtained the consent under the provisions of the preceding paragraph must not provide the matters to the other party by electronic or magnetic means when the other party referred to in that paragraph has requested in writing or by electronic or magnetic means that they will not accept provision of matters by electronic or magnetic means; provided, however, that this does not apply when the other party has given

consent under that paragraph at another time.

(Criteria for Permission for Establishment)

Article 4 (1) The criteria specified by Cabinet Order as referred to in Article 15, paragraph (1), item (ii) of the Act is that a majority of the persons who seek to become members of a commodity market related to a listed commodity and in the course of trade have engaged in the purchase and sale, etc. of the listed commodity component products related to the listed commodity for one year or more on a continuous basis are persons who are, in the course of trade, engaging in the purchase and sale, etc. of the majority of the types of listed commodity.

(2) The provisions of the preceding paragraph apply mutatis mutandis to criteria specified by Cabinet Order as referred to in Article 80, paragraph (1), item (iv) of the Act. In such a case, the term "a member" in the preceding paragraph is deemed to be replaced with "a trading participant."

(3) The provisions of paragraph (1) apply mutatis mutandis to criteria specified by Cabinet Order as referred to in Article 146, paragraph (1), item (iii) of the Act. In such a case, the term "a member" in paragraph (1) is deemed to be replaced with "a member, etc."

(Electronic or Magnetic Means of Providing Notices of Convocations of General Meetings of Members)

Article 5 (1) When a person who convenes a general meeting of members seeks to issue a notice of convocation by electronic or magnetic means pursuant to the provisions of Article 59, paragraph (10) of the Act, the person is to inform the members of the type and content of the electronic or magnetic means which they seek to use and obtain the consent of the members in writing or by electronic or magnetic means in advance, pursuant to the provisions of order of the competent ministry.

(2) If a member has requested in writing or by electronic or magnetic means that they will not accept a notice of convocation by electronic or magnetic means, a person who convenes a general meeting of members that has obtained the consent under the provisions of the preceding paragraph may not issue a notice of convocation to by electronic or magnetic means to that member; provided, however, that this does not apply when the member has given their consent under that paragraph at another time.

(Deemed Replacement of Terms of the Provisions of the Act and the Companies Act as Applied Mutatis Mutandis to a Liquidator of a Member Commodity Exchange)

Article 6 (1) When the provisions of Article 55, paragraph (1) of the Act are

applied mutatis mutandis to a liquidator of a member commodity exchange pursuant to the provisions of Article 77, paragraph (2) of the Act, the term "of an officer" in that paragraph is deemed to be replaced with "of an officer or a liquidator."

- (2) When the provisions of Article 430 of the Companies Act (Act No. 86 of 2005) are applied mutatis mutandis to a liquidator of a member commodity exchange pursuant to the provisions of Article 77, paragraph (2) of the Act, the term "other officers, etc." in that Article is deemed to be replaced with "an auditor."

(Amount of Minimum Capital for an Incorporated Commodity Exchange)

Article 7 The amount specified by Cabinet Order as referred to in Article 80, paragraph (1), item (i) of the Act is 1 billion yen.

(Exclusion of Limitation on Holding of Voting Rights)

Article 8 (1) The financial instruments exchange specified by Cabinet Order as referred to in the proviso to Article 86, paragraph (1) of the Act is the financial instruments exchange prescribed in Article 2, paragraph (16) of the Financial Instruments and Exchange Act (Act No. 25. of 1948).

- (2) The financial instruments exchange holding company specified by Cabinet Order as referred to in the proviso to Article 86, paragraph (1) of the Act is the financial instruments exchange holding company prescribed in Article 2, paragraph (18) of the Financial Instruments and Exchange Act.

(Special Relationship Specified by Cabinet Order as Referred to in Article 86, Paragraph (5), Item (ii) of the Act)

Article 9 (1) A special relationship specified by Cabinet Order as referred to in Article 86, paragraph (5), item (ii) of the Act (including as applied mutatis mutandis pursuant to Article 86-2, paragraph (2) and Article 96-24 of the Act) is as follows:

- (i) the relationship of persons who have jointly acquired or hold subject voting rights of an incorporated commodity exchange (meaning the subject voting rights prescribed in the main clause of Article 86, paragraph (1); the same applies hereinafter), or have agreed to exercise subject voting rights of the incorporated commodity exchange (hereinafter the persons are referred to as "joint holders" in this Article) (when one of the joint holders is a commodity exchange (meaning a commodity exchange, etc. (a commodity exchange, a commodity exchange holding company, a financial instruments exchange or a financial instruments exchange holding company referred to in the main clause of Article 86, paragraph (1); the same applies hereinafter) the relationship between the commodity exchange, etc. and other joint holders is excluded.);

- (ii) the relationship of husband and wife;
  - (iii) the relationship between a person who holds voting rights (including the voting rights of the shares or equity interests which cannot be asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) (including as applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1) and Article 276 (limited to the part related to item (ii)) of the Act on Book-Entry Transfer of Corporate Bonds and Shares (Act No. 75 of 2001) that exceed fifty percent of the voting rights (in the case of a stock company, excluding the voting rights of the shares which cannot be exercised for all matters that are subject to a resolution at a general meeting of shareholders and including the voting rights of the shares for which a shareholder is deemed to have the voting rights pursuant to the provisions of Article 879, paragraph (3) of the Companies Act; the same applies hereinafter) of all shareholders (meaning all shareholders, all members or all contributors; the same applies hereinafter) of a corporation (hereinafter the person is referred to as a "controlling shareholder, etc. " in this Article) and the corporation (hereinafter referred to as a "controlled corporation" in this Article) (if any controlling shareholder, etc. or controlled corporation is a commodity exchange, etc., excluding the relationship between the commodity exchange and its controlling shareholder, etc. or controlled corporation); or
  - (iv) the relationship between a controlled corporation and other controlled corporations of the controlling shareholder (if any of the controlled corporations is a commodity exchange, etc., excluding the relationship between the commodity exchange, etc. and other controlled corporations).
- (2) When the joint holders jointly hold voting rights that exceed fifty percent of the voting rights of all shareholders of a corporation, those joint holders are deemed to be controlling shareholders, etc. of that corporation, respectively, and the provisions of the preceding paragraph apply.
- (3) When a husband and a wife jointly hold voting rights that exceed fifty percent of the voting rights of all shareholders of a corporation, the husband and wife are deemed to be controlling shareholders, etc. of the corporation, respectively, and the provisions of paragraph (1) apply.
- (4) When controlling shareholders, etc. and their controlled corporation jointly hold voting rights that exceed fifty percent of the voting rights of all shareholders of the other corporation, the other corporation is also deemed to be a controlled corporation of the controlling shareholders, etc., and the provisions of paragraph (1) apply.
- (5) In the cases set forth in the following items, the voting rights held by the persons specified in each of those items are to include the voting rights of the shares or equity interests which cannot be asserted against the issuer

pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Act on Book-Entry Transfer of Corporate Bonds and Shares (including as applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1) and Article 276 (limited to the part related to item (ii)) of that Act):

- (i) the case referred to in paragraph (2): the joint holders;
- (ii) the case referred to in paragraph (3): the husband and wife; and
- (iii) the case referred to in the preceding paragraph: the controlling shareholders, etc. and their controlled corporation.

(Deemed Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to a Petition for the Selection of Persons to Temporarily Perform the Duties of Members of the Self-Regulating Committee)

Article 10 When the provisions of Article 870, paragraph (1) (limited to the part related to item (i)) and Article 874 (limited to the part related to item (i)) of the Companies Act are applied mutatis mutandis to a petition for the selection of persons who temporarily perform the duties of the self-regulating committee under the provisions of Article 96-5, paragraph (4) pursuant to the provisions of paragraph (6) of that Article of the Act, the technical replacement of terms concerning the provisions of the Companies Act is as in the following table.

Provisions of the Companies Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Term to be Replaced with
Article 870,	or Article 401, paragraph (3)	or Article 401, paragraph (3)

<p>paragraph (1), item (i)</p>	<p>a person who is to temporarily perform the duties of a company director (for a company with audit and supervisory committee, a company director who is an audit and supervisory committee member or other company directors), accounting advisor, company auditor, representative director, committee member (meaning a member of a nominating committee, audit committee, or compensation committee; the same applies in Article 874, item (i)), a person who is to perform the duties of an executive officer or representative executive officer, a liquidator, a person who is to temporarily perform the duties of a liquidator or representative liquidator appointed pursuant to the provisions of Article 346, paragraph (2) as applied mutatis mutandis pursuant to Article 479, paragraph (4) or the provisions of Article 351, paragraph (2) as applied mutatis mutandis pursuant to Article 483, paragraph (6), an inspector, or the administrator referred to in Article 825, paragraph (2) (including as applied mutatis mutandis pursuant to Article 827, paragraph (2))</p>	<p>a person who temporarily performs the duties of a member of the self-regulatory committee</p>
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Article 874, item (i)	a person who is to temporarily perform the duties of a company director, accounting advisor, company auditor, representative director, committee member, executive officer or representative executive officer , a liquidator, a representative liquidator, a liquidator who represents a liquidating membership company, a person who is to temporarily perform the duties of a liquidator or representative liquidator prescribed in Article 870, item (ii), an inspector, the appraiser referred to in Article 501, paragraph (1) (including as applied mutatis mutandis pursuant to Article 822, paragraph (3)), or a person who preserves accounting materials referred to in Article 508, paragraph (2) (including as applied mutatis mutandis pursuant to Article 822, paragraph (3)) or Article 672, paragraph (3), a special agent of a bond manager or the bond manager that succeeds to the affairs referred to in Article 714, paragraph (3)	a person who is to temporarily perform the duties of a member of the self-regulating committee
	appointment or selection	appointment

(Persons who May Acquire or Hold the Subject Voting Rights Not Less than the Holding Ratio Threshold but Not More than 50 percent of the Holding Ratio Threshold of the Voting Rights of All Shareholders of an Incorporated Commodity Exchange)

Article 11 The persons specified by Cabinet Order as referred to in Article 96-19, paragraph (1) of the Act are the following persons:

- (i) local governments;
- (ii) persons who establish foreign commodity markets (referred to as "foreign commodity market establisher" in the following item) and satisfy all of the following requirements:

- (a) the same type of permissions as permissions under Article 9 or Article 78 of the Act or authorization similar to them, or other administrative dispositions have been obtained in the country where its head office or principal office is located;
  - (b) the authority responsible for enforcing the laws and regulations of the foreign country where its head office or principal office is located, which are equivalent to the Act (including orders based on the Act; hereinafter the same applies in (b)) has guaranteed that it will comply if Japan requests cooperation concerning an administrative investigation conducted for the enforcement of the Act;
  - (c) the incorporated commodity exchange or commodity exchange holding company of which the person, having received the authorization under Article 98-19, paragraph (1) or Article 98-31, paragraph (1) of the Act, seeks to acquire or hold subject voting rights of a number greater than the holding ratio threshold (meaning the holding ratio threshold prescribed in the main clause of Article 96, paragraph (1) or the main clause of Article 96-28, paragraph (1) of the Act; the same applies in item (iv), (c) but less than 50 percent of the voting rights of all shareholders, is a subsidiary company of commodity exchange, etc. (meaning a subsidiary company prescribed in Article 3-2, paragraph (3) of the Act; hereinafter the same applies in this Article);
- (iii) persons who has a foreign commodity market establisher as a subsidiary company (excluding persons set forth in the preceding item; hereinafter referred to as a "foreign commodity market establisher holding company" in this item), and satisfies all of the following requirements:
- (a) the authority responsible for enforcing the laws and regulations of the foreign country where its head office or principal office is located, which are equivalent to the Act (including orders based on the Act; hereinafter the same applies in (b)), has granted the same type of authorization as the authorization under Article 96-25, paragraph (1) or other similar permissions, or performed other acts concerning the fact that the person is a foreign commodity market establisher holding company;
  - (b) the authority responsible for enforcing the laws and regulations of the foreign country where its head office or principal office is located, which are equivalent to the Act, has guaranteed that it will comply if Japan requests cooperation concerning an administrative investigation conducted for the enforcement of the Act;
  - (c) the incorporated commodity exchange of which the person, having received the authorization under Article 96-19, paragraph (1) of the Act, seeks to acquire or hold subject voting rights of a number greater than the holding ratio threshold (meaning the holding ratio threshold prescribed in

- the main clause of Article 96, paragraph (1); the same applies in item (v), (c) but less than 50 percent of the voting rights of all shareholders is a subsidiary company of the commodity exchange, etc.;
- (iv) a person who is an establisher of a foreign financial instruments exchange market (meaning an establisher of a foreign financial instruments exchange market prescribed in Article 60-2, paragraph (1), item (vii) of the Financial Instruments and Exchange Act; hereinafter the same applies in the following item), who satisfies all of the following requirements:
    - (a) the person has obtained the same kind of license as the license under Article 80, paragraph (1) of the Financial Instruments and Exchange Act or a similar permission or other administrative disposition in the country where its head office or principal office is located;
    - (b) the authority responsible for enforcing the laws and regulations equivalent to the Financial Instruments and Exchange Act (including orders based on that Act) in the country where its head office or principal office is located has guaranteed that it will comply if Japan requests cooperation concerning an administrative investigation conducted for the enforcement of the Act (including orders based on the Act; hereinafter the same applies in (b) of the following item);
    - (c) the incorporated commodity exchange or commodity exchange holding company of which the person, having received the authorization under Article 96-19, paragraph (1) or Article 96-31, paragraph (1) of the Act, seeks to acquire or hold subject voting rights of a number greater than the holding ratio threshold but less than 50 percent of the voting rights of all shareholders is a subsidiary company of the commodity exchange, etc.;
  - (v) a person who is a foreign financial instruments exchange market establisher holding company (meaning a person other than a person that has an establisher of a foreign financial instruments exchange market as a subsidiary company and is set forth in the preceding item; hereinafter the same applies in this item) who satisfies all of the following requirements:
    - (a) the authority responsible for enforcing the laws and regulations equivalent to the Financial Instruments and Exchange Act (including orders based on that Act; the same applies in (b)) in the country where its head office or principal office is located has granted the same type of authorization as the authorization under Article 106-10, paragraph (1) of the Financial Instruments and Exchange Act or a similar permission, or performed other acts concerning the fact that the person is a foreign financial instruments exchange market establisher holding company;
    - (b) the authority responsible for enforcing the laws and regulations equivalent to the Financial Instruments and Exchange Act in the country where its head office or principal office is located has guaranteed that it

will comply if Japan requests cooperation concerning an administrative investigation conducted for the enforcement of the Act;

- (c) the incorporated commodity exchange of which the person, having received the authorization under Article 96-19, paragraph (1) of the Act, seeks to acquire or hold subject voting rights of a number greater than the holding ratio threshold but less than 50 percent of the voting rights of all shareholders is a subsidiary company of the commodity exchange, etc.

(Special Relationships Specified by Cabinet Order as Referred to in Article 86, Paragraph (5), Item (ii) of the Act as Applied Mutatis Mutandis Pursuant to Article 96-42 of the Act)

Article 12 (1) The special relationships specified by of Cabinet Order as referred to in Article 86, paragraph (5), item (ii) of the Act as applied mutatis mutandis pursuant to Article 96-42 of the Act are the following relationships:

- (i) the relationship of persons who has agreed to jointly acquire or hold the subject voting rights of an incorporated commodity exchange or a commodity exchange holding company, or to exercise the subject voting rights of the incorporated commodity exchange or the commodity exchange holding company (hereafter referred to as "joint holders" in this Article) (if any of the joint holders is a commodity exchange, etc., excluding the relationship between the commodity exchange, etc. and other joint holders);
- (ii) the relationship of husband and wife;
- (iii) the relationship between a person who holds voting rights that exceed 50 percent of the voting rights of all shareholders, etc. of a corporation (including voting rights related to shares or equity interests that may not be asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Act on Book-Entry Transfer of Corporate Bonds and Shares) (including as applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1) and Article 276 (limited to the part related to item (ii) of that Act) (hereinafter referred to as "controlling shareholder, etc." in this Article) and the corporation (hereinafter referred to as "controlled corporation" in this Article) (if the controlling shareholder, etc. or the controlled corporation is a commodity exchange, etc., excluding the relationship between the commodity exchange, etc. and its controlling shareholder, etc. or controlled corporation);
- (iv) the relationship between a controlled corporation and other controlled corporations of its controlling shareholder (if any of the controlled corporations is a commodity exchange, etc., excluding the relationship of the commodity exchange, etc. and other controlled corporations).

(2) When joint holders jointly hold voting rights that exceed 50 percent of the

voting rights of all shareholders, etc. of a corporation, the joint holders are deemed to be controlling shareholders of the corporation, respectively, and the provisions of the preceding paragraph apply.

- (3) When a husband and wife jointly hold voting rights that exceed 50 percent of the voting rights of all shareholders, etc. of a corporation, the husband and wife are deemed to be controlling shareholders of the corporation, respectively, and the provisions of paragraph (1) apply.
- (4) When the controlling shareholder, etc. and its controlled corporation jointly hold voting rights that exceed 50 percent of the voting rights of all shareholders, etc. of another corporation, the other corporation is deemed to be the controlled corporation of the controlling shareholder, etc. and the provisions of paragraph (1) apply.
- (5) In any of the cases referred to in the following items, the voting right related to shares or equity interests that may not be asserted against the issuer pursuant to the provisions of Article 146, paragraph (1) or Article 148, paragraph (1) of the Act on Book-Entry Transfer of Corporate Bonds and Shares (including as applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1), and Article 276 (limited to the part related to item (ii)) of that Act is to be included in the voting rights held by the person specified in each of those items:
  - (i) the case referred to in paragraph (2): joint holders;
  - (ii) the case referred to in paragraph (3): husband and wife;
  - (iii) the case referred to in the preceding paragraph: controlling shareholder and its controlled corporation.

(Securities for Allocation)

Article 13 The securities specified by Cabinet Order as referred to in Article 101, paragraph (3) of the Act are as follows; provided, however, that those set forth in items (iii) through (viii) are limited to those which a commodity exchange designates in its articles of incorporation (for an incorporated commodity exchange, in its operational rules):

- (i) subscription certificates issued by the Bank of Japan;
- (ii) bond certificates issued by a corporation pursuant to special laws;
- (iii) share certificates traded in a financial instruments exchange market prescribed in Article 2, paragraph (17) of the Financial Instruments and Exchange Act;
- (iv) share certificates registered in the over-the-counter traded securities register prescribed in Article 67-11, paragraph (1) of the Financial Instruments and Exchange Act;
- (v) share certificates (excluding share certificates referred to in the preceding two items) issued by a bank pursuant to the Banking Act (Act No. 59 of

1981);

- (vi) corporate bond certificates issued by a company that issues share certificates referred to in item (iii) or (iv);
- (vii) beneficiary certificates prescribed in Article 185, paragraph (1) of the Trust Act (Act No. 108 of 2006), beneficiary certificates prescribed in Article 2, paragraph (7) of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951), and beneficiary certificates prescribed in Article 2, paragraph (2) of the Loan Trust Act (Act No. 195 of 1952);
- (viii) investment securities prescribed in Article 2, paragraph (15) of the Act on Investment Trusts and Investment Corporations, investment equity subscription right certificates prescribed in paragraph (18) of that Article, investment corporation bond certificates prescribed in paragraph (20) of that Article, and foreign investment securities prescribed in Article 220, paragraph (1) of that Act.

(Deemed Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Cases in Which a Member of a Member Commodity Exchange is Allotted Shares Upon Entity Conversion)

Article 14 When the provisions of Article 871 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 126, paragraph (2) of the Act to the case in which shares or money is allotted pursuant to the provisions of paragraph (1) of that Article, the term "the respective items of Article 874" in Article 871, item (ii) of the Companies Act is deemed to be replaced with "Article 874, item (iv)."

(Deemed Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Cases of Making Property Other than Money the Subject of Contribution)

Article 15 When the provisions of Article 872 (limited to the part related to item (iv)) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 131-6 of the Act to the case prescribed in Article 129, item (iii) of the Act, in Article 872, item (iv) of the Companies Act, the phrase "the items of Article 870, paragraph (1)" is deemed to be replaced with "Article 870, paragraph (1), items (i) and (iv)", and the phrase "the applicant and the persons respectively prescribed in those items (for the judicial decision set forth in items (i), (iii), and (iv) of that paragraph, the persons respectively prescribed in those items)" is deemed to be replaced with "the persons respectively prescribed in those items."

(Deemed Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Share Purchase Demand in the Case of an

Absorption-Type Merger)

Article 16 When the provisions of Article 870-2, paragraphs (1), (5) and (8), Article 872 (limited to the part related to item (v)), and Article 872-2, paragraph (1) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 144-10, paragraph (3) of the Act to a demand under paragraph (1) of that Article, the technical replacement of terms concerning these provisions is as in the following table.

Provisions of the Companies Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Term to be Replaced with
Article 870-2, paragraphs (1), (5), and (8)	the items of paragraph (2) of the preceding Article	paragraph (2), item (ii) of the preceding Article
Article 870-2, paragraphs (1) and (8), Article 872, item (v), and Article 872-2, paragraph (1)	the items	that item
Article 872, item (v) and Article 872-2, paragraph (1)	the items of Article 870, paragraph (2)	Article 870, paragraph (2), item (ii)

(Deemed Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Share Purchase Demand in the Case of a Consolidation-Type Merger)

Article 17 When the provisions of Article 806, paragraph (5), Article 870-2, paragraph (1), paragraph (5) and paragraph (8), and Article 872 (limited to the part related to item (v)) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 144-17, paragraph (2) of the Act to a demand under paragraph (1) of that Article, the technical replacement of terms concerning these provisions is as in the following table.

Provisions of the Companies Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Terms to be Replaced with
Article 806, paragraph (5)	paragraph (3)	Article 144-15, paragraph (1) of the Commodity Derivatives Transaction Act
	the preceding paragraph	paragraph (2) of that Article

Article 870-2, paragraphs (1), (5), and (8)	the items of paragraph (2) of the preceding Article	paragraph (2), item (ii) of the preceding Article
Article 870-2, paragraphs (1) and (8), Article 872, item (v), and Article 872-2, paragraph (1)	the items	that item
Article 872, item (v) and Article 872-2, paragraph (1)	the items of Article 870, paragraph (2)	Article 870, paragraph (2), item (ii)

(Deemed Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to a Right to Request Purchase of Share Options in the Case of a Consolidation-Type Merger)

Article 18 When the provisions of Article 808, paragraph (5), Article 809, paragraph (6), Article 870-2, paragraphs (1), (5), and (8), and Article 872 (limited to the part related to item (v)) of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 144-18, paragraph (2) of the Act to a request under paragraph (1) of that Article, the technical replacement of terms concerning these provisions is as in the following table.

Provisions of the Companies Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Term to be Replaced with
Article 808, paragraph (5)	paragraph (3)	Article 144-15, paragraph (1) of the Commodity Derivatives Transaction Act
	the preceding paragraph	paragraph (2) of that Article
Article 809, paragraph (6)	the ncorporated company	the incorporated commodity exchange established by a consolidation-type merger
Article 870-2, paragraphs (1), (5) and (8)	the items of paragraph (2) of the preceding Article	paragraph (2), item (ii) of the preceding Article
Article 870-2, paragraphs (1) and (8), Article 872, item (v), and Article 872-2, paragraph (1)	the items	that item

Article 872, item (v) and Article 872-2, paragraph (1)	the items of Article 870, paragraph (2)	Article 870, paragraph (2), item (ii)
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(The Same Type of Commodity Market)

Article 19 The same type of commodity market specified by Cabinet Order as referred to in Article 149, paragraphs (2) and (4) of the Act is as follows:

- (i) In the case of a commodity market for a listed commodity, a commodity market which includes all listed commodity component products in a commodity market of a commodity exchange dissolved as a result of the merger and conducts all types of transactions that had been conducted in a commodity market of the dissolved commodity exchange for each of the listed commodity component products;
- (ii) In the case of a commodity market for a listed commodity index, a commodity market which includes all commodity indices included in listed commodity indices in a commodity market of a commodity exchange dissolved as a result of the merger (hereinafter referred to as "indices constituting the listed commodity index" in this item) and conducts all types of transactions that had been conducted in a commodity market of the dissolved commodity exchange for each of the indices constituting the listed commodity index.

(Deemed Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Cases in Which a Member of a Member Commodity Exchange is Allotted Shares Upon a Merger)

Article 20 When the provisions of Article 234, paragraph (2), and Article 871 of the Companies Act are applied mutatis mutandis pursuant to the provisions of Article 150 of the Act to an absorption-type merger under Article 142 of the Act and a consolidation-type merger under Article 143, paragraph (1) of the Act, the technical replacement of terms concerning these provisions is as in the following table.

Provisions of the Companies Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Terms to be Replaced with
Article 234, paragraph (2)	Order of the Ministry of Justice	order of the competent ministry
Article 871, item (ii)	the items of Article 874	Article 874, item (iv)

(Deemed Replacement of Terms of the Provisions of the Commercial Registration Act as Applied Mutatis Mutandis to Registration of a Member Commodity Exchange Established by the Merger between Member

Commodity Exchanges)

Article 21 When the provisions of Article 80 (excluding items (ii), (vi), (ix), and (x)) and Article 81 (excluding items (iii), (vi), (ix), and (x)) of the Commercial Registration Act (Act No. 125 of 1963) are applied mutatis mutandis pursuant to the provisions of Article 152, paragraph (1) of the Act to the registration of a member commodity exchange established by a merger in the case set forth in Article 139, paragraph (2), item (i) of the Act, the technical replacement of terms concerning these provisions is as in the following table.

Provisions of the Commercial Registration Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Terms to be Replaced with
Article 80, item (iii)	Article 799, paragraph (2) of the Companies Act	Article 124, paragraph (2) of the Commodity Derivatives Transaction Act as applied mutatis mutandis pursuant to Article 144-2, paragraph (4) of that Act
Article 80, item (iv)	Article 445, paragraph (5) of the Companies Act	Article 154, paragraph (2) of the Commodity Derivatives Transaction Act
Article 80, item (viii)	Article 789, paragraph (2) of the Companies Act (excluding item (iii) and including as applied mutatis mutandis pursuant to Article 793, paragraph (2) of that Act)	Article 124, paragraph (2) of the Commodity Derivatives Transaction Act as applied mutatis mutandis pursuant to Article 144, paragraph (6) of that Act
	Article 789, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 793, paragraph (2) of that Act)	
Article 81, item (viii)	Article 810, paragraph (2) of the Companies Act (excluding item (iii) and including as applied mutatis mutandis pursuant to Article 813, paragraph (2) of that Act)	Article 124, paragraph (2) of the Commodity Derivatives Transaction Act as applied mutatis mutandis pursuant to Article 144-3, paragraph (6) of that Act

	Article 810, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 813, paragraph (2) of that Act)	paragraph (3) of that Article
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(Deemed Replacement of Terms of the Provisions of the Commercial

Registration Act as Applied Mutatis Mutandis to Registration of a Member Commodity Exchange or an Incorporated Commodity Exchange Established by the Merger between a Member Commodity Exchange and an Incorporated Commodity Exchange)

Article 22 When the provisions of Article 80 (excluding items (vi), (ix), and (x)), Article 81, and Article 83 of the Commercial Registration Act are applied mutatis mutandis pursuant to the provisions of Article 152, paragraph (2) of the Act to the registration of a member commodity exchange or an incorporated commodity exchange established by the merger in the case set forth in Article 139, paragraph (2), item (ii) of the Act, the technical replacement of terms concerning these provisions is as in the following table.

Provisions of the Commercial Registration Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Terms to be Replaced with
Article 80, item (ii)	the main clause of Article 796, paragraph (1) or the main clause of Article 796, paragraph (2) of the Companies Act	the main clause of Article 144-7, paragraph (1) of the Commodity Derivatives Transaction Act
	paragraph (3) of that Article	paragraph (2) of that Article
Article 80, item (iii)	Article 799, paragraph (2) of the Companies Act	Article 144-11, paragraph (2) of the Commodity Derivatives Transaction Act
Article 80, item (iv)	Article 445, paragraph (5) of the Companies Act	Article 154, paragraph (2) of the Commodity Derivatives Transaction Act

Article 80, item (viii)	Article 789, paragraph (2) of the Companies Act (excluding item (iii) and including as applied mutatis mutandis pursuant to Article 793, paragraph (2) of that Act)	Article 124, paragraph (2) of the Commodity Derivatives Transaction Act as applied mutatis mutandis pursuant to Article 144, paragraph (5) of that Act
	Article 789, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 793, paragraph (2) of that Act)	paragraph (3) of that Article
Article 81, item (vi)	Article 804, paragraphs (1) and (3) of the Companies Act	Article 144-14, paragraphs (1) and (4) of the Commodity Derivatives Transaction Act
Article 81, item 8	Article 810, paragraph 2 of the Companies Act (excluding item (iii) and including as applied mutatis mutandis pursuant to Article 813, paragraph (2) of that Act)	Article 124, paragraph (2) of the Commodity Derivatives Transaction Act as applied mutatis mutandis pursuant to Article 144-3, paragraph (6) of that Act, and Article 144-11, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 144-19 of that Act
	Article 810, paragraph (3) of that Act (including as applied mutatis mutandis pursuant to Article 813, paragraph (2) of that Act)	Article 124, paragraph (3) of the Commodity Derivatives Transaction Act as applied mutatis mutandis pursuant to Article 144-3, paragraph (6) of that Act, and Article 144-11, paragraph (3) of that Act as applied mutatis mutandis pursuant to Article 144-19 of that Act
Article 83, paragraph (2)	unless sending to a registry office that has jurisdiction over the locality of the head office	unless sending to a registry office that has jurisdiction over the locality of the principal office or the head office

(Persons with a Close Relationship to the Members)

Article 22-2 (1) The persons specified by Cabinet Order as referred to in Article 157, paragraph (3) of the Act are as follows:

- (i) a subsidiary corporation, etc. of the member, etc.;
  - (ii) the parent corporation, etc. that has the member, etc. as its subsidiary corporation, etc.;
  - (iii) a subsidiary corporation, etc. of the parent corporation, etc. that has the member, etc. as its subsidiary corporation, etc. (excluding the members, etc. and persons set forth in the preceding two items); and
  - (iv) an affiliated corporation, etc. of the member, etc.
- (2) The term "parent corporation, etc." as used in the preceding paragraph means a corporation specified by order of the competent ministry as having control over the body responsible for making decisions on financial and operational or business policies (meaning a shareholders meeting or other equivalent body; hereinafter referred to as the "decision-making body" in this paragraph) of another corporation, etc. (meaning a company, partnership, or other equivalent business entity; hereinafter the same applies in this paragraph and the following paragraph), and the term "subsidiary corporation, etc." as used in the preceding paragraph and the following paragraph means the other corporation, etc. whose decision-making body is controlled by the parent corporation, etc. In such a case, the other corporation, etc. whose decision-making body is controlled by the parent corporation, etc. and a subsidiary corporation, etc. or by a subsidiary corporation is deemed to be a subsidiary corporation, etc. of the parent corporation, etc.
- (3) The term "affiliated corporation, etc." as used in paragraph (1) means another corporation, etc. (excluding a subsidiary corporation, etc.) specified by order of the competent ministry as one for which a corporation, etc. can exert a material influence on decisions on its financial and operational or business policies through making contributions, assuming the post of an company director or other equivalent post of the affiliated corporation, etc. by officer or employee of the corporation or persons that held those posts, providing loans, guaranteeing obligations, or providing security, providing technologies, or conducting operational or business transactions.

(Entities Eligible for Licensing as Commodity Derivatives Business Operators)

Article 23 The entities specified by Cabinet Order as referred to in Article 193, paragraph (1), item (i), (b) of the Act, are the following entities:

- (i) Shinkin Banks and the federation of Shinkin Banks;
- (ii) credit cooperatives and the federation of credit cooperatives engaged in the business referred to in Article 9-9, paragraph (1), item (i) of the Small and

- Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949);
- (iii) labor banks and the federation of labor banks;
  - (iv) The Norinchukin Bank;
  - (v) agricultural cooperatives and the federation of agricultural cooperatives engaged in the business referred to in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act (Act No. 132 of 1947); and
  - (vi) insurance companies that are mutual companies (meaning a mutual company prescribed in Article 2, paragraph (5) of the Insurance Business Act (Act No. 105 of 1995)) and foreign insurance companies prescribed in paragraph (7) of that Article (limited to companies that are corporations other than stock companies or those with an address in a foreign country (excluding those that fall under Article 193, paragraph (1), item (i), (a) of the Act).

(Provision of Matters Using Information Communication Technology Related to Acceptance of a Proposal for Treatment as a General Customer by an Eligible Consignor)

Article 24 (1) When a commodity derivatives business operator seeks to provide the matters prescribed in Article 197-4, paragraph (4) of the Act pursuant to provisions of Article 197-4, paragraph (4) of the Act (including as applied mutatis mutandis pursuant to Article 197-5, paragraph (13) (including as applied mutatis mutandis pursuant to Article 197-6, paragraph (6) and Article 197-9, paragraph (2) of the Act), Article 197-6, paragraph (3), and Article 197-8, paragraph (2) of the Act, the business operator must, in advance and as specified by order of the competent ministry, indicate to the other party to whom the matters are to be provided the type and content of the means of using information communication technology prescribed in that paragraph to be used (referred to as "electronic or magnetic means" in the following paragraph), and obtain their consent in writing or by means of using an electronic data processing system, or means of using other information communication technology specified by order of the competent ministry (referred to as "in writing, etc." in the following paragraph).

(2) When a commodity derivatives business operator who has obtained the consent under the provisions of the preceding paragraph receives a request in writing, etc. from the other party that they will not accept provision of matters by electronic or magnetic means, the matters under the provisions of Article 197-4, paragraph (4) of the Act may not be provided by electronic or magnetic means; provided, however, that this does not apply if the other party has given consent under the provisions of the preceding paragraph at another time.

(Obtaining Consent Using Information Communication Technology for

(Acceptance of a Request for Reinstatement)

- Article 25 (1) When a commodity derivatives business operator seeks to obtain a consent by the means specified by order of the competent ministry (hereinafter referred to as "electronic or magnetic means" in this Article) prescribed in Article 197-4, paragraph (12) of the Act pursuant to provisions of Article 197-4, paragraph (12) (including as applied mutatis mutandis pursuant to Article 197-5, paragraph (3) (including as applied mutatis mutandis to paragraph (9) of that Article (including as applied mutatis mutandis pursuant to Article 197-6, paragraph (6)), Article 197-6, paragraph (6) and Article 197-9, paragraph (2) of the Act) and to Article 197-8, paragraph (2); hereinafter the same applies in this Article), the business operator must, in advance and as specified by order of the competent ministry, indicate to the other party from whom consent is sought the type and content of the electronic or magnetic means to be used, and obtain their consent in writing or by electronic or magnetic means.
- (2) When a commodity derivatives business operator who has obtained the consent under the provisions of the preceding paragraph receives a request in writing or by electronic or magnetic means from the other party that they will not give the consent by electronic or magnetic means, the business operator must not use electronic or magnetic means to obtain the consent under Article 197-4, paragraph (12) of the Act; provided, however, that this does not apply if the other party has given consent under the provisions of the preceding paragraph at another time.

(Amount of Registration Fees)

- Article 26 (1) The amount of the registration fee prescribed in Article 207, paragraph (1) of the Act (including as applied mutatis mutandis pursuant to Article 240-11 of the Act) is 1,000 yen.
- (2) In the case in which a person pays the registration fee referred to in the preceding paragraph to the national government, the person must pay the fee by attaching a revenue stamp for an amount equivalent to the registration fee to the written application for registration.

(Obtaining Consent Using Information Communication Technology Concerning Disposal of Goods Possessed by a Commodity Derivatives Business Operator)

- Article 27 (1) When seeking to obtain a consent using means specified by order of the competent ministry prescribed in Article 209, paragraph (2) of the Act pursuant to the provisions of that paragraph (hereinafter referred to as "electronic or magnetic means" in this Article), a commodity derivatives business operator must, in advance and as specified by order of the competent ministry, indicate to the other party from whom consent is sought the type and content of electronic or magnetic means to be used, and obtain their consent in

writing or by electronic or magnetic means.

- (2) When a commodity derivatives business operator who has obtained the consent under the provisions of the preceding paragraph receives a request in writing or by electronic or magnetic means from the other party that they will not give the consent by electronic or magnetic means, the business operator must not use electronic or magnetic means to obtain the consent under Article 209, paragraph (2) from the other party; provided, however, that this does not apply if the other party has given their consent under the provisions of the preceding paragraph at another time.

(Entities Excluded from Those Who Are to Give Notification of Net Asset Regulation Ratio)

Article 28 The entities specified by Cabinet Order as referred to in Article 211, paragraph (1) of the Act are as follows:

- (i) banks;
- (ii) The Shoko Chukin Bank, Ltd.;
- (iii) Development Bank of Japan Inc.;
- (iv) Shinkin Banks and the federation of Shinkin Banks;
- (v) credit cooperatives and the federation of cooperatives engaged in the business referred to in Article 9-9, paragraph (1), item (i) of the Small and Medium-Sized Enterprise Cooperatives Act;
- (vi) labor banks and the federation of labor banks;
- (vii) The Norinchukin Bank;
- (viii) agricultural cooperatives and the federation of agricultural cooperatives engaged in the business referred to in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act; and
- (ix) insurance companies and foreign insurance companies prescribed in Article 2, paragraph (7) of the Insurance Business Act.

(Important Matters that Impact Customers' Judgment)

Article 29 The matters specified by Cabinet Order as referred to in Article 213-2, paragraph (1), item (iii) of the Act are the following matters:

- (i) matters concerning fees, remunerations, and other considerations required to be paid by customers regarding a commodity transaction contract that are specified by order of the competent ministry;
- (ii) if there is clearing margin, etc. to be deposited by the customer regarding a commodity transaction contract (meaning the clearing margin, etc. prescribed in Article 217, paragraph (1), item (i) of the Act; hereinafter the same applies in this Article, the following Article, and Article 36), the amount or its calculation method;
- (iii) if there is a possibility that the amount of the transaction based on a

commodity transaction contract (for transactions set forth in Article 2, paragraph (3), item (iv) of the Act, the transactions set forth in sub-items (a) through (e) of that item which are closed by exercising the right under that item; for transactions set forth in paragraph (14), item (iv) of that Article, the transactions set forth in sub-items (a) through (d) of that item which are closed by exercising the right under that item; for transactions set forth in item (v) of that paragraph, the transactions resulting in delivery or receipt of money specified in that item which are closed by exercising the right under that item; the same applies in Article 36, item (iii) (meaning an amount obtained by multiplying the value of the transaction, or the contract price or agreed figure, by the number or volume of transactions; the same applies in that item) exceeds the amount of the clearing margin, etc. to be deposited by the customer for the transaction, the following matters:

- (a) the fact that there is a possibility that the amount of the transaction exceeds the amount of the clearing margin, etc.;
- (b) the ratio of the amount of the transaction to the amount of the clearing margin, etc. (if the ratio cannot be calculated, that fact and the reason therefor);
- (iv) the fact that there is a risk of the customer incurring a loss for the transaction based on a commodity transaction contract due to fluctuation in quotations on a commodity market or prices of other commodities or commodity index prices (referred to as "quotations on a commodity market, etc." in the following Article and Article 36, item (iv)) and a risk that the amount of the loss will exceed the amount of the clearing margin, etc., and the reason therefor; and
- (v) the matters specified by order of the competent minister as those equivalent to the matters set forth in the preceding items.

(Commodity Transaction Contracts Prohibiting Uninvited Solicitation)

Article 30 The contracts specified by Cabinet Order as referred to in Article 214, item (ix) of the Act are commodity transaction contracts concluded with a customer who is an individual ( hereinafter referred to as "individual customer" in this Article) as the other party, or contracts in which the acts set forth in Article 2, paragraph (22), items (i) through (iv) are to be performed for the individual customer (limited to those for which there is a risk of the individual customer to incur losses for transactions based on the commodity transaction contract due to fluctuations in quotations on a commodity market, etc., and there is a risk that the amount of the losses will exceed the amount of the clearing margin, etc.), and commodity transaction contracts concluded with individual customers as the other party or contracts in which the acts set forth in item (v) of that paragraph are to be performed for the individual customer.

(Provision or Notification of Matters Using Information Communication Technology for Documents, Prior to Conclusion of Commodity Transaction Contracts)

- Article 31 (1) If a commodity derivatives business operator seeks to provide or notify the matters prescribed in Article 217, paragraph (2) of the Act pursuant to the provisions of Article 217, paragraph (2) of the Act (including as applied mutatis mutandis pursuant to Article 220, paragraph (2) and Article 220-2, paragraph (2) of the Act; hereinafter the same applies in this Article), the business operator must, in advance and as specified by order of the competent ministry, indicate to the other party to whom the matters are to be provided or notified the type and content of the information communications technology prescribed in that paragraph to be used (hereinafter referred to as "electronic or magnetic means" in following paragraph) and obtain their consent in writing or by means of using an electronic data processing system or other means that use information communication technology specified by order of the competent ministry (referred to as "in writing, etc." in the following paragraph).
- (2) If a commodity derivatives business operator who has obtained the consent under the provisions of the preceding paragraph receives a request from the other party in writing, etc. that they will not accept the provision or notification of the matters by an electronic or magnetic means, the business provider must not provide or notify the matters prescribed in Article 217, paragraph (2) of the Act by an electronic or magnetic means; provided, however, that this does not apply when the other party has given their consent under the preceding Article at another time.

(Persons Who Are Not Required to Formulate a Solicitation Policy)

- Article 32 (1) The persons specified by Cabinet Order as provided for in the proviso to Article 9, paragraph (1) of the Act on Sales of Financial Instruments (Act No. 101 of 2000) as applied mutatis mutandis pursuant to Article 220-3 of the Act are corporations directly established pursuant to a law or corporations established by a special act of incorporation pursuant to a special law (excluding corporations which are not subject to application of the provisions of Article 4, paragraph (1), item (ix) of the Act for Establishment of the Ministry of Internal Affairs and Communications (Act No. 91 of 1999); the same applies in Article 39, paragraph (1)) that are wholly owned by the national government or a local government.
- (2) The means specified by Cabinet Order as prescribed in Article 9, paragraph (3) of the Act on Sales of Financial Instruments as applied mutatis mutandis pursuant to Article 220-3 of the Act is the means of posting the solicitation policy in a clearly visible manner or providing the solicitation policy for public

inspection at the head office or principal office of the commodity derivatives business operator (with regard to a corporation established in compliance with the laws and regulations of a foreign country or person who has an address in a foreign country, the principal business office or office in Japan; hereinafter referred to as "head office, etc."), and, in the cases set forth in the following items, the means specified in each of those items:

- (i) when the commodity derivatives business operator concludes commodity transaction contracts at branch offices or other business offices or offices other than the head office, etc. (for a corporation established in compliance with the laws and regulations of a foreign country or a person who has an address in a foreign country, secondary business offices or offices in Japan; hereinafter referred to as the "branch office, etc."): the means of posting the solicitation policy in a clearly visible manner or providing the solicitation policy for public inspection at each branch office, etc. where commodity transaction contracts are to be concluded; and
- (ii) when the commodity derivatives business operator concludes commodity transaction contracts through automatic transmissions by wireless communications or wire telecommunications intended for direct reception by the public, upon request from the public (hereinafter referred to as "automatic transmission" in this item and in Article 39, paragraph (2), item (ii)) (excluding the cases set forth in the preceding item): the means of making automatic transmission of the solicitation policy.

(Deemed Replacement of Terms of the Provisions of the Act on Sales of Financial Instruments as Applied Mutatis Mutandis to Conclusion of Commodity Transaction Contracts by Commodity Derivatives Business Operators)

Article 33 When the provisions of Article 9, paragraph (1) of the Act on Sales of Financial Instruments are applied mutatis mutandis to the conclusion of commodity transaction contracts by a commodity derivatives business operator pursuant to the provisions of Article 220-3, the phrase "case or case of a financial instruments provider, etc. taking only specified customers as customers" in Article 9, paragraph (1) is deemed to be replaced by "case."

(Assets Required to be Held in Japan)

Article 34 Among the assets of a commodity derivatives business operator prescribed in Article 234 of the Act, the portion specified by Cabinet Order is the amount of assets equivalent to the amount of liabilities calculated pursuant to the provisions of order of the competent ministry.

(Deemed Replacement of Terms of Provisions of the Act Applied Mutatis

Mutandis to Commodity Derivatives Intermediary Service Providers)  
Article 35 When the provisions of the Act are applied mutatis mutandis to commodity derivatives intermediary service providers pursuant to the provisions of Article 240-11 of the Act, the technical replacement of terms concerning these provisions is as in the following table.

Provisions of the Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Terms to be Replaced with
Article 200, paragraph (1), item (i)	the acts set forth in the items of Article 2, paragraph (22)	intermediary as defined in the items of Article 2, paragraph (22)
Article 200, paragraph (1), items (ii) through (v)	soliciting the consignment... or requests for acting as an intermediary, broker, or agent	soliciting the requests for acting as an intermediary... in entrusting a person with the transactions
Article 200, paragraph (1), item (vi)	soliciting offers... or soliciting requests for acting as an intermediary, broker, or agent	soliciting the requests for acting as an intermediary
Article 200, paragraph (3), item (i)	the trade name or name of the registration applicant and the name of their representative	the name or trade name (for a corporation, including the name of its representative)
Article 205, item (ii)	is dissolved or discontinues commodity derivatives business	has died, or is dissolved or discontinues the commodity derivatives intermediary service
Article 206, paragraph (1)	commodity derivatives business operators that belongs to the association	commodity derivatives intermediary service provider that has a member of the association (meaning a member prescribed in Article 244, paragraph (2); the same applies in paragraph (5)) as an entrusting commodity derivatives business operator (meaning an entrusting commodity business operator prescribed in Article 240-3, paragraph (1), item (iv); the same applies in paragraph (5))

Article 206, paragraph (5)	commodity derivatives business operator that belongs to the association	Commodity Derivatives Intermediary Service Providers that has a member of the association as an entrusting commodity derivatives business operator
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(Important Matters that Has an Impact on Customer Judgment)

Article 36 The matters specified by Cabinet Order as referred to in Article 240-13, paragraph (1), item (iii) of the Act is the following matters:

- (i) matters concerning fees, remuneration, and any other considerations required to be paid by the customer concerning a commodity transaction contract related to acts of commodity derivatives intermediary service (meaning acts of commodity derivatives intermediary service prescribed in Article 240-14 of the Act; the same applies hereinafter) that are specified by order of the competent ministry;
- (ii) when there is clearing margin, etc. required to be deposited by the customer concerning a commodity transaction contract related to acts of commodity derivatives intermediary service, the amount or its calculation method;
- (iii) when there is a possibility that the amount of a transaction based on a commodity transaction contract related to acts of commodity derivatives intermediary service will exceed the amount of the clearing margin, etc. required to be deposited by the customer for the transaction, the following matters:
  - (a) the fact that there is a possibility that the amount of the transaction will exceed the amount of the clearing margin, etc.;
  - (b) the ratio of the amount of the transaction to the amount of the clearing margin, etc. (if the ratio cannot be calculated, that fact and the reason therefor);
- (iv) if there is a risk that the customer will incur a loss for the transaction based on the commodity transaction contract related to acts of commodity derivatives intermediary service due to fluctuation of quotations on a commodity market, etc. and a risk that the amount of the loss will exceed the amount of the clearing margin, etc. the fact and the reason therefor;
- (v) the matters specified by order of the competent minister as those equivalent to the matters set forth in the preceding items.

(Scope of Entities with a Close Relationship with a Commodity Derivatives Intermediary Service Provider)

Article 37 The persons specified by Cabinet Order as referred to in Article 240-

- 15 of the Act are the following persons; provided, however, that this excludes entrusting commodity derivatives business operators of commodity derivatives intermediary service providers (meaning entrusting commodity derivatives business operators prescribed in Article 240-3, paragraph (1), item (iv) of the Act), banks, and other entities specified by order of the competent ministry:
- (i) relatives (limited to spouses and a relative by blood or affinity within the third degree of kinship) of a commodity derivatives intermediary service provider (limited to individuals);
  - (ii) officers or employees of a commodity derivatives intermediary service provider (excluding those set forth in the preceding item);
  - (iii) a corporation over which the commodity derivatives intermediary service provider has a controlling relationship (meaning a relationship in which voting rights are held exceeding 50 percent of the total shareholder voting rights of another corporation (including voting rights related to shares or equity interest that cannot be asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Act on Book-Entry Transfer of Corporate Bonds and Shares (including as applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1), and Article 276 (limited to the part related to item (ii) of that Act) or a relationship prescribed by order of the competent ministry as one that enables the service provider to substantially control the business activities of the other corporation; the same applies in the following item and Article 46, items (ii) and (iii));
  - (iv) a corporation that has a controlling relationship over the commodity derivatives intermediary service provider (limited to those that are corporations; the same applies in the following item);
  - (v) an individual that has voting rights exceeding 50 percent of the total shareholder voting rights of the commodity derivatives intermediary service provider (excluding those set forth in item (ii));
  - (vi) persons specified by order of the competent ministry as those equivalent to the persons set forth in the preceding items.

(Deemed Replacement of Terms of Provisions of the Act Applied Mutatis Mutandis to Commodity Derivatives Intermediary Service Providers)

Article 38 When the provisions of Article 215 of the Act are applied mutatis mutandis to commodity derivatives intermediary service providers pursuant to the provisions of Article 240-17 of the Act, in that Article, the term "commodity transaction contract" is deemed to be replaced with "commodity transaction contract related to acts of commodity futures transaction intermediation service", and the term "commodity derivatives business" is deemed to be replaced with "commodity derivatives intermediary service."

(Entities Not Required to Formulate a Solicitation Policy)

Article 39 (1) The entities specified by Cabinet Order as prescribed in the proviso to Article 9, paragraph (1) of the Act on Sales of Financial Instruments as applied mutatis mutandis pursuant to the provisions of Article 240-19 of the Act are corporations directly established pursuant to a law or corporations established by a special act of incorporation pursuant to a special law, which are wholly owned by the national government or by a local government.

(2) The method specified by Cabinet Order prescribed in Article 9, paragraph (3) of the Act on Sales of Financial Instruments as applied mutatis mutandis pursuant to the provisions of Article 240-19 of the Act is the method of posting the solicitation policy in a clearly visible manner or providing the solicitation policy for public inspection at the head office, etc. of the commodity derivatives intermediary service provider, and, in the cases that fall under those set forth in the following items, the method specified in each of those items:

- (i) when the commodity derivatives intermediary service provider performs acts of commodity derivatives intermediary at the branch offices, etc.: the method of posting the solicitation policy in a clearly visible manner or providing the solicitation policy for public inspection at each branch office, etc. where acts of commodity derivatives intermediary service are performed; and
- (ii) when the commodity derivatives intermediary service provider performs acts of commodity derivatives intermediary service by automatic transmission (excluding the cases that fall under those set forth in the preceding item): the method of automatic transmission of the solicitation policy.

(Deemed Replacement of Terms of Provisions of the Act on Sales of Financial Instruments Applied Mutatis Mutandis to Acts of Commodity Derivatives Intermediary Service Performed by Commodity Derivatives Intermediary Service Providers)

Article 40 When the provisions of Article 9, paragraph (1) of the Act on Sales of Financial Instruments are applied mutatis mutandis to acts of commodity derivatives intermediary service performed by commodity derivatives intermediary service providers pursuant to the provisions of Article 240-19 of the Act, the phrase "case or case of a financial instruments provider, etc. taking only specified customers as customers" in that paragraph is deemed to be replaced with "case."

(Persons Excluded from Being General Consignors)

Article 41 The persons specified by Cabinet Order as referred to in Article 269,

paragraph (1) of the Act are as follows:

- (i) a commodity derivatives business operator;
- (ii) a qualified institutional investor prescribed in Article 2, paragraph (3), item (i) of the Financial Instruments and Exchange Act;
- (iii) commodities investment advisor;
- (iv) the State;
- (v) Bank of Japan;
- (vi) consignor protection funds;
- (vii) a foreign government or an entity equivalent to a person set forth in the preceding three items under the laws and regulations of a foreign country;
- (viii) in addition to the persons set forth in the preceding items, a person designated by the competent minister.

(Notice to the Consignor Protection Fund)

Article 42 The cases specified by Cabinet Order as referred to in Article 303, paragraph (1), item (vi) of the Act are as follows:

- (i) when the member has failed to perform the following liability to a commodity exchange or a commodity clearing organization:
  - (a) monetary debts;
  - (b) delivery of commodities for settlement; and
- (ii) when the member has been rendered a disposition to suspend transactions given by a clearinghouse.

(Matters Subject to Public Notice Related to Payment by Consignor Protection Funds)

Article 43 The matters specified by Cabinet Order as referred to in Article 305, paragraph (1) of the Act are as follows:

- (i) the trade name or name of a commodity derivatives business operator who has received the certification referred to in Article 304 of the Act;
- (ii) the method of making a request referred to in Article 306, paragraph (1) of the Act;
- (iii) the period, the place, and the method of the payment of the amount referred to in Article 306, paragraph (1) of the Act;
- (iv) documents and other articles which a general consignor is required to submit or present to the consignor protection fund when making a request referred to in Article 306, paragraph (1); and
- (v) any other matters that the consignor protection fund finds necessary.

(Reasons for Changing the Period of Notification)

Article 44 The reasons specified by Cabinet Order as referred to in Article 305, paragraph (2) of the Act are as follows:

- (i) a public notice under the provisions of Article 197, paragraph (1) of the Bankruptcy Act (Act No. 75 of 2004) (including as applied mutatis mutandis pursuant to Article 209, paragraph (3) of that Act) has been given;
- (ii) a notice under the provisions of Article 305, paragraph (5) of the Act has been given;
- (iii) a decision of approval of a reorganization plan pursuant to the provisions of Article 199, paragraph (1) of the Corporate Reorganization Act (Act No. 154 of 2002) has been made; or
- (iv) a decision of approval of 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.

(Claims Whose Smooth Repayment is Found Difficult)

Article 45 The claims which a general consignor has against a certified commodity derivatives business operator (limited to those related to the consignor assets of the general consignor) and whose smooth repayment by the certified commodity derivatives business operator is found to be difficult by the consignor protection fund pursuant to the provisions of Cabinet Order as referred to in Article 306, paragraph (1) of the Act are the claims whose complete repayment is found impossible or to require a considerable number of days for repayment in light of the status of the property of the certified commodity derivatives business operator and the status of performance of the duty of preservation pursuant to the provisions of Article 210, item (i) of the Act.

(Persons Excluded from Payment by the Consignor Protection Fund)

Article 46 The persons specified by Cabinet Order as referred to in Article 306, paragraph (2) of the Act are as follows:

- (i) an officer of a certified commodity derivatives business operator (including a person who supervises the business of a business office or office in Japan, for a corporation established in compliance with the laws and regulations of a foreign country or a person who has an address in a foreign country);
- (ii) a corporation over which a certified commodity derivatives business operator has a controlling relationship;
- (iii) a corporation that has a controlling relationship over a commodity derivatives business operator;
- (iv) a general consignor who holds consignor assets under the name of another person (including a temporary establisher; hereinafter the same applies in this item) (limited to the case in which a person makes a payment of claims subject to compensation related to consignor assets which they hold under the name of the other person); and

(v) in addition to the persons set forth in the preceding items, a person designated by the competent minister.

(Maximum Amount of Payment by Consignor Protection Funds)

Article 47 The amount of money specified by Cabinet Order as referred to in Article 307, paragraph (3) of the Act is 10 million yen.

(Acquisition of Claims to Be Compensated)

Article 48 (1) If the amount of money required to be paid by the consignor protection fund pursuant to the provisions of Article 306, paragraph (1) and Article 307, paragraphs (1) and (3) of the Act is the same as the amount of the claims to be compensated related to the payment, the consignor protection fund is to acquire all of the claims to be compensated.

(2) If the amount of money required to be paid referred to in the preceding paragraph is less than the amount of the claims to be compensated related to the payment, the consignor protection fund is to acquire the part of the claims to be compensated designated by the consignor protection fund.

(Exemption from the Prohibition of Establishment of a Facility Similar to a Commodity Market)

Article 49 The requirements specified by Cabinet Order as referred to in Article 331, item (i) are as follows:

(i) the facility is one in which only persons who, in the course of trade, engage in the purchase and sale, etc. of goods or electric power subject to the commodities or commodity indices (meaning the commodities and the commodity indices prescribed in Article 331, item (i) of the Act) conduct transactions similar to futures transactions related to goods or electric power subject to the commodities or commodity indices; and

(ii) the facility is one in which persons who conduct transactions similar to futures transactions, conduct transactions similar to the futures transactions without receiving consignment.

(Permission for Establishment of a Facility Similar to Type 1 Specified Commodity Market)

Article 50 The requirements specified by Cabinet Order as referred to in Article 332, paragraph (1) are as follows:

(i) the facility is one in which only persons who, in the course of trade, engage in the purchase and sale, etc. of goods or electric power subject to commodities or commodity indices (meaning the commodities and the commodity indices prescribed in Article 332, paragraph (1) of the Act) or persons prescribed in the following Article conduct transactions similar to

futures transactions related to goods or electric power subject to the commodities or commodity indices by a method prescribed in item (i) of that paragraph (excluding the facility prescribed in item (i) of the preceding Article); and

- (ii) the facility is one in which persons who conduct transactions similar to futures transactions, conduct transactions similar to the futures transactions without receiving consignment.

(Persons Specified by Cabinet Order as Referred to in Article 332, Paragraph (1), Item (iii) of the Act)

Article 51 The persons specified by Cabinet Order as referred to in Article 332, paragraph (1), item (iii) and Article 342, paragraph (1), item (iii) of the Act are as follows:

- (i) banks;
- (ii) financial instruments business operators prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Law (limited to persons who conduct Type I Financial Instruments Business prescribed in Article 28, paragraph (1) of that Act);
- (iii) The Shoko Chukin Bank, Ltd.;
- (iv) Development Bank of Japan Inc.;
- (v) Shinkin Banks and the federation of Shinkin Banks;
- (vi) credit cooperatives and the federation of credit cooperatives that engage in the business referred to in Article 9-9, paragraph (1), item (i) of the Small and Medium-Sized Enterprise Cooperatives Act;
- (vii) labor banks and the federation of labor banks;
- (viii) The Norinchukin Bank;
- (ix) agricultural cooperatives and the federation of agricultural cooperatives that engage in the business referred to in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act; and
- (x) insurance companies and foreign insurance companies, etc. prescribed in Article 2, paragraph (7) of the Insurance Business Act.

(Permission for Establishment of a Facility Similar to a Type 2 Specified Commodity Market)

Article 52 The requirements specified by Cabinet Order as referred to in Article 342, paragraph (1) are as follows:

- (i) the facility is one in which only persons who, in the course of trade, engage in the purchase and sale, etc. of goods or electric power subject to commodities or commodity indices (meaning the commodities and the commodity indices prescribed in Article 342, paragraph (1) of the Act) or persons prescribed in the preceding Article conduct transactions similar to

futures transactions related to goods or electric power subject to the commodities or commodity indices by a method prescribed in item (i) of that paragraph; and

- (ii) the facility is one in which persons who conduct transactions similar to futures transactions, conduct transactions similar to the futures transactions without receiving consignment.

(Consultations)

Article 53 In taking the measures referred to in Article 349-2, paragraph (4) of the Act, the National Public Safety Commission, the Minister of Justice, the Minister of Foreign Affairs, the Minister of Agriculture, Forestry and Fisheries, and the Minister of Economy, Trade and Industry, are to hold consultations on the measures.

(Costs Paid to Witnesses)

Article 54 (1) Train fares, boat fares, vehicle fares, a daily allowance, or accommodation fees are paid to a witness or an expert pursuant to the Act concerning Travel Expenses of National Public Officers (Act No. 114 of 1950), pursuant to the provisions of Article 350 of the Act.

- (2) If special costs for expert testimony were required for an expert and the competent minister (when the Director of a Regional Agricultural Administration Office or the Director-General of a Bureau of Economy, Trade and Industry has exercised the authority of the competent minister pursuant to the provisions of Article 158, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 237 and Article 240-25 of the Act, pursuant to the provisions of Article 57, paragraph (1), the Director of the Regional Agricultural Administration Office or the Director-General of the Bureau of Economy, Trade and Industry) finds it necessary, a reasonable amount of fee for expert testimony may be paid to the expert in addition to the expenses paid pursuant to the provisions of the preceding paragraph.

(Technical Replacement of Terms in Applying the Provisions of the Act to Foreign Corporations)

Article 55 The technical replacement of terms concerning the application of the provisions of the Act to a commodity derivatives business operator that is a corporation established in compliance with the laws and regulations of a foreign country or that has an address in a foreign country, is as in the following table.

Provisions of the Act whose Terms are to be Replaced	Terms Deemed to be Replaced	Terms to be Replaced with
Article 192, paragraph (1), item (iii)	head office, branch offices	head office and principal business offices or offices in Japan
Article 192, paragraph (1), item (iv) and Article 236, paragraph (2)	officers	officers and persons who supervise the business of business offices or offices in Japan
Article 193, paragraph (1), item (ii)	the license applicant	he license applicant and their business offices or offices in Japan
Article 193, paragraph (1), item (iii)	the license applicant	the license applicant and their business offices or offices in Japan in light of their personnel structure
Article 195, paragraph (1), item (iv)	files a petition to commence bankruptcy proceedings, rehabilitation proceedings, or reorganization proceedings	files a petition to commence bankruptcy proceedings, rehabilitation proceedings, or reorganization proceedings, or files a petition for approval of foreign insolvency proceedings
Article 197, paragraph (1), item (iv)	is dissolved	is dissolved (including when the business operator commences liquidation of business offices or offices in Japan)
	the liquidator	the liquidator or a person equivalent to a liquidator in the country where the head office or principal office is located
Article 197, paragraph (3)	all of their business offices or offices	all of their business offices or offices in Japan
Article 198, paragraph (1)	business offices or offices	business offices or offices in Japan
Article 200, paragraph (3), item (i)	representative	person supervising business in the business offices or offices in Japan

Article 201, paragraph (3)	all of their business offices or offices	all of their business offices or offices in Japan
Article 303, paragraph (1), item (iii)	when they file a petition to commence bankruptcy proceedings, rehabilitation proceedings, or reorganization proceedings	when they file a petition to commence bankruptcy proceedings, rehabilitation proceedings, reorganization proceedings, or special liquidation, or file a petition for approval of foreign insolvency proceedings

(Designation of Commodities Related to the Ministry of Agriculture, Forestry and Fisheries)

Article 56 The commodities specified by a Cabinet Order as referred to in Article 354, paragraph (1), item (i) of the Act are as follows:

- (i) agricultural products, forest products, livestock products, fishery products, and goods manufactured or processed by using these products as ingredients which are edible or potable;
- (ii) goods set forth in Article 1, paragraph (1), items (i) through (v), item (ix), item (x), and item (xiv).

(Delegation of Authority)

Article 57 (1) The authority of the competent minister under the provisions of Article 157, paragraphs (1) and (2), the proviso to Article 214-3, paragraph (3) and paragraph (5), Article 231, paragraphs (1) through (3), Article 232, paragraphs (1) and (2), Article 235, paragraphs (1) and (2), and Article 158, paragraph (2) as applied mutatis mutandis pursuant to Article 237 and Article 240-25, the proviso to Article 240-3, paragraph (3) and paragraph (5) as applied mutatis mutandis pursuant to Article 240-17 and Article 349, paragraph (3), Article 240-22, paragraphs (1) and (2), and Article 349, paragraphs (5) and (7) of the Act (excluding the authority for on-site inspections of the Minister of Agriculture, Forestry and Fisheries under the provisions of Article 157, paragraphs (1) and (2), Article 231, paragraphs (1) and (3), Article 240-22, paragraph (1), and Article 349, paragraph (5) of the Act), which is set forth in the following items is to be exercised by the persons prescribed in each of those items; provided, however, that this does not preclude the competent minister from personally exercising the authority:

- (i) the authority of the Minister of Agriculture, Forestry and Fisheries concerning a commodity exchange which has established only commodity

- markets related to the Ministry of Agriculture, Forestry and Fisheries or its members, etc.: the Director of a Regional Agricultural Administration Office who has jurisdiction over the locality of the principal office or the head office of the commodity exchange;
- (ii) the authority of the Minister of Economy, Trade and Industry concerning a commodity exchange which has established only commodity markets related to the Ministry of Economy, Trade and Industry or its members, etc.: the Director-General of a Bureau of Economy, Trade and Industry who has jurisdiction over the locality of the principal office or the head office of the commodity exchange;
- (iii) the authority of the Minister of Agriculture, Forestry and Fisheries and the Minister of Economy, Trade and Industry concerning a commodity exchange other than those prescribed in the preceding two items or its members, etc.: the Director of a Regional Agricultural Administration Office and the Director-General of a Bureau of Economy, Trade and Industry who has jurisdiction over the locality of the principal office or the head office of the commodity exchange;
- (iv) the authority of the Minister of Agriculture, Forestry and Fisheries and the Minister of Economy, Trade and Industry concerning commodity derivatives business operators: the Director of a Regional Agricultural Administration Office and the Director-General of a Bureau of Economy, Trade and Industry who has jurisdiction over the locality of the head office, etc. of the commodity derivatives business operator;
- (v) the authority of the Minister of Agriculture, Forestry and Fisheries and the Minister of Economy, Trade and Industry concerning commodity derivatives intermediary service providers: the Director of a Regional Agricultural Administration Office or the Director-General of a Bureau of Economy, Trade and Industry who has jurisdiction over the locality of the head office, etc. of the commodity derivatives intermediary service provider;
- (vi) the authority of the Minister of Agriculture, Forestry and Fisheries concerning specified over-the-counter commodity derivatives business operators related to specified over-the-counter commodity derivatives transactions whose underlying goods are only commodities related to the Ministry of Agriculture, Forestry and Fisheries: the Director of a Regional Agricultural Administration Office who has jurisdiction over the locality of the head office, etc. of those specified over-the-counter commodity derivatives business operator;
- (vii) the authority of the Minister of Economy, Trade and Industry concerning specified over-the-counter commodity derivatives business operators related to specified over-the-counter commodity derivatives transactions whose underlying goods only commodities related to the Ministry of Economy, Trade

and Industry: the Director-General of a Bureau of Economy, Trade and Industry who has jurisdiction over the locality of the head office, etc. of the specified over-the-counter commodity derivatives business operators; and (viii) the authority of the Minister of Agriculture, Forestry and Fisheries or the Minister of Economy, Trade and Industry concerning specified over-the-counter commodity derivatives business operators other than those prescribed in the preceding two items: The Director of a Regional Agricultural Administration Office or the Director of a Bureau of Economy, Trade and Industry who has jurisdiction over the location of the head office, etc. of such specified over-the-counter commodity derivatives business operator.

- (2) The authority under the provisions of Article 231, paragraphs (1) through (3) of the Act (excluding the authority for on-site inspections of the Minister of Agriculture, Forestry and Fisheries under the provisions of paragraphs (1) and (3) of that Article) concerning branch offices, etc. of commodity derivatives business operators may be exercised by the Director of a Regional Agricultural Administration Office or the Director-General of a Bureau of Economy, Trade and Industry who has jurisdiction over the locality of the branch offices, etc., in addition to the Director of a Regional Agricultural Administration Office and the Director-General of a Bureau of Economy, Trade and Industry prescribed in item (iv) of the preceding paragraph.
- (3) The Director of a Regional Agricultural Administration Office or the Director-General of a Bureau of Economy, Trade and Industry who has issued an order to submit a report or materials under the provisions of Article 231, paragraph (1) of the Act (hereinafter referred to as an "order" in this paragraph) to branch offices, etc. of a commodity derivatives business operator pursuant to the provisions of the preceding paragraph may issue an order to branch offices, etc. other than the head office, etc. or the branch offices, etc. of the commodity derivatives business operator, if the Director or the Director-General finds this necessary.
- (4) The Director-General of a Bureau of Economy, Trade and Industry who has conducted an on-site inspection under Article 231, paragraph (1) of the Act (hereinafter referred to as an "on-site inspection") in this paragraph) for branch offices, etc. of a commodity derivatives business operator pursuant to the provisions of paragraph (2) may conduct an on-site inspection for branch offices, etc. other than the head office, etc. or the branch offices, etc. of the commodity derivatives business operator, if the Director-General finds this necessary.
- (5) The authority under the provisions of Article 240-22, paragraphs (1) and (2) of the Act (excluding the authority for on-site inspections of the Minister of Agriculture, Forestry and Fisheries under the provisions of paragraph (1) of

that Article) concerning branch offices, etc. of a commodity derivatives intermediary service provider may be exercised by the Director of a Regional Agricultural Administration Office and the Director-General of a Bureau of Economy, Trade and Industry who has jurisdiction over the locality of the branch offices, etc., in addition to the Director of a Regional Agricultural Administration Office and the Director-General of a Bureau of Economy, Trade and Industry prescribed in paragraph (1), item (v).

- (6) The Director of a Regional Agricultural Administration Office or the Director-General of a Bureau of Economy, Trade and Industry who has issued an order to submit a report or materials under Article 240-22, paragraph (1) of the Act (hereinafter referred to as an "order" in this paragraph) to branch offices, etc. of a commodity derivatives intermediary service provider pursuant to the provisions of the preceding paragraph may issue an order to branch offices, etc. other than the head office, etc. or the branch offices, etc. of the commodity derivatives intermediary service provider, if the Director or the Director-General finds this necessary.
- (7) The Director-General of a Bureau of Economy, Trade and Industry who has conducted an on-site inspection under the provisions of Article 240-22, paragraph (1) of the Act (hereinafter referred to as an "on-site inspection" in this paragraph) for branch offices, etc. of a commodity derivatives intermediary service provider pursuant to the provisions of paragraph (5) may conduct an on-site inspection for branch offices, etc. other than the head office etc. or the branch offices, etc. of the commodity derivatives intermediary service provider, if the Director-General finds this necessary.
- (8) With regard to the authority to issue an order to submit a report or materials under the provisions of Article 349, paragraph (5) of the Act (referred to as an "order" in the following paragraph) related to branch offices, etc. of specified over-the-counter commodity derivatives business operators prescribed in paragraph (1), item (vi), the Director of the Regional Agricultural Administration Office who has jurisdiction over the locality of the branch offices, etc. may also exercise the authority, in addition to the Director of a Regional Agricultural Administration Office prescribed in that item.
- (9) The Director of a Regional Agricultural Administration Office who has issued an order to branch offices, etc. of a specified over-the-counter commodity derivatives business operator prescribed in paragraph (1), item (vi) pursuant to the provisions of the preceding paragraph may issue an order to branch offices, etc. other than the head office, etc. or branch offices, etc., if the Director finds this necessary.
- (10) With regard to the authority under the provisions of Article 349, paragraph (5) of the Act over branch offices, etc. of a specified over-the-counter commodity derivatives business operator prescribed in paragraph (1), item (vii), the

Director-General of a Bureau of Economy, Trade and Industry who has jurisdiction over the locality of the branch offices, etc. may exercise the authority, in addition to the Director-General of a Bureau of Economy, Trade and Industry prescribed in that item.

- (11) The Director-General of a Bureau of Economy, Trade and Industry who has issued an order to submit a report or materials or has conducted an on-site inspection under the provisions of Article 349, paragraph (5) of the Act (hereinafter referred to as an "inspection, etc." in this paragraph) for branch offices, etc. of a specified over-the-counter commodity derivatives business operator prescribed in paragraph (1), item (vii) pursuant to the provisions of the preceding paragraph may conduct an inspection, etc. for branch offices, etc., other than the head office, etc., or branch offices, etc. of the specified over-the-counter commodity derivatives business operator, if the Director-General find this necessary.
- (12) With regard to the authority under the provisions of Article 349, paragraph (5) of the Act (excluding the authority for on-site inspections by the Minister of Agriculture, Forestry and Fisheries pursuant to the provisions of that paragraph) over branch offices, etc., of specified over-the-counter commodity derivatives business operators prescribed in paragraph (1), item (viii), the Director of the Regional Agricultural Administration Office and the Director-General of a Bureau of Economy, Trade and Industry that has jurisdiction over the locality of the branches, etc. may exercise that authority, in addition to the Director of the Regional Agricultural Administration Office and the Director-General of a Bureau of Economy, Trade and Industry prescribed in that item.
- (13) The Director of a Regional Agricultural Administration Office or the Director-General of a Bureau of Economy, Trade and Industry who has issued an order to submit a report or materials under the provisions of Article 349, paragraph (5) of the Act (hereinafter referred to as an "order" in this paragraph) to branch offices, etc. of a specified over-the-counter commodity derivatives business operators prescribed in paragraph (1), item (viii) pursuant to the provisions of the preceding paragraph may issue an order to branch offices, etc. other than the head office, etc. or branch offices, etc., if the Director or the Director-General finds this necessary.
- (14) The Director-General of a Bureau of Economy, Trade and Industry who has conducted an on-site inspection under the provisions of Article 349, paragraph (5) of the Act (hereinafter referred to as an "on-site inspection" in this paragraph) for branch offices, etc. of a specified over-the-counter commodity derivatives business operators prescribed in paragraph (1), item (viii) pursuant to the provisions of paragraph (12) may conduct an on-site inspection for branch offices, etc. other than the head office, etc. or branch offices, etc., if the Director-General finds this necessary.

### **Supplementary Provisions**

This Cabinet Order comes into effect as of the day of promulgation.

### **Supplementary Provisions [Cabinet Order No. 299 of September 30, 1950]**

- (1) This Cabinet Order comes into effect as of the day of promulgation.
- (2) The Exchange Act (Imperial Ordinance No. 353 of 1922) is repealed.

### **Supplementary Provisions [Cabinet Order No. 37 of March 3, 1951]**

This Cabinet Order comes into effect as of the day of promulgation.

### **Supplementary Provisions [Cabinet Order No. 132 of May 4, 1951]**

This Cabinet Order comes into effect as of the day of promulgation.

### **Supplementary Provisions [Cabinet Order No. 304 of September 21, 1951]**

This Cabinet Order comes into effect as of the day of promulgation.

### **Supplementary Provisions [Cabinet Order No. 201 of June 23, 1952]**

This Cabinet Order comes into effect as of the day of promulgation.

### **Supplementary Provisions [Cabinet Order No. 293 of September 21, 1953]**

This Cabinet Order comes into effect as of the day of promulgation.

### **Supplementary Provisions [Cabinet Order No. 117 of May 31, 1954]**

- (1) This Cabinet Order comes into effect as of June 1, 1954.
- (2) The securities that have already been designated by an exchange at the time of the enforcement of the Act for Partial Revision of the Commodity Exchange Act (Act No. 92 of 1954) pursuant to the provisions of Article 38, paragraph (3) of the Act prior to the amendment is deemed to have been designated pursuant to the provisions of the proviso to Article 3-2 of the Order for Enforcement of the Commodity Exchange Act after the amendment.

### **Supplementary Provisions [Cabinet Order No. 399 of October 1, 1962]**

This Cabinet Order comes into effect as of the day of promulgation.

**Supplementary Provisions [Cabinet Order No. 356 of October 25, 1963]**

This Cabinet Order comes into effect as of January 1, 1964.

**Supplementary Provisions [Cabinet Order No. 4 of January 22, 1968  
Extract] [Extract]**

- (1) This Cabinet Order comes into effect as of the day on which the Act for Partial Revision of the Commodity Exchange Act (hereinafter referred to as the "Amendment Act" comes into effect (January 27, 1968; hereinafter referred to as the "date of enforcement").

**Supplementary Provisions [Cabinet Order No. 112 of April 1, 1971]**

This Cabinet Order comes into force as of the day of promulgation.

**Supplementary Provisions [Cabinet Order No. 302 of August 1, 1972]**

This Cabinet Order comes into force as of October 1, 1972.

**Supplementary Provisions [Cabinet Order No. 363 of December 23, 1975]**

(Effective Date)

- (1) This Cabinet Order comes into force as of the day on which the Act for Partial Revision of the Commodity Exchange Act comes into effect (January 14, 1976).

(Transitional Measures)

- (2) With regard to a futures commission merchant who has already obtained a license under Article 41, paragraph (1) of the Commodity Exchange Act (hereinafter referred to as the "Act") at the time of the enforcement of this Cabinet Order, if the amount prescribed in Article 5 of the Order for Enforcement of the Commodity Exchange Act after the amendment (hereinafter referred to as the "new Order") exceeds the amount prescribed in Article 5 of the Order for Enforcement of the Commodity Exchange Act prior to the amendment (hereinafter referred to as the "former Order"), the base amount for the futures commission merchant prescribed in Article 49, paragraph (1) of the Act is the amount prescribed in Article 5 of the former Order, for one year from the day on which this Cabinet Order comes into effect

(hereinafter referred to as the "date of enforcement"), notwithstanding the provisions of Article 5 of the new Order.

- (3) With regard to a business office that is already a business office related to a license under Article 41, paragraph (1) or Article 46, paragraph (1) of the Act at the time of the enforcement of this Cabinet Order, if the amount calculated pursuant to the provisions of Article 97-2, paragraph (2), item (i) of the Act based on the amount prescribed in the Article 7 of the new Order exceeds the amount calculated pursuant to the provisions of Article 97-2, paragraph (2), item (i) of the Act based on the amount prescribed in Article 7 of the former Order, the amount prescribed in Article 97-2, paragraph (2), item (i) is calculated based on the amount prescribed in the Article 7 of the former Order with regard to the business office, for one year from the effective date.

**Supplementary Provisions [Cabinet Order No. 282 of July 5, 1978 Extract]  
[Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into force as of the day of promulgation.

**Supplementary Provisions [Cabinet Order No. 282 of September 16, 1981]**

(Effective Date)

- (1) This Cabinet Order comes into effect as of September 24, 1981.

(Transitional Measures)

- (2) If a transaction, in which the parties to the purchase and sale are bound to transfer between them the gold subject to the purchase and sale and its consideration at a certain time in the future and resale or repurchase of the gold may be settled by exchanging the difference, has been conducted prior to the enforcement of this Cabinet Order (hereinafter referred to as a "transaction prior to enforcement" in this paragraph), and the transfer between the gold subject to the transaction prior to enforcement and its consideration or the transfer between the resale or repurchase of the gold and the difference arising from the resale or repurchase at the same facility as the facility in which the transaction prior to enforcement was conducted (hereinafter referred to as "completion of transaction") is to be conducted after the enforcement of this Cabinet Order between the persons who are required to conduct the completion of transaction, the provisions of Article 8 of the Commodity Exchange Act neither apply to the completion of transaction nor the establishment of the facility in which the completion of transaction is to be conducted.

**Supplementary Provisions [Cabinet Order No. 23 of February 23, 1982]**

This Cabinet Order comes into effect as of the day of promulgation.

**Supplementary Provisions [Cabinet Order No. 214 of October 7, 1983]**

(Effective Date)

- (1) This Cabinet Order comes into effect as of October 17, 1983.

(Transitional Measures)

- (2) If a transaction, in which the parties to the purchase and sale are bound to transfer between them the silver or platinum subject to the purchase and sale and its consideration at a certain time in the future and resale or repurchase of the silver or platinum may be settled by exchanging the difference, has been conducted prior to the enforcement of this Cabinet Order (hereinafter referred to as a "transaction prior to enforcement" in this paragraph), and the transfer between the silver or platinum subject to the transaction prior to enforcement and its consideration or the transfer between the resale or repurchase of the silver or platinum and the difference arising from the resale or repurchase at the same facility as the facility in which the transaction prior to enforcement was conducted (hereinafter referred to as the "completion of transaction") is to be conducted after the enforcement of this Cabinet Order between the persons who are required to conduct the completion of transaction, the provisions of Article 8 of the Commodity Exchange Act (hereinafter referred to as the "Act") neither apply to the completion of transaction nor the establishment of the facility in which the completion of transaction is to be conducted.
- (3) A futures commission merchant who has already obtained a license under Article 41, paragraph (1) of the Act for the gold to be listed on a commodity market established by the Tokyo Gold Exchange (hereinafter referred to a "license for gold") at the time of the enforcement of this Cabinet Order is deemed to have obtained a license under Article 41, paragraph (1) of the Act for precious metals (limited to gold) to be listed on a commodity market established by the Tokyo Gold Exchange, during the period from the day on which the Tokyo Gold Exchange received the authorization of the competent minister under the provisions of Article 20, paragraph (1) of the Act with regard to a change to its articles of incorporation for listing precious metals until the day preceding the day on which the purchase and sale transactions of silver or platinum commenced on the Tokyo Gold Exchange (hereinafter referred to as the "commencement date of purchase and sale transactions") (if the merchant has received a license under Article 41, paragraph (1) of the Act for precious metals to be listed on a commodity market established by the

Tokyo Gold Exchange prior to that day, the day preceding the day on which they received the license).

- (4) The base amount under Article 49, paragraph (1) of the Act related to a futures commission merchant who has already received a "license for gold" at the time of the enforcement of this Cabinet Order is the amount set forth in the row for the Tokyo Gold Exchange in the Appended Table 2 of the Order for Enforcement of the Commodity Exchange Act prior to the amendment (hereinafter referred to as the "former Order") until the day preceding the commencement date of purchase and sale transactions (if this date is prior to the date on which three months have elapsed from the day of the enforcement of this Cabinet Order (hereinafter referred to as the "elapsed date"), the elapsed date), notwithstanding the provisions of Article 5 of the Order for Enforcement of the Commodity Exchange Act after the amendment (hereinafter referred to as the "new Order").
- (5) The amount specified by Cabinet Order as referred to in Article 97-2, paragraph (2), item (i) of the Act related to each futures commission merchant who has already received a "license for gold" at the time of the enforcement of this Cabinet Order is the amount set forth in the row for gold in the Appended Table 3 of the former Order, until the day preceding the day on which each futures commission merchant starts accepting entrusted operations for silver or platinum (if that date is after the commencement date of purchase and sale transactions, the commencement date of purchase and sale transactions), notwithstanding the provisions of Article 7 of the new Order.

**Supplementary Provisions [Cabinet Order No. 110 of April 20, 1984]**

This Cabinet Order comes into effect as of the day of promulgation.

**Supplementary Provisions [Cabinet Order No. 282 of September 21, 1984]**

This Cabinet Order comes into effect as of October 1, 1984.

**Supplementary Provisions [Cabinet Order No. 311 of October 26, 1984]**

This Cabinet Order comes into force as of November 1, 1984.

**Supplementary Provisions [Cabinet Order No. 315 of December 17, 1985]**

(Effective Date)

- (1) This Cabinet Order comes into effect as of January 1, 1986.

(Transitional Measures)

(2) With regard to a futures commission merchant who has already received a license under Article 41, paragraph (1) of the Commodity Exchange Act at the time of the enforcement of this Cabinet Order, if the amount prescribed in Article 5 of the Order for Enforcement of the Commodity Exchange Act after the amendment (if the person has received a license under that paragraph for listed commodities on two or more commodity markets, the sum of the amounts prescribed in that Article for those listed commodities on the commodity markets) exceeds the amount prescribed in Article 5 of the Order for Enforcement of the Commodity Exchange Act prior to the amendment (if the person has received a license under that paragraph for listed commodities on two or more commodity markets, the sum of the amounts prescribed in that Article for those listed commodities on the commodity markets), the base amount prescribed in Article 49, paragraph (1) of that Act for the futures commission merchant is the amount prescribed in Article 5 of the Order for Enforcement of the Commodity Exchange Act prior to the amendment, for one year from the date of the enforcement of this Cabinet Order, notwithstanding the provisions of Article 5 of the Order for Enforcement of the Commodity Exchange Act after the amendment.

**Supplementary Provisions [Cabinet Order No. 354 of December 14, 1990  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Act for Partial Revision of the Commodity Exchange Act (Act No. 52 of 1990; hereinafter referred to as the "Amendment Act") comes into effect (December 29, 1990).

(Transitional Measures for the Amount of Minimum Capital of a License for the First Class Business of Accepting Consignment of Commodity Transactions)

Article 2 If a person who is deemed to have received a license under Article 41, paragraph (1) of the Commodity Exchange Act after the amendment (hereinafter referred to as the "new Act") pursuant to the provisions of Article 3, paragraph (1) of the Supplementary Provisions of the Amendment Act, seeks to obtain a license under paragraph (1) of that Article, the renewal of a license under paragraph (4) of that Article, or a license under Article 46, paragraph (1) of the new Act concerning a person set forth in Article 41, paragraph (2), item (i) of the new Act, the amount specified by Cabinet Order as referred to in Article 44, paragraph (1), item (i)-2 of the new Act (including as applied

mutatis mutandis pursuant to Article 46, paragraph (3), item (i) of the new Act) is 300 million yen, until the day preceding the day on which four years have elapsed from the day of the enforcement of this Cabinet Order, notwithstanding the provisions of Article 5 of the Order for Enforcement of the Commodity Exchange Act after the amendment.

**Supplementary Provisions [Cabinet Order No. 303 of September 19, 1994  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the date on which the Administrative Procedures Act comes into effect (October 1, 1994).

**Supplementary Provisions [Cabinet Order No. 78 of March 23, 1995]**

This Cabinet Order comes into effect as of the day of promulgation.

**Supplementary Provisions [Cabinet Order No. 294 of September 26, 1996]**

This Cabinet Order comes into force as of the day of promulgation.

**Supplementary Provisions [Cabinet Order No. 305 of September 29, 1997]**

(Effective Date)

(1) This Cabinet Order comes into effect as of the day of promulgation.

(Transitional Measures for Penal Provisions)

(2) Penal provisions in force prior to the enforcement of this Cabinet Order continue to apply to acts committed prior to the enforcement of this Cabinet Order.

**Supplementary Provisions [Cabinet Order No. 369 of November 20, 1998  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of December 1, 1998.

(Transitional Measures for the Application of Penal Provisions)

Article 30 Penal provisions in force prior to the enforcement of this Cabinet Order continue to apply to acts committed prior to the enforcement of this Cabinet Order.

**Supplementary Provisions [Cabinet Order No. 80 of March 26, 1999]  
[Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Act for Partial Revision of the Commodity Exchange Act (hereinafter referred to as the "Amendment Act") comes into effect (April 1, 1999).

(Transitional Measures for Registration of the Futures Commission Merchant Association)

Article 2 (1) If the futures commission merchant association prescribed in Article 54-3, paragraph (1) of the Commodity Exchange Act prior to the amendment by the Amendment Act has already been established at the time of the promulgation of the Amendment Act, when the futures commission merchant association has obtained authorization to change its articles of incorporation to become a commodity futures association under the provisions of the Commodity Exchange Act amended by the Amendment Act pursuant to the provisions of Article 8, paragraph (1) of the Supplementary Provisions of the Amendment Act, registration of dissolution must be made for the futures commission merchant association and registration prescribed in Article 3 of the Association Registration Order (Cabinet Order No. 29 of 1964) must be made for the commodity futures association, within two weeks from the day on which the authorization for changing its articles of incorporation prescribed in Article 8, paragraph (4) of the Supplementary Provisions of the Amendment Act becomes effective at the locality of its principal office and within three weeks from that day at the locality of its secondary offices.

(2) A written application for registration to be made for a commodity futures association pursuant to the provisions of the preceding paragraph must be attached with the articles of incorporation, a document proving the qualification of the person who has the right to represent, and documents proving the matters set forth in the column of the registered matters in the row for commodity futures associations of the Appended Table 1 of the Association Registration Order after the amendment by the provisions of the following Article.

(3) A registrar must make the register page inactive when dissolution has been registered pursuant to the provisions of paragraph (1).

(4) The provisions of Article 19, Article 55, paragraph (1), Article 71, and Article 73 of the Commercial Registration Act (Act No. 125 of 1963) apply mutatis mutandis to the registration under paragraph (1). In such a case, the phrase "to the effect that the organization has been changed" in Article 71 of that Act

is deemed to be replaced with "to the effect that it has become a commodity futures association under the Commodity Exchange Act (Act No. 239 of 1950) amended by the Act for Partial Revision of the Commodity Exchange Act (Act No. 42 of 1998) pursuant to the provisions of Article 8, paragraphs (1) and (4) of the Supplementary Provisions of that Act."

**Supplementary Provisions [Cabinet Order No. 311 of June 7, 2000  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Act for Partial Revision of the Cabinet Act (Act No. 88 of 1999) comes into effect (January 6, 2001).

**Supplementary Provisions [Cabinet Order No. 482 of November 17, 2000  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Act for Partial Revision of the Act on Securitization of Specified Assets by Special Purpose Companies (hereinafter referred to as the "Amendment Act") comes into effect (November 30, 2000; hereinafter referred to as the "date of enforcement").

**Supplementary Provisions [Cabinet Order No. 57 of March 24, 2004  
Extract] [Extract]**

This Cabinet Order comes into effect as of March 31, 2004.

**Supplementary Provisions [Cabinet Order No. 259 of August 27, 2004  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Act for Partial Revision of the Commodity Exchange Act (hereinafter referred to as the "Amendment Act") comes into effect (May 1, 2005; hereinafter referred to as the "date of enforcement"); provided, however, that the provisions set forth in the following Article through Article 4 of the Supplementary Provisions come into force as of the day of promulgation.

(Transitional Measures for License for the Business of Assuming Commodity

Transaction Debts)

Article 2 (1) A stock company that seeks to obtain a license under Article 167 of the Commodity Exchange Act amended by the Amendment Act (hereinafter referred to as the "new Act") may file an application for the license even prior to the date of enforcement pursuant to the provisions of Article 168 of the new Act.

(2) If an application for a license under the provisions of the preceding paragraph has been filed, the competent minister may grant the license pursuant to the provisions of Articles 167 through 169 of the new Act even prior to the date of enforcement. In such a case, the stock company which has obtained the license is deemed to have obtained the license under Article 167 of the new Act on the date of enforcement.

(Transitional Measures for Registration of Consignor Protection Membership Corporations)

Article 3 (1) If a consignor protection membership corporation (meaning a consignor protection membership corporation prescribed in Article 269, paragraph (4) of the new Act; the same applies hereinafter) is sought to be established prior to the date of enforcement pursuant to the provisions of Article 18, paragraph (1) of the Supplementary Provisions of the Amendment Act, the registration of establishment is to be made by a person who is to be the president of the consignor protection membership corporation pursuant to the provisions of the Association Registration Order (Cabinet Order No. 29 of 1964) after the amendment by the provisions of Article 7 of the Supplementary Provisions.

(2) The management, and the dissolution and liquidation prior to the date of enforcement of a consignor protection membership corporation established pursuant to the provisions of Article 18, paragraph (1) of the Supplementary Provisions of the Amendment Act, are to be pursuant to the provisions of Chapter VI, Section 2 of the new Act.

(Due Date for Application for Succession of Businesses to the Consignor Protection Fund)

Article 4 The day specified by Cabinet Order as referred to in Article 19, paragraph (1) of the Supplementary Provisions of the Amendment Act is April 30, 2006.

(Commission of Registration of Dissolution of the Association of Compensation Funds for Consigned Liabilities in Commodity Futures, Inc.)

Article 5 (1) If the Association of Compensation Funds for Consigned Liabilities in Commodity Futures, Inc. (referred to as the "Association of Compensation

Funds" in the following Article) has dissolved pursuant to the provisions of Article 19, paragraph (5) of the Supplementary Provisions of the Amendment Act, the competent minister must commission the registration of dissolution to a registry office, without delay.

- (2) A registrar must close the registration record when they have registered the dissolution related to the commission under the preceding paragraph.

(Special Provisions for Taxation)

Article 5-2 (1) If a consignor protection membership corporation as a consignor protection fund (meaning a consignor protection fund prescribed in Article 296 of the new Act) has succeeded to the assets and liabilities held by the Association of Compensation Funds pursuant to the provisions of Article 19, paragraph (5) of the Supplementary Provisions of the Amendment Act (the consignor protection membership corporation is simply referred to as a "consignor protection fund" in the following paragraph), the amount obtained by deducting the value of the liabilities at the time of the succession from the value of the assets at the time of the succession is to be the capital surplus prescribed in Article 2, item (xvii) of the Corporation Tax Act (Act No. 34 of 1965).

- (2) In the case referred to in the preceding paragraph, with regard to securities prescribed in Article 2, item (xxi) of the Corporation Tax Act among the assets to which the consignor protection fund succeeds, the value of the securities which were under the accounting of the Association of Compensation Funds on the day preceding the day of the succession is deemed to be the value at the time of the succession prescribed in that paragraph.

**Supplementary Provisions [Cabinet Order No. 24 of February 18, 2005  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Real Property Registration Act comes into effect (March 7, 2005).

**Supplementary Provisions [Cabinet Order No. 166 of April 27, 2005]**

This Cabinet Order comes into effect as of the day of promulgation.

**Supplementary Provisions [Cabinet Order No. 180 of April 26, 2006  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Companies Act comes into effect (May 1, 2006).

**Supplementary Provisions [Cabinet Order No. 233 of August 3, 2007  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Amendment Act comes into effect.

(Transitional Measure for Application of Penal Provisions)

Article 64 Prior laws continue to govern the applicability of penal provisions to acts committed prior to the date of enforcement or acts committed on or after the date of enforcement for case the provisions previously in force are to remain applicable pursuant to the provisions of these Supplementary Provisions.

**Supplementary Provisions [Cabinet Order No. 180 of May 21, 2008  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of October 1, 2008.

(Transitional Measures for Penal Provisions)

Article 4 Prior laws continue to govern the applicability of penal provisions to acts committed prior to the enforcement of this Cabinet Order.

**Supplementary Provisions [Cabinet Order No. 219 of July 4, 2008 Extract]  
[Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Act for Partial Revision of the Act on Book-Entry Transfer of Corporate Bonds for Streamlining Settlement of Transactions of Shares and Other Acts (hereinafter referred to as the "amending Act") comes into effect.

**Supplementary Provisions [Cabinet Order No. 237 of July 25, 2008  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of October 1, 2008.

**Supplementary Provisions [Cabinet Order No. 228 of August 28, 2009]**

This Cabinet Order comes into effect as of the day on which the provisions set forth in Article 1, item (ii) of the Supplementary Provisions of the Act for Partial Revision of the Act on the Regulation of Business Pertaining to the Commodity Exchange Act and Commodity Investment come into effect (January 8, 2009).

**Supplementary Provisions [Cabinet Order No. 301 of December 28, 2009]**

This Cabinet Order comes into effect as of the day of on which the provisions set forth in Article 1, item (iii) of the Supplementary Provisions of the Act for Partial Revision of the Commodity Exchange Act the Act on the Regulation of Business Pertaining to Commodity Investment (Act No. 74 of 2009) come into effect (July 1, 2010).

**Supplementary Provisions [Cabinet Order No. 196 of September 10, 2010  
Extract] [Extract]**

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the day on which the Amendment Act comes into effect (January 1, 2011).