

Cabinet Office Order on Definitions under Article 2 of the Financial Instruments and Exchange Act

(Order of the Ministry of Finance No. 14 of March 3, 1993)

Pursuant to the provisions of Article 2 of the Securities and Exchange Act (Act No. 25 of 1948) and the provisions of Article 1-5, Article 1-6 and Article 1-7 of the Order for Enforcement of the Securities and Exchange Act (Cabinet Order No. 321 of 1965), the Ministerial Order on Definitions under Article 2 of the Securities and Exchange Act is enacted as follows.

(Definitions)

- Article 1 (1) As used in this Cabinet Office Order, the terms "securities", "public offering of securities", "private placement of securities", "secondary distribution of securities", "issuer", "financial instruments business", "financial instruments business operator", "financial instruments market", "financial instruments exchange", "derivatives transactions", "market transactions of derivatives", "over-the-counter transactions of derivatives", "foreign market derivatives transactions", "financial instruments", "financial indicator", "brokerage for the clearing of securities, etc.", "financial instruments clearing organization", "foreign financial instruments clearing organization", "professional investor", "specified listed securities", and "credit rating(s)" respectively mean securities, public offering of securities, private placement of securities, secondary distribution of securities, issuer, financial instruments business, financial instruments business operator, financial instruments market, financial instruments exchange, derivatives transactions, market transactions of derivatives, over-the-counter transactions of derivatives, foreign market derivatives transactions, financial instruments, financial indicator, brokerage for the clearing of securities, etc., financial instruments clearing organization, foreign financial instruments clearing organization, professional investor, specified listed securities, and credit rating(s) as defined in Article 2 of the Financial Instruments and Exchange Act (Act No. 25 of 1948; hereinafter referred to as the "Act").
- (2) As used in this Cabinet Office Order, the terms "Type I Financial Instruments Business", "Type II Financial Instruments Business", "investment management business", and "securities services" respectively mean Type I Financial Instruments Business, Type II Financial Instruments Business, investment management business, and securities services as defined in Article 28 of the Act.
- (3) In this Cabinet Office Order, the meanings of the terms set forth in the

following items are prescribed respectively in those items:

- (i) options: options as defined in Article 2, paragraph (1), item (xix) of the Act;
- (ii) business subject to investment: business subject to investment as defined in Article 2, paragraph (2), item (v) of the Act;
- (ii)-2 electronically recorded transferable rights: electronically recorded transferable rights as defined in Article 2, paragraph (3) of the Act;
- (iii) qualified institutional investor: qualified institutional investor as defined in Article 2, paragraph (3), item (i) of the Act;
- (iii)-2 professional investors, etc.: professional investors, etc. as defined in Article 2, paragraph (3), item (ii), (b), 2. of the Act;
- (iii)-3 securities for professional investors: securities for professional investors as defined in Article 4, paragraph (3) of the Act;
- (iv) discretionary investment contract: discretionary investment contract as defined in Article 2, paragraph (8), item (xii), (b) of the Act;
- (v) registered financial institution: registered financial institution as defined in Article 2, paragraph (11) of the Act;
- (vi) commodities: commodities as defined in Article 2, paragraph (24), item (iii)-3 of the Act;
- (vii) financial instruments business operator, etc.: financial instruments business operator, etc. as defined in Article 34 of the Act;
- (viii) Commissioner of the Financial Services Agency or other competent official: the Commissioner of the Financial Services Agency, in the case of a special financial instruments business operator prescribed in Article 57-2, paragraph (2) of the Act and a financial instruments business operator, etc. designated by the Commissioner of the Financial Services Agency pursuant to the provisions of Article 42, paragraph (2) or Article 43, paragraph (2) of the Order for the Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; hereinafter referred to as the "Cabinet Order"), or the Director-General of a local finance bureau or the Director-General of the Fukuoka Local Finance Branch Bureau who has granted a registration currently in effect, in the case of a person other than such a financial instruments business operator, etc.;
- (ix) partnership contract: partnership contract as defined in Article 667, paragraph (1) of the Civil Code (Act No. 89 of 1896);
- (x) silent partnership contract: silent partnership contract as defined in Article 535 of the Commercial Code (Act No. 48 of 1899);
- (xi) limited partnership agreement for investment: limited partnership agreement for investment as defined in Article 3, paragraph (1) of the Limited Partnership Act for Investment (Act No. 90 of 1998);
- (xii) limited liability partnership agreement: limited liability partnership agreement as defined in Article 3, paragraph (1) of the Limited Liability

Partnership Act (Act No. 40 of 2005).

(Commercial Paper)

Article 2 Promissory notes specified by Cabinet Office Order, referred to in Article 2, paragraph (1), item (xv) of the Act, are those issued in paper form delivered by any of the following financial institutions on entrustment by a relevant corporation to guarantee the payment thereof, and on which the mark "CP" is printed:

- (i) a bank;
- (ii) a Shinkin Bank, federation of Shinkin Banks, labor bank, or federation of labor banks;
- (iii) Norinchukin Bank and the Shoko Chukin Bank, Ltd.;
- (iv) a credit cooperative or federation of credit cooperatives, an agricultural cooperative or federation of agricultural cooperatives, a fishermen's cooperative or federation of fishermen's cooperatives, a marine products and processing cooperative or a federation of marine products and processing cooperatives, which is able to accept deposits or savings as a part of business.

(Foreign Loan Trust Beneficiary Securities)

Article 3 The securities or certificates specified by Cabinet Office Order, referred to in Article 2, paragraph (1), item (xviii) of the Act, are securities or certificates which have been issued by a foreign person, and which indicate the beneficial interest of a trust in which loan claims held by a person engaged in banking services or by any other person who grants money loans as a part of business are entrusted, or which indicate any other rights similar thereto.

(Matters to Be Indicated on School Bonds)

Article 4 The particulars specified by Cabinet Office Order, referred to in Article 1, item (ii) of the Cabinet Order, are as follows:

- (i) the name of the incorporated educational institution, etc. (meaning an incorporated educational institution, etc. as defined in Article 1, item (ii) of the Cabinet Order; the same applies hereinafter) which issues securities or certificates set forth in that item (hereinafter referred to as the "school bonds");
- (ii) the amount of monetary claims in relation to the school bonds;
- (iii) the method and due date for the redemption of monetary claims in relation to the school bonds; and
- (iv) the interest on monetary claims in relation to the school bonds, as well as the payment method and due date thereof.

(Goods Acquired by Using All Money [on Hand])

Article 5 The goods specified by Cabinet Office Order, referred to in Article 1-3, item (iv) of the Cabinet Order, are racehorses.

(Shareholder Association)

Article 6 (1) The persons specified by Cabinet Office Order, referred to in Article 1-3-3, item (v) of the Cabinet Order, are officers (including those who are found to have the same or higher authority than an officer over a company or its controlled company, etc., irrespective of title, such as advisor, consultant or other), or employees, of that company or its controlled company, etc.

(2) The requirement specified by Cabinet Office Order, referred to in Article 1-3-3, item (v) of the Cabinet Order, is that the amount of contribution made by each of the officers, etc. (meaning officers, etc. as defined in that item) on each occasion is less than one million yen.

(3) The "controlled company, etc." under paragraph (1) is a company which falls under any of the following items:

(i) in the case where a company holds voting rights exceeding 50 percent of the voting rights held by all shareholders, etc. (meaning voting rights held by all shareholders prescribed in Article 29-4, paragraph (2) of the Act; the same applies hereinafter) of another company, the other company (referred to as the "controlled company" in the following item and the following paragraph);

(ii) in the case where the controlled company holds voting rights exceeding 50 percent of the voting rights held by all shareholders, etc. of another company, the other company; or

(iii) in the case where the company set forth in the preceding item holds voting rights exceeding 50 percent of the voting rights held by all shareholders, etc. of another company, the other company.

(4) The voting rights (excluding voting rights held by all shareholders) in a case referred to in the items of the preceding paragraph must include voting rights for shares which are not to be asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) and Article 148, paragraph (1) of the Act on the Transfer of Corporate Bonds and Shares (Act No. 75 of 2001; hereinafter referred to as the "Corporate Bonds, etc. Transfer Act").

(Rights Excluded from the Right to Receive Dividends of Profit from Business Subject to Investment)

Article 7 (1) The rights specified by Cabinet Office Order, referred to in Article 1-3-3, item (vi) of the Cabinet Order, are as follows:

(i) rights based on a contract under which employees of an associated company of the company that issues share certificates promise to purchase the share certificates of the company on a continual basis, jointly with other employees of the associated company, according to a certain plan, without depending on

- an individual investment decision (limited to a contract wherein each employee is to contribute less than one million yen on each occasion);
- (ii) rights based on a contract under which business associates (meaning persons who have a business relationship with the company as designated by that company (if such person is a corporation or any other type of organization, including its officers; if such person is an individual, limited to those who have a business relationship with the company in relation to their business); hereinafter the same applies in this item) promise to purchase share certificates on a continual basis (limited to purchases made through applying for intermediation, brokerage or agency to a financial instruments business operator) from a company that issues share certificates, jointly with the other business associates of the company, according to a certain plan, without depending on an individual investment decision (limited to a contract wherein each business associate is to contribute less than one million yen on each occasion);
- (ii)-2 rights based on a contract under which officers or employees of an asset management company (meaning the asset management company prescribed in Article 2, paragraph (21) of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951); hereinafter the same applies in this item) of an investment corporation (meaning the investment corporation prescribed in Article 2, paragraph (12) of that Act; hereinafter the same applies in this item and Article 10, paragraph (1), item (ii)) that issues investment securities (meaning the investment securities set forth in Article 2, paragraph (1), item (xi) of the Act; the same applies hereinafter), or officers or employees of a corporation in specified relationship (meaning the corporation in specified relationship prescribed in Article 166, paragraph (5) of the Act; hereinafter the same applies in this item) with such asset management company, promise to purchase (limited to purchases made through applying for intermediation, brokerage or agency to a financial instruments business operator) the investment securities of the investment corporation on a continual basis, jointly with other officers or employees of the asset management company or corporation with a specified relationship, according to a certain plan, without depending on an individual investment decision (limited to a contract wherein each officer or employee is to contribute less than one million yen on each occasion);
- (iii) rights based on a contract under which a corporation or any other type of organization promises to exclusively carry out the content-related business (meaning a content-related business prescribed in Article 2, paragraph (3) of the Act on Promotion of Creation, Protection and Exploitation of Content (Act No. 81 of 2004), including any business incidental thereto) jointly with another corporation or any other type of organization, which fall under all of

the following requirements:

- (a) that all equity holders (meaning the persons who hold the rights; hereinafter the same applies in this item) engage in the whole or part of the business subject to investment which is covered by the rights (including a case where the parent company, etc. (meaning the parent company, etc. prescribed in Article 15-16, paragraph (3) of the Cabinet Order; the same applies in (b)) or subsidiary company, etc. (meaning the subsidiary company, etc. prescribed in that paragraph; the same applies in (b)) of an equity holder engages in the whole or part of the business subject to investment);
 - (b) that all Equity Holders hold rights to receive dividends of profits arising from the business subject to investment which is covered by the rights or a distribution of the assets of the business subject to investment, and also hold either of the following rights (including a case where the parent company, etc. or subsidiary company, etc. of an Equity Holder holds either of the following rights):
 1. rights to receive consideration for engagement in the business subject to investment; or
 2. rights to indicate the names of the respective Equity Holders (including their parent company, etc. or subsidiary company, etc.; hereinafter the same applies in 2.) or advertise or publicize the respective Equity Holders' business in the course of the use of content (meaning the act set forth in Article 2, paragraph (2), item (ii) of the Act on Promotion of Creation, Protection and Exploitation of Content) which is involved in the business subject to investment; and
 - (c) that the transfer of the rights is prohibited except when an Equity Holder transfers the rights to another Equity Holder or transfers the rights to a person other than Equity Holders with the consent of all Equity Holders.
- (2) The term "Associated company" as used in item (i) of the preceding paragraph means a company which falls under any of the following items:
- (i) in the case where a company holds 25 percent or more of the voting rights held by all shareholders, etc. (including voting rights in relation to shares which are not duly asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) and Article 148, paragraph (1) of the Corporate Bonds, etc. Transfer Act) of another company, the other company;
 - (ii) in the case where the amount of sales to a company by any other company in the preceding business year constitutes 50 percent or more of the amount of gross sales of the other company, that relevant other company; and
 - (iii) in the case where the amount of purchases from a company by any other company in the preceding business year constitutes 50 percent or more of the gross purchase amount of the other company: that other company.

(Claims for Loans Made to Incorporated Educational Institutions)

Article 8 (1) The matters specified by Cabinet Office Order, referred to in Article 1-3-4, item (i) of the Cabinet Order, are interest rates and the due date.

(2) The interested persons specified by Cabinet Office Order, referred to in Article 1-3-4, item (ii), (a) of the Cabinet Order, are those set forth in any of the following items:

(i) the parents of a person who attends a school established by the incorporated educational institution, etc. (meaning a school established by an incorporated educational institution, etc. under Article 1-3-4, item (ii), (a) of the Cabinet Order; the same applies in the following item) or other persons equivalent to them, who bear school tuition and any other costs necessary for attending the school;

(ii) a person who has graduated from a school established by the incorporated educational institution, etc.; and

(iii) an officer (meaning an officer prescribed in Article 35, paragraph (1) of the Private Educational Institutions Act (Act No. 270 of 1949)), a counselor (meaning a counselor prescribed in that Act) and staff (meaning staff prescribed in Article 26-2 of that Act (including a case where it is applied mutatis mutandis pursuant to Article 64, paragraph (5) of that Act)) of the incorporated educational institution, etc.

(Acts Similar to Solicitation for Acquisition)

Article 9 The acts specified by Cabinet Office Order, referred to in the non-itemized part of Article 2, paragraph (3) of the Act, are those specified in the following items according to the categories of securities set forth in the respective items:

(i) share certificates: offers to sell and the solicitation of offers to buy the share certificates, by the issuer of the share certificates pursuant to the provisions of Article 199, paragraph (1) of the Companies Act (Act No. 86 of 2005);

(ii) beneficiary securities of a special purpose trust (meaning beneficiary securities of a special purpose trust as set forth in Article 2, paragraph (1), item (xiii) of the Act; the same applies hereinafter), and the securities set forth in item (xvii) of that paragraph which have the nature of the beneficiary securities of a special purpose trust: offers to sell and the solicitation of offers to buy the securities by the originator of the trust (meaning a person who has concluded a trust agreement with the trustee of the trust; hereinafter the same applies in this item and Article 14, paragraph (2), item (i) for the purpose of their transfer (excluding securities transferred to the originator));

(iii) beneficiary securities of a trust that issues beneficiary securities (meaning

- the beneficiary securities of a trust that issues beneficiary securities set forth in Article 2, paragraph (1), item (xiv) of the Act; the same applies hereinafter), and the securities which are set forth in item (xvii) of that paragraph and which have the nature of the beneficiary securities of a trust that issues beneficiary securities, in the case where the beneficiary at the time when the trust for the securities becomes effective is the settlor (excluding securities for a trust for which a trust agreement is concluded under a single trust contract, and the management or disposal of trust property in relation to the trust agreement is jointly carried out with the management, or disposal of trust properties for a trust agreement between a trustee and other settlors concluded under the trust contract): offers to sell and the solicitation of offers to buy the securities, for the purpose of transferring those securities (excluding securities transferred to a settlor) by the settlor of a trust for those securities;
- (iv) mortgage securities (meaning the mortgage securities prescribed in the Mortgage Securities Act (Act No. 15 of 1931); the same applies hereinafter), and the securities which are set forth in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of mortgage securities: offers to sell and the solicitation of offers to buy the securities by a person who has received those securities under the procedures prescribed in Article 11 of the Mortgage Securities Act or any procedure equivalent thereto, with the purpose of transferring those securities;
- (v) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of share certificates: offers to sell and the solicitation of offers to buy the securities by the issuer thereof pursuant to the governing laws and regulations of a foreign state upon the establishment of such issuer; and
- (vi) rights set forth in Article 2, paragraph (2), item (i) and (ii) of the Act, in the case where the beneficiary at the time when the trust for the rights becomes effective is the settlor (excluding securities in relation to a trust (excluding a money trust for which a contract for compensation for loss in principal is concluded pursuant to the provisions of Article 6 of the Act on Engagement in Trust Business Activities by Financial Institutions (Act No. 43 of 1943)) for which a trust agreement is concluded under a single trust contract, and the management or disposal of trust property in relation to the trust agreement is jointly carried out with the management or disposal of trust properties in relation to a trust agreement between a trustee and other settlors concluded under the trust contract): offers to sell and the solicitation of offers to buy the rights, by the settlor of the trust to which the rights pertain, for the purpose of transferring the rights (excluding rights transferred to a settlor).

(Cases of Being Excluded from Electronically Recorded Transferable Rights)

Article 9-2 (1) The cases that are specified by Cabinet Office Order referred to in Article 2, paragraph (3) of the Act are the cases that fall under all of the following requirements:

- (i) that technical measures have been taken to make it impossible to have a person other than those falling under any of the following acquire the relevant financial values or to transfer that financial values to such person:
 - (a) a qualified institutional investor;
 - (b) persons set forth in Article 17-12, paragraph (1), items (i) through (xi) or (xiii) of the Cabinet Order;
 - (c) a corporate pension fund that falls under the requirements specified in Article 233-2, paragraph (2) of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007);
 - (d) an individual that falls under the requirements specified in Article 233-2, paragraph (3) of the Cabinet Office Order on Financial Instruments Business; or
 - (e) a person specified in Article 233-2, paragraph (4) of the Cabinet Office Order on Financial Instruments Business; and
 - (ii) that technical measures have been taken to make it impossible to transfer the relevant financial values without an application from a person who holds said right and consent of the issuer of said right on each occasion.
- (2) When applying the provisions of Article 233-2, paragraphs (2) through (4) of the Cabinet Office Order on Financial Instruments Business as prescribed in item (i), (c) through (e) of the preceding paragraph under the provisions of that paragraph, the term "the assets specified in Article 62, item (ii), (a) through (g)" in paragraph (2) of that Article is deemed to be replaced with "the assets specified in Article 62, item (ii), (a) through (g) and cryptoasset".

(Scope of Qualified Institutional Investors)

Article 10 (1) The person specified by Cabinet Office Order, referred to in Article 2, paragraph (3), item (i) of the Act, is as follows; provided, however, that in the case of any person other than those set forth in item (xv), a person designated by the Commissioner of the Financial Services Agency is excluded, and in the case of a person set forth in that item, such person is limited to one designated by the Commissioner of the Financial Services Agency:

- (i) a financial instruments business operator (limited to one engaged in Type I Financial Instruments Business (limited to business which falls under securities services; and excluding business of conducting only Type I Small Amount Electronic Public Offering Service prescribed in Article 29-4-2, paragraph (10) of the Act) or in investment management business);

- (ii) an investment corporation;
- (iii) a foreign investment corporation prescribed in Article 2, paragraph (25) of the Act on Investment Trusts and Investment Corporations;
- (iv) a bank;
- (v) an insurance company;
- (vi) a foreign insurance company, etc. prescribed in Article 2, paragraph (7) of the Insurance Business Act (Act No. 105 of 1995);
- (vii) a Shinkin Bank, federation of Shinkin Banks, labor bank, or federation of labor banks;
- (viii) the Norinchukin Bank or The Shoko Chukin Bank, Ltd.;
- (ix) a credit cooperative which has filed a notification with the Commissioner of the Financial Services Agency or a federation of credit cooperatives; or a federation of agricultural cooperatives or a federation of mutual aid fishermen's cooperatives which is able to accept deposits or savings or run a business facility related to mutual aid as a part of its business;
- (x) the Regional Economy Vitalization Corporation of Japan (limited to a case where it is engaged in business activities set forth in Article 22, paragraph (1), item (i), item (ii), (a) and (c), item (iii), item (vii), and item (viii) of the Act on the Regional Economy Vitalization Corporation of Japan (Act No. 63 of 2009));
- (x)-2 the Corporation for Revitalizing Earthquake-Affected Business (limited to a case where it is engaged in business activities set forth in Article 16, paragraph (1), item (i), and item (ii), (a) and (c) of the Act on the Corporation for Revitalizing Earthquake-Affected Business (Act No. 113 of 2011));
- (xi) a person engaged in the management and investment of the fiscal loan fund as well as in the execution of a fiscal loan plan (excluding any activity that constitutes the management and investment of the fiscal loan fund);
- (xii) the Government Pension Investment Fund;
- (xiii) Japan Bank for International Cooperation and the Okinawa Development Finance Corporation;
- (xiv) the Development Bank of Japan, Inc.;
- (xv) an agricultural cooperative or federation of agricultural cooperatives that is able to accept deposits or savings as a part of business;
- (xvi) the persons set forth in Article 1-9, item (v) of the Cabinet Order (limited to those registered pursuant to the provisions of Article 33-2 of the Act);
- (xvii) a stock company engaged in the business activities set forth in Article 17-3, paragraph (2), item (xii) of the Regulation for the Enforcement of the Banking Act (Order of the Ministry of Finance No. 10 of 1982), whose engagement in those business activities is prescribed in its articles of incorporation, and which has notified the Commissioner of the Financial Services Agency that it has the amount of the stated capital of five hundred

million yen or more at the time of the notification under this item;

(xviii) an investment LPS prescribed in Article 2, paragraph (2) of the Limited Partnership Act for Investment;

(xix) a surviving employees' pension fund (meaning a surviving employees' pension fund prescribed in Article 3, item (xi) of the Supplementary Provisions of the Act Partially Amending the Employees' Pension Insurance Act, etc. to Ensure the Soundness and Reliability of the Public Pension System (Act No. 63 of 2013); the same applies in item (xxiii) and paragraph (3), item (ii), (e)) for which notification has been made pursuant to the provisions of Article 176, paragraph (2) of the Employees' Pension Insurance Act (Act No. 115 of 1954) prior to amendment by the provisions of Article 1 of the Act Partially Amending the Employees' Pension Insurance Act, etc. to Ensure the Soundness and Reliability of the Public Pension System (Act No. 63 of 2013) that remain in force pursuant to the provisions of Article 5, paragraph (1) of the Supplementary Provisions of that Act (the Employees' Pension Insurance Act prior to amendment is referred to as the "former Employees' Pension Insurance Act" in paragraph (3), item (ii), (e)) and which the Commissioner of the Financial Services Agency has been notified of as one that has 10 billion yen or more as the amount calculated by deducting the total sum of the current liabilities, the payment reserves, and the balance of excess contributions from the total sum of the current assets and the fixed assets stated in the balance sheet in relation to pension accounting (limited to that which has been submitted pursuant to the provisions of Article 39, paragraph (1) of the Cabinet Order for Employees' Pension Fund (Cabinet Order No. 324 of 1966) prior to the repeal under Article 1 of the Cabinet Order on Amendment, etc. of Related Cabinet Orders Accompanying the Enforcement of the Act Partially Amending the Employees' Pension Insurance Act, etc. to Ensure the Soundness and Reliability of the Public Pension System (Cabinet Order No. 73 of 2014), which remain in force pursuant to the provisions of Article 3, paragraph (2) of the Cabinet Order on Transitional Measures Accompanying the Enforcement of the Act Partially Amending the Employees' Pension Insurance Act, etc. to Ensure the Soundness and Reliability of the Public Pension System (Cabinet Order No. 74 of 2014; referred to as the "2014 Cabinet Order on Transitional Measures" in paragraph (3), item (ii), (d)); the Cabinet Order prior to the repeal is referred to as the "former Cabinet Order for Employees' Pension Fund" in paragraph (3), item (ii), (d) in the most recent business year; a corporate pension fund that the Commissioner of the Financial Services Agency has been notified of as one that has 10 billion yen or more as the amount calculated by deducting the total sum of the current liabilities and the payment reserves from the total sum of the current assets and the fixed

assets stated in the balance sheet in relation to pension accounting (limited to that which has been submitted pursuant to the provisions of Article 117, paragraph (3), item (i) of the Regulation for Enforcement of the Defined-Benefit Corporate Pension Act (Order of the Ministry of Health, Labour and Welfare No. 22 of 2002)) in the most recent business year; the Pension Fund Association;

- (xx) a person who has been granted approval under Article 29, paragraph (1) of Act on Special Measures Concerning Urban Reconstruction (Act No. 22 of 2002) to engage in the business activities set forth in item (i) of that paragraph (limited to a case where that person is engaged in business activities set forth in that item) and a person who has been granted approval under Article 71, paragraph (1) of that Act to engage in the business activities set forth in item (i) of that paragraph (limited to a case where that person is engaged in business activities set forth in that item);
- (xxi) a trust company prescribed in Article 2, paragraph (2) of the Trust Business Act (Act No. 154 of 2004) (excluding a management-type trust company prescribed in paragraph (4) of that Article; the same applies in Article 16, paragraph (1), item (i)-2, (a), 3., item (iv)-2, (c), and item (vii)) which has made a notification to the Commissioner of the Financial Services Agency;
- (xxii) a foreign trust company prescribed in Article 2, paragraph (6) of the Trust Business Act (excluding a management-type foreign trust company prescribed in paragraph (7) of that Article; the same applies in Article 16, paragraph (1), item (i)-2, (a), 3., item (iv)-2, (c), and item (vii)) and which has made a notification to the Commissioner of the Financial Services Agency;
- (xxiii) a corporation which has notified the Commissioner of the Financial Services Agency that it falls under any of the following requirements (excluding a surviving employees' pension fund; in the case of a corporation which has made a notification to the effect that it falls under (b), limited to a case where that corporation effects any transaction as an operating partner, etc. (meaning a partner who has concluded a partnership contract under which that partner is delegated to manage the business of the partnership; a proprietor who has concluded a silent partnership contract; a partner who has concluded a limited liability partnership agreement, participates in management decisions regarding the important business of a partnership, and personally manages the business; or any person equivalent to them under the laws and regulations of a foreign state; hereinafter the same applies in this item and the following item)):
 - (a) that the balance of the securities held by the corporation as of the latest date from the date the corporation intends to make a notification (hereinafter referred to as the "latest date" in this Article) is one billion

yen or more;

(b) that the corporation is an operating partner, etc. which falls under all of the following requirements (excluding a case where such corporation falls under (a)):

1. that the balance of the securities which the corporation, as an operating partner, etc., holds under the business subject to investment in relation to the partnership contract, silent partnership contract or limited liability partnership agreement or a contract under the laws and regulations of a foreign state which is similar to any of the aforementioned contracts, as of the latest date, is one billion yen or more; and
2. that the corporation has, with regard to making the notification, obtained the consent of all of the other partners of the partnership for the partnership agreements, all of the other silent partners for the silent partnership contract who hold rights under the business subject to investment for the silent partnership contract, all of the other partners of the partnerships for the limited liability partnership agreement, or all of the other partners or other persons in relation to a contract under the laws and regulations of a foreign state which is similar to those contracts; or

(xxiii)-2 a specific purpose company (meaning the specific purpose company prescribed in Article 2, paragraph (3) of the Act on the Securitization of Assets (Act No. 105 of 1998; hereinafter referred to as the "Asset Securitization Act"); the same applies in Article 23, item (vi)) which has notified the Commissioner of the Financial Services Agency that it falls under any of the following requirements:

- (a) that securities are included in the scope of specified assets (meaning the specified assets prescribed in Article 2, paragraph (1) of the Asset Securitization Act; hereinafter the same applies in this item) under the asset securitization plan prescribed in Article 2, paragraph (4) of the Asset Securitization Act for which a notification has been made pursuant to the provisions of Article 4, paragraph (1) of the Asset Securitization Act (in the case where a notification has been made under Article 9, paragraph (1) of the Asset Securitization Act in relation to the changes to the asset securitization plan, the asset securitization plan after such changes; the same applies in paragraph (3), item (iii), (g)), and that the value of the securities is one billion yen or more;
- (b) that the specific purpose company has concluded a trust agreement, under the provisions of Article 200, paragraph (1) of the Asset Securitization Act, with a trust company, etc. (meaning the trust company, etc. prescribed in Article 33, paragraph (1) of the Asset Securitization Act

which falls under the category of qualified institutional investor; the same applies in paragraph (3), item (iii), (h)) to entrust it with the business in relation to the administration and disposal of specified assets (limited to securities where the solicitation for acquisition (meaning the solicitation for acquisition prescribed in Article 2, paragraph (3) of the Act, and including the procedures related to the issuance of securities during a reorganization prescribed in Article 2-3, paragraph (2) of the Act; hereinafter the same applies except in Article 13, paragraph (2)) falls within the case set forth in Article 2, paragraph (3), item (ii), (a) of the Act; the same applies in (c)), and that a resolution on making the notification has been made at a general meeting of members of the specific purpose company; or

(c) that the specific purpose company has entrusted the business for the administration and disposal of specified assets, under the provisions of Article 200, paragraph (2) of the Asset Securitization Act, to a financial instruments business operator (limited to those engaged in the investment management business; hereinafter the same applies in this item and paragraph (3), item (iii), (i)) which is the transferor of the specified assets or to a financial instruments business operator which has a sufficient financial basis and personnel structure for administrating and disposing of the specified assets appropriately, and that a resolution on making the notification has been made at a general meeting of members of the specific purpose company;

(xxiv) an individual who has notified the Commissioner of the Financial Services Agency that the individual falls under any of the following requirements (for an individual who has made a notification that the individual falls under (b), limited to a case where the individual effects a transaction as an operating partner, etc.):

(a) that the individual falls under all the following requirements:

1. that the balance of the securities held by the individual as of the latest date is one billion yen or more; and
2. that a period of one year has passed from the date when the individual opened an account with the financial instruments business operator, etc. for transactions in securities;

(b) that the individual is an operating partner, etc. and falls under all of the following requirements (excluding a case where the individual falls under (a)):

1. that the balance of the securities which the individual, as an operating partner, etc., holds under the business subject to investment in relation to the partnership contract, the silent partnership contract or the limited liability partnership agreement or a contract under the

laws and regulations of foreign states which is similar to any of the aforementioned contracts, as of the latest date, is one billion yen or more; and

2. that the individual, with regard to making the notification, has obtained the consent of all the other partners of the partnerships in relation to the partnership contract, all the other silent partners in relation to the silent partnership contracts who hold rights under the business subject to investment in relation to the silent partnership contract, all the other partners of the partnership in relation to the limited liability partnership agreement, or all the other partners or other persons in relation to a contract under the laws and regulations of a foreign state which is similar to any of the aforementioned contracts;
- (xxv) a person (excluding an individual) who engages in the following business activities in a foreign state under the laws and regulations of a foreign state, and who has notified the Commissioner of the Financial Services Agency that it has the amount of stated capital or the contribution or the total amount of funds not less than those set forth as follows, at the time of the notification under this item:
- (a) Type I Financial Instruments Business (limited to business which falls under the category of securities services; and excluding the business of conducting only the same kind of service as Type I Small Amount Electronic Public Offering Service prescribed in Article 29-4-2, paragraph (10) of the Act): 50 million yen;
 - (b) investment management business: 50 million yen;
 - (c) banking services prescribed in Article 2, paragraph (2) of the Banking Act (Act No. 59 of 1981): 2 billion yen;
 - (d) insurance business prescribed in Article 2, paragraph (1) of the Insurance Business Act: one billion yen; or
 - (e) trust business prescribed in Article 2, paragraph (1) of the Trust Business Act (limited to business other than administration-focused trust business prescribed in paragraph (3) of that Article): 100 million yen; and
- (xxvi) a foreign national government, foreign governmental organization, foreign regional government, foreign central bank, or an international organization of which Japan is a member state, which has made a notification to the Commissioner of the Financial Services Agency;
- (xxvii) a fund similar to an employees' pension fund or corporate pension fund established in accordance with the laws and regulations of a foreign state, which has notified the Commissioner of the Financial Services Agency that it satisfies both of the following requirements:
- (a) that the fund is managed in a foreign state mainly for the purpose of administration or payment of retirement pension benefits, retirement

- allowances and any other similar compensation; and
- (b) that the amount calculated by deducting the total amount of liabilities from the total amount of assets (referred to as the "amount of net assets" in paragraph (3), item (iv), (d) and paragraph (10)) as indicated in the documents on financial accounting of the fund for the most recent business year, which is equivalent to a balance sheet, is ten billion yen or more.
- (2) In a case where a person set forth in any of the items of the preceding paragraph has acquired or purchased securities for which, at the time of the issuance thereof, solicitation of an offer to acquire was made to any qualified institutional investor that is excluded from being a counterparty to the solicitation for acquisition pursuant to the provisions of Article 2, paragraph (3), item (i) of the Act in the case where that item applies, or for which, at the time of the issuance thereof, the solicitation of an offer to acquire fell under the case set forth in Article 2, paragraph (3), item (ii), (a) or Article 2-3, paragraph (4), item (ii), (a) of the Act (excluding a case where the disclosure prescribed in Article 4, paragraph (7) of the Act has been made with regard to the securities, a case where the person is a person set forth in any of items (i) to (xiv) or items (xvi) to (xxvii) of the preceding paragraph and who has already been designated under the proviso to that paragraph, a case where the person is a person set forth in item (xv) of that paragraph and whose designation under the proviso to that paragraph has already been cancelled, or a case where the person is a person set forth in any of items (ix), (xvii), (xix) or (xxi) to (xxvii) of that paragraph and for whom the period prescribed in paragraph (5) has elapsed, at the time of the acquisition or purchase), even when the person is a person set forth in any of items (i) to (xiv) or items (xvi) to (xxvii) of the preceding paragraph and who has been designated under the proviso to that paragraph, even when the person is a person set forth in item (xv) of that paragraph and whose designation under the proviso to that paragraph has already been canceled, or even when the person is a person set forth in items (ix), (xvii), (xix) or (xxi) to (xxvii) of that paragraph and for whom the period prescribed in paragraph (5) has elapsed, if offers to sell and the solicitation of offers to buy the securities are to be made, the person is deemed to be a person who falls under the category of a qualified institutional investor, and the provisions of Article 4, paragraph (2) of the Act apply thereto.
- (3) A person who intends to file a notification with the Commissioner of the Financial Services Agency as a person set forth in any of paragraph (1), items (ix), (xvii), (xix) or (xxi) to (xxvii) pursuant to the provisions of respective items (hereinafter referred to as a "notifier" in this Article) must file a notification to that effect with the Commissioner of the Financial Services Agency according to the categories of notifier set forth in the following items, with a document stating the particulars specified in the respective items:

- (i) the notifier for any of the persons set forth in paragraph (1), items (ix), (xvii), (xxi), (xxii), (xxv) and (xxvi): the following:
 - (a) the trade name or name;
 - (b) the title and name of the representative person;
 - (c) the location of the head office or the principal office;
 - (d) the trade name or name, and the location of the head office or principal office or the domicile, of a person who has the authority of representation prescribed in paragraph (11) (limited to the notifier for a person set forth in any of paragraph (1), items (xxv) and (xxvi));
 - (e) the category of the qualified institutional investor (meaning the category under the items of paragraph (1); the same applies in item (iii), (e));
 - (f) the amount of the stated capital or the contribution, or the total amount of funds, at the time of the notification made pursuant to this item (limited to a notifier for any of the persons set forth in paragraph (1), item (xvii) and (xxv)); and
 - (g) a description of the business activities engaged in in a foreign state and the laws and regulations governing the business activities (limited to a notifier for a person set forth in paragraph (1), item (xxv));
- (ii) the notifier for a person set forth in paragraph (1), item (xix): the following:
 - (a) the name;
 - (b) the title and name of the representative person;
 - (c) the location of the principal office;
 - (d) the amount calculated by deducting the total sum of the current liabilities, the payment reserve and the balance of the excess contributions from the total sum of the current assets and the fixed assets stated in the balance sheet in relation to pension accounting (limited to that which has been submitted pursuant to the provisions of Article 39, paragraph (1) of the Cabinet Order for Employees' Pension Fund prior to the repeal which remain in force pursuant to the provisions of Article 3, paragraph (2) of the 2014 Cabinet Order on Transitional Measures) in the most recent business year, or the amount calculated by deducting the total sum of the current liabilities and the payment reserve from the total sum of the current assets and the fixed assets stated in the balance sheet in relation to pension accounting (limited to that which has been submitted under Article 117, paragraph (3), item (i) of the Regulation for Enforcement of the Defined-Benefit Corporate Pension Act) in the most recent business year; and
 - (e) the date of notification under the provisions of Article 176, paragraph (2) of the Former Employees' Pension Insurance Act (limited to the person set forth in paragraph (1), item (xxix) that is a notifier for a surviving employees' pension fund);
- (iii) the notifier for any of the persons set forth in paragraph (1), items (xxiii)

- to (xxiv): the following:
- (a) the trade name or name;
 - (b) the title and name of the representative person (limited to the notifier for a person set forth in paragraph (1), items (xxiii) and (xxiii)-2);
 - (c) the location of the head office or principal office, or the domicile;
 - (d) the trade name or name, and the location of the head office or principal office or the domicile, of a person who has the authority of representation prescribed in paragraph (11) (limited to a notifier who is a non-resident (meaning a non-resident as defined in Article 6, paragraph (1), item (vi) of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949); hereinafter the same applies in this Article));
 - (e) the category of the qualified institutional investor, and a statement as to whether the person falls under either of paragraph (1), item (xxiii), (a) or (b), as to whether the person falls under any one of item (xxiii)-2, (a) to (c) of that paragraph, or as to whether the person falls under either of item (xxiv), (a) or (b) of that paragraph;
 - (f) the balance of the securities held at the latest date (limited to a case falling under paragraph (1), item (xxiii), (a) or (b), or item (xxiv), (a) or (b) of that paragraph);
 - (g) the notification day of the asset securitization plan defined in Article 2, paragraph (4) of the Asset Securitization Act as well as the class and value of the securities stated in the asset securitization plan (limited to a case falling under paragraph (1), item (xxiii)-2, (a));
 - (h) the name of the trust company, etc. prescribed in paragraph (1), item (xxiii)-2, (b), with which a trust agreement has been concluded;
 - (i) the name of the financial instruments business operator prescribed in paragraph (1), item (xxiii)-2, (c); and
 - (j) the details of the proceedings of the general meeting of members at which the resolution prescribed in paragraph (1), item (xxiii)-2, (b) or (c) has been made; and
- (iv) the notifier for the person set forth in paragraph (1), item (xxvii): the following:
- (a) the name;
 - (b) the title and name of the representative person;
 - (c) the location of the principal office;
 - (d) the amount of net assets for the most recent business year;
 - (e) the trade name or name, and the location of the head office or principal office or the domicile, of a person who has the authority of representation prescribed in paragraph (11); and
 - (f) a description of the business activities carried out in a foreign state and the laws and regulations governing the business activities.

- (4) A notifier must submit a document prescribed in the preceding paragraph according to the category of Notifier set forth in the following items to the Commissioner of the Financial Services Agency via the Director-General of the local finance bureau or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the respective items:
- (i) the notifier for a person set forth in paragraph (1), item (ix): the Director-General of the local finance bureau that has jurisdiction over the location of the head office or the principal office of the notifier (or the Director-General of the Fukuoka Local Finance Branch Bureau, in the case where the location is within the jurisdictional district of Fukuoka Local Finance Branch Bureau);
 - (ii) the notifier for any of the persons set forth in paragraph (1), items (xvii), (xxi) and (xxii): a Director-General of a local finance bureau or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed as follows, according to the following categories of cases:
 - (a) a case where the notifier falls under the category of a person who is to submit an annual securities report (meaning an annual securities report as defined in Article 24, paragraph (1) of the Act): a Director-General of a local finance bureau or the Director-General of the Fukuoka Local Finance Branch Bureau to whom the notifier is to submit an annual securities report pursuant to the provisions of Article 20 of the Cabinet Office Order on Disclosure of Corporate Affairs, etc. (Order of the Ministry of Finance No. 5 of 1973); or
 - (b) a case other than that set forth in (a): the Director-General of the local finance bureau that has jurisdiction over the location of the head office (or the principal branch office prescribed in Article 53, paragraph (1) of the Trust Business Act, in the case of the notifier for a person set forth in paragraph (1), item (xxii)) or the principal office of the notifier (or the Director-General of the Fukuoka Local Finance Branch Bureau, in the case where the location is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau);
 - (iii) the notifier for a person set forth in paragraph (1), item (xix): the Director-General of the local finance bureau that has jurisdiction over the location of the principal office of the Notifier (or the Director-General of the Fukuoka Local Finance Branch Bureau, in the case where the location is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau);
 - (iv) a notifier in relation to any of the persons set forth in paragraph (1), items (xxiii) to (xxiv) (excluding a non-resident): the Director-General of the local finance bureau that has jurisdiction over the location of the head office or principal office or the domicile of the notifier (or the Director-General of the Fukuoka Local Finance Branch Bureau, in the case where the location or

- domicile is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau); and
- (v) the notifier for a person set forth in any of paragraph (1), items (xxiii) and (xxiv) (limited to non-residents) and for any of the persons set forth in items (xxv) to (xxvii) of that paragraph: the Director-General of the Kanto Finance Bureau.
- (5) The period for which the notifier is regarded as falling under the category of a qualified institution investor in the case where such person has made a notification pursuant to the provisions of paragraph (3) is the period from the first day of the month two months after the month in which the notification has been made up until the day when two years have elapsed from the day.
- (6) A person who has made the notification pursuant to the provisions of paragraph (3) must, when there is any change to the matters in relation to the notification (limited to the matters set forth in paragraph (3), item (i), (a) or (c), item (ii), (a) or (c), item (iii), (a) or (c), or item (iv), (a) or (c)) during the period for which the persons are regarded as falling under the category of a qualified institutional investor prescribed in the preceding paragraph, file a written notification to that effect, without delay, with the Commissioner of the Financial Services Agency.
- (7) The provisions of paragraph (4) apply mutatis mutandis to the notifications under the preceding paragraph. In this case, the term "a document prescribed in the preceding paragraph" in paragraph (4) is deemed to be replaced with "a document stating the details of the matters so changed".
- (8) When the notification has been filed pursuant to the provisions of paragraph (3), the Commissioner of the Financial Services Agency must give a public notice of the trade name or name, the location of the head office or principal office or the domicile, of the person who made the notification, the period during which the person who made the notification is to be regarded as falling under the category of a qualified institutional investor (meaning the period prescribed in paragraph (5)), and, if the person who has made the notification made such notification as a person who falls under paragraph (1), item (xxiii), (b) or, item (xxiv), (b), it is published to that effect in Official Gazette, by the first day of the month two months after the month in which the notification has been made.
- (9) When the notification under paragraph (6) has been filed, the Commissioner of the Financial Services Agency must give public notice of the matters so notified in the Official Gazette without delay.
- (10) When the balance or value of securities held by the notifier for persons set forth in paragraph (1), items (xxiii) to (xxiv) at the latest date, the amount of the stated capital or the contribution or the total amount of the funds of the notifier for a person set forth in item (xxv) of that paragraph, and the amount

of net assets for the most recent business year regarding the person set forth in item (xxvii) of that paragraph, are converted into Japanese currency, the conversion is made by using the exchange rate (meaning the basic exchange rate or the arbitrated exchange rate prescribed in Article 7, paragraph (1) of the Foreign Exchange and Foreign Trade Act) at the time of a notification under any of items (xxiii) to (xxv), and item (xxvii) of that paragraph.

(11) The notifier for persons set forth in paragraph (1), items (xxiii) and (xxiv) (limited to a non-resident) and for persons set forth in items (xxv) to (xxvii) of that paragraph must designate a person whose head office or principal office is located in Japan or who has a domicile in Japan and who has the authority to represent the notifier with regard to any and all acts relating to the notification prescribed in paragraphs (3) and (6). In this case, the notifier must attach to the notification under the provisions of paragraph (3) or (6) a document (including a Japanese translation thereof) proving that the notifier has granted a person whose head office or principal office is located in Japan or who has a domicile in Japan the authority to represent the notifier with regard to any and all acts relating to the notification prescribed in paragraphs (3) and (6).

(12) A person set forth in any of paragraph (1), items (xxiii) and (xxiv) (limited to a non-resident) and a person set forth in any of items (xxv) to (xxvii) of that paragraph must designate a person whose head office or principal office is located in Japan or who has a domicile in Japan and has the authority to represent the person with regard to any and all acts relating to a notification prescribed in Article 23-13, paragraph (1) of the Act or to the delivery of documents prescribed in Article 23-13, paragraph (2) of the Act in relation to securities acquired by the person (limited to securities for which the solicitation for acquisition fell under a case set forth in Article 2, paragraph (3), item (i) of the Act at the time of the issuance thereof, and was made to qualified institutional investors excluded from being the counterparty to the solicitation for acquisition pursuant to the provisions of that item, or securities for which solicitation for acquisition fell under a case set forth in item (ii), (a) of that paragraph or Article 2-3, paragraph (4), item (ii), (a) of the Act at the time of the issuance thereof).

(Same Class of Securities)

Article 10-2 (1) The Securities specified by Cabinet Office Order as being the same class of Securities, referred to in Article 1-4, item (i), (b), item (ii), (b) and (c), item (iii), (a) and (b); Article 1-5-2, paragraph (2), item (i), (a); Article 1-7, item (ii), (a), 2., (b), 2. and 3., (c), 1. and 2.; Article 1-7-4, item (i), (b), item (ii), (b) and (c), and item (iii), (a) and (b); Article 1-8-2, item (i), (a); and Article 1-8-4, item (iii), (a), 2., (b), 2. and 3., and (c), 1. and 2. of the Cabinet Order are the

securities, and the securities whose issuer is the same as the issuer of the securities, and for which the matters specified in the following items according to the category of securities set forth in the respective items are the same:

- (i) convertible specified corporate bonds (meaning the convertible specified corporate bonds provided in the Asset Securitization Act): the following particulars:
 - (a) the due date for redemption and interest rates (in the case of convertible specified corporate bonds issued on a discount basis, the due date for redemption);
 - (b) the currency in which the amount is indicated (limited to a case where the amount related to the securities is to be indicated by a single currency; the same applies in item (xvii), (b) and item (xviii), (b));
 - (c) the issue value for one unit of preferred equity investment (meaning the preferred equity investment as defined in Article 2, paragraph (5) of the Asset Securitization Act; hereinafter the same applies in this item and the following item) which is to be issued upon conversion as well as the details of the payment of the dividend of profits related to the preferred equity investment, distribution of residual assets, and the method of cancellation of the preferred equity investment by using the profits (collectively referred to as the "payment of dividends of profit, etc. in relation to preferred equity investment" in the following item);
- (ii) specified corporate bond certificates with a right to subscribe for preferred equity investment (meaning a specified corporate bond certificate with a right to subscribe for preferred equity investment prescribed in Article 1-4, item (ii), (d) of the Cabinet Order): the following:
 - (a) the particulars set forth in (a) and (b) of the preceding item; and
 - (b) the issue value for one unit of preferred equity investment which is to be issued upon the exercise of the right to subscribe for preferred equity investment (meaning the right to subscribe for preferred equity investment prescribed in Article 1-4, item (ii) of the Cabinet Order) and the details of the payment of dividends of profit, etc. in relation to preferred equity investment;
- (iii) corporate bond certificates (including specified corporate bond certificates (meaning specified corporate bond certificates set forth in Article 2, paragraph (1), item (iv) of the Act), investment corporation bond certificates (meaning investment corporation bond certificates set forth in item (xi) of that paragraph; hereinafter the same applies in this item and Article 13-3, paragraph (2), item (i)), foreign investment securities that are similar to investment corporation bond certificates, and social medical care corporation bond certificates (meaning social medical care corporation bond certificates referred to in Article 2-8 of the Cabinet Order), and excluding short-term

- corporate bonds prescribed in Article 66, item (i) of the Corporate Bonds, etc. Transfer Act, short-term corporate bonds prescribed in Article 61-10, paragraph (10) of the Insurance Business Act, specified short-term corporate bonds as defined in Article 2, paragraph (8) of the Asset Securitization Act, short-term investment corporation bonds and short-term foreign bonds prescribed in Article 139-12, paragraph (1) of the Act on Investment Trusts and Investment Corporations), which are other than the securities set forth in the preceding two items and the following item to item (vi), and school bonds: the particulars set forth in item (i), (a) and (b);
- (iv) corporate bond certificates with share options (meaning corporate bond certificates with share options set forth in Article 249, item (ii) of the Companies Act; the same applies in Article 13-3, paragraph (2), item (i)): the following:
- (a) the particulars set forth in item (i), (a) and (b);
- (b) the issue value for one share which is to be issued or transferred upon the exercise of share options, as well as the details of the payment of the dividend of surplus, distribution of residual assets, purchase of shares, and particulars for which the voting rights may be exercised, in relation to shares (hereinafter collectively referred to as the "payment of dividend of surplus, etc. in relation to shares" in this paragraph);
- (v) corporate bond certificates (excluding the securities set forth in items (i) and (ii), and the preceding item) with special provisions whereby they are to be or may be redeemed through the securities issued by a company other than the company that issued the corporate bond certificates (hereinafter such securities are referred to as the "target securities" in this item) (limited to corporate bond certificates where the person who holds the corporate bond certificates has the right to receive the redemption thereof through the target securities from the company that issued the corporate bond certificates): the following:
- (a) the particulars set forth in item (i), (a) and (b);
- (b) the issuer of the target securities; and
- (c) the details of the payment of dividend of surplus, etc. in relation to shares in the case where the target securities are share certificates, and the details of the right in the securities in the case of securities other than share certificates;
- (vi) corporate bond certificates on which the rights other than the rights indicated on the securities set forth in items (i) and (ii), and the preceding two items are indicated: the following:
- (a) the particulars set forth in item (i), (a) and (b); and
- (b) the details of the rights which are to be indicated on the corporate bond certificates;

- (vii) preferred equity investment securities (meaning preferred equity investment securities set forth in Article 2, paragraph (1), item (vii) of the Act): the payment of the dividend of surplus related to preferred equity investment (meaning preferred equity investment as provided in the Act on Preferred Equity Investment by Cooperative Financial Institutions (Act No. 44 of 1993); hereinafter the same applies in this item), distribution of residual assets, and the method of cancellation of preferred equity investment by using the surplus, and cancellation of preferred equity investment under Article 15, paragraph (1) of that Act (limited to the part in relation to item (ii));
- (viii) preferred equity investment securities (meaning preferred equity investment securities set forth in Article 2, paragraph (1), item (viii) of the Act; hereinafter the same applies in this item): the details of the method of the payment of the dividend of profits related to preferred equity investment securities, distribution of residual assets, and cancellation of the securities;
- (ix) share certificates: the details of the payment of dividend of surplus, etc. in relation to shares;
- (x) share option certificates: the details of the payment of dividend of surplus, etc. in relation to shares which are to be issued or transferred upon the exercise of share options;
- (xi) the beneficiary securities of an investment trust (meaning the investment trust as defined in Article 2, paragraph (3) of the Act on Investment Trusts and Investment Corporations) and foreign investment trust (meaning the foreign investment trust as defined in paragraph (24) of that Article): the following:
 - (a) the investment trust property prescribed in Article 3, item (ii) of the Act on Investment Trusts and Investment Corporations;
 - (b) the method of the redemption of principal of a trust, and distribution of profits; and
 - (c) the due date for the redemption of principal of a trust;
- (xii) investment securities and foreign investment securities (meaning the foreign investment securities set forth in Article 2, paragraph (1), item (xi) of the Act) which are securities similar to investment securities: the details of the distribution of profits in relation to investment equity (meaning the investment equity as defined in Article 2, paragraph (14) of the Act on Investment Trusts and Investment Corporations; the same applies in the following item), or the rights indicated on the foreign investment securities (referred to as "foreign investment equity" in that item);
- (xii)-2 investment equity subscription right certificates (meaning the investment equity subscription right certificates prescribed in Article 2, paragraph (18) of the Act on Investment Trusts and Investment

- Corporations; hereinafter the same applies in this item and Article 14-2, paragraph (1), item (iii)), and foreign investment securities that are similar to investment equity subscription right certificates: the details of the distribution of profits in relation to investment equity or foreign investment equity which is to be issued or transferred upon the exercise of an investment equity subscription right (meaning the investment equity subscription right prescribed in Article 2, paragraph (17) of that Act; hereinafter the same applies in this item and Article 14-2, paragraph (2), item (i)) or a right against a foreign investment corporation (meaning the foreign investment corporation prescribed in Article 2, paragraph (25) of that Act; the same applies in Article 14-2, paragraph (2), item (iii)) that is similar to an investment equity subscription right;
- (xiii) the beneficiary securities of a special purpose trust: the following:
- (a) the period of the special purpose trust agreement as defined in Article 223 of the Asset Securitization Act;
 - (b) the specified trust property (meaning specified trust property prescribed in Article 1, item (ix)-3 of the Cabinet Office Order on Disclosure of Information on Regulated Securities (Order of the Ministry of Finance No. 22 of 1993)); and
 - (c) the details of the distribution of monies related to beneficial interest;
- (xiv) the beneficiary securities of a trust that issues beneficiary securities: the following:
- (a) the trust property;
 - (b) the details of the beneficiary as defined in Article 2, paragraph (7) of the Trust Act (Act No. 108 of 2006); and
 - (c) the due date;
- (xv) mortgage securities: the following:
- (a) the land, building or superficies right, on which the mortgage has been created;
 - (b) the amount of the claim as well as the due date of the principal; and
 - (c) the interest rate;
- (xvi) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in items (i) to (x): the particulars specified respectively in items (i) to (x) according to the category of the nature of the securities set forth in items (i) to (x) held by the securities;
- (xvii) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in items (i) and (ii) of that paragraph: the following:
- (a) the due date for redemption and the interest rates of the securities (in the case of securities issued on a discount basis, the due date for redemption);

- and
- (b) the currency in which the amount is indicated;
 - (xviii) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in item (iii) of that paragraph (excluding the securities set forth in the following item and item (xx)): the following:
 - (a) the due date for redemption and the interest rates of the securities (in the case of securities issued on a discount basis, the due date for redemption); and
 - (b) the currency in which the amount is indicated;
 - (xix) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in item (iii) of that paragraph, with a special provisions whereby such securities must or may be redeemed through the securities issued by a company other than the issuer of the securities (hereinafter such issued securities are referred to as the "target securities" in this item) (limited to securities where, based on the special provision, the person who holds the securities has the right to receive the redemption of the securities through target securities from the company issuing the securities): the following:
 - (a) the particulars set forth in the preceding item;
 - (b) the issuer of the target securities; and
 - (c) the details of the payment of dividend of surplus, etc. in relation to shares in the case where the target securities are share certificates, and the details of the rights in the securities in the case of securities other than share certificates;
 - (xx) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in item (iii) of that paragraph, with special provisions other than the one prescribed in the preceding item: the following:
 - (a) the particulars set forth in item (xviii); and
 - (b) the details of the rights to be indicated on the securities;
 - (xxi) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in item (vi) of that paragraph: the payment of dividend of surplus related to a contribution, the distribution of residual assets and the method of cancellation of a contribution by using profits;
 - (xxii) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the beneficiary securities of a special purpose trust: the particulars equivalent to the particulars specified in item (xiii);
 - (xxiii) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the beneficiary securities of a trust that issues

- beneficiary securities: the particulars equivalent to the particulars specified in item (xiv);
- (xxiv) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of mortgage securities: the particulars specified in item (xv);
- (xxv) the securities set forth in Article 2, paragraph (1), item (xix) of the Act: the details of the option to be indicated on the securities;
- (xxvi) the securities set forth in Article 2, paragraph (1), item (xx) of the Act: the details of the rights to be indicated on the securities;
- (xxvii) the rights set forth in Article 2, paragraph (2), item (i) of the Act that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights): the following particulars:
- (a) the trust property;
 - (b) the details of the distribution claim as a beneficiary as defined in Article 2, paragraph (7) of the Trust Act; and
 - (c) the due date;
- (xxviii) the rights set forth in Article 2, paragraph (2), item (ii) of the Act that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights): the particulars equivalent to the particulars specified in the preceding item;
- (xxix) the rights set forth in Article 2, paragraph (2), item (iii) of the Act that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights): the business conducted by a general partnership company, limited partnership company or limited liability company that has a person who holds said rights as its member;
- (xxx) the rights set forth in Article 2, paragraph (2), item (iv) of the Act that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights): the particulars equivalent to the particulars specified in the preceding item;
- (xxxi) the rights set forth in Article 2, paragraph (2), item (v) of the Act that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights): the business subject to investment;
- (xxxii) the rights set forth in Article 2, paragraph (2), item (vi) of the Act that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights): the particulars equivalent to the particulars specified in the

- preceding item; and
- (xxxiii) the claims connected with the loans made to an incorporated educational institution, etc. prescribed in Article 1-3-4 of the Cabinet Order that are deemed to be securities under the provisions of Article 2, paragraph (2) of the Act (limited to a claim falling under the category of an electronically recorded transferable right): the particulars set forth in item (i), (a) and (b).
- (2) The other securities specified by Cabinet Office Order as being the same class of Securities as the securities, referred to in Article 1-6 and Article 1-8-3 of the Cabinet Order, are the securities of which the issuer is the same as the issuer of the securities and of which the particulars specified in the items of the preceding paragraph according to the category of securities set forth in the respective items are the same as the securities.
- (3) The term "short-term foreign bonds" as used in paragraph (1), item (iii) means rights to be indicated on bond certificates to be issued in a foreign state or by a foreign corporation prescribed in Article 66 of the Corporate Bonds, etc. Transfer Act (excluding item (i)) as applied mutatis mutandis pursuant to Article 127 of the Corporate Bonds, etc. Transfer Act (hereinafter referred to as the "book-entry transfer foreign bonds" in this paragraph), which fall under all of the following requirements:
- (i) that the Book-Entry Transfer Foreign Bonds are yen-dominated;
 - (ii) that the amount of each book-entry transfer foreign bond does not fall below 100 million yen;
 - (iii) that there are provisions setting forth that the fixed due date for the redemption of principal is to be the day when a period of less than one year has elapsed from the day of the paying-in of the total amount of the book-entry transfer foreign bonds, and that there are no provisions setting forth that the redemption of principal is to be made in installments; and
 - (iv) that there are provisions setting forth that the due date for the interest payment is to be the same date as the due date for the redemption of principal as set forth in the preceding item.

(Restriction on the Transfer of Securities to Persons Other Than Qualified Institutional Investors upon Solicitation for Acquisition)

- Article 11 (1) The method specified by Cabinet Office Order, referred to in Article 1-4, item (ii), (d) of the Cabinet Order, is that which satisfies the requirements set forth in the following items according to the category of the cases respectively set forth therein:
- (i) a case where the right pertaining to the securities is indicated on financial values which can be transferred by using an electronic data processing system (limited to that which is recorded on an electronic device or any other

- object by electronic means; the same applies hereinafter): that technical measures have been taken to make it impossible to transfer that financial values to persons other than qualified institutional investors; or
- (ii) a case other than the case set forth in the preceding item: that the right pertaining to the Securities falls under any of the following requirements:
 - (a) that a statement to the effect that the securities have a restriction which prohibits any transfer except in the case of the transfer thereof to a qualified institutional investor (hereinafter referred to as a "restriction on resale" in this Article) has been made thereupon, and that such securities are to be delivered to the acquirer thereof;
 - (b) that it has been stated, in a document stating the information on the securities to be delivered to an acquirer of the Securities, that the securities have a restriction on resale; or
 - (c) that measures have been taken that enable the members (meaning the members as defined in Article 2, paragraph (3) of the Corporate Bonds, etc. Transfer Act; the same applies hereinafter) to become aware that a restriction on resale has been imposed on the securities.
- (2) The requirements specified by Cabinet Office Order set forth in Article 1-4, item (iii), (c) of the Cabinet Order are that the Securities fall under all of the requirements set forth as follows:
- (i) that the securities fall under the following requirements according to the category of the cases respectively set forth as follows,
 - (a) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer that financial values to persons other than qualified institutional investors; or
 - (b) a case other than the case set forth in (a): that the securities fall under any of the following requirements:
 1. that a statement to the effect that the securities are subject to a restriction on resale has been made thereupon, and that such securities are to be delivered to the acquirer thereof;
 2. that a statement to the effect that the Securities are subject to a Restriction on Resale has been made in the document containing the information on the Securities which is to be delivered to the acquirer of such Securities; or
 3. that measures have been taken that enable the members to become aware that a restriction on resale has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act; and
 - (ii) that, in the case of the following securities, in addition to the requirements

set forth in the preceding item, the Securities fall under the requirements set forth as follows according to the following category of securities:

- (a) Certificates of a beneficial interest in a securities trust (meaning the certificates of a beneficial interest in a securities trust prescribed in Article 2-3, item (iii) of the Cabinet Order; the same applies hereinafter), and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act or the rights set forth in paragraph (2), item (ii) of that Article that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights) which have the nature of certificates of a beneficial interest in a securities trust: that the Beneficiary Securities and Securities fall under a case specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the category of cases where the entrusted securities (meaning the entrusted securities as defined in Article 2-3, item (iii) of the Cabinet Order; the same applies hereinafter) are the securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order;
- (b) the securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the Securities fall under any of the following cases:
 - 1. a case specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the category of cases where the securities which are the subject of purchase and sale or any other transaction upon the exercise of the options indicated on the securities (the first-mentioned securities are referred to as the "underlying securities" in Article 13, paragraph (3), item (ii), (b), 1., Article 13-4, paragraph (2), item (ii), (b), 1., and Article 13-7, paragraph (3), item (ii), (b), 1.) are the securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order; and
 - 2. a case where purchase and sale or other transactions of securities must not be conducted upon the exercise of the options indicated on the securities;
- (c) the securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the Securities fall under any of the following cases:
 - 1. a case specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to a case where the securities or certificates in relation to the rights indicated on the securities are the securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order; and
 - 2. a case where purchase and sale or other transactions of securities must not be conducted upon the exercise of the options indicated on the securities; and

- (d) corporate bond certificates and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of corporate bond certificates, with special provisions that the corporate bond certificates or securities may be redeemed through the securities set forth in Article 1-4, item (i) or (ii) or Article 1-7-4, item (i) or (ii) of the Cabinet Order, or (b) or (c) above (limited to those issued by a person other than the issuer of the corporate bond certificates) (hereinafter such corporate bond certificates are referred to as the "convertible bond certificates" in (d)): that the corporate bond certificates fall under the following cases according to the category of the cases where the securities to be acquired upon the redemption (hereinafter referred to as the "securities acquired upon redemption" in (d)) are the securities set forth respectively as follows:
1. the securities set forth in Article 1-4, item (i) or Article 1-7-4, item (i) of the Cabinet Order: a case specified in Article 1-4, item (i) of the Cabinet Order (in the case where the securities acquired upon redemption are not to be newly issued and where the issuer of the securities acquired upon redemption is not the parent company (meaning a parent company set forth in Article 2, item (iv) of the Companies Act; the same applies in Article 13, paragraph (3), item (ii), (d), 1. and 2., Article 13-4, paragraph (2), item (ii), (d), 1., and Article 13-7, paragraph (3), item (ii), (d), 1. and 2.) or a subsidiary company (meaning a subsidiary company set forth in Article 2, item (iii) of that Act; the same applies in Article 13, paragraph (3), item (ii), (d), 1. and 2., Article 13-4, paragraph (2), item (ii), (d), 1., and Article 13-7, paragraph (3), item (ii), (d), 1. and 2.) of the issuer of the convertible bond certificates (such case is referred to as the "case of already issued securities acquired upon redemption" in 1. and 2. below), excluding a case where the securities fall under the requirements set forth in Article 1-4, item (i), (a) of the Cabinet Order), or a case specified in Article 1-7-4, item (i) of the Cabinet Order (in the case of already issued securities acquired upon redemption, excluding a case where the securities fall under the requirements set forth in (a) of that item);
 2. the securities set forth in Article 1-4, item (ii) or Article 1-7-4, item (ii) of the Cabinet Order: a case specified in Article 1-4, item (ii) of the Cabinet Order (in the case of already issued securities acquired upon redemption, excluding a case where the securities fall under the requirements set forth in (b) of that item), or a case specified in Article 1-7-4, item (ii) of the Cabinet Order (in the case of already issued securities acquired upon redemption, excluding a case where the securities fall under the requirements set forth in (b) of that item);
 3. the securities set forth in (b): a case where the securities fall under the

- requirements specified in (b); and
4. the securities set forth in (c): a case where the securities fall under the requirements specified in (c).
- (3) A person who delivers a document prescribed in paragraph (1), item (ii), (b), or item (i), (b), 2. of the preceding paragraph (hereinafter referred to as a "Deliverer" in this Article) may, in lieu of the delivery of a document prescribed in paragraph (1), item (ii), (b), or item (i), (b), 2. of the preceding paragraph, provide information that should be included in the document (hereinafter referred to as "Information on the Restriction of Resale" in this Article) by means of using an electronic data processing system or a means using other information and communications technology, as set forth in the following items (hereinafter referred to as "electronic or magnetic means" in this Article) with the consent of a person who is to receive the document (hereinafter referred to as the "Recipient" in this Article), pursuant to the provisions of paragraph (6). In this case, the deliverer is deemed to have delivered the document:
- (i) means of using an electronic data processing system set forth in (a) or (b):
- (a) means whereby Information on the Restriction of Resale is transmitted through the telecommunications line that connects the computer used by the deliverer and the computer used by the recipient, and is recorded in a file stored on the computer used by the recipient; or
- (b) means whereby the Information on the Restriction of Resale, which is recorded in a file stored on the computer used by the deliverer, is offered to the recipient for inspection through the telecommunications line, and is recorded in a file stored on the computer used by the recipient;
- (ii) means whereby the Information on the Restriction of Resale recorded in a file on a magnetic disk, a CD-ROM or any other equivalent medium which is able to accurately record specific information is delivered.
- (4) The methods set forth in the items of the preceding paragraph must be ones which allow the recipient to create a document by outputting the contents recorded in the file.
- (5) The term "electronic data processing system" as used in paragraph (3) means an electronic data processing system wherein the computer used by the deliverer is connected, by way of a telecommunications line, to the computer used by the recipient.
- (6) Before a deliverer attempts to provide information on restrictions on resale pursuant to the provisions of paragraph (3), the deliverer must indicate the types and content of the electronic or magnetic means set forth in the following items to be used to the Recipient and obtain prior consent from the Recipient by electronic or magnetic means, telephone, or by any other means:
- (i) the means to be used by the Deliverer, from among those set forth in the items of paragraph (3); and

(ii) the format in which the information is recorded in the file.

(7) In a case where the recipient has given notice by electronic or magnetic means, telephone, or by any other means to the effect that the recipient refuses to receive information by electronic or magnetic means, a Deliverer who has obtained consent under the preceding paragraph must not provide the Information on the Restriction of Resale to the recipient by electronic or magnetic means; provided, however, that this does not apply to a case where the recipient has since given consent again under that paragraph.

(Contents of Contracts on the Transfer of Securities Related to the Solicitation for Acquisition only for Professional Investors)

Article 11-2 (1) The measures specified by Cabinet Office Order referred to in Article 1-5-2, paragraph (2), item (i), (b), 1. and item (ii), (b), 1. of the Cabinet Order are technical measures to make it impossible to transfer the relevant financial values to persons other than professional investors, etc. except for the cases set forth in item (ii), (a) through (d) of the following paragraph.

(2) The particulars specified by Cabinet Office Order referred to in Article 1-5-2, paragraph (2), item (i), (b), 2. and item (ii), (b), 2. of the Cabinet Order are the following particulars (with regard to the particulars set forth in item (ii), excluding the particulars which the parties to the contract have decided not to specify):

(i) that the person who wishes to acquire the securities will not transfer the securities acquired in response to the solicitation for acquisition to persons other than professional investors, etc.; and

(ii) that, in the following cases, the person who wishes to acquire the securities may transfer the securities acquired in response to the solicitation for acquisition to persons other than professional investors, etc.:

(a) a case where the person transfers share certificates, etc. (meaning the share certificates, etc. as defined in Article 27-2, paragraph (1) of the Act; the same applies in Article 13-5, paragraph (2), item (ii), (a) to the tender offeror (meaning the tender offeror as defined in Article 27-3, paragraph (2) of the Act; the same applies in (a) of that item) in response to a tender offer (meaning a tender offer prescribed in Article 27-2, paragraph (6) of the Act; the same applies in (a) of that item);

(b) a case where the person transfers the securities set forth in Article 2-12-4, paragraph (2), item (iv), (a) through (e) of the Cabinet Order to the officers, etc. prescribed in that item;

(c) a case where the person transfers the securities to the issuer of the securities or the officer (meaning directors, company auditors, executive officers, board members, auditors, or persons equivalent thereto) thereof, who holds shares or equity with voting rights exceeding 50 percent of the

- voting rights held by all shareholders of the issuer under the person's own name or another person's name (hereinafter such officer is referred to as the "specified officer" in this Article and Article 13-5, paragraph (2), item (ii), (c)), or to the controlled corporation, etc. (excluding the issuer; hereinafter the same applies in this Article and Article 13-5, paragraph (2), item (ii), (c) of the specified officer; and
- (d) a case where the person transfers the securities to a company that holds shares or equity with voting rights exceeding 50 percent of the voting rights held by all shareholders, etc. of the issuer of the securities in its own name or another person's name.
- (3) In a case where a specified officer and the controlled corporation, etc. thereof jointly hold shares or equity in relation to voting rights exceeding 50 percent of the voting rights held by all shareholders, etc. of another corporation, etc. (meaning a corporation or any other type of organization; hereinafter the same applies in this Article) in their own name or another person's name, the provisions of item (ii), (c) of the preceding paragraph and this paragraph applies by deeming the other corporation, etc. to be the controlled corporation, etc. of the specified officer.
- (4) The controlled corporation, etc. referred to in paragraph (2), item (ii), (c) and the preceding paragraph means, in the case where a specified officer holds shares or equity in relation to voting rights exceeding 50 percent of the voting rights held by all shareholders, etc. of another corporation, etc. in the specified officer's own name or another person's name, the other corporation, etc.
- (5) The voting rights as in a case referred to in paragraph (2), item (ii), (c) and (d), paragraph (3) (including a case where it is applied mutatis mutandis pursuant to Article 13-5, paragraph (3)) and the preceding paragraph (including a case where it is applied mutatis mutandis pursuant to paragraph (3) of that Article) must include voting rights in relation to shares or equity which may not be duly asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Corporate Bonds, etc. Transfer Act (including a case where these provisions are applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1) and Article 276 (limited to the part in relation to item (ii)) of the Corporate Bonds, etc. Transfer Act).

(Restrictions on the Transfer of Securities in the Solicitation for Acquisition only for Professional Investors)

Article 12 (1) The requirements specified by Cabinet Office Order referred to in Article 1-5-2, paragraph (2), item (iii) of the Cabinet Order are that the case falls under the requirements specified in the following items according to the category of securities set forth in the respective items:

(i) corporate bond certificates, and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in items (i) to (v) of that paragraph (excluding corporate bond certificates with share options, etc. and the securities set forth in item (xvii) of that paragraph which have the nature of the corporate bond certificates with share options, etc.), the securities set forth in item (xv) of that paragraph (including the securities set forth in item (xvii) of that paragraph which have the nature of the securities set forth in item (xv) of that paragraph), beneficiary securities of an investment trust or foreign investment trust, beneficiary securities of a special purpose trust (including the securities set forth in item (xvii) of that paragraph which have the nature of the beneficiary securities of a special purpose trust), school bonds, mortgage securities (including the securities set forth in item (xvii) of that paragraph which have the nature of mortgage securities), beneficiary securities of a trust that issues beneficiary securities (including the securities set forth in item (xvii) of that paragraph which have the nature of beneficiary securities of a trust that issues beneficiary securities, and excluding those set forth in the following item), and electronically recorded transferable rights (excluding those set forth in the following item): all of the following requirements:

(a) that the same class of securities as the securities (the first-mentioned securities mean those of which the issuer, and the particulars specified in the items of Article 10-2, paragraph (1) according to the category of securities set forth in the respective items are the same as the securities; the same applies hereinafter) do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act (including a case where it is applied mutatis mutandis pursuant to Article 27 of the Act; hereinafter the same applies in this Article and Article 13-6); and

(b) that the case falls under the following requirements according to the category thereof respectively set forth as follows:

1. a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer that financial values to persons other than professional investors, etc. except for the cases set forth in paragraph (2), item (ii), (a) through (d) of the preceding Article; or
2. a case other than the case set forth in 1.: that the case falls under any of the following requirements:
 - i. that the solicitation for acquisition is made wherein the securities are acquired on condition that a contract on transfer specifying the particulars provided in paragraph (2) of the preceding Article

(hereinafter referred to as "restriction on resale" in ii.) is concluded between the issuer of the securities and the person who wishes to acquire the securities in response to the solicitation for acquisition (hereinafter referred to as the "acquirer" in 2.), and between the person who is carrying out the solicitation for acquisition of the securities and the acquirer; or

- ii. that the details of the restriction on resale are stated as the details of the rights to be indicated on the securities in a document stating the information on the securities to be delivered to an acquirer (if the securities are securities issued in a foreign state, including the case where the details of the restriction on resale are stated as the terms and conditions of transactions in the securities in a document that a financial instruments exchange considers necessary and appropriate in the public interest or for the protection of investors), and that the solicitation for acquisition is made wherein the securities are acquired on condition that the acquirer agrees to comply with the restriction on resale after receiving an explanation of the restriction on resale from the person who is to carry out the solicitation for acquisition of the securities (limited to a financial instruments business operator, etc.);
- (ii) certificates of a beneficial interest in a securities trust: that the securities fall under the requirements specified in the preceding item and fall under any of the following cases:
 - (a) a case where the entrusted securities fall under the securities set forth in Article 1-5-2, paragraph (2), item (i) of the Cabinet Order, and fall under the case specified in (a) of that item;
 - (b) a case where the entrusted securities fall under the securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order, and fall under the case specified in (a) of that item; or
 - (c) a case where the entrusted securities are securities other than the securities set forth in Article 1-5-2, paragraph (2), items (i) and (ii) of the Cabinet Order, and where securities of the same class as the securities do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act;
- (iii) the securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the securities fall under the requirements set forth in item (i), and fall under any of the following cases:
 - (a) a case where the securities which are to be the subject of purchase and sale or any other transactions upon the exercise of the options indicated on the securities fall under the securities set forth in Article 1-5-2, paragraph (2), item (i) of the Cabinet Order, and fall under the case set forth in (a) of

- that item;
- (b) a case where the securities which are to be the subject of purchase and sale or any other transactions upon the exercise of the options indicated on the securities fall under the securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order, and fall under the case set forth in (a) of that item;
 - (c) a case where the securities which are to be the subject of purchase and sale or any other transactions upon the exercise of the options indicated on the securities are securities other than the securities set forth in Article 1-5-2, paragraph (2), items (i) and (ii) of the Cabinet Order, and where securities of the same class as the securities do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act; or
 - (d) a case where purchase and sale or other transactions of securities are not to be conducted upon the exercise of the options indicated on the securities;
- (iv) the securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the securities fall under the requirements specified in item (i), and fall under any of the following cases:
- (a) a case where the rights indicated on the securities fall under the securities set forth in Article 1-5-2, paragraph (2), item (i) of the Cabinet Order, and fall under the case specified in (a) of that item;
 - (b) a case where the rights indicated on the securities fall under the securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order, and fall under the case specified in (a) of that item;
 - (c) a case where the rights indicated on the securities are securities other than the securities set forth in Article 1-5-2, paragraph (2), items (i) and (ii) of the Cabinet Order, and where securities of the same class as the securities do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act; or
 - (d) a case where purchase and sale or other transactions of securities are not to be conducted upon the exercise of the rights indicated on the securities;
- (v) corporate bond certificates (excluding corporate bond certificates with share options, etc.), and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the corporate bond certificates, with special provisions that allow the redemption of such corporate bond certificates or securities through the securities issued by a company other than the company that issues such corporate bond certificates: that the securities fall under the requirements specified in item (i), and fall under any of the following cases:
- (a) a case where the securities to be acquired upon the redemption fall under the securities set forth in Article 1-5-2, paragraph (2), item (i) of the Cabinet Order, and fall under the case specified in (a) of that item;

- (b) a case where the securities to be acquired upon the redemption fall under the securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order, and fall under the case specified in (a) of that item;
 - (c) a case where the securities to be acquired upon the redemption are securities other than the securities set forth in Article 1-5-2, paragraph (2), items (i) and (ii) of the Cabinet Order, and where securities of the same class as the securities do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act; and
 - (vi) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order: that the securities fall under the requirements specified in item (i), and share certificates which are to be acquired, subscribed for, or transferred upon the exercise of the rights indicated on securities of the same class as the share certificates do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act.
- (2) A person who delivers a document prescribed in item (i), (b), 2., ii. of the preceding paragraph (hereinafter referred to as a "deliverer" in this Article) may, in lieu of the delivery of a document prescribed in item (i), (b), 2., ii. of that item the preceding paragraph, provide information that should be included in the document (hereinafter referred to as "Information on the Restriction of Resale" in this Article) by means of using an electronic data processing system or a means using other information and communications technology, as set forth in the following items (hereinafter referred to as "electronic or magnetic means" in this Article) with the consent of a person who is to receive the document (hereinafter referred to as the "Recipient" in this Article), pursuant to the provisions of paragraph (5). In this case, the deliverer is deemed to have delivered the document:
- (i) means of using an electronic data processing system as set forth in (a) or (b):
 - (a) means whereby Information on the Restriction of Resale is transmitted through the telecommunications line that connects the computer used by the Deliverer and the computer used by the Recipient, and is recorded in a file stored on the computer used by the Recipient; or
 - (b) means whereby the Information on the Restriction of Resale, which is recorded in a file stored on the computer used by the Deliverer, is offered to the Recipient for inspection through the telecommunications line, and is recorded in a file stored on the computer used by the Recipient; and
 - (ii) means whereby the Information on the Restriction of Resale recorded in a file on a magnetic disk, a CD-ROM or any other equivalent medium which is able to accurately record specific information is delivered.
- (3) The means set forth in the items of the preceding paragraph must be those

which allow the recipient to create a document by outputting the contents recorded in the file.

- (4) The term "electronic data processing system" as used in paragraph (2) means an electronic data processing system wherein the computer used by the deliverer is connected, by way of a telecommunications line, to the computer used by the recipient.
- (5) Before a deliverer attempts to provide the Information on the Restriction of Resale pursuant to the provisions of paragraph (2), the deliverer must indicate the types and contents of the electronic or magnetic means set forth in the following items to be used to the recipient and obtain prior consent from the recipient by electronic or magnetic means, telephone, or by any other means:
 - (i) the method to be used by the deliverer, from among those set forth in the items of paragraph (2); and
 - (ii) the format in which the information is recorded in the file.
- (6) In a case where the recipient has given notice by electronic or magnetic means, telephone, or by any other means to the effect that the recipient refuses to receive information by electronic or magnetic means, the Deliverer who has obtained consent under the preceding paragraph must not provide the Information on the Restriction of Resale to the recipient by electronic or magnetic means; provided, however, that this does not apply to a case where the recipient has since given consent again under that paragraph.

(Restriction on the Transfer of Securities to Many Persons in the Solicitation for Acquisition)

Article 13 (1) The method specified by Cabinet Office Order referred to in Article 1-7, item (ii), (b), 4. of the Cabinet Order is that which satisfies the requirements set forth in the following items according to the category of the cases respectively set forth therein:

- (i) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer that financial values except for a case where the person who has acquired or purchased said right collectively transfers that financial values on which the right thus acquired or purchased is indicated; or
- (ii) a case other than the case set forth in the preceding item: that the case falls under any of the following requirements:
 - (a) that a statement to the effect that the securities are to be subject to a restriction which prohibits a person who has acquired or purchased the Securities from transferring the Securities so acquired or purchased except in the case of collectively transferring them (referred to as a "restriction on resale" in this item) is made thereon, and that such securities are to be

- delivered to the acquirer thereof;
- (b) that a statement to the effect that the Securities carry a Restriction on Resale is made in the document containing the information on the Securities that is delivered to the acquirer of such Securities; or
 - (c) that measures have been taken to enable the members to learn that a restriction on resale has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.
- (2) The requirements specified by Cabinet Office Order referred to in Article 1-7, item (ii), (b), 4. of the Cabinet Order are that the case falls under all of the following requirements:
- (i) the total number or unit (simply referred to as the "unit" in (a) of the following item) of the securities (including the newly issued securities of the same class as provided in Article 1-6 of the Cabinet Order which have been issued within six months prior to the day on which the securities are to be issued (excluding, in the case where the other party to the solicitation for acquisition of the newly issued securities of the same class is a qualified institutional investor and where the newly issued securities of the same class fall under a case specified in the items of Article 1-4 of the Cabinet Order according to the category of securities set forth in the respective items, the newly issued securities of the same class acquired by the qualified institutional investor (including the newly issued securities of the same class acquired by the qualified institutional investor and transferred to another qualified institutional investor from the qualified institutional investor); the same applies in item (i), (a), 2. and (b), 1., ii. of the following paragraph) is less than 50; and
 - (ii) that the case falls under the following requirements according to the category thereof respectively set forth as follows:
 - (a) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer any financial values on which the right falling short of the unit is indicated; or
 - (b) a case other than the case set forth in (a): that, except in the case where the securities cannot be split due to their nature, a restriction prohibiting the splitting of such Securities into a unit of less than the unit indicated on the Securities (hereinafter referred to as a "restriction on splitting" in (b)) has been imposed on such Securities and the case falls under any of the following requirements:
 - 1. that a statement to the effect that the securities are subject to a restriction on splitting is made thereupon, and that such securities are to be delivered to the acquirer thereof;

2. that a statement to the effect that the Securities are subject to a Restriction on Splitting is made in the document containing the information on the Securities that is delivered to the acquirer of such Securities; or
 3. that measures have been taken to enable the members to learn that a restriction on splitting has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.
- (3) The requirements specified by Cabinet Office Order referred to in Article 1-7, item (ii), (c), 3. of the Cabinet Order are that the case falls under all of the following requirements:
- (i) that the case falls under the following requirements according to the category thereof respectively set forth as follows:
 - (a) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that the case falls under either of the following requirements:
 1. that technical measures have been taken to make it impossible to transfer that financial values except for a case where the person who has acquired or purchased said right collectively transfers that financial values on which the right thus acquired or purchased is indicated; or
 2. that in a case where the total number or unit (hereinafter simply referred to as the "unit" in 2.) of the securities is less than 50, technical measures have been taken to make it impossible to transfer any financial values on which the right falling short of the unit is indicated; or
 - (b) a case other than the case set forth in (a): that the case falls under any of the following requirements:
 1. that a statement to the effect that the securities are subject to any of the following restrictions (hereinafter referred to as a "restriction on resale" in (b)) is made thereupon, and that such securities are delivered to the acquirer thereof:
 - i. a restriction which prohibits a person who has acquired or purchased the securities from transferring the Securities so acquired or purchased except in the case of collectively transferring them; or
 - ii. in the case where the total number or total number or unit of the securities is less than 50, a restriction prohibiting the splitting of such securities due to their nature or prohibiting the splitting of such Securities into a unit of less than the unit indicated on the Securities; and
 2. that a statement to the effect that the Securities are subject to a

Restriction on Resale is made in the document containing the information on the Securities which is delivered to the acquirer of such Securities; or

3. that measures have been taken to enable the members to learn that a restriction on resale has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act; and
- (ii) that, in the case of the following securities, in addition to the requirements set forth in the preceding item, the case falls under the requirements set forth as follows according to the following category of Securities:
- (a) Certificates of a beneficial interest in a securities trust, and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act or the rights set forth in paragraph (2), item (ii) of that Article that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights) which have the nature of certificates of a beneficial interest in a securities trust: that the case falls under a case specified in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order according to the category of a case where the entrusted securities are the securities set forth in the items of Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order;
 - (b) the securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the case falls under any of the following requirements:
 1. the requirements specified in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order according to the category of a case where the underlying securities are the securities set forth in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order;
 2. that purchase and sale or other transactions of securities must not be conducted upon the exercise of the options indicated on the securities;
 - (c) the securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the case falls under any of the following requirements:
 1. the requirements specified in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order according to a case where the securities or certificates in relation to the rights indicated on the securities are the securities set forth in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order; and
 2. that purchase and sale or other transactions of securities must not be conducted upon the exercise of the rights indicated on the securities;
 - (d) corporate bond certificates and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of corporate bond certificates, with special provisions whereby the corporate bond

certificates or securities must or may be redeemed through the securities set forth in Article 1-7, item (ii), (a) or (b), or Article 1-8-4, item (iii), (a) or (b) of the Cabinet Order, or (b) or (c) above (limited to those issued by a person other than the issuer of the corporate bond certificates) (hereinafter such corporate bond certificates are referred to as the "convertible bond certificates" in (d)): that the corporate bond certificates fall under the following requirements according to the category of the cases where the securities to be acquired upon the redemption (hereinafter referred to as the "securities acquired upon redemption" in (d)) are the securities set forth respectively below:

1. the securities set forth in Article 1-7, item (ii), (a) or Article 1-8-4, item (iii), (a) of the Cabinet Order: the requirements specified in Article 1-7, item (ii), (a) or Article 1-8-4, item (iii), (a) of the Cabinet Order (in the case where the securities acquired upon redemption are not securities to be newly issued and the issuer of the securities acquired upon redemption is not the parent company or subsidiary company of the issuer of the convertible bond certificates, excluding the requirements set forth in Article 1-7, item (ii), (a), 1. or Article 1-8-4, item (iii), (a), 1. of the Cabinet Order);
 2. the securities set forth in Article 1-7, item (ii), (b) or Article 1-8-4, item (iii), (b) of the Cabinet Order: a case specified in Article 1-7, item (ii), (b) or Article 1-8-4, item (iii), (b) of the Cabinet Order (in the case where the securities acquired upon redemption are not securities to be newly issued and the issuer of the securities acquired upon redemption is not the parent company or subsidiary company of the issuer of the convertible bond certificates, excluding the requirements set forth in Article 1-7, item (ii), (b), 2. or Article 1-8-4, item (iii), (b), 2. of the Cabinet Order);
 3. the securities set forth in (b): the requirements specified in (b); and
 4. the securities set forth in (c): the requirements specified in (c).
- (4) A person who delivers a document prescribed in paragraph (1), item (ii), (b), paragraph (2), item (ii), (b), 2., or item (i), (b), 2. of the preceding paragraph (hereinafter referred to as the "deliverer" in this Article) may, in lieu of the delivery of the document prescribed in paragraph (1), item (ii), (b), paragraph (2), item (ii), (b), 2., or item (i), (b), 2. of the preceding paragraph, provide information that should be included in the document (hereinafter referred to as "Information on a Restriction on Resale" in this Article) by means of using an Electronic Data Processing System or means of using other information communications technology, as set forth in the following items (hereinafter referred to as "Electronic or Magnetic Means" in this Article) by gaining the consent of a person who is to receive the document (hereinafter referred to as

the "Recipient" in this Article), pursuant to the provisions of paragraph (7). In this case, the Deliverer is deemed to have delivered the document:

- (i) means of using an electronic data processing system and that is set forth in
 - (a) or (b):
 - (a) means whereby Information on the Restriction of Resale is transmitted through the telecommunications line that connects the computer used by the Deliverer and the computer used by the Recipient, and is recorded in a file stored on the computer used by the Recipient; or
 - (b) means whereby the Information on the Restriction of Resale, which has been recorded in a file stored on the computer used by the Deliverer, is offered to the Recipient for inspection through the telecommunications line, and is recorded in a file stored on the computer used by the Recipient;
 - (ii) means whereby the Information on the Restriction of Resale recorded in a file on a magnetic disk, a CD-ROM or any other equivalent medium which is able to accurately record specific information is delivered.
- (5) The methods set forth in the items of the preceding paragraph must be ones that allow the recipient to create a document by outputting the contents recorded in the file.
- (6) The term "electronic data processing system" as used in paragraph (4) means an electronic data processing system wherein the computer used by the deliverer is connected, by way of a telecommunications line, to the computer used by the recipient.
- (7) Before a deliverer attempts to provide information on a restriction on resale pursuant to the provisions of paragraph (4), the deliverer must indicate the types and contents of the electronic or magnetic means set forth in the following items to be used to the recipient and obtain prior consent from the recipient by electronic or magnetic means, telephone, or by any other means:
 - (i) the method to be used by the deliverer, among those set forth in the items of paragraph (4); and
 - (ii) the format of the information recorded into the file.
- (8) In a case where the Recipient has given notice by electronic or magnetic means, telephone, or by any other means to the effect that the recipient refuses to receive information by electronic or magnetic means, the Deliverer who had obtained consent under the preceding paragraph must not provide the Information on the Restriction of Resale to the recipient by electronic or magnetic means; provided, however, that this does not apply to a case where the recipient has since given consent again under that paragraph.

(Offers to Sell and Solicitation of Offers to Buy Securities Which Do Not Fall Under the Category of Solicitation for Selling, etc.)

Article 13-2 The acts specified by Cabinet Office Order referred to in Article 2,

paragraph (4) of the Act are those set forth in the following items:

- (i) the giving of notice under the provisions of Article 67-19 of the Act, and the provision of information on the securities made as the performance of obligations under laws and regulations; and
- (ii) the provision of information on the securities to the authorized financial instruments firms association (meaning the authorized financial instruments firms association as provided in Article 1-7-3, item (vi) of the Order; the same applies in paragraph (1), item (iv) of the following Article and Article 13-7, paragraph (10)), other associations that have financial instruments business operators, etc. as members and other organizations, based on the regulations of the association or other organization.

(Transactions of Securities Which Do Not Fall Under the Category of a Secondary Distribution of Securities)

Article 13-3 (1) The particulars specified by Cabinet Office Order, referred to in Article 1-7-3, item (vi) of the Cabinet Order, are the following related to foreign securities with no restrictions on transfer (meaning the foreign securities with no restrictions on transfer prescribed in item (v) of that Article; hereinafter the same applies in this paragraph and Article 13-7, paragraphs (9) and (10)):

- (i) the name and location of the head office of the issuer;
- (ii) the issues;
- (iii) the particulars specified in the items of Article 10-2, paragraph (1) according to the category of securities in the case where the foreign securities with no restrictions on transfer fall under the securities set forth in the items; and
- (iv) the particulars specified by the authorized financial instruments firms association as those necessary for identifying the foreign securities with no restrictions on transfer (excluding the particulars set forth in the preceding three items).

(2) The securities specified by Cabinet Office Order referred to in Article 1-7-3, item (ix) of the Cabinet Order are the securities set forth in the following items:

- (i) the securities set forth in Article 2, paragraph (1), items (i) to (iv) of the Act, the securities set forth in item (v) of that paragraph (excluding corporate bond certificates with share options), the securities set forth in item (xi) of that paragraph (excluding investment corporate bond certificates and foreign investment securities similar to investment corporate bond certificates), and the securities set forth in item (xv) of that paragraph;
- (ii) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in the preceding item;
- (iii) the securities set forth in Article 2, paragraph (1), item (xviii) of the Act;

and

- (iv) negotiable certificates of deposit referred to in Article 1, item (i) of the Cabinet Order.

(Restriction on the Transfer of Securities to Persons Other Than Qualified Institutional Investors in an Solicitation for Selling, etc.)

Article 13-4 (1) The method specified by Cabinet Office Order referred to in Article 1-7-4, item (ii), (d) of the Cabinet Order is that which satisfies the following requirements according to the category of the cases respectively set forth in the following items:

- (i) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer that financial values to persons other than qualified institutional investors; or

- (ii) a case other than the case set forth in the preceding item: that the case falls under any of the following requirements:

- (a) that a statement to the effect that the Securities are subject to a restriction which prohibits any transfer except in the case of the transfer thereof to a Qualified Institutional Investor (hereinafter referred to as a "Restriction on Resale" in this Article) is made thereon, and that such Securities are to be delivered to the acquirer thereof;

- (b) that a statement to the effect that the Securities are subject to a Restriction on Resale is made in the document containing the information on the Securities, which is to be delivered to the acquirer of such Securities; or

- (c) that measures have been taken to enable the members to learn that a restriction on resale has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.

(2) The requirements specified by Cabinet Office Order referred to in Article 1-7-4, item (iii), (c) of the Cabinet Order are that the case falls under all of the following requirements:

- (i) that the case falls under the following requirements according to the category thereof respectively set forth as follows:

- (a) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer that financial values to persons other than qualified institutional investors; or

- (b) a case other than the case set forth in (a): that the case falls under any of the following requirements:

1. that a statement to the effect that the securities are subject to a restriction on resale is recorded thereupon, and that such securities are delivered to the acquirer thereof;
 2. that a statement to the effect that the Securities are subject to a Restriction on Resale is made in the document containing the information on the Securities which is delivered to the acquirer of such Securities; or
 3. that measures have been taken to enable the members to learn that a restriction on resale has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act; and
- (ii) that, in the case of the following securities, in addition to the requirements set forth in the preceding item, the case falls under the requirements set forth as follows according to the following category of Securities:
- (a) Certificates of a beneficial interest in a securities trust, and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act or the rights set forth in paragraph (2), item (ii) of that Article that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights) which have the nature of certificates of a beneficial interest in a securities trust: that the case falls under a case specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the category of a case whereby the entrusted securities are the securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order;
 - (b) the securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the case falls under any of the following:
 1. a case specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the category of a case where the underlying securities are the securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order;
 2. a case where purchase and sale or other transactions of securities are not to be conducted upon the exercise of the options indicated on the securities;
 - (c) the securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the case falls under any of the following requirements:
 1. a case specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to a case where the securities or certificates in relation to the rights indicated on the securities are the securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order; and
 2. a case where purchase and sale or other transactions of securities are not to be conducted upon the exercise of the rights indicated on the

securities;

- (d) corporate bond certificates and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of corporate bond certificates, with special provisions whereby the corporate bond certificates or securities must or may be redeemed through the securities set forth in Article 1-4, item (i) or (ii), or Article 1-7-4, item (i) or (ii) of the Cabinet Order, or (b) or (c) above (limited to those issued by a person other than the issuer of the corporate bond certificates) (hereinafter such corporate bond certificates are referred to as the "convertible bond certificates" in (d)): that the corporate bond certificates fall under the following cases according to the category of the cases where the securities to be acquired upon the redemption (hereinafter referred to as the "securities acquired upon redemption" in (d)) are the securities set forth below, respectively:
1. the securities set forth in Article 1-4, item (i) or Article 1-7-4, item (i) of the Cabinet Order: a case specified in Article 1-4, item (i) of the Cabinet Order (in the case where the securities acquired upon redemption are not securities to be newly issued and the issuer of the securities acquired upon redemption is not the parent company or subsidiary company of the issuer of the convertible bond certificates (hereinafter such case is referred to as a "case of already issued securities upon through redemption" in 1. and 2. below), excluding the requirements set forth in Article 1-4, item (i), (a) of the Cabinet Order), or a case specified in Article 1-7-4, item (i) of the Cabinet Order (in the case of already issued securities acquired upon redemption, excluding the requirements set forth in (a) of that item);
 2. the securities set forth in Article 1-4, item (ii) or Article 1-7-4, item (ii) of the Cabinet Order: a case specified in Article 1-4, item (ii) of the Cabinet Order (in the case of already issued securities acquired upon redemption, excluding the requirements set forth in (b) of that item), or a case specified in Article 1-7-4, item (ii) of the Cabinet Order (in the case of already issued securities acquired upon redemption, excluding the requirements set forth in (b) of that item);
 3. the securities set forth in (b): a case where the securities fall under the requirements specified in (b); and
 4. the securities set forth in (c): a case where the securities fall under the requirements specified in (c).
- (3) A person who delivers a document prescribed in paragraph (1), item (ii), (b), or item (i), (b), 2. of the preceding paragraph (hereinafter referred to as a "deliverer" in this Article) may, in lieu of the delivery of a document prescribed in paragraph (1), item (ii), (b), or item (i), (b), 2. of the preceding paragraph,

provide information that should be included in the document (hereinafter referred to as "Information on the Restriction of Resale" in this Article) by means of using an electronic data processing system or means that use other information and communications technology, as set forth in the following items (hereinafter referred to as "Electronic or Magnetic Means" in this Article) with the consent of a person who is to receive the document (hereinafter referred to as the "Recipient" in this Article), pursuant to the provisions of paragraph (6). In this case, the Deliverer is deemed to have delivered the document:

- (i) the means of using an electronic data processing system, which is set forth in (a) or (b):
 - (a) means whereby Information on the Restriction of Resale is transmitted through the telecommunications line that connects the computer used by the Deliverer and the computer used by the Recipient, and is recorded in a file stored on the computer used by the Recipient; or
 - (b) means whereby the Information on the Restriction of Resale, which is recorded in a file stored on the computer used by the Deliverer, is offered to the Recipient for inspection through the telecommunications line, and is recorded in a file stored on the computer used by the Recipient; and
 - (ii) means whereby the Information on the Restriction of Resale recorded in a file on a magnetic disk, a CD-ROM or any other equivalent medium which is able to accurately record specific information is delivered.
- (4) The means set forth in the items of the preceding paragraph must be methods which allow the recipient to create a document by outputting the contents recorded in the file.
- (5) The term "electronic data processing system" as used in paragraph (3) means an electronic data processing system wherein the computer used by the deliverer is connected, by way of a telecommunications line, to the computer used by the recipient.
- (6) Before a deliverer attempts to provide the Information on the Restriction of Resale pursuant to the provisions of paragraph (3), the deliverer must indicate the types and contents of the electronic or magnetic means set forth in the following items that are to be used to the recipient and obtain consent therefrom by electronic or magnetic means, telephone or by any other means:
- (i) the method to be used by the deliverer, from among those set forth in the items of paragraph (3); and
 - (ii) the format of the information recorded in the file.
- (7) In a case where the Recipient has given notice by Electronic or Magnetic Means, telephone or by any other means to the effect that the Recipient refuses to receive information by Electronic or Magnetic Means, a Deliverer who had obtained consent under the preceding paragraph must not provide the Information on the Restriction of Resale to the Recipient by Electronic or

Magnetic Means; provided, however, that this does not apply to a case where the Recipient has since given consent again under that paragraph.

(Measures Concerning the Transfer of Securities in Connection With Solicitation for Selling, etc. only for Professional Investors)

Article 13-5 (1) The measures specified by Cabinet Office Order referred to in Article 1-8-2, item (i), (b), 1. and item (ii), (b), 1. of the Cabinet Order are technical measures to make it impossible to transfer the relevant financial values to persons other than professional investors, etc. except for the cases set forth in item (ii), (a) through (d) of the following paragraph.

(2) The particulars specified by Cabinet Office Order referred to in Article 1-8-2, item (i), (b), 2. and item (ii), (b), 2. of the Cabinet Order are the following particulars (with regard to the particulars set forth in item (ii), excluding the particulars which the parties to the contract have decided not to specify):

(i) that the person who intends to make the purchase will not transfer the securities purchased in response to the solicitation for selling, etc. to persons other than professional investors, etc.; and

(ii) that, in the following cases, the person who intends to make the purchase may transfer the securities purchased in response to the solicitation for selling, etc. to persons other than professional investors, etc.:

(a) a case where the person transfers share certificates, etc. to a tender offeror in response to a tender offer;

(b) a case where the person transfers the securities set forth in Article 2-12-4, paragraph (2), item (iv), (a) through (e) of the Cabinet Order to the officer, etc. prescribed in that item;

(c) a case where the person transfers the securities to the issuer of the securities or the specified officer thereof, or the controlled corporation, etc. of the specified officer; and

(d) a case where the person transfers the securities to a company that holds shares or equity with voting rights (including voting rights in relation to shares or equity which may not be duly asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Corporate Bonds, etc. Transfer Act (including a case where these provisions are applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1) and Article 276 (limited to the part in relation to items (ii)) of the Corporate Bonds, etc. Transfer Act)) exceeding 50 percent of the voting rights held by all shareholders, etc. of the issuer of the securities in its own name or another person's name.

(3) The provisions of Article 11-2, paragraphs (3) and (4) apply mutatis mutandis to a case set forth in item (ii), (c) of the preceding paragraph.

(Restrictions on Transfer of Securities upon Solicitation for Selling, etc. only for Professional Investors)

Article 13-6 The requirements specified by Cabinet Office Order referred to in Article 1-8-2, item (iii) of the Cabinet Order are that the case satisfies the requirements specified in the following items according to the category of securities set forth in the respective items:

(i) corporate bond certificates, and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in items (i) to (v) of that paragraph (excluding corporate bond certificates with share options, etc. and the securities set forth in item (xvii) of that paragraph which have the nature of the corporate bond certificates with share options, etc.), the securities set forth in item (xv) of that paragraph (including the securities set forth in item (xvii) of that paragraph which have the nature of the securities set forth in item (xv) of that paragraph), beneficiary securities of an investment trust or foreign investment trust, beneficiary securities of a special purpose trust (including the securities set forth in item (xvii) of that paragraph which have the nature of the beneficiary securities of a special purpose trust), school bonds, mortgage securities (including the securities set forth in item (xvii) of that paragraph which have the nature of mortgage securities), beneficiary securities of a trust that issues beneficiary securities (including the securities set forth in item (xvii) of that paragraph which have the nature of beneficiary securities of a trust that issues beneficiary securities, and excluding those set forth in the following item) and electronically recorded transferable rights (excluding those set forth in the following item): all of the following requirements:

(a) that securities of the same class as the securities do not fall under the category of any of the securities set forth in the items of Article 24, paragraph (1) of the Act; and

(b) that the case falls under the following requirements according to the category thereof respectively set forth as follows:

1. a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer that financial values to persons other than professional investors, etc. except for cases set forth in paragraph (2), item (ii), (a) through (d) of the preceding Article; or
2. a case other than the case set forth in 1.: that the solicitation for selling, etc. includes, as a condition of the sale, the conclusion of a contract on transfer specifying the particulars provided in paragraph (2) of the

preceding Article between the person who makes the solicitation for selling, etc. the securities and the person who intends to purchase the securities in response to the solicitation for selling, etc.

- (ii) certificates of a beneficial interest in a securities trust: that the securities fall under the requirements specified in the preceding item, and fall under any of the following cases:
 - (a) a case where the entrusted securities fall under the securities set forth in Article 1-8-2, item (i) of the Cabinet Order, and fall under the case specified in (a) of that item;
 - (b) a case where the entrusted securities fall under the securities set forth in Article 1-8-2, item (ii) of the Cabinet Order, and fall under the case specified in (a) of that item; or
 - (c) a case where the entrusted securities are securities other than the securities set forth in Article 1-8-2, items (i) and (ii) of the Cabinet Order, and where securities of the same class as the securities do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act;
- (iii) the securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the securities fall under the requirements set forth in item (i), and fall under any of the following cases:
 - (a) a case where the securities which are to be the subject of purchase and sale or any other transaction upon the exercise of the options indicated on the securities fall under the securities set forth in Article 1-8-2, item (i) of the Cabinet Order, and fall under the case set forth in (a) of that item;
 - (b) a case where the securities which are to be the subject of purchase and sale or any other transaction upon the exercise of the options indicated on the securities fall under the securities set forth in Article 1-8-2, item (ii) of the Cabinet Order, and fall under the case set forth in (a) of that item;
 - (c) a case where the securities which are to be the subject of purchase and sale or any other transaction upon the exercise of the options indicated on the securities are securities other than the securities set forth in Article 1-8-2, items (i) and (ii) of the Cabinet Order, and where securities of the same class as the securities do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act;
 - (d) a case where purchase and sale or other transactions of securities are not to be conducted upon the exercise of the options indicated on the securities;
- (iv) the securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the securities fall under the requirements set forth in item (i), and fall under any of the following cases:
 - (a) a case where the rights indicated on the securities fall under the securities set forth in Article 1-8-2, item (i) of the Cabinet Order, and fall

- under the case set forth in (a) of that item;
- (b) a case where the rights indicated on the securities fall under the securities set forth in Article 1-8-2, item (ii) of the Cabinet Order, and fall under the case set forth in (a) of that item;
- (c) a case where the rights indicated on the securities are securities other than the securities set forth in Article 1-8-2, items (i) and (ii) of the Cabinet Order, and where securities of the same class as the securities do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act;
- (d) a case where purchase and sale or other transaction of securities is not to be conducted upon the exercise of the rights indicated on the securities;
- (v) corporate bond certificates (excluding corporate bond certificates with share options, etc.), and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the corporate bond certificates, with special provisions that allow the redemption of such corporate bond certificates or securities through the securities issued by a company other than the company issuing such corporate bond certificates: that the securities fall under the requirements specified in item (i), and fall under any of the following cases:
 - (a) a case where the securities to be acquired upon the redemption fall under the securities set forth in Article 1-8-2, item (i) of the Cabinet Order, and fall under the case set forth in (a) of that item;
 - (b) a case where the securities to be acquired upon the redemption fall under the securities set forth in Article 1-8-2, item (ii) of the Cabinet Order, and fall under the case set forth in (a) of that item;
 - (c) a case where the securities to be acquired upon the redemption are securities other than the securities set forth in Article 1-8-2, items (i) and (ii) of the Cabinet Order, and where securities of the same class as the securities do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act;
- (vi) the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the securities set forth in Article 1-8-2, item (ii) of the Cabinet Order: that the securities fall under the requirements specified in item (i), and share certificates which are to be acquired, subscribed for, or transferred upon the exercise of the rights indicated on securities of the same class as the share certificates do not fall under any of the securities set forth in the items of Article 24, paragraph (1) of the Act.

(Restriction on the Transfer of Securities to Many Persons in a Solicitation for Selling, etc.)

Article 13-7 (1) The method specified by Cabinet Office Order referred to in

Article 1-8-4, item (iii), (b), 4. of the Cabinet Order is that which satisfies the following requirements according to the category of the cases respectively set forth in the following items:

- (i) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer that financial values except for a case where the person who has acquired or purchased said right collectively transfers that financial values on which the right thus acquired or purchased is indicated; or
- (ii) a case other than the case set forth in the preceding item: that the case falls under any of the following requirements:
 - (a) that a statement to the effect that the securities are subject to a restriction which prohibits a person who has acquired or purchased the Securities from transferring the Securities so acquired or purchased except in the case of collectively transferring them (referred to as a "restriction on resale" in this item) is made thereupon, and that such securities are to be delivered to the acquirer thereof;
 - (b) that a statement to the effect that the Securities are subject to a Restriction on Resale is made in the document containing the information on the Securities which is delivered to the acquirer of such Securities; or
 - (c) that measures have been taken to enable the members to learn that a restriction on resale has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.
- (2) The requirements specified by Cabinet Office Order referred to in Article 1-8-4, item (iii), (b), 4. of the Cabinet Order are that the case falls under all of the following requirements:
 - (i) the total number or unit (simply referred to as the "unit" in (a) of the following item) of the securities (including the already issued securities of the same class as provided in Article 1-8-3 of the Cabinet Order for which the solicitation for selling, etc. (excluding the transactions set forth in the items of Article 1-7-3 of the Cabinet Order) have been made within one month prior to the day on which the solicitation for selling, etc. the securities are to be made (excluding, in the case where the other party to the solicitation for selling, etc. the already issued securities of the same class is a qualified institutional investor and where the already issued securities of the same class fall under a case specified in the items of Article 1-7-4 of the Cabinet Order according to the category of the securities set forth in those items, the already issued securities of the same class acquired by the qualified institutional investor (including the already issued securities of the same class acquired by the qualified institutional investor and transferred to another qualified institutional investor from the qualified institutional

- investor); the same applies in item (i), (a), 2. and (b), 1., ii. of the following paragraph) is less than 50; and
- (ii) that the case falls under any of the following requirements according to the category thereof respectively set forth as follows:
- (a) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that technical measures have been taken to make it impossible to transfer any financial values on which the right falling short of the unit is indicated; or
- (b) a case other than the case set forth in (a): that, except in the case where the securities cannot be split due to their nature, a restriction prohibiting the splitting of such Securities into a unit of less than the unit indicated on the Securities (hereinafter referred to as a "restriction on splitting" in (b)) has been imposed on such Securities and the case falls under any of the following requirements:
1. that a statement to the effect that the securities are subject to a restriction on splitting is made thereupon, and that such securities are to be delivered to the acquirer thereof;
 2. that a statement to the effect that the Securities are subject to a Restriction on Splitting is made in the document containing the information on the Securities which is delivered to the acquirer of such Securities; or
 3. that measures have been taken to enable the members to learn that a restriction on splitting has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.
- (3) The requirements specified by Cabinet Office Order referred to in Article 1-8-4, item (iii), (c), 3. of the Cabinet Order are that the case falls under all of the following requirements:
- (i) that the case falls under any of the following requirements according to the category thereof respectively set forth as follows:
- (a) a case where the right pertaining to the Securities is indicated on financial values which can be transferred by using an electronic data processing system: that the case falls under either of the following requirements:
1. that technical measures have been taken to make it impossible to transfer that financial values except for a case where the person who has acquired or purchased said right collectively transfers that financial values on which the right thus acquired or purchased is indicated; or
 2. that in a case where the total number or unit (hereinafter simply referred to as the "unit" in 2.) of the securities is less than 50,

technical measures have been taken to make it impossible to transfer any financial values on which the right falling short of the unit is indicated; or

(b) a case other than the case set forth in (a): that the case falls under any of the following requirements:

1. that a statement to the effect that the securities are subject to any of the following restrictions (hereinafter referred to as the "restriction on resale" in (b)) is made thereon, and such securities are to be delivered to the acquirer thereof:

- i. a restriction which prohibits a person who has acquired or purchased the securities from transferring the Securities so acquired or purchased except in the case of collectively transferring them; or
- ii. in the case where the total number or total number or unit of the securities is less than 50, a restriction prohibiting the split of such securities due to their nature or prohibiting the split of such Securities into a unit of less than the unit indicated on the Securities; and

2. that a statement to the effect that the Securities are subject to a Restriction on Resale is made in the document containing the information on the Securities which is delivered to the acquirer of such Securities; or

3. that measures have been taken to enable the members to learn that a restriction on resale has been imposed on the securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act; and

(ii) that, in the case of the following securities, in addition to the requirements set forth in the preceding item, the case falls under the requirements set forth as follows according to the following category of Securities:

(a) Certificates of a beneficial interest in a securities trust, and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act or the rights set forth in paragraph (2), item (ii) of that Article that are deemed to be securities under the provisions of that paragraph (limited to the rights falling under the category of electronically recorded transferable rights) which have the nature of certificates of a beneficial interest in a securities trust: that the case falls under a case specified in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order according to the category of a case where the entrusted securities are the securities set forth in the items of Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order;

(b) the securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the case falls under any of the following requirements:

1. the requirements specified in Article 1-7, item (ii), (a) to (c) or Article 1-

- 8-4, item (iii), (a) to (c) of the Cabinet Order according to the category of a case where the underlying securities are the securities set forth in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order; or
2. that purchase and sale or other transaction of securities is not to be conducted upon the exercise of the options indicated on the securities;
- (c) the securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the case falls under any of the following requirements:
1. the requirements specified in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order according to a case where the securities or certificates in relation to the rights indicated on the securities are the securities set forth in Article 1-7, item (ii), (a) to (c) or Article 1-8-4, item (iii), (a) to (c) of the Cabinet Order; or
 2. that purchase and sale or other transaction of securities is not to be conducted upon the exercise of the rights indicated on the securities;
- (d) corporate bond certificates and the securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of corporate bond certificates, with special provisions whereby the corporate bond certificates or securities must or may be redeemed through the securities set forth in Article 1-7, item (ii), (a) or (b), or Article 1-8-4, item (iii), (a) or (b) of the Cabinet Order, or (b) or (c) above (limited to those issued by a person other than the issuer of the corporate bond certificates) (hereinafter such corporate bond certificates are referred to as the "convertible bond certificates" in (d)): that the corporate bond certificates fall under the following cases according to the category of the cases where the securities to be acquired upon the redemption (hereinafter referred to as the "securities acquired upon redemption" in (d)) are the securities set forth respectively below:
1. the securities set forth in Article 1-7, item (ii), (a) or Article 1-8-4, item (iii), (a) of the Cabinet Order: a case specified in Article 1-7, item (ii), (a) or Article 1-8-4, item (iii), (a) of the Cabinet Order (in the case where the securities acquired upon redemption are not securities to be newly issued and the issuer of the securities acquired upon redemption is not the parent company or subsidiary company of the issuer of the convertible bond certificates, excluding the requirements set forth in Article 1-7, item (ii), (a), 1. or Article 1-8-4, item (iii), (a), 1. of the Cabinet Order);
 2. the securities set forth in Article 1-7, item (ii), (b) or Article 1-8-4, item (iii), (b) of the Cabinet Order: a case specified in Article 1-7, item (ii), (b) or Article 1-8-4, item (iii), (b) of the Cabinet Order (in the case where the securities acquired upon redemption are not securities to be

newly issued and the issuer of the securities acquired upon redemption is not the parent company or subsidiary company of the issuer of the convertible bond certificates, excluding the requirements set forth in Article 1-7, item (ii), (b), 2. or Article 1-8-4, item (iii), (b), 2. of the Cabinet Order);

3. the securities set forth in (b): the requirements specified in (b); and
 4. the securities set forth in (c): the requirements specified in (c).
- (4) A person who delivers a document prescribed in paragraph (1), item (ii), (b), paragraph (2), item (ii), (b), 2., or item (i), (b), 2. of the preceding paragraph (hereinafter referred to as the "deliverer" in this Article) may, in lieu of the delivery of the document prescribed in paragraph (1), item (ii), (b), paragraph (2), item (ii), (b), 2., or item (i), (b), 2. of the preceding paragraph, provide information that should be included in the document (hereinafter referred to as "Information on the Restriction of Resale" in this Article) by means of using Electronic Data Processing System or means that use other information communications technology, as set forth in the following items (hereinafter referred to as "Electronic or Magnetic Means" in this Article) by gaining the consent of a person who is to receive the document (hereinafter referred to as the "Recipient" in this Article), pursuant to the provisions of paragraph (7). In this case, the Deliverer is deemed to have delivered the document:
- (i) means of using an electronic data processing system, and which is set forth in (a) or (b):
 - (a) means whereby Information on the Restriction of Resale is transmitted through the telecommunications line that connects the computer used by the Deliverer and the computer used by the Recipient, and is recorded in a file stored on the computer used by the Recipient; or
 - (b) means whereby the Information on the Restriction of Resale, which is recorded in a file stored on the computer used by the Deliverer, is offered to the Recipient for inspection through the telecommunications line, and is recorded in a file stored on the computer used by the Recipient; or
 - (ii) means whereby the Information on the Restriction of Resale recorded in a file on a magnetic disk, a CD-ROM or any other equivalent medium which is able to accurately record specific information is delivered.
- (5) The means set forth in the items of the preceding paragraph must be those which allow the recipient to create a document by outputting the contents recorded in the file.
- (6) The term "electronic data processing system" as used in paragraph (4) means an electronic data processing system wherein the computer used by the deliverer is connected, by way of a telecommunications line, to the computer used by the recipient.
- (7) Before a deliverer attempts to provide the Information on the Restriction of

Resale pursuant to the provisions of paragraph (4), the deliverer must indicate the types and contents of the electronic or magnetic means set forth in the following items that are to be used, to the recipient and must obtain consent therefrom by electronic or magnetic means, telephone or by any other means:

(i) the method to be used by the deliverer, from among those set forth in the items of paragraph (4); and

(ii) the format of information recorded in the file.

(8) In a case where the Recipient has given notice by Electronic or Magnetic Means, telephone, or by any other means to the effect that the Recipient refuses to receive information by Electronic or Magnetic Means, a Deliverer who had obtained consent under the preceding paragraph must not provide the Information on the Restriction of Resale to the Recipient by Electronic or Magnetic Means; provided, however, that this does not apply to a case where the Recipient has since given consent again under that paragraph.

(9) The number calculated pursuant to the provisions of Cabinet Office Order referred to in Article 1-8-4, item (iv), (a) of the Cabinet Order is the number of persons who have acquired the foreign securities with no restriction on transfer through the solicitation for selling, etc. and who actually holds such foreign securities.

(10) The particulars specified by Cabinet Office Order referred to in Article 1-8-4, item (iv), (a) of the Cabinet Order are the following, related to foreign securities with no restriction on transfer:

(i) the name and location of the head office of the issuer;

(ii) the particulars specified in the items of Article 10-2, paragraph (1) according to the category of securities in the case where the foreign securities with no restriction on transfer fall under the Securities set forth in the items; and

(iii) the particulars specified by the authorized financial instruments firms association as those necessary for identifying the foreign securities with no restriction on transfer (excluding the particulars set forth in the preceding two items).

(Issuance of Rights)

Article 14 (1) The securities specified by Cabinet Office Order, referred to in Article 2, paragraph (5) of the Act, are the beneficiary securities of a special purpose trust, the beneficiary securities of a trust that issues beneficiary securities and mortgage securities; the securities which are set forth in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of the beneficiary securities of a special purpose trust, the beneficiary securities of a trust that issues beneficiary securities and mortgage securities; and the securities set forth in item (xx) of that paragraph.

- (2) A person to be specified by Cabinet Office Order who issues or intends to issue the securities referred to in Article 2, paragraph (5) of the Act is those prescribed in the following items according to the categories of securities set forth in the respective items:
- (i) the beneficiary securities of a special purpose trust, and the securities which are set forth in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of the beneficiary securities of a special purpose trust: the originator and trustee of the trust in relation to the securities;
 - (ii) the beneficiary securities of a trust that issues beneficiary securities (excluding that set forth in the following item), and the securities which are set forth in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of the beneficiary securities of a trust that issues beneficiary securities: the persons specified as follows according to the following categories of cases:
 - (a) a case where the management or disposal of trust property may be conducted only based on instructions from the settlor or from the person entrusted thereby with the authority to give instructions alone (limited to a case where the person is not any of those set forth in the items of Article 2 of the Order for Enforcement of the Trust Business Act (Cabinet Order No. 427 of 2004); the same applies in paragraph (3), item (i), (a)): the settlor of the trust in relation to the securities;
 - (b) a case other than that set forth in (a) (limited to a case where a beneficiary at the time when the trust in relation to the securities becomes effective is the settlor, and where money is the trust property): the trustee of the trust in relation to the securities; and
 - (c) a case other than those set forth in (a) and (b): the settlor and the trustee of the trust in relation to the securities;
 - (iii) beneficiary securities of a trust that issues beneficiary securities (limited to those falling under certificates of a beneficial interest in a securities trust): the person who issues, or intends to issue, the entrusted securities in relation to the securities;
 - (iv) mortgage securities, and the securities which are set forth in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of mortgage securities: the person to whom the securities were delivered through the procedures prescribed in Article 11 of the Mortgage Securities Act or any other procedures equivalent thereto;
 - (v) the securities set forth in Article 2, paragraph (1), item (xx) of the Act: the person who issues, or intends to issue, the securities in relation to the rights indicated on the securities.
- (3) The persons to be specified by Cabinet Office Order for each kind of right, prescribed in Article 2, paragraph (5) of the Act, for whom the rights are

deemed to be issued as securities at the time specified by Cabinet Office Order are those prescribed in the following items according to the categories of rights set forth in the respective items:

- (i) the rights set forth in Article 2, paragraph (2), item (i) of the Act (excluding those set forth in the following item) and the rights set forth in item (ii) of that paragraph: the persons prescribed as follows, according to the following categories of cases:
 - (a) a case where the management or disposal of trust property may be conducted based on instructions from the settlor or from the person entrusted thereby with the authority to give instructions alone: the settlor of the trust in relation to the right;
 - (b) a case other than that set forth in (a) (limited to a case where a beneficiary at the time when the trust in relation to the rights becomes effective is the settlor, and where money is the trust property): the trustee of the trust in relation to the right; or
 - (c) a case other than those set forth in (a) and (b): the settlor and the trustee of the trust in relation to the rights;
- (i)-2 the rights set forth in Article 2, paragraph (2), item (i) of the Act (limited to those falling under certificates of a beneficial interest in a securities trust): the person who issues or intends to issue the entrusted securities in relation to the securities;
- (ii) the rights set forth in Article 2, paragraph (2), item (iii) of the Act: the person prescribed as follows according to the category of the cases respectively set forth as follow:
 - (a) a case where the rights fall under regulated securities (meaning regulated securities prescribed in Article 5, paragraph (1) of the Act; the same applies in (a) of the following item): the member who manages the business activities; or
 - (b) a case other than the case set forth in (a): the general partnership company, limited partnership company or limited liability company that has a person who holds said rights as its member;
- (iii) the rights set forth in Article 2, paragraph (2), item (iv) of the Act: the person prescribed as follows according to the category of the cases respectively set forth as follow:
 - (a) a case where the rights fall under regulated securities: the person who manages the business activities; or
 - (b) a case other than the case set forth in (a): the foreign corporation that has a person who holds said rights as its member;
- (iv) the rights set forth in Article 2, paragraph (2), item (v) of the Act: the persons prescribed as follows, according to the following categories of rights:
 - (a) rights under a partnership contract: the partner who has been delegated

- to manage the business activities of the partnership formed under the partnership contract;
- (b) rights under a silent partnership contract: the proprietor under the silent partnership contract;
- (c) rights under a limited partnership agreement for investment: the unlimited liability partner of a partnership formed under the limited partnership agreement for investment;
- (d) rights under a limited liability partnership agreement: the partner who participates in management decisions regarding the important business activities of the partnership formed under the limited liability partnership agreement, and personally manages the business activities;
- (e) rights which are set forth in Article 2, paragraph (2), item (v) of the Act except for those set forth in (a) to (d): the person who participates in management decisions regarding the important business activities of the business subject to investment, and personally manages the business activities (or, in the case where there is any person similar to an unlimited liability partner, the person similar to an unlimited liability partner);
- (v) rights set forth in Article 2, paragraph (2), item (vi) of the Act: a person similar to one prescribed in (a) to (e) of the preceding item, according to the categories of rights similar to those set forth in (a) to (e) of that item; and
- (vi) a claim in relation to a loan against an incorporated educational institution, etc. prescribed in Article 1-3-4 of the Cabinet Order: the incorporated educational institution, etc.
- (4) The time specified by Cabinet Office Order, referred to in Article 2, paragraph (5) of the Act, is the time prescribed in the following items, according to the categories of rights set forth in the respective items:
- (i) the rights set forth in Article 2, paragraph (2), item (i) and (ii) of the Act: the time prescribed as follows, according to the following categories of a case:
- (a) a case where the beneficiary at the time when the trust in relation to the right becomes effective is the settlor (excluding securities in relation to a trust (excluding a money trust for which a contract for compensation for loss in principal is concluded pursuant to the provisions of Article 6 of the Act on Engagement in Trust Business Activities by Financial Institutions) for which a trust agreement is concluded under a single trust contract, and the management or disposal of trust property in relation to the trust agreement is jointly carried out with the management or disposal of trust properties in relation to a trust agreement between the trustee and other settlors concluded under the trust contract): the time when the settlor of the trust in relation to the rights transfers the rights (excluding the rights transferred to the settlor);
- (b) a case other than that set forth in (a): the time when the trust in relation

- to the right becomes effective;
- (ii) the rights set forth in Article 2, paragraph (2), item (iii) and (iv) of the Act: the time when the person who wishes to become a member in relation to the rights becomes a member, and the time when the admission of the member in relation to the rights becomes effective;
 - (iii) the rights set forth in Article 2, paragraph (2), item (v) and (vi) of the Act: the time prescribed as follows, according to the following categories of rights:
 - (a) the rights set forth in item (iv), (a) to (e) of the preceding paragraph, or the rights which are set forth in item (v) of that paragraph and which are similar to those set forth in item (iv), (a) to (e) of that paragraph: the time when the contract in relation to the rights becomes effective; or
 - (b) the rights which are set forth in item (v) of the preceding paragraph and which pertain to an investment or a contribution to a corporation: the time prescribed in the preceding item; and
 - (iv) claims in relation to a loan against an incorporated educational institution, etc. prescribed in Article 1-3-4 of the Cabinet Order: the time when the claims accrue.

(Securities Equivalent to Share Option Certificates)

Article 14-2 (1) The securities specified by Cabinet Office Order, referred to in Article 2, paragraph (6), item (iii) of the Act, are the following securities:

- (i) corporate bond certificates with share options;
 - (ii) securities or certificates which have been issued by a foreign person and which have the nature of share option certificates or corporate bond certificates with share options;
 - (iii) investment equity subscription right certificates; and
 - (iv) foreign investment securities that are similar to investment equity subscription right certificates.
- (2) The rights specified by Cabinet Office Order, referred to in Article 2, paragraph (6), item (iii) of the Act, are the following rights:
- (i) rights against a foreign person which have the nature of share options;
 - (ii) investment equity subscription rights; and
 - (iii) rights against a foreign investment corporation which have the nature of investment equity subscription rights.

(Person Regarded as Having Special Knowledge and Experience)

Article 15 (1) The persons specified by Cabinet Office Order, referred to in Article 1-8-6, paragraph (1) item (ii), (a) of the Cabinet Order, are those set forth in the following items:

- (i) a financial instruments business operator (limited to a person who engages in Type I Financial Instruments Business (excluding the Type I Small

- Amount Electronic Public Offering Service Provider prescribed in Article 29-4-2, paragraph (9) of the Act) or a registered financial instrument institution;
- (ii) a person set forth in the items (excluding item (xxv)) of Article 10, paragraph (1) (excluding a person set forth in the preceding item);
 - (iii) a person equivalent to those set forth in the preceding two items under the laws and regulations of a foreign state; and
 - (iv) beyond those set forth in the preceding three items, any person designated by the Commissioner of the Financial Services Agency.
- (2) The amount specified by Cabinet Office Order, referred to in Article 1-8-6, paragraph (1), item (ii), (b) of the Cabinet Order, is one billion yen.

(Acts Excluded from the Scope of Financial Instruments Business)

Article 16 (1) The acts specified by Cabinet Office Order, referred to in Article 1-8-6, paragraph (1), item (iv) of the Cabinet Order, are those set forth in the following items:

- (i) the sale of any of the rights set forth in Article 2, paragraph (2), item (i) or (ii) of the Act, where a contract for the sale has been concluded through the agency or intermediation of a financial instruments business operator, etc. (including a person who is deemed to be a financial instruments business operator pursuant to the provisions of Article 65-5, paragraph (2) and (4) of the Act; the same applies in this item), without any solicitation being made thereby (limited to a sale in the case where it is clearly specified in a contract or any other document for the entrustment of services for agency or intermediation that the person selling the rights entrusts the entirety of the solicitation to the financial instruments business operator, etc.);
- (i)-2 the acts set forth in Article 2, paragraph (8), item (ii) or item (iii) of the Act (limited to those relating to foreign market derivatives transactions (excluding the transaction set forth in Article 28, paragraph (8), item (v) of the Act; hereinafter the same applies in this item)), which are carried out by a person other than a financial instruments business operator and the financial institution prescribed in Article 33, paragraph (1) of the Act that is engaged in foreign market derivatives transactions, etc. (meaning foreign market derivatives transactions or any relevant acts set forth in Article 2, paragraph (8), item (ii) or item (iii) of the Act; hereinafter the same applies in this item) as a part of business in a foreign state in accordance with the laws and regulations of the foreign state, and which fall under any of the following:
 - (a) acts carried out from a foreign state, with any of the following persons as the counterparty:
 1. the government of Japan or the Bank of Japan;
 2. a financial instruments business operator and a financial institution

- (meaning the financial institution set forth in each item of Article 209 of the Cabinet Office Order on Financial Instrument Business, etc.; the same applies in 3. and item (iv)-2, (b) or (c)), which are engaged in foreign market derivatives transactions, etc. as a part of business;
3. a financial institution, trust company or foreign trust company (limited to a case where they conduct foreign market derivatives transactions for the purpose of investment or on the account of a person that entrusts them to do so based on a trust agreement); and
 4. a financial instruments business operator engaged in investment management business (limited to a case where the financial instruments business operator carries out acts relating to investment management business); or
- (b) the following acts carried out from a foreign state, without making solicitation for foreign market derivatives transactions, etc. (excluding those falling under (a)):
1. acts set forth in Article 2, paragraph (8), item (ii) or item (iii) of the Act which are carried out with an order from a person in Japan (limited to those falling under Article 1-8-6, paragraph (1), item (ii), (a) or (b) of the Cabinet Order; the same applies in 2.), with the person as the counterparty; and
 2. acts set forth in Article 2, paragraph (8), item (ii) of the Act which are carried out through the agency or intermediation of a financial instruments business operator (limited to those registered under Article 29 of the Act for engaging in Type II Financial Instruments Business) which is engaged in foreign market derivatives transactions, etc. as a part of business, with a person in Japan as the counterparty;
- (ii) the acts which are set forth in Article 2, paragraph (8), item (ii) or (iii) of the Act or the acts set forth in item (iv) of that paragraph (limited to intermediation, brokerage, or agency; hereinafter the same applies in this item), and are carried out by a financial instruments business operator (limited to a person who engages in investment management business) under entrustment from an affiliated foreign investment specialist (limited to entrustment for purchase and sale of securities (excluding those which fall under the category of derivatives transactions; the same applies hereinafter) or to derivatives transactions conducted as a management (including an instructions for management; the same applies hereinafter) under investment management business carried out by the affiliated foreign investment specialist in a foreign state) (with regard to the acts set forth in Article 2, paragraph (8), item (ii) or (iv) of the Act, limited to a case where the other party to the acts set forth in item (ii) or (iv) of that paragraph which are conducted under entrustment from the affiliated foreign

- investment specialist is a financial instruments business operator, etc.);
- (iii) the acts which are set forth in Article 2, paragraph (8), item (iv) of the Act (limited to those set forth as follows), and are performed by a person who conducts purchase and sale of or provides transportation or custody services for goods or acts as an intermediary for purchase and sale of goods as a part of business and in association with any of those transactions (limited to an act conducted with a service provider (meaning a corporation or any other entity, and an individual person in the case where such transactions are conducted as a business or for the purpose of business) as the counterparty, and whose purpose is to abate any possible losses arising from the transactions due to a fluctuation in the exchange rates in relation to the assets and liabilities held by the service provider):
- (a) purchase and sale transaction wherein the parties thereto promise to pay and receive currencies and the consideration therefor at a fixed time in the future, and, when the resale and repurchase of the currencies subject to the purchase and sale has been made, or when the parties thereto have effected any act to cancel purchase and sale contract, the settlement of such transaction may be made by paying or receiving the difference;
- (b) a transaction wherein the parties thereto have promised that one party thereto will grant the second party the option to effect purchase and sale of currencies (excluding a transaction set forth in (a)) between them by a unilateral manifestation of the second party's intention alone, and that the second party will pay the consideration for such option, or any other transaction similar thereto;
- (iv) the acts which are set forth in Article 2, paragraph (8), item (iv) of the Act, and in which a company required to submit an annual securities report under Article 24, paragraph (1) of the Act (including a company which has submitted the annual securities report pursuant to the provisions of Article 23-3, paragraph (4) of the Act, and limited to a company prescribed in Article 4-2-7, paragraph (1) of the Cabinet Order) effects any of the transactions set forth in (a) or (b) of the preceding item with a subsidiary company (meaning a subsidiary company as defined in Article 8, paragraph (3) of the Regulation on Terminology, Forms, and Preparation Methods of Financial Statements, etc. (Order of the Ministry of Finance No. 59 of 1963); hereinafter the same applies in this item), or provides intermediation, brokerage (excluding brokerage for clearing of securities, etc.) or agency for any of those transactions for the subsidiary company (limited to an act whose purpose is to abate any possible loss due to a fluctuation in the exchange rates in relation to the assets and liabilities held by the subsidiary company, and excluding an act which falls under any of the acts set forth in that item);
- (iv)-2 the acts set forth in Article 2, paragraph (8), item (iv) of the Act (limited

- to those involving cryptoasset-related over-the-counter derivatives transactions (meaning the cryptoasset-related over-the-counter derivatives transactions prescribed in Article 185-24 paragraph (1) of the Act; the same applies in (c)), hereinafter referred to as "cryptoasset-related over-the-counter derivatives transactions, etc." in this item) which are carried out by a person other than a financial instruments business operator and the financial institution prescribed in Article 33, paragraph (1) of the Act that are engaged in cryptoasset-related over-the-counter derivatives transactions, etc. as a part of business in a foreign state in accordance with the laws and regulations of the foreign state, with any of the following persons as the counterparty (excluding specified over-the-counter derivatives transactions prescribed in Article 1-8-6, paragraph (1), item (ii) of the Cabinet Order and intermediation, brokerage or agency therefor):
- (a) the government of Japan or the Bank of Japan;
 - (b) a financial instruments business operator and a financial institution that are engaged in cryptoasset-related over-the-counter derivatives transactions, etc. as a part of business;
 - (c) a financial institution, trust company or foreign trust company (limited to a case where they conduct cryptoasset-related over-the-counter derivatives transactions for the purpose of investment or on the account of a person that entrusts them to do so based on a trust agreement); and
 - (d) a financial instruments business operator that is engaged in investment management business (limited to a case where the Financial Instruments Business Operator carries out acts relating to investment management business);
 - (v) the acts which are set forth in Article 2, paragraph (8), item (vi) of the Act, and in which a financial instruments business operator (limited to a corporation engaged in a Type II Financial Instruments Business and whose amount of stated capital or total amount of contribution is 50 million yen or more; hereinafter the same applies in this item) conducts the acts set forth in paragraph (6), item (i) of that Article at the time of the public offering or private placement of the rights set forth in paragraph (2), item (v) of that Article (limited to the rights under a silent partnership contract (limited to those of which the proprietor is a stock company all of whose issued shares are held by the financial instruments business operator), for which the business subject to investment in relation to the rights is a business to make goods or articles such as machines available for use);
 - (vi) the acts which are set forth in Article 2, paragraph (8), item (vi) of the Act, and in which a financial instruments business operator (limited to a corporation that engages in Type II Financial Instruments Business) carries out an act set forth in paragraph (6), item (i) of that Article (limited to an act

- whose purpose is to cause another proprietor under a silent partnership contract to acquire the rights under the a silent partnership contract) at the time of the private offering of the rights set forth in paragraph (2), item (v) of that Article (limited to the rights under a silent partnership contract, in which an business subject to investment in relation to the rights is a business for making investments in the rights set forth in item (i) of that paragraph in relation to a real property);
- (vii) the acts which are set forth in Article 2, paragraph (8), item (vi) of the Act, and in which a trust company or foreign trust company conducts an act set forth in paragraph (6), item (i) of that Article at the time of the public offering or private offering of the rights set forth in paragraph (2), item (i) of that Article (limited to the case where the trustee of the trust in relation to the right is the trust company or foreign trust company);
- (vii)-2 among the acts set forth in Article 2, paragraph (8), item (vi) of the Act, those that fall under all of the following requirements:
- (a) that the acquisition of share certificates is made for the purpose of implementing the following purchases:
1. the purchase made by a subject employee (meaning an employee of the company which is the issuer of share certificates or its controlled company, etc. (meaning the controlled company, etc. as defined in Article 6, paragraph (3); hereinafter the same applies in this item), or associated company (meaning the Associated Company as defined in Article 7, paragraph (2); hereinafter the same applies in this item); hereinafter the same applies in this item) under the following contracts:
 - i. the contract provided in Article 1-3-3, item (v) of the Cabinet Order (limited to those that satisfy the requirements provided in Article 6, paragraph (2)); and
 - ii. the contract provided in Article 7, paragraph (1), item (i);
 2. the purchase made by the employees of the company which is the issuer of share certificates, or its controlled company, etc. or Associated company under the trust agreement with the purpose of investing the trust property as an investment in the share certificates (limited to the trust agreements that satisfy all of the following requirements):
 - i. that the subject employee is the settlor;
 - ii. that the subject employee gives instructions for the purchase on a continual basis, according to a certain plan, without depending on an individual investment decision;
 - iii. that the trust property is jointly invested with a trust property under a trust agreement which has another subject employee as the settlor thereof; and

- iv. that the amount of the contribution made to the trust property by each of the subject employees on each occasion is less than one million yen;
- (b) that the acts are for the implementation of the contract set forth in (a), 1., i. or ii., or the trust agreement provided in (a), 2.;
- (c) that, in the case where the company which is the issuer of share certificates or its controlled company, etc. or Associated company compensates any loss which has arisen from the business in relation to the acts or provides benefits to persons who conduct the acts, such benefits are found to be for the welfare of the subject employee as set forth in (a), in light of the purpose of such benefits, the level of the benefits and other circumstances;
- (d) that the profits which have arisen from the business in relation to the act belong to the subject employee as set forth in (a), the person who was a subject employee, or the heirs of such persons, or other general successors;
- (e) that the subject employee set forth in (a) or the trust property set forth in (a), 2. will not bear the liability of performing the obligations which have arisen from the business in relation to the acts; and
- (f) that the voting rights in relation to share certificates acquired through the act are those to be exercised under instructions from the subject employee set forth in (a);
- (viii) any of the acts set forth in Article 2, paragraph (8), item (xii) of the Act (limited to an act in relation to a discretionary investment contract), which fall under any of the following:
 - (a) purchase and sale of securities or a derivatives transaction conducted by a financial instruments business operator under a contract in which it is provided that, upon obtaining consent from the affiliated foreign financial instruments business operator for purchase or sale as well as the issues of the securities (or, in the case of a derivative transaction, any equivalent particulars), the financial instruments business operator may decide the volume and price (or, in the case of a derivative transaction, any equivalent particulars);
 - (b) purchase and sale of securities or a derivative transaction conducted by a financial instruments business operator under a discretionary investment contract (meaning a contract in which it is provided that the financial instruments business operator may decide on purchase or sale of the securities and on the issues, volume and price (or, in the case of a derivative transaction, any equivalent particulars) in connection with a transaction on the account of the affiliated foreign financial instruments business operator; the same applies in (b)), and with regard to which the financial instruments business operator has notified the Commissioner of

the Financial Services Agency or other competent official of the particulars set forth as follows prior to determining the discretionary investment contract:

1. the trade name or name;
2. the date of registration and the registered number; and
3. the trade name or name, and location of the foreign financial instruments business operator which is to become the counterparty to the discretionary investment contract;

(ix) the acts which are set forth in Article 2, paragraph (8), item (xii) of the Act (limited to one in relation to a discretionary investment contract), in which a commodity trading advisor, etc. (meaning a commodity trading advisor, etc. prescribed in Article 33, paragraph (1) of the Act on Control for Business In relation to Commodity Investment (Act No. 66 of 1991)) makes an investment of money or other properties as an investment in rights in relation to a currency derivative transaction in association with a commodity investment (meaning commodity investment prescribed in Article 2, paragraph (1) of that Act) (limited to an act whose purpose is to abate any possible loss due to a fluctuation in the exchange rates in relation to the commodity investment);

(ix)-2 the acts set forth in Article 2, paragraph (8), item (xiv) of the Act, in which a person engaged in investment management business (limited to the business activities for carrying out the acts set forth in that item) in a foreign state in accordance with the laws and regulations of the foreign state, invests money or other properties contributed by a person who holds the rights indicated on the beneficiary securities of a foreign investment trust;

(x) the acts which are set forth in Article 2, paragraph (8), item (xv) of the Act, and in which a person who conducts the act (hereinafter referred to as a "subject person" in this item) concludes a discretionary investment contract with a financial instruments business operator, etc., and entrusts all of the subject person's authority to make investments on behalf of the person entitled to the rights set forth in item (xv), (a) to (c) of that paragraph (such a person is hereinafter referred to as the "subject rights holder" in this item, and such rights are hereinafter referred to as the "subject rights" in this item), based on the discretionary investment contract, and the case falls under all of the requirements set forth as follows:

(a) that the particulars set forth as follows are specified in a contract or any other juridical act in relation to the subject right (hereinafter referred to as an "investment contract, etc." in this item):

1. a statement to the effect that all of the authority to make investments for the right holder is entrusted, and the trade name and name of the financial instruments business operator (in the case where the financial instruments business operator has been registered under

- Article 29 of the Act for engaging in investment management business for qualified investors (meaning the investment management business for qualified investors prescribed in Article 29-5, paragraph (1) of the Act), a statement to that effect);
2. an outline of the discretionary investment contract; and
 3. the amount of remuneration (or the method of calculating the amount of remuneration, if the amount of remuneration has not been not fixed in advance), in the case where the remuneration in relation to the discretionary investment contract is paid from the Investment Property (meaning money or other property invested by a subject person for a subject right holder; the same applies in (c), 1., ii. and (d));
- (b) that the particulars set forth as follows are specified in the investment contract, etc. and the discretionary investment contract:
1. that the financial instruments business operator, etc. must engage in the investment management business for the subject right holder in a loyal manner; and
 2. that the financial instruments business operator, etc. must carry out investment management business while paying the due care of a prudent manager for the subject right holders;
- (c) that it is provided in the investment contract, etc. and the discretionary investment contract that the financial instruments business operator, etc. must not make an investment with the intention of conducting a transaction for itself or with any of its directors or executive officers, or a transaction between an Investment Property and another Investment Property it manages (meaning an Investment Property as defined in Article 35, paragraph (1), item (xv) of the Act; the same applies in 2.) (referred to as "transactions for itself, etc." in 1.), except for that which falls under any of the acts set forth in Article 128, item (i) or (iii), or Article 129, paragraph (1), item (i) or (vi) of the Cabinet Office Order on Financial Instruments Business or the acts set forth as follows:
1. that the Financial Instruments Business Operator, etc. makes an investment with the intention of conducting a transaction while giving an explanation on the contents of each transaction and the reasons for conducting the transaction (referred to as an "explanation of the transaction" in ii. and 2., iii.) to all of the subject right holders and thereby obtaining the consent (including the consent prescribed in i., for a transaction conducted in the case where all of the following particulars are provided) from all of the Subject Right Holders:
 - i. that the financial instruments business operator, etc. may conduct transactions for itself, etc. if it gains the consent of at least half (or, if a larger proportion has been prescribed, at least such proportion)

- of all of the subject right holders, and at least three-fourths (or, if a larger proportion has been prescribed, at least such proportion) of the subject rights held by all of the subject right holders;
- ii. that, in the case where any subject right holder who refuses to give its consent to the financial instruments business operator, etc. conducting transactions for itself, etc. so requests within 20 days (or, if a longer period has been prescribed, within such period) from the day when the subject right holder has been given an explanation of the transaction, the subject person must purchase the subject rights held by the subject right holder at a fair value by using the Investment Property until the date on which a period of 60 days (or, if a shorter period has been prescribed, before such period) has elapsed from the date of the financial instruments business operator, etc.'s transactions for Itself, etc. (including the fact that the contract in relation to such right is cancelled);
2. that the Financial Instruments Business Operator, etc. makes an investment with the intention of conducting a transaction that satisfies all of the following requirements between an Investment Property and said other Investment Property:
 - i. that the investment between an Investment Property and said other Investment Property falls under the acts set forth in Article 2, paragraph (8), item (xii) or (xv) (limited to the part in relation to (c));
 - ii. that all of the subject rights holders and all of the right holders of said other Investment Property (meaning the right holders prescribed in Article 129, paragraph (1), item (v), (b) of the Cabinet Office Order on Financial Instruments Business; the same applies in iii.) are qualified institutional investors;
 - iii. that, with regard to each transaction, the financial instruments business operator, etc. gives an explanation of the transaction to all subject rights holders and all right holders of said other Investment Property and obtains the consent of at least two-thirds (or, if a larger proportion has been prescribed, at least such proportion) of the subject rights held by all of the subject right holders and the rights held by all of the right holders of said other Investment Property; and
 - iv. that the transaction is the purchase and sale pertaining to beneficial interest in real property trust (meaning the beneficial interest in real property trust prescribed in Article 7, item (vi) of the Cabinet Office Order on Financial Instruments Business) that is conducted at a value calculated through a reasonable method;
- (d) that the subject person must manage the Investment Property in relation

to the act separately from such person's own property and other investment properties by the method equivalent to that prescribed in Article 42-4 of the Act, and the financial instruments business operator, etc. must supervise the management;

- (e) that the financial instruments business operator, etc. must make a notification of the particulars related to the subject person set forth as follows to the Commissioner of Financial Services Agency or other competent official before determining the investment agreement, etc.:
 1. the trade name or name;
 2. the amount of the stated capital or the total amount of contribution, in the case of a corporation;
 3. the title and the name of the officer prescribed in Article 29-2, paragraph (1) item (iii) of the Act, in the case of a corporation;
 4. the name of an employee who supervises the business with regard to guidance of the observance of the laws and regulations, dispositions issued by administrative agencies under the laws and regulations or the rules such as articles of incorporation, if any, or the name of an employee who is in a position whereby the employee may exercise the employee's authority on behalf of the first-mentioned employee, if any;
 5. the name and location of the principal business office or principal office; and
 6. the type of any other business(es), if any; and
- (f) that the financial instruments business operator, etc. must, when there is any change to the particulars related to the subject person set forth in (e),
 1. to 6., notify the Commissioner of Financial Services Agency or other competent official to that effect without delay;
- (xi) an act which is set forth in Article 2, paragraph (8), item (xv) of the Act (excluding an act set forth in Article 63, paragraph (1), item (ii) of the Act), and in which the money and other properties contributed under a silent partnership contract concluded with a single person as an investment to the rights in relation to the real property set forth in Article 2, paragraph (2), item (i) of the Act is to be invested, and which falls under all the requirements set forth as follows:
 - (a) that a person who wishes to be a counterparty to the silent partnership contract is a proprietor under any other silent partnership contract, and, at the same time, falls under the category of a financial instruments business operator, etc. (limited to a person engaged in investment management business), a person who has made a notification under Article 63, paragraph (2) or Article 63-3, paragraph (1) of the Act (limited to a person engaged in an act set forth in Article 63, paragraph (1), item (ii) of the Act as a part of business) or a person engaged in special investment

- management business prescribed in Article 48, paragraph (1) of the Supplementary Provisions of the Act Partially Amending the Securities and Exchange Act, etc. (Act No. 65 of 2006);
- (b) that a person who intends to become a counterparty to the silent partnership contract must, prior to conclusion of the silent partnership contract, make a notification of the particulars related to a person who performs the acts set forth in (e), 1. to 6. of the preceding item to a person prescribed as follows according to the categories of persons intending to become counterparties set forth as follows:
1. a financial instruments business operator, etc.: the Commissioner of Financial Services Agency or other competent official;
 2. a person other than a financial instruments business operator, etc.: the Director-General of the local finance bureau that has jurisdiction over the location of the principal business office or principal office of the person (or the principal business office or principal office in Japan, in the case of a foreign corporation or an individual person domiciled in a foreign state) (or the Director-General of the Fukuoka Local Finance Branch Bureau, in the case where the location falls within the jurisdictional district of the Fukuoka Local Finance Branch Bureau; or the Director-General of the Kanto Finance Bureau, in the case where the person has no business office or any other office in Japan);
- (c) that, when there are any change to the particulars with respect to a person who performs the acts set forth in (e), 1. to 6. of the preceding item, the counterparty or a person who intends to become a counterparty to the silent partnership contract must notify a person prescribed in (b), 1. or 2. to that effect without delay, according to the categories of the counterparties or the persons who intend to become counterparties set forth in (b), 1. or 2. to the Silent Partnership Contract;
- (xii) an act which is set forth in Article 2, paragraph (8), item (xv) of the Act, and in which the money or other properties contributed by a person entitled to the rights set forth in Article 7, item (iv), (d), 1. of the Cabinet Office Order on Financial Instruments Business is invested as an investment in the rights set forth in (d), 2. of that item;
- (xiii) an act which is set forth in Article 2, paragraph (8), item (xv) of the Act, and in which the money and other properties invested or contributed by a person entitled to the rights set forth in paragraph (2), item (vi) of that Article are invested, and which fall under all of the requirements set forth in the following:
- (a) that a direct Equity Holder (meaning the resident (meaning a resident prescribed in the first sentence of Article 6, paragraph (1), item (v) of the Foreign Exchange and Foreign Trade Act; the same applies in (b)) who

- holds the rights; the same applies in (c) and (d)) is a qualified institutional investor or a person who has made a notification under the provisions of Article 63, paragraph (2) or Article 63-3, paragraph (1) of the Act (limited to a person engaged in the acts set forth in Article 63, paragraph (1), item (ii) of the Act as a part of business);
- (b) that an indirect Equity Holder (meaning the resident who holds the rights under a contract or other juridical act in relation to an investment business for the rights (limited to the rights which fall under the rights set forth in Article 2, paragraph (2), item (v) of the Act); the same applies in (c)) is a qualified institutional investor;
- (c) that the total of the number of direct Equity Holders (excluding an investor who operates or intends to operate an investment business related to the rights by using money or other properties invested or contributed by indirect Equity Holders) and the number of indirect Equity Holders is less than ten; and
- (d) that the total amount of money or other properties invested or contributed by direct Equity Holders does not exceed the amount equivalent to one third of the aggregate amount of money or other properties invested or contributed by all of the persons who hold the rights;
- (xiv) an act which is set forth in Article 2, paragraph (8), item (xvi) of the Act, and in which a financial instruments business operator (limited to a corporation engaged in Type II Financial Instruments Business, whose amount of stated capital or the total amount of contribution is 50 million yen or more; the same applies in the following item) accepts money deposits from a customer in connection with any acts it conducts as set forth in item (ix) of that paragraph (excluding dealing in a secondary distribution and the electronic-based application type electronic public offering services, etc. (meaning the electronic-based application type electronic public offering services, etc. prescribed in Article 70-2, paragraph (3) of the Cabinet Office Order on Financial Instruments Business; the same applies in the following item); and limited to any act in relation to the rights set forth in Article 2, paragraph (2), item (i), (ii), (v) or (vi) of the Act) and manages the money separately from its own property in accordance with the method equivalent to that prescribed in Article 42-4 of the Act;
- (xiv)-2 an act which is set forth in Article 2, paragraph (8), item (xvi) of the Act, and in which a financial instruments business operator, when conducting the electronic-based application type electronic public offering services, etc. (excluding dealing in a secondary distribution; hereinafter the same applies in this item), accepts money deposits from a customer in connection with the electronic-based application type electronic public offering services, etc. and manages the money separately from its own property in accordance with

either of the following the methods:

- (a) a deposit or savings at a bank, a cooperative financial institution prescribed in Article 2, paragraph (1) of the Act on Preferred Equity Investment by Cooperative Financial Institution or The Shoko Chukin Bank, Ltd. (limited to a deposit or savings for which it is obvious from the holder's name that the deposit or savings comprise the money, in a case where the financial instruments business operator creates a money trust set forth in (b) within three business days from the day following the day that is set as the base date for creating such money trust at least once a week); or
- (b) a money trust created with a trust company (meaning the trust company prescribed in Article 2, paragraph (2) of the Trust Business Act) or a financial institution engaged in trust business activities (meaning the financial institution that has obtained authorization referred to in Article 1, paragraph (1) of the Act on Engagement in Trust Business Activities by Financial Institutions) (limited to a money trust for which it is obvious from the holder's name that the money trust comprises the money, in a case where the financial instruments business operator, etc. is the settlor and the customer in relation to the electronic-based application type electronic public offering services, etc. conducted by the financial instruments business operator is the beneficiary of the principal, and the money trust is operated by any of the methods set forth in Article 141, paragraph (1), item (iv) of the Cabinet Office Order on Financial Instruments Business or is covered by a contractual agreement on the compensation of principal);
- (xv) an act which is set forth in Article 2, paragraph (8) item (xvii) of the Act, and is performed by a person set forth in Article 44, paragraph (1), item (xiii) of the Corporate Bonds, etc. Transfer Act;
- (xvi) an act which is set forth in Article 2, paragraph (8) item (xvii) of the Act, and which is performed by a financial instruments business operator (limited to a person who engages in business activities in relation to the acts set forth in paragraph (8), item (vii) of that Article with respect to the rights to be indicated on the securities set forth in item (vii), (a) of that paragraph and which are regarded as securities pursuant to the provisions of paragraph (2) of that Article (hereinafter referred to as the "beneficial interest in the investment trust" in this item)) with regard to any beneficial interest in the investment trust it issues, and in which the financial instruments business operator manages the beneficial interest in the investment trust separately from its own property in accordance with the method equivalent to that prescribed in Article 43-2, paragraph (1) and (2) of the Act (limited to the case where the management is audited in the same manner prescribed in

- paragraph (3) of that Article); and
- (xvii) the acts set forth in the items of Article 2, paragraph (8) of the Act that a person who is engaged in Type I Financial Instruments Business or investment management business in a foreign state, in accordance with the laws and regulations of the foreign state, conducts in Japan by limiting a period, in a case where the person faces or is likely to face difficulties in continuing said business due to a disaster or any other reasons, for the purpose of continuing said business by obtaining approval of the Commissioner of the Financial Services Agency.
- (2) The term "affiliated foreign investment specialist" as used in item (ii) of the preceding paragraph means a corporation or any other type of organization which is engaged in an investment management business in a foreign state in accordance with the laws and regulations of the foreign state, and which falls under any of the following items:
- (i) a subsidiary company, etc. (meaning a subsidiary company, etc. as defined in Article 15-16, paragraph (3) of the Cabinet Order; the same applies in item (iii) and the following paragraph) of the financial instruments business operator referred to in item (ii) of the preceding paragraph;
 - (ii) the parent company, etc. (meaning a parent company, etc. as defined in Article 15-16, paragraph (3) of the Cabinet Order; the same applies in the following item and the following paragraph) of the financial instruments business operator referred to in item (ii) of the preceding paragraph;
 - (iii) a subsidiary company, etc. of the parent company, etc. of the financial instruments business operator referred to in item (ii) of the preceding paragraph (excluding the financial instruments business operator).
- (3) The term "affiliated foreign financial instruments business operator" as used in paragraph (1), item (viii) means a corporation or any other type of organization engaged in Type I Financial Instruments Business or Type II Financial Instruments Business in a foreign state in accordance with the laws and regulations of the foreign state, and which falls under any of the following items:
- (i) a subsidiary company, etc. of the financial instruments business operator prescribed in paragraph (1), item (viii);
 - (ii) the parent company, etc. of the financial instruments business operator prescribed in paragraph (1), item (viii); or
 - (iii) a subsidiary company, etc. of the parent company, etc. of the financial instruments business operator prescribed in paragraph (1), item (viii) (excluding the financial instruments business operator).
- (4) The term "currency derivative transaction" as used in paragraph (1), item (ix) means a transaction set forth in any of the following items:
- (i) market transactions of derivatives set forth as follows:

- (a) purchase and sale wherein the parties thereto promise to deliver and receive currencies and the consideration therefor at a fixed time in the future, and, when the resale and repurchase of the currencies subject to the purchase and sale has been made, the settlement thereof may be made by the parties paying and receiving the difference;
- (b) a transaction wherein the parties thereto have promised that one party will grant the second party the option to effect a transaction set forth in the following items between them by a unilateral manifestation of the second party's intention alone, and that the second party will pay the consideration for such option:
 - 1. purchase and sale of currencies (excluding a transaction set forth in (a));
or
 - 2. the transactions set forth in (a) and (c);
- (c) a transaction wherein the parties thereto promise mutually that, using the amount the parties have agreed to as the principal, the first will pay the amount of money calculated based on the rate of change during the agreed-upon period in the interest rate, etc. (meaning an interest rate, etc. prescribed in Article 2, paragraph (21), item (iv) of the Act; the same applies in (c) of this item and (c) of the following item) for the financial instruments (limited to those set forth in paragraph (24), item (ii) of that Article or those set forth item (v) of that paragraph (limited to those in relation to those set forth in item (ii) of that paragraph)) or in the financial indicator (limited to the value of the currencies or figures calculated based thereon; the same applies in (c) of this item and (c) of the following item) agreed upon with the second party, and the second party will pay the amount of money calculated based on the rate of change during the agreed-upon period in the interest rate, etc. for the financial instruments (limited to those set forth in paragraph (24), item (ii) of that Article or those set forth in item (v) of that paragraph (limited to those in relation to those set forth in item (ii) of that paragraph)) or in the financial indicator agreed upon with the first party (including a transaction wherein the parties promise that, in addition to the payment of such amounts, they will also pay and deliver and receive the amount of money or financial instruments equivalent to the amount agreed as the principal);
- (ii) an over-the-counter transaction of derivatives set forth as follows:
 - (a) purchase and sale wherein the parties thereto promise to pay and receive currencies and the consideration therefor at a fixed time in the future, and, when the resale and repurchase of the currencies subject to the purchase and sale has been made, or when the parties thereto have effected any act to cancel purchase and sale contract, the settlement of such transaction may be made by paying and receiving the difference;

- (b) a transaction wherein the parties thereto have promised that one party will grant the second party the option to effect a transaction set forth in the following items between them by a unilateral manifestation of the second party's intention alone, and that the second party will pay the consideration for such an option, or any other transaction similar thereto:
 - 1. purchase and sale of currencies (excluding a transaction set forth in (a));
 - or
 - 2. transactions set forth in (a) and (c);
 - (c) transactions wherein the parties mutually promise that, using the amount the parties have agreed to as the principal, the first party will pay the amount of money calculated based on the rate of change during the agreed-upon period in the interest rate, etc. for the financial instruments (limited to those set forth in Article 2, paragraph (24) item (ii) of the Act or those set forth in item (v) of that paragraph (limited to those in relation to those set forth in item (ii) of that paragraph)) or in the financial indicator agreed upon with the second party, and the second party will pay the amount of money calculated based on the rate of change during the agreed-upon period in the interest rate, etc. for the financial instruments (limited to those set forth in that item or those set forth in item (v) of that paragraph (limited to those in relation to those set forth in item (ii) of that paragraph)) or in the financial indicator agreed upon with the first party (including a transaction wherein the parties promise that, in addition to the payment of such amounts, they will also pay and deliver and receive the amount of money or financial instruments equivalent to the amount agreed as the principal), or any other transaction equivalent thereto;
 - (iii) foreign market derivatives transactions similar to the transactions set forth in item (i), (a) to (c).
- (5) A person who intends to obtain approval under paragraph (1), item (xvii) must submit a written application for approval containing the following particulars to the Commissioner of the Financial Services Agency:
- (i) the trade name or name;
 - (ii) locations of the head office or the principal office and the principal business office or the principal office in Japan;
 - (iii) the title and name of the representative person;
 - (iv) the name and contact address of the representative person in Japan;
 - (v) the title and name of the person who is to engage in the acts to be conducted by obtaining approval in Japan (referred to as the "Worker in Japan" in item (ii) of the following paragraph);
 - (vi) the name of the authority (limited to the authority that has signed the Multilateral Memorandum of Understanding concerning Consultation and Cooperation and the Exchange of Information under the International

- Organization of Securities Commissions) of the foreign state where the person conducts the acts to be conducted by obtaining approval, and the content of the permission and other administrative dispositions given by the authority of the relevant foreign state;
- (vii) the outline of the circumstances where the person faces or is likely to face difficulties in continuing the business in the foreign state;
 - (viii) concrete details of the acts to be conducted by obtaining approval;
 - (ix) the period during which the acts to be conducted by obtaining approval are conducted (limited to a period not longer than three months); and
 - (x) when conducting any other business in Japan, concrete details of the relevant business.
- (6) The following documents must be attached to a written application for approval under the preceding paragraph; provided, however, that in a case where it is impossible to attach the document set forth in item (iii), the attachment of a document stating the reasons therefor may substitute for the attachment of the former:
- (i) a document to pledge the following matters:
 - (a) that the person does not fall under any of Article 29-4, paragraph (1), item (i), (a) through (c) and item (ii) of the Act;
 - (b) that the acts to be conducted by obtaining approval do not violate foreign laws and regulations;
 - (c) that the person will not conduct the acts set forth in the items of Article 2, paragraph (8) of the Act other than the acts to be conducted by obtaining approval in Japan; and
 - (d) that the person will appropriately endeavor to establish a system to observe laws and regulations in Japan;
 - (ii) a document with which the Worker in Japan pledges that the Worker in Japan does not fall under any of Article 29-4, paragraph (1), item (ii), (a) through (i) of the Act;
 - (iii) a document equivalent to a certificate of registered information;
 - (iv) a resume of the representative person in Japan; and
 - (v) a document evidencing that the person has obtained permission and other administrative dispositions from the authority of the foreign state set forth in item (vi) of the preceding paragraph.
- (7) A written application for approval under paragraph (5) and the documents to be attached thereto under the provisions of the preceding paragraph may be prepared in English.
- (8) When an application for the approval under paragraph (1), item (xvii) has been filed, the Commissioner of the Financial Services Agency is to make a disposition on the application promptly, except for a case where any correction is required for the application.

- (9) When the Commissioner of the Financial Services Agency has given approval under paragraph (1), item (xvii), the Commissioner is to publish the trade name or name of the person who received the approval, the outline of the matters set forth in paragraph (5), item (viii) pertaining to the approval, the matters set forth in item (ix) of that paragraph, and the outline of the matters set forth in item (x) of that paragraph.
- (10) When there have been any changes in the matters set forth in paragraph (5), items (i) through (v) or (x), a person who has obtained approval under paragraph (1), item (xvii) must notify the Commissioner of the Financial Services Agency of that fact in writing without delay.
- (11) When a person who has obtained approval under paragraph (1), item (xvii) falls under any of the following items, the Commissioner of the Financial Services Agency may rescind the relevant approval:
- (i) when the person has obtained approval under paragraph (1), item (xvii) by wrongful means;
 - (ii) when any fact has been found that differs from the matters stated in a written application for approval under paragraph (5) and any of the documents to be attached thereto under the provisions of paragraph (6); or
 - (iii) when the person has violated laws and regulations in relation to the business pertaining to the acts to be conducted by obtaining approval under paragraph (1), item (xvii) or business incidental thereto.

(Cases of Being Excluded from Securities Related to a Public Offering or Private Placement Constituting Financial Instruments Business)

Article 16-2 The cases specified by Cabinet Office Order referred to in Article 1-9-2, item (ii) of the Cabinet Order are the cases where the relevant rights are other than the rights set forth in Article 2, paragraph (2), items (iii) and (iv) of the Act.

(Means of Determining Trading Prices for Proprietary Trading System Operations)

Article 17 The means specified by Cabinet Office Order, referred to in Article 2, paragraph (8), item (x), (e) of the Act, are those set forth in the following items:

- (i) means that use the figures presented by a customer, in the case where the figure presented by that customer corresponds to that presented by the counterparty to the transaction;
- (ii) means by which a financial instruments business operator offers more than one asked and bidding quotations of its own or of any other financial instruments business operator, etc. for a single issue, and uses an indicative price based on the asked and bidding quotations (excluding those in which more than one financial instruments business operator, etc. constantly offer

asked and bidding quotations, and have obligations to conduct purchase and sale on the basis of the asked and bidding quotations).

(Equivalent of Interest Rates for Securities)

Article 18 The equivalent specified by Cabinet Office Order, referred to in Article 2, paragraph (8), item (xi), (a) of the Act, is percentages of the distribution of profit in relation to securities or the equivalent thereof, and a discount rate of securities issued on a discount basis.

(Equivalent of Interest Rates for Financial Instruments)

Article 19 The equivalent specified by Cabinet Office Order, referred to in Article 2, paragraph (21), item (iv) of the Act, is percentages of the distribution of profit in relation to the financial instruments or the equivalents thereof, and a discount rate of the financial instruments issued on a discount basis.

(Grounds Similar to Those Connected with Credit Status)

Article 20 The grounds specified by Cabinet Office Order, referred to in Article 1-13 of the Cabinet Order, are a reduction in or an exemption of the interest rate, a grace period for payment of the interest, a grace period for reimbursement of the principal, a waiver of the claim or any other arrangement advantageous to a debtor, which is made for the purpose of the reconstruction of, or support to, the management of the debtor.

(Cause Which May Have Serious Influence on the Business Operations of the Parties or Other Service Providers)

Article 21 The causes specified by Cabinet Office Order, referred to in Article 1-14, item (ii) of the Cabinet Order, are those set forth in the following items brought about by a foreign government, foreign local government or other persons equivalent to them:

- (i) a restriction or prohibition on currency trading;
- (ii) measures taken with respect to the grace period for or exemption of the payment of debt of a private individual; or
- (iii) a declaration of default in relation to the debt.

(Figures Equivalent to Price of Real Property)

Article 21-2 The figures specified by Cabinet Office Order, referred to in Article 1-18, item (iv) of the Cabinet Order, are the following:

- (i) figures that comprehensively indicate the level of the rent, etc. (meaning the rent, occupancy rate, vacancy rate and any other figures relating to the value of or income from real property; hereinafter the same applies in this Article) of real property or rent, etc. of two or more real properties, announced or

- provided periodically by an administrative organ (including local governments) under the provisions of laws and regulations or for the purpose of making them available for use to the general public; and
- (ii) figures that comprehensively indicate the level of the rent, etc. of real property or rents, etc. of two or more real properties, announced or provided periodically by an organization engaged in business related to real property for the purpose of making them available for use to investors.

(Particulars to Be Identified in Advance at That Time of Entrustment)

Article 22 The particulars specified by Cabinet Office Order, referred to in Article 2, paragraph (27), item (ii) of the Act, are those prescribed in the following items, according to the categories of transactions set forth in the respective items:

- (i) purchase and sale of securities: purchase or sale, issues and volumes or amounts (if these particulars are to be specified without delay after the entrustment by a customer pursuant to the provisions of the business rules of a financial instruments clearing organization or foreign financial instruments clearing organization, particulars to properly indicate the content of transactions related to the entrustment; referred to as the "issue, etc. of securities" in items (xiii) and (xiv)), prices, and the date of delivery of securities;
- (ii) transactions set forth in Article 2, paragraph (21), item (i) of the Act, and foreign market derivatives transactions similar to transactions set forth in that item: purchase or sale, issues, volumes or amounts, prices and the date of delivery of financial instruments;
- (iii) transactions set forth in Article 2, paragraph (21), item (ii) of the Act, and foreign market derivatives transactions similar to the transactions set forth in that item: the party to pay and the party to receive the money when the actual figure (meaning the actual figure prescribed in that item; the same applies in item (viii)) exceeds the agreed-upon figure (meaning the agreed-upon figure prescribed in item (ii) of that paragraph; the same applies in item (viii)), and the volumes or amounts, the agreed-upon figure, and the date of delivery for the financial indicator or the financial instruments;
- (iv) transactions set forth in Article 2, paragraph (21), item (iii) of the Act, and foreign market derivatives transactions similar to transactions set forth in that item: the party to grant and the party to acquire, and the issues, the volumes or amounts, the amount of consideration for the options, and the date of delivery for the financial instruments or the financial indicator;
- (v) transactions set forth in Article 2, paragraph (21), item (iv) of the Act, and foreign market derivatives transactions similar to transactions set forth in that item: the issues of the financial indicators or the issue of financial

- instruments in relation to the calculation of the amount of money to be paid from one party to the other party and the method of the calculation of the amount of that money, the issues of the financial indicators or the issues of financial instruments in relation to the calculation of the amount of money to be received by one party from the other party and the method of the calculation of the amount of that money, the term of a transaction or any other particulars to properly indicate the contents of the transaction, the amount agreed upon by the parties as the principal, and the date of delivery;
- (v)-2 transactions set forth in Article 2, paragraph (21), item (iv)-2 of the Act: the financial indicators in relation to the calculation of the amount of money to be paid from one party to the other party and the method of the calculation of the amount of that money, the financial indicators in relation to the calculation of the amount of money to be received by one party from the other party and the method of the calculation of the amount of that money, the term of a transaction or any other particulars to properly indicate the contents of the transaction, the quantity for commodities agreed upon by the parties, and the date of delivery;
- (vi) transactions set forth in Article 2, paragraph (21), item (v) of the Act, and foreign market derivatives transactions similar to transactions set forth in that item: the method of the calculation of the amount of money to be paid from one party to the other party and the method of the calculation of the money to be received by one party from the other party, the term of a transaction or any other particulars to properly indicate the contents of the transactions, and the date of delivery;
- (vii) transactions set forth in Article 2, paragraph (22), item (i) of the Act: purchase or sale, the issues (including the fixed time in the future by which the parties promise to deliver or receive financial instruments and the consideration therefor, and also including the method of the calculation of the amount of the difference if the settlement is made by paying or receiving the difference), volumes and amounts, prices and the date of delivery of the financial instruments;
- (viii) transactions set forth in Article 2, paragraph (22), item (ii) of the Act: the party to pay and the party to receive, and the money when the actual figure exceeds the agreed-Upon figure, the issues (including the date of the calculation of the amount of money to be delivered or received, the method of the calculation of the amount of the money to be delivered or received, the date of delivery or receipt of the money, or other particulars to properly indicate the contents of the transaction), the volumes or amounts, the agreed-Upon figure and the date of delivery for the financial indicator or the financial instruments;
- (ix) transactions set forth in Article 2, paragraph (22), item (iii) or (iv) of the

Act: the party to grant and the party to acquire the options, the contents of the transaction to be effected by the exercise of the options (in the case of a transaction set forth in Article 2, paragraph (22) item (iii), (a) of the Act, meaning information as to whether the type of transaction is a purchase or sale, the issues of the financial instruments, the volumes or amounts, prices and the date of delivery; and in the case of a transaction set forth in (b) of that item, meaning the particulars prescribed in the preceding two items, the following item or item (xi)), the amount of the consideration for the options and the date of delivery;

(x) transactions set forth in Article 2, paragraph (22), item (v) of the Act: the issues of the financial indicators or financial instruments in relation to the calculation of the amount of money to be paid from one party to the other party and the method of the calculation of the amount of money, the issues of the financial indicators or financial instruments in relation to the calculation of the amount of money to be received by one party from the other party and the method of the calculation of the amount of money, the term of the transaction or any other particulars to properly indicate the contents of the transaction, the amount agreed upon by the parties as the principal, and the date of delivery;

(xi) transactions set forth in Article 2, paragraph (22), item (vi) of the Act: the method of calculating the amount of money to be paid from one party to the other party and the method of calculating the money to be received by one party from the other party, the term of the transactions or any other particulars to properly indicate the contents of the transactions, and the date of delivery;

(xii) transactions set forth in Article 1-19, item (i) of the Cabinet Order: lending or borrowing of money, the amount of money and the date of delivery;

(xiii) transactions set forth in Article 1-19, item (ii) of the Cabinet Order: lending or borrowing of securities, and the issue, etc. and the date of delivery of the securities; and

(xiv) transactions set forth in Article 1-19, items (iii) through (v) of the Cabinet Order: delivery or receipt of securities, and the issue, etc., the amount of money and the date of delivery of the securities.

(Scope of a Professional Investor)

Article 23 The corporations specified by Cabinet Office Order, referred to in Article 2, paragraph (31), item (iv) of the Act, are those set forth in the following items:

(i) corporations incorporated by a specific act of incorporation pursuant to the provisions of any specific Act;

- (ii) an investor protection fund prescribed in Article 79-21 of the Act;
- (iii) Deposit Insurance Corporation of Japan;
- (iv) the Agricultural and Fishery Cooperative Savings Insurance Corporation;
- (v) the Insurance Policyholders Protection Corporation of Japan prescribed in Article 259 of the Insurance Business Act;
- (vi) a specific purpose company;
- (vii) a company that issues share certificates which are listed on a financial instruments exchange;
- (viii) a stock company whose stated capital is expected to amount to 500 million yen or more, reasonably judging from the status of the transactions thereof or any other circumstances;
- (ix) a financial instruments business operator, or a corporation that falls under the category of a notifier of specially permitted business activities prescribed in Article 63, paragraph (3) of the Act; and
- (x) a foreign corporation.

(Scope of Credit Ratings)

Article 24 (1) Those similar to a corporation as specified by Cabinet Office Order, referred to in Article 2, paragraph (34) of the Act, are as follows:

- (i) an organization without legal personality;
 - (ii) an individual who carries out business;
 - (iii) a group of corporations or individuals; and
 - (iv) trust property.
- (2) Those similar to a mark or number as specified by Cabinet Office Order, referred to in Article 2, paragraph (34) of the Act are a simple text or a character showing sequential orders.
- (3) The grades to be specified by Cabinet Office Order determined mainly by taking into consideration any matter other than a credit assessment, referred to in Article 2, paragraph (34) of the Act, are as follows:
- (i) grades indicating the results of an assessment related to the fluctuation of the interest rate, value of currency or commodity, liquidity and quotations on the financial instruments market, and any other indicators;
 - (ii) grades indicating the results of an assessment of the capability of the issuer of securities in performing the investment of assets or any other business similar thereto;
 - (iii) grades indicating the results of an assessment of the capability in performing businesses related to the management and collection of claims;
 - (iv) grades indicating the results of an assessment of the adequacy of the operation of a trust business, such as the capability for the management of trust properties; and
 - (v) beyond what is set forth in the preceding items, grades primarily indicating

the results of an assessment of particulars other than the credit status.

(Acts Excluded from Consideration as Credit Rating)

Article 25 The acts as specified by Cabinet Office Order, referred to in Article 2, paragraph (35) of the Act, are as follows:

- (i) the act of assigning a credit rating in response to a request from a rating entity, etc. (meaning a rating entity, etc. as defined in Article 66-33, paragraph (2) of the Act) or any other person, and providing that credit rating only to such rating entity, etc. or such other person (limited to the case where there is no potential risk of such rating entity, etc. or such other person providing or offering for inspection such credit rating to any third party); and
- (ii) the act of providing or offering for inspection a grade represented by any mark or number (including text or characters set forth in paragraph (2) of the preceding Article), as assigned to show the results of an assessment of the credit status of a corporation (including a corporation set forth in paragraph (1), item (i) or (ii) of the preceding Article; and limited to a corporation which falls under the category of a small and medium-sized enterprise operator set forth in the items of Article 2, paragraph (1) of the Small and Medium-sized Enterprise Basic Act (Act No. 154 of 1963) and which also falls under the scope specified and disclosed in advance as persons not required to obtain an audit certification pursuant to the provisions of Article 193-2, paragraph (1) or (2) of the Act or any other persons similar thereto) derived primarily based on objective indicators of the credit status of the corporation and in accordance with a formula given in advance.

(Recipient of Provided Information and Method of Providing Information

Where the Provision of Information Constitutes High-Speed Trading)

Article 26 (1) The person specified by Cabinet Office Order, referred to in Article 2, paragraph (41) of the Act, is either of the following persons designated by the Commissioner of the Financial Services Agency as one that is necessary and appropriate for the public interest or protection of investors in consideration of the status of transactions and other circumstances:

- (i) a financial instruments exchange; or
 - (ii) a financial instruments business operator that has obtained authorization referred to in Article 30, paragraph (1) of the Act.
- (2) The means specified by Cabinet Office Order, referred to in Article 2, paragraph (41) of the Act, is a means that falls under both of the following requirements:
- (i) that the facility where an electronic data processing system that makes a

determination referred to in Article 2, paragraph (41) of the Act on the provision of information is installed is located in the place where the person set forth in the preceding paragraph installs an electronic data processing system for receiving the provided information (including places adjacent or close to that place); and

(ii) that a mechanism is set in place to prevent the contention between the provision of information referred to in Article 2, paragraph (41) of the Act and other provision of information (meaning the provision of information necessary to conduct the purchase and sale of securities or derivatives transactions to the person set forth in the preceding paragraph).