

Defined Contribution Pension Act

(Act No. 88 of June 29, 2001)

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Chapter I General Provisions

(Purpose)

Article 1 In light of the changes in socioeconomic situations such as the progression of the declining birthrate and aging population and the diversification of lifestyles in old age, and in order to enable individuals to give instructions on their own responsibility regarding investment of funds contributed by individuals or employers and receive benefits based on the investment outcomes in old age, this Act aims to provide for necessary particulars concerning defined contribution pensions and support the voluntary efforts of citizens for securing income in old age, thereby contributing to stabilizing the lives and improving the welfare of citizens, in conjunction with provision of benefits of public pensions.

(Definitions)

- Article 2 (1) The term "defined contribution pension plan" as used in this Act means a corporate-type pension plan and an individual-type pension plan.
- (2) The term "corporate-type pension plan" as used in this Act means a pension system independently or jointly implemented by an employer with a place of business where an employees' pension insurance (EPI) is applicable based on the provisions of the following Chapter.
- (3) The term "individual-type pension plan" as used in this Act means a pension system implemented by the Association based on the provisions of Chapter III.
- (4) The term "EPI-applicable place of business" as used in this Act means an applicable place of business referred to in Article 6, paragraph (1) of the Employees' Pension Insurance Act (Act No. 115 of 1954) and an applicable place of business for which the approval referred to in paragraph (3) of that Article has been obtained.
- (5) The term "Association" as used in this Act means the National Pension Fund Association, which has been designated by the Minister of Health, Labour and Welfare as the sole person throughout Japan to implement an individual-type pension plan.

- (6) The term "category I or IV EPI insured" as used in this Act means an insured person covered by the employees' pension insurance who is a category I EPI insured person prescribed in Article 2-5, paragraph (1), item (i) of the Employees' Pension Insurance Act (hereinafter referred to as a "category I EPI insured person") or a category IV EPI insured person prescribed in item (iv) of that paragraph (hereinafter referred to as a "category IV EPI insured person").
- (7) The term "defined contribution pension plan operational management business" as used in this Act means a business of providing all or part of the following services (hereinafter referred to as the "operational management services"):
- (i) the services set forth in (a) through (c) below for defined contribution pension plans (excluding the services specified by Order of the Ministry of Health, Labour and Welfare, such as services relating to confirming the eligibility as a participant of an individual-type pension plans, by the Association; hereinafter referred to as "records-related services"):
 - (a) recording, keeping, and giving notice of particulars concerning a participant of a corporate-type pension plan and an instructor of a corporate-type pension plan investment as well as a participant of an individual-type pension plan and an instructor of an individual-type pension plan investment (hereinafter collectively referred to as "participants or instructors"), such as their names, addresses, and the amount of assets managed per individual;
 - (b) assembling the instructions on investment given by the participants or instructors and giving notice of the contents thereof to the asset management institution (meaning the party with whom the employer implementing the corporate-type pension plan had concluded a contract pursuant to the provisions of Article 8, paragraph (1); the same applies hereinafter) or to the Association;
 - (c) issuing a ruling on the right to receive benefits; and
 - (ii) selecting the investment method of the defined contribution pension plan and presenting it to the participants or instructors as well as providing information relating to that investment method (hereinafter referred to as "investment-related services").
- (8) The term "participant of a corporate-type pension plan" as used in this Act means a person, under a corporate-type pension plan, for whom an employer with an EPI-applicable place of business that implements the corporate-type pension plan for that person makes contributions, and who gives instructions on investment with regard to the person's assets managed per individual.
- (9) The term "instructor of a corporate-type pension plan" as used in this Act means a person, under a corporate-type pension plan, who gives instructions on investment with regard to the person's assets managed per individual

- (excluding a participant of a corporate-type pension plan).
- (10) The term "participant of an individual-type pension plan" as used in this Act means a person, under an individual-type pension plan, who makes contributions and who gives instructions on investment with regard to the person's assets managed per individual.
- (11) The term "instructor of an individual-type pension plan investment" as used in this Act means a person, under an individual-type pension plan, who gives instructions on investment with regard to the person's assets managed per individual (excluding a participant of an individual-type pension plan).
- (12) The term "assets managed per individual" as used in this Act means assets reserved under a corporate-type pension plan or an individual-type pension plan to be allocated to benefits to be paid to a person who is or was a participant of a corporate-type pension plan or to a person who is or was a participant of an individual-type pension plan.
- (13) The term "the amount of assets managed per individual" as used in this Act means the amount calculated pursuant to the provisions of Cabinet Order as the amount of assets managed per individual.

Chapter II Corporate-type Pension Plan

Section 1 Commencement of a Corporate-type Pension Plan

Subsection 1 Corporate-type Pension Plan Rules

(Approval of Rules)

- Article 3 (1) When an employer with an EPI-applicable place of business intends to implement a corporate-type pension plan, the employer must prepare rules concerning the corporate-type pension plan and obtain approval of the Minister of Health, Labour and Welfare for those rules by obtaining consent of a labor union consisting of the majority of the category I or IV EPI insured person employed at the EPI-applicable place of business where the employer intends to implement a corporate-type pension plan (excluding those who fall under Article 9, paragraph (2), item (ii); hereinafter the same applies in this paragraph, paragraph (5), paragraph (3) of the following Article (including as applied mutatis mutandis pursuant to Article 5, paragraph (4), Article 6, paragraph (2), and Article 46, paragraph (3)), and paragraph (4) of that Article, Article 5, paragraph (2) (including as applied mutatis mutandis pursuant to Article 6, paragraph (2)), and Article 46, paragraph (1)), if there is any such labor union, or consent of the person representative of the majority of the category I or IV EPI insured person, if there is no labor union consisting of the majority of the category I or IV EPI insured person.
- (2) When intending to implement a corporate-type pension plan at two or more EPI-applicable places of business, the consent referred to in the preceding

paragraph must be obtained for each EPI-applicable place of business.

- (3) The rules concerning a corporate-type pension plan must provide for the following particulars:
- (i) the name and address of an employer with an EPI-applicable place of business that is to implement the corporate-type pension plan (hereinafter referred to as the "employer" except in the following paragraph and paragraph (5), Article 47, item (v), Article 54-6, Article 55, paragraph (2), item (iv)-2, Article 70, Article 71, and Article 78);
 - (ii) the name and location of the EPI-applicable place of business where the corporate-type pension plan is to be implemented (hereinafter referred to as the "place of business implementing the plan") (in the case of the ship prescribed in Article 6, paragraph (1), item (iii) of the Employees' Pension Insurance Act (hereinafter referred to as a "ship"), the name and location of the shipowner prescribed in that item);
 - (ii)-2 in the case of implementing a simple corporate-type pension plan prescribed in paragraph (5), that fact;
 - (iii) if the employer is to provide all or part of the operational management services, the services to be provided by the employer;
 - (iv) if the employer has entrusted all or part of the operational management services pursuant to the provisions of Article 7, paragraph (1), the name and address of the defined contribution pension plan operational management institution, and the services to be provided by the defined contribution pension plan operational management institution (meaning a person that engages in defined contribution pension plan operational management business by being registered under Article 88, paragraph (1); the same applies hereinafter) that has been thus entrusted (including a defined contribution pension plan operational management institution that has been re-entrusted pursuant to the provisions of Article 7, paragraph (2));
 - (v) the name and address of the asset management institution;
 - (vi) in the case of specifying certain qualifications for the category I or IV EPI insured person employed at the place of business implementing the plan to become a participant of a corporate-type pension plan, matters concerning the qualifications;
 - (vii) the method for calculating the amount of the contribution to be made by the employer (hereinafter referred to as the "employer's contribution") and other particulars concerning making the contributions;
 - (vii)-2 in the case of providing that a participant of a corporate-type pension plan may make contributions, the method for deciding or changing the amount of the contribution (hereinafter referred to as the "participant of a corporate-type pension plan's contribution") and other matters concerning the making contributions;

- (viii) particulars concerning the presentation of the investment method and instructions on investment;
 - (viii)-2 in the case of presenting a default investment method pursuant to the provisions of Article 23-2, paragraph (1), particulars concerning presentation of the default investment method;
 - (viii)-3 in the case of excluding an investment method pursuant to the provisions of Article 26, paragraph (1), particulars concerning the procedure for the exclusion;
 - (ix) particulars concerning the amount of benefits of the corporate-type pension plan and the method of payment thereof;
 - (x) in the case of providing that a participant of a corporate-type pension plan is to return all or part of the participant's assets managed per individual that are specified by Cabinet Order as the portion equivalent to the employer's contribution relating to the corporate-type pension plan to the employer relating to the employer's contribution if the participant had been employed at the place of business implementing the plan for less than three years as of the day of losing the status as a participant of a corporate-type pension plan, particulars concerning the method for calculating the amount of assets to be returned to the employer (hereinafter referred to as the "amount of assets to be returned");
 - (xi) particulars concerning the bearing of administrative expenses required for implementing the corporate-type pension plan; and
 - (xii) other particulars specified by Cabinet Order.
- (4) An employer with an EPI-applicable place of business that intends to obtain the approval referred to in paragraph (1) must submit a written application for the approval, attaching the following documents (excluding the document set forth in item (iv), if the employer provides all of the operational management services), to the Minister of Health, Labour and Welfare, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare:
- (i) the rules concerning the corporate-type pension plan to be implemented;
 - (ii) a document proving that the consent referred to in paragraph (1) has been obtained;
 - (iii) in the case of specifying certain qualifications for the category I or IV EPI insured person employed at the place of business implementing the plan to become a participant of a corporate-type pension plan, if a defined benefit corporate pension plan (meaning the defined benefit corporate pension plan prescribed in Article 2, paragraph (1) of the Defined Benefit Corporate Pension Act (Act No. 50 of 2001); the same applies hereinafter) or a retirement allowance system is implemented at the place of business implementing the plan, a document concerning the scope of persons covered by the defined benefit corporate pension plan and the retirement allowance

- system;
- (iv) a contract document on entrustment of operational management services;
 - (v) the contract document of the asset management contract prescribed in Article 8, paragraph (2); and
 - (vi) any other documents specified by Order of the Ministry of Health, Labour and Welfare.
- (5) When an employer with an EPI-applicable place of business intends to obtain the approval referred to in paragraph (1) for a corporate-type pension plan that satisfies the following requirements (referred to as a "simple corporate-type pension plan" in Article 19, paragraph (2) and Article 23, paragraph (1)), the employer may omit attachment of the documents set forth in items (iii) through (v) of the preceding paragraph and the documents set forth in item (vi) of that paragraph (limited to the documents specified by Order of the Ministry of Health, Labour and Welfare) pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare:
- (i) all category I or IV EPI insured persons employed at the place of business implementing the plan (excluding those specified by Order of the Ministry of Health, Labour and Welfare) are qualified participants of a corporate-type pension plans of the corporate-type pension plan to be implemented;
 - (ii) the number of qualified participants of a corporate-type pension plans of the corporate-type pension plan to be implemented is 300 or less; and
 - (iii) any other requirements specified by Order of the Ministry of Health, Labour and Welfare.
- (6) Beyond what is provided for in the preceding paragraphs, Cabinet Order prescribes the necessary matters in connection with the approval for the rules concerning the corporate-type pension plan.

(Standards for Approval)

Article 4 (1) When an application for the approval referred to in paragraph (1) of the preceding Article is filed, and the Minister of Health, Labour and Welfare finds that the rules pertaining to the application satisfy the following requirements, the minister is to give the approval referred to in that paragraph:

- (i) the rules provide for the particulars set forth in the items of paragraph (3) of the preceding Article;
- (ii) if certain qualifications to become a participant of a corporate-type pension plan have been specified for the category I or IV EPI insured person employed at the place of business implementing the plan, where a defined benefit corporate pension plan or a retirement allowance system is implemented, those qualifications are not unreasonably discriminatory against specific persons in light of the scope of persons covered by the

- defined benefit corporate pension plan and the retirement allowance system;
- (iii) the rules provide that the employer's contribution is to be made in a fixed amount or in an amount calculated by the method of multiplying the amount of salary by a certain rate or calculated by a similar method;
 - (iii)-2 if the rules provide for the particulars set forth in paragraph (3), item (vii)-2 of the preceding Article, the method for deciding or changing the amount of the participant of a corporate-type pension plan's contribution has been specified in such a manner that the amount of the participant of a corporate-type pension plan's contribution for each participant of a corporate-type pension plan does not exceed the amount of the employer's contribution for that participant of a corporate-type pension plan;
 - (iv) the number and types of the investment methods to be presented do not run counter to the provisions of Article 23, paragraphs (1) and (2);
 - (v) the rules allow a participant of a corporate-type pension plan or an instructor of a corporate-type pension plan (hereinafter referred to as a "participant or instructor of a corporate-type pension plan") to give instructions on investment at least once every three months;
 - (vi) the method for calculating the amount of benefits of the corporate-type pension plan conforms to the standards specified by Cabinet Order;
 - (vii) the rules provide that, if a participant of a corporate-type pension plan's assets managed per individual are to be transferred in a case that the participant had been employed at the place of business implementing the plan for not less than three years as of the day of losing the status as a participant of a corporate-type pension plan or that the participant has the right to receive disability benefits under the corporate-type pension plan, all of those assets are to be transferred; and
 - (viii) any other requirements specified by Cabinet Order.
- (2) When the Minister of Health, Labour and Welfare gives the approval referred to in paragraph (1) of the preceding Article, the minister must promptly give notice to that effect to the employer that has filed the application.
- (3) When the employer obtains the approval referred to in paragraph (1) of the preceding Article, the employer must, without delay, inform the category I or IV EPI insured person employed at the place of business implementing the plan of the rules for which the approval referred to in that paragraph has been obtained (hereinafter referred to as the "corporate-type pension plan rules").
- (4) The employer must keep the corporate-type pension plan rules at each place of business implementing the plan and have the category I or IV EPI insured person whom the employer employs inspect the rules at their request, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Change to the Rules)

Article 5 (1) When an employer intends to make a change to the corporate-type pension plan rules (excluding the minor change specified by Order of the Ministry of Health, Labour and Welfare), the employer must obtain approval of the Minister of Health, Labour and Welfare for that change.

(2) An application for the approval for the change referred to in the preceding paragraph must be filed by obtaining consent of a labor union consisting of the majority of the category I or IV EPI insured person employed at the place of business implementing the plan, if there is any such labor union, or consent of the person representative of the majority of the category I or IV EPI insured person, if there is no labor union consisting of the majority of the category I or IV EPI insured person.

(3) In the case referred to in the preceding paragraph, if there are two or more places of business implementing the plan, the consent referred to in that paragraph must be obtained for each place of business implementing the plan; provided, however, that if the change referred to in paragraph (1) does not involve all places of business implementing the plan, and the rules have provided for matters concerning that change in advance, once the consent referred to in the preceding paragraph has been obtained for the place of business implementing the plan subject to that change, it may be deemed that the consent of not only the places of business implementing the plan subject to that change but also the other places of business implementing the plan has also been obtained.

(4) The provisions of the preceding Article apply mutatis mutandis to the case where an application for the approval or a change referred to in paragraph (1) has been filed. In this case, the phrase "category I or IV EPI insured person" in paragraph (3) of the preceding Article is deemed to be replaced with "category I or IV EPI insured person (including the instructor of a corporate-type pension plans, if an important change has been made to a matter concerning an instructor of a corporate-type pension plans)".

Article 6 (1) When an employer makes a change to the corporate-type pension plan rules (limited to the minor change specified by Order of the Ministry of Health, Labour and Welfare as referred to in paragraph (1) of the preceding Article), the employer must give notification of that change to the Minister of Health, Labour and Welfare without delay; provided, however, that this does not apply to a change to the matters set forth in Article 3, paragraph (3), item (v) or any other matter specified by Order of the Ministry of Health, Labour and Welfare.

(2) The provisions of Article 4, paragraph (3) and paragraphs (2) and (3) of the preceding Article apply mutatis mutandis to the change referred to in the preceding paragraph; provided, however, that the provisions of paragraphs (2)

and (3) of the preceding Article do not apply if the change is the minor change specified by Order of the Ministry of Health, Labour and Welfare as referred to in paragraph (1) of that Article, which is specified by Order of the Ministry of Health, Labour and Welfare as being particularly minor.

Subsection 2 Entrustment of Operational Management Services

(Entrustment of Operational Management Services)

- Article 7 (1) An employer may entrust all or part of operational management services to a defined contribution pension plan operational management institution, pursuant to the provisions of Cabinet Order.
- (2) Pursuant to the provisions of Cabinet Order a defined contribution pension plan operational management institution may re-entrust a part of the operational management services which it has been entrusted with under the provisions of the preceding paragraph to another defined contribution pension plan operational management institution.
- (3) If a defined contribution pension plan operational management institution that provides all or part of operational management services ceases to be available, the employer must provide all or part of the operational management services by itself, or decide on a defined contribution pension plan operational management institution that is to succeed those operational management services and entrust those operational management services to that institution.
- (4) If an employer has entrusted all or part of operational management services to a defined contribution pension plan operational management institution pursuant to the provisions of paragraph (1) (including the case where services have been re-entrusted pursuant to the provisions of paragraph (2)), the employer must, at least every five years, endeavor to conduct evaluation on the implementation of the operational management services, review the entrustment of the operational management services, and if found to be necessary, take necessary measures, such as changing the defined contribution pension plan operational management institution.
- (5) Beyond what is provided for in the preceding paragraphs, Cabinet Order prescribes the necessary matters in connection with entrustment of operational management services.

(Conclusion of an Asset Management Contract)

- Article 8 (1) An employer must conclude the contract set forth in any of the following items with regard to the reserve fund to be allocated to benefits (hereinafter referred to as the "reserve fund") pursuant to the provisions of Cabinet Order:

- (i) a trust contract specifying the investment method concluded with a trust company (limited to one licensed as referred to in Article 3 or Article 53, paragraph (1) of the Trust Business Act (Act No. 154 of 2004); the same applies hereinafter), a financial institution engaged in trust business, or a corporate pension fund;
 - (ii) a life insurance contract concluded with a life insurance company (meaning the life insurance company prescribed in Article 2 of the Insurance Business Act (Act No. 105 of 1995) and the foreign life insurance company, etc. prescribed in paragraph (8) of that Article; the same applies hereinafter);
 - (iii) a mutual aid life insurance contract concluded with a federation of agricultural cooperatives (limited to one whose district is the entire nation and which conducts mutual aid life insurance business under the category of business referred to in Article 10, paragraph (1), item (x) of the Agricultural Cooperatives Act (Act No. 132 of 1947)); or
 - (iv) a non-life insurance contract concluded with a non-life insurance company (meaning the non-life insurance company prescribed in Article 2, paragraph (4) of the Insurance Business Act and the foreign non-life insurance company, etc. prescribed in paragraph (9) of that Article; the same applies hereinafter).
- (2) The persons prescribed in the items of the preceding paragraph must not refuse to conclude the contracts set forth respectively in those items (hereinafter referred to as "asset management contracts"), unless there are legitimate grounds therefor.
- (3) If an asset management institution ceases to be available, the employer must decide on another person that is to be the counterparty of an asset management contract, and conclude an asset management contract with that person.
- (4) When an asset management contract has been canceled, the asset management institution pertaining to the canceled asset management contract must promptly transfer the reserve fund pertaining to the asset management contract to the asset management institution specified by the employer.
- (5) Beyond what is provided for in the preceding paragraphs, Cabinet Order prescribes the necessary matters in connection with asset management contracts.

Section 2 A Participant or Instructor of a Corporate-type Pension Plan

(Participant of a Corporate-type Pension Plan)

- Article 9 (1) The category I or IV EPI insured person employed at the place of business implementing the plan are to be participant of a corporate-type pension plans.
- (2) Notwithstanding the provisions of the preceding paragraph, a person who

falls under any of the following items is not to be a participant of a corporate-type pension plan:

- (i) when the corporate-type pension plan rules provide for certain qualifications for the category I or IV EPI insured person employed at the place of business implementing the plan to become a participant of a corporate-type pension plan, a person who does not have the qualifications; or
- (ii) a person who has or had the right to receive old-age benefits under the corporate-type pension plan.

(Timing of Acquisition of the Status)

Article 10 A participant of a corporate-type pension plan acquires the status as a participant of a corporate-type pension plan on the day on which the person comes to fall under any of the following items:

- (i) when the person becomes employed at the place of business implementing the plan;
- (ii) when the place of business or office (hereinafter referred to as the "place of business") or the ship where the person is employed becomes a place of business implementing the plan;
- (iii) when a person employed at a place of business implementing the plan becomes a category I or IV EPI insured person; or
- (iv) when a person employed at a place of business implementing the plan acquires the qualifications specified by the corporate-type pension plan rules.

(Timing of Loss of the Status)

Article 11 A participant of a corporate-type pension plan loses the status as a participant of a corporate-type pension plan on the day following the day on which the person comes to fall under any of the following items (if, on the day when that fact occurs, the person further comes to fall under any of the items of the preceding Article, or if the person comes to fall under item (v) (limited to the case specified by Order of the Ministry of Health, Labour and Welfare) or item (vi), on the day of falling under that item):

- (i) when the person dies;
- (ii) when the person ceases to be employed at the place of business implementing the plan;
- (iii) when the place of business or the ship where the person is employed ceases to be a place of business implementing the plan;
- (iv) when the person ceases to be a category I or IV EPI insured person;
- (v) when the person loses the qualifications specified by the corporate-type pension plan rules; or
- (vi) when the person becomes a person who has the right to receive old-age benefits under the corporate-type pension plan.

(Special Provisions on Acquisition or Loss of the Status as a Participant of a corporate-type pension plan)

Article 12 If a person loses the status as a participant of a corporate-type pension plan during the month when the person acquired that status, the person is retroactively deemed not to have been a participant of a corporate-type pension plan from the day on which the person acquired the status.

(Treatment of a Qualified Participant of a Corporate-type Pension Plan of Two or More Corporate-type Pension Plans at the Same Time)

Article 13 (1) If a qualified participant of a corporate-type pension plan of two or more corporate-type pension plans at the same time, the person is not to be a participant of a corporate-type pension plan of the corporate-type pension plans other than the one corporate-type pension plan to be selected by the person, notwithstanding the provisions of Article 9.

(2) The selection referred to in the preceding paragraph must be made within ten days from the day on which the person qualifies as a participant of a corporate-type pension plan of two or more corporate-type pension plans.

(3) If the person prescribed in paragraph (1) makes the selection referred to in that paragraph, the person is retroactively deemed not to have been a participant of a corporate-type pension plan of the corporate-type pension plans other than the one corporate-type pension plan selected by the person from the day on which the person became eligible to qualify as a participant of a corporate-type pension plan of two or more corporate-type pension plans.

(4) If the person prescribed in paragraph (1) does not make the selection referred to in that paragraph, the person is deemed to have selected one of the two or more corporate-type pension plans, pursuant to the provisions of Cabinet Order.

(5) If a participant of a corporate-type pension plan of the first corporate-type pension plan becomes eligible to qualify as a participant of a corporate-type pension plan of a second corporate-type pension plan at the same time, and the person selects the second corporate-type pension plan pursuant to the provisions of paragraph (1), the person becomes ineligible to qualify as a participant of a corporate-type pension plan of the first corporate-type pension plan on the day when the person became a participant of a corporate-type pension plan of the second corporate-type pension plan.

(6) If the person prescribed in paragraph (1) ceases to be a participant of a corporate-type pension plan of the corporate-type pension plan selected pursuant to the provisions of that paragraph, the person acquires the status as a participant of a corporate-type pension plan of a corporate-type pension plan other than that corporate-type pension plan on that day.

(Participant of a Corporate-type Pension Plan Period)

Article 14 (1) When calculating the period during which a person is a participant of a corporate-type pension plan (hereinafter referred to as the "participant of a corporate-type pension plan period"), the period is to be calculated on a monthly basis, and the period from the month in which the person acquired the status as a participant of a corporate-type pension plan to the month preceding the month in which the person lost the status is included in that period.

(2) With regard to a person who has lost the status as a participant of a corporate-type pension plan, but has subsequently acquired the status as a participant of a corporate-type pension plan of that same corporate-type pension plan again, the former and latter participant of a corporate-type pension plan periods under that corporate-type pension plan are to be totaled.

(Instructor of a corporate-type pension plan)

Article 15 (1) Any of the following persons is to be an instructor of a corporate-type pension plan:

(i) a participant of a corporate-type pension plan aged 60 or over, who has lost the status as a participant of a corporate-type pension plan due to coming to fall under any of the items of Article 11 (excluding items (i) and (iii)) (limited to a person who has assets managed per individual under the corporate-type pension plan); or

(ii) a person who was a participant of a corporate-type pension plan of a corporate-type pension plan and who has the right to receive disability benefits as a pension under that corporate-type pension plan.

(2) An instructor of a corporate-type pension plan acquires the status as an instructor of a corporate-type pension plan on the day on which the person comes to fall within the category of the person set forth in any of the items of the preceding paragraph.

(3) An instructor of a corporate-type pension plan loses the status as an instructor of a corporate-type pension plan on the day following the day on which the person comes to fall under any of the following items (if the person comes to fall under item (iii), on the day of falling under that item):

(i) when the person dies;

(ii) when the person no longer has assets managed per individual under the corporate-type pension plan; or

(iii) when the person becomes a participant of a corporate-type pension plan under the corporate-type pension plan.

(4) The provisions of Article 12 apply mutatis mutandis to the status as an instructor of a corporate-type pension plan, and the provisions of the preceding Article apply mutatis mutandis to the case of calculating the period during which a person is an instructor of a corporate-type pension plan (hereinafter

referred to as "instructor of a corporate-type pension plan period").

(Notice)

Article 16 (1) Pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare an employer must give notice of the names and addresses and other matters of the participant of a corporate-type pension plan to the defined contribution pension plan operational management institution which provides records-related services relating to the participants or instructors of the corporate-type pension plan (hereinafter referred to as the "corporate-type pension plan records-related operational management institution"); provided, however, that this does not apply to a case where the employer provides all of the records-related services.

(2) Pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare a participant of a corporate-type pension plan must report the corporate-type pension plan and other matters selected pursuant to the provisions of Article 13, paragraph (1) to the employer or the corporate-type pension plan records-related operational management institution.

Article 17 Pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare an instructor of a corporate-type pension plan must report the name and address and other matters thereof to the corporate-type pension plan records-related operational management institution (including the employer that provides records-related services; hereinafter referred to as the "corporate-type pension plan records-related operational management institution, etc.").

(Register of Participants or Instructors of a Corporate-type Pension Plan)

Article 18 (1) Pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare, a corporate-type pension plan records-related operational management institution, etc. must prepare a register of participants or instructors of the corporate-type pension plan, record therein the names and addresses, the dates of acquisition and loss of the status, the amounts of assets managed per individual, and other particulars specified by Order of the Ministry of Health, Labour and Welfare with regard to participants or instructors of the corporate-type pension plan, and keep it.

(2) A person who is or was a participant of a corporate-type pension plan (including a person who is eligible to receive a lump-sum death benefit) may make a request for inspection of the register referred to in the preceding paragraph or make an inquiry on the particulars recorded in that register to the corporate-type pension plan records-related operational management institution, etc. In this case, the corporate-type pension plan records-related

operational management institution, etc. must not refuse the request for inspection or refuse to answer the inquiry, unless there are legitimate grounds therefor.

Section 3 Contributions

(Employer and Participant Contributions to the Corporate-type Pension Plan)

Article 19 (1) An employer periodically makes contributions at least once a year, pursuant to the provisions of Cabinet Order.

(2) The amount of the employer's contribution is to be specified by the corporate-type pension plan rules; provided, however, that the amount of the employer's contribution for a simple corporate-type pension plan is the amount specified by the corporate-type pension plan rules in accordance with the standards specified by Cabinet Order.

(3) A participant of a corporate-type pension plan may periodically make own contributions pursuant to the provisions of the corporate-type pension plan rules that are in accordance with the standards specified by Cabinet Order.

(4) The amount of the participant of a corporate-type pension plan's contribution is decided or changed by the participant of a corporate-type pension plan pursuant to the provisions of the corporate-type pension plan rules.

(Amount of Contribution Limit)

Article 20 The total annual amount of the employer's contributions to be made for each participant of a corporate-type pension plan (if the participant of a corporate-type pension plan contributes to a participant of a corporate-type pension plan's contribution, the sum of the amount of the employer's contributions and the amount of the participant of a corporate-type pension plan's contribution; hereinafter the same applies in this Article) must not exceed the amount of the contribution limit (meaning the amount specified by Cabinet Order as the maximum total amount of the employer's contributions that may be made per year, taking into account whether the participant of a corporate-type pension plan has the eligibility as a participant of a defined benefit corporate pension plan and other factors).

(Payment of the Employer's Contributions)

Article 21 (1) An employer is to pay the employer's contribution to the asset management institution by the day specified by the corporate-type pension plan rules.

(2) When an employer pays the employer's contributions, , pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare the employer must give notice of the amount of the employer's contribution for each

participant of a corporate-type pension plan to the corporate-type pension plan records-related operational management institution; provided, however, that this does not apply to a case where the employer provides all of the records-related services.

(Payment of Contributions of a Participant of a Corporate-type Pension Plan)

Article 21-2 (1) A participant of a corporate-type pension plan who makes a participant of a corporate-type pension plan's contribution is to pay the participant of a corporate-type pension plan's contribution to the asset management institution through the employer by the day specified by the corporate-type pension plan rules.

(2) The provisions of paragraph (2) of the preceding Article apply mutatis mutandis to the case where the employer pays the contributions of a participant of a corporate-type pension plan.

(Withholding Deductions for Participant of a Corporate-type Pension Plan Contribution)

Article 21-3 (1) If an employer that pays the participant of a corporate-type pension plan's contribution pursuant to the provisions of paragraph (1) of the preceding Article also pays the salary of the participant of a corporate-type pension plan in currency, the employer may deduct the participant of a corporate-type pension plan's contribution from their salary.

(2) When an employer has deducted a participant of a corporate-type pension plan's contribution pursuant to the provisions of the preceding paragraph, the employer must prepare a calculation sheet concerning the deduction of the participant of a corporate-type pension plan's contribution, and give notice of the amount deducted to the participant of a corporate-type pension plan.

Section 4 Investment

(Responsibilities of the Employer)

Article 22 (1) An employer must endeavor to continuously take necessary measures, such as providing basic materials on investment of assets, for the participants or instructors of a corporate-type pension plan of the corporate-type pension plan the employer implements, in order to contribute to their instructions on investment referred to in Article 25, paragraph (1).

(2) When an employer takes the measures referred to in the preceding paragraph, the employer is to give consideration so that the measures improve the knowledge of the participants or instructors of a corporate-type pension plan concerning investment of assets, and enable them to effectively utilize the knowledge in their instructions on investment referred to in Article 25,

paragraph (1).

(Selection and Presentation of Investment Methods)

Article 23 (1) A defined contribution pension plan operational management institution that provides investment-related services relating to participants or instructors of a corporate-type pension plan (including an employer that provides investment-related services; hereinafter referred to as a "corporate-type pension plan investment-related operational management institution, etc.") must, pursuant to the provisions of Cabinet Order, select the following investment methods which are specified by Cabinet Order (referred to as the "subject investment methods" in paragraph (1) of the following Article) in a number not more than the number specified by Cabinet Order as the maximum number for contributing to appropriate selection of an investment method by participants or instructors of a corporate-type pension plan and not less than three (not less than two in the case of a defined contribution pension plan operational management institution that provides investment-related services as entrusted by an employer that implements a simple corporate-type pension plan (including an employer implementing a simple corporate-type pension plan that provides investment-related services)), and present them to the participants or instructors of a corporate-type pension plan pursuant to the provisions of the corporate-type pension plan rules:

- (i) making deposits or savings in a financial institution, such as a bank;
- (ii) creating trusts in trust companies or financial institutions engaged in trust business;
- (iii) purchasing and selling securities;
- (iv) paying insurance premiums of life insurance or mutual aid premiums of mutual aid life insurance to life insurance companies or to agricultural cooperatives (limited to those that conduct mutual aid life insurance business under the category of business referred to in Article 10, paragraph (1), item (x) of the Agricultural Cooperatives Act) or other persons that conduct mutual aid life insurance business which are specified by Cabinet Order;
- (v) paying insurance premiums of non-life insurance to non-life insurance companies; and
- (vi) beyond what is set forth in the preceding items, concluding contracts that satisfy the requirements specified by Cabinet Order, such as that the protection of investors is ensured.

(2) The selection of investment methods under the provisions of the preceding paragraph must be made in a manner that the characteristics of the expected returns on the investment, such as the expected rate of returns and the possibility of volatility in returns, are not similar, and in accordance with other

standards specified by Cabinet Order.

- (3) When a corporate-type pension plan investment-related operational management institution, etc. selects investment methods pursuant to the provisions of the preceding two paragraphs, it must make the selection based on expert knowledge on investment of assets.

(Selection of a Default Investment Method)

Article 23-2 (1) Pursuant to the provisions of the corporate-type pension plan rules a corporate-type pension plan investment-related operational management institution, etc. may select one investment method from among the subject investment methods and present it to a participant of a corporate-type pension plan, in addition to the investment methods presented pursuant to the provisions of paragraph (1) of the preceding Article.

- (2) The investment method selected pursuant to the provisions of the preceding paragraph (hereinafter referred to as the "default investment method") must be one that complies with the standards specified by Order of the Ministry of Health, Labour and Welfare as those for securing profits from a long-term perspective to provide against losses that may be caused due to changes in prices and other economic situations.

- (3) The provisions of paragraph (3) of the preceding Article apply mutatis mutandis to the case of selecting a default investment method pursuant to the provisions of paragraph (1).

(Provision of Information on the Investment Methods)

Article 24 Pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare a corporate-type pension plan investment-related operational management institution, etc. must provide participants or instructors of a corporate-type pension plan with information that is necessary for them to give instructions on investment referred to in Article 25, paragraph (1), such as the expected return and the risk of loss, with regard to the investment methods presented pursuant to the provisions of Article 23, paragraph (1).

(Provision of Information on the Default Investment Method)

Article 24-2 If a corporate-type pension plan investment-related operational management institution, etc. has selected and presented a default investment method pursuant to the provisions of Article 23-2, paragraph (1), pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare, it must provide a participant of a corporate-type pension plan with information on the following particulars:

- (i) the expected return and the risk of loss with regard to the default investment method;

- (ii) the reason for selecting the default investment method;
- (iii) the particulars referred to in Article 25-2, paragraph (2); and
- (iv) other particulars specified by Order of the Ministry of Health, Labour and Welfare.

(Instructions on Investment)

Article 25 (1) Participants or instructors of a corporate-type pension plan are to give instructions on investment with regard to their assets managed per individual of the reserve fund, pursuant to the provisions of the corporate-type pension plan rules.

(2) The instructions on investment referred to in the preceding paragraph (hereinafter simply referred to as the "instructions on investment" in this Chapter) are to be given by selecting one investment method or two or more investment methods from among the investment methods presented pursuant to the provisions of Article 23, paragraph (1) (if a default investment method has been presented pursuant to the provisions of Article 23-2, paragraph (1), including that default investment method; hereinafter the same applies in this Article) (referred to as the "presented investment methods" in Article 26, paragraph (1)), deciding on the amount to be allocated to each investment method, and indicating these particulars to the corporate-type pension plan records-related operational management institution, etc.

(3) When a corporate-type pension plan records-related operational management institution, etc. receives instructions on investment, it is to assemble the instructions on investment given at the same time for each investment method presented pursuant to the provisions of Article 23, paragraph (1), and give notice of their contents to the asset management institution, pursuant to the provisions of Cabinet Order.

(4) When an asset management institution receives the notice referred to in the preceding paragraph, it must promptly take necessary measures, such as concluding, changing, or canceling contracts, with regard to the respective investment methods, according to the notice referred to in that paragraph.

(Special Provisions on Instructions on Investment When a Default Investment Method Has Been Presented)

Article 25-2 (1) If a corporate-type pension plan records-related operational management institution, etc. has not received instructions on investment from a participant of a corporate-type pension plan even after the passage of a period specified by the corporate-type pension plan rules (referred to as the "specified period" in the following paragraph) that is three months or more from the days specified in the following items for the respective categories of cases set forth in those items, the corporate-type pension plan records-related

operational management institution, etc. must give notice of the particulars referred to in the following paragraph and the default investment method to the participant of a corporate-type pension plan:

- (i) when a default investment method has been presented pursuant to the provisions of Article 23-2, paragraph (1), if a participant of a corporate-type pension plan acquires the status as such: the day on which the employer's contribution or the participant of a corporate-type pension plan's contribution (referred to as the "employer's contribution, etc." in the following item and paragraph (3)) was paid for the first time after that; and
 - (ii) when a participant of a corporate-type pension plan has acquired the status as such, if a default investment method is presented pursuant to the provisions of Article 23-2, paragraph (1): the day on which the employer's contribution, etc. was paid for the first time after that.
- (2) If a participant of a corporate-type pension plan who has received a notice under the provisions of the preceding paragraph does not give instructions on investment even after the passage of a period specified by the corporate-type pension plan rules (referred to as the "grace period" in the following paragraph) that is two weeks or more from the day of passage of the specified period, the participant of a corporate-type pension plan is deemed to have selected the default investment method pertaining to that notice, and to have given an instruction on investment to allot the entire amount of that person's uninstructed assets managed per individual to the default investment method.
- (3) The "uninstructed assets managed per individual" referred to in the preceding paragraph means assets managed per individual for which no instructions on investment have been given by the day on which the grace period pertaining to the notice under the provisions of paragraph (1) ends and those for which no instructions on investment have been given with regard to the employer's contribution, etc. paid after that day.

(Consent to Exclusion of an Investment Method)

Article 26 (1) When a corporate-type pension plan investment-related operational management institution, etc. intends to exclude an investment method from the presented investment methods, pursuant to the provisions of the corporate-type pension plan rules, it must obtain consent of two-thirds or more of the participants or instructors of a corporate-type pension plan that have given instructions on investment by selecting the investment method to be excluded (hereinafter referred to as the "instructors using the investment method to be excluded" in this Article) (excluding those whose whereabouts are unknown); provided, however, that this does not apply if the institution, etc. intends to exclude the investment method due to the counterparty to the contract for that investment method ceasing to be available or due to any other

grounds specified by Order of the Ministry of Health, Labour and Welfare.

- (2) If the instructors using the investment method to be excluded have not manifested their intention of consent or non-consent even after the passage of a period specified by the corporate-type pension plan rules that is three weeks or more from the day of giving notice for obtaining the consent referred to in the preceding paragraph to the instructors using the investment method to be excluded, the corporate-type pension plan investment-related operational management institution, etc. may deem that the instructors using the investment method to be excluded have given the consent referred to in that paragraph, pursuant to the provisions of the corporate-type pension plan rules. In this case, a statement to that effect must have been included in that notice.
- (3) When a corporate-type pension plan investment-related operational management institution, etc. has excluded an investment method pursuant to the provisions of paragraph (1), it must give notice to that effect to the instructors using the investment method to be excluded.
- (4) If a corporate-type pension plan investment-related operational management institution, etc. is unable to give the notice referred to in the preceding paragraph due to the whereabouts of the instructors using the investment method to be excluded being unknown, it must give public notice to the effect that the investment method has been excluded, in lieu of the notice referred to in that paragraph.

(Notice of the Amount of Assets Managed per Individual)

- Article 27 (1) A corporate-type pension plan records-related operational management institution, etc. must give notice to participants or instructors of a corporate-type pension plan about the amount of assets managed per individual and other particulars specified by Order of the Ministry of Health, Labour and Welfare with regard to that participant or instructor of a corporate-type pension plan at least once every year.
- (2) A corporate-type pension plan records-related operational management institution, etc. must make information on the particulars specified by Order of the Ministry of Health, Labour and Welfare, such as the status of contributions, with regard to a participant or instructor of a corporate-type pension plan available for inspection by that participant or instructor of a corporate-type pension plan through a means of using information and communications technology, such as a means of using an electronic data processing system, which is specified by Order of the Ministry of Health, Labour and Welfare.

Section 5 Benefits

Subsection 1 General Rules

(Types of Benefits)

Article 28 The benefits of a corporate-type pension plan (hereinafter referred to as "benefits" in this Subsection and Article 48-2) are to be as follows:

- (i) old-age benefits;
- (ii) disability benefits; and
- (iii) a lump-sum death benefit.

(Rulings)

Article 29 (1) A corporate-type pension plan records-related operational management institution, etc. issues a ruling confirming a person's right to receive benefits at the request of the person who has that right (hereinafter referred to as the "beneficiary" in this Section).

(2) When a corporate-type pension plan records-related operational management institution, etc. has issued a ruling pursuant to the provisions of the preceding paragraph, it must give notice of the contents thereof to the asset management institution without delay.

(Amount of Benefits)

Article 30 The amount of benefits is the amount calculated pursuant to the provisions of the corporate-type pension plan rules.

(Term of Payment of Pension Benefits)

Article 31 (1) Payment of benefits which are paid as pensions (referred to as "pension benefits" in the following paragraph) is to commence in the month following the month in which the grounds for paying the benefits occurred and end in the month in which the right to receive benefits extinguishes.

(2) The payment months of pension benefits are to be in accordance with the provisions of the corporate-type pension plan rules.

(Prohibition of Transfer of the Right to Receive Benefits)

Article 32 (1) The right to receive benefits may not be transferred, provided as collateral, or seized; provided, however, that this does not apply to a case of seizing the right to receive old-age benefits and a lump-sum death benefit based on a disposition of national tax delinquency (including a disposition governed by the same rules).

(2) Taxes and other public charges may not be imposed based on money paid as disability benefits.

Subsection 2 Old-age Benefits

(Requirements for Payment)

Article 33 (1) If a person who was a participant of a corporate-type pension plan (limited to a person who has assets managed per individual under that corporate-type pension plan, and excluding a beneficiary of disability benefits of that corporate-type pension plan or a participant of a corporate-type pension plan of another corporate-type pension plan; hereinafter the same applies in this paragraph) and who is set forth in any of the following items has a total enrollment period of the number of years or months set forth in the respective items or longer, that person is entitled to claim the payment of old-age benefits from a corporate-type pension plan records-related operational management institution, etc., pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare; provided, however, that a person who was a participant of a corporate-type pension plan and who is aged 60 or over but under 75 is entitled to claim the payment of old-age benefits from a corporate-type pension plan records-related operational management institution, etc. from the day on which five years have passed from the day specified by Order of the Ministry of Health, Labour and Welfare, such as the day on which that person became a participant of a corporate-type pension plan, even if the person does not have that total enrollment period:

- (i) a person aged 60 or over but under 61: 10 years;
- (ii) a person aged 61 or over but under 62: eight years;
- (iii) a person aged 62 or over but under 63: six years;
- (iv) a person aged 63 or over but under 64: four years;
- (v) a person aged 64 or over but under 65: two years; or
- (vi) a person aged 65 or over: one month.

(2) The total enrollment period referred to in the preceding paragraph means a period totaling the following periods for the person prescribed in that paragraph (limited to the periods in or before the month containing the day preceding the day on which that person reached the age of 60) pursuant to the provisions of Cabinet Order:

- (i) the participant of a corporate-type pension plan period;
- (ii) the instructor of a corporate-type pension plan period;
- (iii) the period during which the person is a participant of an individual-type pension plan (hereinafter referred to as the "participant of an individual-type pension plan period"); and
- (iv) the period during which the person is an instructor of an individual-type pension plan investment (hereinafter referred to as the "instructor of an individual-type pension plan investment period").

(3) When the claim referred to in paragraph (1) has been filed, the asset management institution pays old-age benefits to the person who filed the claim, based on a ruling by the corporate-type pension plan records-related operational management institution, etc.

(Payment on Reaching the Age of 75)

Article 34 When a person who is or was a participant of a corporate-type pension plan (limited to a person who has assets managed per individual under the corporate-type pension plan) reaches the age of 75 without claiming the payment of old-age benefits pursuant to the provisions of the preceding Article, the asset management institution pays old-age benefits to that person, based on a ruling by the corporate-type pension plan records-related operational management institution, etc.

(Method of Payment)

Article 35 (1) Old-age benefits are paid as pensions.

(2) If the corporate-type pension plan rules provide that all or part of old-age benefits may be paid in lump sum, old-age benefits may be paid in lump sum pursuant to the provisions of the corporate-type pension plan rules, notwithstanding the provisions of the preceding paragraph.

(Loss of Right)

Article 36 The right to receive old-age benefits extinguishes when the beneficiary falls under any of the following items:

- (i) when the beneficiary dies;
- (ii) when the beneficiary becomes a beneficiary of disability benefits under the corporate-type pension plan; or
- (iii) when the beneficiary no longer has assets managed per individual under the corporate-type pension plan.

Subsection 3 Disability Benefits

(Requirements for Payment)

Article 37 (1) If a person who is or was a participant of a corporate-type pension plan (limited to a person who has assets managed per individual under the corporate-type pension plan) has contracted an illness or suffered an injury and has come to have a disability of a degree of severity specified by Cabinet Order due to that injury or illness or an illness caused by that illness or injury (hereinafter referred to as an "illness or injury") during the period from the day on which one year and six months have passed since the day on which the person received the first medical examination from a doctor or dentist for that illness or injury (hereinafter referred to as the "day of initial examination") (if the illness or injury has healed on any day within this period (including a day on which the symptoms thereof have stabilized to a level where no curative effect is expected), the period from that day; the starting day of the period is

hereinafter referred to as the "day of disability assessment"), until the day preceding the day on which the person reaches the age of 75, the person is entitled to claim the payment of disability benefits from a corporate-type pension plan records-related operational management institution, etc. during that period.

- (2) If a person who is or was a participant of a corporate-type pension plan (limited to a person who has assets managed per individual under the corporate-type pension plan) has contracted an illness or suffered an injury and, as of the day of initial examination for that illness or injury (hereinafter referred to as the "base illness or injury" in this paragraph), had a disability caused by an illness or injury other than the base illness or injury, and if, during the period from the day of disability assessment for the base illness or injury until the day preceding the day on which the person reaches the age of 75, the person has come to have the disability of a degree of severity specified by Cabinet Order referred to in the preceding paragraph, for the first time, by combining the disability caused by the base illness or injury and the other disability (limited to the case where the day of initial examination for the base illness or injury is on or after the day of initial examination for the illness or injury other than the base illness or injury (if there are two or more injuries or illnesses other than the base illness or injury, the days of initial examination for all of the injuries or illnesses other than the base illness or injury)), the person is entitled to claim the payment of disability benefits from a corporate-type pension plan records-related operational management institution, etc. during that period.
- (3) When the claim referred to in either of the preceding two paragraphs has been filed, the asset management institution pays disability benefits to the person who filed the claim, based on a ruling by the corporate-type pension plan records-related operational management institution, etc.

(Method of Payment)

Article 38 (1) Disability benefits are paid as pensions.

- (2) If the corporate-type pension plan rules provide that all or part of disability benefits may be paid in a lump sum, disability benefits may be paid in a lump sum pursuant to the provisions of the corporate-type pension plan rules, notwithstanding the provisions of the preceding paragraph.

(Loss of Right)

Article 39 The right to receive disability benefits extinguishes when the beneficiary falls under any of the following items:

- (i) when the beneficiary dies; or
- (ii) when the beneficiary no longer has assets managed per individual under

the corporate-type pension plan.

Subsection 4 Lump-sum Death Benefit

(Requirements for Payment)

Article 40 When a person who is or was a participant of a corporate-type pension plan (limited to a person who has assets managed per individual under the corporate-type pension plan) dies, the asset management institution pays a lump-sum death benefit to that person's surviving family member, based on a ruling by the corporate-type pension plan records-related operational management institution, etc.

(Scope and Order of the Surviving Family Members)

Article 41 (1) The surviving family member who is eligible to receive a lump-sum death benefit is to be among the following persons; provided, however, that this does not apply if the deceased person had designated the family member who is to receive the lump-sum death benefit from among the person's spouse (including a person with whom notification of marriage has not been made, but who has been in a de facto marital relationship with the deceased person; hereinafter the same applies in this Article), children, father, mother, grandchildren, grandfather, grandmother, or siblings and had indicated that family member to the corporate-type pension plan records-related operational management institution, etc. before the person's death:

(i) spouse;

(ii) children, parents, grandchildren, grandparents, and siblings, who had maintained their livelihood mainly on the income of the deceased person as of the time of the person's death;

(iii) in addition to the persons set forth in the preceding items, relatives who had maintained their livelihood mainly on the income of the deceased person as of the time of the person's death; and

(iv) children, parents, grandchildren, grandfather, grandmother, and siblings, who do not fall under item (ii).

(2) In the case referred to in the main clause of the preceding paragraph, the order of the surviving family member who is eligible to receive the lump-sum death benefit is based on the order of the items of that paragraph, and for the persons set forth in items (ii) and (iv) of that paragraph, it is based on the order in which the persons are listed in those items. In this case, the order of parents is to be the order of adoptive parents, followed by natural parents, and the order of grandparents is to be the order of adoptive parents of adoptive parents, followed by natural parents of adoptive parents, adoptive parents of natural parents, and then natural parents of natural parents.

- (3) If there are two or more surviving family members who are eligible to receive a lump-sum death benefit pursuant to the provisions of the preceding paragraph and who are in the same rank of order, the lump-sum death benefit is paid to them by equally dividing the benefit by that number of persons.
- (4) If there is no surviving family member who is eligible to receive a lump-sum death benefit, money in an amount equivalent to the amount of assets managed per individual relating to the deceased person is deemed to be an estate of the deceased person.
- (5) If a person who is eligible to receive a lump-sum death benefit does not file a claim for a ruling to confirm the right to receive the benefit within five years after the death of the deceased person, the provisions of the preceding paragraph apply by deeming that there is no surviving family member who is eligible to receive the lump-sum death benefit.

(Disqualification)

Article 42 A person who has caused the death of a person who is or was a participant of a corporate-type pension plan by committing an intentional criminal act may not receive the lump-sum death benefit, notwithstanding the provisions of the preceding Article. The same applies to a person who has, before the death of a person who is or was a participant of a corporate-type pension plan, caused the death of the person who was eligible to receive a lump-sum death benefit upon the death of the person who is or was a participant of a corporate-type pension plan, by committing an intentional criminal act.

Section 6 Rules of Conduct of the Employer

(Rules of Conduct of the Employer)

Article 43 (1) An employer must comply with laws and regulations, dispositions made by the Minister of Health, Labour and Welfare based on laws and regulations, and the corporate-type pension plan rules, and loyally perform its duties in the interest of participants or instructors of a corporate-type pension plan.

- (2) When an employer keeps or uses personal information of a participant or instructor of a corporate-type pension plan, such as the name, address, date of birth, and the amount of assets managed per individual relating to the participant or instructor of a corporate-type pension plan, in connection to services relating to implementation of a corporate-type pension plan, the employer must keep or use that personal information within the scope necessary for performing those services; provided, however, that this does not apply if the person's consent has been obtained or if there are other justifiable

grounds.

- (3) An employer must not conduct the following acts:
- (i) an act of concluding a contract on entrustment of operational management services under the provisions of Article 7, paragraph (1) or an asset management contract for the purpose of seeking the employer's own benefit or the benefit of a third party other than participants or instructors of a corporate-type pension plan; and
 - (ii) beyond what is set forth in the preceding item, the acts specified by Order of the Ministry of Health, Labour and Welfare as acts that fail to protect participants or instructors of a corporate-type pension plan.
- (4) An employer (limited to one that provides investment-related services) must not conduct the following acts:
- (i) an act of selecting a specific investment method for the purpose of seeking the employer's own benefit or the benefit of a third party other than participants or instructors of a corporate-type pension plan;
 - (ii) beyond what is set forth in the preceding item, the acts specified by Order of the Ministry of Health, Labour and Welfare as acts that fail to protect participants or instructors of a corporate-type pension plan.

(Rules of Conduct of an Asset Management Institution)

Article 44 An asset management institution must comply with laws and regulations and asset management contracts, and loyally perform its duties in the interest of participants or instructors of a corporate-type pension plan.

Section 7 Termination of a Corporate-type Pension Plan

(Termination of a Corporate-type Pension Plan)

Article 45 A corporate-type pension plan terminates when it comes to fall under any of the following items:

- (i) when the approval referred to in paragraph (1) of the following Article is given;
- (ii) when the approval for the corporate-type pension plan rules ceases to be effective pursuant to the provisions of Article 47; or
- (iii) when the approval for the corporate-type pension plan rules is rescinded pursuant to the provisions of Article 52, paragraph (2).

Article 46 (1) When an employer intends to terminate a corporate-type pension plan, the employer must obtain approval of the Minister of Health, Labour and Welfare by obtaining the consent of a labor union consisting of the majority of the category I or IV EPI insured persons employed at the place of business implementing the plan, if there is any such labor union, or the consent of the

person representative of the majority of the category I or IV EPI insured persons, if there is no labor union consisting of the majority of the category I or IV EPI insured persons.

- (2) In the case referred to in the preceding paragraph, if there are two or more places of business implementing the plan, the consent referred to in that paragraph must be obtained for each place of business implementing the plan.
- (3) The provisions of Article 4, paragraphs (2) and (3) apply mutatis mutandis to the case where an application for the approval for termination referred to in paragraph (1) has been filed.

Article 47 When an employer (if employers jointly implement a corporate-type pension plan, all of the employers implementing the corporate-type pension plan) comes to fall under any of the following items, the approval for the corporate-type pension plan rules of the corporate-type pension plan the employer implements ceases to be effective. In this case, the persons respectively specified in those items must make notification to that effect to the Minister of Health, Labour and Welfare within thirty days from the day on which the employer came to fall under those respective items (in the case of item (i), from the day of coming to know that fact):

- (i) when the employer dies: the heir of the employer;
- (ii) when a corporation is extinguished by a merger: the person who was an officer representing that corporation;
- (iii) when a corporation is dissolved due to an order commencing bankruptcy proceedings: the bankruptcy trustee;
- (iv) when a corporation is dissolved due to a reason other than a merger or an order commencing bankruptcy proceedings: the liquidator; or
- (v) when the employer ceases to be an employer with an EPI-applicable place of business (excluding the cases set forth in the preceding items): the individual who was the employer with an EPI-applicable place of business or an officer representing the corporation which was the employer with an EPI-applicable place of business.

(Delegation to Cabinet Order)

Article 48 Beyond what is provided for in this Section, Cabinet Order prescribes the necessary particulars in connection with termination of a corporate-type pension plan.

Section 8 Miscellaneous Provisions

(Entrustment of Information-Collecting Services and Material-Providing Services)

Article 48-2 An employer may entrust all or part of the services to collect, organize, or analyze the information on participants or instructors of a corporate-type pension plan which is necessary for paying benefits (excluding operational management services; hereinafter referred to as "information-collecting services") and the services to take necessary measures, such as providing basic materials on investment of assets, in order to contribute to the instructions on investment by participants or instructors of a corporate-type pension plan (hereinafter referred to as "material-providing services") to the Pension Fund Association (meaning the Pension Fund Association prescribed in Article 91-2, paragraph (1) of the Defined Benefit Corporate Pension Act; the same applies hereinafter).

(Special Provisions on Services of the Pension Fund Association)

Article 48-3 In addition to services under the provisions of the Defined Benefit Corporate Pension Act the Pension Fund Association may provide information-collecting services and material-providing services as entrusted under the provisions of the preceding Article (including as applied mutatis mutandis pursuant to Article 73).

(Separate Accounting)

Article 48-4 The Pension Fund Association must separate the accounting for information-collecting services and material-providing services from other accounting.

(Application of the Defined Benefit Corporate Pension Act)

Article 48-5 When information-collecting services or material-providing services of the Pension Fund Association are provided pursuant to the provisions of Article 48, the term "this Act" in Article 121 of the Defined Benefit Corporate Pension Act is deemed to be replaced with "this Act or Article 48-3 of the Defined Contribution Pension Act", and Cabinet Order prescribes other necessary particulars in connection with application of the provisions of the Defined Benefit Corporate Pension Act.

(Books and Documents Concerning Operational Management Services)

Article 49 An employer (limited to one that provides operational management services) must prepare and keep books and documents concerning operational management services, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Submission of Reports)

Article 50 An employer must submit reports on the services relating to the

corporate-type pension plan to the Minister of Health, Labour and Welfare, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Collection of Reports)

Article 51 (1) To the extent necessary for the enforcement of this Act the Minister of Health, Labour and Welfare may collect reports on the status of implementation of a corporate-type pension plan from an employer or have the relevant officials enter the place of business, ask persons concerned questions, or conduct on-site inspection on the status of implementation.

(2) The officials who ask questions and conduct inspections pursuant to the provisions of the preceding paragraph must carry identification cards showing their official status, and present them when requested by persons concerned.

(3) The authority under the provisions of paragraph (1) must not be construed as being granted for criminal investigation purposes.

(Supervision over the Employer)

Article 52 (1) If the Minister of Health, Labour and Welfare collects reports, asks questions, or conducts inspections pursuant to the provisions of the preceding Article, and finds that the employer violates laws or regulations, the corporate-type pension plan rules, or a disposition made by the Minister of Health, Labour and Welfare with regard to a corporate-type pension plan the employer implements, or finds that the employer's operation of a corporate-type pension plan is extremely inappropriate, the minister may order the employer to take necessary measures for rectifying the violation or making improvement within a specified period.

(2) If an employer violates the order referred to in the preceding paragraph or if it is found difficult to continue the implementation of a corporate-type pension plan in light of the status of its implementation, the Minister of Health, Labour and Welfare may rescind the approval for the corporate-type pension plan rules of that employer.

(Special Provisions on Services of a Corporate Pension Fund)

Article 53 (1) A corporate pension fund may provide services relating to an asset management contract pursuant to the provisions of its rules.

(2) A corporate pension fund must separate the accounting for services relating to an asset management contract from other accounting.

(3) When services of a corporate pension fund are provided pursuant to the provisions of paragraph (1), the term "this Act" in Article 121 of the Defined Benefit Corporate Pension Act is deemed to be replaced with "this Act or Article 53, paragraph (1) of the Defined Contribution Pension Act", and

Cabinet Order prescribes the necessary particulars in connection with application of the provisions of the Defined Benefit Corporate Pension Act.

(Transfer of Assets from Other Systems)

- Article 54 (1) Pursuant to the provisions of Cabinet Order an asset management institution of a corporate-type pension plan may receive transfer of all or part of assets relating to a defined benefit corporate pension plan, the retirement allowance mutual aid under the provisions of the Small and Medium Sized Enterprise Retirement Allowance Cooperative Act (Act No. 160 of 1959), or the retirement allowance system, implemented at the place of business implementing the plan with regard to the relevant corporate-type pension plan.
- (2) When an asset management institution receives transfer of assets pursuant to the provisions of the preceding paragraph, the period during which each participant of a corporate-type pension plan was employed by the employer of the place of business implementing the plan (limited to the period in or before the month containing the day preceding the day on which the participant of a corporate-type pension plan reached the age of 60) or other period equivalent thereto specified by Cabinet Order is to be included in the total enrollment period referred to in Article 33, paragraph (1) relating to that participant of a corporate-type pension plan.

(Transfer of an Amount Equivalent to Lump-sum Withdrawal Payment)

- Article 54-2 (1) Pursuant to the provisions of Cabinet Order an asset management institution of a corporate-type pension plan may receive transfer of an amount equivalent to lump-sum withdrawal payment, etc. (an amount equivalent to a lump-sum withdrawal payment (meaning the amount equivalent to a lump-sum withdrawal payment prescribed in Article 81-2, paragraph (1) of the Defined Benefit Corporate Pension Act) of a defined benefit corporate pension plan or the reserve fund (meaning the reserve fund prescribed in Article 59 of the Defined Benefit Corporate Pension Act) specified by the rules of the Pension Fund Association; the same applies hereinafter).
- (2) When an asset management institution receives transfer of an amount equivalent to a lump-sum withdrawal payment, etc. pursuant to the provisions of the preceding paragraph, the period during which each participant of a corporate-type pension plan was employed by the employer of the place of business implementing the plan with regard to the relevant defined benefit corporate pension plan (limited to the period in or before the month containing the day preceding the day on which the participant of a corporate-type pension plan reached the age of 60) or other period equivalent thereto specified by Cabinet Order is to be included in the total enrollment period referred to in Article 33, paragraph (1) relating to that participant of a corporate-type

pension plan.

(Special Provisions on Instructions on Investment When Assets from Other Systems Are Transferred)

Article 54-3 With regard to the application of Article 25-2 when there are assets or an amount equivalent to a lump-sum withdrawal payment, etc. transferred pursuant to the provisions of Article 54, paragraph (1) or paragraph (1) of the preceding Article, the phrase "and those for which ... after that day" in paragraph (3) of that Article is deemed to be replaced with ", those for which ... after that day," and the phrase "means ... that day" in that paragraph is deemed to be replaced with "means ... that day, and those for which no instructions on investment have been given with regard to the assets or the amount equivalent to lump-sum withdrawal payment, etc. transferred pursuant to the provisions of Article 54, paragraph (1) or Article 54-2, paragraph (1) after that day".

(Transfer of Assets Managed per Individual Relating to a Person Who Became a Participant of a Defined Benefit Corporate Pension Plan)

Article 54-4 (1) If a person who was a participant of a corporate-type pension plan of a corporate-type pension plan (limited to a person who has assets managed per individual under the corporate-type pension plan) acquires the status as a participant of a defined benefit corporate pension plan, and the rules concerning the defined benefit corporate pension plan provides in advance that the assets managed per individual may be transferred from the asset management institution of the corporate-type pension plan, that person may request the asset management institution of the corporate-type pension plan to transfer that person's assets managed per individual.

(2) If a request under the provisions of the preceding paragraph has been made, the asset management institution of the corporate-type pension plan is to transfer the assets managed per individual relating to the person who made the request to the asset management and investment institution, etc. (meaning the asset management and investment institution, etc. prescribed in Article 30 of the Defined Benefit Corporate Pension Act; the same applies hereinafter) of the defined benefit corporate pension plan.

(Transfer of Assets Managed per Individual Relating to a Person Who Was a Participant of a Corporate-type Pension Plan)

Article 54-5 (1) If the rules of the Pension Fund Association provide in advance that the assets managed per individual may be transferred from the asset management institution of the corporate-type pension plan, a person who was a participant of a corporate-type pension plan of the corporate-type pension plan

(limited to a person who has assets managed per individual under the corporate-type pension plan, and excluding the instructor of a corporate-type pension plan prescribed in Article 15, paragraph (1), item (i)) may request the asset management institution of the corporate-type pension plan to transfer that person's assets managed per individual.

- (2) If a request under the provisions of the preceding paragraph has been made, the asset management institution of the corporate-type pension plan is to transfer the assets managed per individual relating to the person who made the request to the Pension Fund Association.

(Transfer of Assets Managed per Individual Relating to Persons Who Became Persons Covered by Mutual Aid under a Retirement Allowance Mutual Aid Contract)

Article 54-6 If an employer with a place of business implementing the plan has conducted a merger, a company split, or an act specified by Order of the Ministry of Health, Labour and Welfare as any other act under the provisions of laws such as the Companies Act (Act No. 86 of 2005) (hereinafter referred to as a "merger, etc." in this Article), and the employer involved in the merger, etc. concludes a retirement allowance mutual aid contract prescribed in Article 2, paragraph (3) of the Small and Medium Sized Enterprise Retirement Allowance Cooperative Act under which the persons who have, as a result of the merger, etc., lost the status as a participant of a corporate-type pension plan in a corporate-type pension plan are as the persons covered by mutual aid prescribed in paragraph (7) of that Article, with the consent of the persons who have been a participant of a corporate-type pension plan, the employer may request the asset management institution of the corporate-type pension plan to transfer the assets managed per individual relating to the persons who have been participants of corporate-type pension plans and have given the consent, to the Organization for Workers' Retirement Allowance Mutual Aid (referred to as the "Organization" in the following Article).

(Delegation to Cabinet Order)

Article 54-7 Beyond what is provided for in Article 54 through the preceding Article, Cabinet Order prescribes the necessary particulars in connection with the transfer of assets and an amount equivalent to a lump-sum withdrawal payment, etc. to the asset management institution of a corporate-type pension plan and transfer of assets managed per individual to the asset management and investment institution, etc. of a defined benefit corporate pension plan, the Pension Fund Association, and the Organization.

Chapter III Individual-type Pension Plan

Section 1 Commencement of an Individual-type Pension Plan
Subsection 1 Individual-type Pension Plan Rules

(Approval of Rules)

Article 55 (1) The Association must prepare rules concerning an individual-type pension plan and obtain approval of the Minister of Health, Labour and Welfare for those rules.

(2) The rules concerning the individual-type pension plan must provide for the following particulars:

(i) the name and address of the Association;

(ii) the names, addresses, and the services to be provided by the defined contribution pension plan operational management institutions that have been entrusted pursuant to the provisions of Article 60, paragraph (1) (including defined contribution pension plan operational management institutions that have been re-entrusted pursuant to the provisions of paragraph (3) of that Article);

(iii) particulars concerning the designation of a defined contribution pension plan operational management institution by a participant of an individual-type pension plan or an instructor of an individual-type pension plan investment (hereinafter referred to as a "participant or instructor of an individual-type pension plan");

(iv) the method for deciding or changing the amount of the contribution to be made by a participant of an individual-type pension plan (hereinafter referred to as the "participant of an individual-type pension plan's contribution") and other particulars concerning the making of the contributions;

(iv)-2 in the case of providing that a small and medium-sized employer (meaning an employer with an EPI-applicable place of business that does not implement a corporate-type pension plan or a defined benefit corporate pension plan, where the number of category I EPI insured person employed by the employer is 300 or less; hereinafter the same applies in this Chapter) may make contributions pursuant to the provisions of Article 68-2, paragraph (1), the method for deciding or changing the amount of the contribution and other matters concerning the making of the contributions;

(v) matters concerning the presentation of the investment method and instructions on investment;

(v)-2 in the case of presenting a default investment method pursuant to the provisions of Article 23-2, paragraph (1) as applied mutatis mutandis pursuant to Article 73, matters concerning presentation of the default investment method;

(v)-3 in the case of excluding an investment method pursuant to the provisions

- of Article 26, paragraph (1) as applied mutatis mutandis pursuant to Article 73, matters concerning the procedure for the exclusion;
- (vi) matters concerning the amount of benefits of the individual-type pension plan (including benefits relating to a person whose assets managed per individual have been transferred to the Association pursuant to the provisions of Article 83, paragraph (1) (excluding a person who acquired the status as a participant of a corporate-type pension plan on or after the day of the transfer, a participant of an individual-type pension plan, or an instructor of an individual-type pension plan investment; referred to as a "person whose assets were transferred to the Association" in Article 73-2 and Article 113, paragraph (1)); the same applies in paragraph (1), item (iv) of the following Article) and the method of payment thereof;
 - (vii) matters concerning the bearing of administrative expenses required for implementing the individual-type pension plan; and
 - (viii) other matters specified by Cabinet Order.

(Standards for Approval)

- Article 56 (1) When an application for the approval referred to in paragraph (1) of the preceding Article is filed, and the Minister of Health, Labour and Welfare finds that the rules pertaining to the application satisfy the following requirements, the minister is to give the approval referred to in that paragraph:
- (i) the rules provide for the matters set forth in the items of paragraph (2) of the preceding Article;
 - (ii) the number and types of the investment methods to be presented do not run counter to the provisions of Article 23, paragraphs (1) and (2) as applied mutatis mutandis pursuant to Article 73;
 - (iii) the rules allow a participant or instructor of an individual-type pension plan to give instructions on investment at least once every three months;
 - (iv) the method for calculating the amount of benefits of the individual-type pension plan conforms to the standards specified by Cabinet Order;
 - (v) any other requirements specified by Cabinet Order.
- (2) When the Minister of Health, Labour and Welfare gives the approval referred to in paragraph (1) of the preceding Article, the minister must promptly give notice to that effect to the Association.
- (3) When the Association obtains the approval referred to in paragraph (1) of the preceding Article, it must give public notice of the rules for which the approval referred to in that paragraph has been obtained (hereinafter referred to as the "individual-type pension plan rules"), pursuant to the provisions of Cabinet Order.

(Changes to the Rules)

Article 57 (1) When the Association intends to make a change to the individual-type pension plan rules (excluding the minor change specified by Order of the Ministry of Health, Labour and Welfare), it must obtain approval of the Minister of Health, Labour and Welfare for that change.

(2) The provisions of the preceding Article apply mutatis mutandis to the case where an application for the approval or a change referred to in the preceding paragraph has been filed.

Article 58 (1) When the Association makes a change to the individual-type pension plan rules (limited to the change specified by Order of the Ministry of Health, Labour and Welfare as referred to in paragraph (1) of the preceding Article), it must give notification of that change to the Minister of Health, Labour and Welfare without delay.

(2) The provisions of Article 56, paragraph (3) apply mutatis mutandis to the change referred to in the preceding paragraph.

(Review of the Individual-type Pension Plan Rules)

Article 59 The Association must review the contents of the individual-type pension plan rules in consideration of factors such as the trends in the number of participants of an individual-type pension plans, the status of implementation of the corporate-type pension plan, the trends in the lives of the citizenry, at least once every five years, and if found to be necessary, must make changes to the individual-type pension plan rules.

Subsection 2 Entrustment of Operational Management Services

(Entrustment of Operational Management Services)

Article 60 (1) The Association must entrust the operational management services to defined contribution pension plan operational management institutions, pursuant to the provisions of Cabinet Order.

(2) A defined contribution pension plan operational management institution must not refuse to conclude a contract on the entrustment under the provisions of the preceding paragraph, unless there are legitimate grounds for doing so.

(3) Pursuant to the provisions of Cabinet Order a defined contribution pension plan operational management institution may re-entrust a part of the operational management services which it has been entrusted with under the provisions of paragraph (1) to another defined contribution pension plan operational management institution.

(4) Beyond what is provided for in the preceding three paragraphs, Cabinet Order prescribes the necessary particulars in connection with entrustment of

operational management services.

(Entrustment of Administrative Affairs)

Article 61 (1) The Association may entrust the following administrative affairs to another person, pursuant to the provisions of Cabinet Order:

- (i) administrative affairs concerning acceptance of the request referred to in paragraph (1) of the following Article;
 - (ii) administrative affairs concerning acceptance of the notification referred to in Article 66, paragraph (1) (including as applied mutatis mutandis pursuant to paragraph (2) of that Article);
 - (iii) administrative affairs concerning management of the reserve fund;
 - (iv) administrative affairs concerning the keeping of the deposit passbooks, securities, and other items equivalent thereto relating to investment of the reserve fund; and
 - (v) other administrative affairs specified by Order of the Ministry of Health, Labour and Welfare (excluding administrative affairs concerning confirmation of the status as a participant of an individual-type pension plan and confirmation of the fact that the amount of the participant of an individual-type pension plan's contribution is within the maximum contribution amount prescribed in Article 69).
- (2) A financial institution specified by Cabinet Order, such as a bank, may be entrusted with the administrative affairs set forth in items (i), (ii), and (v) of the preceding paragraph (limited to the administrative affairs specified by Order of the Ministry of Health, Labour and Welfare), notwithstanding the provisions of other laws.

Section 2 Participants or Instructors of Individual-type Pension Plans

(Participant of an Individual-type Pension Plan)

Article 62 (1) The following persons may become a participant of an individual-type pension plan by making a request to the Association, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare:

- (i) the category I insured prescribed in Article 7, paragraph (1), item (i) of the National Pension Act (Act No. 141 of 1959) (excluding a person who is not required to pay the premiums referred to in that Act pursuant to the provisions of Article 89, paragraph (1) (limited to the part pertaining to item (ii)), Article 90, paragraph (1), or Article 90-3, paragraph (1) of that Act and a person who is not required to pay a part of the amount of the premiums referred to in that Act pursuant to the provisions of Article 90-2, paragraphs (1) through (3) of that Act (these persons are hereinafter referred to as "persons exempted from premium payments"));

- (ii) the category II insured prescribed in Article 7, paragraph (1), item (ii) of the National Pension Act (excluding a participant of a corporate-type pension plan who makes a participant of a corporate-type pension plan contributions and other persons specified by Cabinet Order (referred to as a "person, etc. making corporate-type pension plan contributions" in paragraph (4), item (vi)));
 - (iii) the category III insured prescribed in Article 7, paragraph (1), item (iii) of the National Pension Act; and
 - (iv) an insured person under the provisions of Article 5, paragraph (1) of the Supplementary Provisions of the National Pension Act (excluding the person set forth in item (i) of that paragraph).
- (2) Notwithstanding the provisions of the preceding paragraph, a person who falls under any of the following items is not to be a participant of an individual-type pension plan:
- (i) a person who has or had the right to receive old-age benefits under the individual-type pension plan; or
 - (ii) a person who has the right to receive pension benefits based on old age under the National Pension Act or the Employees' Pension Insurance Act or other pension benefits based on old age or retirement, which are specified by Cabinet Order.
- (3) A participant of an individual-type pension plan acquires the status as a participant of an individual-type pension plan on the day on which the person makes the request referred to in paragraph (1).
- (4) A participant of an individual-type pension plan loses the status as a participant of an individual-type pension plan on the day on which the person comes to fall under any of the following items (if the person comes to fall under item (i), on the day following that day; if the person comes to fall under item (iv), the first day of the month in which the person became unrequired to pay the premiums; and if the person comes to fall under item (vi) (limited to a participant of a corporate-type pension plan who makes a participant of a corporate-type pension plan's contribution), the first day of the month in which the person made a participant of a corporate-type pension plan's contribution):
- (i) when the person dies;
 - (ii) when the person loses the status as an insured of the national pension (excluding the case set forth in the preceding item);
 - (iii) when the person becomes an instructor of an individual-type pension plan investment pursuant to the provisions of Article 64, paragraph (2);
 - (iv) when the person becomes exempted from premium payments;
 - (v) when the person becomes insured under the farmers pension;
 - (vi) when the person becomes a person, etc. making corporate-type pension plan contributions;

- (vii) when the person becomes eligible to receive old-age benefits under the individual-type pension plan; or
 - (viii) when the person becomes a person set forth in paragraph (2), item (ii).
- (5) If a person loses the status as a participant of an individual-type pension plan during the month when the person acquired that status, the person is retroactively deemed not to have been a participant of an individual-type pension plan from the day on which the person acquired the status.

(Period of a Participant of an Individual-type Pension Plan)

- Article 63 (1) When calculating the period of a participant of an individual-type pension plan, the period is to be calculated on a monthly basis, and the period from the month in which the person acquired the status as a participant of an individual-type pension plan to the month preceding the month in which the person lost the status is to be included in that period.
- (2) With regard to a person who has lost the status as an participant of an individual-type pension plan, but has subsequently acquired that status again, the former and latter participant of an individual-type pension plan periods are to be totaled.

(Instructor of an Individual-type Pension Plan Investment)

- Article 64 (1) A person who loses the status as a participant of an individual-type pension plan due to coming to fall under any of the items of Article 62, paragraph (4) (excluding items (i) and (iii)) (limited to a person who has assets managed per individual under the individual-type pension plan) is to be an instructor of an individual-type pension plan investment.
- (2) In addition to the case under the provisions of the preceding paragraph, a person who was a participant of a corporate-type pension plan (limited to a person who has assets managed per individual in the corporate-type pension plan or the individual-type pension plan) or a participant of an individual-type pension plan (limited to a person who has assets managed per individual under the individual-type pension plan) may become an instructor of an individual-type pension plan investment by making a request to the Association.
- (3) The person prescribed in paragraph (1) acquires the status as an instructor of an individual-type pension plan investment on the day of losing the status as a participant of an individual-type pension plan, and the person who makes the request referred to in the preceding paragraph acquires the status as an instructor of an individual-type pension plan investment on the day on which the person makes the request.
- (4) An instructor of an individual-type pension plan investment loses the status as an instructor of an individual-type pension plan investment on the day following the day on which the person comes to fall under any of the following

items (if the person comes to fall under item (iii), on the day of falling under that item):

(i) when the person dies;

(ii) when the person no longer has assets managed per individual under the individual-type pension plan; or

(iii) when the person becomes a participant of an individual-type pension plan.

(5) The provisions of Article 62, paragraph (5) apply mutatis mutandis to the status as an instructor of an individual-type pension plan investment, and the provisions of the preceding Article apply mutatis mutandis to the case of calculating the period of an instructor of an individual-type pension plan investment.

(Designation of a Defined Contribution Pension Plan Operational Management Institution)

Article 65 A participant or instructor of an individual-type pension plan is to designate or change the designation of the defined contribution pension plan operational management institution that is to provide operational management services relating to that person, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Notifications)

Article 66 (1) A participant of an individual-type pension plan must make notification of particulars such as the name and address to the Association, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(2) The provisions of the preceding paragraph apply mutatis mutandis to an instructor of an individual-type pension plan investment.

(3) When the notification referred to in paragraph (1) (including as applied mutatis mutandis pursuant to the preceding paragraph) has been made, the Association must promptly give notice of the particulars of which notification has been made to the defined contribution pension plan operational management institution which provides records-related services and which has been designated by the participant of an individual-type pension plan, etc. (hereinafter referred to as the "individual-type pension plan records-related operational management institution").

(Participants or Instructors Individual-type Pension Plan Register)

Article 67 (1) Pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare the Association must keep a register of participants or instructors individual-type pension plan, record therein the names and addresses, the dates of acquisition and loss of the status, the amounts of assets

managed per individual, and other particulars specified by Order of the Ministry of Health, Labour and Welfare with and keep such records.

(2) Pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare an individual-type pension plan records-related operational management institution must keep books on the participants or instructors individual-type pension plan, record therein the names and addresses, the dates of acquisition and loss of the status, the amounts of assets managed per individual, and other particulars specified by Order of the Ministry of Health, Labour and Welfare, and keep such books.

(3) A person who is or was a participant of an individual-type pension plan (including a person who is eligible to receive a lump-sum death benefit) may make a request for inspection of the register referred to in paragraph (1) or the books referred to in the preceding paragraph or make an inquiry on the particulars recorded in that register or those books to the Association or the individual-type pension plan records-related operational management institution. In this case, the Association and the individual-type pension plan records-related operational management institution must not refuse the request for inspection or refuse to answer the inquiry, unless there are legitimate grounds to do so.

Section 3 Contributions

(Participant of an Individual-type Pension Plan's Contribution)

Article 68 (1) A participant of an individual-type pension plan periodically makes contributions at least once a year, pursuant to the provisions of Cabinet Order.

(2) The amount of the participant of an individual-type pension plan's contribution is decided or changed in accordance with the participant of an individual-type pension plan pursuant to the provisions of the individual-type pension plan rules.

(Small and Medium-sized Employer's Contributions)

Article 68-2 (1) If a participant of an individual-type pension plan who is a category I EPI insured person (excluding the persons set forth in the items of Article 62, paragraph (2); hereinafter the same applies in this paragraph) whom a small and medium-sized employer employs make contributions pursuant to the provisions of paragraph (1) of the preceding Article (limited to the case where they make payments through the small and medium-sized employer pursuant to the provisions of Article 70, paragraph (2)), the small and medium-sized employer may periodically make contributions at least once a year, pursuant to the provisions of Cabinet Order, by obtaining the consent of

a labor union consisting of the majority of the category I EPI insured person, if there is any such labor union, or the consent of the person representative of the majority of the category I EPI insured person, if there is no labor union consisting of the majority of the category I EPI insured person.

- (2) If a small and medium-sized employer makes contributions under the provisions of the preceding paragraph (hereinafter referred to as "small and medium-sized employer's contributions"), they may specify certain qualifications to be fulfilled for persons to be subject to the small and medium-sized employer's contributions. In this case, the small and medium-sized employer must obtain the consent referred to in that paragraph.
- (3) If a small and medium-sized employer specifies the qualifications referred to in the preceding paragraph, those qualifications must not be unreasonably discriminatory against specific persons.
- (4) The amount of the small and medium-sized employer's contribution is decided or changed by the small and medium-sized employer pursuant to the provisions of the individual-type pension plan rules.
- (5) When a small and medium-sized employer decides or changes the amount of the small and medium-sized employer's contribution pursuant to the provisions of the preceding paragraph, or when it ceases to make small and medium-sized employer's contributions, the small and medium-sized employer must give notice to the persons subject to the small and medium-sized employer's contributions, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.
- (6) When a small and medium-sized employer makes small and medium-sized employer's contributions, the employer must make notification of the employer's name, address, and other matters specified by Order of the Ministry of Health, Labour and Welfare to the Minister of Health, Labour and Welfare and the Association in advance, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.
- (7) If a small and medium-sized employer has made notification under the provisions of the preceding paragraph and if there has been a change to any matter of which notification was made, or if the employer ceases to make small and medium-sized employer's contributions, or in other cases specified by Order of the Ministry of Health, Labour and Welfare, the employer must make notification to that effect to the Minister of Health, Labour and Welfare and the Association without delay, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Maximum Contribution Amount)

Article 69 The total annual amount of the participant of an individual-type pension plan's contributions (if the small and medium-sized employer makes

small and medium-sized employer's contributions, the sum of the amount of the participant of an individual-type pension plan's contributions and the amount of the small and medium-sized employer's contributions; hereinafter the same applies in this Article) must not exceed the maximum contribution amount (meaning the amount specified by Cabinet Order as the maximum total amount of the participant of an individual-type pension plan's contributions that may be made per year, taking into account the category of the participant of an individual-type pension plan (meaning the distinction between a category I participant (meaning an participant of an individual-type pension plan who is the person set forth in Article 62, paragraph (1), item (i)), a category II participant (meaning a participant of an individual-type pension plan who is the person set forth in item (ii) of that paragraph; the same applies hereinafter), a category III participant (meaning a participant of an individual-type pension plan who is the person set forth in item (iii) of that paragraph), or a category IV participant (meaning a participant of an individual-type pension plan who is the person set forth in item (iv) of that paragraph)), the amount of contribution for a national pension fund, whether the participant of an individual-type pension plan has the status as a participant of a corporate-type pension plan or a defined benefit corporate pension plan, the amount of the employer's contribution, and other factors).

(Payment of the Participant of an Individual-type Pension Plan's Contributions)

- Article 70 (1) A participant of an individual-type pension plan is to pay the participant of an individual-type pension plan's contribution to the Association pursuant to the provisions of the individual-type pension plan rules.
- (2) A category II participant makes the payment referred to in the preceding paragraph through the employer with an EPI-applicable place of business that employs the category II participant, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.
- (3) In the case referred to in the preceding paragraph, the employer with an EPI-applicable place of business must not refuse that process without legitimate grounds.
- (4) When the Association receives the payments referred to in paragraphs (1) and (2), it must give notice of the amount of the participant of an individual-type pension plan's contribution relating to each participant of an individual-type pension plan to the individual-type pension plan records-related operational management institution, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

(Payment of the Small and Medium-sized Employer's Contributions)

Article 70-2 (1) When a small and medium-sized employer makes a small and medium-sized employer's contribution pursuant to the provisions of Article 68-2, paragraph (1), the employer is to pay it to the Association pursuant to the provisions of the individual-type pension plan rules.

(2) The provisions of paragraph (4) of the preceding Article apply mutatis mutandis to the case where the Association receives payment of a small and medium-sized employer's contribution pursuant to the provisions of the preceding paragraph.

(Deduction of Participant of an Individual-type Pension Plan's Contributions at Source)

Article 71 (1) If an employer with an EPI-applicable place of business that pays a participant of an individual-type pension plan's contribution pursuant to the provisions of Article 70, paragraph (2) pays a salary to a category II participant in currency, the employer may deduct the participant of an individual-type pension plan's contribution from the salary.

(2) When an employer with an EPI-applicable place of business has deducted a participant of an individual-type pension plan's contribution pursuant to the provisions of the preceding paragraph, the employer must prepare a calculation sheet concerning the deduction of the participant of an individual-type pension plan's contribution, and give notice of the amount deducted to the category II participant.

Section 4 Termination of an Individual-type Pension Plan

Article 72 (1) An individual-type pension plan terminates on the day on which the Association comes to be dissolved.

(2) Beyond what is provided for in the preceding paragraph, Cabinet Order prescribes the necessary particulars in connection with termination of an individual-type pension plan.

Section 5 Application Mutatis Mutandis of the Provisions on a Corporate-type Pension Plan

Article 73 The provisions of Section 4 of the preceding Chapter apply mutatis mutandis to investment of the portion of the reserve fund which constitutes the assets managed per individual relating to a participant of an individual-type pension plan, etc., the provisions of Section 5 of that Chapter apply mutatis mutandis to benefits under an individual-type pension plan, and the provisions of Article 43, paragraphs (1) through (3) and Article 48-2 (limited to the part pertaining to material-providing services; hereinafter the same applies in this

Article) apply mutatis mutandis to the Association. In this case, the term "an/the employer" in Articles 22 and 84-2 and the term "an/the asset management institution" in Article 25, paragraphs (3) and (4), Article 29, paragraph (2), Article 33, paragraph (3), Article 34, Article 37, paragraph (3), and Article 40 are deemed to be replaced with "the Association", and any other necessary technical replacement of terms concerning the provisions of Sections 4 and 5 of that Chapter, Article 43, paragraphs (1) through (3), and Article 48-2 is specified by Cabinet Order.

Article 73-2 With regard to a person whose assets were transferred to the Association, the provisions of the preceding Article (limited to the part pertaining to benefits of an individual-type pension plan) apply by deeming that person to be a person who was a participant of an individual-type pension plan. In this case, the phrase "the provisions of Section 5 of that Chapter" in the preceding Article is deemed to have been replaced with "the provisions of Section 5 of that Chapter (excluding the provisions of Article 33 and the provisions pertaining to disability benefits)."

Section 6 Miscellaneous Provisions

(Special Provisions on Services of the Association)

Article 74 In addition to the services under the provisions of the National Pension Act, the Association provides the services under the provisions of this Act in order to attain the purpose prescribed in Article 1.

(Transfer of an Amount Equivalent to Lump-sum Withdrawal Payment or Residual Assets)

Article 74-2 (1) The Association may receive transfer of an amount equivalent to lump-sum withdrawal payment, etc. or residual assets (meaning the residual assets prescribed in Article 89, paragraph (6) of the Defined Benefit Corporate Pension Act; the same applies hereinafter), pursuant to the provisions of Cabinet Order.

(2) When the Association receives transfer of an amount equivalent to lump-sum withdrawal payment, etc. or residual assets pursuant to the provisions of the preceding paragraph, the period during which each participant or instructor of an individual-type pension plan was employed by the employer of the place of business implementing the plan with regard to the relevant defined benefit corporate pension plan or other period equivalent thereto (limited to the period in or before the month containing the day preceding the day on which the participant of an individual-type pension plan reached the age of 60) specified by Cabinet Order is to be included in the total enrollment period referred to in

Article 33, paragraph (1) relating to that participant or instructor of an individual-type pension plan.

(Special Provisions on Instructions on Investment When an Amount Equivalent to Lump-sum Withdrawal Payment or Residual Assets Are Transferred)

Article 74-3 The provisions of Article 25-2 apply mutatis mutandis to a case where an amount equivalent to lump-sum withdrawal payment, etc. or residual assets are transferred pursuant to the provisions of paragraph (1) of the preceding Article. In this case, the phrase "the employer's contribution, etc. paid" in Article 25-2, paragraph (3) is deemed to be replaced with "the amount equivalent to lump-sum withdrawal payment, etc. or the residual assets transferred pursuant to the provisions of Article 74-2, paragraph (1)".

(Transfer of Assets Managed per Individual Relating to a Person Who Became a Participant of a Defined Benefit Corporate Pension Plan)

Article 74-4 (1) If a person who has assets managed per individual under an individual-type pension plan acquires the status as a participant of a defined benefit corporate pension plan, and the rules concerning the defined benefit corporate pension plan provide in advance that the assets managed per individual may be transferred from the Association, that person may request the Association to transfer that person's assets managed per individual.
(2) If a request under the provisions of the preceding paragraph has been made, the Association is to transfer the assets managed per individual relating to the person who made the request to the asset management and investment institution, etc. of the defined benefit corporate pension plan.

(Delegation to Cabinet Order)

Article 74-5 Beyond what is provided for in the preceding three Articles, Cabinet Order prescribes the necessary matters in connection with transfer of an amount equivalent to lump-sum withdrawal payment, etc. and residual assets to the Association and transfer of assets managed per individual to the asset management and investment institution, etc. of a defined benefit corporate pension plan.

(Committee for Formulation of the Individual-type Pension Plan Rules)

Article 75 (1) The committee for formulation of the individual-type pension plan rules (hereinafter referred to as the "formulation committee") is to be established in the Association.
(2) When the Association intends to prepare rules concerning an individual-type pension plan or make a change to the individual-type pension plan rules, it must obtain a resolution by the formulation committee.

(3) The following particulars concerning services of the Association under the provisions of this Act require a resolution by the formulation committee, notwithstanding the provisions of Article 137-11, paragraph (1) of the National Pension Act:

(i) the budget for each business year;

(ii) the business report and settlement of accounts for each business year; and

(iii) other particulars specified by the individual-type pension plan rules.

(4) Beyond what is provided for in the preceding three paragraphs, Cabinet Order prescribes particulars concerning the organization of the formulation committee and other necessary particulars in connection with the Formulation Committee.

(Separate Accounting)

Article 76 The Association must separate the accounting for the services it provides pursuant to the provisions of this Act from other accounting.

(Special Provisions on Services of a National Pension Fund)

Article 77 (1) A national pension fund may provide the administrative affairs set forth in the items of Article 61, paragraph (1) as entrusted by the Association.

(2) A national pension fund must separate the accounting for the services it provides pursuant to the provisions of the preceding paragraph from other accounting.

(Cooperation of the Employer with Regard to an Individual-type Pension Plan)

Article 78 (1) If a person employed at an EPI-applicable place of business is a participant of an individual-type pension plan, the employer with the EPI-applicable place of business must provide necessary cooperation to the participant of an individual-type pension plan, and endeavor to provide guidance, etc. to ensure observance of laws and regulations and the individual-type pension plan rules.

(2) In the case referred to in the preceding paragraph, the State may provide necessary guidance and advice to the employer with an EPI-applicable place of business.

(Application of the National Pension Act)

Article 79 (1) When services of the Association are to be provided pursuant to the provisions of this Act, the phrase "The following matters" in Article 137-11, paragraph (1) of the National Pension Act is deemed to be replaced with "The following particulars (for the particulars set forth in items (ii) through (iv), excluding those pertaining to services of the Association under the provisions of the Defined Contribution Pension Act (Act No. 88 of 2001))"; the phrase "and

appropriate operation of the national pension fund system" in Article 137-12, paragraph (2) of that Act is deemed to be replaced with "and appropriate operation of the national pension fund system and the defined contribution pension plan system"; the term "the national pension fund system" in Article 137-15, paragraph (2), item (iv) of that Act is deemed to be replaced with "the national pension fund and the defined contribution pension plan"; the phrase "the provisions" in Article 137-23 of that Act is deemed to be replaced with "the provisions and the provisions of the Defined Contribution Pension Act"; the term "lump-sum payment" in the row for Article 105 (excluding paragraph (2) (excluding the part that applies mutatis mutandis to Article 12, paragraph (2)), the proviso to paragraph (4), and paragraph (5)) in the table in Article 138 of that Act is deemed to be replaced with "lump-sum payment (excluding that to be paid by the pursuant to the provisions of the Association Defined Contribution Pension Act)"; the term "the rules" in Article 142, paragraph (1) of that Act is deemed to be replaced with "the rules, the individual-type pension plan rules prescribed in Article 56, paragraph (3) of the Defined Contribution Pension Act (referred to as the "individual-type pension plan rules" in the following paragraph)"; the term "the rules" in paragraph (2) of that Article is deemed to be replaced with "the rules or the individual-type pension plan rules"; the phrase "the order referred to in paragraph (1)" in paragraph (5) of that Article is deemed to be replaced with "the order referred to in paragraph (1) (excluding that pertaining to services of the Association under the provisions of the Defined Contribution Pension Act)"; the term "business" in that paragraph is deemed to be replaced with "business (excluding that conducted by the Association pursuant to the provisions of the Defined Contribution Pension Act)"; the term "this Chapter" in Article 145, item (v) of this Act is deemed to be replaced with "this Chapter or the Defined Contribution Pension Act"; and Cabinet Order prescribes other necessary particulars in connection with application of the provisions of that Act.

(2) When services of a national pension fund are to be provided pursuant to the provisions of Article 77, paragraph (1), the term "this Chapter" in Article 145, item (v) of the National Pension Act is deemed to be replaced with "this Chapter or Article 77, paragraph (1) of the Defined Contribution Pension Act (Act No. 88 of 2001) ", and Cabinet Order prescribes other necessary matters in connection with application of the provisions of that Act.

Chapter IV Transfer of Assets Managed per Individual

(Transfer of Assets Managed per Individual Relating to a Person Who Became a Participant of a Corporate-type Pension Plan)

Article 80 (1) If any of the persons set forth in the following items (limited to a

person who has assets managed per individual under the corporate-type pension plan or the individual-type pension plan) acquire the status as a participant of a corporate-type pension plan of the first corporate-type pension plan, and request the corporate-type pension plan records-related operational management institution, etc. of the first corporate-type pension plan to transfer that person's assets managed per individual transfer, the persons specified in the respective items are to transfer the assets managed per individual of the person who made the request to the asset management institution of the first corporate-type pension plan:

- (i) a person who is or was a participant of a corporate-type pension plan of the second corporate-type pension plan: the asset management institution of the second corporate-type pension plan; or
 - (ii) a participant of an individual-type pension plan or an instructor of an individual-type pension plan investment: the Association.
- (2) If the person set forth in item (i) of the preceding paragraph (excluding a person who has the right to receive disability benefits under the corporate-type pension plan) acquires the status as a participant of a corporate-type pension plan of the first corporate-type pension plan, and still has assets managed per individual under the second corporate-type pension plan after the passage of six months from the month following the month containing the day of losing the status as a participant of a corporate-type pension plan of the second corporate-type pension plan, the asset management institution of the second corporate-type pension plan is to transfer the assets managed per individual to the asset management institution of the first corporate-type pension plan.
- (3) If a person whose assets managed per individual have been transferred to the Association pursuant to the provisions of Article 83, paragraph (1) (a person who has assets managed per individual under the individual-type pension plan, and excluding a participant of an individual-type pension plan and an instructor of an individual-type pension plan investment) acquires the status as a participant of a corporate-type pension plan of the first corporate-type pension plan, the Association is to transfer the assets managed per individual relating to the person who has acquired the status to the asset management institution of the first corporate-type pension plan.
- (4) When the assets managed per individual relating to a person pertaining to a corporate-type pension plan records-related operational management institution, etc. of the first corporate-type pension plan have been transferred to the asset management institution of the first corporate-type pension plan pursuant to the preceding three paragraphs, that corporate-type pension plan records-related operational management institution, etc. must give notice to that effect to the person whose assets managed per individual have been transferred.

(Special Provisions on Instructions on Investment If Assets Managed per Individual Relating to a Person Who Became a Participant of a Corporate-type Pension Plan Are Transferred)

Article 81 With regard to application of the provisions of Article 25-2 when assets managed per individual are transferred pursuant to the provisions of paragraphs (1) through (3) of the preceding Article, the phrase "and those for which ... after that day" in paragraph (3) of that Article is deemed to be replaced with ", those for which ... after that day", and "means ... after that day" in that paragraph is deemed to be replaced with "means ... after that day, and those for which no instructions on investment have been given with regard to the assets managed per individual transferred pursuant to the provisions of Article 80, paragraphs (1) through (3) after that day".

(Transfer of Assets Managed per Individual Relating to a Person Who Became a Participant of an Individual-type Pension Plan)

Article 82 (1) If a person who was a participant of a corporate-type pension plan of a corporate-type pension plan (limited to a person who has assets managed per individual under the corporate-type pension plan) requests the Association to transfer the person's assets managed per individual, and concurrently with the request for transfer, makes a request under the provisions of Article 62, paragraph (1) or Article 64, paragraph (2), or if a person is a participant of an individual-type pension plan or an instructor of an individual-type pension plan investment, the asset management institution of the corporate-type pension plan is to transfer the assets managed per individual relating to the person who made the request to the Association.

(2) When assets managed per individual have been transferred to the Association pursuant to the provisions of the preceding paragraph, the Association must give notice to that effect to the person whose assets managed per individual have been transferred.

(Special Provisions on Instructions on Investment If Assets Managed per Individual Relating to a Person Who Became a Participant of an Individual-type Pension Plan Are Transferred)

Article 82-2 The provisions of Article 25-2 apply mutatis mutandis to the case where assets managed per individual relating to a participant of an individual-type pension plan are transferred pursuant to the provisions of paragraph (1) of the preceding Article. In this case, the phrase "the employer's contribution, etc. paid" in Article 25-2, paragraph (3) is deemed to be replaced with "the assets managed per individual transferred pursuant to the provisions of Article 82, paragraph (1)".

(Transfer of Assets Managed per Individual Relating to Any Other Person)

Article 83 (1) The asset management institution of a corporate-type pension plan is to transfer assets managed per individual relating to any of the following persons (limited to a person who has assets managed per individual under the corporate-type pension plan) to the Association:

- (i) a person who was a participant of a corporate-type pension plan of the corporate-type pension plan, whose assets managed per individual were not transferred pursuant to the provisions of Articles 54-4, 54-5, 80, or 82 of this Act or Article 31-3 of the Small and Medium Sized Enterprise Retirement Allowance Cooperative Act within six months from the month following the month containing the day of losing the status as a participant of a corporate-type pension plan (excluding an instructor of a corporate-type pension plan of the corporate-type pension plan and the person set forth in the following item); and
 - (ii) a person who was a participant of a corporate-type pension plan of the corporate-type pension plan, etc. as of the day on which the corporate-type pension plan terminated, whose assets managed per individual were transferred pursuant to the provisions of Articles 54-4, 54-5, 80, or 82 of this Act or Article 31-3 of the Small and Medium Sized Enterprise Retirement Allowance Cooperative Act within six months from the month following the month containing the day on which the corporate-type pension plan terminated.
- (2) When assets managed per individual relating to a person pertaining to the corporate-type pension plan records-related operational management institution, etc. of the corporate-type pension plan have been transferred to the Association pursuant to the provisions of the preceding paragraph, the corporate-type pension plan records-related operational management institution, etc. must give notice to that effect to the person whose assets managed per individual have been transferred.
- (3) If the corporate-type pension plan records-related operational management institution, etc. of the corporate-type pension plan is unable to give the notice referred to in the preceding paragraph due to the whereabouts of the person whose assets managed per individual have been transferred pursuant to the provisions of paragraph (1) being unknown, it must give public notice to the effect that the assets managed per individual have been transferred to the Association, in lieu of the notice referred to in that paragraph.

(Return of Assets to the Employer)

Article 84 (1) If there is an amount of assets to be returned with regard to a person who has lost the status as a participant of a corporate-type pension plan

of a corporate-type pension plan, the assets managed per individual relating to that person which the asset management institution of the corporate-type pension plan is to transfer pursuant to the provisions of Articles 54-4, 54-5, 80 or 82 or the preceding Article or Article 31-3 of the Small and Medium Sized Enterprise Retirement Allowance Cooperative Act are to be assets equivalent to the amount after deducting the amount of assets to be returned.

(2) In the case prescribed in the preceding paragraph, the asset management institution of the corporate-type pension plan is to return money in an amount equivalent to the amount of assets to be returned to the employer pertaining to the amount of assets to be returned.

(Delegation to Cabinet Order)

Article 85 Beyond what is provided for in this Chapter, Cabinet Order prescribes the necessary particulars in connection with transfer of assets managed per individual.

Chapter V Taxation Measures for a Defined Contribution Pension Plan

(Taxation Measures)

Article 86 With regard to contributions, the reserve fund, and benefits pertaining to a defined contribution pension plan, necessary measures on taxation of income tax, corporation tax, inheritance tax, prefectural inhabitants' tax (including Tokyo inhabitants' tax), and municipal inhabitants' tax (including special ward inhabitants' tax) are to be taken pursuant to the provisions of the Income Tax Act (Act No. 33 of 1965), the Corporation Tax Act (Act No. 34 of 1965), the Inheritance Tax Act (Act No. 73 of 1950), and the Local Tax Act (Act No. 226 of 1950), and orders based on these laws.

(Guidance and Advice)

Article 87 The State may provide necessary guidance and advice concerning implementation of a defined contribution pension plan to an employer and the Association.

Chapter VI Defined Contribution Pension Plan Operational Management Institution

Section 1 Registration

(Registration)

Article 88 (1) A defined contribution pension plan operational management business must not be conducted by a person other than a corporation registered by the competent ministers.

(2) Notwithstanding the provisions of other laws, a financial institution specified by Cabinet Order, such as a bank, may conduct a defined contribution pension plan operational management business by being registered as referred to in the preceding paragraph.

(Application for Registration)

Article 89 (1) A person that intends to be registered as referred to in paragraph (1) of the preceding Article must submit a written application for registration containing the following particulars to the competent ministers:

- (i) the trade name, name, and address;
- (ii) the amount of stated capital (including the total amount of contributions and the total amount of funds);
- (iii) the names of officers;
- (iv) the name and location of the business office;
- (v) the types and methods of services;
- (vi) if conducting any other business, the type of that business;
- (vii) other particulars specified by order of the competent ministry.

(2) The written application for registration referred to in the preceding paragraph must have attached thereto a document in which the person pledges that the person does not fall under any of the items of Article 91, paragraph (1) and other documents specified by order of the competent ministry.

(Implementation of Registration)

Article 90 (1) When an application for the registration referred to in Article 88, paragraph (1) has been filed, the competent ministers must register the following particulars in the defined contribution pension plan operational management institution register, except in the case of refusing registration pursuant to the provisions of paragraph (1) of the following Article:

- (i) the particulars set forth in the items of paragraph (1) of the preceding Article; and
- (ii) the registration date and the registration number.

(2) When the competent ministers have effected registration under the provisions of the preceding paragraph, the ministers must give notice to that effect to the registration applicant without delay.

(3) The competent ministers must make the defined contribution pension plan operational management institution register available for public inspection.

(Refusal of Registration)

Article 91 (1) If a registration applicant falls under any of the following items or if a written application for registration or any of its attached documents contains a false statement or lacks statement of a material fact, the competent

ministers must refuse the registration:

- (i) a person that is not a corporation;
 - (ii) a corporation whose registration has been rescinded pursuant to the provisions of Article 104, paragraph (2), and for which five years have not elapsed from the day of the rescission;
 - (iii) a corporation that has been sentenced to a fine due to violation of any provisions of this Act, the Employees' Pension Insurance Act, or any other law specified by Cabinet Order, and for which five years have not elapsed from the day on which the execution of the sentence was completed or the sentence ceased to be applicable;
 - (iv) a corporation whose other business is found to be contrary to the public interest or a corporation for which it is found that implementation of the defined contribution pension plan operational management business would be hindered due to the difficulty in managing the risk of loss pertaining to the business; or
 - (v) a corporation whose officers include a person who was, within thirty days prior to the day of rescission of registration under the provisions of Article 104, paragraph (2), an officer of the defined contribution pension operational management institution pertaining to the rescission and for whom five years have not elapsed from the day of the rescission, a person who has been sentenced to imprisonment without work or heavier punishment and for whom five years have not elapsed from the day on which the execution of the sentence was completed or the sentence ceased to be applicable, or any other person specified by Cabinet Order.
- (2) When the competent ministers has refused registration pursuant to the provisions of the preceding paragraph, the minister must give notice to that effect to the registration applicant, indicating the reason therefor, without delay.

(Notification of a Change)

Article 92 (1) If there has been a change to any of the particulars set forth in the items of Article 89, the defined contribution pension operational management institution must make notification to that effect to the competent ministers within two weeks from that day.

- (2) When the competent ministers receive notification under the provisions of the preceding paragraph, the minister must register the particulars for which the notification was made in the defined contribution pension operational management institution register.

(Notification of Business Discontinuance)

Article 93 When a defined contribution pension operational management

institution comes to fall under any of the following items, the registration of the defined contribution pension operational management institution ceases to be effective. In this case, the persons respectively specified in those items must make notification to that effect to the competent ministers within thirty days from the day on which the institution came to fall under those respective items:

- (i) when the institution is extinguished by a merger: an officer representing the corporation which was a defined contribution pension operational management institution;
- (ii) when the institution is dissolved due to an order commencing bankruptcy proceedings: the bankruptcy trustee of the corporation which was a defined contribution pension operational management institution;
- (iii) when the institution is dissolved due to a reason other than a merger or an order commencing bankruptcy proceedings: the liquidator of the corporation which was a defined contribution pension operational management institution; or
- (iv) when the institution discontinues the defined contribution pension operational management business: an officer representing the corporation which was a defined contribution pension operational management institution.

Section 2 Services

(Posting of Signs)

Article 94 (1) A defined contribution pension operational management institution must post a sign in the form specified by order of the competent ministry in a place easily visible to the public at each business office.

(2) No person other than a defined contribution pension operational management institution may post the sign referred to in the preceding paragraph or a sign similar thereto.

(Prohibition of Name Lending)

Article 95 A defined contribution pension operational management institution must not let another person conduct a defined contribution pension operational management business using the institution's name.

(Inspection of Documents)

Article 96 A defined contribution pension operational management institution must keep documents stating the status of its services at each business office and have participants or instructors inspect the rules at their request, pursuant to the provisions of order of the competent ministry.

(Measures That Contribute to Instructions on Investment by Participants or Instructors)

Article 97 A defined contribution pension operational management institution may take necessary measures, such as providing basic materials on investment of assets under the provisions of Article 22, paragraph (1) (including as applied mutatis mutandis pursuant to Article 73), as entrusted by the employer or the Association.

(Handing Over Services)

Article 98 When a defined contribution pension operational management institution falls under any of the following items, it must hand over all or part of the operational management services it has been entrusted or re-entrusted with to another defined contribution pension operational management institution that succeeds to the operational management services, pursuant to the provisions of Cabinet Order:

- (i) when there is a change to or cancelation of a contract on entrustment of operational management services under the provisions of Article 7, paragraph (1) or (2) or Article 60, paragraph (1) or (3) (hereinafter referred to as "operational management contract");
- (ii) when there is a change to designation under the provisions of Article 65;
- (iii) when registration ceases to be effective pursuant to the provisions of Article 93; or
- (iv) when registration is rescinded pursuant to the provisions of Article 104, paragraph (2).

(Rules of Conduct of a Defined Contribution Pension Operational Management Institution)

Article 99 (1) A defined contribution pension operational management institution must observe laws and regulations, dispositions made by the competent ministers based on laws and regulations, and the operational management contract, and loyally perform its duties in the interest of the participants or instructors.

(2) When a defined contribution pension operational management institution keeps or uses personal information of a participant or instructor, such as the name, address, date of birth, and the amount of assets managed per individual relating to the participant or instructor, in connection to services relating to implementation of a corporate-type pension plan or an individual-type pension plan as entrusted under the provisions of Article 7, paragraph (1) or Article 60, paragraph (1) or as re-entrusted under the provisions of Article 7, paragraph (2) or Article 60, paragraph (3), the institution must keep or use that personal information within the scope necessary for performing those services; provided,

however, that this does not apply if the person's consent has been obtained or if there are other justifiable grounds.

Article 100 A defined contribution pension operational management institution must not conduct the following acts:

- (i) an act of promising the counterparty, when concluding an operational management contract, to bear all or part of losses incurred by a participant or instructor, when concluding the contract;
- (ii) an act of promising the counterparty, when concluding an operational management contract, to provide special benefits to a participant or instructor or the counterparty;
- (iii) an act of providing or having a third party provide economic benefits to a participant or instructor, or a third party in order to compensate for all or part of losses incurred by the participant or instructor in relation to investment-related services or to add to the benefits of the participant or instructor arising in relation to the services (excluding the case of compensating for all or part of losses incurred due to grounds attributable to the institution);
- (iv) an act of, when soliciting an operational management contract or in order to prevent cancellation of the contract, intentionally failing to disclose facts or disclosing false facts with regard to a particular concerning operational management services that is specified by Cabinet Order as a material particular that would affect the determinations of the counterparty to the operational management contract;
- (v) an act of presenting a specific investment method to a participant or instructor for the purpose of seeking the institution's own benefit or the benefit of a third party other than the participants or instructors;
- (vi) an act of recommending a participant or instructor to give instructions or not to give instructions with regard to a specific investment method from among the methods that were presented (excluding the case of conducting such act by indicating that the defined contribution pension operational management institution conducts such act as the financial instruments business operator prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act (Act No. 25 of 1948) or a person that conducts a business other than the defined contribution pension operational management business); and
- (vii) beyond what is set forth in the preceding items, the acts specified by order of the competent ministry as acts that fail to protect participants or instructors or that are likely to harm the fairness of the defined contribution pension operational management business or cause a loss of confidence in the defined contribution pension operational management business.

Section 3 Supervision

(Books and Documents Concerning Services)

Article 101 A defined contribution pension operational management institution must prepare and keep books and documents concerning its services, pursuant to the provisions of order of the competent ministry.

(Submission of Reports)

Article 102 A defined contribution pension operational management institution must submit reports on its services to the competent ministers, pursuant to the provisions of order of the competent ministry.

(Collection of Reports)

Article 103 (1) To the extent necessary for the enforcement of this Act the competent ministers may collect reports on the status of services from a defined contribution pension operational management institution or have the relevant officials enter the business office of the defined contribution pension operational management institution, ask persons concerned questions, or conduct on-site inspection on the status of services.

(2) The provisions of Article 51, paragraphs (2) and (3) apply mutatis mutandis to the asking of questions and the conducting of inspections under the provisions of the preceding paragraph.

(Supervision over the Defined Contribution Pension Operational Management Institution)

Article 104 (1) If the competent ministers find that there is a fact that harms the interests of participants or instructors in connection with the operation of services of a defined contribution pension operational management institution, the ministers may order the defined contribution pension operational management institution to change the type or method of services or to take other necessary measures for improving the operation of services, to the extent necessary for protection of the participants or instructors.

(2) If a defined contribution pension operational management institution falls under any of the following items, the competent ministers may order the suspension of all or part of the defined contribution pension operational management business for a specified period of not more than six months or rescind the registration referred to in Article 88, paragraph (1):

- (i) if the institution comes to fall under either of Article 91, paragraph (1), item (iii) or (v);
- (ii) if the institution was registered as referred to in Article 88, paragraph (1)

- by wrongful means;
- (iii) if the institution violates this Act or an order based on this Act, or a disposition based on these in connection with its defined contribution pension operational management business; or
 - (iv) if it is found to be difficult to continue the defined contribution pension operational management business.

(Deletion of Registration)

Article 105 When a registration ceases to be effective pursuant to the provisions of Article 93 or when the competent ministers rescind a registration pursuant to the provisions of paragraph (2) of the preceding Article, the minister must delete the registration.

(Public Notice of a Supervisory Disposition)

Article 106 When the competent ministers make a disposition under the provisions of Article 104, paragraph (2), the minister must give public notice to that effect pursuant to the provisions of order of the competent ministry.

(Delegation to Cabinet Order)

Article 107 Beyond what is provided for in this Section, Cabinet Order prescribes the necessary particulars in connection with supervision over a defined contribution pension operational management institution.

Section 4 Miscellaneous Provisions

(Special Provisions on Services of a Corporate Pension Fund and a National Pension Fund)

- Article 108 (1) A corporate pension fund and a national pension fund may become a defined contribution pension operational management institution by being registered as referred to in Article 88, paragraph (1).
- (2) A corporate pension fund and a national pension fund must separate the accounting for the services to be provided pursuant to the provisions of the preceding paragraph from other accounting.
 - (3) When services of a corporate pension fund are provided pursuant to the provisions of paragraph (1), the term "this Act" in Article 121 of the Defined Benefit Corporate Pension Act is deemed to be replaced with "this Act or Article 108, paragraph (1) of the Defined Contribution Pension Act," and Cabinet Order prescribes other necessary particulars in connection with application of the provisions of the Defined Benefit Corporate Pension Act.
 - (4) When services of a national pension fund are provided pursuant to the provisions of paragraph (1), the term "this Chapter" in Article 145, item (v) of

the National Pension Act is deemed to be replaced with "this Chapter or the Defined Contribution Pension Act (Act No. 88 of 2001)" and Cabinet Order prescribes other necessary matters in connection with application of the provisions of the National Pension Act.

Article 109 Deleted.

Chapter VII Miscellaneous Provisions

(Calculation of Periods of Time)

Article 110 Unless otherwise provided for in this Act, the provisions of the Civil Code (Act No. 89 of 1896) concerning periods of time apply mutatis mutandis to the calculation of the periods of time prescribed in this Act and orders based on this Act.

(Provision of Materials)

Article 111 The Minister of Health, Labour and Welfare or the implementing organization prescribed in Article 2-5, paragraph (1) of the Employees' Pension Insurance Act (excluding the Minister of Health, Labour and Welfare) may provide the Association with the materials specified by Order of the Ministry of Health, Labour and Welfare, such as material concerning the status of a participant or instructor as an insured covered by employees' pension insurance or national pension, which are necessary for providing services under the provisions of this Act.

(Submission of Documents)

Article 112 If a defined contribution pension operational management institution (including an employer that provides records-related services) finds it to be necessary, it may request a person who has the right to receive benefits (hereinafter referred to as a "beneficiary") to submit articles, such as documents, concerning the state of disability.

(Notification)

Article 113 (1) When an instructor of a corporate-type pension plan, a participant of an individual-type pension plan, an instructor of an individual-type pension plan investment, or a person whose assets were transferred to the Association (limited to a person who has assets managed per individual under the corporate-type pension plan or the individual-type pension plan) dies, the person whose duty is to submit a notification of death under the provisions of the Family Register Act (Act No. 224 of 1947) must make notification to that effect to the Association (if an instructor of a corporate-type pension plan who

has assets managed per individual under the corporate-type pension plan dies, the notification must be made to the corporate-type pension plan records-related operational management institution, etc. of the corporate-type pension plan) within ten days.

- (2) The provisions of Article 66, paragraph (3) apply *mutatis mutandis* to the case where the Association receives the notification referred to in the preceding paragraph.

(Competent Ministers)

Article 114 (1) The competent ministers in the preceding Chapter are the Minister of Health, Labour and Welfare and the Prime Minister, pursuant to the provisions of Cabinet Order.

- (2) An order of the competent ministry in this Act is an order issued by the Minister of Health, Labour and Welfare or the Prime Minister, pursuant to the provisions of Cabinet Order.

- (3) The authority of the Minister of Health, Labour and Welfare prescribed in this Act may be delegated to the Director-General of a regional bureau of health and welfare, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

- (4) The authority delegated to the Director-General of the Regional Bureau of Health and Welfare pursuant to the provisions of the preceding paragraph may be delegated to the Director-General of a regional branch bureau of health and welfare, pursuant to the provisions of Order of the Ministry of Health, Labour and Welfare.

- (5) The Prime Minister delegates the authority under the provisions of the preceding Chapter (excluding that specified by Cabinet Order) to the Commissioner of the Financial Services Agency.

- (6) A part of the authority delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of the preceding paragraph may be delegated to the Director-General of the Local Finance Bureau or the Director-General of a local finance branch bureau, pursuant to the provisions of Cabinet Order.

(Submission of Materials to the Minister of Finance)

Article 115 If the Minister of Finance finds it to be necessary for planning or drafting a system pertaining to defined contribution pension operational management business in connection with a financial failure resolution system or financial crisis management under the jurisdiction of the minister, the minister may request the Prime Minister to submit necessary materials and explanations.

(Provisions on Implementation)

Article 116 Except as otherwise provided for in this Act, order of the competent ministry prescribes the procedures for implementing the preceding Chapter and other necessary detailed regulations regarding its enforcement, and Order of the Ministry of Health, Labour and Welfare prescribes other procedures for implementing this Act and other necessary detailed regulations regarding its enforcement.

(Transitional Measures)

Article 117 In the case of establishing, amending, or repealing an order based on this Act, required transitional measures (including transitional measures on penal provisions) may be specified by that order to the extent judged to be reasonably necessary for establishment, amendment, or repeal.

Chapter VIII Penal Provisions

Article 118 A person that falls under any of the following items is punished by imprisonment for not more than three years or a fine of not more than three million yen, or both:

- (i) a person that conducts a defined contribution pension operational management business without being registered as referred to in Article 88, paragraph (1);
- (ii) a person that is registered as referred to in Article 88, paragraph (1) by a wrongful means;
- (iii) a person that has another person conduct a defined contribution pension operational management business, in violation of the provisions of Article 95;
or
- (iv) a person that commits any of the acts set forth in Article 100, items (i) through (iii), in violation of these provisions.

Article 119 A person that falls under any of the following items is punished by imprisonment for not more than one year or a fine of not more than one million yen, or both:

- (i) a person that intentionally fails to disclose facts or discloses false facts, in violation of the provisions of Article 100, item (iv); or
- (ii) a person that conducts a defined contribution pension operational management business, in violation of an order to suspend business under the provisions of Article 104, paragraph (2).

Article 120 A person that falls under any of the following items is punished by imprisonment for not more than six months or a fine of not more than five

hundred thousand yen:

- (i) a person that fails to make a report under the provisions of Article 51, paragraph (1) or makes a false report, or that fails to answer a question by a relevant official under the provisions of that paragraph or makes a false statement, or that refuses, obstructs, or evades an inspection under the provisions of that paragraph;
- (ii) a person that makes a false statement in the written application for registration referred to in Article 89, paragraph (1) or the document referred to in paragraph (2) of that Article, and submits it;
- (iii) a person that fails to prepare or keep books and documents under the provisions of Article 101, or prepares false books and documents;
- (iv) a person that fails to submit a report under the provisions of Article 102 or submits a report containing a false statement; or
- (v) a person that fails to make a report under the provisions of Article 103, paragraph (1) or makes a false report, or that fails to answer a question by a relevant official under the provisions of that paragraph or makes a false statement, or that refuses, obstructs, or evades an inspection under the provisions of that paragraph.

Article 121 A person that falls under any of the following items is punished by a fine of not more than five hundred thousand yen:

- (i) a person that fails to make notification under the provisions of Article 92, paragraph (1) or makes false notification;
- (ii) a person that violates the provisions of Article 94, paragraph (1);
- (iii) a person that posts a sign under the provisions of Article 94, paragraph (1) or posts a sign similar thereto, in violation of the provisions of that Article paragraph (2);
- (iv) a person that fails to keep documents or does not allow a participant or instructor to inspect documents at their request, or that keeps or has a participant or instructor inspect documents containing a false statement, in violation of the provisions of Article 96; or
- (v) a person that violates an order under the provisions of Article 104, paragraph (1).

Article 122 If the representative of a corporation or an agent, employee, or any other worker of a corporation or individual commits a violation of any of the provisions from Article 118 through the preceding Article in connection with the services of the corporation or individual, in addition to the offender being subject to punishment, the corporation or individual is subject to the fine referred to in the relevant Article.

Article 123 A person that falls under any of the following items is punished by a fine of not more than two hundred thousand yen:

- (i) a person that fails to make notification or makes false notification, in violation of the provisions of Article 6, paragraph (1);
- (ii) a person that fails to give notice, in violation of the provisions of Article 26, paragraph (3) (including as applied mutatis mutandis pursuant to Article 73);
- (iii) a person that fails to give public notice or gives false public notice, in violation of the provisions of Article 26, paragraph (4) (including as applied mutatis mutandis pursuant to Article 73);
- (iv) a person that fails to prepare or keep books and documents under the provisions of Article 49 or prepares false books and documents;
- (v) a person that fails to make a report or makes a false report, in violation of the provisions of Article 50;
- (vi) a person that violates an order under the provisions of Article 52, paragraph (1);
- (vii) a person that fails to make notification or makes false notification, in violation of the provisions of Article 58, paragraph (1);
- (viii) a person that fails to give notice, in violation of the provisions of Article 80, paragraph (4), Article 82, paragraph (2), or Article 83, paragraph (2); or
- (ix) a person that fails to give public notice or gives false public notice, in violation of the provisions of Article 83, paragraph (3).

Article 124 A person that falls under any of the following items is punished by a fine of not more than one hundred thousand yen:

- (i) a person that fails to give notice, in violation of the provisions of Article 16, paragraph (1);
- (ii) a person that fails to make a report or makes a false report, in violation of the provisions of Article 16, paragraph (2); or
- (iii) a person that fails to make notification or makes false notification, in violation of the provisions of Article 47, Article 66, paragraph (1), Article 93, or Article 103, paragraph (1).

Supplementary Provisions [Extract]

(Effective Date)

Article 1 This Act comes into effect as of October 1, 2001; provided, however, that the provisions of Article 15 of the Supplementary Provisions amending Article 34, paragraph (1), item (iv) and Article 314-2, paragraph (1), item (iv) of the Local Tax Act and the provisions of Article 16 of the Supplementary Provisions come into effect as of April 1, 2002.

(Transitional Measures)

- Article 2 (1) With regard to application of the provisions of Article 62, paragraphs (1) and (3) during the period from the day on which the Act comes into effect (hereinafter referred to as "effective date") through before the day specified by Article 1, item (iii) of the Supplementary Provisions of the Act Partially Amending the National Pension Act (Act No. 18 of 2000), the term "Article 90-3, paragraph (1)" in Article 62, paragraph (1), item (i) is deemed to be replaced with "Article 90-2, paragraph (1) ", the phrase "a person who ... of that Act and a person who is not required to pay a half of the amount of the premiums referred to in that Act pursuant to the provisions of Article 90-2, paragraphs (1)" in Article 62, paragraph (1), item (i) is deemed to be replaced with "a person who ... of that Act", the phrase "or Article 90-3, paragraph (1)" in Article 62, paragraph (3), item (vi) is deemed to be replaced with "or Article 90-2, paragraph (1) ", and the phrase "when the person becomes a person ... of that Act or a person who is not required to pay a half of the amount of the premiums referred to in that Act pursuant to the provisions of Article 90-2, paragraph (1) of that Act" in Article 62, paragraph (3), item (vi) is deemed to be replaced with "when the person becomes a person ... of that Act".
- (2) With regard to application of the provisions of Article 79, paragraph (1) during the period from the effective date through March 31, 2002, the phrase "Article 105 (excluding paragraph (2) (excluding the part that applies mutatis mutandis Article 12, paragraph (2)) and paragraph (5))" in Article 79, paragraph (1) is deemed to be replaced with "Article 105".

(Lump-sum Withdrawal Payment)

- Article 2-2 (1) Until otherwise provided for by law, a person who was a participant of a corporate-type pension plan that falls under all of the following items or a person who was a participant of a corporate-type pension plan that falls under all of items (i) and (iii) and the items of paragraph (1) of the following Article (excluding item (vii)) is entitled to claim a lump-sum withdrawal payment from the corporate-type pension plan records-related operational management institution, etc. of the corporate-type pension plan:
- (i) the person is not a participant of a corporate-type pension plan, an instructor of a corporate-type pension plan, a participant of an individual-type pension plan, or an instructor of an individual-type pension plan investment;
 - (ii) the amount calculated pursuant to the provisions of Cabinet Order as the amount of assets managed per individual is not more than the amount specified by Cabinet Order; and
 - (iii) six months have not passed from the month following the month

containing the day of last losing the status as a participant of a corporate-type pension plan.

- (2) When the claim referred to in the preceding paragraph has been filed, the asset management institution of the corporate-type pension plan makes a lump-sum withdrawal payment to the person who filed the claim based on a ruling by the corporate-type pension plan records-related operational management institution, etc.
- (3) The amount of a lump-sum withdrawal payment is the amount specified by Cabinet Order as the amount of assets managed per individual relating to the person who filed the claim referred to in paragraph (1).
- (4) If a person receives a lump-sum withdrawal payment, the participant of a corporate-type pension plan period and instructor of a corporate-type pension plan period, as well as participant of an individual-type pension plan period and instructor of an individual-type pension plan investment period until the month preceding the month of receiving the payment for that person are not included in the total enrollment period referred to in Article 33, paragraph (1), notwithstanding the provisions of paragraph (2) of that Article.
- (5) With regard to application of the provisions of Article 83, paragraph (1), item (i) in when a person who was a participant of a corporate-type pension plan files the claim referred to in paragraph (1), the phrase "within six months" in Article 83, paragraph (1), item (i) is deemed to be replaced with "within six months (excluding the period from the first day of the month containing the day on which the person who was a participant of a corporate-type pension plan files the claim referred to in Article 2-2, paragraph (1) of the Supplementary Provisions through the last day of the month containing the day on which the person receives the ruling referred to in paragraph (2) of that Article)".

Article 3 (1) Until otherwise provided for by law, a person who falls under all of the following items is entitled to claim a lump-sum withdrawal payment from the individual-type pension plan records-related operational management institution in the case of an instructor of an individual-type pension plan investment and from the Association in the case of a person other than an instructor of an individual-type pension plan investment:

- (i) the person is under the age of 60;
- (ii) the person is not a participant of a corporate-type pension plan;
- (iii) the person is not any of the persons set forth in the items of Article 62, paragraph (1);
- (iv) the person is not any of the persons set forth in Article 5, paragraph (1), item (iii) of the Supplementary Provisions of the National Pension Act;
- (v) the person is not a beneficiary of disability benefits;

- (vi) the person's total contribution period (meaning the period combining the participant of a corporate-type pension plan period (in the case of a person for whom there is a period that was included in the total enrollment period referred to in Article 33, paragraph (1) pursuant to the provisions of Article 54, paragraph (2) and Article 54-2, paragraph (2), including that period) and the participant of an individual-type pension plan period (limited to the participant of an individual-type pension plan period pertaining to the contributions made by a participant of an individual-type pension plan, and in the case of a person for whom there is a period that was included, pursuant to the provisions of Article 74-2, paragraph (2), in the total enrollment period referred to in Article 33, paragraph (1) as applied mutatis mutandis pursuant to the provisions of Article 73, including that period) is within the period specified by Cabinet Order or the amount calculated pursuant to the provisions of Cabinet Order as the amount of assets managed per individual is not more than the amount specified by Cabinet Order; and
 - (vii) two years have not passed from the day of losing the status as a participant of a corporate-type pension plan or a participant of an individual-type pension plan.
- (2) When the claim referred to in the preceding paragraph has been filed, the Association makes a lump-sum withdrawal payment to the person who filed the claim based on a ruling by the individual-type pension plan records-related operational management institution in the case of an instructor of an individual-type pension plan investment and based on a ruling by the Association in the case of a person other than an instructor of an individual-type pension plan investment.
 - (3) When a person who was a participant of a corporate-type pension plan (excluding an instructor of an individual-type pension plan investment) files the claim referred to in paragraph (1), the person is to file it concurrently with the request referred to in Article 64, paragraph (2).
 - (4) The amount of a lump-sum withdrawal payment is the amount specified by Cabinet Order as the amount of assets managed per individual relating to the person who filed the claim referred to in paragraph (1).
 - (5) If a person receives a lump-sum withdrawal payment, the participant of a corporate-type pension plan period and instructor of a corporate-type pension plan period, as well as the participant of an individual-type pension plan period and instructor of an individual-type pension plan investment period until the month preceding the month of receiving the payment for that person are not included in the total enrollment period referred to in Article 33, paragraph (1), notwithstanding the provisions of paragraph (2) of that Article.

(Reviews)

Article 4 When five years pass after this Act comes into effect, and the government finds it to be necessary in consideration of the status of enforcement of this Act, the government is to review the provisions of this Act, and take necessary measures based on the results of the review.

Supplementary Provisions [Act No. 39 of June 6, 2001] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of January 1, 2002; provided, however, that the provisions of Articles 18 and 37 of the Supplementary Provisions come into effect as of the date of promulgation, and the provisions of Article 38 of the Supplementary Provisions come into effect as of April 1, 2002.

Supplementary Provisions [Act No. 50 of 2001] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2002.

(Transitional Measures Concerning Penal Provisions)

Article 37 Prior laws continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act (with regard to the provisions set forth in the items of Article 1 of the Supplementary Provisions, those provisions).

(Delegation of Other Transitional Measures to Cabinet Order)

Article 38 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in line with the enforcement of this Act.

Supplementary Provisions [Act No. 94 of June 29, 2001] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of January 1, 2002.

Supplementary Provisions [Act No. 101 of July 4, 2001] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2002.

Supplementary Provisions [Act No. 98 of July 31, 2002] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day on which the Public Corporation Act comes into effect; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

(i) the provisions of Chapter I, Section 1 (including appended tables 1 through 4) and the provisions of Article 28, paragraph (2), Article 33, paragraphs (2) and (3), and Article 39 of the Supplementary Provisions: the date of promulgation;

(Transitional Measures Associated with Partial Amendment of the Defined Contribution Pension Act)

Article 37 (1) The public corporation is deemed to have been registered as referred to in Article 88, paragraph (1) of the Defined Contribution Pension Act on the effective date.

(2) The public corporation is to submit to the Minister of Health, Labour and Welfare and the Prime Minister a document containing the particulars set forth in the items of Article 89, paragraph (1) of the Defined Contribution Pension Act and other documents specified by Order of the Ministry of Health, Labour and Welfare and Cabinet Office Order with regard to the defined contribution pension operational management business prescribed in Article 2, paragraph (7) of that Act for which the public corporation is deemed to have been registered pursuant to the provisions of the preceding paragraph, within one month from the effective date.

(3) The Prime Minister delegates the authority under the provisions of the preceding paragraph to the Commissioner of the Financial Services Agency.

(4) A part of the authority delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of the preceding paragraph may be delegated to the Director-General of the Local Finance Bureau or the Director-General of a local finance branch bureau, pursuant to the provisions of Cabinet Order.

(Transitional Measures Concerning Penal Provisions)

Article 38 Prior laws continue to govern the applicability of penal provisions to acts committed before the effective date and to acts committed on or after the effective date when prior laws are to continue to govern the applicability pursuant to the provisions of this Act, or when prior laws are to remain in force pursuant to the provisions of these Supplementary Provisions.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 39 Beyond what is provided for in this Act, Cabinet Order prescribes the

necessary transitional measures (including transitional measures concerning penal provisions) associated with the enforcement of the Public Corporation Act and this Act.

Supplementary Provisions [Act No. 76 of June 2, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day on which the Bankruptcy Act (Act No. 75 of 2004; referred to as the "new Bankruptcy Act" in paragraph (8) of the following Article and Article 3, paragraph (8), Article 5, paragraphs (8), (16), and (21), Article 8, paragraph (3), and Article 13 of the Supplementary Provisions) comes into effect.

(Transitional Measures Concerning Application of Penal Provisions)

Article 12 (1) Prior laws continue to govern the applicability of penal provisions to acts committed before the effective date and to acts committed on or after the effective date when prior laws are to continue to govern the applicability pursuant to the provisions of Article 2, paragraph (1), Article 3, paragraph (1), Article 4, Article 5, paragraphs (1), (9), (17), (19), and (21), and Article 6, paragraphs (1) and (3) of the Supplementary Provisions.

(5) Prior laws continue to govern the applicability of the provisions of the following laws before the amendment by this Act and the penal provisions relating to those provisions with regard to the obligation of making a notification, giving a notice, or making a report concerning a declaration of bankruptcy, an order commencing rehabilitation proceedings, an order commencing reorganization proceedings, or an order of recognition of foreign insolvency proceedings made before the effective date: the Securities and Exchange Act, Survey Act, Act on Development of International Tourist Hotels, Act on Architects and Building Engineers, Act on Investment Trusts and Investment Corporations, Telecommunications Business Act, Act on Broadcast on Telecommunications Services, Act on Coal Washing Operations, Act on Real Estate Appraisal, Act on Foreign Securities Dealers, Advanced-Installment Type Building Lots and Building Sales Business Act, Banking Act, Act on Controls on Money Lending, Purification Tank Act, Act on Regulation of Investment Advisory Business Pertaining to Securities, Act on Regulation of Mortgage Security Business, Financial Futures Transaction Act, Act on Regulation of Sportfishing Boat Service, e Act on Regulation on Advanced Payment Certificate, Act on Regulation of Commodity Investment, Act on Specified Joint Real Estate Ventures, Insurance Business Act, Act on the Securitization of Assets, Act on Special Measures Concerning Claim Management and Collection Business, Act for Facilitating the Creation of New

Business, Construction Material Recycling Act, Act on Copyright Management, Act on Advancement of Proper Condominium Management, Defined-Benefit Corporate Pension Act, Act on Ensuring the Implementation of Recovery and Destruction of Fluorocarbons Concerning Products, Act on Book Entry of Corporate Bonds and Shares, Defined Contribution Pension Act, Act on Recycling of End-of-Life Vehicles, Trust Business Act, and Act on the Securitization of Specified Assets by Special Purpose Companies before its amendment by the provisions of Article 1 of the Act Partially Amending the Act on the Securitization of Specified Assets by Special Purpose Companies, which is to remain in force pursuant to the provisions of Article 2, paragraph (1) of the Supplementary Provisions of that Act.

(Delegation to Cabinet Order)

Article 14 Beyond what is provided for in Article 2 of these Supplementary Provisions through the preceding Article, Cabinet Order prescribes the necessary transitional measures in relation to the enforcement of this Act.

Supplementary Provisions [Act No. 104 of June 11, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of October 1, 2004; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) the provisions of Articles 2, 8, 15, 22, 28, 32, 36, 39, 42, 44-2, 49, 51, and 52 and the provisions of Article 4, Articles 17 through 24, Articles 34 through 38, Articles 57 and 58, and Articles 60 through 64 of the Supplementary Provisions: April 1, 2005;
- (ii) the provisions of Articles 9, 16, 20, 23, 29, 37, 40, and 46 and the provisions of Articles 39, 40, and 59, and Articles 67 through 72 of the Supplementary Provisions: October 1, 2005;
- (iii) omitted; and
- (iv) the provisions of Articles 4, 11, 18, 41, 43, 48, and 50 and the provisions of Article 9, paragraph (2), Article 10, Article 13, paragraph (6), Article 14, the rows for each fiscal year from FY2006 (limited to the period in and after the month containing the day on which the provisions set forth in Article 1, item (iv) of the Supplementary Provisions come into effect) through the fiscal year preceding a specific fiscal year in the table in Article 56, and Article 65 of the Supplementary Provisions: July 1, 2006.

(Reviews)

Article 3 (1) In light of the Diet's deliberations on social security systems, the

government is to revise the overall social security systems in an integrated manner, including desirable burdens, such as taxes and insurance premiums, and benefits and to also make necessary revisions of the public pension systems in consistency with it.

- (2) When making revisions of the public pension systems as referred to in the preceding paragraph, the government is to review the desirable structure of the systems with a view to integrating the public pension systems.
- (3) With regard to application of the Employees' Pension Insurance Act to part-time workers, given the increased diversification of working styles, a comprehensive review is to be made approximately five years after this Act comes into effect, and necessary measures are to be taken based on the results of the review, from the viewpoint of enhancing pension coverage as employees and the viewpoint of achieving fairness in the burdens between enterprises, while giving consideration to the social and economic situations, the impact on enterprises where a large number of part-time workers are employed, the efficiency of administrative procedures, awareness of part-time workers, the actual conditions of employment, and impact on employment, as well as consistency with other policies, such as policies on other social security systems and employment, and ensuring that the structure would be as neutral as possible to the selection of working styles by enterprises and employees.

(Transitional Measures Concerning Penal Provisions)

Article 73 Prior laws continue to govern the applicability of penal provisions to acts committed prior to the enforcement of this Act (with regard to the provisions set forth in the proviso to Article 1 of the Supplementary Provisions, the relevant provisions).

(Delegation of Other Transitional Measures to Cabinet Order)

Article 74 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in line with the enforcement of this Act.

Supplementary Provisions [Act No. 126 of June 18, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day on which the Agreement takes effect; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) omitted;
- (ii) the provisions of Article 41 of the Supplementary Provisions: the date of promulgation of the Act Partially Amending the National Pension Act (Act

No. 104 of 2004) or the promulgation date, whichever comes later.

Supplementary Provisions [Act No. 154 of December 3, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding six months from the date of promulgation (hereinafter referred to as the "effective date").

(Effects of Dispositions)

Article 121 With regard to any acts conducted, such as dispositions made or procedures taken, pursuant to the provisions of the respective laws (including orders based on them; hereinafter the same applies in this Article) before the enforcement of this Act, for which there are corresponding provisions in the provisions of the respective laws after the amendment are deemed to have been conducted pursuant to the corresponding provisions of the respective laws after the amendment, unless otherwise provided for by the Supplementary Provisions.

(Transitional Measures Concerning Penal Provisions)

Article 122 Prior laws continue to govern the applicability of penal provisions to acts committed prior to the enforcement of this Act and to acts committed on or after the enforcement of this Act that are to continue to be governed by prior laws pursuant to these Supplementary Provisions as well as those that are to continue to be effective pursuant to these Supplementary Provisions.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 123 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in line with the enforcement of this Act.

Supplementary Provisions [Act No. 25 of April 1, 2005] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2005.

Supplementary Provisions [Act No. 102 of October 21, 2005] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day on which the Postal Service Privatization Act comes into effect.

(Transitional Measures Associated with Partial Amendment of the Defined Contribution Pension Act)

Article 111 (1) An instruction on investment given before the enforcement of this Act under the provisions of Article 25, paragraph (1) of the Defined Contribution Pension Act before the amendment by Article 118 (hereinafter referred to as the "former Act" in this Article) (including that paragraph as applied mutatis mutandis pursuant to Article 73 of the former Act) that uses the investment method set forth in Article 23, paragraph (1), item (i) or (iv) of the former Act (including as applied mutatis mutandis pursuant to Article 73 of the former Act) as its investment method is deemed to be an instruction on investment given under the provisions of Article 25, paragraph (1) of the Defined Contribution Pension Act after the amendment by Article 118 (hereinafter referred to as the "new Act" in this Article) (including that paragraph as applied mutatis mutandis pursuant to Article 73 of the new Act) that uses the investment method set forth in Article 23, paragraph (1), item (i) or (iv) of the new Act (including as applied mutatis mutandis pursuant to Article 73 of the new Act) as its investment method.

(2) With regard to any acts conducted, such as dispositions made or procedures taken, against or by the former public corporation pursuant to the provisions of Chapter VI of the former Act before the enforcement of this Act are deemed to be acts conducted, such as dispositions made or procedures taken, against or by a postal savings bank pursuant to the corresponding provisions of the new Act, unless otherwise provided for by the Development Act or other laws or regulations.

(Transitional Measures Concerning Penal Provisions)

Article 117 Prior laws continue to govern the applicability of penal provisions to the following acts: acts committed prior to the enforcement of this Act; acts committed after the enforcement of this Act if prior laws are to continue to govern the applicability pursuant to the provisions of these Supplementary Provisions; acts committed before the lapse of the provisions of Article 38-8 (limited to the part pertaining to items (ii) and (iii)) of the former Postal Money Order Act if prior laws are to remain in force pursuant to the provisions of Article 9, paragraph (1) of the Supplementary Provisions after the enforcement of this Act; acts committed before the lapse of the provisions of Article 70 (limited to the part pertaining to items (ii) and (iii)) of the former Postal Money Order Act if prior laws are to remain in force pursuant to the provisions of Article 13, paragraph (1) of the Supplementary Provisions after the enforcement of this Act; acts committed before the lapse of the provisions of Article 8 (limited to the part pertaining to item (ii)) of the former Act on the

Entrustment of Postal Transfer Deposit and Contribution if prior laws are to remain in force pursuant to the provisions of Article 27, paragraph (1) of the Supplementary Provisions after the enforcement of this Act; acts committed before the lapse of the provisions of Article 70 (limited to the part pertaining to item (ii)) of the former Public Corporation Act if prior laws are to remain in force pursuant to the provisions of Article 39, paragraph (2) of the Supplementary Provisions after the enforcement of this Act; acts committed before the lapse of the provisions of Article 71 and Article 72 (limited to the part pertaining to item (xv)) of the former Public Corporation Act if prior laws are to remain in force pursuant to the provisions of Article 42, paragraph (1) of the Supplementary Provisions after the enforcement of this Act; and acts committed before the specified date pertaining to the postal savings bank prescribed in Article 104 of the Postal Service Privatization Act if the provisions of Article 2, paragraph (2) of the Supplementary Provisions apply.

Supplementary Provisions [Act No. 20 of March 31, 2006] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2006.

Supplementary Provisions [Act No. 66 of June 14, 2006] [Extract]

This Act comes into effect as of the day on which the 2006 Act Amending the Securities and Exchange Act comes into effect.

Supplementary Provisions [Act No. 109 of July 6, 2007] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order no later than April 1, 2010; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) the provisions of Articles 3 through 6, Articles 8 and 9, Article 12, paragraphs (3) and (4), and Articles 29 and 36 of the Supplementary Provisions; the provisions of Article 63 of the Supplementary Provisions amending Article 18, paragraph (1) of the Supplementary Provisions of the Act Partially Amending the Health Insurance Act (Act No. 83 of 2006); the provisions of Article 64 of the Supplementary Provisions amending Article 23, paragraph (1), Article 67, paragraph (1), and Article 191 of the Supplementary Provisions of the Act on Special Accounts (Act No. 23 of 2007); and the provisions of Articles 66 and 75 of the Supplementary

Provisions: the date of promulgation;

(Transitional Measures Concerning Dispositions, Applications)

- Article 73 (1) Any disposition, such as a ruling, approval, designation, or authorization, or any act, such as a notice, made or conducted by the Commissioner of the Social Insurance Agency, the Director-General of a regional social insurance bureau or the head of a social insurance office (hereinafter referred to as the "Commissioner of the Social Insurance Agency, etc.") pursuant to the provisions of laws and regulations before the enforcement of this Act (with regard to the provisions set forth in the items of Article 1 of the Supplementary Provisions, the respective provisions; the same applies hereinafter), is deemed, after the enforcement of the Act, to be a ruling, approval, designation, or authorization, or any act, such as a notice, made or conducted by the Minister of Health, Labour and Welfare, the Director-General of a regional bureau of health and welfare, the Director-General of a regional branch bureau of health and welfare, or the Japan Pension Service (hereinafter referred to as the "Minister of Health, Labour and Welfare, etc.") based on the corresponding provisions of the respective laws and regulations after the enforcement of this Act, except as otherwise provided for by laws and regulations.
- (2) Any act, such as an application or notification, already conducted or made against the Commissioner of the Social Insurance Agency, etc. pursuant to the provisions of laws and regulations at the time of the enforcement of this Act is deemed, after the enforcement of this Act, to be an act, such as an application or notification, conducted or made against the Minister of Health, Labour and Welfare, etc. based on the corresponding provisions of the respective laws and regulations after the enforcement of this Act, except as otherwise provided for by laws and regulations.
- (3) With regard to the particulars for which reports, notifications, submissions, or other procedures were required to be conducted or made to the Commissioner of the Social Insurance Agency, etc. pursuant to the provisions of laws and regulations before the enforcement of this Act, and for which those procedures were not conducted before the effective date of this Act, the provisions of the respective laws and regulations after the enforcement of this Act apply, after the enforcement of this Act, by deeming them to be particulars for which reports, notifications, submissions, or other procedures are required to be conducted or made to the Minister of Health, Labour and Welfare, etc. pursuant to the corresponding provisions of the respective laws and regulations after the enforcement of this Act, and for which those procedures have not been conducted, except as otherwise provided for in the laws and regulations.
- (4) Any disposition, such as a ruling, approval, designation, or authorization, or

any act, such as a notice, to be made or conducted by the Commissioner of the Social Insurance Agency, etc., or any act, such as an application or notification to be conducted or made against the Commissioner of the Social Insurance Agency, etc., pursuant to the provisions of laws and regulations of which application is to be continued to be governed by prior laws, is deemed, after the enforcement of this Act, to be one to be made or conducted by the Minister of Health, Labour and Welfare, etc. or to be conducted or made against the Minister of Health, Labour and Welfare, etc. according to the classification of the authority or the administrative affairs pertaining to the authority based on the provisions of the respective laws and regulations after the enforcement of this Act, except as otherwise provided for by laws and regulations.

(Transitional Measures Concerning Penal Provisions)

Article 74 Prior laws continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act and to acts committed after the enforcement of this Act when prior laws are to continue to govern the applicability pursuant to the provisions of these Supplementary Provisions.

(Delegation to Cabinet Order)

Article 75 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in relation to the enforcement of this Act.

Supplementary Provisions [Act No. 110 of July 6, 2007] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2008; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) the provisions of Articles 1, 6, 13, 16, and 19 and the provisions of Articles 23, 25, 27, and 28 of the Supplementary Provisions: the date of promulgation;
- (ii) through (v) omitted;
- (vi) the provisions of Articles 5 and 10 and the provisions of Articles 18 and 19 of the Supplementary Provisions: April 1, 2011.

(Transitional Measures Concerning Penal Provisions)

Article 27 Prior laws continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act (with regard to the provisions set forth in the items of Article 1 of the Supplementary Provisions, those provisions; the same applies in the following Article).

(Delegation of Other Transitional Measures to Cabinet Order)

Article 28 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in line with the enforcement of this Act.

Supplementary Provisions [Act No. 111 of July 6, 2007] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation.

Supplementary Provisions [Act No. 19 of March 31, 2010] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2010.

Supplementary Provisions [Act No. 93 of August 10, 2011] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) the provisions of Article 4 amending the table of contents of the Defined Contribution Pension Act (limited to the part amending "Article 21" to "Article 21-3"), the provisions adding one item after Article 3, paragraph (3), item (vii) of that Act, the provisions adding one item after Article 4, paragraph (1), item (iii) of that Act, the provisions amending Articles 19 and 20 of that Act, and the provisions adding two Articles after Article 21 in Chapter II, Section 3 of that Act, and the provisions of Article 8 of the Supplementary Provisions: January 1, 2012;
- (ii) through (iv) omitted;
- (v) the provisions of Article 4 amending the table of contents of the Defined Contribution Pension Act (limited to the part amending "Article 73" to "Articles 73 and 73-2"), the provisions amending Article 3, paragraph (1) of that Act, the provisions amending paragraph (3), item (vi) of that Article, the provisions adding one item after that item, the provisions adding one item after Article 4, paragraph (1), item (ii) of that Act, the provisions amending Article 9, paragraph (1), Article 11, item (vi), Article 15, paragraph (1), Article 54, paragraph (2), Article 54-2, paragraph (2), and Article 55, paragraph (2), item (vi) of that Act, the provisions adding one Article after Article 73 in Chapter III, Section 5 of that Act, the provisions amending Article 3, paragraph (1) of the Supplementary Provisions of that Act, and the

provisions of Articles 4, 5, and 10 of the Supplementary Provisions: the day specified by Cabinet Order within a period not exceeding two years and six months from the date of promulgation.

(Transitional Measures Concerning a Person Whose Assets Were Transferred to the Association under a Defined Contribution Pension Plan)

Article 4 With regard to application of the provisions of Article 34 of the Defined Contribution Pension Act after the amendment by the provisions of Article 4, as applied *mutatis mutandis* pursuant to Article 73 of that Act following the deemed replacement of terms, to be applied pursuant to the provisions of Article 73-2 of that Act when the person whose assets were transferred to the Association prescribed in Article 55, paragraph (2), item (vi) of the Defined Contribution Pension Act after the amendment by Article 4 has already reached the age of 70 before the enforcement of the provisions set forth in Article 1, item (v) of the Supplementary Provisions, the phrase "When a person who is ... (... pension plan) reaches the age of 70 without claiming the payment of old-age benefits pursuant to the provisions of the preceding Article" in Article 34 of that Act is deemed to be replaced with "When the provisions set forth in Article 1, item (v) of the Supplementary Provisions of the Act Partially Amending the National Pension Act for Supporting Securing of Income in Old Age Through the National Pension, Corporate Pensions (Act No. 93 of 2011) come into effect with regard to a person who is ... (... pension plan)".

(Transitional Measures Concerning a Lump-Sum Withdrawal Payment under the Defined Contribution Pension Act)

Article 5 (1) The provisions of Article 3, paragraph (1) of the Supplementary Provisions of the Defined Contribution Pension Act after the amendment by Article 4 also apply to a person who had already lost the status as a participant of a corporate-type pension plan before the enforcement of the provisions set forth in Article 1, item (v) of the Supplementary Provisions (excluding the person prescribed in the following paragraph).

(2) A person who was already the continuous instructor of an individual-type pension plan investment prescribed in Article 3, paragraph (1) of the Supplementary Provisions of the Defined Contribution Pension Act after the amendment by Article 4 at the time of enforcement of the provisions set forth in Article 1, item (v) of the Supplementary Provisions and who falls under items (iv), (v), and (vii) of Article 3, paragraph (1) of the Supplementary Provisions of that Act is entitled to claim the payment of the lump-sum withdrawal payment referred to in Article 3, paragraph (1) of the Supplementary Provisions of that Act from the individual-type pension plan records-related operational management institution prescribed in Article 66,

paragraph (3) of that Act for two years from the day on which the provisions set forth in Article 1, item (v) of the Supplementary Provisions come into effect.

(Delegation to Cabinet Order)

Article 6 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in line with the enforcement of this Act.

Supplementary Provisions [Act No. 107 of August 30, 2011] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of October 1, 2011.

Supplementary Provisions [Act No. 122 of December 14, 2011] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding two months from the date of promulgation; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

(i) the provisions of Articles 6, 8, 9, and 13 of the Supplementary Provisions: the date of promulgation;

Supplementary Provisions [Act No. 24 of March 31, 2012] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2012.

Supplementary Provisions [Act No. 62 of August 22, 2012] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of August 1, 2017; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

(i) Articles 2-2 through 2-4 and Articles 57 and 71 of the Supplementary Provisions: the date of promulgation;

(ii) and (iii) omitted;

(iv) the provisions of Article 1 (excluding the provisions amending the provisions set forth in the preceding item); in Article 3, the provisions amending Article 21, paragraph (3) of the Employees' Pension Insurance Act, the provisions adding a proviso to Article 23-2, paragraph (1) of that Act, the

provisions adding one Article after that Article, the provisions amending Articles 24, 26, 37, and 44-3, Article 52, paragraph (3), and Article 81-2 of that Act, the provisions adding one Article after that Article, the provisions amending Article 81-3, paragraph (2), Article 98, paragraph (3), Article 100-4, paragraph (1), Article 100-10, paragraph (1), item (xxix), and Articles 139 and 140 of that Act, the provisions amending Article 4-2, Article 4-3, paragraph (1), Article 4-5, paragraph (1), and Article 9-2 of the Supplementary Provisions of that Act, the provisions deleting Article 29, paragraph (1), item (iv) of the Supplementary Provisions of that Act, and the provisions amending Article 32, paragraph (2), item (iii) of the Supplementary Provisions of that Act; in Article 4, the provisions amending Article 18, paragraph (5) and Article 43, paragraph (12) of the Supplementary Provisions of the 1985 Act Amending the National Pension; in Article 8, the provisions amending Article 19, paragraph (2) of the Supplementary Provisions of the 2004 Act Amending the National Pension; in Article 10, the provisions amending Article 42, Article 42-2, paragraph (2), and Articles 73-2, 78-2, and 100-2 of the National Public Officers Mutual Aid Association Act, the provisions adding one Article after Article 100-2 of that Act, the provisions amending Article 102, paragraph (1) of that Act, the provisions amending Article 12, paragraph (9) and Article 12-4-2 of the Supplementary Provisions of that Act, and the provisions deleting Article 13-10, paragraph (1), item (iv) of the Supplementary Provisions of that Act; in Article 15, the provisions amending Articles 80-2 and 114-2 of the Local Public Officers Mutual Aid Association Act, the provisions adding one Article after Article 114-2 of that Act, the provisions amending Article 116, paragraph (1) and Article 144-12, paragraph (1) of that Act, the provisions amending Article 18, paragraph (8) and Article 20-2 of the Supplementary Provisions of that Act, and the provisions deleting Article 28-13, paragraph (1), item (iv) of the Supplementary Provisions of that Act; the provisions of Article 19 (excluding the provisions amending Article 39, item (iii) of the Private School Personnel Mutual Aid Association Act); in Article 24, the provisions amending Article 8, paragraph (3) of the Act on Special Provisions for Enforcement of Agreements (excluding the part amending "Article 7, paragraph (1) of the Supplementary Provisions" to "Article 9, paragraph (1) of the Supplementary Provisions"), and the provisions amending Article 18, paragraph (1) of the Act on Special Provisions for Enforcement of Agreements; the provisions of Article 25 (excluding the amending provisions set forth in the following item), and the provisions of Article 26 (excluding the amending provisions set forth in the following item); and the provisions of paragraph (1) of the following Article; and the provisions of Articles 4 through 7, Articles 9 through 12, Articles 18 through 20, Articles 22 through

34, Articles 37 through 39, Articles 42 through 44, Articles 47 through 50, Article 61, Articles 64 through 66, and Article 70 of the Supplementary Provisions: the day specified by Cabinet Order within a period not exceeding two years from the date of promulgation; and

(v) in Article 3, the provisions adding one item to Article 12 of the Employees' Pension Insurance Act, and the provisions amending Article 20, paragraph (1) and Article 21, paragraph (1) of that Act; in Article 8, the provisions deleting Article 3, paragraph (3) of the Supplementary Provisions of the 2004 Act Amending the National Pension; in Article 10, the provisions amending Article 2, paragraph (1) of the National Public Officers Mutual Aid Association Act; in Article 15, the provisions amending Article 2, paragraph (1) of the Local Public Officers Mutual Aid Association Act; the provisions of Article 19-2; in Article 25, the provisions amending Article 3 and Article 41, paragraph (1) of the Health Insurance Act and Article 5-3 of the Supplementary Provisions of that Act; in Article 26, the provisions amending Article 2, paragraph (9), item (i) of the Mariners Insurance Act; and the provisions of Articles 27 through 29; and the provisions of paragraph (2) of the following Article and Articles 16, 17, 45, 46, 51 through 56, 59, 60, and 67 of the Supplementary Provisions: October 1.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 71 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in line with the enforcement of this Act.

Supplementary Provisions [Act No. 63 of August 22, 2012] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of October 1, 2015; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

(i) the provisions of the following Article, Articles 3, 28, 159, and 160 of the Supplementary Provisions: the date of promulgation;

(Delegation of Other Transitional Measures to Cabinet Order)

Article 160 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in line with the enforcement of this Act.

Supplementary Provisions [Act No. 98 of November 26, 2012] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of October 1, 2015; provided, however, that the provisions of Article 3 and the following Article and the provisions of Article 9 of the Supplementary Provisions come into effect as of the date of promulgation.

Supplementary Provisions [Act No. 26 of May 31, 2013] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation.

Supplementary Provisions [Act No. 63 of June 26, 2013] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding one year from the date of promulgation; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) in Article 4, the provisions amending Articles 20 and 64 of the Supplementary Provisions of the Act Partially Amending the National Pension Act; in Article 5, the provisions amending Article 19, paragraph (2) of the Supplementary Provisions of the Act Partially Amending the National Pension Act; and the provisions of the following Article and Articles 139, 143, 146, and 153 of the Supplementary Provisions: the date of promulgation

(Transitional Measures Concerning Penal Provisions)

Article 151 Prior laws continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 153 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures (including transitional measures concerning penal provisions) in relation to the enforcement of this Act.

Supplementary Provisions [Act No. 17 of May 7, 2015] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2016.

Supplementary Provisions [Act No. 31 of May 29, 2015] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2018; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) the provisions of Article 1; in Article 5, the provisions amending Article 90, paragraph (2) and Article 95, item (vi) of the Health Insurance Act, the provisions amending Article 153, paragraph (1) of that Act, the provisions amending Article 4-4 of the Supplementary Provisions of that Act, the provisions amending Article 5 of the Supplementary Provisions of that Act, the provisions amending Article 5-2 of the Supplementary Provisions of that Act; the provisions of Article 5-3 of the Supplementary Provisions of that Act, and the provisions adding four Articles after that Article; in Article 7, the provisions amending Article 70, paragraph (4) of the Mariners Insurance Act, and the provisions amending Article 85, paragraph (2), item (iii) of that Act; the provisions of Article 8; and in Article 12, the provisions amending Article 15, paragraph (2) of the Act on Social Insurance Medical Fee Payment Fund; and the provisions of paragraph (1) of the following Article and Articles 6 through 9, Articles 15, 18, 26, 59, 62, and 67 through 69 of the Supplementary Provisions: the date of promulgation;

Supplementary Provisions [Act No. 66 of June 3, 2016] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of January 1, 2017; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) the provisions of Article 10 of the Supplementary Provisions: the date of promulgation;
- (ii) the provisions of Article 1; in Article 4, the provisions adding one Article after Article 78 of the Defined Benefit Corporate Pension Act, and the provisions amending Articles 79 and 82 of that Act; and in Article 6, the provisions amending Article 40, paragraph (8) and Article 41, item (iii) of the Supplementary Provisions of the Act Partially Amending the Employees' Pension Insurance Act to Ensure the Soundness and Reliability of the Public Pension System; and the provisions of Article 9 of the Supplementary Provisions: July 1, 2016;
- (iii) in Article 2, the provisions amending Article 3, paragraph (3), item (vii), Articles 19 through 21-3, Article 55, paragraph (2), item (iv), and Article 68 of the Defined Contribution Pension Act, the provisions amending Article 69 of that Act (limited to the part amending "amount of the participant of an

individual-type pension plan's contributions" to "total annual amount of the participant of an individual-type pension plan's contributions", "per month" to "per year", and "the maximum amount of" to "the maximum total amount of"), and the provisions amending Article 70, paragraph (1) and Article 71, paragraph (1) of that Act; and the provisions of Article 4 of the Supplementary Provisions: January 1, 2018;

(iv) the provisions of Article 3; the provisions of Article 4 (excluding the amending provisions set forth in item (ii)); the provisions of Article 5; in Article 6, the provisions adding one row after the row for Article 88 of the Defined Benefit Corporate Pension Act in the table as amended in Article 5, paragraph (3) of the Supplementary Provisions of the Act Partially Amending the Employees' Pension Insurance Act to Ensure the Soundness and Reliability of the Public Pension System, the provisions amending the row for Article 4, paragraph (1), item (ii) of the Defined Contribution Pension Act in that table as amended, and the provisions adding one row after the row for Article 54-2, paragraph (2) of the Defined Contribution Pension Act in that table as amended; and the provisions of Articles 5 through 7 of the Supplementary Provisions: the day specified by Cabinet Order within a period not exceeding two years from the date of promulgation.

(Transitional Measures Concerning Penal Provisions)

Article 2 Prior laws continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act (with regard to the provisions set forth in Article 1, items (ii) through (iv) of the Supplementary Provisions, those provisions; hereinafter the same applies in this Article), and to acts committed after the enforcement of this Act when prior laws are to continue to govern the applicability pursuant to the provisions of these Supplementary Provisions.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 3 Beyond what is provided for in Article 3 of the Supplementary Provisions through the preceding Article, Cabinet Order prescribes the necessary transitional measures in relation to the enforcement of this Act.

Article 4 Prior laws continue to govern the payment and the deduction from salaries of the employer's contribution prescribed in Article 3, paragraph (3), item (vii) of the Defined Contribution Pension Act before the amendment by the provisions of Article 2 (limited to the amending provisions set forth in Article 1, item (iii) of the Supplementary Provisions), the participant of a corporate-type pension plan's contribution prescribed in item (vii)-2 of Article 3, paragraph (3) of that Act, and the participant of an individual-type pension

plan's contribution prescribed in Article 55, paragraph (2), item (iv) of that Act for the month preceding the month containing the day on which the provisions set forth in Article 1, item (iii) of the Supplementary Provisions come into effect and earlier months.

(Transitional Measures Associated with the Partial Amendment of the Defined Contribution Pension Act by Article 3)

Article 5 (1) Prior laws continue to govern the documents to be attached to a written application pertaining to an application for the approval referred to in Article 3, paragraph (1) of the Defined Contribution Pension Act before the amendment by the provisions of Article 3 (referred to as the "Defined Contribution Pension Act before the amendment" in the following paragraph and paragraph (3)) submitted by a person who filed that application before the day on which the provisions set forth in Article 1, item (iv) of the Supplementary Provisions come into effect (hereinafter referred to as the "effective date of item (iv)").

(2) Prior laws continue to govern the selection and presentation of investment methods, instructions on investment, and exclusion of any investment method with regard to the employer's contribution prescribed in Article 3, paragraph (3), item (vii) of the Defined Contribution Pension Act before the amendment, the participant of a corporate-type pension plan's contribution prescribed in item (vii)-2 of that paragraph, and the participant of an individual-type pension plan's contribution prescribed in Article 55, paragraph (2), item (iv) of the Defined Contribution Pension Act before the amendment, which are to be paid before the effective date of item (iv).

(3) Within a period not exceeding five years from the item (iv) effective date, if the number of investment methods already presented by the corporate-type pension plan investment-related operational management institution, etc. referred to in Article 23, paragraph (1) of the Defined Contribution Pension Act before the amendment (when applying mutatis mutandis the provisions of that paragraph pursuant to Article 73 of the Defined Contribution Pension Act before the amendment, the defined contribution pension operational management institution referred to in Article 3, paragraph (3), item (iv) of the Defined Contribution Pension Act before the amendment which provides the investment-related services prescribed in Article 2, paragraph (7), item (ii) of the Defined Contribution Pension Act before the amendment in relation to the participant or instructor of an individual-type pension plan referred to in Article 55, paragraph (2), item (iii) of the Defined Contribution Pension Act before the amendment; hereinafter the same applies in this paragraph) pursuant to the provisions of that paragraph (including as applied mutatis mutandis pursuant to Article 73 of the Defined Contribution Pension Act

before the amendment) at the time of the enforcement of the provisions set forth in Article 1, item (iv) of the Supplementary Provisions exceeds the number specified by Cabinet Order referred to in Article 23, paragraph (1) of the Defined Contribution Pension Act after the amendment by Article 3 (hereinafter referred to as the "Defined Contribution Pension Act after the amendment" in this paragraph and the following paragraph) (including as applied mutatis mutandis pursuant to Article 73 of the Defined Contribution Pension Act after the amendment), and if applying the provisions of Article 23, paragraph (1) of that Act in relation to that corporate-type pension plan investment-related operational management institution, etc., the phrase "the number specified by Cabinet Order as the maximum number for contributing to appropriate selection of an investment method by corporate-type pension plan participants or instructors" in that paragraph is deemed to be replaced with "the number of investment methods already presented to corporate-type pension plan participants or instructors pursuant to the provisions of Article 23, paragraph (1) before the amendment by Article 3 of the Act Partially Amending the Defined Contribution Pension Act (Act No. 66 of 2016) at the time of enforcement of the provisions set forth in Article 1, item (iv) of the Supplementary Provisions of that Act".

- (4) The provisions of Article 54-5 of the Defined Contribution Pension Act after the amendment apply to the merger, etc. prescribed in that Article that is conducted on or after the item (iv) effective date.

(Transitional Measures Concerning Penal Provisions)

Article 9 Prior laws continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act (with regard to the provisions set forth in Article 1, items (ii) through (iv) of the Supplementary Provisions, those provisions; hereinafter the same applies in this Article), and to acts committed after the enforcement of this Act when prior laws are to continue to govern the applicability pursuant to the provisions of these Supplementary Provisions.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 10 Beyond what is provided for in Article 3 of the Supplementary Provisions through the preceding Article, Cabinet Order prescribes the necessary transitional measures in relation to the enforcement of this Act.

Supplementary Provisions [Act No. 84 of November 24, 2016] [Extract]

(Effective Date)

- (1) This Act comes into effect as of the date of promulgation.

Supplementary Provisions [Act No. 114 of December 26, 2016] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) omitted;
- (ii) the provisions of Article 7: April 1, 2017;

Supplementary Provisions [Act No. 40 of June 5, 2020] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2022; provided, however, that the provisions set forth in the following items come into effect as of the days respectively specified in those items:

- (i) in Article 1, the provisions amending Article 87, paragraph (3) of the National Pension Act; in Article 4, the provisions amending Article 100-3 of the Employees' Pension Insurance Act, the provisions amending Article 100-10, paragraph (1) of that Act (excluding the provisions amending item (x) of that paragraph), and the provisions amending Article 23-2, paragraph (1) of the Supplementary Provisions of that Act; the provisions of Article 6; the provisions of Article 11 (excluding the amending provisions set forth in item (v)); the provisions of Article 12 (excluding the amending provisions set forth in item (vi)); the provisions of Article 13 (excluding the amending provisions set forth in item (vi)); in Article 20, the provisions amending Article 36, paragraph (2), item (i) of the Defined Benefit Corporate Pension Act; in Article 21, the provisions amending Articles 48-3 and 73 and Article 89, paragraph (1), item (iii) of the Defined Contribution Pension Act; in Article 24, the provisions amending the row for Article 48-2 of the Defined Contribution Pension Act in the table as amended in Article 38, paragraph (3) of the Act Partially Amending the Employees' Pension Insurance Act to Ensure the Soundness and Reliability of the Public Pension System and Article 40, paragraph (8); in Article 29, the provisions amending Articles 5-4, 5-6, and 5-7 of the Supplementary Provisions of the Health Insurance Act; the provisions of paragraphs (2) through (5) of the following Article and Article 12 of the Supplementary Provisions; in Article 42 of the Supplementary Provisions, the provisions amending Articles 20 through 64 of the Supplementary Provisions of the Act Partially Amending the National Pension Act, etc. (Act No. 34 of 1985; referred to as the "1985 Act Amending the National Pension" in the following item and Articles 42 through 45 of the

- Supplementary Provisions); in Article 55 of the Supplementary Provisions, the provisions amending Article 23, paragraph (3), Article 36, paragraph (6), Article 60, paragraph (6), and Article 85 of the Supplementary Provisions of the Act Partially Amending the Employees' Pension Insurance Act for Integrating the Employees' Pension Systems (Act No. 63 of 2012; hereinafter referred to as the "2012 Integration Act"); the provisions of Article 56 of the Supplementary Provisions; in Article 95 of the Supplementary Provisions, the provisions amending row 107 in appended table 2 of the Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures (Act No. 27 of 2013); and the provisions of Article 97 of the Supplementary Provisions: the date of promulgation;
- (ii) omitted;
- (iii) in Article 21, the provisions amending Article 3, paragraph (5), item (ii), Article 6, paragraph (1), and Article 55, paragraph (2), item (iv)-2 of the Defined Contribution Pension Act: the day specified by Cabinet Order within a period not exceeding six months from the date of promulgation;
- (iv) omitted;
- (v) the provisions of Article 1 (excluding the amending provisions set forth in item (i)); in Article 4, the provisions amending Article 29, paragraph (4) of the Supplementary Provisions of the Employees' Pension Insurance Act; the provisions of Article 7; in Article 11, the provisions amending Article 14, paragraph (1), item (ii) of the Supplementary Provisions of the Act Partially Amending the National Pension Act for Improving Operation of the Government-Administered Pension Business; in Article 15, the provisions amending Article 99, Article 102, paragraph (3), and Article 124-3 of the National Public Officers Mutual Aid Association Act, and the provisions amending Article 20-2, paragraph (4) of the Supplementary Provisions of that Act (excluding the provisions amending the row for Article 111, paragraph (2) in the table in that paragraph); in Article 21, the provisions amending Article 3, paragraph (1), item (iii) of the Supplementary Provisions of the Defined Contribution Pension Act; the provisions of Articles 3 through 5 and Articles 10, 28, 46, and 47 of the Supplementary Provisions; in Article 49 of the Supplementary Provisions, the provisions amending Article 54 of the Supplementary Provisions of the Act Partially Amending the Employees' Pension Insurance Act (Act No. 82 of 1996; referred to as the "1996 Act Amending the Employees' Pension" in item (ix) and Article 49 of the Supplementary Provisions); and in Article 55 of the Supplementary Provisions, the provisions amending Article 49, item (iv) of the Supplementary Provisions of the 2012 Integration Act: April 1, 2021;
- (vi) omitted;
- (vii) the provisions of Article 20 (excluding the amending provisions set forth in

item (i)); the provisions of Article 22; in Article 24, the provisions amending the table in Article 5, paragraph (3) of the Act Partially Amending the Employees' Pension Insurance Act to Ensure the Soundness and Reliability of the Public Pension System (excluding the provisions amending the row for Article 100-10, paragraph (1), item (x) of the Employees' Pension Insurance Act in that table as amended); the provisions amending the table in Article 38, paragraph (2) of the Supplementary Provisions of that Act; the provisions amending the table in paragraph (3) of that Article (excluding the provisions amending the row for Article 100-10, paragraph (1), item (x) of the Employees' Pension Insurance Act and the row for Article 48-2 of the Defined Contribution Pension Act after the amendment in that table as amended); the provisions amending Article 40, paragraph (2) and Article 41, item (ii) of the Supplementary Provisions of that Act; the provisions adding one Article after Article 49 of the Supplementary Provisions of that Act, and the provisions amending Articles 51, 52, and 57 through 59, Article 71, paragraph (2), and Article 93 of the Supplementary Provisions of that Act; in Article 26, the provisions amending Articles 11 and 13 and Article 45, paragraph (1) of the Act on the Farmers Pension Fund, Independent Administrative Agency, the provisions amending Article 2, paragraph (1) of the Supplementary Provisions of that Act (excluding the part adding ", notwithstanding the provisions of Article 28, paragraph (1)" after "until otherwise provided for by law"), the provisions adding one Article after Article 2 of the Supplementary Provisions of that Act, the provisions amending Article 3, paragraph (1) of the Supplementary Provisions of that Act (excluding the part adding ", notwithstanding the provisions of Article 31, paragraph (1)" after "until otherwise provided for by law" and the part amending "the proviso to Article 31, paragraph (1)" to "the proviso to that paragraph"), and the provisions amending Article 3, paragraph (2) of the Supplementary Provisions of that Act; the provisions of Articles 26, 29 through 33, and 89 through 91 of the Supplementary Provisions; and in Article 92 of the Supplementary Provisions, the provisions amending row 77-4 in appended table 1 of the Residential Basic Book Act (Act No. 81 of 1967): May 1, 2022;

(viii) in Article 4, the provisions amending Article 6, paragraph (1), item (i) and Article 12 of the Employees' Pension Insurance Act and Article 4-2 of the Supplementary Provisions of that Act; the provisions of Article 9; in Article 15, the provisions amending Article 2, paragraph (1), item (i) and Articles 40, 72, 102-2, and 125 through 126-2 of the National Public Officers Mutual Aid Association Act and Article 20-2, paragraph (1) and Article 20-6, paragraph (1) of the Supplementary Provisions of that Act; in Article 17, the provisions amending Article 2, paragraph (1), item (i), Articles 43 and 74, Article 103,

paragraph (1), and Articles 141 through 142 of the Local Public Officers Mutual Aid Association Act and Article 40-3-2 of the Supplementary Provisions of that Act; in Article 19, the provisions amending Article 22, paragraph (2) of the Private School Personnel Mutual Aid Association Act; the provisions of Article 23; the provisions of Article 29 (excluding the amending provisions set forth in item (i)); and the provisions of paragraph (6) of the following Article and Articles 14, 19, and 24 of the Supplementary Provisions: October 1, 2022.

(Review)

Article 2 (1) Promptly after this Act comes into effect, the government is to conduct a review on the particulars set forth in the items of Article 6, paragraph (2) of the Act on Promotion of Reform for Establishing a Sustainable Social Security System (Act No. 112 of 2013) as well as reinforcement of the income redistribution function of the public pension system and other necessary particulars (excluding the particulars specified in the following paragraph and paragraph (4)) with regard to the public pension system and systems related thereto, from the viewpoint of further promoting initiatives for making the public pension system a system that is sustainable in the long term, further reinforcing the security functions that correspond to changes in socioeconomic situations, and ensuring fairness between and within generations, in consideration of the status of enforcement of the respective laws after the amendment by this Act, and is to take necessary measures based on the results of the review.

(5) The government is to conduct an overall review, including taxation measures, on particulars such as the requirements for participation in an individual-type defined contribution pension plan and a national pension fund, the maximum contribution amount for an individual-type defined contribution pension plan, and the scope of small and medium-sized employers that can contribute to small and medium-sized employer's contributions, from the viewpoint of enhancing citizens' voluntary efforts to secure income in old age, such as enabling them to receive support for such efforts fairly, and is to take necessary measures based on the results of the review.

(6) Approximately five years after the enforcement of the provisions set forth in item (viii) of the preceding Article, the government is to review the desirable form of regulations based on the provisions of the Defined Contribution Pension Act after the amendment by those provisions, in consideration of the status of enforcement of that Act, and if found to be necessary, take necessary measures based on the results of the review.

(Transitional Measures Concerning Old-age Benefits under the Defined

Contribution Pension Act)

Article 27 The provisions of Article 34 of the Defined Contribution Pension Act after the amendment by the provisions of Article 21 (including as applied mutatis mutandis pursuant to Article 73 of that Act) apply to a person who has not reached the age of 70 on the day preceding the effective date.

(Transitional Measures Concerning a Lump-sum Withdrawal Payment under the Defined Contribution Pension Act)

Article 28 The provisions of Article 3 of the Supplementary Provisions of the Defined Contribution Pension Act after the amendment by the provisions of Article 21 also apply to a person who had already lost the status as a participant of a corporate-type pension plan (meaning the participant of a corporate-type pension plan prescribed in Article 2, paragraph (8) of the Defined Contribution Pension Act; the same applies hereinafter) or a participant of an individual-type pension plan (meaning the participant of an individual-type pension plan prescribed in Article 2, paragraph (10) of the Defined Contribution Pension Act; the same applies in Article 32 of the Supplementary Provisions) before the item (v) effective date.

(Transitional Measures Concerning the Status as a Participant of a Defined Contribution Pension Plan)

Article 29 With regard to a participant of a corporate-type pension plan who already has the right to receive old-age benefits (meaning the old-age benefits referred to in Article 28, item (i) of that Act) under a corporate-type pension plan (meaning the corporate-type pension plan prescribed in Article 2, paragraph (2) of the Defined Contribution Pension Act) at the time of enforcement of the provisions set forth in Article 1, item (vii) of the Supplementary Provisions, the provisions of Article 11, item (vi) of the Defined Contribution Pension Act after the amendment by the provisions of Article 22 (hereinafter referred to as the "item (vii) new Defined Contribution Pension Act") do not apply, and the person continues to be a participant of a corporate-type pension plan on and after the item (vii) effective date.

(Transitional Measures Concerning a Transfer of Assets Managed per Individual Relating to a Person Who Was a Participant of a Corporate-type Pension Plan to the Pension Fund Association)

Article 30 The provisions of Article 54-5, paragraph (1) of the item (vii) new Defined Contribution Pension Act apply to a person who loses the status as a participant of a corporate-type pension plan pursuant to the provisions of Article 11 of the item (vii) new Defined Contribution Pension Act on or after the effective date of item (vii).

(Transitional Measures Concerning a Lump-Sum Withdrawal Payment under the Item (vii) New Defined Contribution Pension Act)

Article 31 The provisions of Article 2-2 of the Supplementary Provisions of the item (vii) new Defined Contribution Pension Act also apply to a person who had already lost the status as a participant of a corporate-type pension plan before the effective date of item (vii).

Article 32 The provisions of Article 3 of the Supplementary Provisions of the item (vii) new Defined Contribution Pension Act also apply to a person who had already lost the status as a participant of a corporate-type pension plan or a participant of an individual-type pension plan before the item (vii) effective date.

(Transitional Measures Concerning a Transfer of Assets Managed per Individual Relating to a Person Who Was a Participant of a Corporate-type Pension Plan to a Surviving Association)

Article 33 The provisions of Article 54-5, paragraph (1) of the item (vii) new Defined Contribution Pension Act as applied pursuant to the provisions of Article 38, paragraph (3) of the Supplementary Provisions of the Act Partially Amending the Employees' Pension Insurance Act to Ensure the Soundness and Reliability of the Public Pension System after the amendment by Article 24, following the deemed replacement of terms, apply to a person who loses the status as a participant of a corporate-type pension plan pursuant to the provisions of Article 11 of the item (vii) new Defined Contribution Pension Act on or after the item (vii) effective date.

(Transitional Measures Concerning Penal Provisions)

Article 41 Prior laws continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act and to acts committed after the enforcement of this Act when prior laws are to continue to govern the applicability pursuant to the provisions of these Supplementary Provisions.

(Transitional Measures Concerning Exception to Protection of the Right to Receive Benefits)

Article 80 (1) Any right to receive payment of benefits as pensions, compensations, special additional amounts to delayed insurance benefits, or special additional amounts to delayed benefits that was already provided as collateral at the time of the enforcement of this Act may be provided as collateral in accordance with prior laws on and after the effective date.
(2) The right to receive payment of benefits as pensions, compensations, special

additional amounts to delayed insurance benefits, or special additional amounts to delayed benefits relating to the offer prescribed in Article 36, paragraph (1), Article 70, paragraph (1), and Article 71, paragraph (1) of the Supplementary Provisions may be provided as collateral in accordance with prior laws on and after the effective date.

- (3) With regard to the right to receive benefits (limited to the benefits as pensions prescribed in Article 41, paragraph (1) and Article 65, paragraph (1) of the Supplementary Provisions of the 2012 Integration Act) that are deemed to be the public officers pension, etc. prescribed in Article 2, paragraph (1) of the Act on Loans Rendered by Japan Finance Corporation Secured by Public Officers Pension after the amendment by the provisions of Article 69 of the Supplementary Provisions pursuant to the provisions of Article 122 of the Supplementary Provisions of the 2012 Integration Act after the amendment by the provisions of Article 55 of the Supplementary Provisions, the provisions of Article 41, paragraph (1) of the Employees' Pension Insurance Act before the amendment by the provisions of Article 4 remain in force.

(Delegation to Cabinet Order)

Article 97 Beyond what is provided for in these Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures (including transitional measures concerning penal provisions) in line with the enforcement of this Act.