

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

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

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

(Definitions)

Article 1 (1) As used in this Cabinet Office Ordinance, the term "Securities," "Public Offering of Securities," "Private Placement of Securities," "Secondary Distribution of Securities," "Issuer," "Financial Instruments Services," "Financial Instruments Specialist," "Financial Instruments Market," "Financial Instruments Exchange," "Derivatives Transactions," "Exchange-Traded Derivatives Transactions," "Over-the-Counter Transactions of Derivatives," "Exchange-Traded Derivatives Transactions in a Foreign Market," "Financial Instruments," "Financial Indicator," "Brokerage for the Clearing of Securities, etc.," "Professional Investor," "Specified Listed Securities," and "(a) Credit Rating(s)" respectively mean Securities, Public Offering of Securities, Private Placement of Securities, Secondary Distribution of Securities, Issuer, Financial Instruments Services, Financial Instruments Specialist, Financial Instruments Market, Financial Instruments Exchange, Derivatives Transactions, Exchange-Traded Derivatives Transactions, Over-the-Counter Transactions of Derivatives, Exchange-Traded Derivatives Transactions in a Foreign Market, Financial Instruments, Financial Indicator, Brokerage for the Clearing of Securities, etc., Professional Investor, Specified Listed Securities, and (a) Credit Rating(s) as defined in Article 2 of the Financial Instruments and Exchange Act (Act No. 25 of 1948; hereinafter referred to as the "Act").

(2) As used in this Cabinet Office Ordinance, the term "Type I Financial Instruments Services," "Type II Financial Instruments Services," "Investment Management," and "Securities Services" respectively mean Type I Financial Instruments Services, Type II Financial Instruments Services, Investment Management, and Securities Services as defined in Article 28 of the Act.

(3) In this Cabinet Office Ordinance, the meanings of the terms listed in the following items are as prescribed respectively in those items:

- (i) Options: Options as defined in Article 2, paragraph (1), item (xix) of the Act;
- (ii) Business Subject to Investment: Business Subject to Investment as defined in Article 2, paragraph (2), item (v) of the Act;
- (iii) Qualified Institutional Investor: Qualified Institutional Investor as defined in Article 2, paragraph (3), item (i) of the Act;
- (iii)-2 Professional Investors, etc.: Professional Investors, etc. as defined in Article 2, paragraph (3), item (ii), sub-item (b)2. of the Act;
- (iii)-3 Securities for Professional Investors: Securities for Professional Investors as defined in Article 4, paragraph (3) of the Act;
- (iv) Discretionary Investment Contract: Discretionary Investment Contract as defined in Article 2, paragraph (8), item (xii), sub-item (b) of the Act;
- (v) Registered Financial Institution: Registered Financial Institution as defined in Article 2, paragraph (11) of the Act;
- (vi) Financial Instruments Specialist, etc.: Financial Instruments Specialist, etc. as defined in Article 34 of the Act;
- (vii) Commissioner of the Financial Services Agency or Other Competent Official: the Commissioner of the Financial Services Agency, in the case of a Financial Instruments Specialist, etc. designated by the Commissioner of the Financial Services Agency pursuant to the provisions of Article 42, paragraph (2) or Article 43, paragraph (2) of the Cabinet Order for the Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; hereinafter referred to as the "Cabinet Order"), or the Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau who has granted a registration currently in effect, in the case of a person other than such a Financial Instruments Specialist, etc.;
- (viii) Partnership Contract: Partnership Contract as defined in Article 667, paragraph (1) of the Civil Code (Act No. 89 of 1896);
- (ix) Silent Partnership Contract: Silent Partnership Contract as defined in Article 535 of the Commercial Code (Act No. 48 of 1899);
- (x) Limited Partnership Agreement for Investment: Limited Partnership Agreement for Investment as defined in Article 3, paragraph (1) of the Limited Partnership Act for Investment (Act No. 90 of 1998);
- (xi) Limited Liability Partnership Agreement: Limited Liability Partnership Agreement as defined in Article 3, paragraph (1) of the Limited Liability Partnership Act (Act No. 40 of 2005).

(Commercial Paper)

Article 2 Promissory notes specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (1), item (xv) of the Act, shall be those issued by using a paper which is delivered by any of the following financial institutions on

entrustment by such juridical person to guarantee the payment thereof, and on which the mark "CP" is printed:

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

(Foreign Loan Trust Beneficiary Certificates, etc.)

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

(Matters to Be Indicated on School Bonds)

Article 4 The matters specified by Cabinet Office Ordinance, as referred to in Article 1, item (ii) of the Cabinet Order, shall be as follows:

- (i) the name of the Incorporated Educational Institution, etc. (meaning an Incorporated Educational Institution, etc. as defined in Article 1, item (ii) of the Cabinet Order; the same shall apply hereinafter) which issues securities or certificates listed in that item (hereinafter referred to as the "School Bonds");
- (ii) the amount of monetary claims pertaining to said School Bonds;
- (iii) the method and due date for the redemption of monetary claims pertaining to said School Bonds; and
- (iv) the interest on monetary claims pertaining to said School Bonds, as well as the payment method and due date thereof.

(Goods Acquired by Using the Entirety of Monies)

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

(Stock Ownership)

Article 6 (1) The persons specified by Cabinet Office Ordinance, as referred to in Article 1-3-3, item (v) of the Cabinet Order, shall be officers (including those

who are found to have the same or a higher authority than an officer over a company or its Controlled Company, etc., irrespective of their titles, such as advisor, consultant or others), or employees, of said company or its Controlled Company, etc.

- (2) The requirement specified by Cabinet Office Ordinance, as referred to in Article 1-3-3, item (v) of the Cabinet Order, shall be that the amount of the contribution made by each of the Officers, etc. (meaning Officers, etc. as defined in that item) on each occasion shall be less than one million yen.
- (3) The "Controlled Company, etc." under paragraph (1) shall be a company which falls under any of the following items:
 - (i) in cases where a company holds voting rights exceeding 50 percent of the Voting Rights Held by All the Shareholders, etc. (meaning Voting Rights Held by All the Shareholders as prescribed in Article 29-4, paragraph (2) of the Act; the same shall apply hereinafter) of another company, said other company (referred to as the "Controlled Company" in the following item and the following paragraph); or
 - (ii) in cases where the Controlled Company holds voting rights exceeding 50 percent of the Voting Rights Held by All the Shareholders, etc. of another company, said other company.
- (4) The voting rights (excluding Voting Rights Held by All the Shareholders) in the cases referred to in the items of the preceding paragraph shall include voting rights pertaining to shares which are not to be duly asserted against the Issuer pursuant to the provisions of Article 147, paragraph (1) and Article 148, paragraph (1) of the Act on the Transfer of Corporate Bonds, Shares, etc. (Act No. 75 of 2001; hereinafter referred to as the "Corporate Bonds, etc. Transfer Act").

(Rights Excluded from the Right to Receive Dividends of Profit, etc. Pertaining to Business Subject to Investment)

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

- (i) rights based on a contract under which employees of an Associated Company of the company that issues share certificates promise to purchase the share certificates of said company on a continual basis, jointly with other employees of said Associated Company, according to a certain plan, without depending on an individual investment decision (limited to a contract wherein each employee is to contribute less than one million yen on each occasion); and
- (ii) rights based on a contract under which Business Associates of a company that issues share certificates (meaning persons who are designated by said company as business associates of said company; hereinafter the same shall

apply in this item) promise to purchase (limited to purchases made through applying for intermediation, brokerage or agency to a Financial Instruments Specialist) the share certificates of said company on a continual basis, jointly with the other Business Associates of said company, according to a certain plan, without depending on an individual investment decision (limited to a contract wherein each Business Associate is to contribute less than one million yen on each occasion).

- (2) The term "Associated Company" as used in item (i) of the preceding paragraph shall mean a company which falls under any of the following items:
- (i) in cases where a company holds 25 percent or more of the Voting Rights Held by All the Shareholders, etc. (including voting rights pertaining to shares which shall not be duly asserted against the Issuer pursuant to the provisions of Article 147, paragraph (1) and Article 148, paragraph (1) of the Corporate Bonds, etc. Transfer Act) of another company, said other company;
 - (ii) in cases where the amount of sales to a company by any other company in the preceding business year constitutes 50 percent or more of the gross sales amount of said other company, said other company; and
 - (iii) in cases where the amount of purchases from a company by any other company in the preceding business year constitutes 50 percent or more of the gross purchase amount of said other company: said other company.

(Claims Pertaining to Loans Made to Incorporated Educational Institutions, etc.)

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

- (2) The interested persons specified by Cabinet Office Ordinance, as referred to in Article 1-3-4, item (ii), sub-item (a) of the Cabinet Order, shall be those listed in any of the following items:
- (i) the parents of a person who attends a School established by the Incorporated Educational Institution, etc. (meaning a School established by an Incorporated Educational Institution, etc. under Article 1-3-4, item (ii), sub-item (a) of the Cabinet Order; the same shall apply in the following item) or other persons equivalent to them, who bear school tuition and any other costs necessary for attending the School;
 - (ii) a person who has graduated from a School established by the Incorporated Educational Institution, etc.; and
 - (iii) an Officer (meaning an Officer as prescribed in Article 35, paragraph (1) of the Private Educational Institutions Act (Act No. 270 of 1949)), a Councilor (meaning the Councilor prescribed in that Act) and Staff (meaning the Staff prescribed in Article 38, paragraph (5) of that Act) of the Incorporated

Educational Institution, etc.

(Acts Similar to Solicitation of Offers to Acquire)

Article 9 The acts specified by Cabinet Office Ordinance, referred to in the non-itemized part of Article 2, paragraph (3) of the Act, shall be those specified in the following items according to the categories of Securities listed in the respective items:

- (i) share certificates: offers to sell and the solicitation of offers to buy the relevant share certificates, by the Issuer of said share certificates pursuant to the provisions of Article 199, paragraph (1) of the Companies Act (Act No. 86 of 2005);
- (ii) Beneficiary Certificates of a Special Purpose Trust (meaning beneficiary certificates of a special purpose trust as set forth in Article 2, paragraph (1), item (xiii) of the Act; the same shall apply hereinafter), and the Securities listed in item (xvii) of that paragraph which have the nature of the beneficiary certificates of a special purpose trust: offers to sell and the solicitation of offers to buy the relevant Securities by the Originator of the trust (meaning a person who has concluded a trust agreement with the trustee of said trust; hereinafter the same shall apply in this item and Article 14, paragraph (2), item (i)) for the purpose of their transferral (excluding Securities transferred to the Originator);
- (iii) Beneficiary Certificates of a Trust That Issues Beneficiary Certificates (meaning the beneficiary certificates of a trust that issues beneficiary certificates as set forth in Article 2, paragraph (1), item (xiv) of the Act; the same shall apply hereinafter), and the Securities which are listed in item (xvii) of that paragraph and which have the nature of the beneficiary certificates of a trust that issues beneficiary certificates, in the case where the beneficiary at the time when the terms of trust pertaining to said Securities become effective is the settlor (excluding Securities pertaining to a trust for which a trust agreement is concluded under a single trust contract, and the management or disposition of trust property pertaining to said trust agreement is jointly carried out with the management or disposition of trust properties pertaining to a trust agreement between a trustee and other settlors concluded under said trust contract): offers to sell and the solicitation of offers to buy said Securities, for the purpose of transferring said Securities (excluding Securities transferred to a settlor) by the settlor of a trust pertaining to said Securities;
- (iv) Mortgage Securities (meaning the mortgage securities as prescribed in the Mortgage Securities Act (Act No. 15 of 1931); the same shall apply hereinafter), and the Securities which are listed in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of mortgage securities: offers

- to sell and the solicitation of offers to buy said Securities by a person who has received said Securities under the procedures prescribed in Article 11 of the Mortgage Securities Act or any procedure equivalent thereto, with the purpose of transferring said Securities; and
- (v) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of share certificates: offers to sell and the solicitation of offers to buy said Securities (limited to those of which the Issuer is the relevant Issuer) by the Issuer thereof pursuant to the governing laws and regulations of a foreign state upon the establishment of such Issuer;
 - (vi) rights listed in Article 2, paragraph (2), item (i) and (ii) of the Act, in the case where the beneficiary at the time when the terms of trust pertaining to said rights become effective is the settlor (excluding Securities pertaining to a trust for which a trust agreement is concluded under a single trust contract, and the management or disposition of trust property pertaining to said trust agreement is jointly carried out with the management or disposition of trust properties pertaining to a trust agreement between a trustee and other settlors concluded under said trust contract): offers to sell and the solicitation of offers to buy said rights, by the settlor of the trust to which said rights pertain, for the purpose of transferring said rights (excluding rights transferred to a settlor).

(Scope of Qualified Institutional Investors)

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

- (i) a Financial Instruments Specialist (limited to a specialist engaged in Type I Financial Instruments Services (limited to business which falls under Securities Services) or in Investment Management);
- (ii) an investment corporation as prescribed in Article 2, paragraph (12) of the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951);
- (iii) a foreign investment corporation as prescribed in Article 2, paragraph (23) of the Act on Investment Trusts and Investment Corporations;
- (iv) a bank;
- (v) an insurance company;
- (vi) a foreign insurance company, etc. as prescribed in Article 2, paragraph (7) of the Insurance Business Act (Act No. 105 of 1995);

- (vii) a shinkin bank, federation of shinkin banks, labor bank, or federation of labor banks;
- (viii) the Norinchukin Bank or the Shoko Chukin Bank Limited;
- (ix) a credit cooperative which has filed a notification with the Commissioner of the Financial Services Agency or a federation of credit cooperatives; or a federation of agricultural cooperatives or a federation of mutual aid fishermen's cooperatives which is able to accept deposits or savings or run a business facility related to mutual aid as a part of its business;
- (x) the Enterprise Turnaround Initiative Corporation of Japan (limited to the cases where it is engaged in business activities listed in Article 22, paragraph (1), item (i) and item (ii), sub-items (a) and (c) of the Act on the Enterprise Turnaround Initiative Corporation of Japan (Act No. 63 of 2009));
- (xi) a person engaged in the management and investment of the fiscal loan fund;
- (xii) the Government Pension Investment Fund;
- (xiii) Japan Finance Corporation (limited to an exclusive division as prescribed in Article 13, paragraph (3) of the Japan Finance Corporation Act (Act No. 57 of 2007)) and the Okinawa Development Finance Corporation;
- (xiv) the Development Bank of Japan, Inc.;
- (xv) an agricultural cooperative or federation of agricultural cooperatives that is able to accept deposits or savings as a part of business;
- (xvi) the persons specified in Article 1-9, item (v) of the Cabinet Order (limited to those registered pursuant to the provisions of Article 33-2 of the Act);
- (xvii) a stock company engaged in the business activities listed in Article 17-3, paragraph (2), item (xii) of the Ordinance for the Enforcement of the Banking Act (Ordinance of the Ministry of Finance No. 10 of 1982), which has prescribed in its articles of incorporation that it is to be engaged in said business activities, and which has notified the Commissioner of the Financial Services Agency that it has the amount of the stated capital of five hundred million yen or more at the time of the notification under this item;
- (xviii) an Investment LPS as prescribed in Article 2, paragraph (2) of the Limited Partnership Act for Investment;
- (xix) an employees' pension fund that the Commissioner of the Financial Services Agency has been notified of as one that has 10 billion yen or more as the amount calculated by deducting the total sum of the current liabilities, the payment reserves, and the balance of excess contributions from the total sum of the current assets and the fixed assets stated in the balance sheet pertaining to pension accounting (limited to that which has been submitted pursuant to the provisions of Article 39, paragraph (1) of the Cabinet Order for Employees' Pension Fund (Cabinet Order No. 324 of 1966)) in a business year preceding the year of the relevant date; a corporate pension fund that

the Commissioner of the Financial Services Agency has been notified of as one that has 10 billion yen or more as the amount calculated by deducting the total sum of the current liabilities and the payment reserves from the total sum of the current assets and the fixed assets stated in the balance sheet pertaining to pension accounting (limited to that which has been submitted pursuant to the provisions of Article 117, paragraph (3), item (i) of the Ordinance for Enforcement of the Defined-Benefit Corporate Pension Act (Ordinance of the Ministry of Health, Labour and Welfare No. 22 of 2002)) in a business year preceding the year of the relevant date; the Pension Fund Association;

(xx) a person who has been granted approval under Article 29, paragraph (1) of Act on Special Measures concerning Urban Reconstruction (Act No. 22 of 2002) to engage in the business activities listed in item (ii) of that paragraph (limited to the cases where said person is engaged in business activities listed in that item);

(xxi) a trust company as prescribed in Article 2, paragraph (2) of the Trust Business Act (Act No. 154 of 2004) (excluding a Management-type Trust Company prescribed in paragraph (4) of that Article; the same shall apply in Article 16, paragraph (1), item (vii)) which has made a notification to the Commissioner of the Financial Services Agency;

(xxii) a foreign trust company as prescribed in Article 2, paragraph (6) of the Trust Business Act (excluding a Management-type Foreign Trust Company as prescribed in paragraph (7) of that Article; the same shall apply in Article 16, paragraph (1), item (vii)) and which has made a notification to the Commissioner of the Financial Services Agency;

(xxiii) a juridical person which has notified the Commissioner of the Financial Services Agency that it falls under any of the following requirements (in the case of a juridical person which has made a notification to the effect that it falls under sub-item (b), limited to cases where said juridical person effects any transaction as an Operating Partner, etc. (meaning a partner who has concluded a Partnership Contract under which said partner is delegated to manage the business of the partnership; a proprietor who has concluded a Silent Partnership Contract; a partner who has concluded a Limited Liability Partnership Agreement, participates in management decisions regarding the important business of a partnership, and manages said business by himself/herself; or any person equivalent to them under the laws and regulations of a foreign state; hereinafter the same shall apply in this item and the following item)):

(a) that the balance of the Securities held by said juridical person as of the latest date from the date said juridical person intends to make said notification (hereinafter referred to as the "Latest Date" in this Article)

- shall be one billion yen or more;
- (b) that said juridical person is an Operating Partner, etc. which falls under all of the following requirements (excluding the cases where such juridical person falls under sub-item (a)):
1. that the balance of the Securities which said juridical person, as an Operating Partner, etc., holds under the Business Subject to Investment pertaining to said Partnership Contract, Silent Partnership Contract or Limited Liability Partnership Agreement or a contract under the laws and regulations of a foreign state which is similar to any of the aforementioned contracts, as of the Latest Date, is one billion yen or more; and
 2. that said juridical person has, with regard to making said notification, obtained the consent of all of the other partners of the partnership pertaining to said partnership agreements, all of the other silent partners pertaining to the Silent Partnership Contract who hold rights under the Business Subject to Investment pertaining to said Silent Partnership Contract, all of the other partners of the partnerships pertaining to said Limited Liability Partnership Agreement, or all of the other partners or other persons pertaining to a contract under the laws and regulations of a foreign state which is similar to those contracts; or
- (c) that said juridical person is a special purpose company as defined in Article 2, paragraph (3) of the Act on Securitization of Assets (Act No. 105 of 1998; hereinafter referred to as the "Asset Securitization Act") (hereinafter referred to as the "Special Purpose Company" in this item and Article 23, item (vii)), where Securities are included in the specified assets defined in Article 2, paragraph (1) of the Asset Securitization Act under the asset securitization plan defined in Article 2, paragraph (4) of the Asset Securitization Act for which a notification has been made pursuant to the provisions of Article 4 of the Asset Securitization Act (in cases where a notification under Article 9 of the Asset Securitization Act, related to the changes to the relevant asset securitization plan, has been made, the asset securitization plan after such changes; the same shall apply in paragraph (3), item (iii), sub-item (g)), and the value of said Securities is one billion yen or more;
- (xxiv) an individual who has notified the Commissioner of the Financial Services Agency that he/she meets any of the following requirements (for an individual who has made a notification that he/she falls under sub-item (b), limited to the cases where he/she effects a transaction as an Operating Partner, etc.):
- (a) that the individual falls under all the following requirements:

1. that the balance of the Securities held by said individual as of the Latest Date is one billion yen or more; and
 2. that a period of one year has passed from the date when said individual opened an account with the Financial Instruments Specialist, etc. for transactions in Securities;
- (b) that said individual is Operating Partner, etc. and satisfies all of the following requirements (excluding cases where said individual falls under sub-item (a)):
1. that the balance of the Securities which said individual, as an Operating Partner, etc., holds under the Business Subject to Investment pertaining to said Partnership Contract, the Silent Partnership Contract or the Limited Liability Partnership Agreement or a contract under the laws and regulations of foreign states which is similar to any of the aforementioned contracts, as of the Latest Date, is one billion yen or more; and
 2. that said individual, with regard to making said notification, has obtained the consent of all the other partners of the partnerships pertaining to said Partnership Contract, all the other silent partners pertaining to the Silent Partnership Contracts who hold rights under the Business Subject to Investment pertaining to said Silent Partnership Contract, all the other partners of the partnership pertaining to said Limited Liability Partnership Agreement, or all the other partners or other persons pertaining to a contract under the laws and regulations of a foreign state which is similar to any of the aforementioned contracts;
- (xxv) a person (excluding an individual) who engages in the following business activities in a foreign state under the laws and regulations of a foreign state, and who has notified the Commissioner of the Financial Services Agency that it has the amount of stated capital or the contribution or the total amount of funds not less than those listed in the following sub-items, at the time of the notification under this item:
- (a) Type I Financial Instruments Services (limited to business which falls under the category of Securities Services): 50 million yen;
 - (b) Investment Management: 50 million yen;
 - (c) banking services as prescribed in Article 2, paragraph (2) of the Banking Act (Act No. 59 of 1981): 2 billion yen;
 - (d) insurance business as prescribed in Article 2, paragraph (1) of the Insurance Business Act: one billion yen; or
 - (e) trust business as prescribed in Article 2, paragraph (1) of the Trust Business Act (limited to business other than administration-focused trust business as prescribed in paragraph (3) of that Article): 100 million yen;

and

(xxvi) a foreign national government, foreign governmental organization, foreign regional government, foreign central bank, or an international organization of which Japan is a member state, which has made a notification to the Commissioner of the Financial Services Agency.

- (2) In cases where a person listed in any of the items of the preceding paragraph has acquired or purchased Securities for which, at the time of the issuance thereof, Solicitation of an Offer to Acquire (meaning the Solicitation of Offers to Acquire as prescribed in Article 2, paragraph (3) of the Act, and including Procedures Related to the Issuance of Securities During a Reorganization as prescribed in Article 2-2, paragraph (2) of the Act; hereinafter the same shall apply except in Article 13, paragraph (2)) was made to any Qualified Institutional Investor that is excluded from being a counterparty to said Solicitation of Offers to Acquire pursuant to the provisions of Article 2, paragraph (3), item (i) of the Act in cases where that item applies, or for which, at the time of the issuance thereof, the Solicitation of an Offer to Acquire fell under the case specified in Article 2, paragraph (3), item (ii), sub-item (a) or Article 2-2, paragraph (4), item (ii), sub-item (a) of the Act (excluding cases where the disclosure prescribed in Article 4, paragraph (7) of the Act has been made with regard to said Securities, cases where the person is a person who falls under any of items (i) to (xiv) inclusive or items (xvi) to (xxvi) inclusive of the preceding paragraph and who has already been designated under the proviso to that paragraph, cases where the person is a person who falls under item (xv) of that paragraph and whose designation under the proviso to that paragraph has already been cancelled, or cases where the person is a person who falls under any of items (ix), (xvii), (xix) or (xxi) to (xxvi) inclusive of that paragraph and for whom the period prescribed in paragraph (5) has elapsed, at the time of said acquisition or purchase), even when the person is a person who falls under any of items (i) to (xiv) inclusive or items (xvi) to (xxvi) inclusive of the preceding paragraph and who has been designated under the proviso to that paragraph, even when the person is a person who falls under item (xv) of that paragraph and whose designation under the proviso to that paragraph has already been canceled, or even when the person is a person who falls under items (ix), (xvii), (xix) or (xxi) to (xxvi) inclusive of that paragraph and for whom the period prescribed in paragraph (5) has elapsed, if offers to sell and the solicitation of offers to buy said Securities are to be made, the person shall be deemed to be a person who falls under the category of a Qualified Institutional Investor, and the provisions of Article 4, paragraph (2) of the Act shall apply thereto.
- (3) A person who intends to file a notification with the Commissioner of the Financial Services Agency as a person listed in any of the items (ix), (xvii),

(xix) or (xxi) to (xxvi) inclusive of paragraph (1) pursuant to the provisions of respective items (hereinafter referred to as a "Notifier" in this Article) shall file a notification to that effect with the Commissioner of the Financial Services Agency according to the categories of Notifier listed in the following items, with a document stating the matters listed in the respective items, during the period from January 1 until one month thereafter, the period from April 1 until one month thereafter, the period from July 1 until one month thereafter, or the period from October 1 until one month thereafter, in the year which includes the day on which the person intends to make said notification:

- (i) the Notifier for any of the persons as listed in items (ix), (xvii), (xxi), (xxii), (xxv) and (xxvi) of paragraph (1): the following matters:
 - (a) the trade name or name;
 - (b) the title and name of the representative person;
 - (c) the location of the head office or the principal office;
 - (d) the trade name or name, and the location of the head office or principal office or the domicile, of a person who has the authority of representation as prescribed in paragraph (11) (limited to the Notifier for a person as listed in any of items (xxv) and (xxvi) of paragraph (1));
 - (e) the category of the Qualified Institutional Investor (meaning the category under the items of paragraph (1); the same shall apply in item (iii), sub-item (e));
 - (f) the amount of the stated capital or the contribution, or the total amount of funds, at the time of the notification made pursuant to this item (limited to a Notifier for any of the persons as listed in item (xvii) and (xxv) of paragraph (1)); and
 - (g) a description of the business activities engaged in in a foreign state and the laws and regulations governing said business activities (limited to a Notifier for a person listed in item (xxv) of paragraph (1));
- (ii) the Notifier for a person as listed in item (xix) of paragraph (1): the following matters:
 - (a) the name;
 - (b) the title and name of the representative person;
 - (c) the location of the principal office; and
 - (d) the amount calculated by deducting the total sum of the current liabilities, the payment reserve and the balance of the excess contributions from the total sum of the current assets and the fixed assets stated in the balance sheet pertaining to pension accounting (limited to that which has been submitted pursuant to the provisions of Article 39, paragraph (1) of the Cabinet Order for Employees' Pension Fund) in a business year preceding the year of the relevant date, or the amount calculated by deducting the total sum of the current liabilities and the payment reserve from the total

sum of the current assets and the fixed assets stated in the balance sheet pertaining to pension accounting (limited to that which has been submitted under Article 117, paragraph (3), item (i) of the Ordinance for Enforcement of the Defined-Benefit Corporate Pension Act) in a business year preceding the year of the relevant date;

- (iii) the Notifier for any of the persons as listed in items (xxiii) and (xxiv) of paragraph (1): the following matters:
 - (a) the trade name or name;
 - (b) the title and name of the representative person (limited to the Notifier for a person listed in item (xxiii) of paragraph (1));
 - (c) the location of the head office or principal office, or the domicile;
 - (d) the trade name or name, and the location of the head office or principal office or the domicile, of a person who has the authority of representation as prescribed in paragraph (11) (limited to a Notifier who is a Non-resident (meaning a Non-resident as defined in Article 6, paragraph (1), item (vi) of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949); hereinafter the same shall apply in this Article));
 - (e) the category of the Qualified Institutional Investor, and a statement as to whether the person falls under either of paragraph (1), item (xxiii), sub-item (a) or (b), or as to whether the person falls under either of paragraph (1), item (xxiv), sub-item (a) or (b);
 - (f) the balance of the Securities held at the Latest Date (limited to cases falling under paragraph (1), item (xxiii), sub-item (a) or (b), or item (xxiv), sub-item (a) or (b) of that paragraph); and
 - (g) the notification day of the asset securitization plan defined in Article 2, paragraph (4) of the Asset Securitization Act as well as the class and value of the Securities stated in the relevant asset securitization plan (limited to cases falling under paragraph (1), item (xxiii), sub-item (c)).
- (4) A Notifier shall submit a document as prescribed in the preceding paragraph according to the category of Notifier in the following items to the Commissioner of the Financial Services Agency via the Director-General of the Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the respective items:
 - (i) the Notifier for a person as listed in paragraph (1), item (ix): the Director-General of the Local Finance Bureau that has jurisdiction over the location of the head office or the principal office of said Notifier (or the Director-General of the Fukuoka Local Finance Branch Bureau, in cases where said location is within the jurisdictional district of Fukuoka Local Finance Branch Bureau);
 - (ii) the Notifier for any of the persons as listed in items (xvii), (xxi) and (xxii) of paragraph (1): a Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau, as prescribed in the

following sub-items according to the categories of cases listed in respective sub-items:

- (a) cases where said Notifier falls under the category of a person who is to submit an Annual Securities Report (meaning an Annual Securities Report as defined in Article 24, paragraph (1) of the Act): a Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau to whom said Notifier is to submit an Annual Securities Report pursuant to the provisions of Article 20 of the Cabinet Office Ordinance on Disclosure of Corporate Affairs, etc. (Ordinance of the Ministry of Finance No. 5 of 1973); or
 - (b) cases other than that listed in sub-item (a): the Director-General of the Local Finance Bureau that has jurisdiction over the location of the head office (or the principal branch office as prescribed in Article 53, paragraph (1) of the Trust Business Act, in the case of the Notifier for a person as listed in paragraph (1), item (xxii)) or the principal office of said Notifier (or the Director-General of the Fukuoka Local Finance Branch Bureau, in the case where said location is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau);
 - (iii) the Notifier for a person as listed in paragraph (1), item (xix): the Director-General of the Local Finance Bureau that has jurisdiction over the location of the principal office of said Notifier (or the Director-General of the Fukuoka Local Finance Branch Bureau, in cases where said location is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau);
 - (iv) A Notifier pertaining to any of the persons listed in items (xxiii) and (xxiv) of paragraph (1) (excluding a Non-resident): the Director-General of the Local Finance Bureau that has jurisdiction over the location of the head office or principal office or the domicile of said Notifier (or the Director-General of the Fukuoka Local Finance Branch Bureau, in cases where said location or domicile is within the jurisdictional district of the Fukuoka Local Finance Branch Bureau); and
 - (v) the Notifier for a person as listed in any of items (xxiii) and (xxiv) of paragraph (1) (limited to Non-residents), and the Notifier for any of the persons as listed in items (xxv) and (xxvi) of that paragraph: the Director-General of the Kanto Finance Bureau.
- (5) The period for which the Notifier is regarded as falling under the category of a Qualified Institution Investor in cases where such person has made a notification pursuant to the provisions of paragraph (3) shall be the period from March 1 of the year in which the date of the notification falls up until the day when two years have elapsed from said day in cases where said notification was made during the period from January 1 until one month thereafter; the period from June 1 of the year in which the date of the notification falls up

until the day when two years have elapsed from said day in cases where said notification was made in the period from April 1 until one month thereafter; the period from September 1 of the year in which the date of the notification falls up until the day when two years have elapsed from said day in cases where said notification was made during the period from July 1 until one month thereafter; and the period from December 1 of the year in which the date of the notification falls up until the day when two years have elapsed from said day in cases where said notification was filed during the period from October 1 until one month thereafter.

- (6) A person who has made the notification pursuant to the provisions of paragraph (3) shall, when there is any change to the matters pertaining to said notification (limited to the matters listed in paragraph (3), item (i), sub-item (a) or (c), paragraph (3), item (ii), sub-item (a) or (c), or paragraph (3), item (iii), sub-item (a) or (c)) during the period for which said persons are regarded as falling under the category of a Qualified Institutional Investor as prescribed in the preceding paragraph, file a written notification to that effect, without delay, with the Commissioner of the Financial Services Agency.
- (7) The provisions of paragraph (4) shall apply mutatis mutandis to the notifications under the preceding paragraph. In this case, the term "a document as prescribed in the preceding paragraph" in paragraph (4) shall be deemed to be replaced with "a document stating the details of the matters so changed".
- (8) When the notification has been filed pursuant to the provisions of paragraph (3), the Commissioner of the Financial Services Agency shall give a public notice of the trade name or name, and the location of the head office or principal office or the domicile, of the person who made said notification, the period during which the person who made said notification is to be regarded as falling under the category of a Qualified Institutional Investor (meaning the period as prescribed in paragraph (5)), and, if the person who has made said notification made such notification as a person who falls under paragraph (1), item (xxiii), sub-item (b) or, item (xxiv), sub-item (b) it shall be published to that effect in Official Gazette until March 1 of the year in which the date of the notification falls in cases where said notification was made during the period from January 1 until one month thereafter; until June 1 of the year in which the date of the notification falls in cases where said notification was made during the period from April 1 until one month thereafter; until September 1 of the year in which the date of the notification falls in cases where said notification was made during the period from July 1 until one month thereafter; or until December 1 of the year in which the date of the notification falls in cases where said notification was made during the period from October 1 until one month thereafter.

- (9) When the notification under paragraph (6) has been filed, the Commissioner of the Financial Services Agency shall give public notice of the matters so notified in the Official Gazette without delay.
- (10) The conversion of the balance of Securities held by the Notifier for persons as listed in items (xxiii) and (xxiv) of paragraph (1) at the Latest Date, and the conversion of the amount of the stated capital or the contribution, or the total amount of the funds of the Notifier for a person as listed in item (xxv) of that paragraph, into Japanese currency shall be made by using the exchange rate (meaning the Basic Exchange Rate or the Arbitrated Exchange Rate as prescribed in Article 7, paragraph (1) of the Foreign Exchange and Foreign Trade Act) at the time of a notification under any of items (xxiii) to (xxv) inclusive of that paragraph.
- (11) The Notifier for persons as listed in items (xxiii) and (xxiv) of paragraph (1) (limited to a Non-resident), and the Notifier for persons as listed in items (xxv) and (xxvi) of that paragraph shall designate a person whose head office or principal office is located in Japan or who has a domicile in Japan and who has the authority to represent said Notifier with regard to any and all acts relating to the notification prescribed in paragraphs (3) and (6).
- (12) A person listed in any of items (xxiii) and (xxiv) of paragraph (1) (limited to a Non-resident) and a person listed in any of items (xxv) and (xxvi) of that paragraph shall designate a person whose head office or principal office is located in Japan or who has a domicile in Japan and has the authority to represent said person with regard to any and all acts relating to a notification as prescribed in Article 23-13, paragraph (1) of the Act or to the delivery of documents as prescribed in Article 23-13, paragraph (2) of the Act pertaining to Securities acquired by said person (limited to Securities for which the Solicitation of Offers to Acquire fell under the cases listed in Article 2, paragraph (3), item (i) of the Act at the time of the issuance thereof, and was made to Qualified Institutional Investors excluded from being the counterparty to said Solicitation of Offers to Acquire pursuant to the provisions of the provisions of that item, or Securities for which Solicitation of Offers to Acquire fell under the cases listed in sub-item (a), item (ii) of that paragraph or Article 2-2, paragraph (4), item (ii), sub-item (a) of the Act at the time of the issuance thereof).

(Same Class of Securities, etc.)

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

(ii), sub-items (b) and (c), and item (iii), sub-items (a) and (b), Article 1-8-2, item (i), sub-item (a), and Article 1-8-4, item (iii), sub-item (a)2., sub-item (b)2. and 3., and sub-item (c)1. and 2. of the Cabinet Order shall be the relevant Securities, and the Securities whose Issuer is the same as the Issuer of the relevant Securities, and for which the matters specified in the following items according to the category of Securities listed in the respective items are the same:

(i) Convertible Specified Corporate Bonds (meaning the convertible specified corporate bonds provided in the Asset Securitization Act): the following matters:

(a) the due date for redemption and interest rates (in cases of Convertible Specified Corporate Bonds issued on a discount basis, the due date for redemption);

(b) the currency in which the amount is indicated (limited to cases where the amount related to the relevant Securities is to be indicated by a single currency; the same shall apply in item (xvii), sub-item (b) and item (xviii), sub-item (b));

(c) the issue value for one unit of Preferred Equity (meaning the Preferred Equity as defined in Article 2, paragraph (5) of the Asset Securitization Act; hereinafter the same shall apply in this item and the following item) which is to be issued upon conversion as well as the details of the payment of the dividend of profits related to the Preferred Equity, distribution of residual assets, and the method of cancellation of said Preferred Equity by using the profits (collectively referred to as the "Payment of Dividends of Profit, etc. Pertaining to Preferred Equity" in the following item);

(ii) Specified Corporate Bond Certificates with a Rights to Subscribe for Preferred Equity (meaning a Specified Corporate Bond Certificate with a Right to Subscribe for Preferred Equity as prescribed in Article 1-4, item (ii), sub-item (d) of the Cabinet Order): the following matters:

(a) the matters listed in sub-items (a) and (b) of the preceding item; and

(b) the issue value for one unit of Preferred Equity which is to be issued upon the exercise of the right to subscribe for preferred equity and the details of the Payment of Dividends of Profit, etc. Pertaining to Preferred Equity;

(iii) corporate bond certificates (including Specified Corporate Bond Certificates (meaning specified corporate bond certificates as set forth in Article 2, paragraph (1), item (iv) of the Act), Investment Corporation Bond Certificates (meaning investment corporation bond certificates as set forth in item (xi) of that paragraph; hereinafter the same shall apply in this paragraph), foreign investment securities set forth in that item that are similar to investment corporation bond certificates, and Social Medical Care Corporation Bond Certificates (meaning social medical care corporation bond

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

- (b) the details of the rights which are to be indicated on the relevant corporate bond certificates;
- (vii) Preferred Equity Investment Certificates (meaning preferred equity investment certificates as set forth in Article 2, paragraph (1), item (vii) of the Act): the payment of the dividend of surplus related to Preferred Equity Investment (meaning preferred equity investment as provided in the Act on Preferred Equity Investment by Cooperative Structured Financial Institutions (Act No. 44 of 1993); hereinafter the same shall apply in this item), distribution of residual assets, and the method of cancellation of Preferred Equity Investment by using the surplus, and cancellation of Preferred Equity Investment under Article 15, paragraph (1) of that Act (limited to the part pertaining to item (ii));
- (viii) Preferred Equity Securities (meaning preferred equity securities as set forth in Article 2, paragraph (1), item (viii) of the Act; hereinafter the same shall apply in this item): the details of the method of the payment of the dividend of profits related to Preferred Equity Securities, distribution of residual assets, and cancellation of the relevant Securities;
- (ix) share certificates: the details of the Payment of Dividend of Surplus, etc. Pertaining to Shares;
- (x) share option certificates: the details of the Payment of Dividend of Surplus, etc. Pertaining to Shares which are to be issued or transferred upon the exercise of share options;
- (xi) the beneficiary certificates of an Investment Trust (meaning the Investment Trust as defined in Article 2, paragraph (3) of the Act on Investment Trusts and Investment Corporations) and Foreign Investment Trust (meaning the Foreign Investment Trust as defined in paragraph (22) of that Article): the following matters:
 - (a) the investment trust property prescribed in Article 3, item (ii) of the Act on Investment Trusts and Investment Corporations;
 - (b) the method of the redemption of principal of a trust, and distribution of profits; and
 - (c) the due date for the redemption of principal of a trust;
- (xii) Investment Securities (meaning the Investment Securities set forth in Article 2, paragraph (1), item (xi) of the Act; hereinafter the same shall apply in this item) and Foreign Investment Securities (meaning the Foreign Investment Securities set forth in item (xi) of that paragraph) which are securities similar to Investment Securities: the details of the distribution of profits in relation to investment equity as defined in Article 2, paragraph (14) of the Act on Investment Trusts and Investment Corporations, or the rights indicated on the relevant Foreign Investment Securities;
- (xiii) the Beneficiary Certificate of a Special Purpose Trust (meaning the

- beneficiary certificate of a special purpose trust as set forth in Article 2, paragraph (1), item (xiii) of the Act; the same shall apply hereinafter): the following matters:
- (a) the period of the special purpose trust contract as defined in Article 223 of the Asset Securitization Act;
 - (b) the Specified Trust Property (meaning Specified Trust Property as prescribed in Article 1, item (ix)-3 of the Cabinet Office Ordinance on Disclosure of Information of Regulated Securities, etc. (Ordinance of the Ministry of Finance No. 22 of 1993)); and
 - (c) the details of the distribution of monies related to beneficial interest;
- (xiv) the Beneficiary Certificates of a Trust That Issues Beneficiary Certificates: the following matters:
- (a) the trust property;
 - (b) the details of the beneficial claim as defined in Article 2, paragraph (7) of the Trust Act (Act No. 108 of 2006); and
 - (c) the due date;
- (xv) Mortgage Securities: the following matters:
- (a) the land, building or superficies right, on which the mortgage has been created;
 - (b) the amount of the claim as well as the due date of the principal; and
 - (c) the interest rate;
- (xvi) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities listed in items (i) to (x) inclusive: the matters specified respectively in items (i) to (x) inclusive according to the category of the nature of the Securities listed in items (i) to (x) inclusive held by the relevant Securities;
- (xvii) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities listed in items (i) and (ii) of that paragraph: the following matters:
- (a) the due date for redemption and the interest rates of the relevant Securities (in cases of Securities issued on a discount basis, the due date for redemption); and
 - (b) the currency in which the amount is indicated;
- (xviii) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities listed in item (iii) of that paragraph (excluding the Securities listed in the following item and item (xx)): the following matters:
- (a) the due date for redemption and the interest rates of the relevant Securities (in cases of Securities issued on a discount basis, the due date for redemption); and
 - (b) the currency in which the amount is indicated;

- (xix) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities listed in item (iii) of that paragraph, with a special provisions whereby such Securities shall or may be redeemed through the Securities issued by a company other than the Issuer of the relevant Securities (hereinafter such issued Securities shall be referred to as the "Target Securities" in this item) (limited to Securities where, based on the special provision, the person who holds the Securities has the right to receive the redemption of said Securities through Target Securities from the company issuing said Securities): the following matters:
- (a) the matters listed in sub-items (a) and (b) of the preceding item;
 - (b) the issuer of the relevant Target Securities; and
 - (c) the details of the Payment of Dividend of Surplus, etc. Pertaining to Shares in cases where the relevant Target Securities are share certificates, and the details of the rights in the relevant Securities in cases of Securities other than share certificates;
- (xx) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities listed in item (iii) of that paragraph, with special provisions other than the one prescribed in the preceding item: the following matters:
- (a) the matters listed in item (xviii), sub-items (a) and (b); and
 - (b) the details of the rights to be indicated on the relevant Securities;
- (xxi) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities listed in item (vi) of that paragraph: the payment of dividend of surplus related to a contribution, the distribution of residual assets and the method of cancellation of a contribution by using profits;
- (xxii) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Beneficiary Certificates of a Special Purpose Trust: the matters equivalent to the matters specified in item (xiii);
- (xxiii) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Beneficiary Certificates of a Trust That Issues Beneficiary Certificates: the matters equivalent to the matters specified in item (xiv);
- (xxiv) the Securities listed in Article 2, paragraph (1), item (xvii) of the Act which have the nature of Mortgage Securities: the matters specified in item (xv);
- (xxv) the Securities listed in Article 2, paragraph (1), item (xix) of the Act: the details of the Option to be indicated on the relevant Securities; and
- (xxvi) the Securities listed in Article 2, paragraph (1), item (xx) of the Act: the details of the rights to be indicated on the relevant Securities.
- (2) The other Securities specified by Cabinet Office Ordinance as being the same

class of Securities as the relevant Securities, as referred to in Article 1-6 and Article 1-8-3 of the Cabinet Order shall be the Securities of which the Issuer is the same as the Issuer of the relevant Securities and of which the matters specified in the items of the preceding paragraph according to the category of Securities set forth in the respective items are the same as the relevant Securities.

- (3) The term "Short-Term Foreign Bonds" as used in paragraph (1), item (iii) shall be rights to be indicated on bond certificates to be issued in a foreign state or by a foreign juridical person as prescribed in Article 66 of the Corporate Bonds, etc. Transfer Act (excluding item (i)) as applied mutatis mutandis pursuant to Article 127 of the Corporate Bonds, etc. Transfer Act (hereinafter referred to as the "Book-Entry Transfer Foreign Bonds" in this paragraph), which satisfy all of the following requirements:
- (i) that the relevant Book-Entry Transfer Foreign Bonds are yen-dominated;
 - (ii) that the amount of each Book-Entry Transfer Foreign Bond does not fall below 100 million yen;
 - (iii) that there are provisions setting forth that the fixed due date for the redemption of principal is to be the day when a period of less than one year has elapsed from the day of the paying-in of the total amount of the Book-entry Transfer Foreign Bonds, and that there are no provisions setting forth that the redemption of principal is to be made in installments; and
 - (iv) that there are provisions setting forth that the due date for the interest payment is to be the same date as the due date for the redemption of principal as set forth in the preceding item.

(Restriction, etc. on the Transfer of Securities to Persons Other Than Qualified Institutional Investors upon Solicitation of Offers to Acquire)

Article 11 (1) The method specified by Cabinet Office Ordinance, referred to in Article 1-4, item (ii), sub-item (d) of the Cabinet Order, shall be a method which satisfies any of the requirements listed in the following items:

- (i) that a statement to the effect that the relevant Securities have a restriction which prohibits any transfer except in the case of the transfer thereof to a Qualified Institutional Investor (hereinafter referred to as a "Restriction on Resale" in this Article) has been made thereupon, and that such Securities are to be delivered to the acquirer thereof;
- (ii) that it has been stated, in a document stating the information on the relevant Securities to be delivered to an acquirer of said Securities, that said Securities have a Restriction on Resale; or
- (iii) that measures have been taken that enable the Members (meaning the members as defined in Article 2, paragraph (3) of the Corporate Bonds, etc. Transfer Act; the same shall apply hereinafter) to become aware that a

- Restriction on Resale has been imposed on the relevant Securities.
- (2) The requirements specified by Cabinet Office Ordinance as referred to in Article 1-4, item (iii), sub-item (c) of the Cabinet Order shall be that the relevant Securities fall under the requirements set forth in the following items:
- (i) that the relevant Securities fall under any of the following requirements:
 - (a) that a statement to the effect that the relevant Securities are subject to a Restriction on Resale has been made thereupon, and that such Securities are to be delivered to the acquirer thereof;
 - (b) that a statement to the effect that the relevant Securities are subject to a Restriction on Resale has been made in the document containing the information on said Securities which is to be delivered to the acquirer of such Securities; or
 - (c) that measures have been taken that enable the Members to become aware that a Restriction on Resale has been imposed on the relevant Securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act; and
 - (ii) that, in cases of the following Securities, in addition to the requirements set forth in the preceding item, the relevant Securities satisfy the requirements set forth in the following sub-items according to the following category of Securities:
 - (a) Beneficiary Certificates of Securities in Trust (meaning the Beneficiary Certificates of Securities in Trust as prescribed in Article 2-3, item (iii) of the Cabinet Order; the same shall apply hereinafter), and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of Beneficiary Certificates of Securities in Trust: that the relevant Beneficiary Certificates and Securities fall under the cases specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the category of cases where the Entrusted Securities (meaning the Entrusted Securities as defined in Article 2-3, item (iii) of the Cabinet Order; the same shall apply hereinafter) are the Securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order;
 - (b) the Securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the relevant Securities fall under any of the following cases:
 - 1. the cases specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the category of cases where the Securities which shall be the subject of a purchase and sale or any other transaction upon the exercise of the Options indicated on the Securities (the first-mentioned Securities shall be referred to as the "Underlying Securities" in Article 13, paragraph (3), item (ii), sub-item (b), Article 13-4, paragraph (2), item (ii), sub-item (b) and Article 13-7, paragraph (3), item (ii), sub-item (b)) are the Securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order;

and

2. cases where the purchase and sale or other transactions of Securities shall not be conducted upon the exercise of the Options indicated on the relevant Securities;
- (c) the Securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the relevant Securities fall under any of the following cases:
1. the cases specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the cases where the securities or certificates pertaining to the rights indicated on the relevant Securities are the Securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order; and
 2. the cases where the purchase and sale or other transactions of Securities shall not be conducted upon the exercise of the Options indicated on the relevant Securities; and
- (d) corporate bond certificates and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of corporate bond certificates, with special provisions that the relevant corporate bond certificates or Securities shall or may be redeemed through the Securities set forth in Article 1-4, item (i) or (ii) or Article 1-7-4, item (i) or (ii) of the Cabinet Order, or sub-item (b) or (c) above (limited to those issued by a person other than the Issuer of the relevant corporate bond certificates) (hereinafter such corporate bond certificates shall be referred to as the "Convertible Bond Certificates" in this sub-item (d)): that the relevant corporate bond certificates fall under any of the following cases according to the cases where the Securities to be acquired upon the relevant redemption (hereinafter referred to as the "Securities Acquired Upon Redemption" in this sub-item (d)) are the Securities set forth respectively below:
1. the Securities set forth in Article 1-4, item (i) or Article 1-7-4, item (i) of the Cabinet Order: the cases specified in Article 1-4, item (i) of the Cabinet Order (in cases where the relevant Securities Acquired Upon Redemption are not to be newly issued and where the Issuer of said Securities Acquired Upon Redemption is not the Parent Company (meaning a Parent Company as defined in Article 2, item (iv) of the Companies Act; the same shall apply in Article 13, paragraph (3), item (ii), sub-item (d), Article 13-4, paragraph (2), item (ii), sub-item (d) and Article 13-7, paragraph (3), item (ii), sub-item (d)) or a Subsidiary Company (meaning a Subsidiary Company as defined in Article 2, item (iii) of that Act; the same shall apply in Article 13, paragraph (3), item (ii), sub-item (d), Article 13-4, paragraph (2), item (ii), sub-item (d) and Article 13-7, paragraph (3), item (ii), sub-item (d)) of the Issuer of the

- relevant Convertible Bond Certificates (such case shall be referred to as the "Case of Already Issued Securities Acquired Upon Redemption" in 1. and 2. below), excluding the cases where the relevant Securities fall under the requirements set forth in Article 1-4, item (i), sub-item (a) of the Cabinet Order), or the cases specified in Article 1-7-4, item (i) of the Cabinet Order (in the Case of Already Issued Securities Acquired Upon Redemption, excluding the cases where the relevant Securities fall under the requirements set forth in sub-item (a) of that item);
2. the Securities set forth in Article 1-4, item (ii) or Article 1-7-4, item (ii) of the Cabinet Order: the cases specified in Article 1-4, item (ii) of the Cabinet Order (in the Case of Already Issued Securities Acquired Upon Redemption, excluding the cases where the relevant Securities fall under the requirements set forth in sub-item (b) of that item), or the cases specified in Article 1-7-4, item (ii) of the Cabinet Order (in the Case of Already Issued Securities Acquired Upon Redemption, excluding the cases where the relevant Securities fall under the requirements set forth in sub-item (b) of that item);
 3. the Securities set forth in sub-item (b): cases where the relevant Securities fall under the requirements specified in sub-item (b); and
 4. the Securities set forth in sub-item (c): cases where the relevant Securities fall under the requirements specified in sub-item (c).
- (3) A person who delivers a document as prescribed in paragraph (1), item (ii), or item (i), sub-item (b) of the preceding paragraph (hereinafter referred to as a "Deliverer" in this Article) may, in lieu of the delivery of a document as prescribed in paragraph (1), item (ii), or item (i), sub-item (b) of the preceding paragraph, provide information that should be included in said document (hereinafter referred to as "Information on the Restriction on Resale" in this Article) by a method using an Electronic Data Processing System or a method using other information and communications technology, as listed in the following items (hereinafter referred to as "Electromagnetic Means" in this Article) with the consent of a person who receives said document (hereinafter referred to as the "Recipient" in this Article), pursuant to the provisions of paragraph (6). In this case, the Deliverer shall be deemed to have delivered said document.
- (i) a method that uses an Electronic Data Processing System as listed in sub-item (a) or (b):
 - (a) a method whereby Information on the Restriction on Resale is transmitted through the telecommunications line that connects the computer used by the Deliverer and the computer used by the Recipient, and is recorded in a file stored on the computer used by the Recipient; or

- (b) a method whereby the Information on the Restriction on Resale, which is recorded in a file stored on the computer used by the Deliverer, is offered to the Recipient for inspection through the telecommunications line, and is recorded in a file stored on the computer used by the Recipient.
- (ii) a method whereby the Information on the Restriction on Resale recorded in a file on a magnetic disk, a CD-ROM or any other equivalent medium which is able to accurately record specific information is delivered.
- (4) The methods referred to in the items of the preceding paragraph shall be ones which allow the Recipient to create a document by outputting the contents recorded in the file.
- (5) The term "Electronic Data Processing System" as used in paragraph (3) means an electronic data processing system wherein the computer used by the Deliverer is connected, by way of a telecommunications line, to the computer used by the Recipient.
- (6) Before a Deliverer attempts to provide the Information on the Restriction on Resale pursuant to the provisions of paragraph (3), he/she shall indicate the types and contents of the Electromagnetic Means listed in the following items to be used to said Recipient and obtain prior consent from said Recipient by Electromagnetic Means, telephone, or by any other means:
 - (i) the method to be used by the Deliverer, from among those prescribed in the items of paragraph (3); and
 - (ii) the format in which the information is recorded in the file.
- (7) In cases where the Recipient has given notice by Electromagnetic Means, telephone, or by any other means to the effect that he/she refuses to receive information by Electromagnetic Means, a Deliverer who has obtained consent under the preceding paragraph shall not provide the Information on the Restriction on Resale to said Recipient by Electromagnetic Means; provided, however, that this shall not apply to cases where said Recipient has since given his/her consent again under that paragraph.

(Contents of Contracts on the Transfer of Securities Related to the Exclusive Solicitation of Professional Investors for Offers to Acquire)

- Article 11-2 (1) The matters specified by Cabinet Office Ordinance as referred to in Article 1-5-2, paragraph (2), item (i), sub-item (b) and item (ii), sub-item (b) of the Cabinet Order shall be the matters set forth in the following items (with regard to the matters set forth in item (ii), excluding the matters which the parties to the relevant contract have decided not to specify):
- (i) that the relevant person who wishes to acquire the Securities shall not transfer the Securities acquired in response to the relevant Solicitation of Offers to Acquire to persons other than Professional Investors, etc.; and
 - (ii) that, in the following cases, the relevant person who wishes to acquire the

Securities may transfer the Securities acquired in response to the relevant Solicitation of Offers to Acquire to persons other than Professional Investors, etc.:

- (a) cases where the relevant person transfers Share Certificates, etc.
(meaning the Share Certificates, etc. as defined in Article 27-2, paragraph (1) of the Act; the same shall apply in Article 13-5, paragraph (1), item (ii)) to the Tender Offeror (meaning the Tender Offeror as defined in Article 27-3, paragraph (2) of the Act; the same shall apply in that item) in response to a Tender Offer (meaning a Tender Offer as prescribed in Article 27-2, paragraph (6) of the Act; the same shall apply in that item);
 - (b) cases where the relevant person transfers the Securities set forth in Article 2-12-4, paragraph (2), item (iv), sub-items (a) to (d) inclusive of the Cabinet Order to the Officer(s), etc. referred to in that item;
 - (c) cases where the relevant person transfers the Securities to the Issuer of the relevant Securities or the Officer (meaning directors, company auditors, executive officers, board members, auditors, or persons equivalent thereto) thereof, who holds shares or equity pertaining to voting rights exceeding 50 percent of the Voting Rights Held by All the Shareholders of said Issuer under his/her own name or another person's name (hereinafter such Officer shall be referred to as the "Specified Officer" in this Article and Article 13-5, paragraph (1), item (ii), sub-item (c)), or to the Controlled Juridical Person, etc. (excluding the relevant Issuer; hereinafter the same shall apply in this Article and Article 13-5, paragraph (1), item (ii), sub-item (c)) of the relevant Specified Officer; and
 - (d) cases where the relevant person transfers the Securities to a company that holds shares or equity pertaining to voting rights exceeding 50 percent of the Voting Rights Held by All the Shareholders, etc. of the Issuer of the relevant Securities in its own name or another person's name.
- (2) In cases where a Specified Officer and the Controlled Juridical Person, etc. thereof jointly hold shares or equity pertaining to voting rights exceeding 50 percent of the Voting Rights Held by All the Shareholders, etc. of another Juridical Person, etc. (meaning a juridical person or any other type of organization; hereinafter the same shall apply in this Article) in their own name or another person's name, the provisions of item (ii), sub-item (c) of the preceding paragraph and this paragraph shall apply by deeming said other Juridical Person, etc. to be the Controlled Juridical Person, etc. of said Specified Officer.
- (3) The Controlled Juridical Person, etc. as referred to in paragraph (1), item (ii), sub-item (c) and the preceding paragraph means, in cases where a Specified Officer holds shares or equity pertaining to voting rights exceeding 50 percent of the Voting Rights Held by All the Shareholders, etc. of another Juridical

Person, etc. in his/her own name or another person's name, said other Juridical Person, etc.

- (4) The voting rights as in the cases referred to in paragraph (1), item (ii), sub-items (c) and (d), paragraph (2) (including the cases where it is applied mutatis mutandis pursuant to Article 13-5, paragraph (2)) and the preceding paragraph (including the cases where it is applied mutatis mutandis pursuant to paragraph (2) of that Article) shall include voting rights pertaining to shares or equity which may not be duly asserted against the Issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Corporate Bonds, etc. Transfer Act (including the cases where these provisions are applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1) and Article 276 (limited to the part pertaining to item (ii)) of the Corporate Bonds, etc. Transfer Act).

(Restrictions, etc. on the Transfer of Securities in the Exclusive Solicitation of Professional Investors for Offers to Acquire)

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

- (i) corporate bond certificates, and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities set forth in items (i) to (v) inclusive of that paragraph (excluding corporate bond certificates with share options, etc. and the Securities set forth in item (xvii) of that paragraph which have the nature of the corporate bond certificates with share options, etc.), the Securities set forth in item (xv) of that paragraph (including the Securities set forth in item (xvii) of that paragraph which have the nature of the Securities set forth in item (xv) of that paragraph), Beneficiary Certificates of an Investment Trust or Foreign Investment Trust, Beneficiary Certificates of a Special Purpose Trust (including the Securities set forth in item (xvii) of that paragraph which have the nature of the Beneficiary Certificates of a Special Purpose Trust), School Bonds, Mortgage Securities (including the Securities set forth in item (xvii) of that paragraph which have the nature of Mortgage Securities), and Beneficiary Certificates of a Trust That Issues Beneficiary Certificates (including the Securities set forth in item (xvii) of that paragraph which have the nature of Beneficiary Certificates of a Trust That Issues Beneficiary Certificates, and excluding those listed in the following item): all of the following requirements:
- (a) that the Same Class of Securities as the relevant Securities (the first-mentioned Securities mean those of which the Issuer, and the matters

- specified in the items of Article 10-2, paragraph (1) according to the category of Securities set forth in the respective items are the same as the relevant Securities; the same shall apply hereinafter) do not fall under any of the Securities set forth in the items of Article 24, paragraph (1) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 27 of the Act; hereinafter the same shall apply in this Article and Article 13-6); and
- (b) that the Solicitation of Offers to Acquire includes, as a condition of the acquisition, the conclusion of a contract on transfer specifying the matters provided in paragraph (1) of the preceding Article between the Issuer of the relevant Securities and the person who wishes to acquire said Securities in response to the Solicitation of Offers to Acquire them (hereinafter referred to as the "Acquirer" in this item), and between the person who is carrying out the Solicitation of Offers to Acquire said Securities and the relevant Acquirer;
 - (ii) Beneficiary Certificates of Securities in Trust: that the relevant Securities fall under the requirements specified in the preceding item and fall under any of the following cases:
 - (a) cases where the Entrusted Securities fall under the Securities set forth in Article 1-5-2, paragraph (2), item (i) of the Cabinet Order, and fall under the case specified in sub-item (a) of that item;
 - (b) cases where the Entrusted Securities fall under the Securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order, and fall under the case specified in sub-item (a) of that item; or
 - (c) cases where the Entrusted Securities are Securities other than the Securities set forth in Article 1-5-2, paragraph (2), items (i) and (ii) of the Cabinet Order, and where the relevant Securities and other Securities of the same class as the relevant Securities do not fall under any of the Securities set forth in the items of Article 24, paragraph (1) of the Act;
 - (iii) the Securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the relevant Securities fall under the requirements set forth in item (i), and fall under any of the following cases:
 - (a) cases where the Securities which are to be the subject of purchase and sale or any other transactions upon the exercise of the Options indicated on the relevant Securities fall under the Securities set forth in Article 1-5-2, paragraph (2), item (i) of the Cabinet Order, and fall under the case set forth in sub-item (a) of that item;
 - (b) cases where the Securities which are to be the subject of purchase and sale or any other transactions upon the exercise of the Options indicated on the relevant Securities fall under the Securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order, and fall under the case set

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

- (b) cases where the Securities to be acquired upon the relevant redemption fall under the Securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order, and fall under the case specified in sub-item (a) of that item;
- (c) cases where the Securities to be acquired upon the relevant redemption are Securities other than the Securities set forth in Article 1-5-2, paragraph (2), items (i) and (ii) of the Cabinet Order, and where the relevant Securities and other Securities of the same class as the relevant Securities do not fall under any of the Securities set forth in the items of Article 24, paragraph (1) of the Act; and
- (vi) the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities set forth in Article 1-5-2, paragraph (2), item (ii) of the Cabinet Order: that the relevant Securities fall under the requirements specified in item (i), and share certificates which are to be acquired, subscribed for, or transferred upon the exercise of the rights indicated on the relevant Securities and other Securities of the same class as said share certificates do not fall under any of the Securities set forth in the items of Article 24, paragraph (1) of the Act.

(Restriction, etc. on the Transfer of Securities to Many Persons in the Solicitation of Offers to Acquire)

Article 13 (1) The methods specified by Cabinet Office Ordinance, as referred to in Article 1-7, item (ii), sub-item (b)4. of the Cabinet Order, shall be methods which satisfy any of the following requirements:

- (i) that a statement to the effect that the relevant Securities are to be subject to a restriction which prohibits a person who has acquired or purchased said Securities from transferring the Securities so acquired or purchased except in the case of the bulk transfer thereof (referred to as a "Restriction on Resale" in this paragraph) is made thereon, and that such Securities are to be delivered to the acquirer thereof;
 - (ii) that a statement to the effect that the relevant Securities carry a Restriction on Resale is made in the document containing the information on said Securities that is delivered to the acquirer of such Securities; or
 - (iii) that measures have been taken to enable the Members to learn that a Restriction on Resale has been imposed on the relevant Securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.
- (2) The requirements specified by Cabinet Office Ordinance referred to in Article 1-7, item (ii), sub-item (b)4. of the Cabinet Order shall be that the relevant case falls under all of the requirements set forth in the following items:
- (i) that all of the following requirements are satisfied:
 - (a) the total number or units of the relevant Securities (including the Newly

- Issued Securities of the Same Class as provided in Article 1-6 of the Cabinet Order which have been issued within six months prior to the day on which the relevant Securities are to be issued (excluding, in cases where the other party to the Solicitation of Offers to Acquire of the relevant Newly Issued Securities of the Same Class is a Qualified Institutional Investor and where said Newly Issued Securities of the Same Class fall under the cases specified in the items of Article 1-4 of the Cabinet Order according to the category of Securities set forth in the respective items, said Newly Issued Securities of the Same Class acquired by the relevant Qualified Institutional Investor) (including the Newly Issued Securities of the Same Class acquired by the relevant Qualified Institutional Investor and transferred to another Qualified Institutional Investor from said Qualified Institutional Investor)) is less than 50; and
- (b) that, except in cases where the relevant Securities cannot be split due to their nature, a restriction prohibiting the splitting of such Securities into units of less than those indicated on said Securities has been imposed on such Securities;
 - (ii) that any of the following requirements is satisfied:
 - (a) that a statement to the effect that the relevant Securities are subject to the restriction set forth in sub-item (b) of the preceding item is made thereupon, and that such Securities are to be delivered to the acquirer thereof;
 - (b) that a statement to the effect that the relevant Securities are subject to a Restriction on Resale is made in the document containing the information on said Securities that is delivered to the acquirer of such Securities; or
 - (c) that measures have been taken to enable the Members to learn that a Restriction on Resale has been imposed on the relevant Securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.
- (3) The requirements specified by Cabinet Office Ordinance as referred to in Article 1-7, item (ii), sub-item (c)3. of the Cabinet Order shall be that the relevant case falls under the requirements set forth in the following items:
- (i) that any of the following requirements is satisfied:
 - (a) that a statement to the effect that the relevant Securities are subject to any of the following restrictions (hereinafter referred to as a "Restriction on Resale" in this item) is made thereupon, and that such Securities are delivered to the acquirer thereof:
 1. a restriction which prohibits a person who has acquired or purchased the relevant Securities from transferring the Securities so acquired or purchased except in the case of the bulk transfer thereof; or
 2. in cases where the total number or total number of units of the relevant Securities is less than 50, a restriction prohibiting the splitting of such

Securities due to their nature or prohibiting the splitting of such Securities into units of less than those indicated on said Securities;
and

- (b) that a statement to the effect that the relevant Securities are subject to a Restriction on Resale is made in the document containing the information on said Securities which is delivered to the acquirer of such Securities; or
 - (c) that measures have been taken to enable the Members to learn that a Restriction on Resale has been imposed on the relevant Securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act; and
- (ii) that, in cases of the following Securities, in addition to the requirements set forth in the preceding item, the relevant case falls under the requirements set forth in the following sub-items according to the following category of Securities:
- (a) Beneficiary Certificates of Securities in Trust, and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of Beneficiary Certificates of Securities in Trust: that the relevant case falls under the cases specified in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order according to the category of cases where the relevant Entrusted Securities are the Securities set forth in the items of Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order;
 - (b) the Securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the relevant case falls under any of the following requirements:
 - 1. the requirements specified in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order according to the category of cases where the Underlying Securities are the Securities set forth in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order;
 - 2. that the purchase and sale or other transactions of Securities shall not be conducted upon the exercise of the Options indicated on the relevant Securities;
 - (c) the Securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the relevant case falls under any of the following requirements:
 - 1. the requirements specified in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order according to the cases where the securities or certificates pertaining to the rights indicated on the relevant Securities are the Securities set forth in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c)

- inclusive of the Cabinet Order; and
2. that the purchase and sale or other transactions of Securities shall not be conducted upon the exercise of the rights indicated on the relevant Securities;
- (d) corporate bond certificates and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of corporate bond certificates, with special provisions whereby the relevant corporate bond certificates or Securities shall or may be redeemed through the Securities set forth in Article 1-7, item (ii), sub-item (a) or (b), or Article 1-8-4, item (iii), sub-item (a) or (b) of the Cabinet Order, or sub-item (b) or (c) above (limited to those issued by a person other than the Issuer of the relevant corporate bond certificates) (hereinafter such corporate bond certificates shall be referred to as the "Convertible Bond Certificates" in this sub-item (d)): that the relevant corporate bond certificates satisfy any of the following requirements according to the cases where the Securities to be acquired upon the relevant redemption (hereinafter referred to as the "Securities Acquired Upon Redemption" in this sub-item (d)) are the Securities set forth respectively below:
1. the Securities set forth in Article 1-7, item (ii), sub-item (a) or Article 1-8-4, item (iii), sub-item (a) of the Cabinet Order: the requirements specified in Article 1-7, item (ii), sub-item (a) or Article 1-8-4, item (iii), sub-item (a) of the Cabinet Order (in cases where the relevant Securities Acquired Upon Redemption are not Securities to be newly issued and the Issuer of said Securities Acquired Upon Redemption is not the Parent Company or Subsidiary Company of the Issuer of the relevant Convertible Bond Certificates, excluding the requirements set forth in Article 1-7, item (ii), sub-item (a)1. or Article 1-8-4, item (iii), sub-item (a)1. of the Cabinet Order);
 2. the Securities set forth in Article 1-7, item (ii), sub-item (b) or Article 1-8-4, item (iii), sub-item (b) of the Cabinet Order: the cases specified in Article 1-7, item (ii), sub-item (b) or Article 1-8-4, item (iii), sub-item (b) of the Cabinet Order (in cases where the relevant Securities Acquired Upon Redemption are not Securities to be newly issued and the Issuer of said Securities Acquired Upon Redemption is not the Parent Company or Subsidiary Company of the Issuer of the relevant Convertible Bond Certificates, excluding the requirements set forth in Article 1-7, item (ii), sub-item (b)2. or Article 1-8-4, item (iii), sub-item (b)2. of the Cabinet Order);
 3. the Securities set forth in sub-item (b): the requirements specified in sub-item (b); and
 4. the Securities set forth in sub-item (c): the requirements specified in

sub-item (c).

(4) A person who delivers a document as prescribed in paragraph (1), item (ii), paragraph (2), item (ii), sub-item (b), or item (i), sub-item (b) of the preceding paragraph (hereinafter referred to as the "Deliverer" in this Article) may, in lieu of the delivery of the document as prescribed in paragraph (1), item (ii), paragraph (2), item (ii), sub-item (b), or item (i), sub-item (b) of the preceding paragraph, provide information that should be included in said document (hereinafter referred to as "Information on a Restriction on Resale" in this Article) by a method using an Electronic Data Processing System or a method using other information communications technology, as listed in the following items (hereinafter referred to as "Electromagnetic Means" in this Article) by gaining the consent of a person who is to receive said document (hereinafter referred to as the "Recipient" in this Article), pursuant to the provisions of paragraph (7). In this case, the Deliverer shall be deemed to have delivered said document:

(i) a method that uses an Electronic Data Processing System and that is listed in sub-item (a) or (b):

(a) a method whereby Information on the Restriction on Resale is transmitted through the telecommunications line that connects the computer used by the Deliverer and the computer used by the Recipient, and is recorded in a file stored on the computer used by the Recipient; or

(b) a method whereby the Information on the Restriction on Resale, which has been recorded in a file stored on the computer used by the Deliverer, is offered to the Recipient for inspection through the telecommunications line, and is recorded in a file stored on the computer used by the Recipient;

(ii) a method whereby the Information on the Restriction on Resale recorded in a file on a magnetic disk, a CD-ROM or any other equivalent medium which is able to accurately record specific information is delivered.

(5) The methods referred to in the items of the preceding paragraph shall be ones that allow the Recipient to create a document by outputting the contents recorded in the file.

(6) The term "Electronic Data Processing System" as used in paragraph (4) means an electronic data processing system wherein the computer used by the Deliverer is connected, by way of a telecommunications line, to the computer used by the Recipient.

(7) Before a Deliverer attempts to provide Information on a Restriction on Resale pursuant to the provisions of paragraph (4), he/she shall indicate the types and contents of the Electromagnetic Means listed in the following items to be used to said Recipient and obtain prior consent from said Recipient by Electromagnetic Means, telephone, or by any other means:

(i) the method to be used by the Deliverer, among those set forth in the items of

- paragraph (4); and
- (ii) the format of the information recorded into the file.
- (8) In cases where the Recipient has given notice by Electromagnetic Means, telephone, or by any other means to the effect that he/she refuses to receive information by Electromagnetic Means, the Deliverer who had obtained consent under the preceding paragraph shall not provide the Information on the Restriction on Resale to said Recipient by Electromagnetic Means; provided, however, that this shall not apply to cases where said Recipient has since given his/her consent again under that paragraph.

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

Article 13-2 The acts specified by Cabinet Office Ordinance as referred to in Article 2, paragraph (4) of the Act shall be those set forth in the following items:

- (i) the giving of notice under the provisions of Article 67-19 of the Act, and the provision of information on the relevant Securities made as the performance of obligations under laws and regulations; and
- (ii) the provision of information on the relevant Securities to the Authorized Financial Instruments Firms Association (meaning the Authorized Financial Instruments Firms Association as provided in Article 1-7-3, item (vi) of the Order; the same shall apply in paragraph (1), item (iv) of the following Article and Article 13-7, paragraph (10)), other associations that have Financial Instruments Specialists, etc. as members and other organizations, based on the regulations of the relevant association or other organization.

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

Article 13-3 (1) The matters specified by Cabinet Office Ordinance, referred to in Article 1-7-3, item (vi) of the Cabinet Order, shall be the following matters related to Foreign Securities With No Restrictions on Transfer (meaning the Foreign Securities With No Restrictions on Transfer as prescribed in item (v) of that Article; hereinafter the same shall apply in this paragraph and Article 13-7, paragraphs (9) and (10)):

- (i) the name and location of the head office of the Issuer;
- (ii) the issues;
- (iii) the matters specified in the items of Article 10-2, paragraph (1) according to the category of Securities in cases where the relevant Foreign Securities With No Restrictions on Transfer fall under the Securities set forth in said items; and
- (iv) the matters specified by the Authorized Financial Instruments Firms

Association as the matters necessary for identifying the relevant Foreign Securities With No Restrictions on Transfer (excluding the matters set forth in the preceding three items).

(2) The Securities specified by Cabinet Office Ordinance as referred to in Article 1-7-3, item (ix) of the Cabinet Order shall be the Securities set forth in the following items:

- (i) the Securities set forth in Article 2, paragraph (1), items (i) to (iv) inclusive of the Act, the Securities set forth in item (v) of that paragraph (excluding corporate bond certificates with share options), the Securities set forth in item (xi) of that paragraph (excluding Investment Corporate Bond Certificates and Foreign Investment Securities similar to Investment Corporate Bond Certificates), and the Securities set forth in item (xv) of that paragraph;
- (ii) the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities set forth in the preceding item;
- (iii) the Securities set forth in Article 2, paragraph (1), item (xviii) of the Act; and
- (iv) negotiable certificates of deposit as referred to in Article 1, item (i) of the Cabinet Order.

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

Article 13-4 (1) The method specified by Cabinet Office Ordinance as referred to in Article 1-7-4, item (ii), sub-item (d) of the Cabinet Order shall be one that satisfies any of the following requirements:

- (i) that a statement to the effect that the relevant Securities are subject to a restriction which prohibits any transfer except in the case of the transfer thereof to a Qualified Institutional Investor (hereinafter referred to as a "Restriction on Resale" in this Article) is made thereon, and that such Securities are to be delivered to the acquirer thereof;
 - (ii) that a statement to the effect that the relevant Securities are subject to a Restriction on Resale is made in the document containing the information on said Securities which is to be delivered to the acquirer of such Securities; or
 - (iii) that measures have been taken to enable the Members to learn that a Restriction on Resale has been imposed on the relevant Securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.
- (2) The requirements specified by Cabinet Office Ordinance as referred to in Article 1-7-4, item (iii), sub-item (c) of the Cabinet Order shall be that the relevant case falls under any of the following requirements:
- (i) that the relevant case falls under any of the following requirements:
 - (a) that a statement to the effect that the relevant Securities are subject to a

- Restriction on Resale is recorded thereupon, and that such Securities are delivered to the acquirer thereof;
- (b) that a statement to the effect that the relevant Securities are subject to a Restriction on Resale is made in the document containing the information on said Securities which is delivered to the acquirer of such Securities; or
 - (c) that measures have been taken to enable the Members to learn that a Restriction on Resale has been imposed on the relevant Securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act; and
- (ii) that, in the case of the following Securities, in addition to the requirements set forth in the preceding item, the relevant case falls under the requirements set forth in the following sub-items according to the relevant category of Securities:
- (a) Beneficiary Certificates of Securities in Trust, and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of Beneficiary Certificates of Securities in Trust: that the relevant case falls under the cases specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the category of cases whereby the relevant Entrusted Securities are the Securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order;
 - (b) the Securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the relevant case falls under any of the following cases:
 - 1. the cases specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the category of cases where the Underlying Securities are the Securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order;
 - 2. cases where the purchase and sale or other transactions of Securities are not to be conducted upon the exercise of the Options indicated on the relevant Securities;
 - (c) the Securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the relevant case falls under any of the following requirements:
 - 1. the cases specified in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order according to the cases where the securities or certificates pertaining to the rights indicated on the relevant Securities are the Securities set forth in the items of Article 1-4 or the items of Article 1-7-4 of the Cabinet Order; and
 - 2. cases where the purchase and sale or other transactions of Securities are not to be conducted upon the exercise of the rights indicated on the relevant Securities;
 - (d) corporate bond certificates and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of corporate bond certificates, with special provisions whereby the relevant corporate

bond certificates or Securities shall or may be redeemed through the Securities set forth in Article 1-4, item (i) or (ii), or Article 1-7-4, item (i) or (ii) of the Cabinet Order, or sub-item (b) or (c) above (limited to those issued by a person other than the issuer of the relevant corporate bond certificates) (hereinafter such corporate bond certificates shall be referred to as the "Convertible Bond Certificates" in this sub-item (d)): that the relevant corporate bond certificates fall under any of the following cases according the cases where the Securities to be acquired upon the relevant redemption (hereinafter referred to as the "Securities Acquired Upon Redemption" in this sub-item (d)) are the Securities set forth below, respectively:

1. the Securities set forth in Article 1-4, item (i) or Article 1-7-4, item (i) of the Cabinet Order: the cases specified in Article 1-4, item (i) of the Cabinet Order (in cases where the relevant Securities Acquired Upon Redemption are not Securities to be newly issued and the Issuer of said Securities Acquired Upon Redemption is not the Parent Company or Subsidiary Company of the Issuer of the relevant Convertible Bond Certificates (hereinafter such case shall be referred to as the "Case of Already Issued Securities Upon Through Redemption" in 1. and 2. below), excluding the requirements set forth in Article 1-4, item (i), sub-item (a) of the Cabinet Order), or the cases specified in Article 1-7-4, item (i) of the Cabinet Order (in the Case of Already Issued Securities Acquired Upon Redemption, excluding the requirements set forth in sub-item (a) of that item);
 2. the Securities set forth in Article 1-4, item (ii) or Article 1-7-4, item (ii) of the Cabinet Order: the cases specified in Article 1-4, item (ii) of the Cabinet Order (in the Case of Already Issued Securities Acquired Upon Redemption, excluding the requirements set forth in sub-item (b) of that item), or the cases specified in Article 1-7-4, item (ii) of the Cabinet Order (in the Case of Already Issued Securities Acquired Upon Redemption, excluding the requirements set forth in sub-item (b) of that item);
 3. the Securities set forth in sub-item (b): cases where the relevant Securities fall under the requirements specified in sub-item (b); and
 4. the Securities set forth in sub-item (c): cases where the relevant Securities fall under the requirements specified in sub-item (c).
- (3) A person who delivers a document as prescribed in paragraph (1), item (ii), or item (i), sub-item (b) of the preceding paragraph (hereinafter referred to as a "Deliverer" in this Article) may, in lieu of the delivery of a document as prescribed in paragraph (1), item (ii), or item (i), sub-item (b) of the preceding paragraph, provide information that should be included in said document

(hereinafter referred to as "Information on the Restriction on Resale" in this Article) by a method that uses an Electronic Data Processing System or a method that uses other information and communications technology, as listed in the following items (hereinafter referred to as "Electromagnetic Means" in this Article) with the consent of a person who is to receive said document (hereinafter referred to as the "Recipient" in this Article), pursuant to the provisions of paragraph (6). In this case, the Deliverer shall be deemed to have delivered said document:

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

however, that this shall not apply to cases where said Recipient has since given his/her consent again under that paragraph.

(Contents of Contracts on the Transfer of Securities in Connection With Offers to Sell, etc. Exclusively to Professional Investors)

Article 13-5 (1) The matters specified by Cabinet Office Ordinance as referred to in Article 1-8-2, item (i), sub-item (b) and item (ii), sub-item (b) of the Cabinet Order shall be the matters set forth in the following items (for the matters set forth in item (ii), excluding the matters which the parties to the relevant contract have decided not to specify):

(i) that the relevant person who intends to make the purchase will not transfer the Securities purchased in response to the relevant Offers to Sell, etc. to persons other than Professional Investors, etc.; and

(ii) that, in the following cases, the relevant person who intends to make the purchase may transfer the Securities purchased in response to the relevant Offers to Sell, etc. to persons other than Professional Investors, etc.:

(a) cases where the relevant person transfers Share Certificates, etc. to a Tender Offeror in response to a Tender Offer;

(b) cases where the relevant person transfers the Securities set forth in Article 2-12-4, paragraph (2), item (iv), sub-items (a) to (d) inclusive to the Officer, etc. referred to in that item;

(c) cases where the relevant person transfers the Securities to the Issuer of the relevant Securities or the Specified Officer thereof, or the Controlled Juridical Person, etc. of said Specified Officer; and

(d) cases where the relevant person transfers the Securities to a company that holds shares or equity pertaining to voting rights (including voting rights pertaining to shares or equity which may not be duly asserted against the Issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Corporate Bonds, etc. Transfer Act (including the cases where these provisions are applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1) and Article 276 (limited to the part pertaining to items (ii) of the Corporate Bonds, etc. Transfer Act)) exceeding 50 percent of the Voting Rights Held by All the Shareholders, etc. of the Issuer of the relevant Securities in its own name or another person's name.

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

(Restrictions, etc. on Transfer of Securities upon Offers to Sell, etc. Exclusively to Professional Investors)

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

- (i) corporate bond certificates, and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of the Securities set forth in items (i) to (v) inclusive of that paragraph (excluding corporate bond certificates with share options, etc. and the Securities set forth in item (xvii) of that paragraph which have the nature of the corporate bond certificates with share options, etc.), the Securities set forth in item (xv) of that paragraph (including the Securities set forth in item (xvii) of that paragraph which have the nature of the Securities set forth in item (xv) of that paragraph), Beneficiary Certificates of an Investment Trust or Foreign Investment Trust, Beneficiary Certificates of a Special Purpose Trust (including the Securities set forth in item (xvii) of that paragraph which have the nature of the Beneficiary Certificates of a Special Purpose Trust), School Bonds, Mortgage Securities (including the Securities set forth in item (xvii) of that paragraph which have the nature of Mortgage Securities), and Beneficiary Certificates of a Trust That Issues Beneficiary Certificates (including the Securities set forth in item (xvii) of that paragraph which have the nature of Beneficiary Certificates of a Trust That Issues Beneficiary Certificates, and excluding those listed in the following item): all of the following requirements:
 - (a) that the relevant Securities and other Securities of the same class as the relevant Securities do not fall under the category of any of the Securities set forth in the items of Article 24, paragraph (1) of the Act; and
 - (b) that the Offer to Sell, etc. includes, as a condition of the sale, the conclusion of a contract on transfer specifying the matters provided in paragraph (1) of the preceding Article between the person who makes said Offer to Sell, etc. the relevant Securities and the person who intends to purchase said Securities in response to said Offer to Sell, etc.
- (ii) Beneficiary Certificates of Securities in Trust: that the relevant Securities fall under the requirements specified in the preceding item, and fall under any of the following cases:
 - (a) cases where the Entrusted Securities fall under the Securities set forth in Article 1-8-2, item (i) of the Cabinet Order, and fall under the case specified in sub-item (a) of that item;
 - (b) cases where the Entrusted Securities fall under the Securities set forth in Article 1-8-2, item (ii) of the Cabinet Order, and fall under the case specified in sub-item (a) of that item; or
 - (c) cases where the Entrusted Securities are Securities other than the

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

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

(Restriction, etc. on the Transfer of Securities to Many Persons in an Offer to Sell, etc.)

Article 13-7 (1) The methods specified by Cabinet Office Ordinance, as referred to in Article 1-8-4, item (iii), sub-item (b)4. of the Cabinet Order, shall be the methods which satisfy any of the following requirements:

- (i) that a statement to the effect that the relevant Securities are subject to a restriction which prohibits a person who has acquired or purchased said Securities from transferring the Securities so acquired or purchased except in the case of the bulk transfer thereof (referred to as a "Restriction on

Resale" in this paragraph) is made thereupon, and that such Securities are to be delivered to the acquirer thereof;

- (ii) that a statement to the effect that the relevant Securities are subject to a Restriction on Resale is made in the document containing the information on said Securities which is delivered to the acquirer of such Securities; or
- (iii) that measures have been taken to enable the Members to learn that a Restriction on Resale has been imposed on the relevant Securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.

(2) The requirements specified by Cabinet Office Ordinance as referred to in Article 1-8-4, item (iii), sub-item (b)4. of the Cabinet Order shall be that the relevant case falls under all of the requirements set forth in the following items:

- (i) that the relevant case falls under all of the following requirements:
 - (a) the total number or units of the relevant Securities (including the Newly Issued Securities of the Same Class as provided in Article 1-8-3 of the Cabinet Order which have been issued within six months prior to the day on which the relevant Securities are to be issued (excluding, in cases where the other party to the Offer to Sell, etc. the relevant Newly Issued Securities of the Same Class is a Qualified Institutional Investor and where said Newly Issued Securities of the Same Class fall under the cases specified in the items of Article 1-7-4 of the Cabinet Order, said Newly Issued Securities of the Same Class acquired by the relevant Qualified Institutional Investor) (including the Newly Issued Securities of the Same Class acquired by the relevant Qualified Institutional Investor and transferred to another Qualified Institutional Investor from said Qualified Institutional Investor)) is less than 50; and
 - (b) that, except in cases where the relevant Securities cannot be split due to their nature, a restriction prohibiting the split of such Securities into units of less than those indicated on said Securities has been attached to such Securities;
- (ii) that the relevant case falls under any of the following requirements:
 - (a) that a statement to the effect that the relevant Securities are subject to the restriction set forth in sub-item (b) of the preceding item is made thereupon, and that such Securities are to be delivered to the acquirer thereof;
 - (b) that a statement to the effect that the relevant Securities are subject to the restriction set forth in sub-item (b) of the preceding item is made in the document containing the information on said Securities which is delivered to the acquirer of such Securities; or
 - (c) that measures have been taken to enable the Members to learn that a Restriction on Resale has been imposed on the relevant Securities

- pursuant to the provisions of the Corporate Bonds, etc. Transfer Act.
- (3) The requirements specified by Cabinet Office Ordinance as referred to in Article 1-8-4, item (iii), sub-item (c)3. of the Cabinet Order shall be that the relevant case falls under any of the requirements set forth in the following items:
- (i) that the relevant case falls under any of the following requirements:
 - (a) that a statement to the effect that the relevant Securities are subject to any of the following restrictions (hereinafter referred to as the "Restriction on Resale" in this item) is made thereon, and such Securities are to be delivered to the acquirer thereof:
 1. a restriction which prohibits a person who has acquired or purchased the relevant Securities from transferring the Securities so acquired or purchased except in the case of the bulk transfer thereof; or
 2. in cases where the total number or total number of units of the relevant Securities is less than 50, a restriction prohibiting the split of such Securities due to their nature or prohibiting the split of such Securities into units of less than those indicated on said Securities; and
 - (b) that a statement to the effect that the relevant Securities are subject to a Restriction on Resale is made in the document containing the information on said Securities which is delivered to the acquirer of such Securities; or
 - (c) that measures have been taken to enable the Members to learn that a Restriction on Resale has been imposed on the relevant Securities pursuant to the provisions of the Corporate Bonds, etc. Transfer Act; and
 - (ii) that, in cases of the following Securities, in addition to the requirements set forth in the preceding item, the relevant case falls under the requirements set forth in the following sub-items according to the following category of Securities:
 - (a) Beneficiary Certificates of Securities in Trust, and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of Beneficiary Certificates of Securities in Trust: that the relevant case falls under the cases specified in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order according to the category of cases where said Entrusted Securities are the Securities set forth in the items of Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order;
 - (b) the Securities set forth in Article 2, paragraph (1), item (xix) of the Act: that the relevant case falls under any of the following requirements:
 1. the requirements specified in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order according to the category of cases where the Underlying

- Securities are the Securities set forth in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order; or
2. that the purchase and sale or other transaction of Securities is not to be conducted upon the exercise of the Options indicated on the relevant Securities;
- (c) the Securities set forth in Article 2, paragraph (1), item (xx) of the Act: that the relevant case falls under any of the following requirements:
1. the requirements specified in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order according to the cases where the securities or certificates pertaining to the rights indicated on the relevant Securities are the Securities set forth in Article 1-7, item (ii), sub-items (a) to (c) inclusive or Article 1-8-4, item (iii), sub-items (a) to (c) inclusive of the Cabinet Order; or
 2. that the purchase and sale or other transaction of Securities is not to be conducted upon the exercise of the rights indicated on the relevant Securities;
- (d) corporate bond certificates and the Securities set forth in Article 2, paragraph (1), item (xvii) of the Act which have the nature of corporate bond certificates, with special provisions whereby the relevant corporate bond certificates or Securities shall or may be redeemed through the Securities set forth in Article 1-7, item (ii), sub-item (a) or (b), or Article 1-8-4, item (iii), sub-item (a) or (b) of the Cabinet Order, or sub-item (b) or (c) above (limited to those issued by a person other than the issuer of the relevant corporate bond certificates) (hereinafter such corporate bond certificates shall be referred to as the "Convertible Bond Certificates" in this sub-item (d)): that the relevant corporate bond certificates fall under any of the following cases according to the cases where the Securities to be acquired upon the relevant redemption (hereinafter referred to as the "Securities Acquired Upon Redemption" in this sub-item (d)) are the Securities set forth respectively below:
1. the Securities set forth in Article 1-7, item (ii), sub-item (a) or Article 1-8-4, item (iii), sub-item (a) of the Cabinet Order: the cases specified in Article 1-7, item (ii), sub-item (a) or Article 1-8-4, item (iii), sub-item (a) of the Cabinet Order (in cases where the relevant Securities Acquired Upon Redemption are not Securities to be newly issued and the Issuer of said Securities Acquired Upon Redemption is not the Parent Company or Subsidiary Company of the Issuer of the relevant Convertible Bond Certificates, excluding the requirements set forth in Article 1-7, item (ii), sub-item (a)1. or Article 1-8-4, item (iii), sub-item

- (a)1. of the Cabinet Order);
 2. the Securities set forth in Article 1-7, item (ii), sub-item (b) or Article 1-8-4, item (iii), sub-item (b) of the Cabinet Order: the cases specified in Article 1-7, item (ii), sub-item (b) or Article 1-8-4, item (iii), sub-item (b) of the Cabinet Order (in cases where the relevant Securities Acquired Upon Redemption are not Securities to be newly issued and the Issuer of said Securities Acquired Upon Redemption is not the Parent Company or Subsidiary Company of the Issuer of the relevant Convertible Bond Certificates, excluding the requirements set forth in Article 1-7, item (ii), sub-item (b)2. or Article 1-8-4, item (iii), sub-item (b)2. of the Cabinet Order);
 3. the Securities set forth in sub-item (b): the requirements specified in sub-item (b); and
 4. the Securities set forth in sub-item (c): the requirements specified in sub-item (c).
- (4) A person who delivers a document as prescribed in paragraph (1), item (ii), paragraph (2), item (ii), sub-item (b), or item (i), sub-item (b) of the preceding paragraph (hereinafter referred to as the "Deliverer" in this Article) may, in lieu of the delivery of the document as prescribed in paragraph (1), item (ii), paragraph (2), item (ii), sub-item (b), or item (i), sub-item (b) of the preceding paragraph, provide information that should be included in said document (hereinafter referred to as "Information on the Restriction on Resale" in this Article) by a method that uses an Electronic Data Processing System or a method that uses other information communications technology, as listed in the following items (hereinafter referred to as "Electromagnetic Means" in this Article) by gaining the consent of a person who is to receive said document (hereinafter referred to as the "Recipient" in this Article), pursuant to the provisions of paragraph (7). In this case, the Deliverer shall be deemed to have delivered said document:
- (i) a method that uses an Electronic Data Processing System, and which is listed in sub-item (a) or (b):
 - (a) a method whereby Information on the Restriction on Resale is transmitted through the telecommunications line that connects the computer used by the Deliverer and the computer used by the Recipient, and is recorded in a file stored on the computer used by the Recipient; or
 - (b) a method whereby the Information on the Restriction on Resale, which is recorded in a file stored on the computer used by the Deliverer, is offered to the Recipient for inspection through the telecommunications line, and is recorded in a file stored on the computer used by the Recipient; or
 - (ii) a method whereby the Information on the Restriction on Resale recorded in a file on a magnetic disk, a CD-ROM or any other equivalent medium which

- is able to accurately record specific information is delivered.
- (5) The methods referred to in the items of the preceding paragraph shall be methods which allow the Recipient to create a document by outputting the contents recorded in the file.
 - (6) The term "Electronic Data Processing System" as used in paragraph (4) means an electronic data processing system wherein the computer used by the Deliverer is connected, by way of a telecommunications line, to the computer used by the Recipient.
 - (7) Before a Deliverer attempts to provide the Information on the Restriction on Resale pursuant to the provisions of paragraph (4), he/she shall indicate the types and contents of the Electromagnetic Means listed in the following items that are to be used, to the Recipient and shall obtain consent therefrom by Electromagnetic Means, telephone or by any other means:
 - (i) the method to be used by the Deliverer, from among those prescribed in the items of paragraph (4); and
 - (ii) the format of information recorded in the file.
 - (8) In cases where the Recipient has given notice by Electromagnetic Means, telephone, or by any other means to the effect that he/she refuses to receive information by Electromagnetic Means, a Deliverer who had obtained consent under the preceding paragraph shall not provide the Information on the Restriction on Resale to said Recipient by Electromagnetic Means; provided, however, that this shall not apply to cases where said Recipient has since given his/her consent again under that paragraph.
 - (9) The numbers calculated pursuant to the provisions of a Cabinet Office Ordinance as referred to in Article 1-8-4, item (iv), sub-item (a) of the Cabinet Order shall be the number of persons who have acquired the relevant Foreign Securities With No Restriction on Transfer through the relevant Offers to Sell, etc. and who actually holds such Foreign Securities.
 - (10) The matters specified by Cabinet Office Ordinance as referred to in Article 1-8-4, item (iv), sub-item (a) of the Cabinet Order shall be the following matters related to Foreign Securities With No Restriction on Transfer:
 - (i) the name and location of the head office of the Issuer;
 - (ii) the matters specified in the items of Article 10-2, paragraph (1) according to the category of Securities in cases where the relevant Foreign Securities With No Restriction on Transfer fall under the Securities set forth in said items; and
 - (iii) the matters specified by the Authorized Financial Instruments Firms Association as the matters necessary for identifying the relevant Foreign Securities With No Restriction on Transfer (excluding the matters set forth in the preceding two items).

(Issuance of Rights)

Article 14 (1) The Securities specified by Cabinet Office Ordinance, referred to in Article 2, paragraph (5) of the Act, shall be the Beneficiary Certificates of a Special Purpose Trust, the Beneficiary Certificates of a Trust That Issues Beneficiary Certificates and Mortgage Securities; the Securities which are listed in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of the Beneficiary Certificates of a Special Purpose Trust, the Beneficiary Certificates of a Trust That Issues Beneficiary Certificates and Mortgage Securities; and the Securities listed in item (xx) of that paragraph.

(2) A person to be specified by Cabinet Office Ordinance who issues or intends to issue the Securities as referred to in Article 2, paragraph (5) of the Act shall be those prescribed in the following items according to the categories of Securities listed in the respective items:

(i) the Beneficiary Certificates of a Special Purpose Trust, and the Securities which are listed in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of the Beneficiary Certificates of a Special Purpose Trust: the Originator and trustee of the trust pertaining to said Securities;

(ii) the Beneficiary Certificates of a Trust That Issues Beneficiary Certificates (excluding that listed in the following item), and the Securities which are listed in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of the Beneficiary Certificates of a Trust That Issues Beneficiary Certificates: the persons listed in the following sub-items according to the categories of cases listed in the respective items:

(a) cases where the management or disposition of trust property may be conducted only based on instructions from the settlor or from the person entrusted thereby with the authority to give instructions alone (limited to the cases where said person is not any of those listed in the items of Article 2 of the Order for Enforcement of the Trust Business Act (Cabinet Order No. 427 of 2004); the same shall apply in paragraph (3), item (i), sub-item (a)): the settlor of the trust pertaining to said Securities;

(b) cases other than that listed in sub-item (a) (limited to cases where a beneficiary at the time when the terms of trust pertaining to said Securities become effective is the settlor, and where money is the trust property): the trustee of the trust pertaining to said Securities; and

(c) cases other than those listed in sub-items (a) and (b): the settlor and the trustee of the trust pertaining to said Securities.

(iii) Beneficiary Certificates of Securities in Trust: the person who issues, or intends to issue, the Entrusted Securities pertaining to said Securities;

(iv) Mortgage Securities, and the Securities which are listed in Article 2, paragraph (1), item (xvii) of the Act and which have the nature of Mortgage Securities: the person to whom said Securities were delivered through the

- procedures prescribed in Article 11 of the Mortgage Securities Act or any other procedures equivalent thereto;
- (v) the Securities listed in Article 2, paragraph (1), item (xx) of the Act: the person who issues, or intends to issue, the Securities pertaining to the rights indicated on said Securities.
- (3) The person to be specified by Cabinet Office Ordinance for each kind of right, prescribed in Article 2, paragraph (5) of the Act, for whom the rights are deemed to be issued as Securities at the time specified by Cabinet Office Ordinance shall be those prescribed in the following items according to the categories of rights listed in the respective items:
- (i) the rights listed in Article 2, paragraph (2), item (i) and (ii) of the Act: the persons prescribed in the following sub-items, according to the categories of cases listed in the respective sub-items:
- (a) cases where the management or disposition of trust property may be conducted based on instructions from the settlor or from the person entrusted thereby with the authority to give instructions alone: the settlor of the trust pertaining to said right;
- (b) cases other than that listed in sub-item (a) (limited to cases where a beneficiary at the time when the terms of trust pertaining to said rights become effective is the settlor, and where money is the trust property): the trustee of the trust pertaining to said right; or
- (c) cases other than those listed in sub-items (a) and (b): the settlor and the trustee of the trust pertaining to said rights;
- (ii) the rights listed in Article 2, paragraph (2), item (iii) of the Act: the member who manage the business activities;
- (iii) the rights listed in Article 2, paragraph (2), item (iv) of the Act: the person who manage the business activities;
- (iv) the rights listed in Article 2, paragraph (2), item (v) of the Act: the persons prescribed in the following sub-items, according to the categories of rights listed in the respective sub-items:
- (a) rights under a Partnership Contract: the partner who has been delegated to manage the business activities of the partnership formed under said Partnership Contract;
- (b) rights under a Silent Partnership Contract: the proprietor under said Silent Partnership Contract;
- (c) rights under a Limited Partnership Agreement for Investment: the unlimited liability partner of a partnership formed under said Limited Partnership Agreement for Investment;
- (d) rights under a Limited Liability Partnership Agreement: the partner who participates in management decisions regarding the important business activities of the partnership formed under said Limited Liability

- Partnership Agreement, and manages said business activities by himself/herself;
- (e) rights which are listed in Article 2, paragraph (2), item (v) of the Act except for those listed in sub-items (a) to (d) inclusive: the person who participates in management decisions regarding the important business activities of the Business Subject to Investment, and manages said business activities by himself/herself (or, in cases where there is any person similar to an unlimited liability partner, the person similar to an unlimited liability partner);
 - (v) rights listed in Article 2, paragraph (2), item (vi) of the Act: a person similar to one prescribed in sub-items (a) to (e) inclusive of the preceding item, according to the categories of rights similar to those listed in sub-items (a) to (e) inclusive of that item; and
 - (vi) a claim pertaining to a loan against an Incorporated Educational Institution, etc. prescribed in Article 1-3-4 of the Cabinet Order: said Incorporated Educational Institution, etc.
- (4) The time specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (5) of the Act, shall be the time prescribed in the following items, according to the categories of rights listed in the respective items:
- (i) the rights listed in Article 2, paragraph (2), item (i) and (ii) of the Act: the time prescribed in the following sub-items, according to the categories of the cases listed in the respective sub-items:
 - (a) cases where the beneficiary at the time when the terms of trust pertaining to said right become effective is the settlor (excluding Securities pertaining to a trust for which a trust agreement is concluded under a single trust contract, and the management or disposition of trust property pertaining to said trust agreement is jointly carried out with the management or disposition of trust properties pertaining to a trust agreement between the trustee and other settlors concluded under said trust contract): the time when the settlor of the trust pertaining to said rights transfers said rights (excluding the rights transferred to the settlor);
 - (b) cases other than that listed in sub-item (a): the time when the trust pertaining to said right becomes effective;
 - (ii) the rights listed in Article 2, paragraph (2), item (iii) and (iv) of the Act: the time when the person who wishes to become a member pertaining to said rights becomes a member, and the time when the admission of the member pertaining to said rights becomes effective;
 - (iii) the rights listed in Article 2, paragraph (2), item (v) and (vi) of the Act: the time prescribed in the following sub-items, according to the categories of rights listed in the respective sub-items:
 - (a) the rights listed in sub-items (a) to (e) inclusive of item (iv) of the

- preceding paragraph, or the rights which are listed in item (v) of that paragraph and which are similar to those listed in sub-items (a) to (e) inclusive of item (iv) of that paragraph: the time when the contract pertaining to said rights becomes effective; or
- (b) the rights which are listed in item (v) of the preceding paragraph and which pertain to an investment or a contribution to a juridical person: the time prescribed in the preceding item; and
- (iv) claims pertaining to a loan against an Incorporated Educational Institution, etc. as prescribed in Article 1-3-4 of the Cabinet Order: the time when said claims accrue.

(Person, etc. Regarded as Having Special Knowledge and Experience)

Article 15 (1) The persons specified by Cabinet Office Ordinance, as referred to in Article 1-8-6, paragraph (1) item (ii), sub-item (a) of the Cabinet Order, shall be those listed in the following items:

- (i) a Financial Instruments Specialist (limited to a person who engages in Type I Financial Instruments Services) or a Registered Financial Instrument Institution;
 - (ii) a person listed in the items of Article 10, paragraph (1) (excluding item (xxv)) (excluding a person listed in the preceding item);
 - (iii) a person equivalent to those listed in the preceding two items under the laws and regulations of a foreign state; and
 - (iv) in addition to those listed in the preceding three items, any person designated by the Commissioner of the Financial Services Agency.
- (2) The amount specified by Cabinet Office Ordinance, referred to in Article 1-8-6, paragraph (1), item (ii), sub-item (b) of the Cabinet Order, shall be one billion yen.

(Acts Excluded from the Scope of Financial Instruments Services)

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

- (i) the sale of any of the rights listed in Article 2, paragraph (2), item (i) or (ii) of the Act, where a contract for said sale has been concluded through the agency or intermediation of a Financial Instruments Specialist, etc. (including a person who is deemed to be a Financial Instruments Specialist pursuant to the provisions of Article 65-5, paragraph (2) and (4) of the Act; the same shall apply in this item), without any solicitation being made thereby (limited to a sale in cases where it is clearly specified in a contract or any other document for the entrustment of business activities pertaining to said agency or intermediation that the person selling the relevant rights

entrusts the entirety of the solicitation to said Financial Instruments Specialist, etc.);

(ii) the acts which are listed in Article 2, paragraph (8), item (ii) or (iii) of the Act or the acts listed in item (iv) of that paragraph (limited to intermediation, brokerage, or agency; hereinafter the same shall apply in this item), and are carried out by a Financial Instruments Specialist (limited to a person who engages in Investment Management) under entrustment from an Affiliated Foreign Investment Specialist (limited to entrustment for the purchase and sale of Securities (excluding those which fall under the category of Derivatives Transactions; the same shall apply hereinafter) or to Derivatives Transactions conducted as an investment (including an instructions for investment; the same shall apply hereinafter) under Investment Management carried out by said Affiliated Foreign Investment Specialist in a foreign state) (with regard to the acts set forth in Article 2, paragraph (8), item (ii) or (iv) of the Act, limited to cases where the other party to the acts listed in item (ii) or (iv) of that paragraph which are conducted under entrustment from the Affiliated Foreign Investment Specialist is a Financial Instruments Specialist, etc.);

(iii) the acts which are listed in Article 2, paragraph (8), item (iv) of the Act (limited to those listed in the following sub-items), and are performed by a person who conducts the purchase and sale of or provides transportation or custody services for goods or acts as an intermediary for the purchase and sale of goods as a part of business and in association with any of those transactions (limited to an act conducted with a Service Provider (meaning a juridical person or any other entity, and an individual person in cases where such transactions are conducted as a business or for the purpose of business) as the counterparty, and whose purpose is to abate any possible losses arising from said transactions due to a fluctuation in the exchange rates pertaining to the assets and liabilities held by said Service Provider);

(a) a purchase and sale transaction wherein the parties thereto promise to pay and receive currencies and the consideration therefor at a fixed time in the future, and, when the resale and repurchase of the currencies subject to said purchase and sale has been made, or when the parties thereto have effected any act to cancel the purchase and sale contract, the settlement of such transaction may be made by paying or receiving the difference;

(b) a transaction wherein the parties thereto have promised that one party thereto will grant the second party the option to effect the purchase and sale of currencies (excluding a transaction listed in sub-item (a)) between them by a unilateral manifestation of the second party's intention alone, and that the second party will pay the consideration for such option, or any other transaction similar thereto;

- (iv) the acts which are listed in Article 2, paragraph (8), item (iv) of the Act, and in which a company required to submit an Annual Securities Report under Article 24, paragraph (1) of the Act (including a company which has submitted said Annual Securities Report pursuant to the provisions of Article 23-3, paragraph (4) of the Act, and limited to a company as prescribed in Article 4-2-7, paragraph (1) of the Cabinet Order) effects any of the transactions listed in sub-item (a) or (b) of the preceding item with a Subsidiary Company (meaning a Subsidiary Company as defined in Article 8, paragraph (3) of the Ordinance on Terminology, Forms, and Preparation Methods of Financial Statements, etc. (Ordinance of the Ministry of Finance No. 59 of 1963); hereinafter the same shall apply in this item), or provides intermediation, brokerage (excluding Brokerage for Clearing of Securities, etc.) or agency for any of those transactions for the Subsidiary Company (limited to an act whose purpose is to abate any possible loss due to a fluctuation in the exchange rates pertaining to the assets and liabilities held by said Subsidiary Company, and excluding an act which falls under any of the acts listed in that item);
- (v) the acts which are listed in Article 2, paragraph (8), item (vi) of the Act, and in which a Financial Instruments Specialist (limited to a juridical person engaged in a Type II Financial Instruments Services and whose amount of stated capital or total amount of contribution is 50 million yen or more; hereinafter the same shall apply in this item) conducts the acts listed in item (i), paragraph (6) of that Article at the time of the public offering or private placement of the rights listed in item (v), paragraph (2) of that Article (limited to the rights under a Silent Partnership Contract (limited to those of which the proprietor is a stock company all of whose issued shares are held by said Financial Instruments Specialist), for which the Business Subject to Investment pertaining to said rights is a business to make goods or articles such as machines available for use);
- (vi) the acts which are listed in Article 2, paragraph (8), item (vi) of the Act, and in which a Financial Instruments Specialist (limited to a juridical person that engages in Type II Financial Instruments Services) carries out an act listed in item (i), paragraph (6) of that Article (limited to an act whose purpose is to cause another proprietor under a Silent Partnership Contract to acquire the rights under said a Silent Partnership Contract) at the time of the private offering of the rights listed in item (v), paragraph (2) of that Article (limited to the rights under a Silent Partnership Contract, in which a Business Subject to Investment pertaining to said rights is a business for making investments in the rights listed in item (i) of that paragraph in relation to a real property);
- (vii) the acts which are listed in Article 2, paragraph (8) item (vi) of the Act,

and in which a trust company or foreign trust company conducts an act listed in item (i), paragraph (6) of that Article at the time of the public offering or private offering of the rights listed in item (i), paragraph (2) of that Article (limited to the case where the trustee of the trust pertaining to said right is said trust company or foreign trust company);

(vii)-2 among the acts listed in Article 2, paragraph (8), item (vi) of the Act, those that fall under all of the following requirements:

(a) that the acquisition of share certificates is made for the purpose of implementing the following purchases:

1. the purchase made by a Subject Employee (meaning an employee of the company which is the Issuer of share certificates or its Controlled Company, etc. (meaning the Controlled Company, etc. as prescribed in Article 6, paragraph (3); hereinafter the same shall apply in this item), or Associated Company (meaning the Associated Company as defined in Article 7, paragraph (2); hereinafter the same shall apply in this item); hereinafter the same shall apply in this item) under the following contracts:
 - i. the contract provided in Article 1-3-3, item (v) of the Cabinet Order (limited to those that satisfy the requirements provided in Article 6, paragraph (2)); and
 - ii. the contract provided in Article 7, paragraph (1), item (i);
2. the purchase made by the employees of the company which is the Issuer of share certificates, or its Controlled Company, etc. or Associated Company under the trust contract with the purpose of investing the trust property as an investment in the relevant share certificates (limited to the trust contracts that satisfy all of the following requirements):
 - i. that the Subject Employee is the settlor;
 - ii. that the Subject Employee gives instructions for the purchase on a continual basis, according to a certain plan, without depending on an individual investment decision;
 - iii. that the trust property is jointly invested with a trust property under a trust contract which has another Subject Employee as the settlor thereof; and
 - iv. that the amount of the contribution made to the trust property by each of the Subject Employees on each occasion shall be less than one million yen;

(b) that the relevant acts are for the implementation of the contract set forth in sub-item (a)1.(i) or (ii), or the trust contract provided in sub-item (a)2.;

(c) that, in cases where the company which is the issuer of share certificates or its Controlled Company, etc. or Associated Company compensates any

- loss which has arisen from the business pertaining to the relevant acts or provides benefits to persons who conduct the relevant acts, such benefits are found to be for the welfare of the Subject Employee as set forth in sub-item (a), in light of the purpose of such benefits, the level of the benefits and other circumstances;
- (d) that the profits which have arisen from the business pertaining to the relevant act belong to the Subject Employee as set forth in sub-item (a), the person who was a Subject Employee, or the heirs of such persons, or other general successors;
 - (e) that the Subject Employee set forth in sub-item (a) or the trust property set forth in sub-item (a)2. will not bear the liability of performing the obligations which have arisen from the business pertaining to the relevant acts; and
 - (f) that the voting rights pertaining to share certificates acquired through the relevant act are those to be exercised under instructions from the Subject Employee set forth in sub-item (a);
- (viii) any of the acts listed in Article 2, paragraph (8), item (xii) of the Act (limited to an act pertaining to a Discretionary Investment Contract), which fall under any of the following sub-items:
- (a) the purchase and sale of Securities or a Derivatives Transaction conducted by a Financial Instruments Specialist under a contract in which it is provided that, upon obtaining consent from the Affiliated Foreign Financial Instruments Specialist for the purchase and sale as well as the issues of the Securities (or, in the case of a Derivative Transaction, any equivalent matters), said Financial Instruments Specialist may decide the volume and price (or, in the case of a Derivative Transaction, any equivalent matters);
 - (b) the purchase and sale of Securities or a Derivative Transaction conducted by a Financial Instruments Specialist under a Discretionary Investment Contract (meaning a contract in which it is provided that the Financial Instruments Specialist may decide on the purchase and sale of the Securities and on the issues, volume and price (or, in the case of a Derivative Transaction, any equivalent matters) in connection with a transaction on the account of the Affiliated Foreign Financial Instruments Specialist; the same shall apply in sub-item (b)), and with regard to which said Financial Instruments Specialist has notified the Commissioner of the Financial Services Agency or Other Competent Official of the matters listed in the following sub-items prior to the formation of said Discretionary Investment Contract;
 - 1. the trade name or name;
 - 2. the date of registration and the registered number; and

3. the trade name or name, and location of the Relevant Foreign Financial Instruments Specialist which is to become the counterparty to said Discretionary Investment Contract.
- (ix) the acts which are listed in Article 2, paragraph (8), item (xii) of the Act (limited to one pertaining to a Discretionary Investment Contract), in which a Commodity Trading Advisor, etc. (meaning a Commodity Trading Advisor, etc. as prescribed in Article 33, paragraph (1) of the Act on Control for Business Pertaining to Commodity Investment (Act No. 66 of 1991)) makes an investment of money or other properties as an investment in rights pertaining to a Currency Derivative Transaction in association with a Commodity Investment (meaning Commodity Investment as prescribed in Article 2, paragraph (1) of that Act) (limited to an act whose purpose is to abate any possible loss due to a fluctuation in the exchange rates pertaining to said Commodity Investment);
- (x) the acts which are listed in Article 2, paragraph (8), item (xv) of the Act, and in which a person who conducts said act (hereinafter referred to as a "Subject Person" in this item) concludes a Discretionary Investment Contract with a Financial Instruments Specialist, etc., and entrusts all of his/her authority to make investments on behalf of the person entitled to the rights under sub-items (a) to (c) inclusive of item (xv) of that paragraph (such a person is hereinafter referred to as the "Subject Rights Holder" in this item, and such rights are hereinafter referred to as the "Subject Rights" in this item), based on said Discretionary Investment Contract, in which case all of the requirements listed the following sub-items are met:
- (a) that the matters listed in the following sub-items are specified in a contract or any other juridical act pertaining to the Subject Right (hereinafter referred to as an "Investment Contract, etc." in this item):
1. a statement to the effect that all of the authority to make investments for the Right Holder is entrusted, and the trade name and name of said Financial Instruments Specialist;
 2. an outline of said Discretionary Investment Contract; and
 3. the amount of remuneration (or the method of calculating the amount of remuneration, if the amount of remuneration has not been not fixed in advance), in cases where the remuneration pertaining to said Discretionary Investment Contract is paid from the Investment Property (meaning money or other property invested by a Subject Person for a Subject Right Holder; the same applies in sub-item (c)2. and (d));
- (b) that the matters listed in the following sub-items are specified in the Investment Contract, etc. and said Discretionary Investment Contract:
1. that said Financial Instruments Specialist, etc. will engage in the

- Investment Management for the Subject Right Holder in a loyal manner; and
2. that said Financial Instruments Specialist, etc. will carry out Investment Management while paying the due care of a prudent manager for the Subject Right Holders;
- (c) that it is provided in the Investment Contract, etc. and said Discretionary Investment Contract that said Financial Instruments Specialist, etc. shall not make an investment with the intention of conducting a transaction for itself or with any of its directors or executive officers, or a transaction between an Investment Property and another Investment Property it manages (meaning an Investment Property as defined in Article 35, paragraph (1), item (xv) of the Act) (referred to as "Transactions for Itself, etc." in 1. and 2.) unless said Financial Instruments Specialist, etc., with regard to each transaction, gives an explanation on the contents of said transaction and the reasons for conducting said transaction (referred to as a "Explanation of the Transaction" in 2.) to all of the Subject Right Holders and obtains the consent (including the consent prescribed in 1., for a transaction conducted in cases where all of the matters listed in the following sub-items are provided) from all of said Subject Right Holders, except for that which falls under any of the acts listed in Article 128, item (i) or (iii), or Article 129, paragraph (1), item (i) or (iii) of the Cabinet Office Ordinance on Financial Instruments Services, etc. (Cabinet Office Ordinance No. 52 of 2007);
1. that the Financial Instruments Specialist, etc. may conduct Transactions for Itself, etc. if it gains the consent of at least half (or, if a larger proportion has been prescribed, at least such proportion) of all of the Subject Right Holders, and at least three-fourths (or, if a larger proportion has been prescribed, at least such proportion) of the Subject Rights held by all of the Subject Right Holders;
 2. that, in the case where any Subject Right Holder who refuses to give its consent to the Financial Instruments Specialist, etc. conducting Transactions for Itself, etc. so requests within 20 days (or, if a longer period has been prescribed, within such period) from the day when said Subject Right Holder has been given a Explanation of the Transaction, the Subject Person shall purchase the Subject Rights held by said Subject Right Holder at a fair value by using the Investment Property until the date on which a period of 60 days (or, if a shorter period has been prescribed, before such period) has elapsed from the date of the Financial Instruments Specialist, etc.'s Transactions for Itself, etc. (including the fact that the contract pertaining to such right shall be cancelled);

- (d) that the Subject Person shall manage the Investment Property pertaining to said act separately from such person's own property and other investment properties by the method equivalent to that prescribed in Article 42-4 of the Act, and said Financial Instruments Specialist, etc. shall supervise said management;
- (e) that said Financial Instruments Specialist, etc. shall make a notification of the matters related to the Subject Person as listed in the following sub-items to the Commissioner of Financial Services Agency or Other Competent Official before the formation of the Investment Agreement, etc.:
1. the trade name or name;
 2. the amount of the stated capital or the total amount of contribution, in the case of a juridical person;
 3. the title and the name of the officer prescribed in Article 29-2, paragraph (1) item (iii) of the Act, in the case of a juridical person;
 4. the name of an employee who supervises the business with regard to guidance of the observance of the laws and regulations, dispositions issued by administrative agencies under the laws and regulations or the rules such as articles of incorporation, if any, or the name of an employee who is in a position whereby he/she may exercise his/her authority on behalf of the first-mentioned employee, if any;
 5. the name and location of the principal business office or principal office; and
 6. the type of any other business(es), if any;
- (f) that said Financial Instruments Specialist, etc. shall, when there is any change to the matters related to the Subject Person as listed in 1. to 6. inclusive of sub-item (e), notify the Commissioner of Financial Services Agency or Other Competent Official to that effect without delay.
- (xi) an act which is listed in Article 2, paragraph (8), item (xv) of the Act (excluding an act listed in Article 63, paragraph (1), item (ii) of the Act), and in which the money and other properties contributed under a Silent Partnership Contract concluded with a single person as an investment to the rights pertaining to the real property as listed in Article 2, paragraph (2), item (i) of the Act is to be invested, and which falls under all the requirements listed in the following sub-items:
- (a) that a person who wishes to be a counterparty to said Silent Partnership Contract is a proprietor under any other Silent Partnership Contract, and, at the same time, falls under the category of a Financial Instruments Specialist, etc. (limited to a person engaged in Investment Management), a person who has made a notification under Article 63, paragraph (2) or Article 63-3, paragraph (1) of the Act (limited to a person engaged in an act listed in Article 63, paragraph (1), item (ii) of the Act as a part of business)

or a person engaged in special investment management business as prescribed in Article 48, paragraph (1) of the Supplementary Provisions of the Act for Partial Revision of the Securities and Exchange Act, etc. (Act No. 65 of 2006);

(b) that a person who intends to become a counterparty to said Silent Partnership Contract shall, prior to conclusion of said Silent Partnership Contract, make a notification of the matters related to a person who performs said acts as listed in 1. to 6. inclusive of sub-item (e) of the preceding item to a person prescribed in the following sub-items according to the categories of persons intending to become counterparties as listed in the respective sub-items:

1. a Financial Instruments Specialist, etc.: the Commissioner of Financial Services Agency or Other Competent Official;

2. a person other than a Financial Instruments Specialist, etc.: the Director-General of the Local Finance Bureau that has jurisdiction over the location of the principal business office or principal office of said person (or the principal business office or principal office in Japan, in the case of a foreign juridical person or an individual person domiciled in a foreign state) (or the Director-General of the Fukuoka Local Finance Branch Bureau, in cases where said location falls within the jurisdictional district of the Fukuoka Local Finance Branch Bureau; or the Director-General of the Kanto Finance Bureau, in cases where said person has no business office or any other office in Japan);

(c) that, when there is any change to the matters with respect to a person who performs said acts listed in 1. to 6. inclusive of sub-item (e) of the preceding item, the counterparty or a person who intends to become a counterparty to said Silent Partnership Contract shall notify a person as prescribed in 1. or 2. of sub-item (b) to that effect without delay, according to the categories of said counterparties or said persons who intend to become counterparties to said Silent Partnership Contract.

(xii) an act which is listed in Article 2, paragraph (8), item (xv) of the Act, and in which the money or other properties contributed by a person entitled to the rights listed in Article 7, item (iv), sub-item (d)1. of the Cabinet Office Ordinance on Financial Instruments Services, etc. is invested as an investment in the rights listed in sub-item (d)2. of that item;

(xiii) an act which is listed in Article 2, paragraph (8), item (xv) of the Act, and in which the money and other properties invested or contributed by a person entitled to the rights listed in item (vi), paragraph (2) of that Article are invested, and which fall under all of the requirements listed in the following:

(a) that a Direct Equity Investor (meaning the Resident (meaning a Resident as prescribed in the first sentence of Article 6, paragraph (1), item (v) of

- the Foreign Exchange and Foreign Trade Act; the same shall apply in sub-item (b)) who holds said rights; the same shall apply in sub-items (c) and (d)) is a Qualified Institutional Investor or a person who has made a notification under the provisions of Article 63, paragraph (2) or Article 63-3, paragraph (1) of the Act (limited to a person engaged in the acts listed in Article 63, paragraph (1), item (ii) of the Act as a part of business);
- (b) that an Indirect Equity Investor (meaning the Resident who holds the rights under a contract or other juridical act pertaining to an investment business for said rights (limited to the rights which fall under the rights listed in Article 2, paragraph (2), item (v) of the Act); the same shall apply in sub-item (c)) is a Qualified Institutional Investor;
- (c) that the total of the number of Direct Equity Investors (excluding an investor who operates or intends to operate an investment business related to the relevant rights by using money or other properties invested or contributed by Indirect Equity Investors) and the number of Indirect Equity Investors is less than ten; and
- (d) that the total amount of money or other properties invested or contributed by Direct Equity Investors does not exceed the amount equivalent to one third of the aggregate amount of money or other properties invested or contributed by all of the persons who hold said rights.
- (xiv) an act which is listed in Article 2, paragraph (8), item (xvi) of the Act, and in which a Financial Instruments Specialist (limited to a juridical person engaged in Type II Financial Instruments Services, whose amount of stated capital or the total amount of contribution is 50 million yen or more) accepts money deposits from a customer in connection with any acts it conducts as listed in item (ix) of that paragraph (excluding dealing in a secondary distribution, and limited to any act pertaining to the rights listed in item (i), (ii), (v) or (vi) of paragraph (2) of that Article) and manages said money separately from its own property in accordance with the method equivalent to that prescribed in Article 42-4 of the Act;
- (xv) an act which is listed in Article 2, paragraph (8) item (xvii) of the Act, and is performed by a person listed in Article 44, paragraph (1), item (xiii) of the Corporate Bonds, etc. Transfer Act; and
- (xvi) an act which is listed in Article 2, paragraph (8) item (xvii) of the Act, and which is performed by a Financial Instruments Specialist (limited to a person who engages in business activities pertaining to the acts listed in item (vii), paragraph (8) of that Article with respect to the rights to be indicated on the Securities listed in sub-item (a), item (vii) of that paragraph and which are regarded as Securities pursuant to the provisions of paragraph (2) of that Article (hereinafter referred to as the "Beneficial

- Interest in the Investment Trust" in this item)) with regard to any Beneficial Interest in the Investment Trust it issues, and in which said Financial Instruments Specialist manages said Beneficial Interest in the Investment Trust separately from its own property in accordance with the method equivalent to that prescribed in Article 43-2, paragraph (1) and (2) of the Act (limited to the case where said management is audited in the same manner as prescribed in paragraph (3) of that Article).
- (2) The term "Affiliated Foreign Investment Specialist" as used in item (ii) of the preceding paragraph means a juridical person or any other type of organization which is engaged in an Investment Management in a foreign state in accordance with the laws and regulations of said foreign state, and which falls under any of the following items:
- (i) a Subsidiary Company, etc. (meaning a Subsidiary Company, etc. as defined in Article 15-16, paragraph (3) of the Cabinet Order; the same shall apply in item (iii) and the following paragraph) of the Financial Instruments Specialist referred to in item (ii) of the preceding paragraph;
 - (ii) the Parent Company, etc. (meaning a Parent Company, etc. as defined in Article 15-16, paragraph (3) of the Cabinet Order; the same shall apply in the following item and the following paragraph) of the Financial Instruments Specialist referred to in item (ii) of the preceding paragraph;
 - (iii) a Subsidiary Company, etc. of the Parent Company, etc. of the Financial Instruments Specialist referred to in item (ii) of the preceding paragraph (excluding said Financial Instruments Specialist);
- (3) The term "Affiliated Foreign Financial Instruments Specialist" as used in item (viii) of paragraph (1) means a juridical person or any other type of organization engaged in Type I Financial Instruments Services or Type II Financial Instruments Services in a foreign state in accordance with the laws and regulations of said foreign state, and which falls under any of the following items:
- (i) a Subsidiary Company, etc. of the Financial Instruments Specialist prescribed in item (viii) of paragraph (1);
 - (ii) the Parent Company, etc. of the Financial Instruments Specialist prescribed in item (viii) of paragraph (1); or
 - (iii) a Subsidiary Company, etc. of the Parent Company, etc. of the Financial Instruments Specialist prescribed in item (viii) of paragraph (1) (excluding said Financial Instruments Specialist).
- (4) The term "Currency Derivative Transaction" as used in item (ix) of paragraph (1) means a transaction listed in any of the following items:
- (i) an Exchange-Traded Derivatives Transaction as listed in the following sub-items:
 - (a) a purchase and sale wherein the parties thereto promise to deliver and

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

- such transaction may be made by paying and receiving the difference;
- (b) a transaction wherein the parties thereto have promised that one party will grant the second party the option to effect a transaction listed in the following items between them by a unilateral manifestation of the second party's intention alone, and that the second party will pay the consideration for such an option, or any other transaction similar thereto:
 - 1. the purchase and sale of currencies (excluding a transaction specified in sub-item (a)); or
 - 2. transactions listed in sub-items (a) and (c).
 - (c) transactions wherein the parties mutually promise that, using the amount the parties have agreed to as the principal, the first party will pay the amount of money calculated based on the rate of change during the agreed-upon period in the Interest Rate, etc. for the Financial Instruments (limited to those listed in Article 2, paragraph (24) item (ii) of the Act or those listed in item (v) of that paragraph (limited to those pertaining to those listed in item (ii) of that paragraph)) or in the Financial Indicator agreed upon with the second party, and the second party will pay the amount of money calculated based on the rate of change during the agreed-upon period in the Interest Rate, etc. for the Financial Instruments (limited to those listed in that item or those listed in item (v) of that paragraph (limited to those pertaining to those listed in item (ii) of that paragraph)) or in the Financial Indicator agreed upon with the first party (including a transaction wherein the parties promise that, in addition to the payment of such amounts, they will also pay and deliver and receive the amount of money or Financial Instruments equivalent to the amount agreed as the principal), or any other transaction equivalent thereto;
 - (iii) a Exchange-Traded Derivatives Transactions in a Foreign Market similar to the transactions listed in sub-items (a) to (c) inclusive of item (i).

(Method of Formation of Trading Price for Proprietary Trading System Operation)

Article 17 The methods specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (8), item (x), sub-item (e) of the Act, shall be those listed in the following items:

- (i) a method that uses the figures presented by a customer, in cases where the figure presented by said customer corresponds to that presented by the other customer who becomes a counterparty to the transaction;
- (ii) a method by which a Financial Instruments Specialist offers more than one asked and bidding quotations of its own or of any other Financial Instruments Specialist, etc. for a single issue, and uses an indicative price based on said asked and bidding quotations (excluding those in which more

than one Financial Instruments Specialist, etc. constantly offer asked and bidding quotations, and have obligations to conduct a purchase and sale on the basis of said asked and bidding quotations).

(Equivalent of Interest Rates for Securities)

Article 18 The equivalent specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (8), item (xi), sub-item (a) of the Act, shall be percentages of the distribution of profit pertaining to Securities or the equivalent thereof, and a discount rate of Securities issued on a discount basis.

(Equivalent of Interest Rates for Financial Instruments)

Article 19 The equivalent specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (21), item (iv) of the Act, shall be percentages of the distribution of profit pertaining to the Financial Instruments or the equivalents thereof, and a discount rate of the Financial Instruments issued on a discount basis.

(Grounds Similar to Those Connected with Credit Status)

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

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

Article 21 The causes specified by Cabinet Office Ordinance, as referred to in Article 1-14, item (ii) of the Cabinet Order, shall be those listed in the following items brought about by a foreign government, foreign local government or other persons equivalent to them.

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

(Matters to Be Identified in Advance at that Time of Entrustment)

Article 22 The matters specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (27), item (ii) of the Act, shall be those prescribed in the following items, according to the categories of transactions listed in the respective items:

- (i) the purchase and sale of Securities: purchase or sale, issues, volumes or amounts, prices, and the date of delivery of Securities;
- (ii) transactions listed in Article 2, paragraph (21), item (i) of the Act, and a Exchange-Traded Derivatives Transactions in a Foreign Market similar to transactions listed in that item: purchase or sale, issues, volumes or amounts, prices and the date of delivery of Financial Instruments;
- (iii) transactions listed in Article 2, paragraph (21), item (ii) of the Act, and Exchange-Traded Derivatives Transactions in a Foreign Market similar to the transactions listed in that item: the party to pay and the party to receive the money when the Actual Figure (meaning the Actual Figure prescribed in that item; the same shall apply in item (viii)) exceeds the Agreed-Upon Figure (meaning the Agreed-Upon Figure as prescribed in item (ii) of that paragraph; the same shall apply in item (viii)), and the volumes or amounts, the agreed-upon figure, and the date of delivery for the Financial Indicator or the Financial Instruments;
- (iv) transactions listed in Article 2, paragraph (21), item (iii) of the Act, and Exchange-Traded Derivatives Transactions in a Foreign Market similar to transactions listed in that item: the party to grant and the party to acquire, and the issues, the volumes or amounts, the amount of consideration for the Options, and the date of delivery for the Financial Instruments or the Financial Indicator;
- (v) transactions listed in Article 2, paragraph (21), item (iv) of the Act, and Exchange-Traded Derivatives Transactions in a Foreign Market similar to transactions listed in that item: the issues of the Financial Indicators or Financial Instruments pertaining to the calculation of the amount of money to be paid from one party to the other party and the method of the calculation of said amount of money, the issues of the Financial Indicators or Financial Instruments pertaining to the calculation of the amount of money to be received by one party from the other party and the method of the calculation of said amount of money, the term of a transaction or any other matters to properly indicate the contents of said transaction, the amount agreed upon by the parties as the principal, and the date of delivery;
- (vi) transactions listed in Article 2, paragraph (21), item (v) of the Act, and Exchange-Traded Derivatives Transactions in a Foreign Market similar to transactions listed in that item: the method of the calculation of the amount of money to be paid from one party to the other party and the method of the calculation of the money to be received by one party from the other party, the term of a transaction or any other matters to properly indicate the contents of said transactions, and the date of delivery;
- (vii) transactions listed in Article 2, paragraph (22), item (i) of the Act: purchase or sale, the issues (including the fixed time in the future by which

the parties promise to deliver or receive Financial Instruments and the consideration therefor, and also including the method of the calculation of the amount of the difference if the settlement is made by paying or receiving the difference), volumes and amounts, prices and the date of delivery of the Financial Instruments;

- (viii) transactions listed in Article 2, paragraph (22), item (ii) of the Act: the party to pay and the party to receive, and the money when the Actual Figure exceeds the Agreed-Upon Figure, the issues (including the date of the calculation of the amount of money to be delivered or received, the method of the calculation of the amount of the money to be delivered or received, the date of delivery or receipt of said money, or other matters to properly indicate the contents of said transaction), the volumes or amounts, the Agreed-Upon Figure and the date of delivery for the Financial Indicator or the Financial Instruments;
- (ix) transactions listed in Article 2, paragraph (22), item (iii) or (iv) of the Act: the party to grant and the party to acquire the Options, the contents of the transaction to be effected by the exercise of the Options (in the case of a transaction listed in Article 2, paragraph (22) item (iii), sub-item (a) of the Act, meaning information as to whether the type of transaction is a sale or purchase, the issues of the Financial Instruments, the volumes or amounts, prices and the date of delivery; and in the case of a transaction listed in sub-item (b) of that item, meaning the matters prescribed in the preceding two items, the following item or item (xi)), the amount of the consideration for the Options and the date of delivery;
- (x) transactions listed in Article 2, paragraph (22), item (v) of the Act: the issues of the Financial Indicators or Financial Instruments pertaining to the calculation of the amount of money to be paid from one party to the other party and the method of the calculation of said amount of money, the issues of the Financial Indicators or Financial Instruments pertaining to the calculation of the amount of money to be received by one party from the other party and the method of the calculation of said amount of money, the term of the transaction or any other matters to properly indicate the contents of said transaction, the amount agreed upon by the parties as the principal, and the date of delivery;
- (xi) transactions listed in Article 2, paragraph (22), item (vi) of the Act: the method of calculating the amount of money to be paid from one party to the other party and the method of calculating the money to be received by one party from the other party, the term of the transactions or any other matters to properly indicate the contents of said transactions, and the date of delivery;
- (xii) transactions listed in Article 1-19, item (i) of the Cabinet Order: lending or

- borrowing of money, the amount of money and the date of delivery;
- (xiii) transactions listed in Article 1-19, item (ii) of the Cabinet Order: lending or borrowing of Securities, and the issue, the volumes or amounts, and the date of delivery of the Securities; and
- (xiv) transactions listed in Article 1-19, item (iii) or (iv) of the Cabinet Order: delivery or receipt of Securities, and the issue, the volumes or amounts, the amount of money and the date of delivery of the Securities.

(Scope of a Professional Investor)

Article 23 The juridical persons specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (31), item (iv) of the Act, shall be those listed in the following items:

- (i) local governments;
- (ii) juridical persons incorporated by a specific act of incorporation pursuant to the provisions of any specific Act;
- (iii) an Investor Protection Fund as prescribed in Article 79-21 of the Act;
- (iv) Deposit Insurance Corporation of Japan;
- (v) the Agricultural and Fishery Cooperative Savings Insurance Corporation;
- (vi) the Insurance Policyholders Protection Corporation of Japan prescribed in Article 259 of the Insurance Business Act;
- (vii) a Special Purpose Company;
- (viii) a company that issues share certificates which are listed on a Financial Instruments Exchange;
- (ix) a stock company whose stated capital is expected to amount to 500 million yen or more, reasonably judging from the status of the transactions thereof or any other circumstances;
- (x) a Financial Instruments Specialist, or a juridical person that falls under the category of a Notifier of Specially Permitted Business Activities as prescribed in Article 63, paragraph (3) of the Act; and
- (xi) a foreign juridical person.

(Scope of Credit Ratings)

Article 24 (1) Those similar to a juridical person as specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (34) of the Act, shall be as follows:

- (i) an organization without juridical personality;
 - (ii) an individual who carries out business;
 - (iii) a group of juridical persons or individuals; and
 - (iv) trust property.
- (2) Those similar to a mark or number as specified by Cabinet Office Ordinance, as referred to in Article 2, paragraph (34) of the Act shall be a simple text or a

character showing sequential orders.

- (3) The grades to be specified by Cabinet Office Ordinance determined mainly by taking into consideration any matter other than a Credit Assessment, as referred to in Article 2, paragraph (34) of the Act, shall be as follows:
- (i) grades indicating the results of an assessment related to the fluctuation of the interest rate, value of currency, liquidity and quotations on the Financial Instruments Market, and any other indicators;
 - (ii) grades indicating the results of an assessment of the capability of the issuer of Securities or any other person in performing the investment of assets or any other business similar thereto;
 - (iii) grades indicating the results of an assessment of the capability in performing businesses related to the management and collection of claims;
 - (iv) grades indicating the results of an assessment of the adequacy of the operation of a trust business, such as the capability for the management of trust properties; and
 - (v) in addition to what is provided for in the preceding items, grades primarily indicating the results of an assessment of matters other than the credit status.

(Acts Excluded from Consideration as Credit Rating)

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

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

the credit status of said juridical person and in accordance with a formula given in advance.