

Order for Enforcement of the Deposit Insurance Act

(Cabinet Order No. 111 of April 1, 1971)

The Cabinet shall enact this Cabinet Order pursuant to the provisions of Article 42, paragraph (1), Article 51, paragraph (1), Article 54, paragraphs (1) and (3), Article 57, paragraphs (1) and (2), Article 58, and Article 59 of the Deposit Insurance Act (Act No. 34 of 1971) and Article 2, paragraphs (1) of the Supplementary Provisions thereof.

(Definitions)

Article 1 In this Cabinet Order, the terms "Financial Institution," "Deposits, etc.," "Long-Term Credit Bank Bonds, etc.," "Depositors, etc.," "Bank Holding Company, etc.," "Bank, etc.," "Preferred Shares, etc.," "preferred shares," "subordinated bonds," "preferred equity investments," "Shares, etc.," "Subscription for Preferred Shares, etc." or "Subscription for Shares, etc." shall mean the Financial Institution, Deposits, etc., Long-Term Credit Bank Bonds, etc., Depositors, etc., Bank Holding Company, etc., Bank, etc., Preferred Shares, etc., preferred shares, subordinated bonds, preferred equity investments, Shares, etc., Subscription for Preferred Shares, etc. or Subscription for Shares, etc. prescribed in Article 2 of the Deposit Insurance Act (hereinafter referred to as "Act").

(Long-Term Credit Bank Bonds, etc.)

Article 1-2 Those specified by a Cabinet Order prescribed in Article 2, paragraph (2), item (v) of the Act shall be those for which bond certificates are issued and for which there is a custody agreement for said bond certificates at the time of issuance thereof between the subscribers and issuer thereof pursuant to the provisions of a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance.

(Subordinated Bonds)

Article 1-3 The bonds specified by a Cabinet Order as prescribed in Article 2, paragraph (6) of the Act shall be those which have all the following characteristics:

- (i) Collateral is not offered;
- (ii) The period during which no redemption is made is over five years from the time of their issuance.

(Subordinated Loan Agreements)

Article 1-4 The loans for consumption specified by a Cabinet Order prescribed in Article 2, paragraph (8) of the Act shall be those which have all the following characteristics:

- (i) Collateral is not offered;
- (ii) The period during which no repayment of the principal is made is over five years from the time of contract.

(Limit of Amount of Borrowing)

Article 2 The amount specified by a Cabinet Order prescribed in Article 42, paragraph (3) of the Act shall be nineteen trillion yen.

(Deposits, etc. Excluded from Calculation of Amount of Insurance Premiums Pertaining to General Deposits, etc.)

Article 3 The Deposits, etc. specified by a Cabinet Order prescribed in Article 51, paragraph (1) of the Act shall be the following Deposits, etc. that are stated in documents submitted by a Financial Institution under Article 50, paragraph (1) of the Act:

- (i) Negotiable deposits (meaning the negotiable deposits prescribed in Article 4, item (ii) of the Order for Enforcement of the Act on Reserve Deposit Requirement System (Cabinet Order No. 135 of 1957); the same shall apply in item (i) of the following Article);
- (ii) Deposits settled in the special international financial transactions account (excluding those falling under the Deposits, etc. specified in the following item and item (iv)) prescribed in Article 21, paragraph (3) of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949);
- (iii) The Deposits, etc. received from the Bank of Japan (excluding those pertaining to the affairs of the revenue and expenditure of treasury money prescribed in Article 34, paragraph (1) of the Public Accounting Act (Act No. 35 of 1947));
- (iv) The Deposits, etc. received from a Financial Institution (excluding those pertaining to the investment of reserves of defined contribution pensions prescribed in Article 54-3, paragraph (1), item (i) of the Act);
- (v) Money received through the issuance of the Long-Term Credit Bank Bonds, etc. (limited to the following);
 - (a) The Long-Term Credit Bank Bonds, etc. issued by means of subscription.
 - (b) The Long-Term Credit Bank Bonds, etc. for which a custody agreement has ended (excluding those specified in (a)).
- (vi) The Deposits, etc. received from the Deposit Insurance Corporation (hereinafter referred to as "Corporation");
- (vii) The Deposits, etc. whose instruments (excluding those specified in Article 2, paragraph (2), item (v) of the Act) (including beneficiary certificates

prescribed in Article 2, paragraph (2) of the Loan Trust Act (Act No. 195 of 1952) and Article 185, paragraph (1) of the Trust Act (Act No. 108 of 2006)) are in bearer form;

- (viii) Money received under trust contracts pertaining to beneficiary rights of loan trusts prescribed in the Loan Trust Act or trusts issuing beneficiary certificates prescribed in the Trust Act, vesting of the rights of which is to be decided based on the entry or record in the transfer account registry pursuant to the provisions of the Act on the Book-Entry Transfer of Bonds, Stocks, etc. (Act No. 75 of 2001).

(Deposits Excluded from Calculation of Amount of Insurance Premiums
Pertaining to Deposits for Settlement)

Article 3-2 The deposits specified by a Cabinet Order prescribed in Article 51-2, paragraph (1) of the Act shall be the following deposits that are stated in documents submitted by a Financial Institution under Article 50, paragraph (1) of the Act:

- (i) Negotiable deposits;
- (ii) Deposits settled in the special international financial transactions account (excluding those falling under deposits specified in the following item or item (iv)) prescribed in Article 21, paragraph (3) of the Foreign Exchange and Foreign Trade Act;
- (iii) Deposits received from the Bank of Japan (excluding those pertaining to the affairs of the revenue and expenditure of treasury money prescribed in Article 34, paragraph (1) of the Public Accounting Act);
- (iv) Deposits received from a Financial Institution (excluding those pertaining to the investment of reserves of defined contribution pensions prescribed in Article 54-3, paragraph (1), item (i) of the Act);
- (v) Deposits received from the Corporation;
- (vi) Deposits whose instruments are in bearer form.

(Maximum Amount of Provisional Payment)

Article 4 The amount specified by a Cabinet Order prescribed in Article 53, paragraph (4) of the Act shall be 600,000 yen.

(Deposits, etc. Subject to Provisional Payment)

Article 5 The provisional payment prescribed in Article 53, paragraph (4) of the Act shall be made with respect to the principal of the claims pertaining to ordinary deposits.

(General Deposits, etc. Excluded from Calculation of Amount of Insurance
Proceeds)

Article 6 The General Deposits, etc. specified by a Cabinet Order prescribed in Article 54, paragraph (1) of the Act shall be, of the General Deposits, etc. (meaning the General Deposits, etc. prescribed in Article 51, paragraph (1) of the Act; the same shall apply hereinafter), those falling under the following Deposits, etc.:

- (i) The Deposits, etc. held in the name of another person (including under a fictitious name);
- (ii) The Deposits, etc. based on a contract concluded in violation of the provisions of Article 2, paragraph (1) or (2) of the Act on Controlling an Unjust Contract Pertaining to a Deposit, etc. (Act No. 136 of 1957).

(Interest, etc.)

Article 6-2 (1) The items specified by a Cabinet Order prescribed in Article 54, paragraph (1) of the Act shall be the following:

- (i) Interest under deposit contracts;
 - (ii) Compensation money for benefits (meaning compensation money for benefits prescribed in Article 58-2, paragraph (1), item (ii) of the Act) under installment savings contracts;
 - (iii) Compensation money for benefits (meaning compensation money for benefits prescribed in Article 58-2, paragraph (1), item (iii) of the Act) under installment deposit contracts;
 - (iv) Distribution of profits under trust contracts for money trusts (limited to those for which a contract to make up for profits is concluded under Article 6 of the Act on Provision, etc. of Trust Business by Financial Institutions (Act No. 43 of 1943)) pertaining to trust contracts;
 - (v) Of the distribution of profits under trust contracts for money trusts (including loan trusts) other than the money trusts specified in the preceding item, those specified by a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance as being certain to be distributed the Depositors, etc.;
 - (vi) Interests on the Long-Term Credit Bank Bonds, etc. (excluding those issued by means of a discount);
 - (vii) An amount obtained by deducting from the amount of the Long-Term Credit Bank Bonds, etc. that have been issued by means of a discount the total amount of payment therefor.
- (2) Of the claims pertaining to the Deposits, etc. actually held by the Depositors, etc. on the day of occurrence of an insurable contingency prescribed in Article 54, paragraph (1) of the Act, the calculation of the amounts specified in each item of the preceding paragraph shall be specified by a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance.

(Base Insurance Amount)

Article 6-3 The amount specified by a Cabinet Order prescribed in Article 54, paragraph (2) of the Act shall be ten million yen.

(Interest Rate on Claims Pertaining to General Deposits, etc.)

Article 6-4 The matters specified by a Cabinet Order prescribed in Article 54, paragraph (2), item (iii) of the Act shall be the rate of return on installment savings and installment deposits, expected dividend rate on money trusts (in the case of loan trusts, estimated dividend rate), and discount rate of the Long-Term Credit Bank Bonds, etc. that have been issued by means of a discount.

(Special Provisions for Amount of Insurance Proceeds Pertaining to General Deposits, etc.)

Article 6-5 In the case where the amount of insurance proceeds is calculated pursuant to the provisions of Article 54, paragraph (3) of the Act, any provisional payment under Article 53, paragraph (4) of the Act and repayment of the Deposits, etc. pertaining to the loan under Article 69-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 127 of the Act that have been received shall be deducted with respect to the amount of claims pertaining to the Deposits, etc. corresponding to the amount of insurance proceeds calculated pursuant to the provisions of Article 54, paragraphs (1) and (2) of the Act.

(Method of Calculation of Base Amount for Repayment of Provisional Payment)

Article 6-6 The amount calculated pursuant to the provisions of a Cabinet Order prescribed in Article 54, paragraph (4) of the Act shall be, of each amount of principal corresponding to the amount of insurance proceeds under Article 54, paragraphs (1) and (2) of the Act, the total amount of principal pertaining to ordinary deposits.

(Deposits for Settlement Excluded from Calculation of Amount of Insurance Proceeds)

Article 7 The Deposits for Settlement specified by a Cabinet Order prescribed in Article 54-2, paragraph (1) of the Act shall be, of the Deposits for Settlement (meaning the Deposits for Settlement prescribed in Article 51-2, paragraph (1) of the Act; the same shall apply hereinafter), those falling under the following deposits:

- (i) Deposits held in the name of another person (including under a fictitious name);
- (ii) Deposits under contracts concluded in violation of Article 2, paragraph (1) or (2) of the Act on Controlling an Unjust Contract Pertaining to a Deposit, etc.

(Special Provisions for Amount of Insurance Proceeds Pertaining to Deposits for Settlement)

Article 7-2 In the case where the amount of insurance proceeds is calculated pursuant to the provisions of Article 54, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 54-2, paragraph (2) of the Act, any provisional payment under Article 53, paragraph (4) and repayment of the Deposits, etc. pertaining to the loan under Article 69-3, paragraph (1) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 127 of the Act) that have been received shall be deducted with respect to the amount of claims pertaining to the Deposits, etc. corresponding to the amount of insurance proceeds calculated pursuant to Article 54-2, paragraph (1) of the Act.

(Matters for Public Notice Pertaining to Payment of Insurance Proceeds)

Article 8 The matters specified by a Cabinet Order prescribed in Article 57, paragraph (1) of the Act shall be the following matters:

- (i) Hours of handling of payment of insurance proceeds;
- (ii) Documents and other items required to be submitted or presented to the Corporation by the Depositors, etc. when requesting the payment of insurance proceeds; and
- (iii) Other matters deemed necessary by the Corporation.

(Matters for Public Notice Pertaining to Payment of Provisional Payment)

Article 9 The matters specified by a Cabinet Order prescribed in Article 57, paragraph (2) of the Act shall be the following:

- (i) Hours of handling of provisional payment;
- (ii) Documents and other items required to be submitted or presented to the Corporation by the Depositors, etc. when requesting provisional payment; and
- (iii) Other matters deemed necessary by the Corporation.

(Change of Payment Period of Insurance Proceeds, etc.)

Article 10 (1) The events specified by a Cabinet Order prescribed in Article 57, paragraph (3) of the Act shall be the following:

- (i) Notice of Dividend under Article 197, paragraph (1) of the Bankruptcy Act (Act No. 75 of 2004) (including the cases where it is applied mutatis mutandis pursuant to Article 209, paragraph (3) of said Act);
- (ii) Notice under Article 137-2, paragraph (2) of the Act;
- (iii) Decision of approval of a reorganization plan under Article 199, paragraph (1) of the Corporate Reorganization Act (Act No. 154 of 2002) or Article 120,

paragraph (1) of the Act on Special Treatment of Corporate Reorganization Proceedings and Other Insolvency Proceedings of Financial Institutions (Act No. 95 of 1996);

(iv) Decision of confirmation of a rehabilitation plan under Article 174, paragraph (1) of the Civil Rehabilitation Act (Act No. 225 of 1999);

(2) In the case where the Corporation is to change the payment period of insurance proceeds or provisional payment under Article 57, paragraph (3) of the Act, the last day of the payment period after the change shall be on or after the day on which three weeks have elapsed from the day of the event prescribed in the preceding paragraph.

(Claims Acquired by Corporation Pursuant to Request for Payment of Insurance Proceeds)

Article 11 When the Corporation is to acquire claims pertaining to the Deposits, etc. under Article 58, paragraph (1) of the Act, the Corporation shall, of the amount of insurance proceeds calculated under the Insurance Proceeds Calculation Provision (meaning the Insurance Proceeds Calculation Provision prescribed in Article 2, paragraph (11) of the Act including the cases where it is applied by being replaced with appropriate terms pursuant to Article 54-3, paragraph (4) of the Act), acquire claims pertaining to the Deposits, etc. corresponding to the amount of insurance proceeds to be paid.

(Deferment of Payment of Insurance Proceeds)

Article 11-2 The Corporation shall, when it is to defer the payment of insurance proceeds under Article 58, paragraph (2) of the Act, deliver documents stating the following matters to the Depositors, etc. who have requested said payment:

- (i) The amount of insurance proceeds for which payment is to be deferred;
- (ii) The type and amount of the Deposits, etc. pertaining to claims acquired by the Corporation pursuant to the request for payment of insurance proceeds and other matters sufficient to specify said Deposits, etc.;
- (iii) Names of security interest holders pertaining to security interest that is the cause of deferment;
- (iv) Documents and other items required to be submitted or presented to the Corporation by the Depositors, etc. in the case where they request the cancellation of said deferment on the ground of the extinction of the secured claim pertaining to said security interest that is the cause of deferment.

(Special Provisions for Act on Special Measures Concerning Taxation in Case of Payment of Insurance Proceeds)

Article 11-3 (1) For the purpose of applying the provisions of Article 4-2, paragraphs (2) and (9) of the Act on Special Measures Concerning Taxation in

the case where facts that do not fall under the requirements prescribed in Article 6, paragraph (4), item (i), (b) or (c) of the Act on the Promotion of Workers' Property Accumulation (Act No. 92 of 1971) have occurred with respect to a contract on workers' property accumulation savings for house construction, etc. prescribed in Article 4-2, paragraph (1) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957) or with respect to the performance thereof, and said facts have arisen from the payment of insurance proceeds under Article 53, paragraph (1) of the Act, said facts shall be deemed not to fall under cases specified by a Cabinet Order prescribed in Article 4-2, paragraph (2) of the Act on Special Measures Concerning Taxation or facts prescribed in Article 4-2, paragraph (9) of said Act.

- (2) For the purpose of applying the provisions of Article 4-3, paragraphs (2) and (10) of the Act on Special Measures Concerning Taxation in the case where facts that do not fall under the requirements prescribed in Article 6, paragraph (2), item (i), (b) or (c) of the Act on the Promotion of Workers' Property Accumulation have occurred with respect to a workers' property accumulation pension savings contract, etc. prescribed in Article 4-3, paragraph (1) of the Act on Special Measures Concerning Taxation or with respect to the performance thereof, and said facts have arisen from the payment of insurance proceeds under Article 53, paragraph (1) of the Act, said facts shall be deemed not to fall under cases specified by a Cabinet Order prescribed in Article 4-3, paragraph (2) of the Act on Special Measures Concerning Taxation or facts prescribed in Article 4-3, paragraph (10) of said Act.

(Act to Support Merger, etc. by Financial Institution)

Article 12 The act specified by a Cabinet Order prescribed in Article 60, paragraph (1) of the Act shall be the loan or deposit of funds.

(Measures to Ensure Soundness of Financial Conditions, etc.)

Article 13 The measures specified by a Cabinet Order prescribed in Article 64-2, paragraph (1) of the Act shall be the following:

- (i) Measures to ensure the rationalization of management;
- (ii) Measures to secure the source of funds to enable the disposition of shares, etc. (meaning the acquisition of own shares using surplus or cancellation of preferred equity investments using surplus; the same shall apply hereinafter), redemption or repayment with respect to the Preferred Shares, etc. (including the following) acquired by the Corporation based on a decision under Article 64, paragraph (1) of the Act and borrowings pertaining to loan claims acquired by the Corporation based on a decision under Article 64, paragraph (1) of the Act;
 - (a) In the case where the Preferred Shares, etc. are preferred shares, the

following shares.

1. In the case where a request can be made for the conversion of the preferred shares into shares of another class (meaning the delivery of shares of another class in exchange for the acquisition of said preferred shares by their issuing company; hereinafter the same shall apply in this Article and the following Article (excluding item (iii) of paragraph (2))), shares of another class into which said shares are converted pursuant to the request.
 2. In the case where the preferred shares convertible upon the occurrence of certain events, shares of another class into which the preferred shares are converted as a result of such occurrence.
 3. Shares split or consolidated with respect to the preferred shares or the shares of another class specified in 1 or 2.
- (b) In the case where the Preferred Shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to said subordinated bonds and shares split or consolidated with respect thereto.
- (c) In the case where the Preferred Shares, etc. are preferred equity investments, preferred equity investments split with respect to said preferred equity investments.
- (iii) Measures to ensure the soundness of financial conditions and to ensure the sound and appropriate operations.

(Acquired Preferred Shares, etc. Pertaining to Financial Assistance)

- Article 13-2 (1) The Shares, etc. specified by a Cabinet Order prescribed in Article 64-2, paragraph (6), item (i) of the Act shall be the Preferred Shares, etc. (including those specified in Article 13, item (ii), (a) to (c)) acquired by the Corporation through the Subscription for Preferred Shares, etc. based on a decision under Article 64, paragraph (1) of the Act.
- (2) The Shares, etc. specified by a Cabinet Order prescribed in Article 64-2, paragraph (6), item (ii) of the Act shall be the following:
- (i) The Preferred shares (including the following) allotted to the Corporation by a company that has become a wholly owning parent stock company in share exchange (meaning the wholly owning parent stock company in share exchange prescribed in Article 768, paragraph (1), item (i) of the Companies Act (Act No. 86 of 2005); the same shall apply hereinafter) or wholly owning parent company incorporated through share transfer (meaning the wholly owning parent company incorporated through share transfer prescribed in Article 773, paragraph (1), item (i) of said Act; the same shall apply hereinafter) of said Financial Institution or Bank Holding Company, etc. through share exchange or share transfer effected by a Financial Institution or Bank Holding Company, etc. for which the Corporation conducted the

Subscription for Preferred Shares, etc. pursuant to a decision under Article 64, paragraph (1) of the Act;

(a) In the case where a request can be made for the conversion of the preferred shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.

(b) In the case where the preferred shares are convertible upon the occurrence of certain events, shares of another class into which the preferred shares are converted as a result of such occurrence.

(c) Shares split or consolidated with respect to the preferred shares or the shares of another class specified in (a) or (b).

(ii) The Preferred Shares, etc. (including the following) allotted to the Corporation by another corporation that is to succeed to the whole or part of business of a Financial Institution or Bank Holding Company, etc. through merger or company split thereof, for which the Corporation has conducted the Subscription for Preferred Shares, etc. pursuant to a decision under Article 64, paragraph (1) of the Act;

(a) In the case where the Preferred Shares, etc. are preferred shares, the following shares;

1. In the case where a request can be made for the conversion of the preferred shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.

2. In the case where the preferred shares are convertible upon the occurrence of certain events, shares of another class into which the preferred shares are converted as a result of such occurrence.

3. Shares split or consolidated with respect to the preferred shares or the shares of another class specified in 1 or 2.

(b) In the case where the Preferred Shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to said subordinated bonds and shares split or consolidated with respect thereto.

(c) In the case where the Preferred Shares, etc. are preferred equity investments, preferred equity investments split with respect to said preferred equity investments.

(iii) The Shares, etc. (including the following and excluding the Shares, etc. specified in the preceding two items) allotted to the Corporation by a company that has become a wholly owning parent stock company in share exchange or wholly owning parent company incorporated through share transfer through share exchange or share transfer effected by a corporation that is an issuer of the Shares, etc. falling under acquired Preferred Shares, etc. (meaning the acquired Preferred Shares, etc. prescribed in Article 64-2, paragraph (6) of the Act) under this Article or by another corporation that is to succeed to the whole or part of the business of said corporation through

merger or company split thereof;

(a) In the case where the Shares, etc. are shares, the shares specified below.

1. In the case where a request can be made for the conversion of said shares into shares of another class (meaning the delivery of shares of another class in exchange for the acquisition of said shares by their issuing company; hereinafter the same shall apply through to Article 25-4), shares of another class into which said shares are converted pursuant to the request.
2. In the case where said shares are convertible upon the occurrence of certain events, shares of another class into which said shares are converted as a result of such occurrence.
3. Shares split or consolidated with respect to said shares or the shares of another class specified in 1 or 2.

(b) In the case where said Shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to said subordinated bonds and shares split or consolidated with respect thereto.

(c) In the case where said Shares, etc. are preferred equity investments, preferred equity investments split with respect to said preferred equity investments.

(Application for Approval for Continuation of Business)

Article 14 An Assuming Financial Institution shall, if it seeks to obtain approval for the continuation of business under Article 67, paragraph (2) of the Act, submit to the Commissioner of the Financial Services Agency (in the case of a labor bank or The Rokinren Bank, to the Commissioner of the Financial Services Agency and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., to the Commissioner of the Financial Services Agency, the Minister of Finance, and the Minister of Economy, Trade and Industry) a written application for approval, attaching the following documents:

- (i) Documents stating special circumstances for the continuation of said business;
- (ii) Documents stating the contents of a contract prescribed in Article 67, paragraph (2) of the Act and the total amount of said contract as of the date of the assumption of business or Transfer of Insured Deposits (meaning the Transfer of Insured Deposits prescribed in Article 2, paragraph (11) of the Act);
- (iii) Documents stating the period for said continuation of business and a plan as to how said business is to be concluded;
- (iv) Other documents specified by a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance.

(Measures to Ensure Soundness of Financial Conditions, etc. Concerning
Approval for Share Exchange, etc. Pertaining to Financial Assistance)

Article 14-2 The measures specified by a Cabinet Order prescribed in Article 68-2, paragraph (4) of the Act shall be the following:

- (i) Measures to ensure the rationalization of management;
- (ii) Measures to secure the source of funds to enable the acquisition of own shares using surplus with respect to acquired Preferred Shares, etc. (including the following) prescribed in Article 64-2, paragraph (6) of the Act that are allotted to the Corporation through the Share Exchange, etc. (meaning the Share Exchange, etc. prescribed in Article 68-2, paragraph (1) of the Act) approved under Article 68-2, paragraph (1) of the Act;
 - (a) In the case where a request can be made for the conversion of said shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.
 - (b) In the case where said shares are convertible upon the occurrence of certain events, shares of another class into which said shares are converted as a result of such occurrence.
 - (c) Shares split or consolidated with respect to said shares or the shares of another class specified in (a) or (b).
- (iii) Measures to ensure the soundness of financial conditions and to ensure the sound and appropriate operations.

(Measures to Ensure Soundness of Financial Conditions, etc. Concerning
Approval for Corporate Reorganization Pertaining to Financial Assistance)

Article 14-3 The measures specified by a Cabinet Order prescribed in Article 68-3, paragraph (4) of the Act shall be the following:

- (i) Measures to ensure the rationalization of management;
- (ii) Measures to secure the source of funds to enable the disposition of shares, etc., redemption or repayment with respect to acquired Preferred Shares, etc. (including the following) prescribed in Article 64-2, paragraph (6) of the Act that are allotted to the Corporation through a corporate reorganization (meaning the corporate reorganization prescribed in Article 68-3, paragraph (1) of the Act; hereinafter the same shall apply in this item) approved under Article 68-3, paragraph (1) of the Act and borrowings pertaining to acquired loan claims (meaning the acquired loan claims prescribed in Article 64-2, paragraph (5) of the Act and limited to those of which the obligor is the succeeding Financial Institution, etc. (meaning the succeeding Financial Institution, etc. prescribed in Article 68-3, paragraph (4) of the Act) pertaining to the corporate reorganization) held by the Corporation after the corporate reorganization approved under Article 68-3, paragraph (1) of the

Act.

(a) In the case where the Shares, etc. are shares, the shares specified below.

1. In the case where a request can be made for the conversion of said shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.
2. In the case where said shares are convertible upon the occurrence of certain events, shares of another class into which said shares are converted as a result of such occurrence.
3. Shares split or consolidated with respect to said shares or the shares of another class specified in 1 or 2.

(b) In the case where the Shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to said subordinated bonds and shares split or consolidated with respect thereto.

(c) In the case where the Shares, etc. are preferred equity investments, preferred equity investments split with respect to said preferred equity investments.

(iii) Measures to ensure the soundness of financial conditions and to ensure the sound and appropriate operations.

(Application Mutatis Mutandis of the Provisions Concerning Measures to Ensure Soundness of Financial Conditions Pertaining to Additional Financial Assistance)

Article 14-4 The provisions of Article 13 shall apply mutatis mutandis to the cases where the provisions of Article 64-2, paragraph (1) of the Act are applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act. In this case, the term "Article 64, paragraph (1) of the Act" in Article 13, item (ii) shall be deemed to be replaced with "Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Acquired Preferred Shares, etc. Pertaining to Additional Financial Assistance)

Article 14-5 The provisions of Article 13-2 shall apply mutatis mutandis to the cases where the provisions of Article 64-2, paragraph (5) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 68-2, paragraph (5) and Article 68-3, paragraph (5) of the Act) are applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act. In this case, the term "Article 64, paragraph (1) of the Act" in Article 13-2, paragraph (1) and Article 13-2, paragraph (2), items (i) and (ii) shall be deemed to be replaced with "Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Soundness of Financial Conditions, etc. Concerning Approval for Share Exchange, etc. Pertaining to Additional Financial Assistance)

Article 14-6 The provisions of Article 14-2 shall apply mutatis mutandis to the cases where the provisions of Article 68-2, paragraph (4) of the Act are applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act. In this case, the terms in Article 14-2, item (ii) "Article 68-2, paragraph (1) of the Act" shall be deemed to be replaced with "Article 68-2, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act," and "Article 64-2, paragraph (6) of the Act" shall be deemed to be replaced with "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Soundness of Financial Conditions, etc. Concerning Approval for Corporate Reorganization Pertaining to Additional Financial Assistance)

Article 14-7 The provisions of Article 14-3 shall apply mutatis mutandis to the cases where the provisions of Article 68-3, paragraph (4) of the Act are applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act. In this case, the terms in Article 14-3, item (ii) "Article 68-3, paragraph (1) of the Act" shall be deemed to be replaced with "Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act," "Article 64-2, paragraph (5) of the Act" shall be deemed to be replaced with "Article 64-2, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act," and "Article 64-2, paragraph (6) of the Act" shall be deemed to be replaced with "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act."

(Transactions Pertaining to Settlement of Funds Undertaken by Financial Institution)

Article 14-8 The transactions specified by a Cabinet Order prescribed in Article 69-2, paragraph (1) of the Act shall be the following transactions (excluding transactions that are deemed to be appropriate by the Corporation on the ground that the performance of liabilities pertaining thereto is assured through the implementation of measures to secure the appropriate clearing of funds and other similar measures prescribed in Article 72 of the Act on the Settlement of Funds (Act No. 59 of 2009)):

- (i) Exchange transactions;
- (ii) Transactions conducted based on the presentation of negotiable instrument, check, or other securities or instruments which can be settled for an amount indicated thereon at a clearinghouse;

- (iii) Transactions pertaining to checks drawn by a Financial Institution on itself under Article 6, paragraph (3) of the Act on Checks (Act No. 57 of 1933).

(Person Conducting Financial Business)

Article 14-9 The persons specified by a Cabinet Order prescribed in Article 69-2, paragraph (1) of the Act shall be the following:

- (i) A Financial Institution;
- (ii) A branch office of a foreign bank prescribed in Article 47, paragraph (2) of the Banking Act (Act No. 59 of 1981);
- (iii) Agricultural cooperatives that conduct the activities prescribed in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act (Act No. 132 of 1947);
- (iv) A federation of agricultural cooperatives that conducts the activities prescribed in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act;
- (v) Fisheries cooperatives that conduct the activities prescribed in Article 11, paragraph (1), item (iv) of the Fisheries Cooperatives Act (Act No. 242 of 1948);
- (vi) A federation of fisheries cooperatives that conducts the activities prescribed in Article 87, paragraph (1), item (iv) of the Fisheries Cooperatives Act;
- (vii) Fishery processing cooperatives that conduct the activities prescribed in Article 93, paragraph (1), item (ii) of the Fisheries Cooperatives Act;
- (viii) A federation of fishery processing cooperatives that conducts the activities prescribed in Article 97, paragraph (1), item (ii) of the Fisheries Cooperatives Act;
- (ix) The Norinchukin Bank.

(Obligations Borne by Financial Institutions)

Article 14-10 Those specified by a Cabinet Order prescribed in Article 69-2, paragraph (1) of the Act shall be the following:

- (i) Those resulting from transactions other than those conducted as a regular business by a Financial Institution;
- (ii) Those resulting from entrustment by a relevant person based on transactions other than those conducted as a regular business by a person specified in each item of the preceding Article;
- (iii) Those resulting from transactions specified in Article 14-8, item (iii).

(Deposits, etc. Excluded from Purchase of Deposits and Other Claims)

Article 15 The Deposits, etc. specified by a Cabinet Order prescribed in Article 70, paragraph (1) of the Act shall be the Deposits, etc. specified in each item of

Article 3 and Article 6.

(Costs Required for Purchase of Deposits and Other Claims)

Article 16 The amount of costs specified by a Cabinet Order prescribed in Article 70, paragraph (2) of the Act as being required for purchase shall be the following:

- (i) Interest on borrowings made by the Corporation costs incurred for the purpose of purchasing deposits and other claims (meaning the purchase of deposits and other claims prescribed in Article 70, paragraph (1) of the Act; the same shall apply hereinafter);
- (ii) Administrative costs incurred by the Corporation for the purpose of purchasing deposits and other claims;
- (iii) Administrative costs expected to be incurred by the Corporation for the purpose of making payments, if any, under the proviso to Article 70, paragraph (2) of the Act.

(Amount Excluded from Calculation of Estimated Proceeds Payment)

Article 17 Those specified by a Cabinet Order prescribed in Article 70, paragraph (3) of the Act shall be those specified in Article 6-2, paragraph (1), items (ii), (iii) and (vii).

(Matters for Public Notice Pertaining to Purchase of Deposits and Other Claims)

Article 18 The matters specified by a Cabinet Order prescribed in Article 72, paragraph (1) of the Act shall be the following:

- (i) Hours of handling of purchase of deposits and other claims;
- (ii) Documents and other items required to be submitted or presented to the Corporation by the Depositors, etc. when requesting the purchase of deposits and other claims;
- (iii) Other matters deemed necessary by the Corporation.

(Change of Period of Purchase of Deposits and Other Claims)

Article 19 (1) The events specified by a Cabinet Order prescribed in Article 72, paragraph (2) of the Act shall be those specified in each item of Article 10, paragraph (1).

- (2) In the case where the Corporation is to change the purchase period pertaining to the purchase of deposits and other claims under Article 72, paragraph (2) of the Act, the last day of the purchase period after the change shall be on or after the day on which three weeks have elapsed from the day of the event prescribed in the preceding paragraph.

(Matters for Public Notice Pertaining to Settlement Payment)

Article 20 The matters specified by a Cabinet Order prescribed in Article 72, paragraph (4) of the Act shall be the following:

- (i) Method of payment;
- (ii) Other matters deemed necessary by the Corporation.

(Amount of Principal on Reference Date in Case of Purchase of Deposits and Other Claims)

Article 21 The amount specified by a Cabinet Order prescribed in Article 73, paragraph (1) of the Act as the amount of principal shall be an amount which, on the day of occurrence of an insurable contingency pertaining to the Estimated Proceeds Payment, is equivalent to the principal of deposits and other claims (meaning the deposits and other claims prescribed in Article 70, paragraph (1) of the Act; the same shall apply hereinafter) for which the Depositors, etc. have received the Estimated Proceeds Payment prescribed in Article 70, paragraph (4) of the Act (in the case of the Long-Term Credit Bank Bonds, etc. prescribed in Article 73, paragraph (1), item (v) of the Act, the amount of such Long-Term Credit Bank Bonds, etc.) (said amount shall, in the case where, prior to the day of the Estimated Proceeds Payment, the Corporation has acquired the whole or part of the principal of deposits and other claims under Article 58, paragraph (1) or (3) of the Act, or the whole or part of the principal of deposits and other claims have been extinguished due to repayment or set-off of the Deposits, etc. pertaining to the loan prescribed in Article 69-3, paragraph (1) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 127 of the Act) or any other reason, be reduced by the amount of principal of deposits and other claims that have been so acquired or extinguished).

(Special Provisions for Act on Special Measures Concerning Taxation For Purchase of Deposits and Other Claims)

Article 22 (1) For the purpose of applying the provisions of Article 4-2, paragraphs (2) and (9) of the Act on Special Measures Concerning Taxation in the case where facts that do not fall under the requirements prescribed in Article 6, paragraph (4), item (i), (b) or (c) of the Act on the Promotion of Workers' Property Accumulation have occurred with respect to a contract on workers' property accumulation savings for house construction, etc. prescribed in Article 4-2, paragraph (1) of the Act on Special Measures Concerning Taxation or with respect to the performance thereof, and said facts have arisen from the purchase of deposits and other claims, said facts shall be deemed not to fall under cases specified by a Cabinet Order prescribed in Article 4-2, paragraph (2) of the Act on Special Measures Concerning Taxation or facts

prescribed in Article 4-2, paragraph (9) of said Act.

- (2) For the purpose of applying the provisions of Article 4-3, paragraphs (2) and (10) of the Act on Special Measures Concerning Taxation in the case where facts that do not fall under the requirements prescribed in Article 6, paragraph (2), item (i), (b) or (c) of the Act on the Promotion of Workers' Property Accumulation have occurred with respect to a workers' property accumulation pension savings contract, etc. prescribed in Article 4-3, paragraph (1) of the Act on Special Measures Concerning Taxation or with respect to the performance thereof, and said facts have arisen from the purchase of deposits and other claims, said facts shall be deemed not to fall under cases specified by a Cabinet Order prescribed in Article 4-3, paragraph (2) of the Act on Special Measures Concerning Taxation or facts prescribed in Article 4-3, paragraph (10) of said Act.

(Creditors to Whom Individual Notice Need Not Be Given Concerning
Reduction of Amount of Stated Capital)

Article 23 The creditors specified by a Cabinet Order prescribed in Article 89 of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 106, paragraph (2) of the Act) shall be the following:

- (i) Persons who make installment savings;
- (ii) Persons who make installment deposits;
- (iii) Beneficiaries of money trusts;
- (iv) Holders of the Long-Term Credit Bank Bonds under Article 8 of the Long-Term Credit Bank Act (Act No. 187 of 1952), specified bonds under Article 8, paragraph (1) of the Act on Financial Institutions' Merger and Conversion (Act No. 86 of 1968) (including the cases where it is applied mutatis mutandis pursuant to the provisions of Article 55, paragraph (4) of said Act), debentures issued under Article 17-2, paragraph (1) of the Act on Financial Institutions' Merger and Conversion before the revision by Article 168 of the Supplementary Provisions of the Act on Development, etc. of Relevant Acts for the Reform of the Financial System (Act No. 107 of 1998) which shall remain in force pursuant to Article 169 of the Supplementary Provisions of said Act, Federation of Shinkin Banks bonds under Article 54-2-4, paragraph (1) of the Shinkin Bank Act (Act No. 238 of 1951), and commercial and industrial bonds under Article 33 of The Shoko Chukin Bank, Ltd. Act (Act No. 74 of 2007) (including those that are deemed under Article 37 of the Supplementary Provisions of said Act to be commercial and industrial bonds issued under Article 33 of said Act) (referred to as "Financial Bonds" in Article 30);
- (v) Creditors pertaining to a custody agreement and other creditors under a standard contract pertaining to the business of a Bank, etc. to which a large

number of persons are parties, as specified by a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance.

(Amount of Loss Caused to Contracted Bridge Bank)

Article 24 The amount calculated pursuant to the provisions of a Cabinet Order prescribed in Article 99 of the Act shall be the smaller of the amounts specified in the following items pertaining to each business year of the Contracted Bridge Bank (meaning the Contracted Bridge Bank prescribed in Article 97, paragraph (1), item (i) of the Act; the same shall apply in item (ii)):

- (i) An amount equivalent to a capital loss in the case where the assets of the Contracted Bridge Bank have been purchased under the Succession Agreement prescribed in Article 97, paragraph (1) of the Act;
- (ii) An amount specified by a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance as current loss resulting from the settlement of profits and losses.

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Soundness of Financial Conditions Pertaining to Financial Assistance to Re-assuming Financial Institution, etc.)

Article 24-2 The provisions of Article 13 shall apply mutatis mutandis to the cases where the provisions of Article 64-2, paragraph (1) of the Act are applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act. In this case, the term "Article 64, paragraph (1) of the Act" in Article 13, item (ii) shall deem to be replaced with "Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Acquired Preferred Shares, etc. Pertaining to Financial Assistance to Re-assuming Financial Institution, etc.)

Article 24-3 The provisions of Article 13-2 shall apply mutatis mutandis to the cases where the provisions of Article 64-2, paragraph (5) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 68-2, paragraph (5) and Article 68-3, paragraph (5) of the Act) are applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act. In this case, the term "Article 64, paragraph (1) of the Act" in Article 13-2, paragraph (1) and Article 13-2, paragraph (2), items (i) and (ii) shall deemed to be replaced with "Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Soundness of Financial Conditions Pertaining to Approval for Share

Exchange, etc. to Re-assuming Financial Institution, etc.)

Article 24-4 The provisions of Article 14-2 shall apply mutatis mutandis to the cases where the provisions of Article 68-2, paragraph (4) of the Act are applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act. In this case, the terms in Article 14-2, item (ii) "Article 68-2, paragraph (1) of the Act" shall be deemed to be replaced with "Article 68-2, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act," and "Article 64-2, paragraph (6) of the Act" shall be deemed to be replaced with "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Soundness of Financial Conditions Pertaining to Approval for Corporate Reorganization to Re-assuming Financial Institution, etc.)

Article 24-5 The provisions of Article 14-3 shall apply mutatis mutandis to the cases where the provisions of Article 68-3, paragraph (4) of the Act are applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act. In this case, the terms in Article 14-3, item (ii) "Article 68-3, paragraph (1) of the Act" shall be deemed to be replaced with "Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act," "Article 64-2, paragraph (5) of the Act" shall be deemed to be replaced with "Article 64-2, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act" and "Article 64-2, paragraph (6) of the Act" shall be deemed to be replaced with "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act."

(Management Soundness Improvement Plan)

Article 25 The measures specified by a Cabinet Order prescribed in Article 105, paragraph (3) of the Act shall be the following:

- (i) Measures to ensure the rationalization of management;
- (ii) Measures to establish a responsible management system (including, in the case where a Bank Holding Company, etc. has made an application prescribed in Article 105, paragraph (2) of the Act, the management system of said Bank Holding Company, etc.);
- (iii) Measures to prevent surplus from being distributed by way of dividend, etc. (including, in the case where a Bank Holding Company, etc. has made an application prescribed in Article 105, paragraph (2) of the Act, the surplus of said Bank Holding Company, etc.);
- (iv) Measures to secure the source of funds to enable the disposition of shares, etc., redemption or repayment with respect to the Shares, etc. (including the following; the same shall apply in Article 25-6) acquired by the Corporation

based on a decision under Article 105, paragraph (4) of the Act and borrowings pertaining to loan claims acquired by the Corporation based on a decision under Article 105, paragraph (4) of the Act (including, in the case where a Bank Holding Company, etc. has made an application under Article 105, paragraph (2) of the Act, the source of funds of said Bank Holding Company, etc.);

(a) In the case where the Shares, etc. are shares, the shares specified below.

1. In the case where a request can be made for the conversion of said shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.
2. In the case where said shares are convertible upon the occurrence of certain events, shares of another class into which said shares are converted as a result of such occurrence.
3. Shares split or consolidated with respect to said shares or the shares of another class specified in 1 or 2.

(b) In the case where said Shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to said subordinated bonds and shares split or consolidated with respect thereto.

(c) In the case where said Shares, etc. are preferred equity investments, preferred equity investments split with respect to said preferred equity investments.

(v) Measures to ensure the soundness of financial conditions (including, in the case where a Bank Holding Company, etc. has made an application under Article 105, paragraph (2) of the Act, the financial conditions of said Bank Holding Company, etc.) and to ensure the sound and appropriate operations (including, in the case where a Bank Holding Company, etc. has made an application under Article 105, paragraph (2) of the Act, the operations of said Bank Holding Company, etc.).

(Special Provisions for Registration Resulting from Issuance of Preferred Equity Investments)

Article 25-2 For the purpose of applying the provisions of Article 14 of the Order for Enforcement of the Act on Preferred Equity Investment by Cooperative Structured Financial Institution (Cabinet Order No. 398 of 1993) in the case where a Financial Institution makes the registration of a change under Article 107-4, paragraph (2) of the Act resulting from the issuance of preferred equity investments in accordance with a decision under Article 105, paragraph (4) of the Act, the term in Article 14 of said Order "the following documents" shall deemed to be "the following documents and documents evidencing that the issuance of preferred equity investments is in accordance with a decision under Article 105, paragraph (4) of the Deposit Insurance Act (Act No. 34 of 1971)."

(Acquired Shares, etc. Pertaining to Measures Under Item (i))

Article 25-3 (1) The Shares, etc. specified by a Cabinet Order prescribed in Article 108, paragraph (3), item (i) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 108-2, paragraph (4) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act) and Article 108-3, paragraph (8)) shall be the Shares, etc. (including the following) acquired by the Corporation pursuant to the Measures Under Item (i) (meaning the Measures Under Item (i) prescribed in Article 102, paragraph (1), item (i) of the Act; hereinafter the same shall apply in this Article):

(i) In the case where the Shares, etc. are shares, the shares specified below.

(a) In the case where a request can be made for the conversion of said shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.

(b) In the case where said shares are convertible upon the occurrence of certain events, shares of another class into which said shares are converted as a result of such occurrence.

(c) Shares split or consolidated with respect to said shares or the shares of another class specified in (a) or (b).

(ii) In the case where said Shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to said subordinated bonds and shares split or consolidated with respect thereto.

(iii) In the case where said Shares, etc. are preferred equity investments, preferred equity investments split with respect to said preferred equity investments.

(2) The Shares, etc. specified by a Cabinet Order prescribed in Article 108, paragraph (3), item (ii) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 108-2, paragraph (4) (including the cases where it is applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act) and Article 108-3, paragraph (8)) shall be the following:

(i) The shares (including the following) allotted to the Corporation by a company that has become a wholly owning parent stock company in share exchange or wholly owning parent company incorporated through share transfer of a Financial Institution or Bank Holding Company, etc. with respect to whom the Corporation has executed the Subscription for Shares, etc. pursuant to the Measures Under Item (i):

(a) In the case where a request can be made for the conversion of said shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.

(b) In the case where said shares are convertible upon the occurrence of

- certain events, shares of another class into which said shares are converted as a result of such occurrence.
- (c) Shares split or consolidated with respect to said shares or the shares of another class specified in (a) or (b).
- (ii) The Shares, etc. (including the following) allotted to the Corporation by another corporation that is to succeed to the whole or part of business of a Financial Institution or Bank Holding Company, etc. through merger or company split thereof, for which the Corporation has conducted the Subscription for Shares, etc. pursuant to the Measures Under Item (i):
- (a) In the case where the Shares, etc. are shares, the shares specified below.
1. In the case where a request can be made for the conversion of said shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.
 2. In the case where said shares are convertible upon the occurrence of certain events, shares of another class into which said shares are converted as a result of such occurrence.
 3. Shares split or consolidated with respect to said shares or the shares of another class specified in 1 or 2.
- (b) In the case where said Shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to said subordinated bonds and shares split or consolidated with respect thereto.
- (c) In the case where said Shares, etc. are preferred equity investments, preferred equity investments split with respect to said preferred equity investments.
- (iii) The Shares, etc. (including the following) allotted to the Corporation by a company that has become a wholly owning parent stock company in share exchange or wholly owning parent company incorporated through share transfer through share exchange or share transfer effected by a corporation that is an issuer of the Shares, etc. falling under acquired Preferred Shares, etc. (meaning the acquired Preferred Shares, etc. prescribed in Article 108, paragraph (3) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 108-2, paragraph (4) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act) and Article 108-3, paragraph (8) of the Act)) under the preceding two items and this item or by another corporation that is to succeed to the whole or part of the business of said corporation through merger or company split thereof;
- (a) In the case where the Shares, etc. are shares, the shares specified below.
1. In the case where a request can be made for the conversion of said shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.

2. In the case where said shares are convertible upon the occurrence of certain events, shares of another class into which said shares are converted as a result of such occurrence.
 3. Shares split or consolidated with respect to said shares or the shares of another class specified in 1 or 2.
- (b) In the case where said Shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to said subordinated bonds and shares split or consolidated with respect thereto.
 - (c) In the case where said Shares, etc. are preferred equity investments, preferred equity investments split with respect to said preferred equity investments.

(Management Soundness Improvement Plan Submitted Under Article 108-2, paragraph (3) of Act)

Article 25-4 The measures specified by a Cabinet Order prescribed in Article 108-2, paragraph (3) of the Act shall be the following measures to be implemented by a company, in joint names with which a management soundness improvement plan (meaning the management soundness improvement plan prescribed in Article 105, paragraph (3) of the Act; the same shall apply hereinafter) is submitted, and which has become a wholly owning parent stock company in share exchange or wholly owning parent company incorporated through share transfer prescribed in Article 108-2, paragraph (3) of the Act:

- (i) Measures to establish a responsible management system;
- (ii) Measures to prevent a surplus from being distributed by way of dividend, etc.;
- (iii) Measures to secure the source of funds to enable the acquisition of own shares using a surplus with respect to acquired Shares, etc. allotted to the Corporation through the Share Exchange, etc. (meaning the Share Exchange, etc. prescribed in Article 108-2, paragraph (1) of the Act) authorized under Article 108-2, paragraph (1) of the Act (including the following; the same shall apply in Article 25-7 and Article 25-9);
 - (a) In the case where a request can be made for the conversion of said shares into shares of another class, shares of another class into which said shares are converted pursuant to the request.
 - (b) In the case where said shares are convertible upon the occurrence of certain events, shares of another class into which said shares are converted as a result of such occurrence.
 - (c) Shares split or consolidated with respect to said shares or the shares of another class specified in (a) or (b).
- (iv) Measures to ensure the soundness of financial conditions and to ensure

sound and appropriate operations.

(Requirements for Authorization for Corporate Reorganization of Subject Financial Institution)

Article 25-5 The requirements specified by a Cabinet Order prescribed in Article 108-3, paragraph (2), item (v) of the Act shall be, in the case where shares that are to become acquired Shares, etc. are allotted to the Corporation through Corporate Reorganization (meaning the Corporate Reorganization prescribed in Article 108-3, paragraph (1) of the Act; the same shall apply hereinafter) conducted by the Subject Financial Institution (meaning the Subject Financial Institution prescribed in Article 108-3, paragraph (1) of the Act) that is a Bank, etc. or The Shoko Chukin Bank, Ltd., that the class of acquired Shares, etc. to be allotted to the Corporation through the Corporate Reorganization is deemed to be identical to the class of acquired Shares, etc. held by the Corporation prior to said Corporate Reorganization.

(Management Soundness Improvement Plan Submitted by Succeeding Financial Institution)

Article 25-6 The measures specified by a Cabinet Order prescribed in Article 108-3, paragraph (3) of the Act shall be the following:

- (i) Measures to ensure the rationalization of management;
- (ii) Measures to establish a responsible management system;
- (iii) Measures to prevent surplus from being distributed by way of dividend, etc.;
- (iv) Measures to secure the source of funds to enable the disposition of shares, etc., redemption or repayment with respect to acquired Shares, etc. that are allotted to the Corporation through a Corporate Reorganization authorized under Article 108-3, paragraph (1) of the Act and borrowings pertaining to acquired loan claims (meaning the acquired loan claims prescribed in Article 108, paragraph (2) of the Act and limited to those of which the obligor is the succeeding Financial Institution, etc.) held by the Corporation after the Corporate Reorganization authorized under Article 108-3, paragraph (1) of the Act;
- (v) Measures to ensure the soundness of financial conditions and to ensure sound and appropriate operations.

(Management Soundness Improvement Plan Submitted by Succeeding Financial Institution)

Article 25-7 The measures specified by a Cabinet Order prescribed in Article 108-3, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 108-3, paragraph (4) of the Act shall be the following:

- (i) Measures to ensure the rationalization of management;
- (ii) Measures to establish a responsible management system (including the management system of the Bank Holding Company, etc. in joint names with which a management soundness improvement plan is submitted);
- (iii) Measures to prevent surplus (including the surplus of the Bank Holding Company, etc. in joint names with which a management soundness improvement plan is submitted) from being distributed by way of dividend, etc.;
- (iv) Measures to secure the source of funds to enable the acquisition of own shares using surplus with respect to acquired Shares, etc. (limited to those issued by said Bank Holding Company, etc.) held by the Corporation after the Corporate Reorganization authorized under Article 108-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 108-3, paragraph (4) of the Act, to be implemented by the Bank Holding Company, etc. in joint names with which a management soundness improvement plan is submitted;
- (v) Measures to ensure the soundness of financial conditions (including the financial conditions of the Bank Holding Company, etc. in joint names with which a management soundness improvement plan is submitted) and to ensure the sound and appropriate operations (including the operations of the Bank Holding Company, etc. in joint names with which a management soundness improvement plan is submitted).

(Requirements for Authorization for Corporate Reorganization of Issuing Financial Institution, etc. Other Than Subject Financial Institution)

Article 25-8 The requirements specified by a Cabinet Order prescribed in Article 108-3, paragraph (6), item (iv) of the Act shall be that the class of acquired Shares, etc. to be allotted to the Corporation through the Corporate Reorganization is deemed to be identical to the class of acquired Shares, etc. held by the Corporation prior to said Corporate Reorganization.

(Management Soundness Improvement Plan Submitted under Article 108-3, paragraph (7) of Act)

Article 25-9 The measures specified by a Cabinet Order prescribed in Article 108-3, paragraph (7) of the Act shall be the following measures to be implemented by another Bank Holding Company, etc. prescribed in Article 108-3, paragraph (7) of the Act:

- (i) Measures to establish a responsible management system;
- (ii) Measures to prevent surplus from being distributed by way of dividend, etc.;
- (iii) Measures to secure the source of funds to enable the acquisition of own shares using surplus with respect to acquired Shares, etc. that are allotted to

the Corporation through the Corporate Reorganization authorized under Article 108-3, paragraph (5) of the Act;

(iv) Measures to ensure the soundness of financial conditions and to ensure the sound and appropriate operations.

(Application Mutatis Mutandis of Provisions Concerning Management Soundness Improvement Plan Submitted under of Article 108-2, paragraph (3) of the Act as Applied Mutatis Mutandis Pursuant to Article 108-3, paragraph (8) of the Act)

Article 25-10 The provisions of Article 25-4 shall apply mutatis mutandis to the cases where the provisions of Article 108-2, paragraph (3) of the Act are applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act. In this case, the term in Article 25-4, item (iii) "Article 108-2, paragraph (1) of the Act" shall deemed to be replaced with "Article 108-2, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act."

(Replacement Deemed to be Made Concerning Special Provisions for Financial Assistance Pertaining to Bank Under Special Crisis Management)

Article 26 (1) The replacement of technical terms in the case where the provisions of the Act are applied mutatis mutandis pursuant to Article 118, paragraph (2) of the Act with regard to the application under Article 118, paragraph (1) of the Act and authorization under Article 61, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 118, paragraph (2) of the Act shall be as follows:

Provision for which a term is deemed to be replaced	Term deemed to be replaced	Term used to replace with
Article 59, paragraph (6)	Prime Minister (in the case of a labor bank or The Rokinren Bank, the Prime Minister and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry)	Prime Minister
Article 59, paragraph (7)	the Minister of Finance; provided, however, that this shall not apply to cases where the Financial Institution that has made said application is The Shoko Chukin Bank, Ltd.	the Minister of Finance.

(2) The replacement of technical terms in the case where the provisions of the Act

are applied mutatis mutandis pursuant to Article 118, paragraph (4) of the Act with regard to the mediation under Article 118, paragraph (3) of the Act, application under Article 118, paragraph (1) of the Act, authorization under Article 61, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 118, paragraph (2) of the Act, or a Financial Institution or Bank Holding Company, etc. that has received the mediation under Article 118, paragraph (3), and the Financial Assistance prescribed in Article 118, paragraph (1) of the Act shall be as follows:

Provision for which a term is deemed to be replaced	Term deemed to be replaced	Term used to replace with
Article 62, paragraph (5)	Failed Financial Institution or a Financial Institution recognized as having a high probability of becoming a Failed Financial Institution	Bank Under Special Crisis Management
Article 64, paragraph (3)	Prime Minister and the Minister of Finance (if said decision pertains to a merger, etc. to which a labor bank or The Rokinren Bank is a party, to the Prime Minister, the Minister of Finance, and the Minister of Health, Labour and Welfare, and if said decision pertains to a merger, etc. to which The Shoko Chukin Bank, Ltd. is a party, to the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry).	Prime Minister and the Minister of Finance.
Article 65	Prime Minister (in the case of a labor bank or The Rokinren Bank, to the Prime Minister and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., to the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry)	Prime Minister
Article 66, paragraph (1)	merger, Business Transfer, etc., Transfer of Insured Deposits, share exchange, or share transfer	merger, share exchange or share transfer
	Prime Minister (in the case of a labor bank or The Rokinren Bank, to the Prime Minister and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., to the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry)	Prime Minister
Article 66, paragraph (2)	Bank, etc., Bank Holding Company, etc. or The Shoko Chukin Bank, Ltd.	Bank, etc. or Bank Holding Company, etc.

Article 66, paragraph (3)	Prime Minister (in the case of a labor bank or The Rokinren Bank, to the Prime Minister and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., to the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry)	Prime Minister
Article 66, paragraph (4)	Minister of Finance; provided, however, that this shall not apply in cases where the Financial Institution that gave said notice is The Shoko Chukin Bank, Ltd.	Minister of Finance.

(Matters to be Reported Concerning Decision on Contributions)

Article 27 The matters specified by a Cabinet Order prescribed in Article 123, paragraph (1), item (v) of the Act shall be the following:

- (i) The amount of costs incurred in carrying out the Crisis Management Operations prescribed in Article 121, paragraph (1) of the Act;
- (ii) An amount equivalent to the amount of fruit arising out of acquired Shares, etc. or acquired loan claims prescribed in Article 108, paragraph (2) of the Act;
- (iii) Other matters specified by a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance.

(Procedures for Payment to National Treasury)

Article 28 (1) The Corporation shall, when paying to the national treasury any amount as profit under Article 125, paragraph (2) of the Act, pay said amount by July 31 of the following business year.

- (2) The Corporation shall, when paying to the national treasury any amount as profit under Article 125, paragraph (2) of the Act, submit to the Commissioner of the Financial Services Agency and the Minister of Finance by July 21 of the following business year a statement of the amount of payment to the national treasury calculated under Article 125, paragraph (2) of the Act, attaching thereto a balance sheet as of the end of the relevant business year, profit and loss statement of said business year, and other documents specified by a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance.

(Maximum Amount of Borrowing for Crisis Management Operations)

Article 29 The amount specified by a Cabinet Order prescribed in Article 126, paragraph (1) of the Act shall be seventeen trillion yen.

(Creditors to Whom Individual Notice for Objection Need Not Be Given Concerning Business Transfer, etc.)

Article 30 The creditors specified by a Cabinet Order prescribed in Article 131,

paragraph (3) of the Act shall be the holders of the Financial Bonds, creditors pertaining to a custody agreement, and other creditors under a standard contract pertaining to the business of a Financial Institution to which a large number of persons are parties, as specified by a Cabinet Office Ordinance and an Ordinance of the Ministry of Finance.

(Trust for Which Individual Notice Need Not be Given Concerning Change of Trustee)

Article 31 Those specified by a Cabinet Order prescribed in Article 132, paragraph (2) of the Act shall be trust pertaining to standard trust contracts of which a large number of persons are consignors or beneficiaries.

(Trusts with Right to Demand Purchase of Beneficiary Rights)

Article 32 Those specified by a Cabinet Order prescribed in Article 132, paragraph (5) of the Act shall be trusts that fall under all of the following items:

- (i) The Standard Trusts prescribed in Article 132, paragraph (2) of the Act;
- (ii) Trusts to which consignors are entitled to all profits derived therefrom;
- (iii) Money trusts.

(Replacement Deemed to be Made Concerning Special Provision for Procedures for Change of Trustee for Succession of Trust Business)

Article 33 The replacement of technical terms in the case where the provisions of the provisions of Trust Act are applied mutatis mutandis pursuant to Article 132, paragraph (7) of the Act with regard to the demand under Article 132, paragraph (5) of the Act shall be as follows:

Provision of the Trust Act for which a term is deemed to be replaced	Term deemed to be replaced	Term used to replace with
Article 103, paragraph (6)	Notice under paragraph (4) or the date of public notice under the preceding paragraph	date on which an objection is stated by a person who has any objection prescribed in Article 132, paragraph (2) of the Deposit Insurance Act
Article 103, paragraph (7), Article 104, paragraphs (1), (2), (8) and (9) and Article 262, paragraphs (1) and (2)	trustee	new trustee

(Calculation of Fraction for Amount of Insurance Premiums, etc.)

Article 34 (1) The number of months prescribed in Article 51, paragraph (1), Article 51-2, paragraph (1) or Article 122, paragraph (3) of the Act shall be calculated by calendar month and any fraction resulting therefrom shall be counted as one month.

(2) In calculating the amount of insurance premiums, late payment charge, or Contributions prescribed in Article 51, paragraph (1), Article 51-2, paragraph (1), Article 52, paragraph (2) (including the cases where it is applied *mutatis mutandis* pursuant to Article 122, paragraph (4) of the Act; the same shall apply in the following paragraph) or Article 122, paragraph (3) of the Act, any fraction less than one thousand yen shall be rounded off.

(3) In calculating the amount of late payment charge prescribed in Article 52, paragraph (2) of the Act, the annual rate prescribed in Article 52, paragraph (2) of the Act shall be the rate per 365 days even with respect to any period that includes a leap year.

(Handling of Insurance Premiums in Case of Dissolution of Financial Institution, etc.)

Article 35 (1) In the case where a Financial Institution has paid insurance premiums, conducts dissolution, etc. (meaning dissolution, transfer of the whole of business, or company split (limited to those whereby the whole of the business of such Financial Institution is succeeded by another Financial Institution); hereinafter the same shall apply in this Article and the following Article) or conversion prescribed in Article 2, paragraph (7) of the Act on Financial Institutions' Merger and Conversion, if any amount of insurance premiums has been paid in excess, said Financial Institution shall request the refund of insurance premiums pertaining to said excess within one month after the dissolution, etc. or conversion by submitting to the Corporation documents specified by the Corporation.

(2) Upon receiving the request prescribed in the preceding paragraph, the Corporation shall refund the amount prescribed in that paragraph without delay. In this case, if said request pertains to the Financial Institution that has conducted the dissolution, etc. or conversion prescribed in that paragraph and if any insurance premiums are to be paid under the following paragraph or Article 50, paragraph (1) of the Act with respect to a surviving Financial Institution, etc. after said dissolution, etc. (meaning the Financial Institution surviving the merger pertaining to said dissolution, etc., Financial Institution established through the merger of pertaining to said dissolution, etc., Financial Institution that has assumed business through transfer pertaining to said dissolution, etc., or Financial Institution that has succeeded to the whole of the business through company split pertaining to said dissolution, etc.; hereinafter the same shall apply in this Article and the following Article) or Financial

Institution after said conversion, the Corporation may, in lieu of said refund, appropriate the money pertaining to said refund to the insurance premiums.

- (3) The surviving Financial Institution, etc. shall, within three months of dissolution, etc. pertaining thereto, pay insurance premiums to the Corporation for the total of the amounts prescribed in the following items; provided, however, that, in the case where the number of months in the period from the day of dissolution, etc. to the last day of the business year that includes the day of dissolution, etc. exceeds six months, an amount equivalent to the amount of insurance premiums calculated for a six-month period may be paid no later than three months before the last day of the business year that includes the dissolution, etc. of said surviving Financial Institution, etc.
- (i) The amount calculated by dividing the average amount of the total amount of the General Deposits, etc. that was used as the basis for calculation of the amount of insurance premiums that the Financial Institution that has conducted the dissolution, etc. is to pay in the business year that includes the day of dissolution, etc. (in the case where there are two or more surviving Financial Institutions, etc., an amount obtained by allocating said average amount in proportion to the amount of the General Deposits, etc. assumed or succeeded by each surviving Financial Institution, etc.) by twelve, multiplying the result by the number of months in the period from the day of the dissolution, etc. to the last day of the business year of surviving Financial Institution, etc. that includes the day of dissolution, etc., and then multiplying the product by the Insurance Premiums Rate prescribed in Article 51, paragraph (1) of the Act;
- (ii) The amount calculated by dividing the average amount of the total amount of the Deposits for Settlement that was used as the basis for calculation of the amount of insurance premiums that the Financial Institution that has conducted the dissolution, etc. is to pay in the business year that includes the day of dissolution, etc. (in the case where there are two or more surviving Financial Institutions, etc., an amount obtained by allocating said average amount in proportion to the amount of the Deposits for Settlement assumed or succeeded by each surviving Financial Institution, etc.) by twelve, multiplying the result by the number of months in the period from the day of the dissolution, etc. to the last day of the business year of surviving Financial Institution, etc. that includes the day of dissolution, etc., and then multiplying the product by the rate prescribed in Article 51-2, paragraph (1) of the Act.
- (4) The number of months prescribed in the preceding paragraph shall be calculated by calendar month and any fraction resulting therefrom shall be rounded off.

(Handling of Insurance Premiums in Fiscal Year Following Dissolution, etc.)

Article 36 (1) A surviving Financial Institution, etc. shall, within three months after the beginning of the business year following the business year that includes the day of dissolution, etc. (hereinafter referred to "Following Business Year" in this paragraph) pertaining to said surviving Financial Institution, etc. (excluding the cases where the dissolution, etc. pertains to consolidation-type merger (meaning the consolidation-type merger prescribed in Article 2, item (xxviii) of the Companies Act; the same shall apply in the following paragraph); hereinafter the same shall apply in this paragraph), pay insurance premiums to the Corporation for the total of the amounts prescribed in the following items; provided, however, that an amount equivalent to one-half of the amount of the insurance premiums may be paid within three months of the day on which six months have elapsed from the beginning of the Following Business Year.

(i) An amount obtained by deducting the amount specified in (b) from the amount specified in (a);

(a) The amount obtained by dividing the average amount of the amount calculated by adding the total amount of the General Deposits, etc. on each day of the business year of the surviving Financial Institution, etc. that includes the day of dissolution, etc. (excluding holidays prescribed in Article 15, paragraph (1) of the Banking Act (including the cases where it is applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, Article 89, paragraph (1) of the Shinkin Bank Act, Article 6, paragraph (1) of the Act on Financial Businesses by Cooperative (Act No. 183 of 1949), and Article 94, paragraph (1) of the Labor Bank Act (Act No. 227 of 1953)) or Article 31, paragraph (1) of The Shoko Chukin Bank, Ltd. Act; hereinafter the same shall apply in this Article) to the total amount of the General Deposits, etc. on each relevant day of the Financial Institution that conducted the dissolution, etc. (excluding each day in the period from the day following the day of dissolution, etc. to the last day of said business year) (in the case where there are two or more surviving Financial Institutions, etc., an amount obtained by allocating said average amount in proportion to the amount of the General Deposits, etc. assumed or succeeded by each surviving Financial Institution, etc.) by twelve, multiplying the result by the number of months in the Following Business Year, and then multiplying the product by the Insurance Premiums Rate prescribed in Article 51, paragraph (1) of the Act.

(b) The amount of insurance premiums that the surviving Financial Institution, etc. is to pay in the Following Business Year under Article 51, paragraph (1) of the Act.

(ii) An amount obtained by deducting the amount specified in (b) from the

amount specified in (a);

- (a) The amount obtained by dividing the average amount of the amount calculated by adding the total amount of the Deposits for Settlement on each day of the business year of the surviving Financial Institution, etc. that includes the day of dissolution, etc. to the total amount of the Deposits for Settlement on each relevant day of the Financial Institution that conducted the dissolution, etc. (excluding each day in the period from the day following the day of dissolution, etc. to the last day of said business year) (in the case where there are two or more surviving Financial Institutions, etc., an amount obtained by allocating said average amount in proportion to the amount of the Deposits for Settlement assumed or succeeded by each surviving Financial Institution, etc.) by twelve, multiplying the result by the number of months in the Following Business Year, and then multiplying the product by the rate prescribed in Article 51-2, paragraph (1) of the Act;
 - (b) The amount of insurance premiums that the surviving Financial Institution, etc. is to pay in the Following Business Year under Article 51-2, paragraph (1) of the Act.
- (2) A surviving Financial Institution, etc. shall, within three months after the beginning of the business year following the business year that includes the day of consolidation-type merger (hereinafter referred to as "Following Business Year" in this paragraph) pertaining to said surviving Financial Institution, etc., pay insurance premiums to the Corporation for the total of the amounts prescribed in the following items; provided, however, that, an amount equivalent to one-half of the amount of the insurance premiums may be paid within three months of the day on which six months have elapsed from the beginning of the Following Business Year.
- (i) An amount obtained by deducting the amount specified in (b) from the amount specified in (a);
 - (a) The amount calculated by dividing the average amount of the total amount of the General Deposits, etc. on each day of the business year that includes the day of consolidation-type merger (with respect to the period up to the day of consolidation-type merger, the total amount of the General Deposits, etc. on each relevant day of each Financial Institution that conducted the consolidation-type merger) by twelve, multiplying the result by the number of months in the Following Business Year, and then multiplying the product by the Insurance Premiums Rate prescribed in Article 51, paragraph (1) of the Act;
 - (b) The amount of insurance premiums that the surviving Financial Institution, etc. is to pay in the Following Business Year under Article 51, paragraph (1) of the Act.

- (ii) An amount obtained by deducting the amount specified in (b) from the amount specified in (a);
- (a) The amount obtained by dividing the average amount of the total amount of the Deposits for Settlement on each day of the business year that includes the day of consolidation-type merger (with respect to the period up to the day of consolidation-type merger, the total amount of the Deposits for Settlement on each relevant day of each Financial Institution that conducted the consolidation-type merger) by twelve, multiplying the result by the number of months in the Following Business Year, and then multiplying the product by the rate prescribed in Article 51-2, paragraph (1) of the Act;
- (b) The amount of insurance premiums that the surviving Financial Institution, etc. is to pay in the Following Business Year under Article 51-2, paragraph (1) of the Act.

(Calculation of Fraction for Amount of Estimated Proceeds Payment, etc.)

Article 37 In calculating the amount of estimated proceeds payment under Article 70, paragraph (3) of the Act, any fraction less than a half yen shall be rounded off and any fraction not less than a half yen but less than one yen shall be rounded up to the nearest one yen; the same shall apply to cases where the amount of payment is calculated under the proviso to Article 70, paragraph (2) of the Act.

(Notice to Prefectural Governor)

Article 38 (1) Upon receiving the following report, application, material, or plan that is submitted with respect to a labor bank (limited to those whose district is within the area of one prefecture; the same shall apply in the following paragraph), the Commissioner of the Financial Services Agency and the Minister of Health, Labour and Welfare (in the case of item (iv), the Prime Minister) shall notify such fact to a prefectural governor having jurisdiction over the location of the principal office of said labor bank.

- (i) Report under Article 59, paragraph (6) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 59-2, paragraph (3) (including the cases where it is applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act), Article 69, paragraph (4), Article 101, paragraph (5) and Article 118, paragraph (2) of the Act), Article 60, paragraph (2), Article 65 (including the cases where it is applied mutatis mutandis pursuant to Article 101, paragraph (7), and Article 118, paragraph (4) of the Act), Article 66, paragraphs (1) and (3) (including the cases where these provisions are applied mutatis mutandis pursuant to Article 101, paragraph (7) and Article 118, paragraph (4) of the Act) and Article 108,

- paragraph (2) of the Act;
 - (ii) Application under Article 74, paragraphs (2) and (5) of the Act;
 - (iii) Submission of a report, material, or plan under Article 80 of the Act;
 - (iv) Submission of a plan under Article 104, paragraph (1) of the Act;
 - (v) Submission of a management soundness improvement plan under Article 105, paragraph (3) of the Act;
 - (vi) Submission of a management soundness improvement plan under Article 108-3, paragraph (3) of the Act;
 - (vii) Submission of a report or material under Article 136, paragraphs (1) and (2) of the Act;
- (2) The Commissioner of the Financial Services Agency (in the case of item (iii) and (v), the Commissioner of the Financial Services Agency and the Minister of Health, Labour and Welfare, and in the case of item (iv), the Commissioner of the Financial Services Agency and the Minister of Finance) shall, if he/she has given any of the following dispositions with respect to a labor bank, notify to that effect to a prefectural governor having jurisdiction over the location of the principal office of said labor bank:
- (i) The authorization under Article 61, paragraph (1) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 101, paragraph (5) and Article 118, paragraph (2) of the Act);
 - (ii) The mediation under Article 62, paragraph (1), Article 101, paragraph (6) and Article 118, paragraph (3) of the Act;
 - (iii) The approval under Article 67, paragraph (2) (including the cases where it is applied mutatis mutandis pursuant to Article 69, paragraph (4) and Article 101, paragraph (7) of the Act) and the proviso to Article 90 of the Act;
 - (iv) The authorization under Article 71, paragraph (1) of the Act;
 - (v) The decision under Article 105, paragraph (4) of the Act;
 - (vi) The authorization under Article 108-3, paragraph (1) of the Act.

(Authority Excluded from Authority Delegated to Commissioner of the Financial Services Agency)

Article 39 Those specified by a Cabinet Order prescribed in Article 139, paragraph (1), item (iv) of the Act shall be the following:

- (i) The authorization under Article 11 of the Act;
- (ii) The Confirmation under Article 102, paragraph (1) and Article 104, paragraph (8) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 105, paragraph (8) and Article 106, paragraph (5) of the Act);
- (iii) The rescission, pursuant to Article 103, paragraph (1) of the Act, Article 104, paragraphs (2), (4) and (5), Article 105, paragraph (7), and Article 106, paragraph (4) of the Act, of the Confirmation given under Article 102,

- paragraph (1) of the Act;
- (iv) The hearing of opinion under Article 102, paragraph (2) of the Act (including the cases where it is applied *mutatis mutandis* pursuant to Article 103, paragraph (2) of the Act, Article 104, paragraphs (3), (7), and (9) (including the cases where it is applied *mutatis mutandis* pursuant to Article 105, paragraph (8) of the Act) and Article 105, paragraph (8) of the Act);
- (v) The specification of a period of time under Article 102, paragraph (4) of the Act;
- (vi) The individual notice and public notice under Article 102, paragraph (5) of the Act (including the cases where it is applied *mutatis mutandis* pursuant to Article 103, paragraph (2) of the Act, Article 104, paragraphs (3), (7), and (9) (including the cases where it is applied *mutatis mutandis* pursuant to Article 105, paragraph (8) and Article 106, paragraph (5)), Article 105, paragraph (8) and Article 106, paragraph (5) of the Act);
- (vii) The report to the Diet under Article 102, paragraph (6) of the Act (including the cases where it is applied *mutatis mutandis* pursuant to Article 103, paragraph (2), Article 104, paragraphs (3), (7), and (9) (including the cases where it is applied *mutatis mutandis* pursuant to Article 105, paragraph (8) and Article 106, paragraph (5) of the Act), Article 105, paragraph (8), and Article 106, paragraph (5) of the Act);
- (viii) The receipt of a plan under Article 104, paragraph (1) of the Act;
- (ix) The hearing of opinion under Article 104, paragraph (6) of the Act (including the cases where it is applied *mutatis mutandis* pursuant to Article 105, paragraph (8) and Article 106, paragraph (5) of the Act).

(Delegation of Authority to Director-Generals of Local Finance Bureaus, etc.)

Article 40 (1) Among the authority delegated to the Commissioner of the Financial Services Agency under Article 139, paragraph (1) of the Act, the authority specified below shall be delegated to the Director-General of Local Finance Bureau having jurisdiction over the location of the head office or principal office (hereinafter referred to as "Head Office, etc." in this Article) of a Financial Institution (including a Financial Institution agent prescribed in Article 35, paragraph (1) of the Act that has received entrustment under the same paragraph; the same shall apply in the following paragraph and paragraph (3)) (in the case where the Head Office, etc. is located within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, to the Director-General of the Fukuoka Local Finance Branch Bureau); provided, however, that this shall not preclude the Commissioner of the Financial Services Agency from exercising the authority him/herself.

- (i) The order under Article 58-3, paragraph (2) of the Act (limited to those concerning persons specified in Article 2, paragraph (1), items (i) to (iv) of

- the Act);
- (ii) The order to report or submit material under Article 136, paragraphs (1) and (2) of the Act;
 - (iii) The questioning or on-site inspection under Article 137, paragraphs (1) and (2) of the Act (including those under Article 137, paragraph (6) of the Act).
- (2) The authority specified in items (ii) and (iii) of the preceding paragraph that relates to business offices of a Financial Institution other than the Head Office, etc., secondary offices, or any other facilities, or subsidiary company of a Financial Institution (hereinafter referred to as "Branches, etc." in this Article) may be exercised by the Director-Generals of Local Finance Bureaus having jurisdiction over the location of the Branches, etc. (in the case where the Branches, etc. are located within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau), in addition to the Director-Generals of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.
- (3) Any Director-General of Local Finance Bureau or Director-General of the Fukuoka Local Finance Branch Bureau who has required the submission of report or material from or conducted questioning or on-site inspection (hereinafter referred to as "Inspection, etc." in this paragraph) of the Branches, etc. of a Financial Institution under the preceding paragraph may, if he/she finds it necessary, conduct the Inspection, etc. of any Branches, etc. of said Financial Institution, other than the Head Office, etc. or said Branches, etc. which have already been subject to the Inspection, etc.
- (4) The provisions of the preceding three paragraphs shall not apply to the authority designated by the Commissioner of the Financial Services Agency among the authority specified in each item of paragraph (1).
- (5) When the Commissioner of the Financial Services Agency has made the designation prescribed in the preceding paragraph, he/she shall give public notice to that effect. The same shall apply when he/she abolishes or changes such designation.