

Act on the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development

(Act No. 24 of April 18, 2014)

Table of Contents

- Chapter I General Provisions (Articles 1 to 7)
- Chapter II Incorporation (Articles 8 to 13)
- Chapter III Administration
 - Section 1 Directors (Articles 14 and 15)
 - Section 2 Committee on Overseas Infrastructure in Transport & Urban Development (Articles 16 to 21)
 - Section 3 Amendments to the Articles of Incorporation (Article 22)
- Chapter IV Operations
 - Section 1 Scope of Operations (Article 23)
 - Section 2 Criteria for Support (Article 24)
 - Section 3 Implementation of Operations (Articles 25 to 27)
- Chapter V State Assistance (Articles 28 and 29)
- Chapter VI Finances and Accounting (Articles 30 to 33)
- Chapter VII Supervision (Articles 34 to 36)
- Chapter VIII Dissolution (Articles 37 and 38)
- Chapter IX Miscellaneous Provisions (Article 39)
- Chapter X Penal Provisions (Articles 40 to 46)
- Supplementary Provisions

Chapter I General Provisions

(Purpose of the Corporation)

Article 1 The Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development is a stock company whose purpose is to expedite Japanese enterprises' entry into overseas markets and to thereby contribute to the sustainable growth of Japan's economy, by making use of Japan's store of expertise, technologies, and know-how to provide funds, send experts, and give other assistance to persons involved in Transportation Works and Urban Development Works overseas, with the knowledge that these markets are expected to see continued growth and development but that it takes a considerable amount of time to recoup investments in overseas infrastructure projects and that these projects come with uncertainties in terms of profitability due to changes in the business environment.

(Definitions)

Article 2 (1) The term "Transportation Works" as used in this Act means:

- (i) works for transporting passengers or freight using railway, motor vehicles, ships, or airplanes and works that make use of such works to transport freight;
- (ii) works for operating or maintaining railway facilities, roads, ports or harbors, or other transportation-related facilities prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism (other than as set forth in the preceding item).

(2) The term "Urban Development Works" as used in this Act means:

- (i) works for developing or maintaining structures and sites so as to contribute to rational and sound land use in urban areas and to enhancing the functions of the urban area, in conformity with the following requirements:
 - (a) the works involve the development of roads, parks, sewage lines, and other public facilities prescribed by Ordinance of the Ministry of Land, Infrastructure Transport and Tourism; and
 - (b) the size of the area where the works are carried out exceeds the scale specified by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism.
- (ii) works for operating or maintaining facilities which Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism specifies as contributing to the enhancement of parks, sewage lines, and other functions of the urban area.

(3) The term "Target Works" as used in this Act means Transportation Works or Urban Development Works undertaken overseas, or any work supporting such works.

(Number)

Article 3 Only one Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (hereinafter referred to as "JOIN") is to be incorporated.

(Shares Held by the Government)

Article 4 At all times, the government must hold a number of shares in JOIN (other than any class of shares that is stipulated as not allowing voting rights to be exercised with respect to all matters that can be resolved at a shareholders meeting; the same applies hereinafter in this Article) that is equivalent to at least half of the total number of shares that JOIN has issued.

(Authorization for Shares, Bonds, and Borrowings)

Article 5 (1) JOIN must receive the authorization of the Minister of Land, Infrastructure, Transport and Tourism before soliciting persons to subscribe for the shares for subscription prescribed in Article 199, paragraph (1) of the Companies Act (Act No. 86 of 2005) (referred to as "Shares for Subscription" in Article 45, item (i)), the share options for subscription prescribed in Article 238, paragraph (1) of that Act (referred to as "Share Options for Subscription" in the same item), or the bonds for subscription prescribed in Article 676 of that Act (referred to as the "Bonds for Subscription" in Article 35 and the same item); before issuing shares, bonds, or share options in a share exchange; and before borrowing funds.

(2) JOIN must notify the Minister of Land, Infrastructure, Transport and Tourism without delay when it issues shares upon the exercise of share options.

(3) The sum total of JOIN's outstanding borrowings and outstanding obligations arising from bond principal must not exceed the amount arrived at when the sum total of JOIN's stated capital and amount of reserves is multiplied by the factor prescribed by Cabinet Order.

(Contributions by the Government)

Article 6 If the government finds it to be necessary, it may make contributions to JOIN of up to the amount specified in the budget.

(Trade Name)

Article 7 (1) JOIN must use the characters "株式会社海外交通・都市開発事業支援機構" (transliterated as "kabushiki-gaisha kaigai koutsuu toshi-kaihatsu jigyou shien kikou" and with a literal meaning of "Overseas Transportation & Urban Development Works Support Organization, Ltd.") in its trade name.

(2) It is prohibited for a person other than JOIN to use the characters "株式会社海外交通・都市開発事業支援機構" in its name.

Chapter II Incorporation

(Information Required To Be Specified or Recorded in the Articles of Incorporation)

Article 8 (1) In addition to what is set forth in the items of Article 27 of the Companies Act, the following information must be specified or recorded in the articles of incorporation of JOIN:

(i) the number of shares JOIN will issue at its incorporation (or if the incorporators seek to incorporate JOIN as a company with classes of shares, the classes and the number of shares in each class) (hereinafter these are referred to as "Shares Issued at Incorporation");

(ii) the amount to be paid-in for a Share Issued at Incorporation (meaning the

- amount of money paid, or assets other than money contributed, in exchange for one Share Issued at Incorporation);
- (iii) the number of Shares Issued at Incorporation allotted to the government (or if the incorporators seek to incorporate JOIN as a company with classes of shares, the classes and the number of shares in each class);
 - (iv) the information set forth in Article 107, paragraph (1), item (i) of the Companies Act;
 - (v) an indication that JOIN employs a board of directors and company auditors;
 - (vi) an indication that dissolution is effected upon completion of the operations set forth in the items of Article 23, paragraph (1).
- (2) The following information must not be specified or recorded in the articles of incorporation of JOIN:
- (i) an indication that JOIN employs a committee as prescribed in Article 2, item (xii) of the Companies Act;
 - (ii) the determination otherwise provided for which is referred to in the proviso to Article 139, paragraph (1) of the Companies Act.

(Authorization to Incorporate)

Article 9 The incorporators of JOIN must prepare the articles of incorporation, and they must submit these articles of incorporation and the business plan to the Minister of Land, Infrastructure, Transport and Tourism and apply for authorization to incorporate promptly after having accepted the Shares Issued at Incorporation allotted to them.

Article 10 (1) When the incorporators apply for authorization pursuant to the provisions of the preceding Article, the Minister of Land, Infrastructure, Transport and Tourism must examine whether the application conforms to the following criteria:

- (i) the incorporation procedures and the contents of the articles of incorporation conform to the provisions of laws and regulations;
 - (ii) nothing false has been specified or recorded in the articles of incorporation, nor has a false signature, name, or seal been affixed thereto (this includes any action under Article 26, paragraph (2) of the Companies Act that is taken in lieu of the signing or affixing of names and seals);
 - (iii) it is found to be possible to rely on operations being well managed and on these operations contributing to furthering Target Works.
- (2) If, as a result of having conducted an examination pursuant to the provisions of the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism finds the application to meet the criteria set forth in the items of that paragraph, the minister must authorize incorporation.

(Appointment and Dismissal of Directors at Incorporation and Auditors at Incorporation)

Article 11 The appointment and dismissal of the directors at incorporation prescribed in Article 38, paragraph (1) of the Companies Act and the auditors at incorporation prescribed in paragraph (2), item (ii) of that Article does not become effective without the authorization of the Minister of Land, Infrastructure, Transport and Tourism.

(Replacement of Terms in the Provisions of the Companies Act)

Article 12 With respect to the application of the provisions of Article 30, paragraph (2) of the Companies Act and of Article 34, paragraph (1); Article 59, paragraph (1), item (i); and Article 963, paragraph (1) of that Act, the phrase "Articles of incorporation that are certified by a notary public pursuant to the preceding paragraph may not be amended before the formation of the Stock Company" in Article 30, paragraph (2) of that Act is deemed to be replaced with "Articles of incorporation may not be amended before the formation of the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development after the authorization set forth in Article 10, paragraph (2) of the Act on the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development (Act No. 24 of 2014)"; the phrase "Subscription for Shares Issued at Incorporation" in Article 34, paragraph (1) of the same Act is deemed to be replaced with "the authorization set forth in Article 10, paragraph (2) of the Act on the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development"; the phrase "the date of the certification of the articles of incorporation and the name of the notary public who effected such certification" in that item is deemed to be replaced with "the date of the authorization set forth in Article 10, paragraph (2) of the Act on the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development"; and the phrase "Article 34, paragraph (1)" in Article 963, paragraph (1) of that Act is deemed to be replaced with "Article 34, paragraph (1) (including as applied following a replacement of terms pursuant to the provisions of Article 12 of the Act on the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development)".

(Exclusion from Application of Provisions of the Companies Act)

Article 13 The provisions of Article 30, paragraph (1) of the Companies Act and of Article 33 of that Act do not apply to the incorporation of JOIN.

Chapter III Administration

Section 1 Directors

(Resolutions Appointing Directors and Company Auditors)

Article 14 Resolutions appointing and dismissing directors and company auditors do not become effective without the authorization of the Minister of Land, Infrastructure, Transport and Tourism.

(Directors' Duty of Confidentiality)

Article 15 It is prohibited for the director, accounting advisor, company auditor, or employee of JOIN or a person that has held one of these positions to divulge or misappropriate any secret learned in the performance of their duties.

Section 2 Committee on Overseas Infrastructure in Transport & Urban Development

(Establishment)

Article 16 The Committee on Overseas Infrastructure in Transport & Urban Development (hereinafter referred to as "the Committee") is established within JOIN.

(Authority)

Article 17 (1) The Committee makes the following decisions:

- (i) decisions about which enterprises will be extended the Support for Target Works referred to in Article 25, paragraph (1), and on the substance of the Support for Target Works;
- (ii) decisions about disposing of JOIN's interests, such as through the transfer of Shares or Other Interests referred to in Article 27 or through the transfer of a claim;
- (iii) decisions beyond what is set forth in the preceding two items with regard to the matters set forth in Article 362, paragraph (4), item (i) and item (ii) of the Companies Act, with which the Committee has been delegated by resolution of the board of directors.

(2) The Committee is deemed to have been delegated by the board of directors to decide the matters set forth in item (i) and item (ii) of the preceding paragraph.

(Committee Organization)

Article 18 (1) The Committee comprises at least three but no more than seven director-cum-members.

(2) At least one representative director and one outside director must be among the members of the Committee.

(3) The members of the Committee are decided by board of directors' resolution.

(4) A resolution appointing or dismissing a member of the Committee does not become effective without the authorization of the Minister of Land,

Infrastructure, Transport and Tourism.

- (5) Members of the Committee perform their duties independently of one another.
- (6) The Committee employs a chairperson, whom the members select from among themselves by election.
- (7) The chairperson presides over all of the affairs of the Committee.
- (8) The Committee must designate a person in advance, from among the members, to act as proxy in handling the duties of the chairperson if the chairperson is unable to attend to them.

(Operations)

Article 19 (1) The Committee is convened by the chairperson (or, if the chairperson is unable to attend to this duty, by the person acting as proxy in handling the duties of the chairperson as prescribed in paragraph (8) of the preceding Article; the same applies in the following paragraph and paragraph (3)).

- (2) The Committee may not open a meeting or pass a resolution without the attendance of the chairperson and at least two thirds of the total number of incumbent members.
- (3) A Committee decision is effected by a majority of the members present at the meeting. The chairperson effects the decision in the event of a tie.
- (4) A member of the Committee who has a special interest in a resolution under the preceding paragraph may not participate in the vote.
- (5) A member of the Committee who may not participate in the vote pursuant to the provisions of the preceding paragraph is not included in the calculation of the number of incumbent members prescribed in paragraph (2).
- (6) Company auditors must attend meetings of the Committee and must state their opinions if they find this to be necessary.
- (7) The member of the Committee whom the Committee has selected to do so must notify the board of directors of the substance of the resolution under paragraph (3) without delay after that resolution is passed.
- (8) If, in the preparation of the minutes of a meeting of the Committee pursuant to Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, the minutes are prepared as a paper document, the members and company auditors present at the meeting must sign or affix their names and seals to the document.
- (9) If the minutes referred to in the preceding paragraph are prepared as an electronic or magnetic record (meaning a record used in computerized information processing which is created in electronic form, magnetic form, or any other form that cannot be perceived by the human senses; hereinafter the same applies in this paragraph and in paragraph (2), item (ii) of the following Article), the measure in lieu of the signing of a paper document or the affixing

of names and seals thereto which is specified by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism must be taken in connection with the data recorded in that electronic or magnetic record.

- (10) Beyond what is specified in the preceding paragraphs and the following Article, the Committee determines the procedures for its decisions and makes other necessary provisions for its own operations.

(Minutes)

Article 20 (1) JOIN must keep the minutes referred to in paragraph (8) of the preceding Article on file at its head office for ten years after the date of the meeting of the Committee.

- (2) If it is necessary to a shareholder's exercise of rights, the shareholder may make one of the following requests, with the permission of the court:
- (i) a request to inspect or copy the relevant document, if the minutes referred to in the preceding paragraph have been prepared as a paper document;
 - (ii) a request to inspect or copy anything that has been made to show the information recorded in the relevant electronic or magnetic record through a means prescribed by Ordinance of the Ministry of Land, Infrastructure, Transport and Tourism, if the minutes referred to in the preceding paragraph have been prepared as an electronic or magnetic record.
- (3) If it is necessary to do so in order to enforce the liability of a committee member, an obligee may make a request as set forth in an item of the preceding paragraph with respect to the minutes referred to in paragraph (1), with the permission of the court.
- (4) The court may not give the permission referred to in paragraph (2) or the preceding paragraph if it finds that JOIN would incur substantial damage due to inspection or copying under a request as set forth in an item of paragraph (2) or a request as referred to in the preceding paragraph.
- (5) The provisions of Article 868, paragraph (1) of the Companies Act and of Article 869; Article 870, paragraph (2) (but only the part involving item (i)); Article 870-2; the main clause of Article 871; Article 872 (but only the part involving item (v)); Article 872-2; the main clause of Article 873; Article 875; and Article 876 of that Act apply mutatis mutandis to the permission referred to in paragraph (2) and paragraph (3).
- (6) A director may make a request as set forth in an item of paragraph (2) with respect to the minutes referred to in paragraph (1).

(Registration)

Article 21 (1) Once a member of the Committee is appointed, JOIN must register the name of that member in connection with the location of its head office, within two weeks. The same applies if there is a change in the name of a

member.

- (2) A document evidencing that a member of the Committee has been appointed and that the appointed member has accepted the position must accompany the written application to register the appointment of a member as under the provisions of the preceding paragraph.
- (3) A document evidencing a change due to the resignation of a member of the Committee must accompany the written application to register this.
- (4) JOIN must make a registration indicating those of the directors who are appointed as members of the Committee and who are outside directors, to be outside directors.

Section 3 Amendments to the Articles of Incorporation

Article 22 A resolution changing JOIN's articles of incorporation does not become effective without the authorization of the Minister of Land, Infrastructure, Transport and Tourism.

Chapter IV Operations

Section 1 Scope of Operations

Article 23 (1) JOIN is to engage in the operations set forth below in order to achieve its objective:

- (i) contributing to target enterprises (meaning any enterprise to which JOIN extends its support pursuant to the provisions in Article 25, paragraph (1) (including a partnership formed based on a partnership agreement as prescribed in Article 667, paragraph (1) of the Civil Code (Act No. 89 of 1896); a silent partnership formed based on a silent partnership agreement as prescribed in Article 535 of the Commercial Code (Act No. 49 of 1899); an investment limited partnership as provided in Article 2, paragraph (2) of the Limited Partnership Act for Investment (Act No. 90 of 1998); a limited liability partnership as provided in Article 2 of the Limited Liability Partnership Act (Act No. 40 of 2005); or an organization similar to any such partnership, which has been incorporated pursuant to a foreign law or regulation; the same applies hereinafter); the same applies hereinafter);
- (ii) contributing to the funds (meaning funds as prescribed in Article 131 of the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006)) of target enterprises;
- (iii) lending funds to target enterprises;
- (iv) acquiring securities (meaning securities as set forth in the items of Article 2, paragraph (1) of the Financial Instruments and Exchange Act (Act No. 25 of 1948) and rights deemed to be securities pursuant to the provisions of

- paragraph (2) of that Article; the same applies hereinafter in this item and in item (x) issued by target enterprises and securities held by target enterprises;
- (v) acquiring monetary claims against target enterprises and monetary claims held by target enterprises;
 - (vi) guaranteeing bonds issued by target enterprises and obligations in connection with their borrowings of funds;
 - (vii) making public offerings or private placements of securities (but only of the rights set forth in Article 2, paragraph (2), item (v) or item (vi) of the Financial Instruments and Exchange Act that are deemed to be securities pursuant to the provisions of that paragraph) to benefit target enterprises;
 - (viii) sending engineers and other experts to enterprises that are undertaking or seeking to undertake Target Works;
 - (ix) advising enterprises that are undertaking or seeking to undertake Target Works;
 - (x) transferring or otherwise disposing of shares, share options, equity, or securities (referred to as "Shares or Other Interests" in Article 27) that JOIN holds;
 - (xi) managing, transferring, or otherwise disposing of claims;
 - (xii) carrying out the necessary negotiations and investigations in connection with the operations set forth in the preceding items;
 - (xiii) carrying out the necessary investigations and informational provision to facilitate Target Works;
 - (xiv) operations incidental to those set forth in the preceding items;
 - (xv) operations beyond what is set forth in the preceding items which are necessary for achieving the objective of JOIN.
- (2) Before engaging in operations as set forth in item (xv) of the preceding paragraph, JOIN must receive the authorization of the Minister of Land, Infrastructure, Transport and Tourism.

Section 2 Criteria for Support

- Article 24 (1) The Minister of Land, Infrastructure, Transport and Tourism is to establish criteria with which JOIN must comply when deciding on the enterprises to which it will extend support for Target Works (limited to support undertaken through the operations set forth in paragraph (1), items (i) to (vii) of the preceding Article; hereinafter this is referred to as "Support for Target Works") and when deciding on the substance of the Support for Target Works (such criteria are referred to as "Criteria for Support" hereinafter in this Article and in paragraph (1) of the following Article).
- (2) The Minister of Land, Infrastructure, Transport and Tourism must consult

with the Minister of Foreign Affairs; the Minister of Finance; and the Minister of Economy, Trade and Industry before establishing the Criteria for Support pursuant to the preceding paragraph.

- (3) After establishing the Criteria for Support pursuant to the provisions of paragraph (1), the Minister of Land, Infrastructure, Transport and Tourism must disclose them to the public.

Section 3 Implementation of Operations

(Decision to Provide Support)

Article 25 (1) Before providing Support for Target Works, JOIN must decide on the enterprise to which it will extend this support and the substance of the Support for Target Works, in accordance with the Criteria for Support.

- (2) Before deciding whether to provide Support for Target Works, JOIN must receive the authorization of the Minister of Land, Infrastructure, Transport and Tourism.

- (3) The Minister of Land, Infrastructure, Transport and Tourism must consult with the Minister of Foreign Affairs; the Minister of Finance; and the Minister of Economy, Trade and Industry before granting the authorization referred to in the preceding paragraph.

(Withdrawal of the Decision to Provide Support)

Article 26 (1) In a case as set forth below, JOIN must promptly withdraw the decision under the provisions of paragraph (1) of the preceding Article (referred to as the "Decision to Provide Support" in the following paragraph):

- (i) the target enterprise fails to undertake the Target Works;
- (ii) the target enterprise becomes subject to an order to commence bankruptcy proceedings, an order to commence rehabilitation proceedings, an order to commence reorganization proceedings, an order to commence special liquidation, or an order acknowledging foreign insolvency proceedings.
- (2) JOIN must notify the target enterprise immediately if it withdraws its Decision to Provide Support pursuant to the provisions of the preceding paragraph.

(Transferring and Otherwise Disposing of Shares and Other Interests)

Article 27 JOIN must receive the authorization of the Minister of Land, Infrastructure, Transport and Tourism before deciding to transfer or otherwise dispose of Shares or Other Interests that it holds in a target enterprise or claims that it holds against the same.

Chapter V State Assistance

(State Assistance)

Article 28 (1) The Minister of Land, Infrastructure, Transport and Tourism and the heads of national administrative organs must endeavor to provide JOIN and target enterprises with advice and any other assistance they need to smoothly and reliably implement the undertakings in which they are engaged.

(2) The Minister of Land, Infrastructure, Transport and Tourism and the heads of national administrative organs must cooperate and coordinate with one another so as to facilitate the smooth and reliable implementation of the undertakings in which JOIN and target enterprises are engaged, other than as is provided for in the preceding paragraph.

(Financial Measures)

Article 29 The national government must endeavor to take the necessary financial and other measures to further Support for Target Works and other undertakings that contribute to the smooth and reliable implementation of Target Works.

Chapter VI Finances and Accounting

(Budget Approval)

Article 30 (1) Before the start of each business year, JOIN must submit its budget for the business year to the Minister of Land, Infrastructure, Transport and Tourism for approval. This requirement also applies before JOIN makes any changes to its budget.

(2) Documents related to the business plan and financial plan for the business year must accompany the budget referred to in the preceding paragraph.

(Resolution to Pay Dividends from Surplus)

Article 31 A resolution to pay dividends from JOIN's surplus or for any other appropriation of surplus does not become effective without the authorization of the Minister of Land, Infrastructure, Transport and Tourism.

(Financial Statements)

Article 32 Within three months from the end of each business year, JOIN must submit a balance sheet, profit and loss statement, and business report for that business year to the Minister of Land, Infrastructure, Transport and Tourism.

(Government Guarantees)

Article 33 Notwithstanding the provisions of Article 3 of the Act Prescribing Restrictions on Government Provision of Financial Assistance to Corporations

(Act No. 24 of 1946), the government may enter into a contract of guarantee for a JOIN obligation that is connected with bonds or borrowings as referred to in Article 5, paragraph (1), not to exceed the amount approved by Diet resolution.

Chapter VII Supervision

(Supervision)

- Article 34 (1) JOIN is supervised by the Minister of Land, Infrastructure, Transport and Tourism, in accordance with what is provided in this Act.
- (2) On finding it to be necessary to do so in order to enforce this Act, the Minister of Land, Infrastructure, Transport and Tourism may issue JOIN any order in connection with its operations that is necessary from a supervisory perspective.

(Consultation with the Minister of Finance)

- Article 35 Before giving the authorization referred to in Article 5, paragraph (1) (limited to when JOIN seeks to solicit persons to subscribe for Bonds for Subscription, issue bonds in a share exchange, or borrow funds); Article 10, paragraph (2); Article 22; or Article 23, paragraph (2); the approval referred to in Article 30, paragraph (1); or the authorization referred to in Article 31 or Article 38, the Minister of Land, Infrastructure, Transport and Tourism must consult with the Minister of Finance.

(Evaluation of Operational Performance)

- Article 36 (1) The Minister of Land, Infrastructure, Transport and Tourism must evaluate JOIN's operational performance in each business year.
- (2) After carrying out the evaluation referred to in the preceding paragraph, the Minister of Land, Infrastructure, Transport and Tourism must notify JOIN of the results of that evaluation and disclose them to the public without delay.

Chapter VIII Dissolution

(Dissolution of JOIN)

- Article 37 JOIN is dissolved upon the completion of the operations set forth in the items of Article 23, paragraph (1).

(Merger Approval Resolution)

- Article 38 A resolution approving a merger or company split, the transfer or acceptance of business, or the dissolution of JOIN does not become effective without the authorization of the Minister of Land, Infrastructure, Transport and Tourism.

Chapter IX Miscellaneous Provisions

(Collection of Reports)

- Article 39 (1) If the Minister of Land, Infrastructure, Transport and Tourism finds it to be necessary to do so in order to enforce this Act, the minister may have JOIN submit reports relevant to its operations, and may have ministry officials enter JOIN's business office, office, or other place of operations to inspect its books, documents, or any other articles.
- (2) An official conducting an on-site inspection pursuant to the provisions of the preceding paragraph must carry proof of identity and present it to persons concerned.
- (3) The authority to conduct an on-site inspection pursuant to the provisions of paragraph (1) must not be construed as having been granted for the purposes of a criminal investigation.

Chapter X Penal Provisions

- Article 40 (1) A director, accounting advisor (or the staff member responsible for accounting advisor duties, if the accounting advisor is a corporation), company auditor, or employee of JOIN that accepts, solicits, or agrees to a bribe in connection with the duties thereof is subject to imprisonment with required labor for not more than three years. A person in one of these positions that commits an act of impropriety or fails to take appropriate action in consequence of such a bribe is subject to imprisonment with required labor for not more than five years.
- (2) In a case as referred to in the preceding paragraph, any bribe that the offender has collected is confiscated. If all or part of that bribe cannot be confiscated, the offender is subject to the collection of an equivalent sum of money.

- Article 41 (1) A person paying, offering, or agreeing to a bribe as referred to in paragraph (1) of the preceding Article is subject to imprisonment with required labor for not more than three years or to a fine of not more than 1,000,000 yen.
- (2) If a person committing a crime referred to in the preceding paragraph voluntarily surrenders before the crime or the person's involvement in it is detected, the person may be given a reduced sentence or an absolute discharge.

- Article 42 (1) Provisions on the crimes referred to in Article 40, paragraph (1) also apply to a person committing a crime as referred to in that paragraph outside Japan.
- (2) The crimes referred to in paragraph (1) of the preceding Article are handled

in accordance with the provisions of Article 2 of the Penal Code (Act No. 45 of 1907).

Article 43 If, in violation of the provisions of Article 15, a director, accounting advisor (or the staff member responsible for accounting advisor duties, if the accounting advisor is a corporation), company auditor, or employee of JOIN or a person that has held one of these positions divulges or misappropriates a secret learned in the performance of their duties, that person is subject to imprisonment with required labor for not more than one year or to a fine of not more than 500,000 yen.

Article 44 If JOIN fails to make the report under Article 39, paragraph (1) or makes a false report, or if it refuses, obstructs, or evades an inspection under the same paragraph, the director, accounting advisor (or the staff member responsible for accounting advisor duties, if the accounting advisor is a corporation), company auditor, or employee committing the violation is subject to a fine of not more than 500,000 yen.

Article 45 In a case falling under one of the following items, the director, accounting advisor, staff member responsible for accounting advisor duties, or auditor of JOIN committing the violation is subject to a non-criminal fine of not more than 1,000,000 yen:

- (i) if JOIN violates the provisions of Article 5, paragraph (1) in soliciting persons to subscribe for Shares for Subscription, Share Options for Subscription, or Bonds for Subscription; in issuing shares, bonds, or share options in a share exchange; or in borrowing funds;
- (ii) if JOIN fails to notify the relevant person of the issuance of shares, in violation of the provisions of Article 5, paragraph (2);
- (iii) if JOIN neglects to make a registration, in violation of the provisions of Article 21, paragraph (1) or paragraph (4);
- (iv) if JOIN violates the provisions of Article 23, paragraph (2) in undertaking operations;
- (v) if JOIN violates the provisions of Article 25, paragraph (2) or Article 27, paragraph (1) in reaching a decision;
- (vi) if JOIN fails to obtain budget approval, in violation of the provisions of Article 30, paragraph (1);
- (vii) if JOIN fails to submit a balance sheet, profit and loss statement, or business report, in violation of the provisions of Article 32, or submits a balance sheet, profit and loss statement, or business report containing a false entry or record;
- (viii) if JOIN violates an order under Article 34, paragraph (2).

Article 46 A person using the characters "株式会社海外交通・都市開発事業支援機" in its name in violation of the provisions of Article 7, paragraph (2) is subject to a non-criminal fine of not more than 100,000 yen.

Supplementary Provisions [Extract]

(Effective Date)

Article 1 This Act comes into force as of the date specified by Cabinet Order, which must be within a period of no more than three months from the date of promulgation; provided, however, that the provisions of Article 6 of the Supplementary Provisions come into force as of the date of promulgation of the Act Prescribing Adjustments to the Relevant Acts to Coordinate with the Enforcement of the Act Partially Amending the Companies Act (Act No. __ of 2014) or the date of promulgation of this Act, whichever comes later.

(Transitional Measures)

Article 2 During the period of six months after this Act comes into force, the provisions of Article 7, paragraph (2) do not apply to any person using the characters "株式会社海外交通・都市開発事業支援機" in its name at the time this Act comes into force.

Article 3 As regards the JOIN's budget in the business year in which it is incorporated, the phrase "Before the start of each business year" in Article 30, paragraph (1) is deemed to be replaced with "Without delay after its incorporation".

(Review)

Article 4 The government is to review how this Act is being enforced every five years after this Act comes into effect, and is to take the necessary measures based on the results of its review.