

Rules on Internship

(Rules of the Certified Public Accountants Management Committee No. 7 of
August 12, 1950)

Pursuant to the provisions of Articles 11 and 44 of the Certified Public Accountants Act, the Rules on Internship are provided as follows:

(General Rules)

Article 1 A person who intends to be registered as a certified public accountant is required, in addition to taking the professional accountancy education program as prescribed in Article 16 of the Certified Public Accountants Act (Act No. 103 of 1948; hereinafter referred to as the "Act"), to assist, in relation to the services set forth in Article 2, paragraph (1) of the Act, a certified public accountant (including a registered foreign certified public accountant and a person having a qualification equivalent to the qualification of a certified public accountant; the same applies hereinafter) or an audit corporation (hereinafter referred to as an "Internship") or to engage in auditing, analysis or any other practice related to finance (hereinafter referred to as "Practice").

Article 2 (1) The Internship must be carried out for services of auditing and certifying financial documents for two or more corporations per year (or one or more corporations, if such corporation is to be audited by a certified public accountant or an audit corporation pursuant to the provisions of Article 193-2 of the Financial Instruments and Exchange Act (Act No. 25 of 1948), or if such corporation is a company with accounting auditors pursuant to the provisions of Article 2, item (xi) of the Companies Act (Act No. 86 of 2005) (limited to a stock company with the amount recorded as stated capital in the balance sheet (which means, in the cases provided for in the first sentence of Article 439 of the same Act, the balance sheet reported to the annual shareholders' meeting pursuant to the same Article, and if the first annual shareholders' meeting after the incorporation of the stock company has not yet been held, the balance sheet set forth in Article 435, paragraph (1) of the same Act) as of the most recent business year exceeding 100,000,000 yen as prescribed in Article 2, item (xi) of the Companies Act (Act No. 86 of 2005)).

(2) Practice must be carried out directly for the affairs as prescribed in each item of Article 2 of the Order for Enforcement of the Certified Public Accountants Act (Cabinet Order No. 343 of 1952) as a regular employee and as main duties.

(Period and Method of Calculation)

Article 3 (1) The period of Internship or Practice (hereinafter referred to as an "Internship, etc.") is a total of two years.

(2) When calculating the period pursuant to the provisions of the preceding paragraph, the calculation is made according to the number of days based on 30 days per month.

(Report on Internship, etc.)

Article 4 (1) A person who intends to be registered as a certified public accountant must, using Form 1, submit a report on internship, etc. to the Commissioner of the Financial Services Agency through the director general of the local finance bureau having jurisdiction over the domicile of the person (or, if such domicile is within the jurisdictional district of Fukuoka Local Finance Branch Bureau, the director general of Fukuoka Local Finance Branch Bureau; the same applies in the following Article), and a copy thereof to said director general of the local finance bureau.

(2) The report and its copy set forth in the preceding paragraph must have attached a certificate of internship, etc. using Form 2 issued by each certified public accountant, or head of audit corporation or administrative organ, or representative of any other corporation at which the person who intends to be registered as a certified public accountant carried out the Internship, etc., and their copies; provided, however, that if such certificate is unable to be obtained, a document that is sufficient to certify that the Internship, etc. has been carried out is to be attached.

(3) The report set forth in paragraph (1) may be submitted only by a person who has passed the certified public accountant examination.

(Notice of Report's Receipt Number)

Article 5 The Commissioner of the Financial Services Agency, upon receipt of the report or certificate as prescribed in the preceding Article, notifies the person who submitted the report of the receipt number of the report of the person who submitted the report through the director general of the local finance bureau as prescribed in paragraph (1) of the preceding Article.