

Order for Enforcement of the Banking Act

(Cabinet Order No. 40 of March 27, 1982)

The Cabinet establishes this Cabinet Order pursuant to the provisions of Article 4, paragraph (3), Article 5, paragraph (1), Article 13, paragraphs (1) and (2), Article 15, paragraph (1), Article 30, paragraphs (2) and (3), Article 33, Article 34, paragraph (1), Article 35, paragraph (1), Article 43, paragraph (1) (including the cases where it is applied mutatis mutandis pursuant to paragraph (2) of the same Article), Article 47, paragraph (3); Article 48, paragraph (2), Article 59 and Supplementary Provisions, Article 27 of the Banking Act (Act No. 59 of 1981).

(Special Relationship)

Article 1 The special relationship provided for by Cabinet Order specified by the Banking Act (hereinafter referred to as the "Act"), Article 3-2, paragraph (1), item (vi) is a family relationship within the third degree.

(Uniquely Related Persons Concerning Foreign Banks)

Article 1-2 A person, who has a unique relationship specified by Cabinet Order prescribed by the main clause of Article 4, paragraph (3) of the Act, is the following persons (with regard to a person set forth in item (iii) to (v), limited to a person who holds all or a part of the shares of an applicant for a Banking license):

- (i) a person who holds shares or equities (hereinafter referred to as "Shares, etc." in this Article, Article 11, and Article 14-7) exceeding fifty percent of the number or amount of total issued shares or total amount of contribution (hereinafter referred to as "Issued Shares, etc." in this Article, Article 11 and Article 14-7) of a person who operates a Banking in a foreign state pursuant to foreign laws and regulations (excluding bank, etc. prescribed in Article 4, paragraph (5) of the Act; hereinafter referred to as a "Foreign Bank");
- (ii) a person who holds Shares, etc. exceeding fifty percent of the Issued Shares, etc. of a person set forth in the preceding item;
- (iii) a corporation for which Shares, etc. exceeding fifty percent of Issued Shares, etc. are held by a person set forth in item (i);
- (iv) a corporation for which Shares, etc. exceeding fifty percent of Issued Shares, etc. are held by a Foreign Bank;
- (v) a corporation for which Shares, etc. exceeding fifty percent of Issued Shares, etc. are held by a corporation set forth in the preceding item;
- (vi) when Shares, etc. exceeding fifty percent of Issued Shares, etc. of a Foreign

Bank in total are held by two or more persons whose principal business offices are located in the same the State, a person who corresponds to any of these two or more persons;

(vii) a person who is provided for by Cabinet Office Ordinance to be equivalent to any of the persons set forth in the preceding items.

(When the Examination Stipulated in Article 4, paragraph (3) of the Act Is Not Required)

Article 2 The cases specified by Cabinet Order prescribed in the proviso to Article 4, paragraph (3) of the Act are those cases where the examination pursuant to the provisions of the main clause of that paragraph precludes the sincere implementation of treaties concluded by Japan and other international agreements.

(Minimum Amount of Stated Capital)

Article 3 The amount specified by Cabinet Order prescribed in Article 5, paragraph (1) of the Act is 2,000,000,000 yen.

(Credit Extended to a Single Person)

Article 4 (1) A person who has a unique relationship specified by Cabinet Order prescribed in the main clause of Article 13, paragraph (1) of the Act is any of the following persons (excluding the Bank, a Combined Subsidiary Corporation, etc. or a Combined Affiliated Corporation, etc. of said Bank, a Bank Holding Company (a Bank Holding Company as prescribed in the Article 2, paragraph (13) of the Act; the same applies hereinafter) which holds said Bank as a Combined Subsidiary Corporation, etc. or a Combined Affiliated Corporation, etc., and a Combined Subsidiary Corporation, etc. or a Combined Affiliated Corporation, etc. of said Bank Holding Company; referred to as a "Person Subject to Consolidated Credit Amount" in paragraphs (9) and (12)) when a single person prescribed in the main clause of that paragraph (excluding a person who has a unique relationship specified by said Cabinet Order; hereinafter referred to as a "single person itself" in this paragraph) is not a Combined Subsidiary Corporation, etc. or a Combined Affiliated Corporation, etc. of the Bank, a Bank Holding Company which holds said Bank as a Combined Subsidiary Corporation, etc. or a Combined Affiliated Corporation, etc., or a Combined Subsidiary Corporation, etc. or a Combined Affiliated Corporation, etc. of said Bank Holding Company:

(i) the following persons when the single person itself is a company:

(a) a Combined Subsidiary Corporation, etc. of said single person itself;

(b) a corporation, etc. (which means a company, partnership, or other business entity equivalent to these (including their equivalents in foreign

- states); hereinafter the same applies in this Article and paragraphs (2) and (3) of the following Article) which holds said single person itself as a Combined Subsidiary Corporation, etc. or a person specified by Cabinet Office Ordinance as being equivalent to said corporation, etc.;
- (c) a Combined Subsidiary Corporation, etc. of a person set forth in (b) (excluding said single person itself or a person corresponding to a person set forth in (a) or (b));
 - (d) a Combined Affiliated Corporation, etc. of said single person itself or a person set forth in sub-item (a) to (c) (excluding said single person itself and a person corresponding to a person set forth in sub-item (a) to (c));
 - (e) a person who is other than a company (such person excludes the State and a foreign government; the same applies in sub-item (f) and the following item) and holds voting rights (a voting right prescribed in Article 2, paragraph (6) of the Act; the same applies hereinafter) exceeding fifty percent of All Shareholders', etc. Voting Rights (All Shareholders', etc. Voting Rights prescribed in that paragraph; the same applies hereinafter) of said single person itself (excluding a person corresponding to a person set forth in sub-item (b));
 - (f) a person who is other than a company and holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of a person set forth in sub-item (b) (excluding a person corresponding to a person set forth in sub-item (b));
 - (g) a corporation, etc. for which a person set forth in sub-item (e) or (f) holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such corporation (excluding said single person itself and a person corresponding to a person set forth in sub-item (a) to (f)) and a Subsidiary Company of said company;
 - (h) a Combined Subsidiary Corporation, etc. or Combined Affiliated Corporation, etc. of a person set forth in sub-item (g) (excluding said single person itself and a person corresponding to a person set forth in sub-item (a) to (g));
 - (i) said single person itself or any of the following companies (which is referred to as a "Company Subject to Consolidated Voting Rights" in paragraph (5)), or any other company for which a person set forth in sub-item (e) or (f) holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such company (in the case of a person set forth in sub-item (f), limited to a person who holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of a company which holds said single person itself as a Subsidiary Company (which means a Subsidiary Company as prescribed in Article 2, paragraph (8) of the Act; the same applies hereinafter); the same applies in 4.) (such

company excludes said single person itself and a person corresponding to a company set forth in sub-item (a) to (d), (g) or (h):

1. a Subsidiary Company of said single person itself;
2. a company which holds said single person itself as a Subsidiary Company;
3. a Subsidiary Company of a company set forth in 2. (excluding said single person itself and a person corresponding to a company set forth in 1. or 2.); or
4. a company for which a person set forth in sub-item (e) or (f) holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such company (excluding said single person itself and a person corresponding to a company set forth in 2.) or a Subsidiary Company of said company;

(ii) the following persons when the single person itself is other than a company:

- (a) a company for which said single person itself holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such company (hereinafter referred to as a "company under control of a single person" in sub-item (b) and paragraph (5));
- (b) any other company (excluding a person corresponding to a person set forth in sub-item (a)) for which said single person itself and one or more companies under control of a single person, or one or more companies under control of a single person of said single person itself hold voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such company.

(2) The term "Combined Subsidiary Corporation, etc." prescribed in the preceding paragraph means any of the following corporations, etc.:

- (i) a person specified by Cabinet Office Ordinance as a corporation, etc. that controls an organization which determines policies of finance and operation or business for another corporation, etc. (hereinafter referred to as a "Decision Making Organization") (limited to a person specified by Cabinet Office Ordinance as a corporation, etc. which is required to prepare its financial statements and any other documents on a consolidated basis (referred to as a "Corporation, etc. Subject to Obligor Consolidation Standards" in item (iii) and the following paragraph)); hereinafter referred to as a "substantial parent corporation, etc." in this paragraph) controls the Decision Making Organization of another corporation, etc., said other corporation, etc. (hereinafter referred to as a "substantial subsidiary corporation, etc." in this paragraph); in this case, another corporation, etc. whose Decision Making Organization is controlled by a substantial parent corporation, etc. and one or more of its substantial subsidiary corporations, etc., or by one or more substantial subsidiary corporations, etc. of said

- substantial parent corporation, etc. is deemed to be a substantial subsidiary corporation, etc. of said substantial parent corporation, etc.;
- (ii) a Subsidiary Company (excluding a corporation, etc. set forth in the preceding item; hereinafter referred to as a "subsidiary company other than a substantial subsidiary corporation, etc." in this item); in this case, another company (excluding a corporation, etc. set forth in the preceding item) in which a substantial parent corporation, etc. and one or more of its substantial subsidiary corporations, etc., or subsidiary companies other than a substantial subsidiary corporation, etc., or one or more substantial subsidiary corporations, etc., or subsidiary companies other than a substantial subsidiary corporation, etc. of said substantial parent corporation, etc. hold voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such company is deemed to be a subsidiary company other than a substantial subsidiary corporation, etc. of said substantial parent corporation, etc.; and
- (iii) a substantial subsidiary corporation, etc. of a company set forth in the preceding item (such company is limited to a Corporation, etc. Subject to Obligor Consolidation Standards) (such Substantial Subsidiary Corporation, etc. excludes corporations, etc. set forth in the preceding two items).
- (3) The term "Combined Affiliated Corporation, etc." prescribed in paragraph (1) means other corporation, etc. (excluding a Combined Subsidiary Corporation, etc.), where a corporation, etc. (limited to a Corporation, etc. Subject to Obligor Consolidation Standards) or its Combined Subsidiary Corporation, etc. (which means a Combined Subsidiary Corporation, etc. as prescribed in the preceding paragraph; hereinafter the same applies in this paragraph) may have a material influence on the determination on the policies of finance and operation or business of said other corporation, etc. through contributions, assumption of the office of a director or other equivalent post by a person who is or was an officer or employee of the corporation, etc., financing, guarantee of obligations, provision of collateral, provision of technology, or operational or business transactions, etc., as specified by Cabinet Office Ordinance.
- (4) Provisions of Article 2 (11) of the Act apply mutatis mutandis to the case of calculating the proportion of voting rights set forth in paragraphs (1) and (2).
- (5) A company set forth in paragraph (1), item (i), sub-item (i) and a company set forth in item (ii), sub-item (b) of that paragraph is, with regard to application of the provisions of each item of that paragraph, deemed to be a Company Subject to Consolidated Voting Rights and a company under control of a single person respectively.
- (6) Credit extended, etc. or contributed funds (including an equivalent to credit extended, etc. or contributed funds) specified by Cabinet Order prescribed in the main clause of Article 13, paragraph (1) of the Act are set forth as follows:

- (i) those specified by Cabinet Office Ordinance as loans;
 - (ii) those specified by Cabinet Office Ordinance as guarantees of debts;
 - (iii) those specified by Cabinet Office Ordinance as contributed funds;
 - (iv) those specified by Cabinet Office Ordinance as similar to those set forth in the preceding three items.
- (7) The categories specified by Cabinet Order prescribed in the main clause of Article 13, paragraph (1) of the Act are categories of the following credit extended, etc. (a credit extended, etc. prescribed in the main clause of that paragraph; hereinafter the same applies in this Article):
- (i) credit extended, etc. (excluding the credit extended, etc. set forth in item (iii)) to the single person prescribed in the main clause of Article 13, paragraph (1) of the Act (which is referred to as a "single person" in item (ix) and paragraph (12));
 - (ii) credit extended, etc. to the Bank's Major Shareholder (the Bank's Major Shareholder prescribed in Article 2, paragraph (10) of the Act; the same applies hereinafter) that holds a number of voting rights in said Bank which is equal to or greater than the Major Shareholder Threshold (the Major Shareholder Threshold prescribed in paragraph (9) of that Article; the same applies hereinafter);
- (8) The rate specified by Cabinet Order prescribed in the main clause of Article 13, paragraph (1) of the Act is the rate provided for by the following items in accordance with the category of credit extended, etc. set forth in the items:
- (i) credit extended, etc. set forth in item (i) of the preceding paragraph: twenty-five percent;
 - (ii) credit extended, etc. set forth in item (ii) of the preceding paragraph: fifteen percent;
- (9) Unavoidable reasons specified by Cabinet Order prescribed in the proviso to Article 13, paragraph (1) of the Act are the following reasons:
- (i) if unforeseeable and urgent funds have become necessary to carry out the business (excluding the business as prescribed in the following item; the same applies hereinafter) of a person who received credit extended, etc. (hereinafter referred to as "Debtor, etc." in this paragraph and paragraph (12)), and if it is stipulated that the credit, etc. is not to be extended beyond the limit on extensions of credit, etc. (hereinafter referred to as "limit on extensions of credit, etc." in this paragraph) prescribed in the main clause of Article 13, paragraph (1) of the Act to said Debtor, etc. by said Bank, this is likely to cause extreme hindrance to continue the business of said Debtor, etc.;
 - (ii) if it is stipulated that the credit, etc. is not to be extended beyond the limit on extensions of credit, etc. by said Bank to the Debtor, etc. who operates a general electricity business prescribed in Article 2, paragraph (1), item (i) of

- the Electricity Business Act (Act No. 170 of 1964) and other businesses especially vital to the national economy specified by Cabinet Office Ordinance, it is likely to cause difficulty for the Debtor, etc. in carrying on stable business;
- (iii) the amount of credit extended, etc. to a single person by said Bank will exceed the limit on extensions of credit, etc. when a Person Subject to Consolidated Credit Amount pertaining to Debtor, etc. is added; and
 - (iv) beyond what is set forth in the preceding three items, a reason specified by Cabinet Office Ordinance as a reason whereby, if it is stipulated that the credit, etc. is not to be extended beyond the limit on extensions of credit, etc. by said Bank, it is likely to cause difficulty to said Bank or the Debtor, etc. in carrying on operations.
- (10) The provisions of paragraph (7) apply mutatis mutandis to the categories specified by Cabinet Order prescribed in the first sentence of Article 13, paragraph (2) of the Act.
- (11) The rate specified by Cabinet Order prescribed in the first sentence of Article 13, paragraph (2) of the Act is, in accordance with categories of credit extended, etc. set forth in each item of the following, the rate provided in said each item:
- (i) credit extended, etc. set forth in paragraph (7), item (i), as applied mutatis mutandis pursuant to the preceding paragraph: twenty-five percent;
 - (ii) credit extended, etc. set forth in paragraph (7), item (ii), as applied mutatis mutandis pursuant to the preceding paragraph: fifteen percent.
- (12) Unavoidable reasons specified by Cabinet Order prescribed in the proviso to Article 13, paragraph (1) of the Act as applied mutatis mutandis pursuant to the second sentence of paragraph (2) of that Article are the following reasons:
- (i) in cases prescribed in paragraph (9), item (i), if it is stipulated that said Bank and its Subsidiary Companies, etc. (which means a Subsidiary Companies, etc. as prescribed in the first sentence of Article 13, paragraph (2) of the Act; hereinafter the same applies in this paragraph) or its Subsidiary Companies, etc. is not to extend credit, etc. that exceeds the consolidated limit on extensions of credit, etc. in total prescribed in the first sentence of Article 13, paragraph (2) of the Act (hereinafter referred to as "consolidated limit on extensions of credit, etc." in this paragraph) to a Debtor, etc.. prescribed in that item, it is likely to cause an extreme hindrance to continuing the business of said Debtor, etc. (excluding the business prescribed in paragraph (9), item (ii); the same applies in the following item);
 - (ii) if the total amount of credit extended, etc. to a single person by said Bank and its Subsidiary Companies, etc. or by its Subsidiary Companies, etc. exceeds the consolidated limit on extensions of credit, etc. when said Bank

- comes to hold a new Subsidiary Companies, etc., and if it is stipulated that the total credit amount is to be decreased to at the consolidated limit on extensions of credit, etc. or less, it is likely to cause an extreme hindrance to continue the business of said single person;
- (iii) if it is stipulated that said Bank and its Subsidiary Companies, etc. or its Subsidiary Companies, etc. is not to extend credit, etc. in total beyond the consolidated limit on extensions of credit, etc. to the Debtor, etc. prescribed in paragraph (9), item (ii), it is likely to cause difficulty for the Debtor, etc. in carrying out a stable business;
 - (iv) the amount of credit extended, etc. to a single person by said Bank and its Subsidiary Companies, etc. or by its Subsidiary Companies, etc. would exceed the consolidated limit on extensions of credit, etc. when a Person Subject to Consolidated Credit Amount pertaining to a Debtor, etc. is added;
 - (v) beyond what is set forth in the preceding items, a reason specified by Cabinet Office Ordinance as a reason whereby, if it is stipulated that said Bank and its Subsidiary Companies, etc. or that its Subsidiary Companies, etc. is not to extend credit, etc. beyond the consolidated limit on extensions of credit, etc., it is likely to cause difficulty to said Bank and its Subsidiary Companies, etc. or to its Subsidiary Companies, etc. or the Debtor, etc. in carrying on operations.
- (13) Credit extended, etc. specified by Cabinet Order prescribed in Article 13, paragraph (3), item (i) of the Act is credit extended, etc. (excluding a granting of credit, etc. for which the national government guarantees repayment of the principle and payment of interests) to the following entities:
- (i) a corporation whose budget is subject to a Diet resolution or obtain an approval of the Diet pursuant to the provisions of Acts;
 - (ii) a corporation that may issue bonds pursuant to a special Act, among corporations that were established pursuant to said special Act (excluding a corporations corresponding to the preceding item) and do not have contributed funds from anyone other than the national government, a corporation and a local government set forth in that item;
 - (iii) the Bank of Japan; and
 - (iv) a Foreign Government, etc. (which means a foreign government, the central bank of a foreign state or an international organization) specified by the Commissioner of the Financial Services Agency.

(Specified Related Parties of a Bank)

Article 4-2 (1) A person who has a unique relationship specified by Cabinet Order prescribed in the main clause of Article 13-2 of the Act is the following persons:

- (i) a Subsidiary Company of said Bank;

- (ii) a Bank's Major Shareholder who holds a number of voting rights in said Bank which is equal to or greater than the Major Shareholder Threshold;
- (iii) a Bank Holding Company which holds said Bank as a Subsidiary Company;
- (iv) a Subsidiary Company of a Bank Holding Company set forth in the preceding item (excluding said Bank and a person set forth in item (i));
- (v) a subsidiary corporation, etc. of said Bank (excluding a person set forth in item (i));
- (vi) a parent corporation, etc. which holds said Bank as a subsidiary corporation, etc. (excluding a person set forth in items (ii) and (iii));
- (vii) a subsidiary corporation, etc. of a parent corporation, etc. which holds said Bank as a subsidiary corporation, etc. (excluding said Bank and a person set forth in any of preceding items);
- (viii) an Affiliated Corporation, etc. to said Bank;
- (ix) an Affiliated Corporation, etc. to a parent corporation, etc. which holds said Bank as a subsidiary corporation, etc. (excluding a person set forth in the preceding item);
- (x) a company, partnership, or other business entity equivalent to these (including their equivalents in foreign states, but excluding said Bank; hereinafter referred to as "corporation, etc." in this item) set forth in the following, pertaining to a Bank's Major Shareholder, who holds voting rights in said Bank exceeding fifty percent of voting rights held by all of the shareholders of said Bank (limited to an individual; hereinafter referred to as "specified individual bank's major shareholder"), among Bank's Major Shareholders, who hold a number of voting rights in said Bank which is equal to or greater than the Major Shareholder Threshold:
 - (a) a corporation, etc. of which said specified individual bank's major shareholder holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such corporation (including a subsidiary corporation, etc. of and an Affiliated Corporation, etc. to said corporation, etc.);
 - (b) a corporation, etc. of which said specified individual bank's major shareholder holds voting rights at twenty percent or more and at fifty percent or less of All Shareholders', etc. Voting Rights of such corporation.
- (xi) a Bank Agent (a Bank Agent prescribed in Article 2, paragraph (15) of the Act; hereinafter the same applies in this paragraph) for which said Bank serves as a Principal Bank (a Principal Bank prescribed in paragraph (16) of that Article; hereinafter the same applies in this paragraph) and a subsidiary corporation, etc. of and an Affiliated Corporation, etc. of said Bank Agent (excluding said Bank and a person set forth in any of the preceding items);
- (xii) a parent corporation, etc. which holds the Bank Agent in the preceding

- item as a subsidiary corporation, etc., and a subsidiary corporation, etc. of and an Affiliated Corporation, etc. to said parent corporation, etc. (excluding said Bank and a person set forth in any of the preceding items);
- (xiii) a company, partnership, or other business entity equivalent to these (including their equivalents in foreign states, but excluding said Bank and a person set forth in any of the preceding items; hereinafter referred to as "corporation, etc." in this item) set forth in the following, pertaining to a Bank Agent for which said Bank serves as a Principal Bank (limited to an individual; hereinafter referred to as "Individual Bank Agent" in this item);
- (a) a corporation, etc. (including a subsidiary corporation, etc. of and an Affiliated Corporation, etc. of said corporation, etc.) of which said Individual Bank Agent holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such corporation;
- (b) a corporation, etc. of which said Individual Bank Agent holds voting rights at twenty percent or more and at fifty percent or less of All Shareholders', etc. Voting Rights of such corporation.
- (2) As used in the preceding paragraph and this paragraph, the term "parent corporation, etc." means a corporation, etc. specified by Cabinet Office Ordinance that controls a Decision Making Organization of another corporation, etc., and the term "subsidiary corporation, etc." means another corporation, etc. whose Decision Making Organization is controlled by the parent corporation, etc. In this case, when a parent corporation, etc. and a subsidiary corporation, etc. or when a subsidiary corporation, etc. controls the Decision Making Organization of another corporation, etc., said other corporation, etc. is deemed to be a subsidiary corporation, etc. of the parent corporation, etc.
- (3) The term "Affiliated Corporation, etc." prescribed in paragraph (1) means other corporation, etc. (excluding a subsidiary corporation, etc.) specified by Cabinet Office Ordinance as a corporation, etc. (including a subsidiary corporation, etc. of said corporation, etc. (which means a subsidiary prescribed in the preceding paragraph; the same applies hereinafter except in Article 17-2, paragraph (2) and Article 17-3, paragraph (3)) that may provide material impact to the determination of policies of finance and operation or business by making contributed funds, serving as a director or other equivalent positions by assumption of an officer, an employee, or a person who is or used to be those of said corporation, etc., financing, providing a guarantee or collateral for debts, transferring the technology, or transaction, etc. under the operation or business.

(Scope of Parent Financial Institutions and Subsidiary Financial Institutions)
 Article 4-2-2 (1) A person specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (2) of the Act is the following persons (excluding a person who

- operates a Bank Agency Service (which means a bank agency prescribed in Article 2, paragraph (14) of the Act; the same applies in item (iii) of paragraph (3) of this Article, Article 12-3 and Article 16-2-2) for said Bank).
- (i) the parent corporation, etc. (which means the parent corporation, etc. prescribed in paragraph (2) of the preceding Article; the same applies hereinafter in this paragraph, Article 12-3, paragraph (1) and Article 16-2-2, paragraph (1)) of said Bank;
 - (ii) a subsidiary corporation, etc. of the parent corporation, etc. of said Bank (excluding said Bank and persons set forth in the preceding item and paragraph (3), item (i) and (ii) of this Article);
 - (iii) Affiliated Corporation, etc. prescribed in paragraph (3) of the preceding Article of the parent corporation, etc. of said Bank (excluding persons set forth in paragraph (3), item (ii));
 - (iv) the following company and partnership or other business entity equivalent to that company and partnership, pertaining to an individual (hereinafter referred to in this item as a "Specified Individual Shareholder") having voting rights exceeding fifty percent of the voting rights of all shareholders of said Bank (including entities equivalent thereto in foreign states, but excluding said Bank and persons set forth in the preceding three paragraphs and paragraph (3), items (i) and (ii); hereinafter referred to as "corporations, etc." in this item):
 - (a) a corporation, etc. (including a subsidiary corporation, etc. and Affiliate Corporation, etc. of said corporation, etc. (which means an Affiliated Corporation, etc. prescribed in paragraph (3) of the preceding Article; the same applies hereinafter in this Article, Article 12-3 and Article 16-2-2) of which said Specified Individual Shareholder holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such corporation;
 - (b) a corporation, etc. of which said Specified Individual Shareholder holds voting rights at twenty percent or more and at fifty percent or less of All Shareholders', etc. Voting Rights of such corporation.
- (2) A person who engages in financial business specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (2) of the Act is one of those set forth as follows:
- (i) a Long-Term Credit Bank (as prescribed in Article 2 of the Long-Term Credit Bank Act (Act No. 187 of 1952); the same applies in Article 12-3, paragraph (2), item (i) and Article 16-8, item (i));
 - (ii) a Federation of Shinkin Banks;
 - (iii) a federation of cooperatives which carries out a business as prescribed in Article 9-9, paragraph (1), item (i) of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949);
 - (iv) a Federation of Labor Banks;

- (v) a federation of agricultural cooperatives which carries out a business as prescribed in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act (Act No. 132 of 1947);
 - (vi) a federation of fisheries cooperatives which carries out a business as prescribed in Article 87, paragraph (1), item (iv) of the Fisheries Cooperatives Act (Act No. 242 of 1948);
 - (vii) a federation of fishery processing cooperatives which carries out a business prescribed in Article 97, paragraph (1), item (ii) of the Fisheries Cooperatives Act;
 - (viii) the Norinchukin Bank;
 - (ix) a person who engages in the business of mediation of loan of money (including mediation of delivery or receipt of money conducted by discounting of bills and notes, mortgages by transfer or any other similar methods), excluding a bank, a financial instruments business operator (which means a financial instruments business operator prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act (Act No. 25 of 1948); the same applies in the following item and Article 12-3, paragraph (2)), an insurance company (which means an insurance company prescribed in Article 2, paragraph (2) of the Insurance Business Act (Act No. 105 of 1995); the same applies in that item and Article 12-3, paragraph (2)), and those set forth in any of the preceding items;
 - (x) a person who engages in any of the following businesses in a foreign state pursuant to foreign laws and regulations (excluding a bank, a financial instruments business operator, an insurance company, and those set forth in any of the preceding items):
 - (a) Banking;
 - (b) financial instruments business prescribed in Article 2, paragraph (8) of the Financial Instruments and Exchange Act;
 - (c) insurance business prescribed in Article 2, paragraph (1) of the Insurance Business Act.
- (3) A person specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (3) of the Act is the following persons (excluding a Bank Agent having said Bank as its Principal Bank):
- (i) a subsidiary corporation, etc. of said Bank;
 - (ii) an Affiliated Corporation, etc. of said Bank;
 - (iii) a person who operates Bank Agency Service for said Bank (excluding those set forth in the preceding two items).
- (4) A person who engages in financial business specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (3) of the Act is the following persons:
- (i) a person set forth in paragraph (2), items (ix) and (x);
 - (ii) a person set forth in the items of Article 16-8.

- (Scope of Parent Financial Institutions and Subsidiary Financial Institutions)
- Article 4-2-2 (1) A person specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (2) of the Act is the following persons (excluding a person who operates a Bank Agency Service (which means a bank agency prescribed in Article 2, paragraph (14) of the Act; the same applies in (3), item (iii) of this Article, Article 12-3 and Article 16-2-2) for said Bank).
- (i) the parent corporation, etc. (which means the parent corporation, etc. prescribed in paragraph (2) of the preceding Article; the same applies hereinafter in this paragraph, Article 12-3, paragraph (1) and Article 16-2-2, paragraph (1)) of said Bank;
 - (ii) a subsidiary corporation, etc. of the parent corporation, etc. of said Bank (excluding said Bank and persons set forth in the preceding item and paragraph (3), items (i) and (ii) of this Article);
 - (iii) Affiliated Corporation, etc. prescribed in paragraph 3 of the preceding Article of the parent corporation, etc. of said Bank (excluding persons set forth in paragraph (3), item (ii));
 - (iv) the following company and partnership or other business entity equivalent to that company and partnership, pertaining to an individual (hereinafter referred to in this item as a "Specified Individual Shareholder") having voting rights exceeding fifty percent of the voting rights of all shareholders of said Bank (including entities equivalent thereto in foreign states, but excluding said Bank and persons set forth in the preceding three paragraphs and paragraph (3), items (i) and (ii); hereinafter referred to as a "corporation, etc." in this item):
 - (a) a corporation, etc. (including a subsidiary corporation, etc. and Affiliated Corporation, etc. of said corporation, etc. (which means an Affiliated Corporation, etc. prescribed in paragraph (3) of the preceding Article; the same applies hereinafter in this Article, Article 12-3 and Article 16-2-2) of which said Specified Individual Shareholder holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such corporation;
 - (b) a corporation, etc. of which said Specified Individual Shareholder holds voting rights at twenty percent or more and at fifty percent or less of All Shareholders', etc. Voting Rights of such corporation.
- (2) A person who engages in financial business specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (2) of the Act is one of those set forth as follows:
- (i) a Long-Term Credit Bank (as prescribed in Article 2 of the Long-Term Credit Bank Act (Act No. 187 of 1952); the same applies in Article 12-3, paragraph (2), item (i) and Article 16-8, item (i));
 - (ii) a Federation of Shinkin Banks;

- (iii) a federation of cooperatives which carries out a business as prescribed in Article 9-9, paragraph (1), item (i) of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949);
 - (iv) a Federation of Labor Banks;
 - (v) a federation of agricultural cooperatives which carries out a business as prescribed in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act (Act No. 132 of 1947);
 - (vi) a federation of fisheries cooperatives which carries out a business as prescribed in Article 87, paragraph (1), item (iv) of the Fisheries Cooperatives Act (Act No. 242 of 1948);
 - (vii) a federation of fishery processing cooperatives which carries out a business prescribed in Article 97, paragraph (1), item (ii) of the Fisheries Cooperatives Act;
 - (viii) the Norinchukin Bank;
 - (ix) a person who engages in the business of mediation of loan of money (including mediation of delivery or receipt of money conducted by discounting of bills and notes, mortgages by transfer or any other similar methods), excluding a bank, a financial instruments business operator (which means a financial instruments business operator prescribed in Article 2, paragraph (9) of the Financial Instruments and Exchange Act (Act No. 25 of 1948); the same applies in the following item and Article 12-3, paragraph (2)), an insurance company (which means an insurance company prescribed in Article 2, paragraph (2) of the Insurance Business Act (Act No. 105 of 1995); the same applies in that item and Article 12-3, paragraph (2)), and those set forth in any of the preceding items;
 - (x) a person who engages in any of the following businesses in a foreign state pursuant to foreign laws and regulations (excluding a bank, a financial instruments business operator, an insurance company, and those set forth in any of the preceding items):
 - (a) Banking;
 - (b) financial instruments business prescribed in Article 2, paragraph (8) of the Financial Instruments and Exchange Act;
 - (c) insurance business prescribed in Article 2, paragraph (1) of the Insurance Business Act.
- (3) A person specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (3) of the Act is the following persons (excluding a Bank Agent having said Bank as its Principal Bank):
- (i) a subsidiary corporation, etc. of said Bank;
 - (ii) an Affiliated Corporation, etc. of said Bank;
 - (iii) a person who operates Bank Agency Service for said Bank (excluding those set forth in the preceding two items).

- (4) A person who engages in financial business specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (3) of the Act is the following persons:
- (i) a person set forth in paragraph (2), items (ix) and (x);
 - (ii) a person set forth in the items of Article 16-8.

(Provision on Using Information and Communications Technology)

Article 4-3 (1) A Bank must, when intending to provide the matters prescribed in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 13-4 of the Act pursuant to the provisions of Article 34-2, paragraph (4) (including the cases where it is applied mutatis mutandis pursuant to Article 34-3, paragraph (12) (including the cases where it is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 13-4 of the Act), Article 34-4, paragraph (3), Article 37-3, paragraph (2) and Article 37-4, paragraph (2) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 13-4 of the Act; hereinafter the same applies in this Article) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 13-4 of the Act, pursuant to the provisions of a Cabinet Office Ordinance, present in advance to the other party, to whom those matters are provided, the type and the contents of the method to be used as prescribed in that paragraph (hereinafter referred to as "electronic or magnetic means" in this Article) and obtain a consent in written form or via electronic or magnetic means.

- (2) When a Bank which obtained the approval pursuant to the provisions of the preceding paragraph receives a notice, either in writing or by electronic or magnetic means, from the other party that it refuses to accept the provision of the matters through electronic or magnetic means, the Bank must not provide to said other party the matters prescribed in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 13-4 of the Act via electronic or magnetic means; provided, however, that this does not apply when other party gives consent pursuant to the provisions of preceding paragraph again.

(Obtaining Consent by Using Information and Communications Technology)

Article 4-4 (1) A Bank, when intending to, pursuant to the provisions of Article 34-2, paragraph (12) of the Financial Instruments and Exchange Act (including cases where it is applied mutatis mutandis pursuant to Article 34-3, paragraph (3) of the Financial Instruments and Exchange Act (including the cases where it is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act, as applied mutatis mutandis

pursuant to Article 13-4 of the Act), as applied mutatis mutandis pursuant to Article 13-4 of the Act; hereinafter the same applies in this Article), as applied mutatis mutandis pursuant to Article 13-4 of the Act, obtain a consent pursuant to a method (hereinafter referred to as "electronic or magnetic means" in this Article) specified by Cabinet Office Ordinance prescribed in Article 34-2, paragraph (12) of the Financial Instruments and Exchange Act, in place of consent by means of documents prescribed in paragraph (11) of the same Article, as applied mutatis mutandis to Article 13-4 of the Act, the Bank must, pursuant to the provisions of a Cabinet Office Ordinance, present in advance to the other party, from whom said consent must be obtained, the type and contents of the electronic or magnetic means to be used and obtain an consent by means of writing or via electronic or magnetic means.

- (2) A Bank which obtained an consent pursuant to the provisions of the preceding paragraph, when said other party offered by means of writing or via electronic or magnetic means not to provide the consent via electronic or magnetic means, must not obtain consent prescribed in Article 34-2, paragraph (12) of the Financial Instruments and Exchange Act, as applied mutatis mutandis to Article 13-4 of the Act via electronic or magnetic means; provided, however, that this does not apply when said other party gives consent pursuant to the provisions of the preceding paragraph again.

(Material Matters That Affect the Judgment of a Customer Concerning Specified Deposit, etc. Contracts)

Article 4-5 (1) The matter specified by Cabinet Order as prescribed in Article 37, paragraph (1), item (iii) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 13-4 of the Act is set forth as follows:

- (i) a matter which concerns fees, rewards, and other compensation that a customer is to pay concerning specified deposit, etc. contracts (which means specified deposit, etc. contracts as prescribed in Article 13-4 of the Act; the same applies hereinafter) and is specified by Cabinet Office Ordinance;
- (ii) with regard to specified deposit, etc. contracts to be concluded by a customer, when a loss is likely be incurred by changes in interest rate, value of currencies, quotations on a financial instruments market (which means a financial instruments market as prescribed in Article 2, paragraph (14) of the Financial Instruments and Exchange Act; the same applies hereinafter), and other indexes as a direct cause, the following items:
 - (a) said index;
 - (b) the fact that it is likely to cause a loss due to changes pertaining to said index and the reasons for it.
- (iii) items specified by Cabinet Office Ordinance as equivalent to items set

forth in the preceding two items.

- (2) When an act prescribed in Article 37, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 13-4 of the Act is conducted by methods using the broadcast facility of a Basic Broadcaster (which means a Basic Broadcaster as prescribed in Article 2, item (xxiii) of the Broadcast Act (Act No. 132 of 1950), excluding the Nippon Hoso Kyokai and the Open University of Japan Foundation (which means the Open University of Japan Foundation prescribed in Article 3 of the Act on the Open University of Japan (Act No. 156 of 2002)); the same applies in Article 14-5, paragraph (2) and Article 16-6-2, paragraph (2)) and other methods specified by Cabinet Office Ordinance as equivalent to the above, matters specified by Cabinet Order prescribed in Article 37, paragraph (1), item (iii) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 13-4 of the Act are, notwithstanding the provisions of the preceding paragraph, set forth as follows:
- (i) with regard to specified deposit, etc. contracts to be concluded by a customer, when a loss is likely to be incurred by changes in interest rate, value of currencies, quotations on a financial instruments market, and other indexes as a direct cause, the fact that there is the above-mentioned possible risk;
 - (ii) matters specified by Cabinet Office Ordinance as equivalent to the matters set forth in the preceding item.

(Replacement of Reading the Provisions of the Financial Instruments and Exchange Act as Applied Mutatis Mutandis to a Specified Deposit, etc. Contract Conducted by a Bank)

Article 4-6 The technical replacement of terms pursuant to the provisions of Article 13-4 of the Act is as shown in the following table:

Provisions of the Financial Instruments and Exchange Act to be replaced	Terms deemed to be replaced	Terms used to replace with
Article 34	Paragraph (31), item (iv) of that Article	Article 2, paragraph (31), item (iv)
Article 37, paragraph (1), item (i) and Article 37-3, paragraph (1), item (i)	A trade name or name	A trade name

(Holidays)

Article 5 (1) A day specified by Cabinet Order as prescribed by Article 15, paragraph (1) of the Act is the following days:

- (i) a holiday prescribed by the Act Concerning National Holidays (Act No. 178 of 1948);
- (ii) the days covering the period of December 31 to January 3 of the following

- year (excluding a day set forth in the preceding item);
- (iii) Saturdays.
- (2) Beyond days set forth in each item of the preceding paragraph, the following day may be set as a holiday for the business office of a Bank:
- (i) a day which falls on a general holiday at the location of the business office of a Bank and the Commissioner of the Financial Services Agency gives a public notice as a holiday at said business office;
 - (ii) a day which is approved for said business office by the Commissioner of the Financial Services Agency to the extent that if it is stipulated as a holiday of said business office, it is not likely to preclude sound and appropriate operation in accordance with special circumstances of the location of the business office of a Bank and other circumstances.
- (3) A Bank must, when setting a day set forth in item (ii) of the preceding paragraph as a holiday of the business office, present that effect in the storefront of said business office.

(Possession of Assets within Japan)

- Article 5-2 (1) Orders to a Bank prescribed in Article 29 of the Act are to be given by designating its time limit, a scope of assets set forth in the following paragraph subject to said order, or the upper limit of the total assets amount subject to said order.
- (2) Matters specified by Cabinet Order among the assets of a Bank prescribed in the Article 29 of the Act are set forth as follows:
- (i) money deposited with the Bank of Japan;
 - (ii) cash and deposits, savings and installment savings for a financial institution in Japan provided separately by the Commissioner of the Financial Services Agency;
 - (iii) Securities set forth in each item of Article 2, paragraph (1) of the Financial Instruments and Exchange Act;
 - (iv) loans and other claims for a person who has address or residence in Japan;
 - (v) loans and other claims for a person who does not have an address and residence in Japan, that the locations for the principal redemption and interest payment are within Japan and pertains to a loan agreement that stipulates a court in Japan as the court with jurisdiction;
 - (vi) tangible fixed assets that located in Japan;
 - (vii) other assets that Commissioner of the Financial Services Agency finds appropriate.

(Company Splits, and Business Transfers and Acquisitions That Does Not Require the Authorization of the Commissioner of the Financial Services Agency)

Article 6 Matters specified by Cabinet Order prescribed in Article 30, paragraphs (2) and (3) of the Act are company splits, or business transfers or acquisitions pertaining to only to the following business:

- (i) receipt of money and other processes on handling of money of national government, local government, company, etc.;
- (ii) safe deposit of securities, precious metals and other items;
- (iii) exchange of money.

(A Creditor Who Is Not Required to Notify for Objection Separately in the Case of Merger)

Article 7 A creditor specified by Cabinet Order prescribed in Article 33, Article 33-2, paragraph (1); Article 34, paragraph (1) and the proviso to Article 35, paragraph (1) of the Act is a creditor pertaining a contract of safe deposit and any other creditor of a regular contract made with multiple parties pertaining to Banking Business, who are specified by Cabinet Office Ordinance.

(Transfer to a Company of Other Business)

Article 8 (1) The cases specified by Cabinet Order prescribed in Article 43, paragraph (1) of the Act are, with regard to a company prescribed in that paragraph, the case where it is under liquidation proceeding or the case where proceeding of special liquidation, bankruptcy, rehabilitation, or reorganization is pending at a court.

(2) The provisions of preceding paragraph apply mutatis mutandis to the case specified by Cabinet Order prescribed by Article 43, paragraph (1) of the Act, as applied mutatis mutandis pursuant to paragraph (2) of that Article.

(Replacement Concerning a Foreign Bank Branch)

Article 9 The technical replacement of terms regarding the application of provisions of the Act for a Foreign Bank Branch (which means a Foreign Bank Branch prescribed in Article 47, paragraph (2) of the Act; the same applies hereinafter) prescribed in paragraph (4) of that Article is as shown in the following table.

Provisions of the Act to be replaced	Terms deemed to be replaced	Terms used to replace with

Article 4, paragraph (2), item (i)	the person filing application	the person filing application and a Foreign Bank Branch prescribed in Article 47, paragraph (2) pertaining to the application
Article 4, paragraph (3)	If a person whose entire or partial body of shareholders comprises persons engaged in Banking in a foreign state in accordance with foreign laws and regulations (including a person uniquely related to such a person as specified by Cabinet Order, but excluding a Bank, etc.; hereinafter a person so engaged in Banking in a foreign state is referred to as a "Foreign Bank, etc." in this paragraph) files a Banking license application, and the Foreign Bank, etc. lawfully holds voting rights in the person filing the Banking license application which exceed the number arrived at by multiplying all shareholders' voting rights in that person shareholders by the rate specified by Cabinet Office Ordinance,	When an application for a license of Banking is filed by a Foreign Bank prescribed in Article 10, paragraph (2), item (viii),
	of the Foreign Bank, etc.	of the Foreign Bank (including a person uniquely related to said Foreign Bank as specified by Cabinet Order)
Article 10, paragraph (2), item (viii)-2	a Foreign Bank which is a Subsidiary Company of the Bank	a Business Office in the Home State of a Foreign Bank to which the Foreign Bank Branch belongs (meaning a Business Office in a Foreign State of a Foreign Bank prescribed in Article 47, paragraph (3))
Article 13, paragraph (1)	the Bank	a Foreign Bank to which said Foreign Bank Branch belongs

	equity capital	equity capital or those specified by the Commissioner of the Financial Services Agency as equivalent to this
Article 13, paragraph (6)	equity capital	equity capital or that capital specified by the Commissioner of the Financial Services Agency as equivalent to this
	the method of calculating the amount of ... the total net amount of the equity capital prescribed in paragraph (2), the consolidated limit on extensions of credit, etc., and other necessary particulars relevant to the application of the provisions of paragraphs (1) and (2)	and other necessary particulars relevant to the application of that paragraph
Heading of Article 13-2	Specified Related Parties	Uniquely Related Persons
Main clause of Article 13-2	with a specified related party (meaning a person, such as a Subsidiary Company of that Bank, a Bank's Major Shareholder in respect of that Bank, a Bank Holding Company that has that Bank as its Subsidiary Company, a Subsidiary Company of such a Bank Holding Company (other than the relevant Bank itself), or a Bank Agent that has that Bank as its Principal Bank, which is uniquely related to that Bank as specified by Cabinet Order; hereinafter the same applies in this Article and the following Article) or with the customer of its specified related party	with a person uniquely related to said Foreign Bank Branch as specified by Cabinet Order (hereinafter referred to as a "uniquely related person" in this Article and the following Article) or a Customer of such a uniquely related person
Article 13-2, items (i) and (ii)	a specified related party	said uniquely related person
Article 13-3, item (iii)	a specified related party	a uniquely related person
Article 14-2, item (i)	equity capital	that specified by the Commissioner of the Financial Services Agency as equity capital

Article 14-2, item (ii)	the Bank and any company, such as its Subsidiary Company	a Foreign Bank to which said Foreign Bank Branch belongs
	the Bank	said Foreign Bank
	equity capital	equity capital or that capital specified by the Commissioner of the Financial Services Agency as equivalent to this
Article 21, paragraph (7)	the Bank and its Subsidiary Companies, etc.	a Foreign Bank to which said Foreign Bank Branch belongs and its Subsidiary Companies, etc.
Article 26, paragraph (1)	or financial condition of a Bank or the financial condition of a Bank and its Subsidiary Companies, etc.,	or the financial condition of that Bank
Article 26, paragraph (2)	equity capital of ... or that of a Bank and its Subsidiary Companies, etc.	equity capital of the Bank or that is specified by the Commissioner of the Financial Services Agency as equivalent to this
Article 34, paragraph (1)	a resolution at a shareholders meeting ... (or if a board of directors' resolution is passed or the executive officers reach a decision, rather than the resolution referred to in Article 467, paragraph (1) (Approval for the Assignment of Business) of the Companies Act being passed for the Bank's acquisition of all of a business, pursuant to the provisions of Article 468 (Cases where Approval for the Assignment of Business Is Not Required) of that Act)	an organization to resolve that matter ... a resolution for
	the resolution or decision	the resolution
Article 34, paragraph (3)	Article 57	Article 49-2, paragraph (1)
Article 35, paragraph (1)	a resolution at a shareholders meeting or a board of directors meeting	an organization to resolve said matter ... a resolution
	the resolution or decision	the resolution

Article 36, paragraph (2)	Article 57, item (i)	Article 49-2, paragraph (1), item (i)
Article 37, paragraph (1), item (i)	a resolution at a shareholders meeting to amend the articles of incorporation with regard to the discontinuation of Banking	Abolishment of Banking pertaining to a Foreign Bank Branch prescribed in Article 47, paragraph (2) (excluding the cases corresponding to Article 49, paragraph (1), item (iv))
Article 45, paragraph (2)	the Bank's head office	a principal Foreign Bank Branch prescribed in Article 47, paragraph (1)
Article 45, paragraph (3)	of the Bank in Liquidation	of a branch office of the foreign bank branch in liquidation (hereinafter referred to as a "foreign bank branch in liquidation" in this paragraph, paragraphs (5), (7), and (8))
	the Bank in Liquidation	a foreign bank branch in liquidation
Article 45, paragraph (5)	the Bank in Liquidation	foreign bank branch in liquidation
Article 45, paragraph (7)	of a Bank in Liquidation	of foreign bank branch in liquidation
Article 45, paragraph (7), item (i)	the grounds for dissolution (or, if the Bank in Liquidation falls under a case set forth in Article 475, item (ii) or item (iii) (Causes of Commencement of Liquidation) of the Companies Act, an indication of this)	the grounds for dissolution
Article 45, paragraph (8)	the Bank in Liquidation	a foreign bank branch in liquidation

	Article 492, paragraph (3) of the Companies Act	Article 492, paragraph (3) of the Companies Act, as applied mutatis mutandis pursuant to Article 51, paragraph (3) of the Act
Article 52-2, paragraph (2)	its Subsidiary Company	the Subsidiary Company of a bank which holds a Foreign Bank to which said Foreign Bank Branch belongs as a Subsidiary Company
Article 57-3	Article 941 ... of the Companies Act	Article 941 of the Companies Act, as applied mutatis mutandis pursuant to Article 49-2, paragraph (2) of the Act
	the provisions of Article 440, paragraph (1) of this Act; as well as the provisions of Article 16, paragraph (1) of the Banking Act and of Article 20, paragraph (4) and Article 52-28, paragraph (3) of that Act	the provisions of Article 16, paragraph (1) and Article 20, paragraph (4) of the Banking Act
Article 19 of Supplementary Provisions	Article 44 and Article 45	Article 45 and Article 51, paragraph (2)
	dissolved	corresponding to any item of paragraph (1) of that Article
Article 20 of Supplementary Provisions	before its dissolution	before it is corresponding to any item of Article 51, paragraph (1)

(Special Provisions on the License of a Foreign Bank)

Article 10 A person who applies for a license from the Prime Minister stipulated in Article 4, paragraph (1) of the Act under the provisions of Article 47, paragraph (1) of the Act is not required to be a stock company.

(Uniquely Related Persons Pertaining to a License of a Foreign Bank)

Article 11 A person who has a unique relationship specified by Cabinet Order prescribed in the main clause of Article 4, paragraph (3) of the Act which is replaced in reading pursuant to the provisions of Article 9 is, notwithstanding the provisions of Article 1-2, the following persons:

- (i) a person who holds Shares, etc. exceeding fifty percent of Issued Shares, etc. of a Foreign Bank;
- (ii) a person who holds Shares, etc. exceeding fifty percent of Issued Shares of a person set forth in the preceding item;
- (iii) When Shares, etc. exceeding fifty percent of Issued Shares, etc. of a Foreign Bank are held at total by two or more persons who have principal business offices in the same States, a person corresponding to any of said two or more persons;
- (iv) a person specified by Cabinet Office Ordinance as equivalent to any of a person set forth in preceding three items.

Article 12 [Deleted.]

(Uniquely Related Persons Pertaining to the Transactions of a Foreign Bank Branch)

Article 12-2 A person who has a unique relationship specified for by Cabinet Order prescribed in the main clause of Article 13-2 of the Act which is replaced pursuant to the provisions of Article 9 is the following persons:

- (i) a subsidiary corporation, etc. of a Foreign Bank pertaining to that Foreign Bank Branch (which means a subsidiary corporation, etc. prescribed in Article 4-2, paragraph (2); hereinafter the same applies in this Article);
- (ii) a parent corporation, etc. which holds a Foreign Bank pertaining to that Foreign Bank Branch as a subsidiary corporation, etc.;
- (iii) a subsidiary corporation, etc. of a parent corporation, etc. set forth in the preceding item (excluding that Foreign Bank and a person set forth in the preceding two items);
- (iv) an Affiliated Corporation, etc. to a Foreign Bank pertaining to that Foreign Bank Branch (which means an Affiliated Corporation, etc. as prescribed in Article 4-2, paragraph (3); hereinafter the same applies in this Article);
- (v) an Affiliated Corporation, etc. of a parent corporation, etc. set forth in item (ii) (excluding a person set forth in the preceding item);
- (vi) a Bank Agent (which means a Bank Agent prescribed in Article 2, paragraph (15) of the Act; hereinafter the same applies in this Article) for which said Foreign Bank Branch serves as a Principal Bank (which means a Principal Bank prescribed in Article 2, paragraph (16) of the Act; hereinafter the same applies in this Article) and a subsidiary corporation, etc. of and an Affiliated Corporation, etc. to that Bank Agent (excluding said Foreign Bank

- and a person set forth in any of the preceding items);
- (vii) a parent corporation, etc. which holds the Bank Agent stipulated in the preceding item as a subsidiary corporation, etc., and a subsidiary corporation, etc. of and an Affiliated Corporation, etc. to said parent corporation, etc. (excluding that Foreign Bank and a person set forth in any of the preceding items);
- (viii) a company and partnership or other business entity equivalent to those (including their equivalent in a foreign state, but excluding that Foreign Bank and a person set forth in any of the preceding items; hereinafter referred to as a "corporation, etc." in this item) pertaining to a Bank Agent (limited to an individual; hereinafter referred to as "Individual Bank Agent" in this item), for which said Foreign Bank Branch serves as a Principal Bank set forth as follows:
 - (a) a corporation, etc. (including a subsidiary corporation, etc. of and an Affiliated Corporation, etc. to that corporation, etc.) for which said Individual Bank Agent holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such corporation;
 - (b) a corporation, etc. for which said Individual Bank Agent holds voting rights at twenty percent or more and fifty percent or less of All Shareholders', etc. Voting Rights of such corporation.

(Scope of Parent Financial Institutions and Subsidiary Financial Institutions)

Article 12-3 (1) A person specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (2) of the Act, which is deemed to be replaced pursuant to the provisions of Article 9, is the following persons (excluding a person who operates a Bank Agency Service for said Foreign Bank Branch):

- (i) the parent corporation, etc. of a foreign bank pertaining to said Foreign Bank Branch;
- (ii) a subsidiary corporation, etc. of the parent corporation, etc. of a foreign bank pertaining to said Foreign Bank Branch (excluding a foreign bank pertaining to said Foreign Bank Branch and persons set forth in the preceding item and paragraph (3), items (i) and (ii));
- (iii) an Affiliated Corporation, etc. of the parent corporation, etc. of a foreign bank pertaining to said Foreign Bank Branch (excluding persons set forth in paragraph (3), item (ii));
- (iv) the following company and partnership or other business entity equivalent to that company and partnership, pertaining to an individual (hereinafter referred to in this item and Article 16-2-2, paragraph (1), item (iv) as a "Specified Individual Shareholder, etc.") having voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of a foreign bank pertaining to said Foreign Bank Branch (including entities equivalent thereto in foreign

- states, but excluding a foreign bank pertaining to said Foreign Bank Branch and persons set forth in the preceding three paragraphs and paragraph (3), items (i) and (ii); hereinafter referred to as "corporation, etc." in this item).
- (a) a corporation, etc. (including a subsidiary corporation, etc. and Affiliated Corporation, etc. of said corporation, etc.) of which said Specified Individual Shareholder, etc. holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such corporation;
 - (b) a corporation, etc. of which said Specified Individual Shareholder, etc. holds voting rights at twenty percent or more and at fifty percent or less of All Shareholders', etc. Voting Rights of such corporation;
- (2) A person who engages in a financial business specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (2) of the Act, which is deemed to be replaced pursuant to the provisions of Article 9, is the following persons:
- (i) a Long-Term Credit Bank;
 - (ii) a person who engages in the business of intermediary service of loan of money (including mediation of delivery or receipt of money conducted by discounting of bills and notes, mortgages by transfer or any other similar methods), excluding a bank, a financial instruments business operator, an insurance company, and those set forth in any of the preceding items;
 - (iii) a person who engages in any of the following businesses in a foreign state pursuant to foreign laws and regulations (excluding a bank, a financial instruments business operator, an insurance company, and those set forth in any of the preceding two items);
 - (a) Banking;
 - (b) financial instruments business prescribed in Article 2 (8) of the Financial Instruments and Exchange Act;
 - (c) insurance business prescribed in Article 2, paragraph (1) of the Insurance Business Act;
- (3) A person specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (3) of the Act, which is deemed to be replaced pursuant to the provisions of Article 9, is the following persons (excluding a Bank Agent having said Foreign Bank Branch as its Principal Bank):
- (i) a subsidiary corporation, etc. of a foreign bank pertaining to said Foreign Bank Branch;
 - (ii) an Affiliated Corporation, etc. of a foreign bank pertaining to said Foreign Bank Branch;
 - (iii) a person who operates Bank Agency Service for said Foreign Bank Branch (excluding those set forth in the preceding two items).
- (4) A person who engages in financial business specified by Cabinet Order as prescribed in Article 13-3-2, paragraph (3) of the Act, which is deemed to be replaced pursuant to the provisions of Article 9, is the following persons:

- (i) a person set forth in paragraph (2), items (ii) and (iii);
- (ii) a person set forth in the items of Article 16-8.

(Assets to Be Retained in Japan)

Article 13 (1) The retention of assets by a Foreign Bank Branch under Article 47-2 of the Act must be carried out by retaining any of the following assets within Japan:

- (i) money deposited with the Bank of Japan;
 - (ii) cash and deposits and savings for a financial institution (excluding a person who has a unique relationship as prescribed in Article 12-2 (limited to a person set forth in item (i) to (v) of that Article) pertaining to that Foreign Bank Branch) in Japan provided separately by the Commissioner of the Financial Services Agency;
 - (iii) national government bonds;
 - (iv) local government bonds;
 - (v) bonds issued by a corporation pursuant to a special Act;
 - (vi) investment securities issued by a corporation that was established pursuant to a special Act;
 - (vii) beneficial interests in money trusts for which a contract on compensation of the principal has been concluded pursuant to the provisions of Article 6 of the Act on Engagement in Trust Business by a Financial Institution (Act No. 43 of 2006);
 - (viii) secured bonds of companies in Japan which issue shares listed on a financial instruments exchange as prescribed in Article 2, paragraph (16) of the Financial Instruments and Exchange Act;
 - (ix) loans for a person who has address or residence in Japan which are specified by Cabinet Office Ordinance; and
 - (x) other assets that Commissioner of the Financial Services Agency finds appropriate.
- (2) The amount specified by Cabinet Order prescribed in Article 47-2 of the Act is 2,000,000,000 yen.

(Uniquely Related Persons Pertaining to a Foreign Bank Branch Subject to Submission of Materials)

Article 14 A person who has a unique relationship specified for by Cabinet Order prescribed in Article 48 of the Act is a person set forth in Article 1-2, item (i) to (v).

(Replacement Concerning Electronic Public Notice of a Foreign Bank Branch)

Article 14-2 When a Foreign Bank Branch, pursuant to the provisions of Article 49-2 of the Act, gives a public notice by using an electronic public notice in

accordance with the Act or provisions of other Acts (excluding a public notice pursuant to the provisions of the Companies Act (Act No. 86 of 2005)), the technical replacement of terms pertaining to these provisions, when it is applied mutatis mutandis pursuant to the provisions the Companies Act, Article 940, paragraph (3) and Article 941, is as shown in the following table.

Provisions of the Companies Act to be replaced	Terms deemed to be replaced	Terms used to replace with
Article 14-3		
Article 940, paragraph (3), item (i)	a company	a Foreign Bank Branch prescribed in Article 47, paragraph (2) of the Banking Act (hereinafter referred to as "Foreign Bank Branch" in this item and the following Article)
	to a company	to a Foreign Bank Branch
Article 941	this Act	the Banking Act
	Article 440, paragraph (1)	Article 16, paragraph (1) and Article 20, paragraph (4) of the Banking Act
	a company	a Foreign Bank Branch

(Provision Using Information and Communications Technology)

Article 14-3 (1) A Foreign Bank's Agent Bank (which means a Foreign Bank's Agent Bank prescribed in Article 52-2-5 of the Act; hereinafter the same applies) must, when intending to provide the matters prescribed in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act (including cases where it is applied mutatis mutandis under Article 34-3, paragraph (12) (including cases where it is applied mutatis mutandis in Article 34-4 (6) as applied mutatis mutandis in Article 52-2-5 of the Act), Article 34-4, paragraph (3), Article 37-3, paragraph (2), and Article 37-4, paragraph (2) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 52-2-5 of the Act; the same applies in this Article), as applied mutatis mutandis pursuant to Article 52-2-5 of the Act pursuant to the provisions of Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to that Article, pursuant to the provisions of a Cabinet Office Ordinance, present in advance to the other party, to whom those matters are provided, the type and the contents of the method (hereinafter referred to as "electronic or magnetic means" in this Article) to be used as prescribed in that paragraph and obtain a consent in written form or via electronic or magnetic means.

(2) When a Foreign Bank's Agent Bank that had obtained the approval pursuant

to the provisions of the preceding paragraph receives a notice, either in writing or by electronic or magnetic means, from the other party that it refuses to accept the provision of the matters through electronic or magnetic means, the Foreign Bank's Agent Bank must not provide the matters prescribed in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 52-2-5 of the Act to said other party via electronic or magnetic means; provided, however, that this does not apply when said other party once again gives consent pursuant to the provisions of the preceding paragraph.

(Obtaining Consent by Using Information and Communications Technology)

Article 14-4 (1) A Foreign Bank's Agent Bank must, when intending to, pursuant to the provisions of Article 34-2, paragraph (12) of the Financial Instruments and Exchange Act (including the cases where it is applied mutatis mutandis pursuant to Article 34-3, paragraph (3) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 52-2-5 of the Act (including cases where it is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant Article 52-2-5 of the Act); hereinafter the same applies in this Article), as applied mutatis mutandis pursuant to Article 52-2-5 of the Act, obtain consent through a method specified by Cabinet Office Ordinance as prescribed in Article 34-2, paragraph (12) of the Financial Instruments and Exchange Act (hereinafter referred to as "electronic or magnetic means" in this Article) in place of a written consent as prescribed in paragraph (11) of that Article, as applied mutatis mutandis pursuant to Article 52-2-5 of the Act, pursuant to the provisions of a Cabinet Office Ordinance, present in advance to the other party whose consent is sought, the type and contents of the electronic or magnetic means to be used, and obtain consent by means of writing or via electronic or magnetic means.

(2) When a Foreign Bank's Agent Bank that had obtained the approval pursuant to the provisions of the preceding paragraph receives a notice, either in writing or by electronic or magnetic means, from the other party that it refuses to give its consent through electronic or magnetic means, the Foreign Bank's Agent Bank must not obtain the consent prescribed in Article 34-2, paragraph (12) of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 52-2-5 of the Act via electronic or magnetic means; provided, however, that this does not apply when said other party once again gives consent pursuant to the provisions of the preceding paragraph.

(Material Matters That Affect the Judgment of a Customer Concerning Specified Deposit, etc. Contracts That a Foreign Bank's Agent Bank

Represents in Its Conclusion)

Article 14-5 (1) Matters specified by Cabinet Order as prescribed in Article 37, paragraph (1), item (iii) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 52-2-5 of the Act are set forth as follows:

- (i) a matter which concerns fees, rewards, and other consideration that a customer is to pay concerning specified deposit, etc. contracts and is specified by Cabinet Office Ordinance;
 - (ii) with regard to specified deposit, etc. contracts to be concluded by a customer, when a loss is likely to be incurred by changes in interest rate, value of currencies, quotations on a financial instruments market, and other indexes as a direct cause, the following items:
 - (a) said index;
 - (b) the fact that a loss is likely to be incurred due to changes pertaining to said index and the reason for it.
 - (iii) matters specified by Cabinet Office Ordinance to be equivalent to the matters set forth in the preceding two items.
- (2) When an act prescribed in Article 37, paragraph (1) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 52-2-5 of the Act, is conducted by broadcast methods using the broadcasting system of a Basic Broadcaster and other methods specified by Cabinet Office Ordinance as equivalent to this, the matters specified by Cabinet Order as prescribed in item (iii) of that paragraph are, notwithstanding the provisions of the preceding paragraph, set forth as follows:
- (i) with regard to specified deposit, etc. contracts to be concluded by a customer, when a loss is likely to be incurred by changes in interest rate, value of currencies, quotations on a financial instruments market, and other indexes as a direct cause, the fact that there is the above-mentioned possible risk;
 - (ii) items specified by Cabinet Office Ordinance as equivalent to the items set forth in the preceding item.

(Replacement in Reading the Provisions of the Financial Instruments and Exchange Act as Applied Mutatis Mutandis Concerning an Agent's Act or Intermediary of Conclusion of Specified Deposit, etc. Contracts Conducted by a Foreign Bank's Agent Bank)

Article 14-6 The technical replacement of terms pursuant to the provisions of Article 52-2-5 of the Act is as shown in the following table.

Provisions of the Financial Instruments and Exchange Act to be replaced	Terms deemed to be replaced	Terms used to replace with
Article 34	Paragraph 31(iv) of that Article	Article 2, paragraph (31), item (iv)
Article 37(1)(i) and Article 37-3(1)(i)	Trade name or name	Name or trade name

(Uniquely Related Persons Pertaining to a Principal Foreign Bank Subject to Submission of Materials)

Article 14-7 A person who has a unique relationship specified by Cabinet Order prescribed in Article 52-2-8 of the Act is the following persons:

- (i) a person who holds Shares, etc. exceeding fifty percent of Issued Shares, etc. of a principal foreign bank (which means the principal foreign bank prescribed in Article 52-2, paragraph (1) of the Act; the same applies in item (iv));
- (ii) a person who holds Shares, etc. exceeding fifty percent of Issued Shares of a person set forth in the preceding item;
- (iii) a corporation of which Shares, etc. exceeding fifty percent of Issued Shares, etc. are held by a person set forth in item (i);
- (iv) a corporation of which Shares, etc. exceeding fifty percent of Issued Shares, etc. are held by a principal foreign bank;
- (v) a corporation of which Shares, etc. exceeding fifty percent of Issued Shares, etc. are held by a corporation set forth in the preceding item.

(Replacement Concerning a Foreign Bank's Agent Bank)

Article 14-8 The technical replacement of terms pursuant to the provisions of Article 52-2-10 of the Act is as shown in the following table.

Provisions of the Act to be replaced	Terms deemed to be replaced	Terms used to replace with
Article 52-43	an activity set forth in one of the items of Article 2, paragraph (14) (hereinafter referred to as an "activity as a bank agent" in this Chapter)	an activity pertaining to foreign bank agency services; hereinafter referred to as an "Activity as a Foreign Bank Agent")
Article 52-44, paragraph (1)	activities as a bank agent	Activities as a Foreign Bank Agent
Article 52-44, paragraph (1), item (i)	trade name	name or trade name

Article 52-44, paragraph (1), item (ii)	set forth in the items of Article 2, paragraph (14)	pertaining to foreign bank agency services
Article 52-44, paragraph (3)	the preceding two paragraphs, Article 52-45-2	Article 52-2-5 and the preceding two paragraphs
	activities as a bank agent	Activities as a Foreign Bank Agent
Article 52-45, item (iii)	a person closely related to ... (referred to as a "closely related party" in the following item)	a person closely related to

(A Corporation Equivalent to a National Government and Local Government)

Article 15 A corporation specified by Cabinet Order as equivalent to the State, local public entity prescribed in Article 52-2-11, paragraph (1) of the Act is the following corporations:

- (i) the investor-protection fund prescribed in Article 79-21 of the Financial Instruments and Exchange Act;
- (ii) the Deposit Insurance Corporation;
- (iii) the Agricultural and Fishery Cooperation Savings Insurance Corporation;
- (iv) the Insurance Policyholders Protection Corporation prescribed in Article 259 of the Insurance Business Act;
- (v) the Government Pension Investment Fund;
- (vi) the Banks' Shareholding Purchase Corporation;
- (vii) a foreign government.

(Holidays Not to Be Included in Notification Period)

Article 15-2 Holidays specified by Cabinet Order prescribed in Article 52-2-11, paragraph (1) of the Act are a day (except Sundays) set forth in each item of Article 1, paragraph (1) of the Act. on Holidays of Administrative Organs (Act No. 91 of 1988).

(Standards for Bulk Transfer of Voting Rights in the Short Period)

Article 15-3 The standard specified by Cabinet Order as the case where a large amount of voting rights were transferred in a short period of time prescribed in Article 52-3, paragraph (2) of the Act is when proportion of voting rights held (which means proportion of voting rights held prescribed in Article 52-2-11, paragraph (1), item (i) of the Act; hereinafter the same applies in this Article) after the change, which is to be recorded in the statement of changes as stipulated in Article 52-3, paragraph (2), becomes less than fifty percent of the highest rate among the proportion of voting rights held (limited to what is calculated based on the day following the date 60 days prior to the base date of calculation for the proportion of voting rights held after said change, and to

what is calculated based on the day prior to the preceding day of said date 60 days prior and calculated based on the nearest day to said date 60 days prior) recorded or that should have been recorded in the statement of holdings in bank voting rights pertaining to said statement of changes (which means the statement of holdings in bank voting rights as prescribed in Article 52-2-11, paragraph (1) or Article 52-4, paragraph (1) of the Act) or other statement of changes pertaining to said the statement of holdings in bank voting rights (which means a statement of changes prescribed in Article 52-3, paragraph (1) or Article 52-4, paragraph (2) of the Act) and decreased by more than five percent of the highest rate.

(Transactions or Acts Requiring an Authorization Pertaining to a Bank's Major Shareholder)

Article 15-4 Transactions or acts specified by Cabinet Order prescribed in Article 52-9, paragraph (1), item (iii) are the following transactions or acts:

- (i) acquisition of voting rights (excluding an acquisition of Shares or equity by exercise of security interests and by other circumstances specified by Cabinet Officer Ordinance) of a company, etc. (which means a company, etc. prescribed in Article 3-2, paragraph (1), item (ii) of the Act) other than a Bank by a person who intends to be said shareholder;
- (ii) in cases of mergers involving a person (limited to a company; hereinafter referred to as "Said Company" in this Article) who intends to be said shareholder as a party where Said Company survives after said merger;
- (iii) a company split (limited to that part of the business succeeded to by said company split) involving Said Company as a party;
- (iv) transfer of a part of business by Said Company.

(Replacement in Reading Concerning a Bank's Foreign Major Shareholder)

Article 16 The technical replacement of terms regarding application of provisions of the Act for a bank's foreign major shareholder (which means a bank's foreign major shareholder prescribed in Article 52-16 of the Act; the same applies hereinafter) pursuant to the provisions of that Article is as shown in the following table.

Provisions of the Act to be replaced	Terms deemed to be replaced	Terms used to replace with

Article 65	the director, executive officer, or accounting advisor, the staff member that should be performing the duties of a person in such a position, or the auditor, manager, or liquidator	the director, executive officer, or accounting advisor, the staff member that should be performing the duties of a person in such a position, or the auditor, manager, or liquidator, or a person assigned to a similar duty
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(Transaction or Act Requiring an Authorization Pertaining to a Bank Holding Company)

Article 16-2 Transactions or acts specified by Cabinet Order prescribed in Article 52-17, paragraph (1), item (iii) of the Act are the following transactions or acts:

- (i) acquisition of voting rights (excluding an acquisition of Shares or equity by exercise of security interests and by other circumstances specified by Cabinet Office Ordinance) of a company other than a Bank by Said Company or its Subsidiary Company;
- (ii) in cases of mergers involving Said Company as a party where Said Company survives after said merger;
- (iii) a company split (limited to that part of business succeeded to by said company split) involving Said Company as a party;
- (iv) transfer of a part of business by Said Company.

(Scope of Parent Financial Institutions and Subsidiary Financial Institutions)

Article 16-2-2 (1) A person specified by Cabinet Order as prescribed in Article 52-21-2, paragraph (2) of the Act is the following persons (excluding a person who operates Bank Agency Service for a Bank that is a Subsidiary Company of said bank holding company):

- (i) the parent corporation, etc. of said bank holding company;
- (ii) a subsidiary corporation, etc. of the parent corporation, etc. of said bank holding company (excluding said bank holding company and persons set forth in the preceding item and paragraph (3), items (i) and (ii));
- (iii) an Affiliated Corporation, etc. of the parent corporation, etc. of said bank holding company (excluding persons set forth in paragraph (3), item (ii));
- (iv) the following company and partnership or other business entity equivalent to that company and partnership, pertaining to a Specified Individual Shareholder, etc. of said bank holding company (including entities equivalent thereto in foreign states, but excluding said bank holding company and persons set forth in the preceding three paragraphs and paragraph (3), items (i) and (ii); hereinafter referred to as "corporation, etc." in this item):
 - (a) a corporation, etc. (including a subsidiary corporation, etc. and Affiliated

- Corporation, etc. of said corporation, etc.), of which said Specified Individual Shareholder, etc. holds voting rights exceeding fifty percent of All Shareholders', etc. Voting Rights of such corporation;
- (b) a corporation, etc. of which said Specified Individual Shareholder, etc. holds voting rights at twenty percent or more and at fifty percent or less of All Shareholders', etc. Voting Rights of such corporation;
- (2) A person who engages in financial business specified by Cabinet Order as prescribed in Article 52-21-2, paragraph (2) of the Act is the persons set forth in the items of Article 4-2-2, paragraph (2);
- (3) A person specified by Cabinet Order as prescribed in Article 52-21-2, paragraph (3) of the Act is the following persons (excluding a Bank Agent having a Bank that is a Subsidiary Company of said bank holding company as its Principal Bank):
- (i) a subsidiary corporation, etc. of said bank holding company;
- (ii) an Affiliated Corporation, etc. of said bank holding company;
- (iii) a person who operates Bank Agency Service for a bank that is a Subsidiary Company of said bank holding company (excluding those set forth in the preceding two items).
- (4) A person who operates financial business specified by Cabinet Order as prescribed in Article 52-21-2, paragraph (3) of the Act is the persons set forth in the items of Article 4-2-2, paragraph (4).

- (Credit Extended to a Single Person Pertaining to a Bank Holding Company)
- Article 16-2-3 (1) A person who has a unique relationship specified by Cabinet Order prescribed in the main clause of Article 52-22, paragraph (1) of the Act is, when a single person prescribed in the main clause of the same paragraph (excluding a person who has a unique relationship provided for by said Cabinet Order; which is referred to as a "single person itself" in paragraph (3)) is not a Combined Subsidiary Corporation, etc. (which means a Combined Subsidiary Corporation, etc. as prescribed in Article 4, paragraph (2); hereinafter the same applies in this paragraph) or a Combined Affiliated Corporation, etc. (which means a Combined Affiliated Corporation, etc. as prescribed in Article 4, paragraph (3); hereinafter the same applies in this paragraph) of said Bank Holding Company, be a person set forth in any of the items in Article 4 (1) (excluding said Bank Holding Company and its Combined Subsidiary Corporation, etc. and Combined Affiliated Corporation, etc.; which is referred to as a "Person Subject to Consolidated Credit Amount" in Article 4 (12), as applied mutatis mutandis to paragraph (4)).
- (2) Matters provided for by the Cabinet Order as credit extended or contributed funds (including an equivalent to credit extended or contributed funds) as prescribed in the main clause of Article 52-22, paragraph (1) of the Act are

those set forth in any item of Article 4, paragraph (6) of the Act.

- (3) The category provided for by the Cabinet Order as prescribed in the main clause of Article 52-22, paragraph (1) of the Act is a category of credit extended, etc. (which means credit extended, etc. as prescribed in the main clause of that paragraph; hereinafter the same applies in paragraph (5)) to the single person prescribed in the main clause of paragraph (1) of that Article, and the ratio specified by Cabinet Order as prescribed in the main clause of that paragraph is twenty-five percent.
- (4) The provisions of Article 4, paragraph (12) apply mutatis mutandis to an unavoidable reason specified for by Cabinet Order prescribed in the proviso to Article 52-22, paragraph (1) of the Act. In this case, the term "and its Subsidiary Companies, etc. (a Subsidiary Companies, etc. prescribed in the first sentence of Article 13, paragraph (2) of the Act; hereinafter the same applies in this paragraph) or its Subsidiary Companies, etc." in Article 4, paragraph (12), item (i) is deemed to be replaced with "or its Subsidiary Companies, etc. (a Subsidiary Companies, etc. prescribed in the main clause of Article 52-22, paragraph (1) of the Act; hereinafter the same applies in this paragraph)"; the term "the consolidated limit on extensions of credit, etc. in total prescribed in the first sentence of Article 13, paragraph (2) of the Act to that bank (hereinafter referred to as 'consolidated limit on extensions of credit, etc.' in this paragraph)" in that item is deemed to be replaced with 'the limit on extensions of credit, etc. (hereinafter referred to as 'limit on extensions of credit, etc. Pertaining to a Bank Holding Company' in this paragraph) in total pertaining to a Bank Holding Company prescribed in the main clause of that paragraph"; the term "and its Subsidiary Companies, etc. or its Subsidiary Companies, etc." in the provisions of item (ii) to (v) of that paragraph is deemed to be replaced with "or its Subsidiary Companies, etc."; the term "consolidated limit on extensions of credit, etc." in the same provisions is deemed to be replaced with "limit on extensions of credit, etc. Pertaining to a Bank Holding Company"; and the term "and its Subsidiary Companies, etc. or for its Subsidiary Companies, etc." in that item is deemed to be replaced with "or for its Subsidiary Companies, etc."
- (5) Credit extended, etc. specified by Cabinet Order prescribed in Article 52-22, paragraph (2), item (i) of the Act is a credit extended, etc. (excluding that the national government guarantees repayment of the principal and payment of the interest) to any of the entities set forth in the items of Article 4, paragraph (13).

(A Company Split Pertaining to a Bank Holding Company That Is Not Required to Be the Authorization of the Commissioner of the Financial Services Agency)

Article 16-2-4 (1) A company split specified by Cabinet Order as prescribed in Article 52-35, paragraph (2) of the Act is the following company splits (limited to a company split in which a part of business is succeeded to or is succeeded by said company split; hereinafter the same applies in this Article):

- (i) a company split in which both the amount of assets or debts to be succeeded to by said company split is five percent or less of the total assets or total debts of said Bank Holding Company;
- (ii) a company split in which both the amount of assets or debts to be succeeded by said company split is five percent or less of the total assets or total debts of said Bank Holding Company (except for the following company splits):
 - (a) a company split where the amount (which is referred to as a "Succeeding Debt Amount" in (b)) specified by Cabinet Officer Ordinance as the amount of liability of a company splitting in an absorption-type split (which means a company splitting in an absorption-type split prescribed in Article 758, item (i) of the Companies Act; hereinafter the same applies in this item) succeeded to by that Bank Holding Company exceeds the amount (which is referred to as the "Succeeding Asset Amount" in sub-item (b)) specified by Cabinet Office Ordinance as the amount of assets of a company splitting in an absorption-type split succeeded to by that Bank Holding Company;
 - (b) a company split where the book value of money, etc. (excluding Shares, etc. (which means Shares, etc. as prescribed in Article 107, paragraph (2), item (ii), sub-item (e) of the Companies Act) of said Bank Holding Company) provided to company splitting in an absorption-type split by said Bank Holding Company exceeds the amount as a result of deducting the Succeeding Debt Amount from the Succeeding Asset Amount.

(2) When the provisions of the preceding paragraph apply, the amount of assets (excluding the assets stipulated in item (ii), sub-item (a) of that paragraph; hereinafter the same applies in this paragraph) or debts, or total assets or total debts stipulated in that paragraph is to be calculated on or based on the book value (with regard to assets or debts succeeded by a company split set forth in item (ii) of that paragraph, the book value to be referred to at the time of said company split) immediately before said company split.

(Business Transfer or Acquisition Pertaining to a Bank Holding Company Which Is Not Required to Be an Authorization from the Commissioner of the Financial Services Agency)

Article 16-3 (1) Business transfer or acquisition specified by Cabinet Order prescribed in Article 52-35, paragraph (3) of the Act is set forth as follows:

- (i) transfer of a part of business where the amount of assets or debts to be transferred in accordance with the transfer of a part of said business is five percent or less of the amount of total assets or total debts of said Bank

Holding Company;

- (ii) acquisition of a part of business where the amount of assets or debts to be accepted in accordance with the acquisition of a part of said business is five percent or less of the amount of total assets or total debts of said Bank Holding Company.
- (2) When the provisions of the preceding paragraph apply, the amount of assets or debts, or total assets or total debts stipulated in that paragraph is to, with regard to the transfer of the business set forth in item (i) of that paragraph, calculated on or based on the book value immediately before said transfer; with regard to the business acquisition set forth in item (ii) of that paragraph, be calculated on or based on the book value (with regard to assets or debts of said acquisition, the book value to be referred at the time of said acquisition) immediately before said acquisition.

(Replacement in Reading Concerning a Foreign Holding Company Having a Bank as a Subsidiary Company)

Article 16-4 The technical replacement of terms regarding the application of provisions of the Act for a Holding Company which was established under the laws and regulations of a foreign state and has a Bank as its Subsidiary Company under the provisions of Article 52-16 of the Act as applied mutatis mutandis pursuant to Article 52-20 of the Act (hereinafter referred to as a "Foreign Holding Company Having a Bank as a Subsidiary Company") is as shown in the following table.

Provisions of the Act to be replaced	Term deemed to be replaced	Term used to replace with
Article 52-18, paragraph (1), item (ii)	equity capital	equity capital or those provided by the Commissioner of the Financial Services Agency as equivalent to this
Heading of Article 52-19	Directors	Directors, etc.
Article 52-19, paragraph (1)	a director (or executive officer, if a Bank is a company with committees)	a director or an executive officer, or a person assigned to a similar duty

Article 52-22, paragraphs (1) and (4)	the total net amount of the equity capital	the total net amount of the equity capital or those specified by the Commissioner of the Financial Services Agency as equivalent to this
Article 52-25, Article 52-33, paragraph (2)	equity capital	equity capital or those specified by the Commissioner of the Financial Services Agency as equivalent to this
Article 52-34, paragraph (1)	articles of incorporation	articles of incorporation or provisions equivalent to this
	director, executive officer, accounting advisor, or company auditor	director, executive officer, accounting advisor, auditor, or financial auditor, or a person assigned to a similar duty
Article 53, paragraph (3), item (vi)	stated capital	stated capital or contributed fund
Article 63, item (vii)	a director, executive officer, accounting advisor, or auditor	a director, executive officer, accounting advisor, auditor, or financial auditor, or a person assigned to a similar duty
Article 65	the director, executive officer, or accounting advisor, the staff member that should be performing the duties of a person in such a position, or the auditor, manager, or liquidator	the director, executive officer, or accounting advisor, the staff member that should be performing the duties of a person in such a position, or the auditor, manager, or liquidator, or a person assigned to a similar duty
	the director, executive officer, or accounting advisor, the staff member that should be performing the duties of a person in such a position, or the auditor, manager, member executing business operations, or liquidator	the director, executive officer, or accounting advisor, the staff member that should be performing the duties of a person in such a position, or the auditor, manager, member executing business operations, or liquidator, or a person assigned to a similar duty

(Special Provisions Concerning the Time Limit of Notification Pertaining to a Foreign Specified Holding Company)

Article 16-5 When a specified holding company as prescribed in Article 52-17, paragraph (2) of the Act is a Foreign Holding Company Having a Bank as a Subsidiary Company, said Foreign Holding Company Having a Bank as a

Subsidiary Company is to, notwithstanding the provisions of that paragraph, notify of matters prescribed in that paragraph to the Commissioner of the Financial Services Agency within six months after the end of the business year in which the date when the cause prescribed in that paragraph arose; provided, however, that if that notification may not be submitted within the six months due to laws and regulations or practices in the foreign state (which means a country that has enacted laws and regulations governing the establishment of said Foreign Holding Company Having a Bank as a Subsidiary Company) or other justifiable reasons, this due date may be extended after obtaining an approval from the Commissioner of the Financial Services Agency.

(Special Provisions Concerning Public Notice of a Balance Sheet Pertaining to a Bank Holding Company Located in a Foreign State)

Article 16-6 With regard to the application of the provisions of Article 52-28, paragraphs (3) and (5) of the Act pertaining to a Bank Holding Company located in a foreign state (which means a Foreign Holding Company Having a Bank as a Subsidiary Company, which was established after obtaining an authorization prescribed in Article 52-17, paragraph (1) of the Act or which obtained an authorization prescribed in that paragraph or the proviso to paragraph (3) of that Article), the term "within three months" in these provisions is deemed to be replaced by "within six months."

(Material Matters Which Have Impacts on a Customer's Judgment Concerning Specified Deposit, etc. Contracts That a Bank Agent Represents as Its Conclusion)

Article 16-6-2 (1) Matters specified by Cabinet Order as prescribed in Article 37, paragraph (1), item (iii) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 52-45-2 of the Act are set forth as follows:

- (i) a matter which concerns fees, rewards, and other consideration that a customer is to pay concerning a specified deposit, etc. contract and is specified by Cabinet Office Ordinance;
- (ii) with regard to specified deposit, etc. contracts to be concluded by a customer, when a loss is likely to be incurred by changes in interest rate, value of currencies, quotations on a financial instruments market, and other indexes as a direct cause, the following items:
 - (a) said index;
 - (b) the fact that it is likely to cause a loss due to changes pertaining to said index and the reason for it.
- (iii) matters specified by Cabinet Office Ordinance to be equivalent to the matters set forth in the preceding two items.

(2) When an act prescribed in Article 37, paragraph (1) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 52-45-2 of the Act is conducted by broadcast methods using the broadcasting system of a Basic Broadcaster and other methods specified by Cabinet Office Ordinance as equivalent to this, the matters specified by Cabinet Order as prescribed in item (iii) of that paragraph are, notwithstanding the provisions of the preceding paragraph, set forth as follows:

- (i) with regard to specified deposit, etc. contracts to be concluded by a customer, when a loss is likely to be incurred by changes in interest rate, value of currencies, quotations on a financial instruments market, and other indexes as a direct cause, the fact that there is the above-mentioned possible risk;
- (ii) items specified by Cabinet Office Ordinance as equivalent to items set forth in the preceding item.

(Provision Using Information and Communications Technology)

Article 16-6-3 (1) A Bank Agent (which means a Bank Agent prescribed in Article 2, paragraph (15) of the Act; hereinafter the same applies) must, when intending to provide the matters prescribed in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis in Article 37-3, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 52-45-2 of the Act, pursuant to the provisions of Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act (including the cases where it is applied in Article 37-4, paragraph (2) of that Act as applied mutatis mutandis pursuant to Article 52-45-2 of the Act; hereinafter the same applies in this Article) as applied mutatis mutandis in Article 37-3, paragraph (2) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 52-45-2 of the Act, pursuant to the provisions of a Cabinet Office Ordinance, present in advance to the other party to whom those matters are provided, the type and the contents of the method (hereinafter referred to as "electronic or magnetic means" in this Article) to be used as prescribed in that paragraph and obtain consent in written form or via electronic or magnetic means.

(2) When a Bank Agent that had obtained the approval pursuant to the provisions of the preceding paragraph receives a notice, either in writing or by electronic or magnetic means, from the other party that it refuses to accept the provision of the matters through electronic or magnetic means, the Bank Agent must not provide the matters prescribed in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act, as applied mutatis mutandis pursuant to Article 37-3, paragraph (2) of the same Act, which is applied mutatis mutandis pursuant to Article 52-45-2 of the Act, to said other party via

electronic or magnetic means; provided, however, that this does not apply when said other party once again gives consent pursuant to the provisions of the preceding paragraph.

(Replacement in Reading the Provisions of the Financial Instruments and Exchange Act as Applied Mutatis Mutandis Concerning an Agent's Act or Intermediary of Conclusion of a Specified Deposit, etc. Contract Conducted by a Bank Agent)

Article 16-6-4 The technical replacement of terms pursuant to the provisions of Article 52-45-2 is as shown in the following table.

Provisions of the Financial Instruments and Exchange Act to be replaced	Term deemed to be replaced	Term used to replace with
Article 37-3, paragraph (1), item (i)	trade name or name	trade name
Article 37-6, paragraph (4) (except for proviso)	consideration	consideration (which means fees, rewards, and other consideration that a customer is to pay concerning said specified deposit, etc. contract)

(Holidays of a Specified Bank Agent)

Article 16-7 (1) A day specified by Cabinet Order as prescribed by Article 52-46, paragraph (1) of the Act is a day set forth in any item of Article 5, paragraph (1).

(2) Beyond a day specified in the preceding paragraph, a business office or an office (including facilities other than facilities where a specified activity as a bank agent is performed in a business office or an office where said specified activity as a bank agent is performed) which does not perform the specified activity as a bank agent (which means a specified activity as a bank agent as prescribed in Article 52-46, paragraph (1) of the Act) of a specified bank agent (which means a specified bank agent as prescribed in that paragraph) may determine a day other than that specified in the preceding paragraph as a holiday.

(Scope of Bank That Is Not Required to Be a License of Banking Agency Service)

Article 16-8 A person who engages in financial business specified by Cabinet Order as prescribed in Article 52-61, paragraph (1) of the Act is the following persons:

- (i) a Long-Term Credit Bank;
- (ii) a Shinkin Bank and Federation of Shinkin Banks;
- (iii) a credit cooperative and the federation of credit cooperatives which carry out a business as prescribed in Article 9-9, paragraph (1), item (i) of the Small and Medium-Sized Enterprise Cooperatives Act;
- (iv) a Labor Bank and the Federation of Labor Banks;
- (v) an agricultural cooperative (limited to a cooperative which carries out a business as prescribed in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act) and the federation of agricultural cooperative (limited to a federation which carries out a business as prescribed in that item);
- (vi) a fisheries cooperative (limited to a cooperative which carries out a business as prescribed in Article 11, paragraph (1), item (iv) of the Fisheries Cooperatives Act), a federation of fisheries cooperatives (limited to a federation which carries out a business as prescribed in Article 87, paragraph (1), item (iv) of that Act), a fishery processing cooperative (limited to a cooperative which carries out a business as prescribed in Article 93, paragraph (1), item (ii) of that Act), and a federation of fishery processing cooperatives (limited to an association which carries out a business prescribed in Article 97, paragraph (1), item (ii) of that Act);
- (vii) the Norinchukin Bank.

(Designation by Other Laws Pertaining to a Business Equivalent to a Dispute Resolution)

Article 16-9 Designation specified by Cabinet Order as prescribed in Article 52-62, paragraph (1), item (ii) and item (iv), sub-item (d), Article 52-66, and Article 52-83, paragraph (3) of the Act is set forth as follows:

- (i) designation by the provisions of Article 156-39, paragraph (1) of the Financial Instruments and Exchange Act;
- (ii) designation set forth in the items of Article 16-11.

(Ratio of the Number of Banks That Objected to the Total Number of Banks)

Article 16-10 The ratio specified by the Cabinet Order prescribed in Article 52-62, paragraph (1), item (viii) is one third.

(Exemption from Restriction on Use of Names)

Article 16-11 A person specified by Cabinet Order as prescribed in Article 52-77 of the Act is subject to any of the following designations:

- (i) designation by the provisions of Article 35-2, paragraph (1) of the Mutual Loan Business Act (Act No. 42 of 1931);
- (ii) designation by the provisions of Article 12-2, paragraph (1) of the Act on

- Engagement in Trust Business by a Financial Institution (Act No. 43 of 1943);
- (iii) designation by the provisions of Article 92-6, paragraph (1) of the Agricultural Cooperatives Act;
 - (iv) designation by the provisions of Article 121-6, paragraph (1) of the Fisheries Cooperatives Act;
 - (v) designation by the provisions of Article 69-2, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act;
 - (vi) designation by the provisions of Article 85-4, paragraph (1) of the Shinkin Bank Act (Act No. 238 of 1951);
 - (vii) designation by the provisions of Article 16-8, paragraph (1) of the Long-Term Credit Bank Act;
 - (viii) designation by the provisions of Article 89-5, paragraph (1) of the Labor Bank Act (Act No. 227 of 1953);
 - (ix) designation by the provisions of Article 41-39, paragraph (1) of the Money Lending Business Act (Act No. 32 of 1983);
 - (x) designation by the provisions of Article 308-2, paragraph (1) of the Insurance Business Act;
 - (xi) designation by the provisions of Article 95-6, paragraph (1) of the Norinchukin Bank Act (Act No. 93 of 2001);
 - (xii) designation by the provisions of Article 85-2, paragraph (1) of the Trust Business Act (Act No. 154 of 2004);
 - (xiii) designation by the provisions of Article 99, paragraph (1) of the Act Concerning Settlement of Funds (Act No. 59 of 2009).

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

Article 17 Matters specified by Cabinet Order as prescribed in Article 59, paragraph (1) of the Act are set forth as follows:

- (i) a license pursuant to the provisions of Article 4, paragraph (1) of the Act;
- (ii) revocation of the license as prescribed in Article 4, paragraph (1) of the Act pursuant to the provisions of Articles 27 and 28 of the Act;
- (iii) an authorization pursuant to provisions of the proviso to Article 52-17, paragraphs (1) and (3) of the Act;
- (iv) revocation of an authorization prescribed in the proviso to Article 52-17, paragraphs (1) and (3) of the Act pursuant to the provisions of Article 52-34, paragraph (1) of the Act;
- (v) a public notice pursuant to the provisions of Article 56 of the Act (limited to the part pertaining to items (ii) and (vi));
- (vi) a Notification pursuant to the provisions of Article 57-6 of the Act (limited to the part pertaining to items (i) and (ii) (limited to the part pertaining to

an authorization pursuant to the provisions of the proviso to Article 52-17, paragraphs (1) and (3)), and items (iv) and (v) (limited to the part pertaining to revocation of an authorization as prescribed in the proviso to Article 52-17, paragraphs (1) and (3) of the Act pursuant to the provisions of Article 52-34, paragraph (1) of the Act)).

(Delegation of Authority to Director-General of Local Finance Bureaus)

Article 17-2 (1) The following authorities among authorities delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 59, paragraph (1) of the Act and that of the Commissioner of the Financial Services Agency (hereinafter referred to as "Commissioner's Authority") specified by this Cabinet Order are delegated to the Directors-General of Local Finance Bureaus (when the location is within the jurisdiction of Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of the head office of a Bank (including the principal Foreign Bank Branch (which means the principal Foreign Bank Branch as prescribed in Article 47, paragraph (1) of the Act); hereinafter the same applies in this Article); provided, however, that the authorities set forth in item (vi) to (viii) do not preclude the Commissioner of the Financial Services Agency from exercising them:

- (i) an authorization and approval pursuant to the provisions of Article 5, paragraph (3), Article 6, paragraph (3), Article 7, paragraph (1), Article 8, paragraphs (2) and (3), the proviso to Article 13, paragraph (1) (including the cases where it is applied mutatis mutandis pursuant to the second sentence of paragraph (2) of that Article), the proviso to Article 13-2, the proviso to Article 20, paragraph (4) (including the cases where it is applied mutatis mutandis pursuant to the second sentence of paragraph (5) of that Article), Article 30, paragraph (2) (limited to a part pertaining to that a part of business is succeeded to or is succeeded by a company split (excluding a company split which makes a Bank, etc. eligible for subsidiary company, as prescribed in Article 16-2, paragraph (7) of the Act, a Subsidiary Company)), Article 30, paragraph (3) (limited to a part pertaining to transfer or acquisition of a part of business (excluding the transfer or acquisition which makes a Bank, etc. eligible for subsidiary company, as prescribed in Article 16-2, paragraph (7) of the Act, a Subsidiary Company)) and Article 47-3 of the Act;
- (ii) an approval pursuant to the provisions of the proviso to Article 55, paragraph (1) of the Act pertaining to an authorization set forth in the preceding item;
- (iii) the addition of conditions of an authorization or approval set forth in the

- preceding two items pursuant to the provisions of Article 54, paragraph (1) of the Act and those changes;
- (iv) an approval pursuant to the provisions of Article 5, paragraph (2), item (ii);
 - (v) an acceptance of Notification pursuant to the provisions of Article 8, paragraph (1), Article 16, paragraph (1), Article 49, Article 52-2, paragraph (2), Article 52-2-9, paragraph (1) and Article 53, paragraph (1) of the Act and an acceptance of documents pursuant to the provisions of Article 19, paragraphs (1) and (2) and Article 52-50, paragraph (1) as applied mutatis mutandis pursuant to Article 52-2-10 of the Act;
 - (vi) an order to submit a report or materials pursuant to the provisions of Article 24, paragraphs (1) and (2), Article 48, and Article 52-2-8 of the Act;
 - (vii) questions and on-site inspection pursuant to the provisions of Article 25, paragraphs (1) and (2) of the Act;
 - (viii) an order (excluding an order to suspend all or part of business and including an order to submit an improvement program) pursuant to the provisions of Article 26, paragraph (1), Article 52-14, paragraph (2) and Article 52-33, paragraph (3) of the Act.
- (2) Authorities set forth in items (vi) and (vii) of the preceding paragraph pertaining to a person who is other than a Bank Agent to which a business office other than the head office of a Bank and other facilities (including a business office, office, or other facilities of a Bank Agent to which said Bank (including a Foreign Bank Branch; hereinafter the same applies in this paragraph) serves as a Principal Bank (which means a Principal Bank as prescribed in paragraph (16) of that Article; hereinafter the same applies in this paragraph), and its secondary Foreign Bank Branch (which means a secondary Foreign Bank Branch as prescribed in Article 47, paragraph (2) of the Act)), or its subsidiary corporation, etc. (which means a subsidiary corporation, etc. as prescribed in Article 24, paragraph (2) of the Act) or said Bank serves as a Principal Bank and is entrusted a business by said Bank (including a person who is entrusted by such person (including entrustment at two or more degrees of separation from the original entrustment)) (hereinafter referred to as "Branch Office, etc." in this Article), may be exercised by the Directors-General of Local Finance Bureaus who have jurisdiction over the location of said Branch Office, etc. (when said location is within the jurisdiction of Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau), in addition to the Directors-General of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau as prescribed in the preceding paragraph.
- (3) The Director-General of Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau, who requested a Branch Office, etc. of a Bank to submit reports or materials, or questioned or conducted an on-site

inspection (hereinafter referred to as "Inspection, etc." in this paragraph) pursuant to the provisions of the preceding paragraph, may, when the Director-General found necessity of Inspection, etc. with a Branch Office, etc. other than the head office of said Bank or said Branch Office, etc., conduct Inspection, etc. with a Branch Office, etc. other than the head office of said Bank or said Branch Office, etc.

- (4) The provisions of the preceding three paragraphs do not apply to the Commissioner's Authority designated by the Commissioner of the Financial Services Agency among those set forth in any items of paragraph (1).
- (5) The Commissioner of the Financial Services Agency is to, when the Commissioner designated pursuant to the provisions of the preceding paragraph, give notification of these effects. The same applies when they are abolished or changed.

Article 17-2-2 (1) The following Commissioner's Authority is delegated to the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of the principal office (in cases of individuals, their address or residence)(hereinafter referred to as "Principal Office, etc." in this Article and the following Article) of the Major Holder of Voting Rights in a Bank (which means the Major Holder of Voting Rights in a Bank prescribed in Article 52-2-11, paragraph (1) of the Act; hereinafter the same applies in this Article); provided, however, that the authorities set forth in items (iii) and (iv) do not preclude the Commissioner of the Financial Services Agency from exercising them:

- (i) acceptance of documents or notification pursuant to the provisions of Article 52-2-11, paragraph (1), Article 52-3, paragraphs (1), (3) and (4) and Article 52-4, paragraph (1) and (2) of the Act;
 - (ii) an order to submit a correction report and holding a hearing pertaining to said order pursuant to the provisions of Article 52-5 and Article 52-6 of the Act,;
 - (iii) an order to submit reports or materials pursuant to the provisions of Article 52-7 of the Act;
 - (iv) questions and on-site inspection pursuant to the provisions of Article 52-8, paragraph (1) of the Act.
- (2) Authorities set forth in items (iii) and (iv) of the preceding paragraph may be exercised by the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of a head office or a principal office of a Bank or a

Bank Holding Company pertaining to a Major Holder of Voting Rights in a Bank, in addition to the Directors-General of the Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.

- (3) An authority set forth in items (iii) and (iv) of paragraph (1) pertaining to an office other than the Principal Office, etc. of the Major Holder of Voting Rights in a Bank and other facilities (hereinafter referred to as "Secondary Office, etc." in this paragraph and the following Article) may be exercised by the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of said Secondary Office, etc., in addition the Directors-General of the Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding two paragraphs.
- (4) Provisions of the preceding three paragraphs do not apply to the Commissioner's Authority designated by the Commissioner of the Financial Services Agency among those set forth in each item of paragraph (1).
- (5) The Commissioner of the Financial Services Agency is to, when the Commissioner designated the Commissioner's Authority pursuant to the provisions of the preceding paragraph, give notification of these effects. The same applies when they are abolished or changed.
- (6) Provisions of each of the preceding paragraph apply, when the Major Holder of Voting Rights in a Bank (limited to a foreign national or foreign corporation; hereinafter the same applies in this paragraph) has an office and other facility in Japan, by deeming its Principal Office, etc., and, when the Major Holder of Voting Rights in a Bank does not have an office or other facility in Japan, by deeming its Principal Office, etc. to be located within the jurisdiction of the Kanto Local Finance Bureau.

Article 17-2-3 (1) The acceptance of notification pursuant to the provisions of Article 52-9, paragraph (3) and Article 53, paragraph (2) is delegated to the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of the head office of the Bank in which a person who holds or held a number of voting rights which is equal to or greater than the Major Shareholder Threshold holds or held a number of voting rights which is equal to or greater than the Major Shareholder Threshold.

- (2) With regard to the Commissioner's Authority set forth in paragraph (1), items (i) and (ii) of the preceding Article pertaining to a holder or ex-holder of the preceding paragraph (limited to a Commissioner's Authority concerning a bank

pertaining to an acceptance of notification from the preceding paragraph), the provisions of the preceding paragraph apply, notwithstanding the provisions of paragraph (1) of the same Article.

- (3) The following Commissioner's Authority may be exercised also by the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of a Principal Office, etc. of the Bank's Major Shareholder or that of the head office of the Bank in which the Bank's Major Shareholder holds a number of voting rights which is equal to or greater than the Major Shareholder Threshold:
 - (i) an order to submit reports and materials pursuant to the provisions of Article 52-11 of the Act;
 - (ii) questions and on-site inspection pursuant to the provisions of Article 52-12, paragraph (1) of the Act.
- (4) Authorities set forth in each item of the preceding paragraph pertaining to Secondary Offices, etc. of the Bank's Major Shareholder may be exercised by the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of said Secondary Office, etc., in addition to the Directors-General of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.
- (5) The Commissioner's Authority designated by the Commissioner of the Financial Services Agency (hereinafter referred to as the "Specified Commissioner's Authority" in the following paragraph) among those prescribed in paragraphs (1) and (2) and those set forth in each item of paragraph (3) is, notwithstanding the provisions of the preceding paragraphs, delegated to the Directors-General of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau designated by the Commissioner of the Financial Services Agency.
- (6) The provisions of paragraph (1) to (4) do not apply to the Commissioner's Authority designated by the Commissioner of the Financial Services Agency among those prescribed in paragraphs (1) and (2) and those set forth in each item of paragraph (3) (excluding Specified Commissioner's Authority).
- (7) The Commissioner of the Financial Services Agency is to, when the Commissioner specified the Commissioner's Authority pursuant to the provisions of the preceding two paragraphs, give notification of these effects. The same applies when they are abolished or changed.
- (8) The provisions of each of the preceding paragraphs apply, when the Bank's Major Shareholder (limited to a foreign national or foreign corporation;

including a person who was the Bank's Major Shareholder when said Bank's Major Shareholder is no longer the Bank's Major Shareholder; hereinafter the same applies in this paragraph) who has an office or other facility in Japan, by deeming its Principal Office, etc. in Japan as the Principal Office, etc., and, when the Bank's Major Shareholder does not have an office or other facility in Japan, by deeming its Principal Office, etc. to be located within the jurisdiction of the Kanto Local Finance Bureau.

Article 17-3 (1) The following Commissioner's Authority is delegated to the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of the principal office, etc. of the Holding Company which holds a Bank as a Subsidiary Company (which means a holding company prescribed in Article 2, paragraph (12) of the Act; hereinafter the same applies in this paragraph) or a company which was a Holding Company that had a bank as a Subsidiary Company:

- (i) an Authorization and an approval pursuant to the provisions of Article 52-19, paragraph (1) and, the proviso to Article 52-22, paragraph (1) and the proviso to Article 52-28, paragraph (3) (including the cases where it is applied mutatis mutandis pursuant to the second sentence of paragraph (4) of that Article) and Article 52-35, paragraph (2) (limited to a part pertaining to that a part of business is succeeded to or is succeeded by a company split (excluding a company split which makes a Bank, etc. Eligible for Subsidiary Company prescribed in Article 52-23, paragraph (6) of the Act, a Subsidiary Company)); and the provisions of Article 52-35, paragraph (3) (limited to a part pertaining to a transfer of acquisition of a part of business (excluding the transfer or acquisition that makes a Bank, etc. Eligible for Subsidiary Company prescribed in Article 52-23, paragraph (6) of the Act a Subsidiary Company)), and the provisions of the proviso to Article 16-5 of this Act;
 - (ii) an approval pursuant to the provisions of the proviso to Article 55, paragraph (1) of the Act pertaining to an authorization set forth in the preceding item;
 - (iii) the addition of conditions of an authorization or approval set forth in the preceding two items pursuant to Article 54, paragraph (1) of the Act and these changes;
 - (iv) an acceptance of notification pursuant to the provisions of Article 52-17, paragraphs (2) and (4), Article 53, paragraph (3) of the Act, and the provisions of Article 16-5 of this Order, and an acceptance of documents pursuant to the provisions of Article 52-27, paragraph (1) of the Act.
- (2) The following Commissioner's Authority may be exercised also by the

Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of the principal office of a Bank Holding Company or the head office of a bank which is a Subsidiary Company of said Bank Holding Company:

- (i) an order to submit reports and materials pursuant to the provisions of Article 52-31, paragraphs (1) and (2) of the Act;
 - (ii) questions and on-site inspection pursuant to the provisions of Article 52-32, paragraphs (1) and (2) of the Act.
- (3) Authorities set forth in each item of the preceding paragraph pertaining to a person (hereinafter referred to as "Branch Office, etc." in this paragraph) who was entrusted a business by an office other than a principal office of a Bank Holding Company and other facility, its subsidiary corporation, etc. (which means a subsidiary corporation, etc. prescribed in Article 52-31, paragraph (2) of the Act), or said Bank Holding Company (including a person who was entrusted by such person (including entrustment at two or more degrees of separation from the original entrustment)), may be exercised also by the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of said Branch Office, etc., in addition to the Directors-General of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.
- (4) The provisions of the preceding three paragraphs do not apply to the Commissioner's Authority designated by the Commissioner of the Financial Services Agency among those set forth in each item of paragraphs (1) and (2).
- (5) The Commissioner of the Financial Services Agency is to, when the Commissioner designated the Commissioner's Authority pursuant to the provisions of the preceding paragraph, give notification of these effects. The same applies when they are abolished or changed.
- (6) The provisions of each of the preceding paragraphs apply, when a Foreign Holding Company Having a Bank as a Subsidiary Company (including a company which was a Foreign Holding Company Having a Bank as a Subsidiary Company; hereinafter the same applies in this paragraph) has an office in Japan by deeming its principal office in Japan as the principal office, and, when a Foreign Holding Company Having a Bank as a Subsidiary Company does not have an office or other facility in Japan by deeming its principal office to be located within the jurisdiction of the Kanto Local Finance Bureau.

Article 17-4 (1) The following Commissioner's Authority is delegated to the

Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of the principal business office or office (hereinafter referred to as "Principal Business Office, etc." in this Article) of an applicant (which means an applicant as prescribed in Article 52-37, paragraph (1) of the Act) or a Bank Agent (including a Bank, etc. (which means a Bank, etc. prescribed in paragraph (1) of the same Article) who is deemed to be a Bank Agent pursuant to the provisions of Article 52-61, paragraph (2) of the Act; hereinafter the same applies in this Article); provided, however, that authorities set forth in items (vii) and (viii) do not preclude the Commissioner of the Financial Services Agency from exercising them:

- (i) a permission pursuant to the provisions of Article 52-36, paragraph (1) of the Act;
 - (ii) the addition of conditions of permission set forth in the preceding item pursuant to the provisions of Article 52-38, paragraph (2) of the Act and these changes;
 - (iii) an approval pursuant to the provisions of Article 52-57, item (iii) pertaining to a permission set forth in item (i);
 - (iv) an approval pursuant to the provisions of Article 52-42, paragraph (1);
 - (v) acceptance of notification pursuant to the provisions of Article 52-39 of the Act, Article 52-47 and Article 52-52 and Article 52-61, paragraph (3) and Article 53, paragraph (4), and acceptance of documents pursuant to the provisions of Article 52-37, paragraph (1) and Article 52-50, paragraph (1) of the Act;
 - (vi) public inspection pursuant to the provisions of Article 52-50, paragraph (2) of the Act;
 - (vii) an order to submit reports and materials pursuant to the provisions of Article 52-53 of the Act;
 - (viii) questions and on-site inspection pursuant to the provisions of Article 52-54, paragraph (1) of the Act;
 - (ix) an order pursuant to the provisions of Article 52-55 of the Act;
 - (x) a disposition pursuant to the provisions of Article 52-56 of the Act.
- (2) The authorities set forth in items (vii) and (viii) of the preceding paragraph pertaining to a business office, an office or other facility other than the Principal Office, etc. of a Bank Agent (hereinafter referred to as "Secondary Business office, etc." in this Article) may be exercised by the Directors-General of Local Finance Bureaus (when said location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau) who have jurisdiction over the location of said Secondary Business office, etc., in addition the Directors-General of Local

Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.

- (3) The Director-General of Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau, who requested a Secondary Business office, etc. of a Bank Agent to submit reports or materials, or questioned or conducted an on-site inspection (hereinafter referred to as "Inspection, etc." in this paragraph) pursuant to the provisions of the preceding paragraph, may, when the Director-General finds the necessity of Inspection, etc. with the Principal Business Office, etc. of said Bank Agent, or, the Secondary Business office, etc. other than the Secondary Business Office, etc., conduct the Inspection, etc. with said Principal Business Office, etc. or the Secondary Business Office other than said Secondary Business Office, etc.
- (4) The provisions of the preceding three paragraphs do not apply to the Commissioner's Authority designated by the Commissioner of the Financial Services Agency among those set forth in any items of paragraph (1).
- (5) The Commissioner of the Financial Services Agency is to, when the Commissioner designated the Commissioner's Authority pursuant to the provisions of the preceding paragraph, give notification of these effects. The same applies when they are abolished or changed.

(Exemption of Supplementary Provisions of the Act to a Foreign Bank Branch)
Article 18 Provisions of Article 2 to 4 of the Supplementary Provisions, Article 6, paragraph (1), Article 9, paragraphs (2) and (3) and Articles 13 and 18 of the Act do not apply to a Foreign Bank Branch.