Order for Enforcement of the Act on Strengthening Industrial Competitiveness

(Cabinet Order No. 13 of January 17, 2014)

The Cabinet hereby enacts this Cabinet Order pursuant to the provisions of Article 2, paragraph (14), paragraph (17), item (v) and item (viii), and paragraph (26), Article 28, paragraph (1), Article 34, paragraph (1) and paragraph (3), Article 35, paragraph (1), the items of Article 39, paragraph (1), Article 41, paragraph (1), item (i) and paragraph (4), item (i), Article 54, paragraph (3), Article 55, paragraph (3), Article 61, paragraph (1), Article 75, the proviso to Article 99, paragraph (2), Article 115, paragraph (4) and paragraph (5), Article 121, paragraph (3) and paragraph (8), Article 128, paragraph (6), and Article 133, item (i) of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013) and for the purpose of implementing said Act.

(Procedures to Exclude from Corporate Rehabilitation)

Article 1 The Act specified by Cabinet Order set forth in Article 2, paragraph (14) of the Act on Strengthening Industrial Competitiveness (hereinafter referred to as the "Act" except in Article 11, item (xiii)) is to be the Act on Special Treatment of Corporate Reorganization Proceedings and Other Insolvency Proceedings of Financial Institutions (Act No. 95 of 1996).

(Scope of Small and Medium-Sized Enterprise)

Article 2 (1) The business types, and the amount of stated capital or the total amount of contributions, and the number of regular employees specified by Cabinet Order set forth in Article 2, paragraph (17), item (v) of the Act for each business type are to be as shown in the following table:

|  |  |  |  |
| --- | --- | --- | --- |
| Provisions of the Companies Act for which the phrases are deemed to be replaced | Business type | Amount of stated capital or total amount of contributions | Number of regular employees |
| (i) | rubber products manufacturing industry (excluding the automobile or aircraft tire and tube manufacturing industry, and industrial belt manufacturing industry) | 300,000,000 yen | 900 employees |
| (ii) | software service industry or information processing service industry | 300,000,000 yen | 300 employees |
| (iii) | hotel business industry | 50,000,000 yen | 200 employees |

(2) The partnerships and their federations specified by Cabinet Order set forth in Article 2, paragraph (17), item (viii) of the Act are to be as follows:

(i) business cooperatives, minor business cooperatives and federations of cooperatives;

(ii) fishery processing cooperatives and federations of fishery processing cooperatives;

(iii) commercial and industrial cooperatives and federations of commercial and industrial cooperatives;

(iv) shopping district promotion cooperatives and federations of shopping district promotion cooperatives;

(v) among environmental health industry cooperatives, minor environmental health industry cooperatives and federations of environmental health industry cooperatives, those of which not less than two thirds of the direct or indirect members are corporations whose amount of stated capital or total amount of contributions is not more than 50,000,000 yen (or 100,000,000 yen in the case of a business whose principal business is the wholesale business), or those who regularly employ not more than 50 employees (or 100 employees in the case of a business whose principal business is the wholesale business or the service business);

(vi) among Sake brewer cooperatives, federations of Sake brewer cooperatives and the Japan Sake and Shochu Makers Association, those of which not less than two thirds of the direct or indirect members, which are Sake brewers, are corporations whose amount of stated capital or total amount of contributions is not more than 300,000,000 yen, or those who regularly employ not more than 300 employees, and among Sake merchant cooperatives, federations of Sake merchant cooperatives and Japan Sake merchant associations, those of which not less than two thirds of the direct or indirect members, which are Sake merchant businesses, are corporations whose amount of stated capital or total amount of contributions is not more than 50,000,000 yen (or 100,000,000 yen in the case of a Sake wholesale business), or those who regularly employ not more than 50 employees (or 100 employees in the case of a Sake wholesale business);

(vii) among coastal shipping cooperatives and federations of coastal shipping cooperatives, those of which not less than two thirds of the direct or indirect members, which are those engaged in the coastal shipping business, are corporations whose amount of stated capital or total amount of contributions is not more than 300,000,000 yen, or those who regularly employ not more than 300 employees; and

(viii) among technology research cooperatives, those of which not less than two thirds of the direct or indirect members are the small and medium-sized enterprise operators prescribed in Article 2, paragraph (17), item (i) to item (vii) of the Act.

(Financial Institution Pertaining to Issuance of Specified Letter of Credit)

Article 3 The financial institution specified by Cabinet Order set forth in Article 2, paragraph (26) of the Act is to be as follows:

(i) bank;

(ii) Shokochukin Bank;

(iii) Development Bank of Japan;

(iv) Shinkin Bank and federation of Shinkin Banks;

(v) labor bank and federation of labor banks;

(vi) credit cooperative and federation of credit cooperatives;

(vii) agricultural cooperative and federation of agricultural cooperatives;

(viii) fisheries cooperative and federation of fisheries cooperatives;

(ix) Norinchukin Bank; or

(x) insurance corporation.

(Consultation with Fair Trade Commission)

Article 4 The cases specified by Cabinet Order set forth in Article 28, paragraph (1) of the Act are to be the following cases:

(i) cases where a business is required to give notice of said Corporate Restructuring Related Measures (meaning the Corporate Restructuring Related Measures prescribed in Article 28, paragraph (1) of the Act; hereinafter the same applies in this Article) when it carries out said Corporate Restructuring Related Measures, pursuant to the provisions of Article 10, paragraph (2) (including cases where it is applied pursuant to the provisions of paragraph (5) of said Article), Article 15, paragraph (2), Article 15-2, paragraph (2) or paragraph (3), Article 15-3, paragraph (2) or Article 16, paragraph (2) of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947); and

(ii) cases where said Corporate Restructuring Related Measures are jointly carried out by two or more businesses, and where any of said businesses has Total Domestic Sales (meaning the Total Domestic Sales prescribed in Article 10, paragraph (2) of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade; hereinafter the same applies in this item) exceeding 20,000,000,000 yen and the other business has Total Domestic Sales exceeding 5,000,000,000 yen (excluding cases where all businesses intending to carry out said Corporate Restructuring Related Measures belong to the same Combined Group of Enterprises (meaning the Combined Group of Enterprises prescribed in said paragraph)).

(Technical Replacement of Phrases When Applying the Provisions of the Companies Act to the Issuance of Shares or the Disposition of Treasury Shares by a Stock Company Which is an Approved Business Conducting Corporate Restructuring)

Article 5 The technical replacement of phrases of the provisions of the Companies Act (Act No. 86 of 2005) pursuant to the provisions of Article 34, paragraph (1) of the Act when applying the provisions of said Act under said paragraph is to be as shown in the following table:

|  |  |  |
| --- | --- | --- |
| Provisions of the Companies Act for which the phrases are deemed to be replaced | Phrase deemed to be replaced | Phrase to be replaced with |
| Article 199, paragraph (2) | each item of the preceding paragraph | each item of the preceding paragraph (excluding item (iii)) |
| Article 201, paragraph (3) | paragraph (1), item (iv) of the same Article | Article 199, paragraph (1), item (iv) as applied by replacing the phrases pursuant to the provisions of Article 34, paragraph (1) of the same Act |
| Article 208, paragraph (2) | Article 199, paragraph (1), item (iv) | Article 199, paragraph (1), item (iv) as applied by replacing the phrases pursuant to the provisions of Article 34, paragraph (1) of the Act on Strengthening Industrial Competitiveness |

(Technical Replacement of Phrases When Applying Mutatis Mutandis the Provisions of the Companies Act to the Issuance of Shares or the Disposition of Treasury Shares by a Stock Company Which is an Approved Business Conducting Corporate Restructuring)

Article 6 The technical replacement of the phrases of the provisions of the Companies Act pursuant to the provisions of Article 34, paragraph (3) of the Act when applying mutatis mutandis the provisions of said Act under said paragraph is to be as shown in the following table:

|  |  |  |
| --- | --- | --- |
| Provisions of the Companies Act for which the phrases are deemed to be replaced | Phrase deemed to be replaced | Phrase to be replaced with |
| Article 309, paragraph (2), item (xii) | provisions of Part V | provisions of Part V (including cases where the provisions of Article 796, paragraph (4) are applied mutatis mutandis by replacing the phrases pursuant to the provisions of Article 34, paragraph (3) of the Act on Strengthening Industrial Competitivenss) |

(Technical Replacement of Phrases When Applying the Provisions of the Companies Act to the Issuance and Acquisition of Class Shares Subject to Class-Wide Call)

Article 7 The technical replacement of the phrases of the provisions of the Companies Act pursuant to the provisions of Article 35, paragraph (1) of the Act when applying the provisions of said Act under said paragraph is to be as shown in the following table:

|  |  |  |
| --- | --- | --- |
| Provisions of the Companies Act for which the phrases are deemed to be replaced | Phrase deemed to be replaced | Phrase to be replaced with |
| Article 155, item (v) | Where a resolution has been made under Article 171, paragraph (1); | where the matters set forth in the items of Article 171, paragraph (1) are specified pursuant to the provisions of the same paragraph which are applied by replacing the phrases pursuant to the provisions of Article 35, paragraph (1) of the Act on Strengthening Industrial Competitiveness; |

(Approved Corporate Restructuring Related Measures)

Article 8 (1) The measures specified by Cabinet Order set forth in Article 39, paragraph (1), item (i) of the Act are measures for Corporate Restructuring (meaning the Corporate Restructuring prescribed in Article 2, paragraph (11) of the Act; the same applies in Article 28, paragraph (1), item (ii)) carried out in association with the introduction of Equipment for Productivity Improvement, etc. (meaning the Equipment for Productivity Improvement, etc. prescribed in Article 2, paragraph (13) of the Act) for which the borrowing of a Long-term Fund (meaning a fund required for a period of five years or longer; the same applies in the following paragraph) is necessary.

(2) The measures specified by Cabinet Order set forth in Article 39, paragraph (1), item (ii) of the Act are measures for which the borrowing of a Long-term Fund is necessary.

(Application of the Order for Enforcement of the Japan Finance Corporation Act)

Article 9 When Business Operations to Facilitate Corporate Restructuring Promotion (meaning the Business Operations to Facilitate Corporate Restructuring Promotion prescribed in Article 39, paragraph (1) of the Act) are undertaken, the phrase "Article 59, paragraph (1) of the Act" in Article 30, paragraph (1), the items of Article 31, paragraph (1), and Article 31, paragraph (2) of the Order for Enforcement of the Japan Finance Corporation Act (Cabinet Order No. 143 of 2008) is deemed to be replaced with "Article 59, paragraph (1) of the Act applied by replacing the phrases pursuant to the provisions of Article 39, paragraph (2) of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013)."

(Designated Financial Institution)

Article 10 The financial institution specified by Cabinet Order set forth in Article 41, paragraph (1), item (i) of the Act is to be as follows:

(i) bank;

(ii) long term credit bank;

(iii) Shokochukin Bank;

(iv) Development Bank of Japan;

(v) Shinkin Bank and federation of Shinkin Banks;

(vi) labor bank and federation of labor banks;

(vii) credit cooperative and federation of credit cooperatives (limited to those additionally engaged in the businesses set forth in Article 9-9, paragraph (1), item (i) and item (ii) of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949); the same applies in Article 12, item (i));

(viii) agricultural cooperative (limited to those additionally engaged in the businesses set forth in Article 10, paragraph (1), item (ii) and item (iii) of the Agricultural Cooperatives Act (Act No. 132 of 1947); the same applies in Article 12, item (iii)) and federation of agricultural cooperatives (limited to those additionally engaged in the businesses set forth in item (ii) and item (iii) of said paragraph; the same applies in Article 12, item (iii));

(ix) fisheries cooperative (limited to those additionally engaged in the businesses set forth in Article 11, paragraph (1), item (iii) and item (iv) of the Fisheries Cooperatives Act (Act No. 242 of 1948); the same applies in Article 12, item (iii)), federation of fisheries cooperatives (limited to those additionally engaged in the businesses set forth in Article 87, paragraph (1), item (iii) and item (iv) of said Act; the same applies in Article 12, item (iii)), fishery processing cooperative (limited to those additionally engaged in the businesses set forth in Article 93, paragraph (1), item (i) and item (ii) of said Act; the same applies in Article 12, item (iii)) and federation of fishery processing cooperatives (limited to those additionally engaged in the businesses set forth in Article 97, paragraph (1), item (i) and item (ii) of said Act; the same applies in Article 12, item (iii)); or

(x) Norinchukin Bank.

(Act Which Gives Basis for Designation as Designated Financial Institution)

Article 11 The Act specified by Cabinet Order set forth in Article 41, paragraph (4), item (i) of the Act is to be as follows:

(i) Agricultural Cooperatives Act;

(ii) Fisheries Cooperatives Act;

(iii) Small and Medium-Sized Enterprise Cooperatives Act;

(iv) Act on Financial Businesses by Cooperatives (Act No. 183 of 1949);

(v) Shinkin Bank Act (Act No. 238 of 1951);

(vi) Long Term Credit Bank Act (Act No. 187 of 1952);

(vii) Labor Bank Act (Act 227 of 1953);

(viii) Banking Act (Act No. 59 of 1981);

(ix) Norinchukin Bank Act (Act No. 93 of 2001);

(x) Japan Finance Corporation Act (Act No. 57 of 2007);

(xi) Shokochukin Bank Act (Act No. 74 of 2007);

(xii) Development Bank of Japan Act (Act No. 85 of 2007); and

(xiii) Act on Strengthening Industrial Competitiveness.

(Notification to the Prime Minister and Other Ministers)

Article 12 When the competent minister has made a designation under Article 41, paragraph (1) of the Act (hereinafter simply referred to as a "Designation" in this Article), has granted an authorization under Article 43, paragraph (1) of the Act, has issued an order under paragraph (2) of said Article or Article 46 of the Act, or has rescinded a Designation under Article 48, paragraph (1) or paragraph (2) of the Act (hereinafter collectively referred to as a "Disposition" in this Article), or when the competent minister has received a notification under Article 47, paragraph (1) of the Act (hereinafter simply referred to as a "Notification" in this Article), the minister must promptly give notice to that effect to the ministers specified in each of the following items in accordance with the applicable categories of the Designated Financial Institution (meaning the Designated Financial Institution as designated pursuant to the provisions of Article 41, paragraph (1) of the Act) which has been subject to said Disposition or has made said Notification as set forth in the respective items:

(i) bank, long term credit bank, Shinkin Bank, federation of Shinkin Banks, credit cooperative and federation of credit cooperatives: Prime Minister;

(ii) labor bank and federation of labor banks: Prime Minister and Minister of Health, Labour and Welfare;

(iii) agricultural cooperative, federation of agricultural cooperatives, fisheries cooperative, federation of fisheries cooperatives, fishery processing cooperative, federation of fishery processing cooperatives and Norinchukin Bank: Minister of Agriculture, Forestry and Fisheries and Prime Minister;

(iv) Shokochukin Bank: Minister of Economy, Trade and Industry, Minister of Finance, and Prime Minister; or

(v) Development Bank of Japan: Minister of Finance (or Minister of Finance and Prime Minister if the Development Bank of Japan has obtained the approval set forth in Article 9, paragraph (1) of the Development Bank of Japan Act).

(Insurance Premium Rate Pertaining to Corporate Rehabilitation Facilitation-related Guarantee)

Article 13 The rate specified by Cabinet Order set forth in Article 54, paragraph (3) of the Act is to be 1.69% for Ordinary Insurance (meaning Ordinary Insurance as prescribed in Article 3, paragraph (1) of the Small and Medium-Sized Enterprise Credit Insurance Act (Act No. 264 of 1950); the same applies in the following Article) and Unsecured Insurance (meaning Unsecured Insurance as prescribed in Article 3-2, paragraph (1) of said Act; the same applies in the following Article and Article 21) (or such rate is to be 1.44% in the case of a Negotiable Instrument Discount Special Guarantee (meaning a Negotiable Instrument Discount Special Guarantee as prescribed in Article 2, paragraph (1) of the Order for Enforcement of the Small and Medium-Sized Enterprise Credit Insurance Act (Cabinet Order No. 350 of 1950); hereinafter the same applies in this Article, the following Article and Article 22) and an Overdraft Special Guarantee (meaning an Overdraft Special Guarantee as prescribed in Article 2, paragraph (1) of said Order; hereinafter the same applies in this Article, the following Article and Article 22)), or 0. 4% for Special Petty Insurance (meaning Special Petty Insurance as prescribed in Article 3-3, paragraph (1) of said Act; the same applies in the following Article) (or such rate is to be 0.34% in the case of a Negotiable Instrument Discount Special Guarantee and an Overdraft Special Guarantee) per year during a Guaranteed Period of Borrowings (meaning the period of borrowings prescribed in Article 2, paragraph (1) of said Order; the same applies in the following Article and Article 22).

(Insurance Premium Rate Pertaining to Corporate Rehabilitation Plan Implementation-related Guarantee)

Article 14 The rate specified by Cabinet Order set forth in Article 55, paragraph (3) of the Act is to be 0.41% for Ordinary Insurance and Unsecured Insurance (or such rate is to be 0.35% in the case of a Negotiable Instrument Discount Special Guarantee and an Overdraft Special Guarantee) or 0.19% for Special Petty Insurance (or such rate is to be 0.15% in the case of a Negotiable Instrument Discount Special Guarantee and an Overdraft Special Guarantee) per year during a Guaranteed Period of Borrowings.

(Corporation Eligible to be Designated as a Corporation Promoting Equipment Installation)

Article 15 The corporation specified by Cabinet Order set forth in Article 61, paragraph (1) of the Act is to be a stock company.

(Requirements for Reduction in Patent Fees)

Article 16 The requirements specified by Cabinet Order set forth in Article 75, paragraph (1) of the Act are as follows:

(i) in the case of an individual, the relevant individual must fall under either of the following:

(a) the number of regular employees is not more than 20 (or five in the case of a business operator whose principal business is in the commercial business or the service business; the same applies in (a) of the following item); or

(b) ten years have not yet elapsed from the date of the starting of said business;

(ii) in the case of a corporation, the relevant corporation must fall under either of the following and there is no other corporation that has a relationship with the relevant corporation in which said other corporation solely owns the number or amount of shares or contributions equivalent to 50% or more of the total number of issued shares, the total number of units of contribution, or the total amount of contributions of the relevant corporation, or any other relationship specified by Ordinance of the Ministry of Economy, Trade and Industry as one that allows said other corporation to substantially control the business activities of the relevant corporation:

(a) the number of regular employees is not more than 20; or

(b) the amount of stated capital or the total amount of contributions (or the amount specified by Ordinance of the Ministry of Economy, Trade and Industry in the case of a corporation without any stated capital or contributions) is not more than 300,000,000 yen, and ten years have not yet elapsed from the date of its establishment.

(Procedures for Reduction in Patent Fees)

Article 17 (1) A person who intends to receive a reduction in patent fees pursuant to the provisions of Article 75, paragraph (1) of the Act must submit a written application stating the following particulars to the commissioner of the Japan Patent Office, together with a document evidencing that the applicant falls under the requirements set forth in item (i) or item (ii) of the preceding Article:

(i) the name, and the domicile or residence of the applicant;

(ii) the filing number of the patent application or the patent number for the patented invention for which the application is filed; and

(iii) the applicant's intention to receive a reduction in patent fees.

(2) When a written application as set forth in the preceding paragraph has been submitted, the commissioner of the Japan Patent Office is to reduce the amount equivalent to two-thirds of the amount of patent fees for each year from the first to tenth year pursuant to the provisions of Article 107, paragraph (1) of the Patent Act (Act No. 121 of 1959).

(3) When there is a fraction of less than 10 yen in the amount of the patent fees as calculated pursuant to the provisions of the preceding paragraph, such a fraction is to be discarded.

(Reduction in Fees for Requesting Application Examination)

Article 18 (1) A person who intends to receive a reduction in fees for requesting an examination of the application pursuant to the provisions of Article 75, paragraph (2) of the Act must submit a written application stating the following particulars to the commissioner of the Japan Patent Office, together with a document evidencing that the applicant falls under the requirements set forth in item (i) or item (ii) of Article 16:

(i) the name, and the domicile or residence of the applicant;

(ii) indication of the patent application for the invention for which the application is filed; and

(iii) the applicant's intention to receive a reduction in fees for requesting an examination of the application.

(2) When a written application as set forth in the preceding paragraph has been submitted, the commissioner of the Japan Patent Office is to reduce the amount equivalent to two-thirds of the amount of fees for requesting an examination of the application which is calculated pursuant to the provisions of item (vi) of the table in Article 1, paragraph (2) of the Order for the Patent Act and Other Related Fees (Cabinet Order No. 20 of 1960).

(3) When there is a fraction of less than 10 yen in the amount of the fees for requesting an examination of the application as calculated pursuant to the provisions of the preceding paragraph, such a fraction is to be discarded.

(Reduction in Fees Pertaining to International Application)

Article 19 (1) A person who intends to receive a reduction in fees pertaining to an International Application (meaning an International Application as prescribed in Article 2 of the Act on International Applications under the Patent Cooperation Treaty (Act No. 30 of 1978); hereinafter the same applies in this Article) must submit a written application stating the following particulars to the commissioner of the Japan Patent Office, together with a document evidencing that the applicant falls under the requirements set forth in item (i) or item (ii) of Article 16:

(i) the name, and the domicile or residence of the applicant;

(ii) an indication of the International Application for the invention for which the application is filed; and

(iii) the applicant's intention to receive a reduction in fees pertaining to the International Application.

(2) When a written application as set forth in the preceding paragraph has been submitted, the commissioner of the Japan Patent Office is to reduce the amount equivalent to two-thirds of the amount of fees under Article 2, paragraph (2), item (i) and item (iii) of the Order for Enforcement of the Act on International Applications under the Patent Cooperation Treaty (Cabinet Order No. 291 of 1978).

(3) When there is a fraction of less than 10 yen in the amount of the fees pertaining to the International Application as calculated pursuant to the provisions of the preceding paragraph, such a fraction is to be discarded.

(Decision of Support by the Innovation Network Corporation of Japan)

Article 20 The contribution specified by Cabinet Order set forth in the proviso to Article 99, paragraph (2) of the Act is to be the contribution that falls under all of the following items:

(i) said contribution is to a business that carries out business activities aiming to develop new business by utilizing management resources other than its own management resources;

(ii) the amount of said contribution (when the Innovation Network Corporation of Japan has already made a contribution (limited to a contribution decided without giving the Minister of Economy, Trade and Industry an opportunity to present any opinions pursuant to the provisions of the proviso to Article 99, paragraph (2) of the Act; the same applies in the following item) to a business eligible to receive the Specified Business Activity Support (meaning the Specified Business Activity Support prescribed in Article 91, paragraph (1) of the Act) with regard to Specified Business Activities (meaning the Specified Business Activities prescribed in Article 2, paragraph (21) of the Act) pertaining to said Specified Business Activity Support, the sum of the amount of the contribution already made and said contribution to be made) is not more than 1,000,000,000 yen; and

(iii) the sum of the amount of said contribution and the amount of the contribution already made by the Innovation Network Corporation of Japan (excluding the contribution for which related shares have been transferred or have otherwise been disposed of under Article 97, paragraph (1), item (xii) of the Act) is not more than 90,000,000,000 yen.

(Special Provisions of the Small and Medium-Sized Enterprise Credit Insurance Act Pertaining to Start-Up-related Guarantee)

Article 21 The insurance relationships of Unsecured Insurance designated by Cabinet Order as prescribed in Article 115, paragraph (4) of the Act are to be the insurance relationships pertaining to the Guarantee of Obligations prescribed in Article 3-2, paragraph (1) of the Small and Medium-Sized Enterprise Credit Insurance Act (excluding the Guarantees of Obligations prescribed in Acts other than said Act and the Management Stabilization-related Guarantee prescribed in Article 12 of said Act), the insurance relationships pertaining to the Start-up, etc.-related Guarantee prescribed in Article 4, paragraph (1) of the Act for Facilitating New Business Activities of Small and Medium-Sized Enterprises (Act No. 18 of 1999) and the insurance relationships pertaining to the Start-up-related Guarantee prescribed in Article 115, paragraph (1) of the Act, and the limit designated by Cabinet Order set forth in paragraph (4) of said Article is 80,000,000 yen.

Article 22 The rate specified by Cabinet Order set forth in Article 115, paragraph (5) of the Act is to be 0.29% (or 0.25% in the case of a Negotiable Instrument Discount Special Guarantee and an Overdraft Special Guarantee) per year during a Guaranteed Period of Borrowings.

(Specified Permission Pertaining to Plan for SME Rehabilitation through Succession)

Article 23 (1) The permission, etc. specified by Cabinet Order set forth in Article 121, paragraph (3) of the Act (hereinafter referred to as the "Specified Permission, etc." in this Article) is to be as follows:

(i) the permission under the provisions of Article 3, paragraph (1) of the Inns and Hotels Act (Act No. 138 of 1948);

(ii) the permission under the provisions of Article 3, paragraph (1) of the Construction Business Act (Act No. 100 of 1949);

(iii) the permission under the provisions of Article 3 or Article 5 of the Explosives Control Act (Act No. 149 of 1950);

(iv) the permission under the provisions of Article 4, paragraph (1) of the Road Transportation Act (Act No. 183 of 1951);

(v) the license under the provisions of Article 3 or Article 37-2 of the Gas Business Act (Act No. 51 of 1954);

(vi) the license under the provisions of Article 3 of the Heat Supply Business Act (Act No. 88 of 1972); and

(vii) the permission under the provisions of Article 3 of the Act on Service of Cargo Transportation by Automobiles (Act No. 83 of 1989).

(2) The administrative agency pertaining to the Specified Permission, etc. may specify the documents necessary for obtaining the consent set forth in Article 121, paragraph (5) of the Act, while taking into consideration the purpose of the provisions on which the relevant Specified Permission, etc. is to be based.

(3) When a person who applies for the approval set forth in Article 121, paragraph (1) of the Act intends to record the state based on the Specified Permission, etc. for which the relevant administrative agency has specified the documents pursuant to the provisions of the preceding paragraph in a Plan for SME Rehabilitation through Succession pertaining to said application, the person must attach said documents to the written application.

(4) When the competent minister consults with the administrative agency that has given the Specified Permission, etc. pursuant to the provisions of Article 121, paragraph (5) of the Act, the minister must send the documents attached pursuant to the provisions of the preceding paragraph to said administrative agency.

(Organization of the Small and Medium-Sized Enterprise Revitalization Support Councils)

Article 24 (1) A small and medium-sized enterprise revitalization support council (hereinafter referred to as the "Council" in this Article and Article 27) must have five or more Council members.

(2) The Council must have a chairperson, who is to be elected from among the Council members.

(3) The chairperson presides over the affairs of the Council.

(4) The Council must designate, in advance, a Council member to undertake the duties of the chairperson in the event that the chairperson is unable to perform their duties.

(5) An Approved Support Institution (meaning the Approved Support Institution prescribed in Article 127, paragraph (2) of the Act; the same applies in Article 26 and Article 27) must have a Council secretariat.

(Term of Office of the Council Members)

Article 25 (1) The term of office of the Council members is three years; provided, however, that the term of office of a Council member chosen to fill a vacancy is the remaining term of office of their predecessor.

(2) The Council members may be reappointed.

(Dismissal of the Council Members)

Article 26 (1) The head of an Approved Support Institution must dismiss a Council member if such member has received an order for the commencement of bankruptcy proceedings or has been sentenced to imprisonment without work or a greater punishment.

(2) The head of an Approved Support Institution may dismiss any Council member when such head considers that said member is unable to perform their duties owing to a mental or physical disorder, that said member has acted contrary to their duties or that the behavior of said member is not acceptable as a Council member.

(Quorum and Method of Resolution)

Article 27 (1) The Council may neither meet nor vote unless a majority of the total of the Council members and the head of the relevant Approved Support Institution is present at the meeting.

(2) The resolution of the Council is to be made by a majority of the votes of the Council members and the head of the relevant Approved Support Institution present at the meeting. In the case of a tie, the chairperson makes a decision.

(Scope of Investment Limited Partnership to Which the Organization for Small & Medium Enterprises and Regional Innovation Makes Contributions)

Article 28 (1) The investment limited partnership specified by Cabinet Order set forth in Article 133, item (i) of the Act are to be investment limited partnership which have pledged to manage the whole or part of the businesses set forth in the items of Article 3, paragraph (1) of the Investment Limited Partnership Act (Act No. 90 of 1998) to a person set forth in the following items:

(i) the Approved Business Conducting Corporate Restructuring prescribed in Article 25, paragraph (1) of the Act, or the Approved Business Conducting SME Rehabilitation through Succession prescribed in Article 27, paragraph (1) of the Act or Article 122, paragraph (1) of the Act;

(ii) businesses that conduct Corporate Restructuring and fall under either of the following:

(a) the ratio of the amount set forth in any of the following 1. to 3. to the amount of net assets as of the final day of the previous business year exceeds two percent:

1. the amount of net loss that arose in the previous business year;

2. the total amount of net loss that arose in each business year during a period from any of the three business years preceding the previous business year to the previous business year; or

3. the amount of deficit as of the final day of the previous business year; or

(b) the amount of liabilities exceeds the amount of assets on the balance sheet as of the final day of the previous business year; or

(iii) affiliated businesses of the businesses set forth in the preceding two items.

(2) The method for calculating the amounts of net assets, net loss and deficits prescribed in item (ii), (a) of the preceding paragraph and the amounts of liabilities and assets prescribed in (b) of said item is to be specified by Ordinance of the Ministry of Economy, Trade and Industry.

Supplementary Provisions

(Effective Date)

Article 1 This Cabinet Order comes into effect as of the date of enforcement of the Act (January 20, 2014); provided, however, the provisions of Article 16 to Article 19 and the provisions revising Article 57 of the Order for Organization of Ministry of Economy, Trade and Industry (Cabinet Order No. 254 of 2000) in Article 13 of the Supplementary Provisions come into effect as of the date of enforcement of the provisions set forth in Article 1, item (ii) of the Supplementary Provisions of the Act (April 1, 2014).

(Abolition of the Order for Enforcement of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities)

Article 2 The Order for Enforcement of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Cabinet Order No. 258 of 1999) is to be abolished.

(Transitional Measures Concerning Business Operations to Compensate Losses Undertaken by the JFC)

Article 3 With respect to business operations of the Japan Finance Corporation Act (referred to as the "JFC" in the following Article) pertaining to compensation of loss set forth in Article 24-2, paragraph (1) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999; referred to as the "Former Industrial Revitalization Act" in the following Article and Article 5 of the Supplementary Provisions) prior to the abolition pursuant to the provisions of Article 4 of the Supplementary Provisions of the Act, for which prior provisions are to continue to apply pursuant to the provisions of Article 12 of the Supplementary Provisions of the Act, the provisions of Article 9 (excluding the row of Article 16, paragraph (3) and the row of Article 22, paragraph (3) of the table of said Article) of the Order for Enforcement of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities prior to the abolition pursuant to the provisions of the preceding Article (hereinafter referred to as the "Former Order for Enforcement of the Industrial Revitalization Act" in this Article, the following Article, and Article 5 of the Supplementary Provisions) are to continue to apply even after the enforcement of this Cabinet Order. In this case, the phrase "Article 24-2, paragraph (2) of the Act" in Article 9 of the Former Order for Enforcement of the Industrial Revitalization Act is deemed to be replaced with "Article 24-2, paragraph (2) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999) prior to the abolition pursuant to the provisions of Article 4 of the Supplementary Provisions of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013), for which prior provisions are to continue to apply pursuant to the provisions of Article 12 of the Supplementary Provisions of said Act"; the phrase "the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities" in the row of Article 21, paragraph (1), item (ii) of the table of Article 9 of the Former Order for Enforcement of the Industrial Revitalization Act is deemed to be replaced with "the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999; referred to as the "Former Industrial Revitalization Act" in Article 22, paragraph (1)) prior to the abolition pursuant to the provisions of Article 4 of the Supplementary Provisions of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013), for which prior provisions are to continue to apply pursuant to the provisions of Article 12 of the Supplementary Provisions of said Act"; and the phrase "the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities" in the row of Article 22, paragraph (1) of said table is deemed to be replaced with "the Former Industrial Revitalization Act".

(Transitional Measures Concerning Business Operations to Facilitate Business Reconstruction Promotion Undertaken by the JFC)

Article 4 With respect to the JFC's Business Operations to Facilitate Business Reconstruction Promotion prescribed in Article 24-3, paragraph (1) of the Former Industrial Revitalization Act, for which prior provisions are to continue to apply pursuant to the provisions of Article 13 of the Supplementary Provisions of the Act, the provisions of Article 11 of the Former Order for Enforcement of the Industrial Revitalization Act are to continue to apply even after the enforcement of this Cabinet Order. In this case, in said Article, the phrase "Article 24-3, paragraph (1) of the Act" is deemed to be replaced with "Article 24-3, paragraph (1) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999) prior to the abolition pursuant to the provisions of Article 4 of the Supplementary Provisions of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013), for which prior provisions are to continue to apply pursuant to the provisions of Article 13 of the Supplementary Provisions of said Act"; and the phrase "Article 24-3, paragraph (2) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999)" is deemed to be replaced with "Article 24-3, paragraph (2) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999) prior to the abolition pursuant to the provisions of Article 4 of the Supplementary Provisions of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013), for which prior provisions are to continue to apply pursuant to the provisions of Article 13 of the Supplementary Provisions of said Act".

(Transitional Measures Concerning Business Operations to Promote Business Reconstruction, etc. Undertaken by Designated Financial Institutions Prescribed in Article 24-5, Paragraph (1) of the Former Industrial Revitalization Act)

Article 5 With respect to the Business Operations to Promote Business Reconstruction, etc. prescribed in Article 24-5, paragraph (1) of the Former Industrial Revitalization Act, for which prior provisions are to continue to apply pursuant to the provisions of Article 14 of the Supplementary Provisions of the Act, that are to be undertaken by Designated Financial Institutions prescribed in said paragraph, the provisions of Article 14 of the Former Order for Enforcement of the Industrial Revitalization Act are to continue to apply even after the enforcement of this Cabinet Order. In this case, in said Article, the phrase "Article 24-5, paragraph (1) of the Act" is deemed to be replaced with "Article 24-5, paragraph (1) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999; hereinafter referred to as the "Former Industrial Revitalization Act" in this Article) prior to the abolition pursuant to the provisions of Article 4 of the Supplementary Provisions of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013), for which prior provisions are to continue to apply pursuant to the provisions of Article 14 of the Supplementary Provisions of said Act"; the phrase "Article 24-7, paragraph (1) of the Act" is deemed to be replaced with "Article 24-7, paragraph (1) of the Former Industrial Revitalization Act"; the phrase "Article 24-10 of the Act" is deemed to be replaced with "Article 24-10 of the Former Industrial Revitalization Act"; the phrase "Article 24-12, paragraph (1) of the Act" is deemed to be replaced with "Article 24-12, paragraph (1) of the Former Industrial Revitalization Act"; and the phrase "Article 24-11, paragraph (1) of the Act" is deemed to be replaced with "Article 24-11, paragraph (1) of the Former Industrial Revitalization Act".

(Partial Revision of the Order for Enforcement of the Small and Medium-Sized Enterprise Credit Insurance Act)

Article 6 The Order for Enforcement of the Small and Medium-Sized Enterprise Credit Insurance Act is partially revised as follows.

In Article 2, paragraph (4), the phrase "guarantee of obligations pertaining to the provisions of Article 46 of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999)" is to be deleted; the phrase "and the Act on Promotion of Business Activities in Response to Demand of Local Residents for the Revitalization of Shopping Districts" is to be revised to ", the Act on Promotion of Business Activities in Response to Demand of Local Residents for the Revitalization of Shopping Districts"; and after the phrase "(Act No. 80 of 2009)", the phrase "and guarantee of obligations pertaining to the provisions of Article 116 or Article 132 of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013)" is to be added.

(Partial Revision of the Order for Enforcement of the Act on Special Measures Concerning Taxation)

Article 7 The Order for Enforcement of the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957) is partially revised as follows.

In the title of Article 42-6, the phrase "Structural Changes to the Businesses" is to be revised to "Corporate Restructuring"; in paragraph (1) of said Article, the phrase "Structural Changes to the Businesses prescribed in Article 80, paragraph (1) of the Act" is to be revised to "Corporate Restructuring prescribed in Article 80, paragraph (1) of the Act"; the phrase "the following out of the Structural Changes to the Businesses prescribed in Article 2, paragraph (4), item (i) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999) that are undertaken by" is to be revised to "the Corporate Restructuring prescribed in Article 2, paragraph (11) of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013) wherein the structural changes to all or part of the businesses are made, through any of the following out of the measures set forth in Article 80, paragraph (1), item (i), (a) to (m) of the Act, by"; the phrase "in item (i)" is to be revised to "in item (vii)"; and the items of said paragraph are to be revised as follows.

(i) merger;

(ii) company split;

(iii) share exchange;

(iv) share transfer;

(v) acceptance or transfer of a business or assets

(vi) receipt of contributions;

(vii) acquisition of shares or equity in another company (limited to cases where said company is to become an Affiliated Business through said acquisition); or

(viii) establishment or liquidation of a company.

In Article 42-6, paragraph (2), the phrase "Approved Corporate Restructuring Plans, Approved Management Resource Reutilization Plans, Approved Management Resource Integration Plans, Approved Resource Productivity Innovation Plans" is to be revised to "Approved Business Restructuring Plans, Approved Specified Corporate Restructuring Plans"; and in paragraph (3) of said Article, the phrase "Article 80, paragraph (2)" is to be revised to "Article 80, paragraph (3)".

(Partial Revision of the Order for Enforcement of the Corporation Tax Act)

Article 8 The Order for Enforcement of the Corporation Tax Act (Cabinet Order No. 97 of 1965) is partially revised as follows.

In Article 5, paragraph (1), item (iii), (c), the phrase "item (xii) and item (xiv)" is to be revised to "item (xi) and item (xiii)".

(Partial Revision of the Order for Enforcement of the Act on the Promotion of Technology Transfer from Universities to Private Business)

Article 9 (1) The Order for Enforcement of the Act on the Promotion of Technology Transfer from Universities to Private Business (Cabinet Order No. 265 of 1998) is partially revised as follows.

The title of Article 14 is to be revised to "(Reduction in Fees for Requests for Application Examination Pertaining to Those Who Have Obtained Approval Set forth in Article 13, paragraph (1) of the Act)" and said Article is to be revised to Article 18.

The title of Article 13 is to be revised to "(Procedures for Reduction in Fees for Requests for Application Examination Pertaining to Those Who Have Obtained Approval Set forth in Article 13, paragraph (1) of the Act)"; in paragraph (1), item (ii) of said Article, the phrase "number" is to be revised to "indication"; and said Article is to be revised to Article 17.

The title of Article 12 is to be revised to "(Reduction in Patent Fees Pertaining to Those Who Have Obtained Approval Set forth in Article 13, paragraph (1) of the Act)"; in said Article, the phrase "(Act No. 121 of 1959)" is to be deleted; and said Article is to be revised to Article 16.

The title of Article 11 is to be revised to "(Procedures for Reduction in Patent Fees Pertaining to Those Who Have Obtained Approval Set forth in Article 13, paragraph (1) of the Act)"; said Article is to be revised to Article 15; Article 10 is to be revised to Article 14; and Article 5 to Article 9 are to be revised to Article 9 to Article 13, respectively.

The title before Article 4 is to be deleted; in said Article, the phrase "(Cabinet Order No. 20 of 1960)" is to be deleted; said Article is to be revised to Article 8; and the title "(Special Provisions Concerning Fees)" is to be added before said Article.

Article 3 is to be revised to Article 7 and the following four Articles are to be added after Article 2.

(Procedures for Reduction in Patent Fees Pertaining to Accredited TLOs)

Article 3 An Accredited TLO prescribed in Article 5, paragraph (2) of the Act that intends to receive a reduction in patent fees pursuant to the provisions of Article 8, paragraph (1) of the Act must submit a written application stating the following particulars to the commissioner of the Japan Patent Office:

(i) the name, and the domicile or residence of the applicant;

(ii) the filing number of the patent application or the number of said patent; and

(iii) the applicant's intention to receive a reduction in patent fees.

(2) A document evidencing that said patent application or said patent right pertains to the implementation of Specified University Technology Transfer Operations prescribed in Article 2, paragraph (1) of the Act must be attached to the written application set forth in the preceding paragraph.

(Reduction in Patent Fees Pertaining to Accredited TLOs)

Article 4 When a written application set forth in paragraph (1) of the preceding Article has been submitted, the commissioner of the Japan Patent Office is to reduce the amount equivalent to half of the amount of patent fees for each year from the first to the tenth year pursuant to the provisions of Article 107, paragraph (1) of the Patent Act (Act No.121 of 1959).

(Procedures for Reduction in Fees for Requests for Application Examination Pertaining to Accredited TLOs)

Article 5 (1) An Accredited TLO prescribed in Article 5, paragraph (2) of the Act that intends to receive a reduction in fees for a request for examination of the application pursuant to the provisions of Article 8, paragraph (2) of the Act must submit a written application stating the following particulars to the commissioner of the Japan Patent Office:

(i) the name, and the domicile or residence of the applicant;

(ii) indication of said patent application;

(iii) the applicant's intention to receive a reduction in fees for a request for examination of the application.

(2) A document evidencing that said patent application pertains to the implementation of Specified University Technology Transfer Operations prescribed in Article 2, paragraph (1) of the Act must be attached to the written application set forth in the preceding paragraph.

(Reduction in Fees for Requests for Application Examination Pertaining to Accredited TLOs)

Article 6 When a written application set forth in paragraph (1) of the preceding Article has been submitted, the commissioner of the Japan Patent Office is to reduce the amount equivalent to half of the amount of fees for requesting an examination of the application which is calculated pursuant to the provisions of item (vi) of the table in Article 1, paragraph (2) of the Order for the Patent Act and Other Related Fees (Cabinet Order No. 20 of 1960).

In Appended Table 1, the phrase "Re. Article 3" is to be revised to "Re. Article 7".

In Appended Table 2, the phrase "Re. Article 10" is to be revised to "Re. Article 14".

(Partial Revision of the Order for Enforcement of the Act for Facilitating New Business Activities of Small and Medium-Sized Enterprises)

Article 10 The Order for Enforcement of the Act for Facilitating New Business Activities of Small and Medium-Sized Enterprises (Cabinet Order No. 201 of 1999) is partially revised as follows.

In Article 5, the phrase "Article 33, paragraph (1) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999)" is to be revised to "Article 115, paragraph (1) of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013)".

(Partial Revision of the Cabinet Order for Partial Revision of the Order for Enforcement of the Act on Special Measures Concerning Taxation)

Article 11 The Order for Enforcement of the Act on Special Measures Concerning Taxation (Cabinet Order No. 169 of 2013) is partially revised as follows.

Article 40-8, paragraph (36) is to be revised to paragraph (35) of said Article; paragraph (37) of said Article is to be revised to paragraph (36) of said Article; and in the provisions adding one paragraph after said paragraph, the phrase "Article 42, paragraph (1) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999)" is to be revised to "Article 128, paragraph (1) of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013)".

Article 40-8-2, paragraph (47) is to be revised to paragraph (48) of said Article; paragraph (46) of said Article is to be revised to paragraph (47) of said Article; the provisions of paragraph (45) of said Article are to be revised and said paragraph is to be revised to paragraph (46) of said Article; and in the provisions adding one paragraph after paragraph (44) of said Article, the phrase "Article 42, paragraph (1) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities" is to be revised to "Article 128, paragraph (1) of the Act on Strengthening Industrial Competitiveness".

In the provisions revising Article 42-6, paragraph (1), the phrase "(Act No. 131 of 1999)" is to be revised to "(Act No. 98 of 2013)".

(Partial Revision of the Cabinet Order for Partial Revision of the Order for Enforcement of the Act on Temporary Special Provisions of Acts Related to National Tax, in Relation to Victims, etc. of the Great East Japan Earthquake)

Article 12 The Cabinet Order for Partial Revision of the Order for Enforcement of the Act on Temporary Special Provisions of Acts Related to National Tax, in Relation to Victims, etc. of the Great East Japan Earthquake (Cabinet Order No. 170 of 2013) is partially revised as follows.

The provisions of Article 29-4, paragraph (8) are to be revised and said paragraph is to be revised to paragraph (9) of said Article; the provisions of paragraph (7) of said Article are to be revised and said paragraph is to be revised to paragraph (8) of said Article; paragraph (3) to paragraph (6) of said Article are to be revised to paragraph (4) to paragraph (7), respectively; and in the provisions adding one paragraph after paragraph (2) of said Article, the phrase "Article 42, paragraph (1) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999)" is to be revised to "Article 128, paragraph (1) of the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013)".

(Partial Revision of the Order for Organization of Ministry of Economy, Trade and Industry)

Article 13 The Order for Organization of Ministry of Economy, Trade and Industry is partially revised as follows.

In Article 26, item (ii), the phrase "the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999)" is to be revised to "the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013)".

In Article 57, the phrase "affairs concerning the Act on the Promotion of Technology Transfer from Universities to Private Businesses (Act No. 52 of 1998)" is to be revised to "the following affairs"; and the following items are to be added to said Article.

(i) affairs concerning the implementation of the Act on the Promotion of Technology Transfer from Universities to Private Businesses (Act No. 52 of 1998); and

(ii) affairs concerning Supporting the Utilization of Specified Research Results prescribed in Article 2, paragraph (7) of said Act out of the affairs concerning the implementation of the Act on Strengthening Industrial Competitiveness.

(Partial Revision of the Small and Medium-Sized Enterprise Policy Making Council Order)

Article 14 The Small and Medium-Sized Enterprise Policy Making Council Order (Cabinet Order No. 295 of 2000) is partially revised as follows.

In item (ii) of the row of the Committee on SME Business Support in the table of Article 5, paragraph (1), the phrase "Article 40, paragraph (4) of the Act on Special Measures Concerning Revitalization of Industry and Innovation in Industrial Activities (Act No. 131 of 1999)" is to be deleted; and the phrase "and Article 3, paragraph (3) of the Act on Promotion of Business Activities in Response to Demand of Local Residents for the Revitalization of Shopping Districts (Act No. 80 of 2009)" is to be revised to ", Article 3, paragraph (3) of the Act on Promotion of Business Activities in Response to Demand of Local Residents for the Revitalization of Shopping Districts (Act No. 80 of 2009), and the Act on Strengthening Industrial Competitiveness (Act No. 98 of 2013)".