

Act on RIKEN, National Research and Development Institute

(Act No. 160 of December 13, 2002)

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Chapter I General Provisions (Article 1-Article 8)

(Purpose)

Article 1 The purpose of this Act is to provide for matters concerning the name, purpose, scope of operations, etc., of RIKEN, National Research and Development Institute.

(Name)

Article 2 The name of the incorporated administrative aInstitute provided for in Article 2, paragraph (1) of the Act on General Rules for Incorporated Administrative Agencies (Act No. 103 of 1999, hereinafter referred to as the "Act on General Rules") that is to be established in accordance with this Act and the Act on General Rules is RIKEN, National Research and Development Institute.

(Purpose of the Institute)

Article 3 RIKEN, National Research and Development Institute(hereinafter referred to as the "Institute"), aims to raise the standard of science and technology by comprehensively carrying out experiments, research and other operations related to science and technology (excluding those which solely concern the humanities).

(National Research and Development Institute)

Article 3-2 The Institute is a National Research and Development Institute provided for in Article 2, paragraph (3) of the Act on General Rules.

(Office)

Article 4 The Institute is to locate its principal office in Saitama Prefecture.

(Stated Capital)

Article 5 (1) The stated capital of the Institute is to be the total amount of the contributions that are considered to have been made by the government and/or persons other than the government pursuant to the provisions of Article 2, paragraphs (6) and (7) of the Supplementary Provisions.

- (2) When necessary, the Institute may increase its stated capital with the permission of the Minister of Education, Culture, Sports, Science and Technology.
- (3) The government may make contributions to the Institute up to an amount specified in the budget when the Institute increases its stated capital pursuant to the provisions of the preceding paragraph.
- (4) When the government makes contributions to the Institute, it may contribute land, buildings or other fixtures on land (hereinafter referred to as "Land, etc." in the following paragraph).
- (5) The value of the Land, etc. contributed pursuant to the provisions of the preceding paragraph is to be the value evaluated by evaluation committee members on the basis of the market value on the date of the contribution.
- (6) , The evaluation committee members referred to in the preceding paragraph and other necessary matters concerning evaluation are specified by Cabinet Order.

(Investment Securities)

Article 6 (1) The Institute is to issue investment securities for contributions.

- (2) Investment securities are to be registered.
- (3) In addition to what is provided for in the preceding paragraph, necessary matters concerning investment securities are specified by Cabinet Order.

(Prohibition of Return of Equity Interests)

Article 7 (1) The Institute may not return equity interests to contributors except when it makes payment to the national treasury pursuant to the provisions of Article 46-2, paragraph (1) or paragraph (2) of the Act on General Rules or returns equity interest pursuant to the provisions of Article 46-3, paragraph (3) of the Act on General Rules.

- (2) The Institute may neither acquire equity interests of contributors nor receive them as the subject of a pledge.

(Restriction on Use of the Name)

Article 8 No person other than the Institute may use the name "理化学研究所" (with a pronunciation of "Rikagaku Kenkyusho" and with a literal meaning of "

RIKEN").

Chapter II Officers and Employees (Article 9-Article 15)

(Officers)

Article 9 (1) The Institute is to have, as its officers, one president as its head and two auditors.

(2) The Institute may have up to five Executive Directors as its officers.

(Duties, Authority of Executive Directors)

Article 10 (1) Executive Directors, under the direction of the president, are to administer the operations of the Institute, assisting the president.

(2) An officer provided for by the individual Acts provided in Article 19, paragraph (2) of the Act on General Rules is to be a executive director; provided, however, that when there are no executive directors, such officer is to be an auditor.

(3) In the case referred to in the proviso in the preceding paragraph, an auditor who represents or performs the duties of the president pursuant to the provisions of Article 19, paragraph (2) of the Act on General Rules must not perform the duties of auditor at the same time.

(Term of Office for Executive Directors)

Article 11 The term of office of a executive director is the term designated by the president for that executive director (the last day of which is to be on or before the last day of the term of office of the president under the provisions of Article 21-2, paragraph (1) of the Act on General Rules).

(Special Provisions for Disqualification of Officers)

Article 12 In addition to what is provided for in Article 22 of the Act on General Rules, persons falling under either of the following items may not become officers:

- (i) a person engaging in the manufacture or sale of goods or undertaking contract work and having close business connections with the Institute, or when such person is a corporation, an officer thereof (including a person who has equal or greater authority or controlling power, irrespective of the person's title);or.
- (ii) an officer of any association of business operators mentioned in the preceding item (including a person who has equal or greater authority or controlling power, irrespective of the person's title).

Article 13 With regard to the application of the provisions of Article 23,

paragraph (1) of the Act on General Rules concerning the dismissal of officers of the Institute, the term "the preceding Article" in the paragraph is deemed to be replaced with "the preceding Article and Article 12 of the Act on RIKEN, National Research and Development Institute (Act No. 160 of 2002)."

(Confidentiality Obligations of Officers and Employees)

Article 14 Officers and employees of the Institute must not divulge or misappropriate any secret that has come to their knowledge in the course of their work. The same applies even after they left their position.

(Status of Officers and Employees)

Article 15 Officers and employees of the Institute are deemed to be employees engaged in public service pursuant to laws and regulations, with regard to the application of the Penal Code (Act No. 45 of 1907) and other penal provisions.

Chapter III Operations (Article 16-Article 18)

(Scope of Operations)

Article 16 (1) The Institute is to perform the following operations to attain the objective stated in Article 3:

- (i) conducting experiments and research in science and technology;
- (ii) disseminating the results obtained by carrying out the operations stated in the preceding item and promoting their utilization;
- (iii) providing the facilities and equipment of the Institute for public utilization with persons who conduct experiments, research and development in science and technology;
- (iv) training researchers and technicians in science and technology and enhancing their level of expertise; and
- (v) performing operations incidental to the operations stated in the preceding items.

(2) Beyond the operations stated in the preceding paragraph, the Institute will perform the operations provided for in Article 5, paragraph (1) of the Act on the Promotion of Public Utilization of the Specific Advanced Large Research Facilities (Act No. 78 of 1994).

(Disposition of Accumulated Funds)

Article 17 (1) When the Institute has settled accounts for the final business year of the period for the mid- to long- term objectives specified in Article 35-4, paragraph (2), item (i) of the Act on General Rules (hereinafter referred to as the "term for the mid- to long-term objectives" in this paragraph), and there remains a reserve fund under Article 44, paragraph (1) of the Act, the Institute

may allocate the portion of the amount equivalent to the amount of the reserve fund that has been approved by the Minister of Education, Culture, Sports, Science and Technology to the operations specified in the preceding Article during the next term for the mid-to long-term objectives, in accordance with the mid-term plan approved as provided for in Article 35-5, paragraph (1) of the Act on General Rules for that next term for the mid- to long-term objectives (when having obtained permission for a change pursuant to the provisions of the second sentence of that paragraph, in accordance with the revised plan).

- (2) When the Minister of Education, Culture, Sports, Science and Technology intends to grant approval pursuant to the provisions of the preceding paragraph, the minister must consult with the Minister of Finance.
- (3) When any surplus remains after deducting the amount approved pursuant to the provisions of paragraph (1) from the amount equivalent to the amount of the reserve fund specified in the paragraph, the Institute must pay the remaining surplus to the national treasury.
- (4) Beyond what is provided for in the preceding three paragraphs, procedures for making payments and other matters concerning the disposition of accumulated funds are provided for by Cabinet Order.

(Long-term Borrowings)

Article 18 (1) The Institute may take on long-term borrowings with the permission of the Minister of Education, Culture, Sports, Science and Technology in order to allocate such borrowings as expenses required for the operations provided for in Article 16, paragraph (1), item (i) or (ii) or the operations incidental thereto.

- (2) The Institute must make a plan for repayment of its long-term borrowings every business year, and obtain approval from the Minister of Education, Culture, Sports, Science and Technology.
- (3) When the Minister of Education, Culture, Sports, Science and Technology intends to provide the permission or approval specified in the two preceding paragraphs, the minister must consult with the Minister of Finance.

Chapter IV Miscellaneous Provisions (Article 19-Article 22)

(Distribution of Residual Assets at the Time of Dissolution of the Institute)

Article 19 When the Institute has dissolved and has any residual assets after repaying all debts, it is to distribute them to contributors in amounts proportionate to the amount of each contribution.

(Competent Minister)

Article 20 The competent minister and order of the competent ministry provided

for in the Act on General Rules applicable to the Institute are the Minister of Education, Culture, Sports, Science and Technology and the Order of that ministry, respectively.

Article 21 Deleted.

(Exclusion of Application of the National Public Officers' Housing Act)

Article 22 The provisions of the National Public Officers' Housing Act (Act No. 117 of 1949) do not apply to the officers and employees of the Institute.

Chapter V Penal Provisions (Article 23-Article 25)

Article 23 Any person who divulges or misappropriates any secret, in violation of the provisions of Article 14, is punished by imprisonment with required labor for not more than one year or a fine not exceeding 300,000 yen.

Article 24 An officer of the Institute who commits any violation listed below is punished by a non-criminal fine not exceeding 200,000 yen:

- (i) failure to obtain the permission or approval from the Minister of Education, Culture, Sports, Science and Technology where such permission or approval is required pursuant to the provisions of this Act; or
- (ii) using the Institute for operations other than those provided for in paragraph (1) of Article 16;

Article 25 Any person who violates the provisions of Article 8 is punished by a non-criminal fine not exceeding 100,000 yen.

Supplementary Provisions [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of the promulgation, provided, however, that the provisions listed in the following items come into effect as of the date specified in the relevant items:

- (i) provisions of Articles 5, 6, 7, 8, 10, 11 and 13 of the Supplementary Provisions: October 1, 2003;

(Dissolution of RIKEN)

Article 2 (1) RIKEN, (hereinafter referred to as the "Former Institute") will dissolve at the time of establishment of the Institute, and the Institute will succeed to all the rights and obligations of the Former Institute as of that time, except for the assets that the national government succeeds to pursuant to the

provisions of the following paragraph.

- (2) With regard to the rights possessed by the Former Institute at the time of the establishment of the Institute, assets other than those that are necessary for the Institute to reliably perform its operations are to be succeeded to by the national government as of the time of the establishment of the Institute.
- (3) The scope of the assets that the national government succeeds to pursuant to the provisions of the preceding paragraph and other necessary matters concerning the national government's succession to the assets are specified by Cabinet Order.
- (4) The Former Institute's business year that starts on April 1, 2003, is to end on the date immediately before the date of dissolution of the Former Institute.
- (5) With regard to the settlement of accounts, the inventory of assets, balance sheet, and profit and loss statement for the Former Institute's business year that starts on April 1, 2003, the provisions then in force remain applicable. In this case, the settlement of accounts is to be concluded within two months from the date of dissolution.
- (6) When the Institute succeeds to the rights and obligations of the Former Institute pursuant to the provisions of paragraph (1) of this Article, the amount obtained by subtracting the amount of liabilities succeeded to by the Institute from the total value of the assets succeeded to by the national government and the Institute upon the succession and then multiplying the remainder by the ratio of contributions to the Institute by persons other than the government is deemed to be considered, the amount of contributions to the Institute by the persons other than the government.
- (7) When the Institute succeeds to the rights and obligations of the Former Institute pursuant to the provisions of paragraph (1) of this Article, the amount obtained by subtracting the amount of liabilities from the total value of the assets succeeded to by the Institute upon the succession and then subtracting from the remainder the amount deemed to be the amount of contributions by persons other than the government pursuant to the provisions of the preceding paragraph is deemed to be the amount of contributions by the government to the Institute.
- (8) The value of the assets referred to in the preceding two paragraphs is to be the value evaluated by the evaluation committee members on the basis of the market value as of the date of the establishment of the Institute.
- (9) The evaluation committee members referred to in the preceding paragraph and other necessary matters concerning evaluation are specified by Cabinet Order.
- (10) A pledge on investment securities issued by the Former Institute exists on investment securities of the Institute to be received by contributors pursuant to the provisions of Article 6, paragraph (1).

(11) Matters concerning the registration of dissolution upon the dissolution of the Former Institute pursuant to the provisions of paragraph (1) are specified by Cabinet Order.

(Return of Equity Interests)

Article 3 (1) With regard to the amount deemed to be contributed to the Institute by persons other than the government pursuant to the provisions of Article 2, paragraph (6) of the Supplementary Provisions, the persons may request the return of their equity interests from the Institute only within one month from the date of the establishment of the Institute.

(2) When the Institute receives a request under the preceding paragraph, it must return the amount of the equity interest, notwithstanding the provisions of Article 7, paragraph (1). In this case, the Institute is to reduce its stated capital by the amount of contributions related to the equity interests.

(Special Provisions for the Term of Office of the President)

Article 4 Concerning the term of office of the president, who is deemed to be appointed as of the time of the establishment of the Institute pursuant to the provisions of Article 14, paragraph (2) of the Act on General Rules, the term "date of appointment" in Article 11, paragraph (1) is deemed to be replaced with the "date of the establishment of the Institute."

(Repeal of the Act on RIKEN)

Article 5 The Act on RIKEN (Act No. 80 of 1958) will be repealed.

(Transitional Measures upon the Repeal of the Act on RIKEN)

Article 6 Dispositions, procedures and other acts that have been conducted before the enforcement of the provisions of the preceding Article pursuant to the provisions of the Act on RIKEN (excluding Article 12) before its repeal are deemed to have been conducted pursuant to the corresponding provisions of the Act on General Rules or this Act.

Article 7 With regard to the application of penal provisions to acts conducted before the enforcement of the provisions of Article 5 of the Supplementary Provisions and acts conducted after the enforcement of this Act concerning matters for which the provisions then in force remain applicable pursuant to the provisions of Article 2, paragraph (5) of the Supplementary Provisions, the provisions then in force remain applicable.

Article 8 (1) With regard to the obligations to not divulge or misappropriate any secret that comes to knowledge in the course of work placed on persons who

have been officers or employees of the Former Institute, the provisions then in force remain applicable even after the enforcement of the provisions of Article 5 of the Supplementary Provisions.

- (2) With regard to the application of penal provisions to acts conducted after the enforcement of the provisions of Article 5 of the Supplementary Provisions concerning obligations for which the provisions then in force remain applicable pursuant to the provisions of the preceding paragraph, the provisions then in force remain applicable.

(Delegation to Cabinet Order)

Article 9 In addition to what are provided for in Articles 2, 3, 4, 6, 7 and 8 of the Supplementary Provisions, transitional measures necessary upon the establishment of the Institute and other necessary transitional measures concerning the enforcement of this Act are specified by Cabinet Order.

**Supplementary Provisions [Act No. 126 of June 18, 2004 Extract]
[Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date on which the Agreement becomes effective; provided, however, that the provisions listed in the following items come into effect as of the date specified in the relevant items:

- (iii) the provisions of Article 42 of the Supplementary Provisions: The date of promulgation of the Act for Partial Revision of the National Public Officers Mutual Aid Association Act, etc. (Act No. 130 of 2004) or the date of promulgation, whichever comes later.

Supplementary Provisions [Act No. 127 of June 18, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which the Agreement becomes effective; provided, however, that the provisions listed in the following items come into effect as of the date specified in the relevant items:

- (ii) the provisions of Article 3 of the Supplementary Provisions: The date of promulgation of the Act for Partial Revision of the National Public Officers Mutual Aid Association Act, etc. (Act No. 130 of 2004) or the date of promulgation, whichever comes later.

Supplementary Provisions [Act No. 130 of June 23, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of October 1, 2004; provided, however, that the provisions listed in the following items come into effect as of the date specified in the relevant items:

- (ii) the provisions of Article 2, Article 7, Article 10, Article 13, and Article 18, and Articles 9 to 15, Articles 28 to 36, Articles 38 to 76-2, Article 79, and Article 81 of the Supplementary Provisions: April 1, 2005.

Supplementary Provisions [Act No. 135 of June 23, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that the provisions listed in the following items come into effect as of the date specified in the relevant items:

- (ii) the provisions of Article 17 of the Supplementary Provisions: The date of promulgation of the Act for Partial Revision of the National Public Officers Mutual Aid Association Act, etc. (Act No. 130 of 2004) or the date of promulgation, whichever comes later.

Supplementary Provisions [Act No. 155 of December 3, 2004] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that the provisions of Article 10 to 12, Article 14 to 17, Article 18, paragraph (1) and (3), and Article 19 to 32 of the Supplementary Provisions come into effect as of October 1, 2005.

Supplementary Provisions [Act No. 37 of May 17, 2006] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of July 1, 2006.

Supplementary Provisions [Act No. 46 of June 3, 2009] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of July 1, 2009.

Supplementary Provisions [Act No. 37 of May 28 2010] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order, within a period not exceeding six months from the date of promulgation

(hereinafter referred to as the "Effective Date").

(Transitional Measures Concerning Application of Penal Provisions)

Article 34 With regard to the application of penal provisions to acts conducted before the enforcement of the provisions of this Act, the provisions then in force remain applicable.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 35 In addition to what is provided in these Supplementary Provisions, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

Supplementary Provisions [Act No. 67 of June 13, 2014] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which the Amendment for the Act on General Rules for Incorporated Administrative Agencies (Act No. 66 of 2014; hereinafter referred to as the "Act for the Amendment for the Act on General Rules") comes into effect; provided, however, that the provisions provided in the following items come into effect as of the date specified in the relevant items:

(i) the provisions of Article 14, paragraph (2), Article 18, and Article 30 of the Supplementary Provisions: The date of promulgation.

(Special Provisions for Taxation)

Article 27 According to the provisions of the individual laws provided for in Article 1, paragraph (1) of the New Act on General Rules and the provisions of Article 4, paragraph (2) of the New Act on General Rules, no registration and license tax is imposed when an incorporated administrative agency the specified name of which includes the words "National Research and Development Institute" registers the name of a nominal person that will be changed due to a change in the name in accordance with Article 2, paragraph (1) of the New Act on General Rules.

(Effects of Disposition)

Article 28 Dispositions, procedures, and any other acts that have been conducted or should be conducted before the enforcement of the provisions of this Act pursuant to the provisions of individual laws (including orders based on them) before their revision by this Act and that are provided for in the corresponding provisions of the respective individual laws (including orders based on them; hereinafter referred to in this Article as "new laws and regulations") following

their revision by this Act are deemed to be dispositions, procedures, and other acts that have been conducted or should be conducted pursuant to the corresponding provisions of the new laws and regulations (including Cabinet Orders based on them), unless otherwise stipulated in the laws.

(Transitional Measures Concerning Penal Provisions)

Article 29 With regard to the application of penal provisions to acts conducted before the enforcement of this Act and acts conducted after the enforcement of this Act for which penal provisions remain applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force remain applicable.

(Delegation of Other Transitional Measures by Cabinet Order)

Article 30 In addition to the provisions of Article 3 to the preceding Article in the Supplementary Provisions, transitional measures necessary for the enforcement of this Act (including those concerning penal provisions) are specified by Cabinet Order (or with regard to matters under the jurisdiction of the National Personnel Authority, by the Rules of the Authority).