

Cabinet Office Order on Special Rules on Procedures Undertaken Using an Electronic Data Processing System for Disclosure

(Cabinet Office Order No. 45 of May 22, 2002)

In conjunction with the enforcement of the Act Partially Amending the Securities and Exchange Act and the Financial Futures Trading Act (Act No. 96 of 2000), and pursuant to the provisions of Article 27-30-3, paragraph (2), Article 27-30-4, paragraph (2) and Article 194-6, paragraph (3) of the Securities and Exchange Act (Act No. 25 of 1948), the Cabinet Office Order on Special Rules on Procedures Undertaken Using an Electronic Data Processing System for Disclosure is established as follows.

(Method of Electronic Disclosure Procedure or Discretionary Electronic Disclosure Procedure)

Article 1 A person that carries out an electronic disclosure procedure (meaning an electronic disclosure procedure prescribed in Article 27-30-2 of the Financial Instruments and Exchange Act (hereinafter referred to as the "Act"); the same applies hereinafter) or discretionary electronic disclosure procedure (meaning a discretionary electronic disclosure procedure prescribed in Article 27-30-2 of the Act; the same applies hereinafter) pursuant to the provisions of Article 14-10, paragraph (1) of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; hereinafter referred to as the "Order") must enter the particulars to be stated in the written documents in the case where an electronic disclosure procedure or discretionary electronic disclosure procedure is carried out in writing with an input-output device (meaning input-output device referred to in Article 14-10, paragraph (1) of the Order; the same applies hereinafter) used by the person that carries out the electronic disclosure procedure or discretionary electronic disclosure procedure, based on a method by which the input-output device and the computer referred to in Article 27-30-2 of the Act can be connected over a telecommunications line by entering an identification number and security number, and by which input can be performed from the input-output device; provided, however, that among those particulars, the signature and seal may be omitted.

(Notification Pertaining to an Electronic Disclosure Procedure or Discretionary Electronic Disclosure Procedure)

Article 2 (1) A person that seeks to make a notification pursuant to the provisions of Article 14-10, paragraph (2) of the Order (hereinafter referred to

as "person making the notification" in this Article) must submit a document prepared using Form 1 (limited to that stating the number obtained by connecting the input-output device used by the person making the notification and the computer referred to in Article 27-30-2 of the Act over a telecommunications line and by entering the particulars to be stated in Form 1 and others; hereinafter referred to as an "electronic disclosure system notice") to the Director-General of the Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau to whom the notification is to be submitted in a case where the electronic disclosure procedure or discretionary electronic disclosure procedure is carried out in writing (hereinafter referred to as "Director-General of the Local Finance Bureau, etc.").

- (2) The Director-General of the Local Finance Bureau, etc. is to, in the case where an electronic disclosure system notice has been submitted pursuant to the provisions of the preceding paragraph, notify the person making the notification that submitted the electronic disclosure system notice of the date on which the electronic disclosure system notice was received (referred to as the "receipt date" in paragraphs (6) and (7)), the number assigned to the person making the notification by the Commissioner of the Financial Services Agency to identify the person making the notification, and the identification number and the security number required to carry out an electronic disclosure procedure or discretionary electronic disclosure procedure.
- (3) In the case where the person making the notification is a foreign corporation (including an issuer (meaning an issuer prescribed in Article 2, paragraph (5) of the Act; the same applies hereinafter) of foreign government bonds, etc. (meaning foreign government bonds, etc. prescribed in Article 1, item (i) of the Cabinet Office Order on Disclosure of Information on Issuers of Foreign Government Bonds (Ministry of Finance Order No. 26 of 1972); the same applies in the following paragraph); the same applies hereinafter) or a non-resident (meaning a non-resident prescribed in Article 6, paragraph (1), item (vi) of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949); limited to an individual), a person domiciled in Japan that has the authority to represent the person making the notification in all acts related to the submission of the electronic disclosure system notice under paragraph (1) must be specified when submitting the electronic disclosure system notice.
- (4) The person making the notification that must submit articles of incorporation and other documents pursuant to the provisions of Article 14-10, paragraph (2) of the Order must attach the documents listed in the following items to the electronic disclosure system notice referred to in paragraph (1) according to the category of the person making the notification specified therein:
 - (i) domestic corporation: the following documents:
 - (a) articles of incorporation or document equivalent thereto; and

- (b) certificate of registered information or document equivalent thereto (limited to one issued within three months prior to the date on which the document is to be submitted);
- (ii) foreign corporation: the following documents:
 - (a) documents specified in (a) and (b) of the preceding item (excluding the cases in which the person making the notification is an issuer of foreign government bonds, etc.); and
 - (b) a document evidencing that the person making the notification has granted the authority prescribed in the preceding paragraph to a person domiciled in Japan;
- (iii) an individual: the following documents:
 - (a) extract of residence certificate or document equivalent thereto; and
 - (b) document specified in (b) of the preceding item (limited to the cases in which the person making the notification is a non-resident (meaning a non-resident prescribed in Article 6, paragraph (1), item (vi) of the Foreign Exchange and Foreign Trade Act)).
- (5) In the case where there has been a change in the particulars to be stated in the electronic disclosure system notice submitted pursuant to the provisions of paragraph (1) (including the cases in which there has been a change in the documents that must be attached pursuant to the provisions of the preceding paragraph), a document describing the changes must be submitted to the Director-General of the Local Finance Bureau, etc. without delay.
- (6) In the case where a person that already made a notification (meaning a person that has already made the notification under the main clause of Article 14-10, paragraph (2) of the Order; hereinafter the same applies in this paragraph) submits articles of incorporation or other documents under the proviso to paragraph (2) of that Article, the person that already made the notification must submit the documents listed in the following items according to the category of the person that already made the notification specified therein to the Director-General of the Local Finance Bureau, etc. every three years, within one month after the day on which three years have passed from the receipt date (referred to as the "reference date" in the following paragraph):
 - (i) domestic corporation: documents prescribed in paragraph (4), item (i);
 - (ii) foreign corporation: documents prescribed in paragraph (4), item (ii) (excluding (b));
 - (iii) individual: documents prescribed in paragraph (4), item (iii) (excluding (b)).
- (7) The cases specified by Cabinet Office Order under the proviso to Article 14-10, paragraph (2) of the Order are the cases in each of the following items:
 - (i) when the person that made the notification under the main clause of Article 14-10, paragraph (2) of the Order carries out an electronic disclosure procedure or discretionary electronic disclosure procedure during the period

- of three years from the receipt date pertaining to the notification;
- (ii) when the person that submitted the notification corresponds to an issuer of securities listed in any of the items of Article 24, paragraph (1) of the Act as of the reference date; and
 - (iii) when the person that submitted the notification corresponds to a holder of share certificates, etc. subject to special rules prescribed in Article 27-26, paragraph (1) of the Act as of the reference date.
- (8) When the documents set forth in paragraph (4), items (ii) and (iii), and paragraph (6), items (ii) and (iii) are not written in Japanese, a Japanese translation of the documents must be attached to those documents; provided, however, that this does not apply if a person that seeks to submit the document set forth in the items of Article 5, paragraph (6) of the Act pursuant to the provisions of that paragraph or a foreign company report prescribed in Article 24, paragraph (8) of the Act pursuant to the provisions of that paragraph submits the document specified in paragraph (4), item (ii) or paragraph (6), item (ii).

(Approval of Electronic Disclosure Procedure or Discretionary Electronic Disclosure Procedure by Submission of Magnetic Disk)

Article 3 A person that seeks to obtain approval to carry out an electronic disclosure procedure or discretionary electronic disclosure procedure by submitting a magnetic disk pursuant to the provisions of Article 14-11, paragraph (1) of the Order (meaning a magnetic disk referred to in paragraph (2) of that Article, including media which are capable of keeping accurate records of information by a method similar thereto; the same applies in the following Article) must submit a document prepared using Form 2 (hereinafter referred to as an "application for disk submission approval") to the Director-General of the Local Finance Bureau, etc. to whom that document is to be submitted in the case where the electronic disclosure procedure or discretionary electronic disclosure procedure is carried out in writing.

(In the Case Where an Electronic Disclosure Procedure or Discretionary Electronic Disclosure Procedure Is Carried Out by Magnetic Disk)

Article 4 A person that carries out an electronic disclosure procedure or discretionary electronic disclosure procedure by submitting a magnetic disk pursuant to the provisions of Article 14-11, paragraph (2) of the Order must record the particulars to be stated in the written documents in the case where the electronic disclosure procedure or discretionary electronic disclosure procedure is carried out in writing onto a magnetic disk based on a method by which the particulars can be entered in a computer specified by Article 27-30-2 of the Act from an input-output device used by the person that carries out the

electronic disclosure procedure or discretionary electronic disclosure procedure over a telecommunications line, and submit the same to the Director-General of the Local Finance Bureau, etc. to whom that record is to be submitted in the case where the electronic disclosure procedure or discretionary electronic disclosure procedure is carried out in writing; provided, however, that among those particulars, the signature and seal may be omitted.

(Method of Recording Information in a File)

Article 5 Recording of the information in a file under the provisions of Article 27-30-4, paragraph (2) of the Act is made by means of the operation of a computer specified by Article 27-30-2 of the Act.

(Procedures for Approval of Exclusion from Application of Electronic Disclosure Procedure)

Article 6 A person that seeks to obtain the approval referred to in Article 27-30-5, paragraph (1) of the Act must submit a document prepared using Form 3 to the Director-General of the Local Finance Bureau, etc. to whom that document is to be submitted in the case where the electronic disclosure procedure is carried out in writing.

(Company Specified by Cabinet Office Order under Article 41-2, Paragraph (2) of the Order)

Article 7 A company specified by Cabinet Office Order under Article 41-2, paragraph (2) of the Order is a domestic company (limited to the cases in which an electronic disclosure procedure or discretionary electronic disclosure procedure is carried out with respect to the securities of that company) that is an issuer of securities specified in Article 1, item (vii) of the Cabinet Office Order on Disclosure of Information on Regulated Securities (Ministry of Finance Order No. 22 of 1993; referred to as "Cabinet Office Order on Regulated Securities" in the following Article).

(Public Inspection by Person That Carries Out Procedures Undertaken Using an Electronic Data Processing System for Disclosure)

Article 8 (1) The cases specified by Cabinet Office Order under Article 27-30-10 of the Act are the cases in which all of the following requirements are satisfied:
(i) information is made available for public inspection by the method specified in the following paragraph; and
(ii) if any problem arises in making information available for public inspection by the method specified in the following paragraph, measures are taken to make the information available for public inspection according to the example set forth in Article 25, paragraph (2) of the Act or Article 27-14,

paragraph (2) of the Act without delay.

- (2) The method specified by Cabinet Office Order under Article 27-30-10 of the Act is a method by which information is made available for public inspection at the place where the person that makes the information available for public inspection must keep copies of documents that must be made available for public inspection pursuant to the provisions of Article 25, paragraph (2) of the Act or Article 27-14, paragraph (2) of the Act by displaying the information on the screen of an input-output device of the computer used by that person.