

Order for Enforcement of the Deposit Insurance Act

(Cabinet Order No. 111 of April 1, 1971)

The Cabinet enacts this Cabinet Order pursuant to the provisions of Article 42, paragraph (1), Article 51, paragraph (1), Article 54, paragraphs (1) and (3), Article 57, paragraphs (1) and (2), Article 58, and Article 59 of the Deposit Insurance Act (Act No. 34 of 1971) and Article 2, paragraph (1) of the Supplementary Provisions thereof.

(Definitions)

Article 1 In this Cabinet Order, the terms "financial institution," "deposits, etc.," "Long-Term Credit Bank Bonds, etc.," "depositors, etc.," "bank holding company, etc.," "bank, etc.," "preferred shares, etc.," "preferred shares," "subordinated bonds," "preferred equity investments," "shares, etc.," "subscription for preferred shares, etc." or "subscription for shares, etc." means the financial institution, deposits, etc., long-term credit bank bonds, etc., depositors, etc., bank holding company, etc., bank, etc., preferred shares, etc., preferred shares, subordinated bonds, preferred equity investments, shares, etc., subscription for preferred shares, etc. or subscription for shares, etc. prescribed in Article 2 of the Deposit Insurance Act (hereinafter referred to as "Act").

(Long-Term Credit Bank Bonds)

Article 1-2 Those specified by Cabinet Order prescribed in Article 2, paragraph (2), item (v) of the Act are those for which bond certificates are issued and for which there is a custody agreement for the relevant bond certificates at the time of issuance thereof between the subscribers and issuer thereof pursuant to Cabinet Office and the Ministry of Finance Order provisions.

(Subordinated Bonds)

Article 1-3 The bonds specified by Cabinet Order as prescribed in Article 2, paragraph (6) of the Act are those which have all the following characteristics:

- (i) collateral is not offered;
- (ii) the period during which no redemption is made is more than five years from the time of their issuance.

(Subordinated Loan Agreements)

Article 1-4 The loans for consumption specified by Cabinet Order prescribed in Article 2, paragraph (8) of the Act are those which have all the following

characteristics:

- (i) collateral is not offered;
- (ii) the period during which no repayment of the principal is made is more than five years from the time of forming the contract.

(Limits on Borrowings)

Article 2 The amount specified by Cabinet Order prescribed in Article 42, paragraph (3) of the Act is nineteen trillion yen.

(Deposits Excluded from Calculation of the Amount of Insurance Premiums for General Deposits)

Article 3 The deposits, etc. specified by Cabinet Order prescribed in Article 51, paragraph (1) of the Act are the following deposits, etc. that are to be stated in documents submitted by a financial institution under Article 50, paragraph (1) of the Act:

- (i) negotiable certificate of deposits (meaning the negotiable certificate of deposits prescribed in Article 4, item (ii) of the Order for Enforcement of the Act on Reserve Deposit Requirement System (Cabinet Order No. 135 of 1957); the same applies in item (i) of the following Article);
- (ii) deposits managed in the special international financial transactions account (excluding those falling under the deposits, etc. specified in the following item and item (iv)) prescribed in Article 21, paragraph (3) of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949);
- (iii) the deposits, etc. received from the Bank of Japan (excluding those in relation to the affairs of the revenue and expenditure of treasury money prescribed in Article 34, paragraph (1) of the Public Accounting Act (Act No. 35 of 1947));
- (iv) the deposits, etc. received from a financial institution (excluding those in relation to the fund management of defined contribution pensions prescribed in Article 54-3, paragraph (1), item (i) of the Act);
- (v) money received through the issuance of long-term credit bank bonds, etc. (limited to the following);
 - (a) The long-term credit bank bonds, etc. issued by means of offering for subscription.
 - (b) The relevant long-term credit bank bonds, etc. for which a custody agreement has ended (excluding those specified in (a)).
- (vi) the deposits, etc. received from the Deposit Insurance Corporation of Japan (hereinafter referred to as "DICJ");
- (vii) the deposits, etc. whose instruments (excluding those specified in Article 2, paragraph (2), item (v) of the Act) (including beneficiary certificates prescribed in Article 2, paragraph (2) of the Loan Trust Act (Act No. 195 of

1952) and Article 185, paragraph (1) of the Trust Act (Act No. 108 of 2006)) are in bearer form;

(viii) money received under trust agreements in relation to beneficiary rights of loan trusts prescribed in the Loan Trust Act or trusts issuing beneficiary certificates prescribed in the Trust Act, vesting of the rights of which is to be decided based on the entry or record in the transfer account registry pursuant to the provisions of the Act on the Book-Entry Transfer of Bonds, Stocks. (Act No. 75 of 2001).

(Deposits Excluded from Calculation of the Amount of Insurance Premiums of Deposits for Settlement)

Article 3-2 The deposits specified by Cabinet Order prescribed in Article 51-2, paragraph (1) of the Act are the following deposits that are stated in documents submitted by a financial institution under Article 50, paragraph (1) of the Act:

- (i) negotiable certificate of deposits;
- (ii) deposits managed in the special international financial transactions account (excluding those falling under deposits specified in the following item or item (iv)) prescribed in Article 21, paragraph (3) of the Foreign Exchange and Foreign Trade Act;
- (iii) deposits received from the Bank of Japan (excluding those in relation to the affairs of the revenue and expenditure of treasury money prescribed in Article 34, paragraph (1) of the Public Accounting Act);
- (iv) deposits received from a financial institution (excluding those in relation to the fund management of defined contribution pensions prescribed in Article 54-3, paragraph (1), item (i) of the Act);
- (v) deposits received from the DICJ;
- (vi) deposits whose certificates are in bearer form.

(Maximum Amount of Provisional Payment)

Article 4 The amount specified by Cabinet Order prescribed in Article 53, paragraph (4) of the Act is 600,000 yen.

(Deposits Subject to Provisional Payment)

Article 5 The provisional payment prescribed in Article 53, paragraph (4) of the Act is to be made with respect to the principal of the claims in relation to ordinary deposits.

(General Deposits Excluded from Calculation as the Amount of Insurance Proceeds)

Article 6 The general deposits, etc. specified by Cabinet Order prescribed in

Article 54, paragraph (1) of the Act are, of the general deposits, etc. (meaning the general deposits, etc. prescribed in Article 51, paragraph (1) of the Act; the same applies hereinafter), those falling under the following deposits, etc.:

- (i) deposits, etc. held in the name of another person (including under a fictitious name);
- (ii) deposits, etc. based on a contract concluded in violation of the provisions of Article 2, paragraph (1) or (2) of the Act on Controlling an Unjust Contract in Relation to a Deposit (Act No. 136 of 1957).

(Interest)

Article 6-2 (1) The items specified by Cabinet Order prescribed in Article 54, paragraph (1) of the Act are to be the following:

- (i) interest under deposit contracts;
 - (ii) compensation money for benefits (meaning compensation money for benefits prescribed in Article 58-2, paragraph (1), item (ii) of the Act) under installment savings contracts;
 - (iii) compensation money for benefits (meaning compensation money for benefits prescribed in Article 58-2, paragraph (1), item (iii) of the Act) under installment deposit contracts;
 - (iv) distribution of profits under trust agreements for money trusts (limited to those for which a contract to make up for profits is concluded under Article 6 of the Act on Engagement in Trust Business by Financial Institutions (Act No. 43 of 1943)) in relation to trust contracts;
 - (v) of the distribution of profits under trust agreements for money trusts (including loan trusts) other than the money trusts specified in the preceding item, those specified by Cabinet Office Order and the Ministry of Finance Order as being certain to be distributed the depositors, etc.;
 - (vi) interest on the long-term credit bank bonds, etc. (excluding those issued by means of a discount);
 - (vii) an amount obtained by deducting from the amount of the relevant long-term credit bank bonds, etc. that have been issued by means of a discount the total amount of payment therefor.
- (2) Of the claims in relation to the deposits, etc. actually held by the depositors, etc. on the day of occurrence of an insurance event prescribed in Article 54, paragraph (1) of the Act, the calculation of the amounts specified in each item of the preceding paragraph is specified by Cabinet Office Order and the Ministry of Finance Order.

(Base Insurance Amount)

Article 6-3 The amount specified by Cabinet Order prescribed in Article 54, paragraph (2) of the Act is ten million yen.

(Interest Rate on Claims Regarding General Deposits)

Article 6-4 The matters specified by Cabinet Order prescribed in Article 54, paragraph (2), item (iii) of the Act are the rate of return on installment savings and installment deposits, expected dividend rate on money trusts (in the case of loan trusts, estimated dividend rate), and discount rate of the long-term credit bank bonds, etc. that have been issued by means of a discount.

(Special Provisions for Amount of Insurance Proceeds Regarding General Deposits)

Article 6-5 In cases where the amount of insurance proceeds is calculated pursuant to the provisions of Article 54, paragraph (3) of the Act, any provisional payment under Article 53, paragraph (4) of the Act and Refund of the Deposits, etc. in relation to the loan under Article 69-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 127 of the Act that have been received must be deducted with respect to the amount of claims in relation to the deposits, etc. corresponding to the amount of insurance proceeds calculated pursuant to the provisions of Article 54, paragraphs (1) and (2) of the Act.

(Method of Calculation of the Base Amount for Refunds of Provisional Payment)

Article 6-6 The amount calculated pursuant to the provisions of a Cabinet Order prescribed in Article 54, paragraph (4) of the Act is the total amount of principal in relation to ordinary deposits out of each amount of principal corresponding to the amount of insurance proceeds under Article 54, paragraphs (1) and (2) of the Act.

(Deposits for Settlement Excluded from Calculation of the Amount of Insurance Proceeds)

Article 7 The deposits for settlement specified by Cabinet Order prescribed in Article 54-2, paragraph (1) of the Act is those falling under the following deposits out of the deposits for settlement (meaning the deposits for settlement prescribed in Article 51-2, paragraph (1) of the Act; the same applies hereinafter),:

- (i) deposits held in the name of another person (including under a fictitious name);
- (ii) deposits under contracts concluded in violation of Article 2, paragraph (1) or (2) of the Act on Controlling an Unjust Contract in Relation to a Deposits.

(Special Provisions for the Amount of Insurance Proceeds Regarding Deposits)

for Settlement)

Article 7-2 In cases where the amount of insurance proceeds is calculated pursuant to the provisions of Article 54, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 54-2, paragraph (2) of the Act, any provisional payment under Article 53, paragraph (4) and refund of the deposits, etc. in relation to the loan under Article 69-3, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 127 of the Act) that have been received must be deducted with respect to the amount of claims in relation to the deposits, etc. corresponding to the amount of insurance proceeds calculated pursuant to Article 54-2, paragraph (1) of the Act.

(Matters for Public Notice Regarding Payment of Insurance Proceeds)

Article 8 The matters specified by Cabinet Order prescribed in Article 57, paragraph (1) of the Act are the following matters:

- (i) hours of handling of payment of insurance proceeds;
- (ii) documents and other items required to be submitted or presented to the DICJ by the depositors, etc. for the payment of insurance proceeds; and
- (iii) other matters deemed necessary by the DICJ.

(Matters for Public Notice Regarding Payment of Provisional Payments)

Article 9 The particulars specified by Cabinet Order prescribed in Article 57, paragraph (2) of the Act are to be the following:

- (i) hours of handling provisional payments;
- (ii) documents and other items required to be submitted or presented to the DICJ by the depositors, etc. when requesting provisional payment; and
- (iii) other particulars deemed necessary by the DICJ.

(Change of the Payment Period of Insurance Proceeds)

Article 10 (1) The events specified by Cabinet Order prescribed in Article 57, paragraph (3) of the Act are the following:

- (i) notice of distribution under Article 197, paragraph (1) of the Bankruptcy Act (Act No. 75 of 2004) (including the cases where applied mutatis mutandis pursuant to Article 209, paragraph (3) of that Act);
- (ii) notice under Article 137-2, paragraph (2) of the Act;
- (iii) decision of approval of a reorganization plan under Article 199, paragraph (1) of the Corporate Reorganization Act (Act No. 154 of 2002) or Article 120, paragraph (1) of the Act on Special Measures for the Reorganization Proceedings of Financial Institutions (Act No. 95 of 1996);
- (iv) decision of confirmation of a rehabilitation plan under Article 174, paragraph (1) of the Civil Rehabilitation Act (Act No. 225 of 1999);

(2) In cases where the DICJ is to change the payment period of insurance proceeds or provisional payment under Article 57, paragraph (3) of the Act, the last day of the payment period after the change must be on or after the day on which three weeks have elapsed from the day of the event prescribed in the preceding paragraph.

(Claims Acquired by DICJ by the Request for Payment of Insurance Proceeds)

Article 11 When the DICJ is to acquire claims in relation to the deposits, etc. under Article 58, paragraph (1) of the Act, the DICJ acquires claims in relation to the deposits, etc. of the amount corresponding to the amount of insurance proceeds to be paid out of the amount of insurance proceeds calculated under the insurance claim calculation provision (meaning the insurance claim calculation provision prescribed in Article 2, paragraph (11) of the Act including the cases where it is applied by replacing the terms pursuant to Article 54-3, paragraph (4) of the Act).

(Deferment of Payment of Insurance Proceeds)

Article 11-2 The DICJ must deliver documents stating the following particulars to the depositors, etc. who have requested the relevant payment when DICJ reserves the payment of insurance proceeds under Article 58, paragraph (2) of the Act:

- (i) the amount of insurance proceeds whose payment is reserved;
- (ii) the type and amount of the deposits, etc. in relation to claims acquired by the DICJ by the request for payment of insurance proceeds and other particulars sufficient to specify the relevant deposits, etc.;
- (iii) names of security interest holders in relation to security interest that is the cause of the reserve;
- (iv) documents and other items required to be submitted or presented to the DICJ by the depositors, etc. in cases where they request the cancellation of the relevant reservation on the ground of the extinction of the secured claim in relation to the security interest that is the cause of reservation.

(Special Provisions for the Act on Special Measures Concerning Taxation in Cases of the Payment of Insurance Proceeds)

Article 11-3 (1) For the purpose of applying the provisions of Article 4-2, paragraphs (2) and (9) of the Act on Special Measures Concerning Taxation in cases where facts that do not fall under the requirements prescribed in Article 6, paragraph (4), item (i), (b) or (c) of the Act on the Promotion of Workers' Property Accumulation (Act No. 92 of 1971) have occurred with respect to a contract on workers' property accumulation savings for house construction, etc. prescribed in Article 4-2, paragraph (1) of the Act on Special Measures

Concerning Taxation (Act No. 26 of 1957) or with respect to the performance thereof, and the facts have arisen from the payment of insurance proceeds under Article 53, paragraph (1) of the Act, the relevant facts are deemed not to fall under cases specified by Cabinet Order prescribed in Article 4-2, paragraph (2) of the Act on Special Measures Concerning Taxation or facts prescribed in Article 4-2, paragraph (9) of the same Act.

- (2) For the purpose of applying the provisions of Article 4-3, paragraphs (2) and (10) of the Act on Special Measures Concerning Taxation in cases where facts that do not fall under the requirements prescribed in Article 6, paragraph (2), item (i), (b) or (c) of the Act on the Promotion of Workers' Property Accumulation have occurred with respect to a workers' property accumulation pension savings contract, etc. prescribed in Article 4-3, paragraph (1) of the Act on Special Measures Concerning Taxation or with respect to the performance thereof, and the facts have arisen from the payment of insurance proceeds under Article 53, paragraph (1) of the Act, the relevant facts are deemed not to fall under cases specified by Cabinet Order prescribed in Article 4-3, paragraph (2) of the Act on Special Measures Concerning Taxation or facts prescribed in Article 4-3, paragraph (10) of the same Act.

(Acts to Support Mergers by Financial Institutions)

Article 12 The acts specified by Cabinet Order prescribed in Article 60, paragraph (1) of the Act are a loan or deposit of funds.

(Measures to Ensure Sound Financial Conditions)

Article 13 The measures specified by Cabinet Order prescribed in Article 64-2, paragraph (1) of the Act (including cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act) are the following:

- (i) measures for management rationalization;
- (ii) measures to secure the source of funds to enable the disposition of shares, etc. (meaning the acquisition of own shares using surplus or cancellation of preferred equity investments using surplus; the same applies hereinafter), redemption or repayment with respect to preferred shares, etc. (including the following) acquired by the DICJ based on a decision under Article 64, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act; hereinafter the same applies in this item and the following Article) and borrowings in relation to loan claims acquired by the DICJ based on a decision under Article 64, paragraph (1) of the Act;
 - (a) in cases where the relevant preferred shares, etc. refer specifically to preferred shares, the following shares.

1. in cases where a request can be made for the conversion of the relevant preferred shares into shares of another class (meaning the delivery of shares of another class in exchange for the acquisition of the preferred shares by their issuing company; hereinafter the same applies in this Article, the following Article (excluding item (iii) of paragraph (2)), Article 29-23, and Article 29-28, items (i) and (ii)), shares of another class into which the shares are converted pursuant to the request.
 2. in cases where the relevant preferred shares convertible upon the occurrence of certain events, shares of another class into which the preferred shares are converted as a result of such occurrence.
 3. shares split or consolidated with respect to the relevant preferred shares or the shares of another class specified in 1 or 2.
- (b) in cases where the relevant preferred shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the subordinated bonds and shares split or consolidated with respect thereto.
- (c) in cases where the relevant preferred shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.
- (iii) measures to ensure sound financial conditions and to ensure the sound and appropriate operations.

(Acquired Preferred Shares Regarding Financial Assistance)

Article 13-2 (1) The shares, etc. specified by Cabinet Order prescribed in Article 64-2, paragraph (6), item (i) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act) are the preferred shares, etc. (including those specified in Article 13, item (ii), (a) through (c)) acquired by the DICJ through the subscription for preferred shares, etc. based on a decision under Article 64, paragraph (1) of the Act.

- (2) The shares, etc. specified by Cabinet Order prescribed in Article 64-2, paragraph (6), item (ii) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act) are the following:
- (i) the preferred shares (including the following) allotted to the DICJ by a company that has become a wholly owning parent company resulting from share exchange (meaning the wholly owning parent company resulting from share exchange prescribed in Article 768, paragraph (1), item (i) of the Companies Act (Act No. 86 of 2005); the same applies hereinafter) or wholly owning parent company incorporated in a share transfer (meaning the wholly owning parent company incorporated in a share transfer prescribed in Article 773, paragraph (1), item (i) of that Act; the same applies hereinafter) of the

- relevant financial institution or bank holding company, etc. through share exchange or share transfer effected by a financial institution or bank holding company, etc. for which the DICJ conducted the subscription for preferred shares, etc. pursuant to a decision under Article 64, paragraph (1) of the Act;
- (a) in cases where a request may be made for the conversion of the relevant preferred shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 - (b) in cases where the relevant preferred shares are convertible upon the occurrence of certain events, shares of another class into which the preferred shares are converted as a result of the occurrence.
 - (c) shares split or consolidated with respect to the relevant preferred shares or the shares of another class specified in (a) or (b).
- (ii) the preferred shares, etc. (including the following) allotted to the DICJ by another corporation that is to succeed to the whole or part of business of a financial institution or bank holding company, etc. through merger or company split thereof, for which the DICJ has conducted the subscription for preferred shares, etc. pursuant to a decision under Article 64, paragraph (1) of the Act;
- (a) in cases where the relevant preferred shares, etc. means preferred shares, the following shares:
 - 1. in cases where a request can be made for the conversion of the relevant preferred shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 - 2. in cases where the relevant preferred shares are convertible upon the occurrence of certain events, shares of another class into which the preferred shares are converted as a result of the occurrence.
 - 3. shares split or consolidated with respect to relevant preferred shares or the shares of another class specified in 1 or 2.
 - (b) in cases where the relevant preferred shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto.
 - (c) in cases where the relevant preferred shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.
- (iii) the shares, etc. (including the following and excluding the shares, etc. specified in the preceding two items) allotted to the DICJ by a company that has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer through share exchange or share transfer effected by a corporation that is an issuer of the shares, etc. falling under acquired preferred shares, etc. (meaning the

acquired preferred shares, etc. prescribed in Article 64-2, paragraph (6) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act; hereinafter the same applies in Articles 14-2 and 14-3)) under this Article or by another corporation that is to succeed to the whole or part of the business of the corporation through merger or company split thereof;

- (a) in cases where the relevant shares, etc. refer specifically to shares, the shares specified below.
 - 1. in cases where a request can be made for the conversion of the relevant shares into shares of another class (meaning the delivery of shares of another class in exchange for the acquisition of the relevant shares by their issuing company; hereinafter the same applies from this Article to Article 29-28 (excluding Article 29-23 and Article 29-28, items (i) and (ii))), shares of another class into which the shares are converted pursuant to the request.
 - 2. in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the relevant shares are converted as a result of the occurrence.
 - 3. Shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.
- (b) in cases where the relevant shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto.
- (c) in cases where the relevant shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.

(Application for Approval for Continuation of Business)

Article 14 An assuming financial institution must, if it seeks to obtain approval for the continuation of business under Article 67, paragraph (2) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act; hereinafter the same applies in item (ii)), submit to the Commissioner of the Financial Services Agency (in the case of a labor bank or federation of labor banks, to the Commissioner of the Financial Services Agency and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., to the Commissioner of the Financial Services Agency, the Minister of Finance, and the Minister of Economy, Trade and Industry) a written application for approval, attaching the following documents:

- (i) documents stating special circumstances for the continuation of the relevant business;

- (ii) documents stating the contents of a contract prescribed in Article 67, paragraph (2) of the Act and the total amount of the relevant contract as of the date of the merger, assumption of business, transfer of insured deposits (meaning the transfer of insured deposits prescribed in Article 2, paragraph (11) of the Act), or company split;
- (iii) documents stating the period for the relevant continuation of business and a plan as to how the relevant business is to be concluded;
- (iv) other documents specified by Cabinet Office Order and the Ministry of Finance Order.

(Measures to Ensure Sound Financial Conditions Concerning Approval for a Share Exchange Regarding Financial Assistance)

Article 14-2 The measures specified by Cabinet Order prescribed in Article 68-2, paragraph (4) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act) are to be the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to secure the source of funds to enable the acquisition of own shares using surplus with respect to acquired preferred shares, etc. (including the following) prescribed in Article 64-2, paragraph (6) of the Act that are allotted to the DICJ through the share exchange, etc. (meaning the share exchange, etc. prescribed in Article 68-2, paragraph (1) of the Act) approved under Article 68-2, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act; hereinafter the same applies in this item);
 - (a) in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the relevant shares are converted pursuant to the request.
 - (b) in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of such occurrence.
 - (c) shares split or consolidated with respect to the relevant shares or the shares of another class specified in (a) or (b).
- (iii) measures to ensure sound financial conditions and to ensure sound and appropriate operations.

(Measures to Ensure Soundness of Financial Conditions Concerning Approval for Corporate Reorganization Regarding Financial Assistance)

Article 14-3 The measures specified by Cabinet Order prescribed in Article 68-3, paragraph (4) of the Act (including the cases where applied mutatis mutandis

pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act; hereinafter the same applies in item (ii)) are the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to secure the source of funds to enable the disposal of shares, etc., redemption or repayment with respect to acquired preferred shares, etc. (including the following) prescribed in Article 64-2, paragraph (6) of the Act that are allotted to the DICJ through a corporate reorganization (meaning the corporate reorganization prescribed in Article 68-3, paragraph (1) of the Act; hereinafter the same applies in this item) approved under Article 68-3, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act; hereinafter the same applies in this item) and borrowings in relation to acquired loan claims (meaning the acquired loan claims prescribed in Article 64-2, paragraph (5) of the Act (including the cases where applied mutatis mutandis pursuant to Article 15-4, paragraph (7) of the Supplementary Provisions of the Act) and limited to those of which the obligor is the bridge financial institution, etc. (meaning the bridge financial institution, etc. prescribed in Article 68-3, paragraph (4) of the Act) in relation to the relevant corporate reorganization) held by the DICJ after that corporate reorganization approved under Article 68-3, paragraph (1) of the Act.
 - (a) in cases where the relevant shares, etc. refer specifically to shares, the shares specified below.
 1. in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 2. in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of such occurrence.
 3. shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.
 - (b) in cases where the relevant shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto.
 - (c) in cases where the relevant shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.
- (iii) measures to ensure sound financial conditions and to ensure sound and appropriate operations.

(Application Mutatis Mutandis of the Provisions Concerning Measures to

Ensure Soundness of Financial Conditions Regarding Additional Financial Assistance)

Article 14-4 The provisions of Article 13 apply mutatis mutandis to the cases where the provisions of Article 64-2, paragraph (1) of the Act are applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act. In this case, the term "Article 64, paragraph (1) of the Act" in Article 13, item (ii) is deemed to be replaced with "Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Acquired Preferred Shares, Regarding Additional Financial Assistance)

Article 14-5 The provisions of Article 13-2 apply mutatis mutandis to the cases where the provisions of Article 64-2, paragraph (5) of the Act (including the cases where applied mutatis mutandis pursuant to Article 68-2, paragraph (5) and Article 68-3, paragraph (5) of the Act) are applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act. In this case, the term "Article 64, paragraph (1) of the Act" in Article 13-2, paragraph (1) and Article 13-2, paragraph (2), items (i) and (ii) is deemed to be replaced with "Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Soundness of Financial Conditions Concerning Approval for Share Exchange Regarding Additional Financial Assistance)

Article 14-6 The provisions of Article 14-2 apply mutatis mutandis to the cases where the provisions of Article 68-2, paragraph (4) of the Act are applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act. In this case, the term in Article 14-2, item (ii) "Article 68-2, paragraph (1) of the Act" is deemed to be replaced with "Article 68-2, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act," and the term "Article 64-2, paragraph (6) of the Act" is deemed to be replaced with "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Soundness of Financial Conditions Concerning Approval for Corporate Reorganization Regarding Additional Financial Assistance)

Article 14-7 The provisions of Article 14-3 apply mutatis mutandis to the cases where the provisions of Article 68-3, paragraph (4) of the Act are applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act. In this case, the phrase in Article 14-3, item (ii) "Article 68-3, paragraph (1) of the Act" is

deemed to be replaced with "Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act," "Article 64-2, paragraph (5) of the Act" is deemed to be replaced with "Article 64-2, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act," and the phrase "Article 64-2, paragraph (6) of the Act" is deemed to be replaced with "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act."

(Transactions Regarding Settlement of Funds Undertaken by a Financial Institution)

Article 14-8 The transactions specified by Cabinet Order prescribed in Article 69-2, paragraph (1) of the Act are the following transactions (excluding transactions that are deemed to be appropriate by the DICJ on the ground that the performance of liabilities pertaining thereto is assured through the implementation of measures to secure the appropriate clearing of funds and other similar measures prescribed in Article 72 of the Act on the Settlement of Funds (Act No. 59 of 2009)):

- (i) exchange transactions;
- (ii) transactions conducted based on the presentation of negotiable instrument, check, or other securities or instruments which can be settled for an amount indicated thereon at a clearinghouse;
- (iii) transactions in relation to checks drawn by a financial institution on itself under Article 6, paragraph (3) of the Act on Checks (Act No. 57 of 1933).

(Person Conducting Financial Business)

Article 14-9 The persons specified by Cabinet Order prescribed in Article 69-2, paragraph (1) of the Act are the following:

- (i) a financial institution;
- (ii) a branch office of a foreign bank prescribed in Article 47, paragraph (2) of the Banking Act (Act No. 59 of 1981);
- (iii) agricultural cooperatives that conduct the activities prescribed in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act (Act No. 132 of 1947);
- (iv) a federation of agricultural cooperatives that conducts the activities prescribed in Article 10, paragraph (1), item (iii) of the Agricultural Cooperatives Act;
- (v) fisheries cooperatives that conduct the activities prescribed in Article 11, paragraph (1), item (iv) of the Fisheries Cooperatives Act (Act No. 242 of 1948);
- (vi) a federation of fisheries cooperatives that conducts the activities prescribed in Article 87, paragraph (1), item (iv) of the Fisheries Cooperatives Act;

- (vii) fishery processing cooperatives that conduct the activities prescribed in Article 93, paragraph (1), item (ii) of the Fisheries Cooperatives Act;
- (viii) a federation of fishery processing cooperatives that conducts the activities prescribed in Article 97, paragraph (1), item (ii) of the Fisheries Cooperatives Act;
- (ix) the Norinchukin Bank.

(Obligations Borne by Financial Institutions)

Article 14-10 Those specified by Cabinet Order prescribed in Article 69-2, paragraph (1) of the Act are the following:

- (i) those resulting from transactions other than those conducted on a regular basis by a financial institution;
- (ii) those resulting from entrustment by a relevant person based on transactions other than those conducted on a regular basis by a person specified in each item of the preceding Article;
- (iii) those resulting from transactions specified in Article 14-8, item (iii).

(Deposits Excluded from the Purchase of Deposits and Other Claims)

Article 15 The deposits, etc. specified by Cabinet Order prescribed in Article 70, paragraph (1) of the Act are the deposits, etc. specified in each item of Article 3 and Article 6.

(Costs Required for the Purchase of Deposits and Other Claims)

Article 16 The amount of costs specified by Cabinet Order prescribed in Article 70, paragraph (2) of the Act as being required for purchase is the following:

- (i) interest on borrowings made by the DICJ costs incurred for the purpose of purchasing deposits and other claims (meaning the purchase of deposits and other claims prescribed in Article 70, paragraph (1) of the Act; the same applies hereinafter);
- (ii) administrative costs incurred by the DICJ for the purpose of purchasing deposits and other claims;
- (iii) administrative costs expected to be incurred by the DICJ for the purpose of making payments, if any, under the proviso to Article 70, paragraph (2) of the Act.

(Amount Excluded from the Calculation of Estimated Proceeds Payment)

Article 17 Those specified by Cabinet Order prescribed in Article 70, paragraph (3) of the Act are those specified in Article 6-2, paragraph (1), items (ii), (iii) and (vii).

(Particulars for Public Notice Regarding the Purchase of Deposits and Other

Claims)

Article 18 The particulars specified by Cabinet Order prescribed in Article 72, paragraph (1) of the Act are the following:

- (i) hours of handling of purchase of deposits and other claims;
- (ii) documents and other items required to be submitted or presented to the DICJ by the depositors, etc. when requesting the purchase of deposits and other claims;
- (iii) other particulars deemed necessary by the DICJ.

(Change of Period of Purchase of Deposits and Other Claims)

Article 19 (1) The events specified by Cabinet Order prescribed in Article 72, paragraph (2) of the Act are to be those specified in each item of Article 10, paragraph (1).

(2) In cases where the DICJ is to change the purchase period in relation to the purchase of deposits and other claims under Article 72, paragraph (2) of the Act, the last day of the purchase period after the change must be on or after the day on which three weeks have elapsed from the day of the event prescribed in the preceding paragraph.

(Particulars for Public Notice Regarding Settlement Payments)

Article 20 The particulars specified by Cabinet Order prescribed in Article 72, paragraph (4) of the Act are the following:

- (i) method of payment;
- (ii) other particulars deemed necessary by the DICJ.

(Amount of Principal on Reference Dates in Cases of Purchase of Deposits and Other Claims)

Article 21 The amount specified by Cabinet Order prescribed in Article 73, paragraph (1) of the Act as the amount of principal is an amount which, on the day of occurrence of an insurable contingency in relation to the estimated proceeds payment, is equivalent to the principal of deposits and other claims (meaning the deposits and other claims prescribed in Article 70, paragraph (1) of the Act; the same applies hereinafter) for which the depositors, etc. have received the estimated proceeds payment prescribed in Article 70, paragraph (4) of the Act (in the case of the long-term credit bank bonds, etc. prescribed in Article 73, paragraph (1), item (v) of the Act, the amount of the long-term credit bank bonds, etc.) (the amount is, in cases where, prior to the day of the estimated proceeds payment, the DICJ has acquired the whole or part of the principal of deposits and other claims under Article 58, paragraph (1) or (3) of the Act, or the whole or part of the principal of deposits and other claims have been extinguished due to refund or set-off of the deposits, etc. in relation to the

loan prescribed in Article 69-3, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 127 of the Act) or any other reason, to be reduced by the amount of principal of deposits and other claims that have been so acquired or extinguished).

(Special Provisions for the Act on Special Measures Concerning Taxation For the Purchase of Deposits and Other Claims)

Article 22 (1) For the purpose of applying the provisions of Article 4-2, paragraphs (2) and (9) of the Act on Special Measures Concerning Taxation in cases where facts that do not fall under the requirements prescribed in Article 6, paragraph (4), item (i), (b) or (c) of the Act on the Promotion of Workers' Property Accumulation have occurred with respect to a contract on workers' property accumulation savings for house construction, etc. prescribed in Article 4-2, paragraph (1) of the Act on Special Measures Concerning Taxation or with respect to the performance thereof, and the facts have arisen from the purchase of deposits and other claims, the relevant facts are deemed not to fall under cases specified by Cabinet Order prescribed in Article 4-2, paragraph (2) of the Act on Special Measures Concerning Taxation or facts prescribed in Article 4-2, paragraph (9) of the Act.

(2) For the purpose of applying the provisions of Article 4-3, paragraphs (2) and (10) of the Act on Special Measures Concerning Taxation in cases where facts that do not fall under the requirements prescribed in Article 6, paragraph (2), item (i), (b) or (c) of the Act on the Promotion of Workers' Property Accumulation have occurred with respect to a workers' property accumulation pension savings contract, etc. prescribed in Article 4-3, paragraph (1) of the Act on Special Measures Concerning Taxation or with respect to the performance thereof, and the facts have arisen from the purchase of deposits and other claims, the relevant facts are deemed not to fall under cases specified by Cabinet Order prescribed in Article 4-3, paragraph (2) of the Act on Special Measures Concerning Taxation or facts prescribed in Article 4-3, paragraph (10) of this Act.

(Creditors to Whom Individual Notice Need Not Be Given Concerning a Reduction of the Amount of Stated Capital)

Article 23 The creditors specified by Cabinet Order prescribed in Article 89 of the Act (including the cases where applied mutatis mutandis pursuant to Article 106, paragraph (2) of the Act) are the following:

- (i) persons who make installment savings;
- (ii) persons who make installment deposits;
- (iii) beneficiaries of money trusts;
- (iv) right holders of the Long-Term Credit Bank Bonds under Article 8 of the

Long-Term Credit Bank Act (Act No. 187 of 1952), specified bonds under Article 8, paragraph (1) of the Act on Financial Institutions' Merger and Conversion (Act No. 86 of 1968) (including the cases where applied mutatis mutandis pursuant to the provisions of Article 55, paragraph (4) of the same Act), debentures issued under Article 17-2, paragraph (1) of the Act on Financial Institutions' Merger and Conversion before the revision by Article 168 of the Supplementary Provisions of the Act on Development, etc. of Relevant Acts for the Reform of the Financial System (Act No. 107 of 1998) which remain in force pursuant to Article 169 of the Supplementary Provisions of the same Act, Federation of Shinkin Banks bonds under Article 54-2-4, paragraph (1) of the Shinkin Bank Act (Act No. 238 of 1951), and commercial and industrial bonds under Article 33 of The Shoko Chukin Bank, Ltd. Act (Act No. 74 of 2007) (including those that are deemed under Article 37 of the Supplementary Provisions of the Act to be commercial and industrial bonds issued under Article 33 of the Act) (referred to as "financial bonds" in Article 29-5, item (iv) and Article 30);

(v) creditors in relation to a custody agreement and other creditors under a standard contract in relation to the business of a bank, etc. to which a large number of persons are parties, as specified by Cabinet Office Order and the Ministry of Finance Order.

(Amount of Loss Caused to Contracted Bridge Banks)

Article 24 The amount calculated pursuant to the provisions of a Cabinet Order prescribed in Article 99 of the Act is the smaller of the amounts specified in the following items of o each business year of the contracted bridge bank (meaning the contracted bridge bank prescribed in Article 97, paragraph (1), item (i) of the Act; the same applies in item (i)):

- (i) an amount equivalent to a capital loss in cases where the assets of the contracted bridge bank have been purchased under the succession contract prescribed in Article 97, paragraph (1) of the Act;
- (ii) an amount specified by Cabinet Office Order and the Ministry of Finance Order as a current loss resulting from the settlement of profits and losses.

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Soundness of Financial Conditions Regarding Financial Assistance to Re-succeeding Financial Institutions)

Article 24-2 The provisions of Article 13 applies mutatis mutandis to the cases where the provisions of Article 64-2, paragraph (1) of the Act are applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act. In this case, the phrase "Article 64, paragraph (1) of the Act" in Article 13, item (ii) is deemed to be replaced with "Article 64, paragraph (1) of the Act as applied

mutatis mutandis pursuant to Article 101, paragraph (7) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Acquired Preferred Shares, Regarding Financial Assistance to Re-succeeding Financial Institutions)

Article 24-3 The provisions of Article 13-2 applies mutatis mutandis to the cases where the provisions of Article 64-2, paragraph (5) of the Act (including the cases where applied mutatis mutandis pursuant to Article 68-2, paragraph (5) and Article 68-3, paragraph (5) of the Act) are applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act. In this case, the phrase "Article 64, paragraph (1) of the Act" in Article 13-2, paragraph (1) and Article 13-2, paragraph (2), items (i) and (ii) is deemed to be replaced with "Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Sound Financial Conditions Regarding Approval for Share Exchanges to Re-succeeding Financial Institutions)

Article 24-4 The provisions of Article 14-2 applies mutatis mutandis to the cases where the provisions of Article 68-2, paragraph (4) of the Act are applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act. In this case, the phrase in Article 14-2, item (ii) "Article 68-2, paragraph (1) of the Act" is deemed to be replaced with "Article 68-2, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act," and the phrase "Article 64-2, paragraph (6) of the Act" is deemed to be replaced with "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act."

(Application Mutatis Mutandis of Provisions Concerning Measures to Ensure Sound Financial Conditions Regarding Approval for Corporate Reorganization to Re-succeeding Financial Institutions)

Article 24-5 The provisions of Article 14-3 apply mutatis mutandis to the cases where the provisions of Article 68-3, paragraph (4) of the Act are applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act. In this case, the phrase in Article 14-3, item (ii) "Article 68-3, paragraph (1) of the Act" is deemed to be replaced with "Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act," the phrase "Article 64-2, paragraph (5) of the Act" is deemed to be replaced with "Article 64-2, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act" and the phrase "Article 64-2, paragraph (6) of the Act" is deemed to be replaced with "Article 64-2,

paragraph (6) of the Act as applied mutatis mutandis pursuant to Article 101, paragraph (7) of the Act."

(Management Improvement Plan)

Article 25 The measures specified by Cabinet Order prescribed in Article 105, paragraph (3) of the Act are the following:

- (i) measures to rationalize the management of business;
- (ii) measures to establish a responsible management system (including, in cases where a bank holding company, etc. has made an application prescribed in Article 105, paragraph (2) of the Act, the management system of the relevant bank holding company, etc.);
- (iii) measures to prevent surplus from being drained by way of dividend, or otherwise (including, in cases where a bank holding company, etc. has made an application prescribed in Article 105, paragraph (2) of the Act, the surplus of the relevant bank holding company, etc.);
- (iv) measures to secure the source of funds to enable the disposal of shares, etc., redemption or repayment with respect to the Shares, etc. (including the following; the same applies in Article 25-6) acquired by the DICJ based on a decision under Article 105, paragraph (4) of the Act and borrowings in relation to loan claims acquired by the DICJ based on a decision under Article 105, paragraph (4) of the Act (including, in cases where a bank holding company, etc. has made an application under Article 105, paragraph (2) of the Act, the source of funds of the relevant bank holding company, etc.);
 - (a) in cases where the relevant shares, etc. refer specifically to shares, the shares specified below.
 1. in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 2. in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of the occurrence.
 3. shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.
 - (b) in cases where the relevant shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto.
 - (c) in cases where the relevant shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.
- (v) measures to ensure sound financial conditions (including, in cases where a bank holding company, etc. has made an application under Article 105,

paragraph (2) of the Act, the financial conditions of the relevant bank holding company, etc.) and to ensure the sound and appropriate operations (including, in cases where a bank holding company, etc. has made an application under Article 105, paragraph (2) of the Act, the operations of the bank holding company, etc.).

(Special Provisions for Registration Resulting from Issuance of Preferred Equity Investments)

Article 25-2 For the purpose of applying the provisions of Article 14 of the Order for Enforcement of the Act on Preferred Equity Investment by Cooperative Financial Institution (Cabinet Order No. 398 of 1993) in cases where a Financial Institution makes the registration of a change under Article 107-4, paragraph (2) of the Act resulting from the issuance of preferred equity investments in accordance with a decision under Article 105, paragraph (4) of the Act, the term in Article 14 of the relevant Order "the following documents" is deemed to be "the following documents and documents evidencing that the issuance of preferred equity investments is in accordance with a decision under Article 105, paragraph (4) of the Deposit Insurance Act (Act No. 34 of 1971)."

(Acquired Shares by Measures Under Item (i))

Article 25-3 (1) The shares, etc. specified by Cabinet Order prescribed in Article 108, paragraph (3), item (i) of the Act (including the cases where applied mutatis mutandis pursuant to Article 108-2, paragraph (4) of the Act (including the cases where applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act)) are the shares, etc. (including the following) acquired by the DICJ pursuant to the Measures Under Item (i) (meaning the Measures Under Item (i) prescribed in Article 102, paragraph (1), item (i) of the Act; hereinafter the same applies in this Article):

- (i) in cases where the relevant shares, etc. refer specifically to shares, the shares specified below.
 - (a) in cases where a request may be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 - (b) in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of the occurrence.
 - (c) shares split or consolidated with respect to the relevant shares or the shares of another class specified in (a) or (b).
- (ii) in cases where the relevant shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto.

- (iii) in cases where the relevant shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.
- (2) The shares, etc. specified by Cabinet Order prescribed in Article 108, paragraph (3), item (ii) of the Act (including the cases where applied mutatis mutandis pursuant to Article 108-2, paragraph (4) (including the cases where applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act)) are to be the following:
 - (i) the shares (including the following) allotted to the DICJ by a company that has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer of a financial institution or bank holding company, etc. with respect to whom the DICJ has executed the subscription for shares, etc. pursuant to the measures under item (i):
 - (a) in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 - (b) in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of the occurrence.
 - (c) shares split or consolidated with respect to the relevant shares or the shares of another class specified in (a) or (b).
 - (ii) the shares, etc. (including the following) allotted to the DICJ by another corporation that is to succeed to the whole or part of business of a financial institution or bank holding company, etc. through merger or company split thereof, for which the DICJ has conducted the subscription for shares, etc. pursuant to the measures under item (i):
 - (a) in cases where the relevant shares, etc. refer specifically to shares, the shares specified below.
 1. in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 2. In cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of such occurrence.
 3. Shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.
 - (b) In cases where the relevant shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto.
 - (c) In cases where the relevant shares, etc. are preferred equity investments,

preferred equity investments split with respect to the relevant preferred equity investments.

- (iii) the Shares, etc. (including the following) allotted to the DICJ by a company that has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer through share exchange or share transfer effected by a corporation that is an issuer of the Shares, etc. falling under acquired Preferred Shares, etc. (meaning the acquired Preferred Shares, etc. prescribed in Article 108, paragraph (3) of the Act (including the cases where applied mutatis mutandis pursuant to Article 108-2, paragraph (4) of the Act (including the cases where applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act))) under the preceding two items and this item or by another corporation that is to succeed to the whole or part of the business of the relevant corporation through merger or company split thereof:
- (a) In cases where the relevant Shares, etc. refer specifically to shares, the shares specified below.
1. In cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 2. In cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of the occurrence.
 3. Shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.
- (b) in cases where the relevant shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto.
- (c) in cases where the relevant shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.

(Management Soundness Improvement Plan Submitted Under Article 108-2, paragraph (3) of the Act)

Article 25-4 The measures specified by Cabinet Order prescribed in Article 108-2, paragraph (3) of the Act are the following measures to be implemented by a company, in joint name with which a management soundness improvement plan (meaning the prescribed in Article 105, paragraph (3) of the Act; the same applies in Article 25-7 and Article 38, paragraph (1), items (v) and (vi)) is submitted, and which has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer prescribed in Article 108-2, paragraph (3) of the Act:

- (i) measures to establish a responsible management system;
- (ii) measures to prevent surplus from being drained by way of dividends, etc.;
- (iii) measures to secure the source of funds to enable the acquisition of own shares using a surplus with respect to acquired shares, etc. allotted to the DICJ through the share exchange, etc. (meaning the share exchange, etc. prescribed in Article 108-2, paragraph (1) of the Act) authorized under Article 108-2, paragraph (1) of the Act (including the following; the same applies in Article 25-7 and Article 25-9);
 - (a) In cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the relevant shares are converted pursuant to that request.
 - (b) In cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the relevant shares are converted as a result of the occurrence.
 - (c) shares split or consolidated with respect to the relevant shares or the shares of another class specified in (a) or (b).
- (iv) Measures to ensure the soundness of financial conditions and to ensure sound and appropriate operations.

(Requirements for Authorization for Corporate Reorganization of Subject Financial Institutions)

Article 25-5 The requirements specified by Cabinet Order prescribed in Article 108-3, paragraph (2), item (v) of the Act are, in cases where shares that are to become acquired shares, etc. are allotted to the DICJ through corporate reorganization (meaning the corporate reorganization prescribed in Article 108-3, paragraph (1) of the Act; the same applies from this Article to Article 25-9) conducted by the subject financial institution (meaning the subject financial institution prescribed in Article 108-3, paragraph (1) of the Act) that is a Bank, etc. or The Shoko Chukin Bank, Ltd., that the class of acquired Shares, etc. to be allotted to the DICJ through the corporate reorganization is deemed to be identical to the class of acquired shares, etc. held by the DICJ prior to the relevant corporate reorganization.

(Management Soundness Improvement Plan Submitted by Bridge Financial Institutions)

Article 25-6 The measures specified by Cabinet Order prescribed in Article 108-3, paragraph (3) of the Act are the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to establish a responsible management system;
- (iii) measures to prevent surplus from being drained through payment of dividends, etc.;

- (iv) measures to secure the source of funds to enable the disposal of shares, etc., redemption or repayment with respect to acquired shares, etc. that are allotted to the DICJ through a corporate reorganization authorized under Article 108-3, paragraph (1) of the Act and borrowings in relation to acquired loan claims (meaning the acquired loan claims prescribed in Article 108, paragraph (2) of the Act and limited to those of which the obligor is the bridge financial institution (meaning the bridge financial institution prescribed in Article 108-3, paragraph (2), item (i)) in relation to the relevant corporate reorganization) held by the DICJ after the Corporate Reorganization;
- (v) measures to ensure the soundness of financial conditions and to ensure sound and appropriate operations.

(Management Soundness Improvement Plan Submitted by Succeeding Financial Institutions)

Article 25-7 The measures specified by Cabinet Order prescribed in Article 108-3, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 108-3, paragraph (4) of the Act are to be the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to establish a responsible management system (including the management system of the bank holding company, etc. in joint name with which a management soundness improvement plan is submitted);
- (iii) measures to prevent surplus (including the surplus of the bank holding company, etc. in joint name with which a management soundness improvement plan is submitted) from being drained by way of dividends, etc.;
- (iv) measures to secure the source of funds to enable the acquisition of own shares using surplus with respect to acquired shares, etc. (limited to those issued by the relevant bank holding company, etc.) held by the DICJ after the corporate reorganization authorized under Article 108-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 108-3, paragraph (4) of the Act, to be implemented by the bank holding company, etc. in joint name with which a management soundness improvement plan is submitted;
- (v) measures to ensure sound financial conditions (including the financial conditions of the bank holding company, etc. in joint name with which a management soundness improvement plan is submitted) and to ensure sound and appropriate operations (including the operations of the bank holding company, etc. in joint name with which a management soundness improvement plan is submitted).

(Requirements for Authorization for Corporate Reorganization of an Issuing Financial Institution Other Than a Subject Financial Institution)

Article 25-8 The requirements specified by Cabinet Order prescribed in Article 108-3, paragraph (6), item (iv) of the Act are that the class of acquired shares, etc. to be allotted to the DICJ through the corporate reorganization is deemed to be identical to the class of acquired shares, etc. held by the DICJ prior to the relevant corporate reorganization.

(Management Soundness Improvement Plan Submitted under Article 108-3, Paragraph (7) of the Act)

Article 25-9 The measures specified by Cabinet Order prescribed in Article 108-3, paragraph (7) of the Act are to be the following measures to be implemented by another bank holding company, etc. prescribed in Article 108-3, paragraph (7) of the Act:

- (i) measures to establish a responsible management system;
- (ii) measures to prevent surplus from being drained by way of dividends, etc.;
- (iii) measures to secure the source of funds to enable the acquisition of own shares using surplus with respect to acquired Shares, etc. that are allotted to the DICJ through the corporate reorganization authorized under Article 108-3, paragraph (5) of the Act;
- (iv) measures to ensure the soundness of financial conditions and to ensure sound and appropriate operations.

(Application Mutatis Mutandis of the Provisions Concerning Acquired Shares Regarding Measures under Item (i))

Article 25-9-2 The provisions of Article 108, paragraph (3) of the Act and Article 25-3 apply mutatis mutandis to the cases where the provisions of Article 108, paragraph (2) of the Act are applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act.

(Application Mutatis Mutandis of Provisions Concerning Management Soundness Improvement Plan Submitted under of Article 108-2, paragraph (3) of the Act as Applied Mutatis Mutandis Pursuant to Article 108-3, paragraph (8) of the Act)

Article 25-10 The provisions of Article 25-4 apply mutatis mutandis to the cases where the provisions of Article 108-2, paragraph (3) of the Act are applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act. In this case, the term in Article 25-4, item (iii) "Article 108-2, paragraph (1) of the Act" is deemed to be replaced with "Article 108-2, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act."

(Replacements Concerning Special Provisions for Financial Assistance Regarding Banks Under Special Crisis Management)

Article 26 (1) The replacement of technical terms in cases where the provisions of the Act are applied mutatis mutandis pursuant to Article 118, paragraph (2) of the Act with regard to the application under Article 118, paragraph (1) of the Act and confirmation under Article 61, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 118, paragraph (2) of the Act is to be as follows:

Provision of the Act for which a term is deemed to be replaced	Term deemed to be replaced	Replacement term
Article 59, paragraph (6)	Prime Minister (in the case of a labor bank or the Rokinren bank, the Prime Minister and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry)	Prime Minister
Article 59, paragraph (7)	the Minister of Finance; provided, however, that this not applies to cases where the financial institution that has made the relevant application is The Shoko Chukin Bank, Ltd.	the Minister of Finance.

(2) The replacement of technical terms in cases where the provisions of the Act are applied mutatis mutandis pursuant to Article 118, paragraph (4) of the Act with regard to the mediation under Article 118, paragraph (3) of the Act, application under Article 118, paragraph (1) of the Act, confirmation under Article 61, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 118, paragraph (2) of the Act, or a financial institution or bank holding company, etc. that has received the mediation under Article 118, paragraph (3), and the financial assistance prescribed in Article 118, paragraph (1) of the Act is to be as follows:

Provision of the Act in which a term is deemed to be replaced	Term deemed to be replaced	Replacement term

Article 62, paragraph (5)	failed financial institution or a financial institution recognized as having a high probability of becoming a failed financial institution	bank under special crisis management
Article 64, paragraph (3)	Prime Minister and the Minister of Finance (if the relevant decision pertains to a merger, etc. to which a labor bank or The Rokinren Bank is a party, to the Prime Minister, the Minister of Finance, and the Minister of Health, Labour and Welfare, and if the decision pertains to a merger, etc. to which The Shoko Chukin Bank, Ltd. is a party, to the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry).	Prime Minister and the Minister of Finance.
Article 65	Prime Minister (in the case of a labor bank or the Rokinren bank, to the Prime Minister and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., to the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry)	Prime Minister
Article 66, paragraph (1)	merger, business transfer, etc., transfer of insured deposits, share exchange, or share transfer	merger, share exchange or share transfer
	Prime Minister (in the case of a labor bank or The Rokinren Bank, to the Prime Minister and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., to the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry)	Prime Minister
Article 66, paragraph (2)	bank, etc., bank holding company, etc. or The Shoko Chukin Bank, Ltd.	bank, etc. or bank holding company, etc.

Article 66, paragraph (3)	Prime Minister (in the case of a labor bank or the Rokinren bank, to the Prime Minister and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd., to the Prime Minister, the Minister of Finance, and the Minister of Economy, Trade and Industry)	Prime Minister
Article 66, paragraph (4)	Minister of Finance; provided, however, that this not applies in cases where the financial institution that gave the relevant notice is The Shoko Chukin Bank, Ltd.	Minister of Finance.

(Particulars to be Reported Concerning Decisions on Contributions or Specified Contributions)

Article 27 The particulars specified by Cabinet Order prescribed in Article 123, paragraph (1), item (v) of the Act are the following:

- (i) the amount of costs incurred in carrying out the crisis management operations prescribed in Article 121, paragraph (1) of the Act (excluding the amount of costs in relation to the operations prescribed in items (iv) through (xi));
- (ii) an amount equivalent to the amount of fruit arising out of acquired shares, etc. or acquired loan claims prescribed in Article 108, paragraph (2) of the Act (including the cases where applied mutatis mutandis pursuant to Article 108-2, paragraph (4) of the Act (including the cases where applied mutatis mutandis pursuant to Article 108-3, paragraph (8) of the Act) and Article 108-3, paragraph (8) of the Act) or acquired specified shares, etc. (meaning the acquired specified shares, etc. prescribed in Article 126-24, paragraph (2) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-25, paragraph (4) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-26, paragraph (8) of the Act) and Article 126-26, paragraph (8) of the Act); hereinafter the same applies) or acquired specified loan claims prescribed in Article 126-24, paragraph (2) (including the cases where applied mutatis mutandis pursuant to Article 126-25, paragraph (4) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-26, paragraph (8) of the Act) and Article 126-26, paragraph (8) of the Act);
- (iii) an amount of advance payments of expenses and remuneration received under Article 81, paragraph (1) of the Corporate Reorganization Act as applied mutatis mutandis pursuant to Article 126-5, paragraph (4) of the Act;

- (iv) an amount of costs and profits related to the operations in relation to the loans of funds and guarantee of obligations under Article 126-19, paragraph (1) of the Act and details thereof;
- (v) an amount of costs and profits related to the operations in relation to the specified financial assistance (meaning the specified financial assistance prescribed in Article 126-28, paragraph (1) of the Act; the same applies hereinafter) based on the decision made under Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 or Article 126-38, paragraph (7) of the Act, and details thereof;
- (vi) an amount of costs and profits related to the operations in relation to the additional specified financial assistance (meaning the additional specified financial assistance prescribed in Article 126-32, paragraph (1) of the Act; the same applies hereinafter) based on the decision made under Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-32, paragraph (4) of the Act, and details thereof;
- (vii) an amount of costs and profits related to the operations in relation to the contributions made under Article 126-35, paragraph (1) or (2) of the Act, and details thereof;
- (viii) an amount of costs and profits related to the operations in relation to the loans of funds and guarantee of obligations under Article 98, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-37 of the Act, and details thereof;
- (ix) an amount of costs related to the operations in relation to the compensation for loss under Article 99 of the Act as applied mutatis mutandis pursuant to Article 126-37 of the Act, and details thereof;
- (x) an amount of costs and profits related to the operations in relation to the loans of funds under Article 127-2, paragraph (1) or Article 128-2, paragraph (1), and details thereof;
- (xi) an amount of costs and profits related to the operations in relation to the purchases of assets (limited to those in relation to a financial institution, etc. under special surveillance (meaning the financial institution, etc. under special surveillance prescribed in Article 126-3, paragraph (2) of the Act; the same applies hereinafter) and a contracted specified bridge financial institution, etc. (meaning the contracted specified bridge financial institution, etc. prescribed in Article 97, paragraph (1), item (i) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-37 of the Act; the same applies in Article 29-34 and Article 2-17 of the Supplementary Provisions)) under Article 129, paragraph (1) of the Act, and details thereof;
- (xii) other particulars specified by Cabinet Office Order and the Ministry of Finance Order.

(Procedures for Payment to the National Treasury)

Article 28 (1) The DICJ must, when paying to the national treasury any amount as profit under Article 125, paragraph (2) of the Act, pay the amount by July 31 of the following business year.

(2) The DICJ must, when paying to the national treasury any amount as profit under Article 125, paragraph (2) of the Act, submit to the Commissioner of the Financial Services Agency and the Minister of Finance by July 21 of the following business year a statement of the amount of payment to the national treasury calculated under Article 125, paragraph (2) of the Act, attaching thereto a balance sheet as of the end of the business year, profit and loss statement of the business year, and other documents specified by Cabinet Office Order and the Ministry of Finance Order.

(Maximum Amount of Borrowing for Crisis Management Operations)

Article 29 The amount specified by Cabinet Order prescribed in Article 126, paragraph (1) of the Act is thirty-five trillion yen.

(Persons of Important Standing in Japan's Financial System)

Article 29-2 The person specified by Cabinet Order as prescribed in Article 126-2, paragraph (2), item (iv) of the Act is the call broker (meaning the person prescribed in Article 1-2, item (iii) of the Order for Enforcement of the Money Lending Act (Cabinet Order No. 181 of 1983)).

(Replacement of Terms in the Provisions of the Act as Applied Mutatis

Mutandis to a Financial Institution, etc. Subject to the Order for Special Management)

Article 29-3 In cases where the provisions of Article 79, paragraph (2) of the Act are applied mutatis mutandis pursuant to Article 126-9 of the Act to a Financial Institution, etc. (meaning the financial institution, etc. prescribed in Article 126-2, paragraph (2) of the Act; the same applies hereinafter) subject to the order for special management prescribed in Article 126-5, paragraph (1) of the Act, the term "name and address" in Article 79, paragraph (2) of the Act is deemed to be replaced with "name and location of the principal office."

(Retention of Assets Within Japan)

Article 29-4 (1) Orders to a financial institution, etc. in relation to a specified conformation (meaning the specified conformation prescribed in Article 126-2, paragraph (1) of the Act; the same applies hereinafter) under Article 126-17 of the Act are to be given by designating its time limit, the scope of assets listed in the following paragraph subject to the order, or the upper limit of the total assets amount subject to the relevant order.

(2) Assets specified by Cabinet Order among the assets of a financial institution, etc. in relation to the specified confirmation prescribed in the Article 126-17 of the Act are the following:

- (i) money deposited with the Bank of Japan;
- (ii) cash and deposits, savings and installment savings for a person in Japan specified separately by the Commissioner of the Financial Services Agency;
- (iii) securities (meaning the securities prescribed in Article 2, paragraph (1) of the Financial Instruments and Exchange Act (Act No. 25 of 1948); the same applies hereinafter);
- (iv) loans, advances and other claims for a person with a domicile or residence in Japan;
- (v) loans and other claims for a person who does not have a domicile or residence in Japan, that the locations for the principal redemption and interest payment are within Japan and pertains to a loan agreement that stipulates a court in Japan as the court with jurisdiction;
- (vi) property entrusted to a person who has obtained an authorization under Article 1, paragraph (1) of the Act on Engagement in Trust Business Activities by Financial Institutions;
- (vii) security deposit (meaning the money deposited by a financial institution, etc. with regard to transactions) deposited with a person with a domicile or residence in Japan;
- (viii) money deposited with a financial instruments exchange (meaning the financial instruments exchange prescribed in Article 2, paragraph (16) of the Financial Instruments and Exchange Act or a financial instruments firms association (meaning the Authorized Financial Instruments Firms Association prescribed in Article 2, paragraph (13) of the same Act or the Certified Financial Instruments Business Associations prescribed in Article 78, paragraph (2) of the same Act);
- (ix) tangible fixed assets that exist in Japan; and
- (x) other assets that the Commissioner of the Financial Services Agency finds appropriate.

(Creditors to Whom Individual Notice Need Not Be Given Concerning Reduction of the Amount of Stated Capital Regarding a Financial Institution Under Special Surveillance)

Article 29-5 The creditors specified by Cabinet Order prescribed in Article 89 of the Act as applied mutatis mutandis pursuant to Article 126-18 of the Act and Article 89 of the Act as applied mutatis mutandis pursuant to Article 106, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act are the following:

- (i) persons who make installment savings;

- (ii) persons who make installment deposits;
- (iii) beneficiaries of money trusts;
- (iv) right holders of the financial bonds;
- (v) in cases where money or securities are deposited with a financial instruments business operator, etc. (meaning the financial instruments business operator, etc. prescribed in Article 34 of the Financial Instruments and Exchange Act; the same applies in the following item and item (vii)) by customers pursuant to Article 119 or 161-2 of the same Act, the relevant customers;
- (vi) in cases where money or securities are deposited with a financial instruments business operator, etc. by customers in connection with subject securities-related transactions (meaning the subject securities-related transactions prescribed in Article 43-2, paragraph (1), item (ii) of the Financial Instruments and Exchange Act; the same applies in the following item), the relevant customers;
- (vii) in cases of money on the account of a customer or securities in the possession of the financial instruments business operator, etc. on the account of a customer in connection with a subject securities-related transactions, the relevant customer; and
- (viii) creditors in relation to a custody agreement and other creditors under a standard contract in relation to the business of a financial institution, etc. under special surveillance to which a large number of persons are parties, as specified by Cabinet Office Order and the Ministry of Finance Order.

(Management Soundness Improvement Plan)

Article 29-6 The measures specified by Cabinet Order prescribed in Article 126-22, paragraph (5) of the Act are the following:

- (i) measures to ensure the rationalization of management of business;
- (ii) measures to establish a responsible management system (including, in the event that a financial institution, etc. has made an application prescribed in Article 126-22, paragraph (3) of the Act, the management system of the relevant financial institution, etc.);
- (iii) measures to prevent surplus or any other money equivalent thereto from being drained by way of dividend, etc. (including, in cases where a financial institution, etc. has made an application prescribed in Article 126-22, paragraph (3) of the Act, the surplus or any other money equivalent thereto of the relevant financial institution, etc.);
- (iv) measures to secure the source of funds (including, in cases where a financial institution, etc. has made an application under Article 126-22, paragraph (3) of the Act, the source of funds of the relevant financial institution, etc.) to enable the disposal of shares, etc., redemption or

repayment with respect to the specified shares, etc. (meaning shares, etc., specified subordinated bonds (meaning the specified subordinated bonds prescribed in Article 126-22, paragraph (6), item (i) of the Act; the same applies hereinafter), equity investments of those other than stock companies and the cooperative financial institutions (meaning a cooperative financial institution prescribed in Article 2, paragraph (1) of the Act on Preferred Equity Investment by Cooperative Financial Institutions (Act No. 44 of 1993); the same applies hereinafter), or claims in relation to funds; the same applies hereinafter) acquired by the DICJ based on a decision under Article 126-22, paragraph (6) of the Act (including the following in the case of shares, etc., and including equivalents of the following in the case of specified subordinated bonds, equity investments of those other than stock companies and the cooperative financial institutions, or claims in relation to funds; the same applies in Articles 29-13 and Article 29-17) and borrowings in relation to loan claims acquired by the DICJ based on a decision under Article 126-22, paragraph (6) of the Act:

- (a) in cases where the relevant specified shares, etc. are shares, the shares specified below.
 1. in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the relevant shares are converted pursuant to the request.
 2. in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the relevant shares are converted as a result of the occurrence.
 3. shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.
- (b) in cases where the relevant specified shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto; and
- (c) in cases where the relevant specified shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.
- (v) measures to ensure sound financial conditions (including, in cases where a Financial Institution, etc. has made an application under Article 126-22, paragraph (3) of the Act, the financial conditions of the relevant financial institution, etc.) and to ensure the sound and appropriate operations (including, in cases where a Financial Institution, etc. has made an application under Article 126-22, paragraph (3) of the Act, the operations of the relevant financial institution, etc.).

(Specified Subordinated Bonds)

Article 29-7 The bonds specified by Cabinet Order as prescribed in Article 126-22, paragraph (6), item (i) of the Act are those which have all the following characteristics:

- (i) security right is not attached; and
- (ii) the period during which no redemption is made is more than five years from the time of their issuance.

(Special Provisions for Registration Resulting from Issuance of Preferred Equity Investments Pursuant to a Decision Made under Article 126-22, Paragraph (6) of the Act)

Article 29-8 For the purpose of applying the provisions of Article 14 of the Order for Enforcement of the Act on Preferred Equity Investment by Cooperative Financial Institutions in cases where a financial institution makes the registration of a change under Article 107-4, paragraph (2) of the Act, as applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act, resulting from the issuance of preferred equity investments in accordance with a decision under Article 126-22, paragraph (6) of the Act, the phrase in Article 14 of the relevant Order "the following documents" is deemed to be "the following documents and documents evidencing that the issuance of preferred equity investments is in accordance with a decision under Article 126-22, paragraph (6) of the Deposit Insurance Act (Act No. 34 of 1971)."

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to a Decision for Subscription for Specified Shares)

Article 29-9 In cases where the provisions of the Act are applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act to cases where a decision is made not to execute subscription for specified shares, etc. (meaning the subscription for specified shares, etc. prescribed in Article 126-22, paragraph (1) of the Act; the same applies hereinafter) in relation to specified measures under item (i) (meaning the specified measures under item (i) prescribed in Article 126-2, paragraph (1), item (i) of the Act; the same applies hereinafter) in relation to the application prescribed in Article 126-22, paragraph (1) or (3) of the Act; to the rescission of specified confirmation in relation to specified measures under item (i) under Article 105, paragraph (7) of the Act as applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act; in cases where the application prescribed in Article 126-22, paragraph (1) or (3) of the Act has been made (in cases where an application prescribed in Article 126-22, paragraph (1) of the Act has been made, limited to applications in relation to subscription for shares), to the financial institution, etc. that has made the application prescribed in Article 126-22, paragraph (1)

of the Act and has received a decision under Article 126-22, paragraph (6) of the Act with regard to the relevant application and that is a stock company, or to the financial institution, etc. or its subject subsidiary, etc. (meaning the subject subsidiary, etc. prescribed in Article 126-22, paragraph (5) of the Act; the same applies hereinafter) that has made the application prescribed in Article 126-22, paragraph (3) of the Act and that is a stock company; and to cases where the application prescribed in Article 126-22, paragraph (1) or (3) of the Act is for subscription for shares or subordinated bonds (limited to those with share options) or specified subordinated Bonds (limited to those with share options) and a decision under Article 126-22, paragraph (6) of the Act has been made with regard to the relevant application, the replacement of technical terms is as follows:

Provision of the Act in which a term is deemed to be replaced	Term deemed to be replaced	Replacement term
Article 105, paragraph (7)	the financial institution that has made the application prescribed in paragraph (1) or the subject subsidiary company of the bank holding company, etc. that has made the application prescribed in paragraph (2).	the financial institution, etc. that has made the application prescribed in Article 126-22, paragraph (1) or the financial institution, etc. that has made the application prescribed in paragraph (3) of the same Article
Article 105, paragraph (8)	The provisions of Article 102, paragraphs (2), (6) and (8), and paragraphs (6) and (8) of the preceding Article	The provisions of Article 126-2, paragraphs (3), (7) and (9), and Article 126-21, paragraph (6)
	and the provisions of paragraph (9) of the preceding Article apply mutatis mutandis to confirmation pertaining to the measures under item (ii) under paragraph (8) of the preceding Article as applied mutatis mutandis pursuant to the provisions of this paragraph	(Deleted)
Article 106, paragraph (2)	subscription for shares	subscription for specified shares, etc.

	paragraph.	paragraph. In this case, the term "a financial institution under management that is a bank, etc. or The Shoko Chukin Bank, Ltd." in Article 89 will be deemed to be replaced with "a financial institution, etc. prescribed in Article 126-2, paragraph (2) that is a stock company.
Article 106, paragraph (3)	subscription for shares	subscription for specified shares, etc.
Article 106, paragraph (4)	confirmation pertaining to the measures under item (i)	specified confirmation pertaining to the specified measures under item (i)
Article 106, paragraph (5)	The provisions of Article 102, paragraphs (6) and (8) and Article 104, paragraphs (6) and (8)	The provisions of Article 126-2, paragraphs (7) and (9) and Article 126-21, paragraph (6)
	confirmation pertaining to the measures under item (i)	specified confirmation pertaining to the specified measures under item (i)
	the provisions of Article 104, paragraph (9) (excluding the part pertaining to Article 102, paragraph (2)) apply mutatis mutandis to the confirmation pertaining to the measures under item (ii) under Article 104, paragraph (8) as applied mutatis mutandis pursuant to this paragraph,	(Deleted)
Article 107-2, paragraph (1)	financial institution or bank holding company, etc.	financial institution, etc.
	financial institution or bank holding company, etc.	
Article 107-2, paragraph (2)	a financial institution or bank holding company, etc.	a financial institution, etc.

(Acquired Specified Shares in Relation to Specified Measures Under Item (i))
Article 29-10 The specified shares, etc. specified by Cabinet Order as referred to in Article 126-24, paragraph (3), item (ii) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-25, paragraph (4) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-

26, paragraph (8) of the Act)) are the following specified shares, etc.

(i) the shares (including the following) allotted to the DICJ by a company that has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer of a financial institution, etc. with respect to whom the DICJ has executed the subscription for specified shares, etc. in relation to specified measures under item (i):

(a) in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.

(b) in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of the occurrence.

(c) shares split or consolidated with respect to the relevant shares or the shares of another class specified in (a) or (b).

(ii) the specified shares, etc. (including the following in the case of shares, etc., and including equivalents of the following in the case of specified subordinated bonds, equity investments of those other than stock companies and the cooperative structured financial institutions, or claims in relation to funds) allotted to the DICJ by another corporation that is to succeed to the whole or part of business of a financial institution, etc. through merger or company split thereof, for which the DICJ has conducted the subscription for special shares, etc. pursuant to the specified measures under item (i):

(a) in cases where the relevant specified shares, etc. refer specifically to shares: the shares specified below.

1. in cases where a request may be made for the conversion of the relevant shares into shares of another class, shares of another class into which shares are converted pursuant to the request.

2. in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of such occurrence.

3. shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.

(b) in cases where the relevant specified shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto; and

(c) in cases where the relevant specified shares, etc. are preferred equity investments, preferred equity investments split with respect to the preferred equity investments.

(iii) the specified shares, etc. (including the following in the case of shares, etc.,

and including equivalents of the following in the case of specified subordinated bonds, equity investments of those other than stock companies and the cooperative financial institutions, or claims in relation to funds) allotted to the DICJ by a company that has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer of a corporation through share exchange or share transfer effected by the corporation that is an issuer of the specified shares, etc. falling under acquired specified shares, etc. under this Article or by another corporation that is to succeed to the whole or part of the business of the relevant corporation through merger or company split thereof.

- (a) in cases where the relevant specified shares, etc. refer specifically to shares: the shares specified below.
 - 1. in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to that request.
 - 2. in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which shares are converted as a result of such occurrence.
 - 3. shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.
- (b) in cases where the relevant specified shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto; and
- (c) in cases where the relevant specified shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.

(Management Soundness Improvement Plan Submitted under Article 126-25, Paragraph (3) of the Act)

Article 29-11 The measures specified by Cabinet Order prescribed in Article 126-25, paragraph (3) of the Act are the following measures to be implemented by a company, in joint name with which a management soundness improvement plan (meaning the management soundness improvement plan prescribed in Article 126-22, paragraph (5) of the Act; the same applies in Article 29-14 and Article 38, paragraph (1), items (vii) and (viii)) is submitted, and which has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer prescribed in Article 126-25, paragraph (3) of the Act:

- (i) measures to establish a responsible management system;
- (ii) measures to prevent surplus from being drained by way of dividend, etc.;

- (iii) measures to secure the source of funds to enable the acquisition of own shares using a surplus with respect to the shares (including the following) which are the acquired specified shares, etc. allotted to the DICJ through the share exchange, etc. (meaning the share exchange, etc. prescribed in Article 126-25, paragraph (1) of the Act) authorized under Article 126-25, paragraph (1) of the Act;
 - (a) in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
 - (b) in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the relevant shares are converted as a result of the occurrence.
 - (c) shares split or consolidated with respect to the shares or the shares of another class specified in (a) or (b).
- (iv) measures to ensure sound financial conditions and to ensure sound and appropriate operations.

(Requirements for Authorization for Corporate Reorganization of Subject Financial Institutions)

Article 29-12 The requirements specified by Cabinet Order prescribed in Article 126-26, paragraph (2), item (v) of the Act are, in cases where shares that are to become acquired specified shares, etc., or equity investments of those other than stock companies and the cooperative financial institutions, are allotted to the DICJ through corporate reorganization (meaning the corporate reorganization prescribed in Article 126-26, paragraph (1) of the Act; the same applies from this Article to Article 29-17) conducted by the subject financial institution, etc. (meaning the subject financial institution, etc. prescribed in Article 126-26, paragraph (1) of the Act; the same applies in Articles 29-15 and 29-16), that the class of the relevant shares or equity investments is deemed to be identical to the class of acquired specified shares, etc. or equity investments of those other than stock companies and the cooperative financial institutions, that are held by the DICJ prior to the relevant corporate reorganization.

(Management Soundness Improvement Plan Submitted by Bridge Financial Institutions)

Article 29-13 The measures specified by Cabinet Order prescribed in Article 126-26, paragraph (3) of the Act are the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to establish a responsible management system;
- (iii) measures to prevent surplus or any other money equivalent thereto from being drained by way of dividend, etc.;

- (iv) measures to secure the source of funds to enable the disposal of shares, etc., redemption, repayment or any other operations equivalent thereto with respect to specified shares, etc. that are acquired specified shares, etc. allotted to the DICJ through a corporate reorganization authorized under Article 126-26, paragraph (1) of the Act and borrowings in relation to acquired specified loan claims (meaning the acquired specified loan claims prescribed in Article 126-24, paragraph (2) of the Act and limited to those of which the obligor is the bridge financial institution, etc. (meaning the bridge financial institution, etc. prescribed in Article 126-26, paragraph (2), item (i) of the Act; the same applies in Articles 29-15 and 29-18) in relation to the relevant corporate reorganization) held by the DICJ after the relevant corporate reorganization.
- (v) measures to ensure sound financial conditions and to ensure sound and appropriate operations.

(Management Soundness Improvement Plan Submitted by Bridge Subsidiaries, etc.)

Article 29-14 The measures specified by Cabinet Order prescribed in Article 126-26, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 126-26, paragraph (4) are the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to establish a responsible management system (including the management system of a financial institution, etc., in joint name with which a management soundness improvement plan is submitted);
- (iii) measures to prevent surplus or any other money equivalent thereto from being drained by way of dividends, etc. (including the surplus or any other money equivalent thereto of a Financial Institution, etc., in joint name with which a management soundness improvement plan is submitted);
- (iv) measures to secure the source of funds to enable the acquisition of own shares or any other operations equivalent thereto using surplus or other similar monies with respect to specified shares, etc. (limited to those issued by the relevant financial institution, etc., and including those listed in Article 29-6, item (iv), sub-items (a) through (c) in the case of shares, etc., and including equivalents of those listed in Article 29-6, item (iv), sub-items (a) through (c) in the case of specified subordinated bonds, contribution of those other than stock companies and the cooperative financial institutions, or claims in relation to funds) that are acquired specified shares, etc. held by the DICJ after the corporate reorganization approved under Article 126-26, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-26, paragraph (4) of the Act, in the financial institution, etc., in joint name with which a management soundness improvement plan is submitted;

(v) measures to ensure sound financial conditions (including the financial conditions of a financial institution, etc., in joint name with which a management soundness improvement plan is submitted) and to ensure the sound and appropriate operations (including the operations of a financial institution, etc., in joint name with which a management soundness improvement plan is submitted).

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Authorization for Corporate Reorganization Regarding Specified Measures Under Item (i))

Article 29-15 In cases where the provisions of Article 126-26, paragraph (3) of the Act are applied mutatis mutandis pursuant to Article 126-26, paragraph (4) of the Act to the subject subsidiary, etc. of the financial institution, etc. with respect to which the DICJ has executed the subscription for specified shares, etc. in accordance with a decision under Article 126-22, paragraph (6) of the Act (limited to a decision in relation to the application set forth in Article 126-22, paragraph (3) of the Act) or the financial institution, etc. (including the bridge financial institution, etc.) with respect to which the DICJ has executed the subscription for specified shares, etc. in accordance with a decision under Article 126-22, paragraph (6) of the Act (limited to a decision in relation to an application under Article 126-22, paragraph (1) of the Act) that has ceased to be a subject financial institution, etc. as a result of share exchange or share transfer effected by the relevant financial institution, etc. (including a bridge subsidiary, etc. (meaning another financial institution, etc. as prescribed in Article 126-26, paragraph (2), item (i) of the Act as applied mutatis mutandis pursuant to Article 126-26, paragraph (4) of the Act)) that has been implementing a management soundness improvement plan prescribed in Article 126-26, paragraph (4) of the Act, the term "subject financial institution, etc." in Article 126-26, paragraph (4) of the Act is deemed to be replaced with "specified subject subsidiary, etc.," the term "bridge financial institution, etc." in the same paragraph with the term "bridge subsidiary, etc.," the term "a labor bank, a federation of labor banks, or a subsidiary, etc. of a labor bank, etc." in the same paragraph with the term "a subsidiary, etc. of a labor bank, etc.," and the term "The Shoko Chukin Bank, Ltd. or a subsidiary, etc. of the Shoko Chukin Bank" in the same paragraph with the term "a subsidiary, etc. of the Shoko Chukin Bank."

(Requirements for Authorization for Corporate Reorganization of Specified Financial Institutions Other Than Subject Financial Institutions)

Article 29-16 The requirements specified by Cabinet Order prescribed in Article 126-26, paragraph (6), item (iv) of the Act are to be, in cases where shares that

are to become acquired specified shares, etc., or contribution of those other than stock companies and the cooperative financial institutions, are allotted to the DICJ through corporate reorganization conducted by a specified financial institution, etc. other than subject financial institutions, etc. (meaning the subject financial institutions, etc. prescribed in Article 126-26, paragraph (5) of the Act), that the class of the relevant shares or contribution is deemed to be identical to the class of acquired specified shares, etc. or contribution of those other than stock companies and the cooperative structured financial institutions, that are held by the DICJ prior to the relevant corporate reorganization.

(Management Soundness Improvement Plan Submitted under Article 126-26, Paragraph (7) of the Act)

Article 29-17 The measures specified by Cabinet Order prescribed in Article 126-26, paragraph (7) of the Act are the following in the other financial institution, etc. prescribed in Article 126-26, paragraph (7) of the Act:

- (i) measures to establish a responsible management system;
- (ii) measures to prevent surplus or any other money equivalent thereto from being drained by way of dividend, etc.;
- (iii) measures to secure the source of funds to enable the acquisition of own shares or any other operations equivalent thereto using surplus or other similar monies with respect to specified shares, etc. that are acquired specified shares, etc. allotted to the DICJ through the corporate reorganization authorized under Article 126-26, paragraph (5) of the Act;
- (iv) measures to ensure sound financial conditions and to ensure the sound and appropriate operations.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Authorization for Corporate Reorganization Regarding Specified Measures Under Item (i))

Article 29-18 In cases where the provisions of Article 126-25 of the Act are applied mutatis mutandis pursuant to Article 126-26, paragraph (8) of the Act to a bridge financial institution, etc. that is an issuer of acquired specified shares, etc. actually held by the DICJ or a financial institution, etc. after corporate reorganization (meaning the financial institution, etc. after corporate reorganization prescribed in Article 126-26, paragraph (5) of the Act) that is an issuer of acquired specified shares, etc. actually held by the DICJ, the term "Article 126-22, paragraph (5), this paragraph, or paragraph (3) of the following Article as applied mutatis mutandis pursuant to the provisions of paragraph (4) of the following Article" in Article 126-25, paragraph (3) of the Act is deemed to be replaced with "this paragraph, Article 126-22, paragraph

(3) of the Act (including the cases where applied mutatis mutandis pursuant to paragraph (4) of the same Article), or paragraph (7) of the same Article."

(Application Mutatis Mutandis of the Provisions Concerning Acquired Specified Shares Regarding Specified Measures Under Item (i))

Article 29-19 The provisions of Article 126-24, paragraph (3) of the Act and Article 29-10 apply mutatis mutandis to cases where the provisions of Article 126-24, paragraph (2) of the Act are applied mutatis mutandis pursuant to Article 126-26, paragraph (8) of the Act.

(Application Mutatis Mutandis of the Provisions Concerning the Management Soundness Improvement Plan Submitted Under Article 126-25, Paragraph (3) of the Act as Applied Mutatis Mutandis Pursuant to Article 126-26, Paragraph (8))

Article 29-20 The provisions of Article 29-11 apply mutatis mutandis to cases where the provisions of Article 126-25, paragraph (3) of the Act is applied mutatis mutandis pursuant to Article 126-26, paragraph (8) of the Act. In this case, the term "Article 126-25, paragraph (1) of the Act" in Article 29-11, item (iii) is deemed to be replaced with "Article 126-25, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-26, paragraph (8) of the Act."

(Specified Subordinated Loan Agreements)

Article 29-21 The loans for consumption specified by Cabinet Order as prescribed in Article 126-28, paragraph (3) of the Act are those which have all the following characteristics:

- (i) security right is not attached; and
- (ii) the period during which no repayment of the principal is made is more than five years from the time of contract.

(Act to Support Specified Mergers by Financial Institutions)

Article 29-22 The act specified by Cabinet Order prescribed in Article 60, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act is the loan or deposit of funds.

(Measures to Ensure Soundness of Financial Conditions, etc. Concerning Application for Specified Financial Assistance Regarding Subscription for Specified Preferred Shares)

Article 29-23 The measures specified by Cabinet Order prescribed in Article 64-2, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act are the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to secure the source of funds to enable the disposal of shares, etc., redemption, repayment or any other operations equivalent thereto with respect to specified preferred shares, etc. (meaning preferred shares, etc., specified subordinated bonds, equity investments of those other than stock companies and the cooperative financial institutions, or claims in relation to funds) (including the following in the case of preferred shares, etc., and including equivalents of the following in the case of specified subordinated bonds, contribution of those other than stock companies and the cooperative financial institutions, or claims in relation to funds) that are acquired by the DICJ based on a decision under Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act and borrowings in relation to loan claims acquired by the DICJ based on a decision under Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act.
 - (a) in cases where the relevant specified preferred shares, etc. are preferred shares: the shares specified below.
 1. in cases where a request can be made for the conversion of the relevant preferred shares into shares of another class, shares of another class into which the preferred shares are converted pursuant to the request.
 2. in cases where the relevant preferred shares are convertible upon the occurrence of certain events, shares of another class into which the relevant preferred shares are converted as a result of the occurrence.
 3. shares split or consolidated with respect to the relevant preferred shares or the shares of another class specified in 1 or 2.
 - (b) in the event that the relevant specified preferred shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto; and
 - (c) In the event that the relevant specified preferred shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.
- (iii) measures to ensure sound financial conditions and to ensure the sound and appropriate operations.

(Application for Approval for Continuation of Business of Specified Assuming Financial Institutions)

Article 29-24 A specified assuming financial institution, etc. (meaning the specified assuming financial institution, etc. prescribed in Article 126-28, paragraph (1) of the Act; the same applies in Articles 29-27 and 29-32) must, if it seeks to obtain approval for the continuation of business under Article 67,

paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act, submit to the Commissioner of the Financial Services Agency (in the case of a labor bank, a federation of labor banks, or a subsidiary, etc. of a labor bank, etc. prescribed in Article 126-2, paragraph (2), item (i) of the Act, to the Commissioner of the Financial Services Agency and the Minister of Health, Labour and Welfare, and in the case of The Shoko Chukin Bank, Ltd. or a subsidiary, etc. of the Shoko Chukin Bank prescribed in Article 126-2, paragraph (2), item (i) of the Act, to the Commissioner of the Financial Services Agency, the Minister of Finance, and the Minister of Economy, Trade and Industry) a written application for approval, attaching the following documents:

- (i) documents stating special circumstances for the continuation of the relevant business;
- (ii) documents stating the contents of a contract prescribed in Article 67, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act and the total amount of the relevant contract as of the date of the merger, assumption of business, specified assumption of obligations (meaning the specified assumption of obligations prescribed in Article 126-28, paragraph (2), item (iv) of the Act; the same applies in Article 29-27), or company split;
- (iii) documents stating the period for the relevant continuation of business and a plan as to how the relevant business is to be concluded;
- (iv) other documents specified by Cabinet Office Order and the Ministry of Finance Order.

(Measures to Ensure Soundness of Financial Conditions Concerning Approval for Share Exchange Regarding Specified Financial Assistance)

Article 29-25 The measures specified by Cabinet Order prescribed in Article 68-2, paragraph (4) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act are the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to secure the source of funds to enable the acquisition of own shares using surplus with respect to acquired specified preferred shares, etc. (including the following) prescribed in Article 64-2, paragraph (6) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-31 of the Act that are allotted to the DICJ through the share exchange, etc. (meaning the share exchange, etc. prescribed in Article 68-2, paragraph (1) of the Act) approved under Article 68-2, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act:
 - (a) in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the

- relevant shares are converted pursuant to the request.
- (b) in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the relevant shares are converted as a result of the occurrence.
- (c) shares split or consolidated with respect to the relevant shares or the shares of another class specified in (a) or (b).
- (iii) measures to ensure sound financial conditions and to ensure the sound and appropriate operations.

(Measures to Ensure Soundness of Financial Conditions Concerning Approval for Corporate Reorganization Regarding Specified Financial Assistance)

Article 29-26 The measures specified by Cabinet Order prescribed in Article 68-3, paragraph (4) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act are the following:

- (i) measures to ensure the rational management of business;
- (ii) measures to secure the source of funds to enable the disposal of shares, etc., redemption, repayment or any other operations equivalent thereto with respect to specified shares, etc. (including the following in the case of shares, etc., and including equivalents of the following in the case of specified subordinated bonds, equity investments of those other than stock companies and the cooperative financial institutions, or claims in relation to funds) that are acquired specified preferred shares, etc. prescribed in Article 64-2, paragraph (6) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-31 of the Act and allotted to the DICJ through a corporate reorganization (meaning the corporate reorganization prescribed in Article 68-3, paragraph (1) of the Act; the same applies in this item) approved under Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act and borrowings in relation to acquired specified loan claims (meaning the acquired specified loan claims prescribed in Article 64-2, paragraph (5) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-31 of the Act and limited to those of which the obligor is the bridge financial institution, etc. (meaning the bridge financial institution, etc. prescribed in Article 68-3, paragraph (4) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act) in relation to the relevant corporate reorganization) held by the DICJ after the corporate reorganization approved under Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act.
- (a) in cases where the relevant specified shares, etc. are shares: the shares specified below.
 1. in cases where a request can be made for the conversion of the relevant

- shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
2. in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of the occurrence.
 3. shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.
- (b) in the event that the relevant specified shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto; and
- (c) in the event that the relevant specified shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.
- (iii) measures to ensure sound financial conditions and to ensure sound and appropriate operations.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Specified Financial Assistance)

Article 29-27 In cases where the provisions of the Act are applied mutatis mutandis pursuant to Article 126-31 of the Act to a specified assuming financial institution, etc. undertaking a specified merger, etc. (meaning the specified merger, etc. prescribed in Article 126-28, paragraph (2) of the Act and limited to the business transfer, etc. specified in Article 126-28, paragraph (2), item (iii) whereby a specified failed financial institution, etc. (meaning the specified failed financial institution, etc. prescribed in Article 126-28, paragraph (1) of the Act; the same applies in this Article and Article 29-43) transfers part of its business to another financial institution, etc., the specified assumption of obligations, the absorption-type company split specified in Article 126-28, paragraph (2), item (vi) of the Act where another financial institution, etc. succeeds to part of the rights and obligations held by the specified failed financial institution, etc. in relation to its business, or the incorporation-type company split specified in Article 126-28, paragraph (2), item (vii) of the Act where the newly established financial institution, etc. succeeds to part of the rights and obligations held by the specified failed financial institution, etc. in relation to its business); a financial institution, etc. designated by the Prime Minister of which specified merger, etc. (meaning the specified merger, etc. prescribed in Article 126-28, paragraph (2) of the Act; the same applies in Article 29-32) is to be supported; the mediation set forth in Article 126-30 of the Act; an application under Article 59-2, paragraph (1) or Article 60, paragraph (1) of the Act as applied mutatis mutandis pursuant to

Article 126-28, paragraph (1) or (5) or Article 126-31 of the Act; an application under Article 126-28, paragraph (1) of the Act; a financial institution, etc. or specified holding company, etc. (meaning the specified holding company, etc. prescribed in Article 126-28, paragraph (1) of the Act; the same applies hereinafter) which has received the confirmation set forth in Article 126-29, paragraph (1) of the Act or the mediation set forth in Article 126-30 of the Act; and a specified assuming financial institution, etc. or specified assuming holding company, etc. prescribed in Article 126-31 of the Act with respect to which the DICJ has executed the subscription for specified preferred shares, etc. (meaning the subscription for specified preferred shares, etc. prescribed in Article 126-28, paragraph (3) of the Act; the same applies hereinafter), the replacement of technical terms is to be as follows:

Provision of the Act in for which a term is deemed to be replaced	Term deemed to be replaced	Replacement term
Article 59-2, paragraph (1)	provide financial assistance to the relevant failed financial institution (limited to those specified in paragraph (1), item (i) of the preceding Article)	take measures as set forth in item (i) of the same paragraph to the relevant specified failed financial institution, etc.
Article 59-2, paragraph (2)	failed financial institution	specified failed financial institution, etc.
Article 60, paragraph (1)	financial assistance (limited to those specified in Article 59, paragraph (1), item (ii) or (iv))	the measures set forth in item (ii) or (iv) of the same paragraph
Article 60, paragraph (2)	a labor bank or Rokinren banks	a labor bank, Rokinren banks, or a subsidiary, etc. of a labor bank, etc. prescribed in Article 126-2, paragraph (2), item (i)
Article 62, paragraph (2)	financial institution	financial institution, etc.
	paragraph (1) of the preceding Article	Article 126-29, paragraph (1)
	Article 59, paragraph (1)	Article 126-28, paragraph (1)
Article 62, paragraph (3)	a financial institution	a financial institution, etc.
	another financial institution or bank holding company, etc.	another financial institution, etc. or specified holding company, etc.
	a merger, etc.	a specified merger, etc.

	paragraph (1) of the preceding Article	Article 126-29, paragraph (1)
Article 62, paragraph (5)	failed financial institution	specified failed financial institution, etc.
	a financial institution	a financial institution, etc.
	another financial institution or bank holding company, etc.	another financial institution, etc. or specified holding company, etc.
Article 64, paragraph (3)	a merger, etc.	a specified merger, etc.
Article 64, paragraph (4)	financial assistance	specified financial assistance
	a financial institution or bank holding company, etc.	a financial institution, etc. or specified holding company, etc.
Article 64, paragraph (5)	financial assistance	specified financial assistance
	financial institution or bank holding company, etc.	financial institution, etc. or specified holding company, etc.
	merger, etc.	specified merger, etc.
Article 64-2, paragraph (2)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	assuming financial institution or assuming bank holding company, etc.	specified assuming financial institution, etc. or specified assuming holding company, etc.
	merger, etc.	specified merger, etc.
Article 64-2, paragraph (3)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial assistance	specified financial assistance
Article 64-2, paragraph (4)	merger, etc.	specified merger, etc.
	Article 59, paragraph (2), item (ii) or (vi)	Article 126-28, paragraph (2), item (ii) or (vii)
	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial institution	financial institution, etc.
Article 64-2, paragraph (5)	ana assuming financial institution	a specified assuming financial institution, etc.
	a financial institution	a financial institution, etc.
	assuming bank holding company, etc.	specified assuming holding company, etc.
Article 64-2, paragraph (6), item (i), (a), (b), and (c)	preferred shares, etc.	specified preferred shares, etc.

Article 64-2, paragraph (6), item (ii)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial institution or bank holding company, etc.	financial institution, etc. or specified holding company, etc.
	other shares, etc. specified by Cabinet Order	other specified shares, etc. specified by Cabinet Order that are prescribed in Article 126-22, paragraph (6), item (i)
Article 65	merger, etc.	specified merger, etc.
	a financial institution or bank holding company, etc.	a financial institution, etc. or specified holding company, etc.
Article 66, paragraph (1)	resolution or decision	resolution or decision
Article 66, paragraph (3), item (ii)	Article 87	Article 126-13
Article 68-2, paragraph (1)	acquired preferred shares, etc.	acquired specified preferred shares, etc. prescribed in Article 64-2, paragraph (6) as applied mutatis mutandis by replacing the terms pursuant to Article 126-31
Article 68-2, paragraph (2)	a financial institution or bank holding company, etc.	a financial institution, etc. or specified holding company, etc.
Article 68-3, paragraph (1)	acquired preferred shares, etc.	acquired specified preferred shares, etc.
	Article 64-2, paragraph (6)	Article 64-2, paragraph (6) as applied mutatis mutandis by replacing the terms pursuant to Article 126-31
	acquired loan claims	acquired specified loan claims

(Acquired Specified Preferred Shares Regarding Specified Financial Assistance)

Article 29-28 The specified shares, etc. specified by Cabinet Order prescribed in Article 64-2, paragraph (6), item (ii) of the Act in which the terms and phrases are replaced pursuant to the provisions of the preceding Article are the following specified shares, etc.

- (i) the preferred shares (including the following) allotted to the DICJ by a company that has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer of a financial institution, etc. or specified holding company, etc.

through share exchange or share transfer effected by the financial institution, etc. or specified holding company, etc. for which the DICJ conducted the subscription for preferred shares, etc. pursuant to a decision under Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act.

- (a) in cases where a request can be made for the conversion of the relevant preferred shares into shares of another class, shares of another class into which the preferred shares are converted pursuant to the request.
 - (b) in cases where the relevant preferred shares are convertible upon the occurrence of certain events, shares of another class into which the preferred shares are converted as a result of the occurrence.
 - (c) shares split or consolidated with respect to the relevant preferred shares or the shares of another class specified in (a) or (b).
- (ii) the specified preferred shares, etc. (meaning preferred shares, etc., specified subordinated bonds, equity investments of those other than stock companies and the cooperative financial institutions, or claims in relation to funds) (including the following in the case of preferred shares, etc., and including equivalents of the following in the case of specified subordinated bonds, contribution of those other than stock companies and the cooperative financial institutions, or claims in relation to funds) allotted to the DICJ by another corporation that is to succeed to the whole or part of business of a financial institution, etc. or specified holding company, etc. through merger or company split thereof, for which the DICJ has conducted the subscription for preferred shares, etc. pursuant to a decision under Article 64, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act.
- (a) in cases where the relevant preferred shares, etc. are preferred shares: the shares specified below.
 - 1. in cases where a request can be made for the conversion of the relevant preferred shares into shares of another class, shares of another class into which the preferred shares are converted pursuant to the request.
 - 2. in cases where the relevant preferred shares are convertible upon the occurrence of certain events, shares of another class into which the preferred shares are converted as a result of the occurrence.
 - 3. shares split or consolidated with respect to the relevant preferred shares or the shares of another class specified in 1 or 2.
 - (b) in the event that the relevant preferred shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto; and
 - (c) in cases where the relevant preferred shares, etc. are preferred equity

investments, preferred equity investments split with respect to the relevant preferred equity investments.

(iii) the specified shares, etc. (including the following in the case of shares, etc., and including equivalents of the following in the case of specified subordinated bonds, contribution of those other than stock companies and the cooperative financial institutions, or claims in relation to funds; and excluding shares, etc. listed in the preceding two items) allotted to the DICJ by a company that has become a wholly owning parent company resulting from share exchange or wholly owning parent company incorporated in a share transfer through share exchange or share transfer effected by a corporation that is an issuer of the specified shares, etc. falling under acquired specified preferred shares, etc. (meaning the acquired specified preferred shares, etc. prescribed in Article 64-2, paragraph (6) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-31 of the Act) under this Article or by another corporation that is to succeed to the whole or part of the business of the relevant corporation through merger or company split thereof.

(a) in cases where the relevant specified shares, etc. are shares: the shares specified below.

1. in cases where a request can be made for the conversion of the relevant shares into shares of another class, shares of another class into which the shares are converted pursuant to the request.
2. in cases where the relevant shares are convertible upon the occurrence of certain events, shares of another class into which the shares are converted as a result of the occurrence.
3. shares split or consolidated with respect to the relevant shares or the shares of another class specified in 1 or 2.

(b) in cases where the relevant specified shares, etc. are subordinated bonds, shares delivered through the exercise of share options attached to the relevant subordinated bonds and shares split or consolidated with respect thereto; and

(c) in cases where the relevant specified shares, etc. are preferred equity investments, preferred equity investments split with respect to the relevant preferred equity investments.

(Application Mutatis Mutandis of the Provisions Concerning Measures to Ensure Soundness of Financial Conditions Regarding Additional Specified Financial Assistance)

Article 29-29 The provisions of Article 29-23 apply mutatis mutandis to cases where the provision of Article 64-2, paragraph (1) of the Act is applied mutatis mutandis pursuant to Article 126-32, paragraph (4) of the Act. In this case, the

term "Article 126-31 of the Act" in Article 29-23, item (ii) is deemed to be replaced with "Article 126-32, paragraph (4) of the Act."

(Application Mutatis Mutandis of the Provisions Concerning Measures to Ensure Soundness of Financial Conditions, etc. Concerning Approval for Share Exchange Regarding Additional Specified Financial Assistance)

Article 29-30 The provisions of Article 29-25 apply mutatis mutandis to cases where the provisions of Article 68-2, paragraph (4) of the Act is applied mutatis mutandis pursuant to Article 126-32, paragraph (4) of the Act. In this case, the term "Article 126-31 of the Act" in Article 29-25, item (ii) is deemed to be replaced with "Article 126-32, paragraph (4) of the Act."

(Application Mutatis Mutandis of the Provisions Concerning Measures to Ensure Soundness of Financial Conditions Concerning Approval for Corporate Reorganization Regarding Additional Specified Financial Assistance)

Article 29-31 The provisions of Article 29-26 apply mutatis mutandis to cases where the provisions of Article 68-3, paragraph (4) of the Act is applied mutatis mutandis pursuant to Article 126-32, paragraph (4) of the Act. In this case, the term "Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act" in Article 29-26, item (ii) is deemed to be replaced with "Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-32, paragraph (4) of the Act," the term "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-31 of the Act" in Article 29-26, item (ii) with the term "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-32, paragraph (4) of the Act," and the term "Article 64-2, paragraph (5) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-31 of the Act" in Article 29-26, item (ii) with the term "Article 64-2, paragraph (5) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-32, paragraph (4) of the Act."

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Additional Specified Financial Assistance)

Article 29-32 In cases where the provisions of the Act are applied mutatis mutandis pursuant to Article 126-32, paragraph (4) of the Act to a specified assuming financial institution, etc. undertaking a specified merger, etc. in relation to specified financial assistance; to an application under Article 126-32, paragraph (1) or (2) of the Act; to additional specified financial assistance; and to a specified assuming financial institution, etc., a specified assuming holding

company, etc. (meaning the specified assuming holding company, etc. prescribed in Article 126-28, paragraph (1) of the Act), or a Financial Institution, etc. established by the merger or incorporation-type company split in relation to specified financial assistance prescribed in Article 126-32, paragraph (4) of the Act, for which the DICJ has provided Additional specified financial assistance (limited to those in relation to subscription for specified preferred shares, etc.), the replacement of technical terms is as follows:

Provision of the Act in which a term is deemed to be replaced	Term deemed to be replaced	Replacement term
Article 59-2, paragraph (1)	provide financial assistance to the relevant failed financial institution (limited to those specified in paragraph (1), item (i) of the preceding Article)	take additional measures as set forth in item (i) of the same paragraph to the relevant specified failed financial institution, etc.
Article 59-2, paragraph (2)	failed financial institution	specified failed financial institution, etc.
Article 64, paragraph (4)	financial assistance	additional specified financial assistance
Article 64, paragraph (5)	financial assistance	additional specified financial assistance
	financial institution or bank holding company, etc.	financial institution, etc. or specified holding company, etc.
	merger, etc.	specified merger, etc.
Article 64-2, paragraph (2)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	assuming financial institution or assuming bank holding company, etc.	financial institution, etc. or specified holding company, etc.
	merger, etc.	specified merger, etc.
Article 64-2, paragraph (3)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial assistance	additional specified financial assistance
Article 64-2, paragraph (4)	merger, etc.	specified merger, etc.
	Article 59, paragraph (2), item (ii) or (vi)	Article 126-28, paragraph (2), item (ii) or (vii)
	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial institution	financial institution, etc.
Article 64-2, paragraph (5)	an assuming financial institution	a financial institution, etc.

	a financial institution	a financial institution, etc.
	assuming bank holding company, etc.	specified holding company, etc.
Article 64-2, paragraph (6), item (i), (a), (b), and (c)	preferred shares, etc.	specified preferred shares, etc.
Article 64-2, paragraph (6), item (ii)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial institution or bank holding company, etc.	financial institution, etc. or specified holding company, etc.
	other shares, etc. specified by Cabinet Order	other specified shares, etc. specified by Cabinet Order that are prescribed in Article 126-22, paragraph (6), item (i)
Article 67, paragraph (1)	an assuming financial institution	a financial institution, etc. or specified holding company, etc.
Article 67, paragraph (2)	an assuming financial institution	a financial institution, etc. or specified holding company, etc.
	the expiration of the period prescribed in the preceding paragraph	the expiration of the period prescribed in the preceding paragraph
Article 68-2, paragraph (1)	acquired preferred shares, etc.	acquired specified preferred shares, etc. prescribed in Article 64-2, paragraph (6) as applied mutatis mutandis by replacing the terms pursuant to Article 126-32, paragraph (4)
Article 68-2, paragraph (2)	a financial institution or bank holding company, etc.	a financial institution, etc. or specified holding company, etc.
Article 68-3, paragraph (1)	acquired preferred shares, etc.	acquired specified preferred shares, etc.
	Article 64-2, paragraph (6)	Article 64-2, paragraph (6) as applied mutatis mutandis by replacing the terms pursuant to Article 126-32, paragraph (4)
	acquired loan claims	acquired specified loan claims

(Application Mutatis Mutandis of the Provisions Concerning Acquired Specified Preferred Shares Regarding Additional Specified Financial Assistance)

Article 29-33 The provisions of Article 29-28 apply mutatis mutandis to cases where the provisions of Article 64-2, paragraph (5) of the Act (including cases where applied mutatis pursuant to Article 68-2, paragraph (5) and Article 68-3, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 126-32, paragraph (4) of the Act) is applied mutatis mutandis pursuant to Article 126-32, paragraph (4) of the Act. In this case, the term "the preceding Article" in Article 29-28 is deemed to be replaced with "Article 29-32," and the term "Article 126-31 of the Act" in Article 29-28, items (i) and (ii) is deemed to be replaced with "Article 126-32, paragraph (4) of the Act."

(Amount of Losses Incurred by the Contracted Specified Bridge Financial Institutions)

Article 29-34 The amount calculated pursuant to the provisions of a Cabinet Order prescribed in Article 99 of the Act as applied mutatis mutandis pursuant to Article 126-37 of the Act is the smaller of the amounts specified in the following items in relation to each business year of the contracted specified bridge financial institution, etc.:

- (i) an amount equivalent to a capital loss in cases where the assets of the contracted specified bridge financial institution, etc. have been purchased under the succession agreement prescribed in Article 97, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-37 of the Act;
- (ii) an amount specified by Cabinet Office Order and the Ministry of Finance Order as a current loss resulting from the settlement of profits and losses.

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Specified Bridge Financial Institutions)

Article 29-35 In cases where the provisions of the Act are applied mutatis mutandis pursuant to the provisions of Article 126-37 of the Act to a specified bridge financial institution, etc. (meaning the specified bridge financial institution, etc. prescribed in Article 126-34, paragraph (3), item (v) of the Act), the term "the relevant bridge bank" in Article 96, paragraph (1), item (iv) of the Act is deemed to be replaced with "the relevant specified bridge financial institution, etc.," the term "a subsidiary company of the bridge bank" in Article 96, paragraph (1), item (iv) of the Act is deemed to be replaced with "a subsidiary company of the specified bridge financial institution, etc.," the term "a bank" in Article 96, paragraph (3) of the Act is deemed to be replaced with "the financial institution, etc. prescribed in Article 126-2, paragraph (2)," the term "item (iii) of the same paragraph" in Article 96, paragraph (3) of the Act is deemed to be replaced with "paragraph (1), item (iii)," the term "a subsidiary company of the bridge bank" in Article 96, paragraph (4) is deemed to be replaced with "a subsidiary company of the specified bridge financial

institution, etc.," the term "bridge bank" in Article 96, paragraph (4) is deemed to be replaced with "specified bridge financial institution, etc.," the term "each item of Article 97, paragraph (1)" in Article 97, paragraph (1), item (i) of the Act is deemed to be replaced with "each item of Article 126-36, paragraph (1)," the term "contracted bridge bank" in Articles 98 and 99 of the Act is deemed to be replaced with "contracted specified bridge financial institution, etc.," the term "Article 91, paragraph (1)" in Article 135, paragraph (2) of the Act is deemed to be replaced with "Article 126-34, paragraph (1), item (ii)," the term "Article 91, paragraph (1), item (ii)" in Article 135, paragraph (2) of the Act is deemed to be replaced with "the same item," and the term "the assumption of business, etc. of a financial institution under management" in Article 135, paragraph (2) of the Act is deemed to be replaced with "specified assumption of business, etc. prescribed in paragraph (1) of the same Article of the financial institution, etc. under special surveillance prescribed in the same paragraph."

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Specified Financial Assistance to Specified Re-succeeding Financial Institutions)

Article 29-36 In cases where the provisions of the Act are applied mutatis mutandis pursuant to Article 126-38, paragraph (5) of the Act to an application under Article 126-38, paragraph (1) of the Act and an confirmation under Article 126-29, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-38, paragraph (5) of the Act, the replacement of technical terms is as follows:

Provision of the Act in which a term is deemed to be replaced	Term deemed to be replaced	Replacement term
Article 126-28, paragraph (4)	paragraph (2), item (ii)	Article 126-38, paragraph (2), item (ii)
	item (vii) of the same paragraph	item (vi) of the same paragraph
	specified assuming financial institutions, etc.	specified re-succeeding financial institutions, etc.
Article 126-28, paragraphs (7) and (8)	financial institution, etc.	specified re-succeeding financial institution, etc.

Article 126-29, paragraph (1)	specified merger, etc.	specified re-succession
	specified assuming financial institution, etc. or specified failed financial institution, etc. and specified assuming holding company, etc.	specified re-succeeding financial institution, etc. or specified bridge financial institution, etc. and specified re-succeeding specified holding company, etc.
Article 126-29, paragraph (2)	specified failed financial institution, etc. and specified assuming financial institution, etc. or specified failed financial institution, etc. and specified assuming holding company, etc.	specified bridge financial institution, etc. and specified re-succeeding financial institution, etc. or specified bridge financial institution, etc. and specified re-succeeding specified holding company, etc.
Article 126-29, paragraph (3)	specified merger, etc.	specified re-succession
	specified failed financial institution, etc.	specified bridge financial institution, etc.
	specified assuming financial institution, etc.	specified re-succeeding financial institution, etc.
	specified assuming holding company, etc.	specified re-succeeding specified holding company, etc.
	paragraph (2), item (v) of the preceding Article	Article 126-38, paragraph (2), item (iv)
Article 126-29, paragraph (8)	specified failed financial institution, etc.	specified bridge financial institution, etc.

(Application Mutatis Mutandis of the Provisions Concerning Measures to Ensure Soundness of Financial Conditions Regarding Specified Financial Assistance to Specified Re-succeeding Financial Institutions)

Article 29-37 The provisions of Article 29-23 apply mutatis mutandis to cases where the provision of Article 64-2, paragraph (1) of the Act is applied mutatis mutandis pursuant to Article 126-38, paragraph (7) of the Act. In this case, the term "Article 126-31 of the Act" in Article 29-23, item (ii) is deemed to be replaced with "Article 126-38, paragraph (7) of the Act."

(Application Mutatis Mutandis of the Provisions Concerning Measures to Ensure Soundness of Financial Conditions Regarding Approval for Share

Exchange to Specified Re-succeeding Financial Institutions)

Article 29-38 The provisions of Article 29-25 apply mutatis mutandis to cases where the provisions of Article 68-2, paragraph (4) of the Act is applied mutatis mutandis pursuant to Article 126-38, paragraph (7) of the Act. In this case, the term "Article 126-31 of the Act" in Article 29-25, item (ii) is deemed to be replaced with "Article 126-38, paragraph (7) of the Act."

(Application Mutatis Mutandis of the Provisions Concerning Measures to Ensure Soundness of Financial Conditions Regarding Approval for Corporate Reorganization to Specified Re-succeeding Financial Institutions)

Article 29-39 The provisions of Article 29-26 apply mutatis mutandis to cases where the provisions of Article 68-3, paragraph (4) of the Act is applied mutatis mutandis pursuant to Article 126-38, paragraph (7) of the Act. In this case, the term "Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-31 of the Act" in Article 29-26, item (ii) is deemed to be replaced with "Article 68-3, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-38, paragraph (7) of the Act," the term "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-31 of the Act" in Article 29-26, item (ii) with "Article 64-2, paragraph (6) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-38, paragraph (7) of the Act," and the term "Article 64-2, paragraph (5) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-31 of the Act" in Article 29-26, item (ii) with the term "Article 64-2, paragraph (5) of the Act as applied mutatis mutandis by replacing the terms pursuant to Article 126-38, paragraph (7) of the Act."

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Specified Financial Assistance to Specified Re-succeeding Financial Institutions)

Article 29-40 In cases where the provisions of the Act are applied mutatis mutandis pursuant to Article 126-38, paragraph (7) of the Act to the mediation prescribed in Article 126-38, paragraph (6) of the Act; to the application prescribed in Article 126-38, paragraph (1) of the Act; to the financial institution, etc. or specified holding company, etc. that has received the confirmation prescribed in Article 126-29, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 126-38, paragraph (5) of the Act or that has received the mediation prescribed in Article 126-38, paragraph (6) of the Act; to the specified re-succeeding financial institution, etc. (meaning the specified re-succeeding financial institution, etc. prescribed in Article 126-38, paragraph (1) of the Act; the same applies in this Article); to the specified

financial assistance provided by the DICJ for specified re-succession (meaning the specified re-succession prescribed in Article 126-38, paragraph (2)); and to the specified re-succeeding financial institution, etc. that has received the relevant specified financial assistance (limited to those in relation to the subscription for specified preferred shares, etc.) (including a financial institution, etc. established by the merger or incorporation-type company split in relation to the relevant subscription for specified preferred shares, etc.) or the specified re-succeeding specified holding company, etc. (meaning the specified re-succeeding specified holding company, etc. prescribed in Article 126-38, paragraph (7)), the replacement of technical terms is as follows:

Provision of the Act in which a term is deemed to be replaced	Term deemed to be replaced	Replacement term
Article 62, paragraph (2)	paragraph (1) of the preceding Article	Article 126-29, paragraph (1)
	Article 59, paragraph (1) or Article 59-2, paragraph (1).	Article 126-38, paragraph (1)
Article 62, paragraph (5)	financial institution or bank holding company, etc.	financial institution, etc. or specified holding company, etc.
Article 64, paragraph (4)	financial assistance	specified financial assistance
	a financial institution or bank holding company, etc.	a financial institution, etc. or specified holding company, etc.
Article 64, paragraph (5)	financial assistance	specified financial assistance
	financial institution or bank holding company, etc.	financial institution, etc. or specified holding company, etc.
	merger, etc.	specified re-succession
Article 64-2, paragraph (2)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	assuming financial institution or assuming bank holding company, etc.	specified re-succeeding financial institution, etc. or specified re-succeeding specified holding company, etc.
	merger, etc.	specified re-succession

Article 64-2, paragraph (3)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial assistance	specified financial assistance
Article 64-2, paragraph (4)	merger, etc.	specified re-succession
	Article 59, paragraph (2), item (ii)	Article 126-38, paragraph (2), item (ii)
	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial institution	financial institution, etc.
Article 64-2, paragraph (5)	an assuming financial institution	a specified re-succeeding financial institution, etc.
	a financial institution	a financial institution, etc.
	assuming bank holding company, etc.	specified re-succeeding specified holding company, etc.
Article 64-2, paragraph (6), item (i), (a), (b), and (c)	preferred shares, etc.	specified preferred shares, etc.
Article 64-2, paragraph (6), item (ii)	subscription for preferred shares, etc.	subscription for specified preferred shares, etc.
	financial institution or bank holding company, etc.	financial institution, etc. or specified holding company, etc.
	other shares, etc. specified by Cabinet Order	other specified shares, etc. specified by Cabinet Order that are prescribed in Article 126-22, paragraph (6), item (i)
Article 65	merger, etc.	specified re-succession
	a financial institution or bank holding company, etc.	a financial institution, etc. or specified holding company, etc.
Article 66, paragraph (1)	resolution or decision	resolution or decision
Article 66, paragraph (3), item (ii)	Article 87	Article 126-13

Article 67, paragraph (1)	the confirmation of eligibility, etc.	the confirmation prescribed in Article 126-29, paragraph (1) as applied mutatis mutandis pursuant to Article 126-38, paragraph (5) or that has received the mediation prescribed in Article 126-38, paragraph (6)
	the relevant confirmation of eligibility, etc.	the relevant confirmation or mediation
Article 67, paragraph (2), and Article 68	the confirmation of eligibility, etc.	the confirmation prescribed in Article 126-29, paragraph (1) as applied mutatis mutandis pursuant to Article 126-38, paragraph (5) or the mediation prescribed in Article 126-38, paragraph (6)
Article 68-2, paragraph (1)	acquired preferred shares, etc.	acquired specified preferred shares, etc. prescribed in Article 64-2, paragraph (6) as applied mutatis mutandis by replacing the terms pursuant to Article 126-38, paragraph (7)
Article 68-2, paragraph (2)	a financial institution or bank holding company, etc.	a financial institution, etc. or specified holding company, etc.
Article 68-3, paragraph (1)	acquired preferred shares, etc.	acquired specified preferred shares, etc.
	Article 64-2, paragraph (6)	Article 64-2, paragraph (6) as applied mutatis mutandis by replacing the terms pursuant to Article 126-38, paragraph (7)
	acquired loan claims	acquired specified loan claims

(Application Mutatis Mutandis of the Provisions Concerning Acquired Specified Preferred Shares, etc. Regarding Specified Financial Assistance to Specified Re-succeeding Financial Institutions)

Article 29-41 The provisions of Article 29-28 apply mutatis mutandis to cases where the provisions of Article 64-2, paragraph (5) of the Act is applied mutatis mutandis pursuant to Article 126-38, paragraph (7) of the Act (including the cases where applied mutatis mutandis pursuant to Article 68-2, paragraph (5) and Article 68-3, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 126-38, paragraph (7) of the Act). In this case, the term

"the preceding Article" in Article 29-28 is deemed to be replaced with "Article 29-40," and the term "Article 126-31 of the Act" in Article 29-28, items (i) and (ii) with "Article 126-38, paragraph (7) of the Act."

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Payment of Specified Contributions)

Article 29-42 In cases where the provision of Article 50, paragraph (2) of the Act is applied mutatis mutandis pursuant to Article 126-39, paragraph (5) of the Act to specified contributions under Article 126-39, paragraph (1) of the Act, the term "specified bridge bank" in Article 50, paragraph (2), item (iv) of the Act is deemed to be replaced with "specified bridge financial institution, etc." and the term "Article 126-34, paragraph (3), item (i)" in Article 50, paragraph (2), item (iv) of the Act with "Article 126-34, paragraph (3), item (v)."

(Replacement of Terms in the Special Provisions of the Companies Act Concerning Repayment of the Types of Obligations That Are Found Likely to Cause Severe Disruption to the Financial System)

Article 29-43 In cases where the provisions of Article 69-4, paragraphs (3) and (4) of the Act are applied mutatis mutandis pursuant to Article 127-5 of the Act to cases where a decision has been made to loan funds under Article 127-2, paragraph (1) of the Act to a specified failed financial institution, etc. that has become subject to an order for commencement of special liquidation or an order for commencement of liquidation under Article 822, paragraph (1) of the Companies Act or to a specified failed financial institution, etc. for which liquidation has been commenced pursuant to Article 51, paragraph (1) of the Banking Act or Article 212, paragraph (1) of the Insurance Business Act (Act No. 105 of 1995), the term "Article 500, paragraph (1) and Article 537, paragraph (1)" in Article 69-4, paragraph (3) of the Act is deemed to be replaced with "Article 500, paragraph (1) (including the cases where applied mutatis mutandis pursuant to other Acts) and Article 537, paragraph (1) (including the cases where applied mutatis mutandis pursuant to other Acts)" and the term "Article 549, paragraph (1)" in Article 69-4, paragraph (4) of the Act with "Article 549, paragraph (1) (including the cases where applied mutatis mutandis pursuant to other Acts)."

(Replacement of Terms in the Provisions of the Act as Applied Mutatis Mutandis to Loan of Funds to Prevent Decline in Asset Value)

Article 29-44 In cases where the provision of Article 64, paragraph (4) of the Act is applied mutatis mutandis pursuant to Article 128-2, paragraph (2) of the Act to cases where a decision has been made to loan funds under Article 128-2, paragraph (1) of the Act, the term "financial institution or bank holding

company, etc." in Article 64, paragraph (4) of the Act is deemed to be replaced with "financial institution, etc. prescribed in Article 126-2, paragraph (2)."

(Creditors to Whom Individual Notice for Objection Need Not Be Given Concerning Transfer of Business)

Article 30 The creditors specified by Cabinet Order prescribed in Article 131, paragraph (4) of the Act are the holders of the financial bonds, creditors in relation to a custody agreement, and other creditors under a standard contract in relation to the business of a financial institution, etc. to which a large number of persons are parties, as specified by Cabinet Office Order and the Ministry of Finance Order.

(Trust for Which Individual Notice Need Not be Given Concerning Change of Trustee)

Article 31 Those specified by Cabinet Order prescribed in Article 132, paragraph (2) of the Act are trusts in relation to standard trust agreements of which a large number of persons are settlors or beneficiaries.

(Trusts with Right to Claim Purchase of Beneficiary Rights)

Article 32 Those specified by Cabinet Order prescribed in Article 132, paragraph (5) of the Act are trusts that fall under all of the following items:

- (i) the standard trusts prescribed in Article 132, paragraph (2) of the Act;
- (ii) trusts to which settlor are entitled to all profits derived therefrom;
- (iii) money trusts.

(Replacement Deemed to be Made Concerning Special Provisions for Procedures for Change of Trustee for Succession of Trust Business)

Article 33 The replacement of technical terms in cases where the provisions of Trust Act are applied mutatis mutandis pursuant to Article 132, paragraph (7) of the Act with regard to the demand under Article 132, paragraph (5) of the Act is as follows:

Provision of the Trust Act in which a term is deemed to be replaced	Term deemed to be replaced	Replacement term
Article 103, paragraph (6)	notice under paragraph (4) or the date of public notice under the preceding paragraph	date on which an objection is stated by a person who has any objection prescribed in Article 132, paragraph (2) of the Deposit Insurance Act

Article 103, paragraph (7), Article 104, paragraphs (1), (2) and (8) through (10), and Article 262, paragraphs (1) and (2)	trustee	new trustee
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(Replacement of Terms in the Special Provisions for Assignment of Revolving Mortgages)

Article 33-2 In cases where the provisions of the Act are applied mutatis mutandis pursuant to Article 133-2, paragraph (7) of the Act to the case prescribed in Article 133-2, paragraph (7) of the Act, the term "specified failed financial institution, etc." in Article 133-2, paragraph (1) of the Act is deemed to be replaced with "specified bridge financial institution, etc. (meaning the specified bridge financial institution, etc. prescribed in Article 126-34, paragraph (3), item (v); the same applies in paragraphs (2) and (4))" and the term "specified failed financial institution, etc." in Article 133-2, paragraphs (2) and (4) of the Act with "specified bridge financial institution, etc."

(Calculation of Fractions for Amounts of Insurance Premiums)

- Article 34 (1) The number of months prescribed in Article 51, paragraph (1), Article 51-2, paragraph (1), Article 122, paragraph (3) or Article 126-39, paragraph (3) or (4) of the Act is to be calculated by calendar month and any fraction resulting therefrom is to be counted as one month.
- (2) In calculating the amount of insurance premiums, late payment charges, contributions or specified contributions prescribed in Article 51, paragraph (1), Article 51-2, paragraph (1), Article 52, paragraph (2) (including the cases where applied mutatis mutandis pursuant to Article 122, paragraph (4) of the Act; the same applies in the following paragraph), Article 122, paragraph (3) or Article 126-39, paragraph (3) or (4) of the Act, any fraction less than one thousand yen is to be rounded off.
- (3) In calculating the amount of late payment charges prescribed in Article 52, paragraph (2) of the Act, the annual rate prescribed in Article 52, paragraph (2) of the Act is the rate per 365 days even with respect to any period that includes a leap year.

(Handling of Insurance Premiums in Cases of Dissolution of Financial Institutions)

Article 35 (1) In cases where a financial institution has paid insurance premiums, conducts dissolution, etc. (meaning dissolution, transfer of the whole of business, or company split (limited to those whereby the whole of the business of the financial institution is succeeded by another financial

institution); hereinafter the same applies in this Article and the following Article) or conversion prescribed in Article 2, paragraph (7) of the Act on Financial Institutions' Merger and Conversion, if any amount of insurance premiums has been paid in excess, the relevant financial institution is to request the refund of insurance premiums in relation to the relevant excess within one month after the dissolution, etc. or conversion by submitting to the DICJ documents specified by the DICJ.

- (2) Upon receiving the request prescribed in the preceding paragraph, the DICJ is to refund the amount prescribed in that paragraph without delay. In this case, if the relevant request pertains to the financial institution that has conducted the dissolution, etc. or conversion prescribed in that paragraph and if any insurance premiums are to be paid under the following paragraph or Article 50, paragraph (1) of the Act with respect to a surviving financial institution, etc. after the relevant dissolution, etc. (meaning the financial institution surviving the merger in relation to the dissolution, etc., financial institution established through the merger of in relation to the relevant dissolution, etc., financial institution, etc. that has assumed business through transfer in relation to the relevant dissolution, etc., or financial institution that has succeeded to the whole of the business through company split in relation to the relevant dissolution, etc.; hereinafter the same applies in this Article and the following Article) or financial institution after the conversion, the DICJ may, in lieu of the refund, appropriate the money in relation to the refund to the insurance premiums.
- (3) The surviving financial institution, etc. may, within three months of dissolution, etc. pertaining thereto, pay insurance premiums to the DICJ for the total of the amounts prescribed in the following items; provided, however, that, in cases where the number of months in the period from the day of the dissolution, etc. to the last day of the business year that includes the day of the relevant dissolution, etc. exceeds six months, an amount equivalent to the amount of insurance premiums calculated for a six-month period may be paid no later than three months before the last day of the business year that includes the dissolution, etc. of the relevant surviving financial institution, etc.
- (i) the amount calculated by dividing the average amount of the total amount of the general deposits, etc. that was used as the basis for calculation of the amount of insurance premiums that the financial institution that has conducted the dissolution, etc. is to pay in the business year that includes the day of the relevant dissolution, etc. (in cases where there are two or more surviving financial institutions, etc., an amount obtained by allocating the relevant average amount in proportion to the amount of the general deposits, etc. assumed or succeeded by each surviving financial institution, etc.) by twelve, multiplying the result by the number of months in the period from

- the day of the dissolution, etc. to the last day of the business year of the relevant surviving financial institution, etc. that includes the day of the relevant dissolution, etc., and then multiplying the product by the insurance premiums rate prescribed in Article 51, paragraph (1) of the Act;
- (ii) the amount calculated by dividing the average amount of the total amount of the deposits for settlement that was used as the basis for calculation of the amount of insurance premiums that the financial institution that has conducted the dissolution, etc. is to pay in the business year that includes the day of the dissolution, etc. (in cases where there are two or more surviving financial institutions, etc., an amount obtained by allocating the relevant average amount in proportion to the amount of the deposits for settlement assumed or succeeded by each surviving financial institution, etc.) by twelve, multiplying the result by the number of months in the period from the day of the dissolution, etc. to the last day of the business year of the relevant surviving financial institution, etc. that includes the day of the dissolution, etc., and then multiplying the product by the rate prescribed in Article 51-2, paragraph (1) of the Act.
- (4) The number of months prescribed in the preceding paragraph is to be calculated by calendar month and any fraction resulting therefrom is to be rounded off.

(Handling of Insurance Premiums in Fiscal Years Following Dissolution)

Article 36 (1) A surviving financial institution, etc. must, within three months after the beginning of the business year following the business year that includes the day of dissolution, etc. (hereinafter referred to "following business year" in this paragraph) in relation to the relevant surviving financial institution, etc. (excluding the cases where the dissolution, etc. pertains to consolidation-type merger (meaning the consolidation-type merger prescribed in Article 2, item (xxviii) of the Companies Act; the same applies in the following paragraph); hereinafter the same applies in this paragraph), pay insurance premiums to the DICJ for the total of the amounts prescribed in the following items; provided, however, that an amount equivalent to one-half of the amount of the insurance premiums may be paid within three months of the day on which six months have elapsed from the beginning of the following business year.

- (i) an amount obtained by deducting the amount specified in (b) from the amount specified in (a);
- (a) The amount obtained by dividing the average amount of that calculated by adding the total amount of the general deposits, etc. on each day of the business year of the relevant surviving financial institution, etc. that includes the day of dissolution, etc. (excluding holidays prescribed in

Article 15, paragraph (1) of the Banking Act (including the cases where applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, Article 89, paragraph (1) of the Shinkin Bank Act, Article 6, paragraph (1) of the Act on Financial Businesses by Cooperative (Act No. 183 of 1949), and Article 94, paragraph (1) of the Labor Bank Act (Act No. 227 of 1953)) or Article 31, paragraph (1) of The Shoko Chukin Bank, Ltd. Act; hereinafter the same applies in this Article) to the total amount of the general deposits, etc. on each relevant day of the financial institution that conducted the dissolution, etc. (excluding each day in the period from the day following the day of dissolution, etc. to the last day of the relevant business year) (in cases where there are two or more surviving financial institutions, etc., an amount obtained by allocating the relevant average amount in proportion to the amount of the general deposits, etc. assumed or succeeded by each surviving financial institution, etc.) by twelve, multiplying the result by the number of months in the following business year, and then multiplying the product by the insurance premiums rate prescribed in Article 51, paragraph (1) of the Act.

- (b) The amount of insurance premiums that the surviving financial institution, etc. is to pay in the following business year under Article 51, paragraph (1) of the Act.
- (ii) an amount obtained by deducting the amount specified in (b) from the amount specified in (a);
 - (a) The amount obtained by dividing the average amount of that calculated by adding the total amount of the deposits for settlement on each day of the business year of the surviving financial institution, etc. that includes the day of dissolution, etc. to the total amount of the deposits for settlement on each relevant day of the financial institution that conducted the dissolution, etc. (excluding each day in the period from the day following the day of dissolution, etc. to the last day of the business year) (in cases where there are two or more surviving financial institutions, etc., an amount obtained by allocating the relevant average amount in proportion to the amount of the deposits for settlement assumed or succeeded by each surviving financial institution, etc.) by twelve, multiplying the result by the number of months in the following business year, and then multiplying the product by the rate prescribed in Article 51-2, paragraph (1) of the Act;
 - (b) The amount of insurance premiums that the surviving financial institution, etc. is to pay in the following business year under Article 51-2, paragraph (1) of the Act.
- (2) A surviving financial institution, etc. must, within three months after the beginning of the business year following the business year that includes the

day of consolidation-type merger (hereinafter referred to as "following business year" in this paragraph) in relation to the relevant surviving financial institution, etc., pay insurance premiums to the DICJ for the total of the amounts prescribed in the following items; provided, however, that, an amount equivalent to one-half of the amount of the relevant insurance premiums may be paid within three months of the day on which six months have elapsed from the beginning of the following business year.

- (i) an amount obtained by deducting the amount specified in (b) from the amount specified in (a);
 - (a) The amount calculated by dividing the average amount of the total amount of the general deposits, etc. on each day of the business year that includes the day of the relevant consolidation-type merger (with respect to the period up to the day of consolidation-type merger, the total amount of the general deposits, etc. on each relevant day of each financial institution that conducted the relevant consolidation-type merger) by twelve, multiplying the result by the number of months in the following business year, and then multiplying the product by the insurance premiums rate prescribed in Article 51, paragraph (1) of the Act;
 - (b) The amount of insurance premiums that the surviving financial institution, etc. is to pay in the following business year under Article 51, paragraph (1) of the Act.
- (ii) an amount obtained by deducting the amount specified in (b) from the amount specified in (a);
 - (a) The amount obtained by dividing the average amount of the total amount of the deposits for settlement on each day of the business year that includes the day of the relevant consolidation-type merger (with respect to the period up to the day of consolidation-type merger, the total amount of the deposits for settlement on each relevant day of each financial institution that conducted the relevant consolidation-type merger) by twelve, multiplying the result by the number of months in the following business year, and then multiplying the product by the rate prescribed in Article 51-2, paragraph (1) of the Act;
 - (b) The amount of insurance premiums that the surviving financial institution, etc. is to pay in the following business year under Article 51-2, paragraph (1) of the Act.

(Calculation of Fractions for Amount of Estimated Proceeds Payment)

Article 37 In calculating the amount of estimated proceeds payment under Article 70, paragraph (3) of the Act, any fraction less than a half yen is to be rounded down and any fraction not less than a half yen but less than one yen is to be rounded up to the nearest yen; the same applies to cases where the

amount of payment is calculated under the proviso to Article 70, paragraph (2) of the Act.

(Notice to Prefectural Governors)

Article 38 (1) Upon receiving the following report, application, material, or plan that is submitted with respect to a labor bank (limited to those whose district is within the area of one prefecture; the same applies in the following paragraph), the Commissioner of the Financial Services Agency and the Minister of Health, Labour and Welfare (in the case of item (iv), the Prime Minister) must notify this fact to a prefectural governor with jurisdiction over the location of the principal office of the relevant labor bank.

- (i) report under Article 59, paragraph (6) of the Act (including the cases where applied mutatis mutandis pursuant to Article 59-2, paragraph (3) (including the cases where applied mutatis mutandis pursuant to Article 69, paragraph (4) of the Act), Article 69, paragraph (4), Article 101, paragraph (5) and Article 118, paragraph (2) of the Act, and Article 15-4, paragraph (5) of the supplementary provisions of the Act), Article 60, paragraph (2) (including the cases where applied mutatis mutandis pursuant to Article 126-31 of the Act), Article 65 (including the cases where applied mutatis mutandis pursuant to Article 101, paragraph (7), Article 118, paragraph (4), Article 126-31, Article 126-38, paragraph (7) of the Act, and Article 15-4, paragraph (7) and Article 15-4-2, paragraph (7) of the supplementary provisions of the Act), Article 66, paragraphs (1) and (3) (including the cases where these provisions are applied mutatis mutandis pursuant to Article 101, paragraph (7), Article 118, paragraph (4), Article 126-31, Article 126-38, paragraph (7) of the Act, and Article 15-4, paragraph (7) and Article 15-4-2, paragraph (7) of the supplementary provisions of the Act), Article 108, paragraph (2), Article 126-24, paragraph (2) and Article 126-28, paragraph (7) of the Act (including the cases where applied mutatis mutandis pursuant to Article 59-2, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 126-31 and Article 126-32, paragraph (4) of the Act, Article 126-32, paragraph (4) and Article 126-38, paragraph (5) of the Act and Article 15-4-2, paragraph (5) of the supplementary provisions of the Act);
- (ii) application under Article 74, paragraphs (2) and (5) of the Act;
- (iii) submission of a report, material, or plan under Article 80, Article 126-3, paragraph (5) and Article 126-8 of the Act;
- (iv) submission of a plan under Article 104, paragraph (1) and Article 126-21, paragraph (1) of the Act;
- (v) submission of a management soundness improvement plan under Article 105, paragraph (3) of the Act;
- (vi) submission of a management soundness improvement plan under Article

- 108-3, paragraph (3) of the Act;
 - (vii) submission of a management soundness improvement plan under Article 126-22, paragraph (5) of the Act;
 - (viii) submission of a management soundness improvement plan under Article 126-26, paragraph (3) of the Act;
 - (ix) submission of a report or material under Article 136, paragraphs (1) and (2) of the Act;
- (2) The Commissioner of the Financial Services Agency (in the case of items (iii) and (v), the Commissioner of the Financial Services Agency and the Minister of Health, Labour and Welfare, and in the case of item (iv), the Commissioner of the Financial Services Agency and the Minister of Finance) must, if that commissioner has given any of the following dispositions with respect to a labor bank, notify to that effect to a prefectural governor with jurisdiction over the location of the principal office of the relevant labor bank:
- (i) the confirmation under Article 61, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 101, paragraph (5) and Article 118, paragraph (2) of the Act and Article 15-4, paragraph (5) of the supplementary provisions of the Act) and Article 126-29, paragraph (1) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-38, paragraph (5) of the Act and Article 15-4-2, paragraph (5) of the supplementary provisions of the Act);
 - (ii) the mediation under Article 62, paragraph (1), Article 101, paragraph (6), Article 118, paragraph (3), and Article 126-30, Article 126-38, paragraph (6) of the Act, and Article 15-4, paragraph (6) and Article 15-4-2, paragraph (6) of the supplementary provisions of the Act;
 - (iii) the approval under Article 67, paragraph (2) (including the cases where applied mutatis mutandis pursuant to Article 69, paragraph (4), Article 101, paragraph (7), Article 126-31, Article 126-32, paragraph (4), and Article 126-38, paragraph (7) of the Act, and Article 15-4, paragraph (7) and Article 15-4-2, paragraph (7) of the supplementary provisions of the Act), the proviso to Article 90, the proviso to Article 126-10, and the proviso to Article 126-12, paragraph (1) of the Act;
 - (iv) the authorization under Article 71, paragraph (1) of the Act;
 - (v) the decision under Article 105, paragraph (4) and Article 126-22, paragraph (6) of the Act;
 - (vi) the authorization under Article 108-3, paragraph (1) and Article 126-26, paragraph (1) of the Act.

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

Article 39 Those specified by Cabinet Order prescribed in Article 139, paragraph

- (1), item (iv) of the Act are the following:
- (i) the authorization under Article 11 of the Act;
 - (ii) the confirmation under Article 102, paragraph (1) and Article 104, paragraph (8) of the Act (including the cases where applied mutatis mutandis pursuant to Article 105, paragraph (8) and Article 106, paragraph (5) of the Act);
 - (iii) the specified confirmation under Article 126-2, paragraph (1) of the Act;
 - (iv) the decision under Article 102, paragraph (3) and Article 126-2, paragraph (4) of the Act;
 - (v) the rescission, pursuant to Article 103, paragraph (1) of the Act, Article 104, paragraphs (2), (4) and (5), Article 105, paragraph (7), and Article 106, paragraph (4) of the Act, of the confirmation given under Article 102, paragraph (1) of the Act;
 - (vi) the rescission, pursuant to Article 126-20, paragraph (1) and Article 126-21, paragraphs (2), (4) and (5) of the Act, and Article 105, paragraph (7) and Article 106, paragraph (4) of the Act as applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act, of the specified confirmation given under Article 126-2, paragraph (1) of the Act;
 - (vii) the hearing of opinions under Article 102, paragraph (2) (including the cases where applied mutatis mutandis pursuant to Article 103, paragraph (2) of the Act, Article 104, paragraphs (3), (7), and (9) (including the cases where applied mutatis mutandis pursuant to Article 105, paragraph (8) of the Act) and Article 105, paragraph (8) of the Act) and Article 126-2, paragraph (3) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-20, paragraph (2) and Article 126-21, paragraphs (3) and (7) of the Act, and Article 105, paragraph (8) of the Act as applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act whose terms and phrases are replaced pursuant to Article 29-9);
 - (viii) the specification of a period of time under Article 102, paragraph (5) and Article 126-2, paragraph (5) of the Act;
 - (ix) the individual notice and public notice under Article 102, paragraph (6) (including the cases where applied mutatis mutandis pursuant to Article 103, paragraph (2) of the Act, Article 104, paragraphs (3), (7), and (9) (including the cases where applied mutatis mutandis pursuant to Article 105, paragraph (8) and Article 106, paragraph (5)), Article 105, paragraph (8) and Article 106, paragraph (5) of the Act) and Article 126-2, paragraph (7) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-20, paragraph (2) and Article 126-21, paragraphs (3) and (7) of the Act, and Article 106, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act whose terms and phrases are replaced pursuant to Article 29-9);

- (x) the report to the Diet under Article 102, paragraph (6) (including the cases where applied mutatis mutandis pursuant to Article 103, paragraph (2), Article 104, paragraphs (3), (7), and (9) (including the cases where applied mutatis mutandis pursuant to Article 105, paragraph (8) and Article 106, paragraph (5) of the Act), Article 105, paragraph (8), and Article 106, paragraph (5) of the Act) and Article 126-2, paragraph (9) of the Act (including the cases where applied mutatis mutandis pursuant to Article 126-20, paragraph (2) and Article 126-21, paragraphs (3) and (7) of the Act, and Article 106, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act whose terms and phrases are replaced pursuant to Article 29-9);
- (xi) the receipt of a plan under Article 104, paragraph (1) and Article 126-21, paragraph (1) of the Act;
- (xii) the hearing of opinions under Article 104, paragraph (6) (including the cases where applied mutatis mutandis pursuant to Article 105, paragraph (8) and Article 106, paragraph (5) of the Act) and Article 126-21, paragraph (6) of the Act (including the cases where applied mutatis mutandis pursuant to Article 106, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 126-22, paragraph (7) of the Act whose terms and phrases are replaced pursuant to Article 29-9).
- (xiii) the decision under Article 137-3, paragraph (1) of the Act and the notice and public notice under Article 137-3, paragraph (4) of the Act.

(Delegation of Authority of Inspection to the Securities and Exchange Surveillance Commission)

Article 40 Among the authority delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 139, paragraph (1) of the Act, the authority specified below is delegated to the Securities and Exchange Surveillance Commission; provided, however that the foregoing sentence does not preclude the Commissioner of the Financial Services Agency from exercising their authority to order a report or submission of materials under those provisions, or authority for inspection in cases where it is found to be an urgent necessity for ensuring the smooth implementation of the Act and where it is found to make a special contribution to the effective and efficient implementation of the inspection.

- (i) the authority prescribed in Article 136, paragraph (1) and Article 137, paragraph (1) of the Act (limited to that concerning the financial instruments business operator (meaning financial instruments business operator prescribed in Article 126-2, paragraph (2), item (iii) of the Act, designated parent company prescribed in Article 57-12, paragraph (3) of the Financial Instruments and Exchange Act, subsidiary specified juridical person of

- financial instruments business operator prescribed in Article 126-2, paragraph (2), item (iii) of the Act, subsidiary company, etc. of a designated parent company prescribed in Article 126-2, paragraph (2), item (iii) of the Act, and securities finance company prescribed in Article 2, paragraph (30) of the Financial Instruments and Exchange Act; the same applies in the following item) and those concerning a financial instruments intermediary service provider prescribed in Article 2, paragraph (12) of the Financial Instruments and Exchange Act and the registered financial institution prescribed in Article 2, paragraph (11) of the same Act (limited to that in relation to the acts specified in the items of the same paragraph conducted on behalf of the financial instruments business operator prescribed in the paragraph under the entrustment from the relevant financial instruments business operator)); and
- (ii) the authority prescribed in Article 136, paragraph (2) and Article 137, paragraph (2) of the Act (limited to that concerning a subsidiary specified juridical person of financial instruments business operator prescribed in Article 126-2, paragraph (2), item (iii) of the Act, subsidiary company, etc. of a designated parent company prescribed in Article 126-2, paragraph (2), item (iii) of the Act, subsidiary company of a financial instruments business operator, etc. (meaning a subsidiary company prescribed in Article 2, item (iii) of the Companies Act), or a person to whom business has been entrusted by a financial instruments business operator, etc.).

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

Article 41 (1) Among the authority delegated to the Commissioner of the Financial Services Agency under Article 139, paragraph (1) of the Act (excluding the authority that has been delegated to the Securities and Exchange Surveillance Commission under the preceding Article), the authority specified below is delegated to the Director-General of a Local Finance Bureau with jurisdiction over the location of the head office or principal office (in cases where the head office or principal office is in a foreign state, the principal business office or office in Japan; hereinafter referred to as "head office, etc." in this Article and paragraphs (1) and (3) of the following Article) of a financial institution, etc. (including a financial institution agent prescribed in Article 35, paragraph (1) of the Act that has received entrustment under the same paragraph; the same applies in the following paragraph and paragraph (3)) (in cases where the head office, etc. is located within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, to the Director-General of the Fukuoka Local Finance Branch Bureau); provided, however, that this does not preclude the Commissioner of the Financial Services Agency from exercising that authority personally.

- (i) the order under Article 58-3, paragraph (2) of the Act (limited to those concerning persons specified in Article 2, paragraph (1), items (i) through (iv) of the Act);
 - (ii) the order to report or submit material under Article 136, paragraphs (1) and (2) of the Act;
 - (iii) the questioning or on-site inspection under Article 137, paragraphs (1) and (2) of the Act (including those under Article 137, paragraph (6) of the Act).
 - (iv) The order under Article 137-4 of the Act.
- (2) The authority specified in items (ii) through (iv) of the preceding paragraph that relates to business offices of a financial institution, etc. other than the head office, etc., secondary offices, or any other facilities, or subsidiary company of a financial institution (hereinafter referred to as "branches, etc." in this Article and paragraphs (2) and (3) of the following Article) may be exercised by the Director-Generals of Local Finance Bureaus with jurisdiction over the location of the relevant branches, etc. (in cases where the branches, etc. are located within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau), beyond the Director-Generals of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.
- (3) Any Director-General of a Local Finance Bureau or Director-General of the Fukuoka Local Finance Branch Bureau who has required the submission of report or material from or conducted questioning or on-site inspection (hereinafter referred to as "inspection, etc." in this paragraph and paragraph (3) of the following Article) of the branches, etc. of a financial institution, etc. under the preceding paragraph may, if they find it necessary, conduct the inspection, etc. of any branches, etc. of the relevant financial institution, other than the relevant head office, etc. or the relevant branches, etc. which have already been subject to the inspection, etc.
- (4) The provisions of the preceding three paragraphs do not apply to the authority designated by the Commissioner of the Financial Services Agency among the authority specified in each item of paragraph (1).
- (5) When the Commissioner of the Financial Services Agency has made the designation prescribed in the preceding paragraph, the commissioner is to give public notice to that effect. The same applies when the commissioner discontinues or changes such designation.

Article 42 (1) The authority delegated to the Securities and Exchange Surveillance Commission under Article 40 is delegated to the Director-General of a Local Finance Bureau with jurisdiction over the location of the head office, etc. of a financial institution, etc. (excluding the special financial instruments

business operator prescribed in Article 57-2, paragraph (2) of the Financial Instruments and Exchange Act) (in cases where the head office, etc. is located within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, to the Director-General of the Fukuoka Local Finance Branch Bureau); provided, however, that this does not preclude the Securities and Exchange Surveillance Commission from exercising that authority personally.

- (2) The authority delegated under the preceding paragraph that relates to the branches, etc. of a financial institution, etc. may be exercised by the Director-Generals of Local Finance Bureaus with jurisdiction over the location of the relevant branches, etc. (in cases where the branches, etc. are located within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau), beyond the Director-Generals of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.
- (3) Any Director-General of a Local Finance Bureau or Director-General of the Fukuoka Local Finance Branch Bureau who has required the inspection, etc. of the branches, etc. of a financial institution, etc. under the preceding paragraph may, if they find it necessary, conduct the inspection, etc. of any branches, etc. of the relevant financial institution, other than the relevant head office, etc. or the relevant branches, etc. which have already been subject to the inspection, etc.
- (4) The provisions of paragraph (1) do not apply to the authority designated by the Securities and Exchange Surveillance Commission among the authority specified in paragraph (1). In this case, for the purpose of application of paragraph (2), the term "under the preceding paragraph" in paragraph (2) is deemed to be replaced with "to the Securities and Exchange Surveillance Commission under Article 40," and the term "the Director-Generals of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph" in paragraph (2) with "the Securities and Exchange Surveillance Commission."
- (5) When the Securities and Exchange Surveillance Commission has made the designation prescribed in the preceding paragraph, it is to give public notice to that effect. The same applies when it discontinues or changes the designation.