

Regulation for Enforcement of the Act on the Succession to Labor Contracts upon Company Split

(Order of the Ministry of Labour No. 48 of December 27, 2000)

Based on the provisions of Article 2, paragraphs (1) and (2) and Article 7 of the Act on the Succession to Labor Contracts upon Company Split (Act No. 103 of 2000), the Regulation for Enforcement of the Act on the Succession to Labor Contracts upon Company Split is established as follows.

(Notice to Workers)

Article 1 The matters prescribed by Order of the Ministry of Health, Labour and Welfare referred to in Article 2, paragraph (1) of the Act on the Succession to Labor Contracts upon Company Split (hereinafter referred to as the "Act") are as follows:

- (i) the item of Article 2, paragraph (1) of the Act that the worker, to whom the notice is given, falls under;
- (ii) with regard to a labor contract that the worker, to whom the notice is given, has entered into with a company as referred to in Article 2, paragraph (2) of the Act that conducts a split as referred to in paragraph (1) of the same Article (hereinafter, that split is referred to as "company split" and the company conducting it is referred to as "split company"), if there are provisions to the effect that a successor company, etc. as referred to in paragraph (1) of the same Article (hereinafter, referred to as "successor company, etc.") is to succeed to that labor contract in the split contract, etc. as referred to in paragraph (1) of the same Article (hereinafter referred to as a "split contract, etc."), the fact that the working conditions contained in the labor contract will be maintained as they are because the labor contract will be comprehensively succeeded to by the successor company, etc. from the split company on or after the day on which the company split pertaining to the split contract, etc. becomes effective (hereinafter referred to as the "effective day");
- (iii) the outline of the business that is to be succeeded to by the successor company, etc. from the split company (hereinafter referred to as the "succeeded business");
- (iv) tradenames, addresses (or locations in the case of a company incorporated in an incorporation-type split as prescribed in Article 763, paragraph (1) of the Companies Act (Act No. 86 of 2005)), details of the business of the split company and the successor company, etc. on or after the effective day, and the number of workers scheduled to be employed thereby on or after that

- day;
- (v) the effective day;
- (vi) details of the duties that the relevant worker is scheduled to engage in, and the workplace and other working style at the split company or the successor company, etc. on or after the effective day;
- (vii) matters concerning the probability of performance of liabilities by the split company and the successor company, etc. on or after the effective day;
- (viii) the fact that the worker may file an objection, if any, as referred to in Article 4, paragraph (1) or Article 5, paragraph (1) of the Act, and the name and address of the section that accepts an objection or the name, job title, and workplace of the person in charge.

(Scope of Persons Who Primarily Engage in the Succeeded Business)

Article 2 The worker prescribed by Order of the Ministry of Health, Labour and Welfare referred to in Article 2, paragraph (1), item (i) of the Act is as follows:

- (i) a worker who primarily engages in the succeeded business as of the day on which the split contract, etc. is entered into or prepared (excluding cases where the split company has ordered the worker to primarily engage in the succeeded business on a temporary basis or otherwise it is clear, as of the day on which the split contract, etc. is entered into or prepared, that the worker will cease to primarily engage in the succeeded business after that day);
- (ii) a worker who will evidently come to primarily engage in the succeeded business after the day on which the split contract, etc. is entered into or prepared, among those other than the worker referred to in the preceding item who was ordered by the split company to primarily engage in a business other than the succeeded business (including a business conducted by a person other than the split company) on a temporary basis or who commenced an absence from work on or before the day on which the split contract, etc. is entered into or prepared (limited to cases where the worker had primarily engaged in the succeeded business and then engaged in a business other than the succeeded business or commenced an absence from work) or otherwise who will not primarily engage in the succeeded business as of the day on which the split contract, etc. is entered into or prepared.

(Notice to Labor Union)

Article 3 The matters prescribed by Order of the Ministry of Health, Labour and Welfare referred to in Article 2, paragraph (2) of the Act are as follows:

- (i) the matters set forth in Article 1, items (iii) to (v) and item (vii);
- (ii) the scope of the workers whose labor contracts entered into with the split company are to be succeeded to by the successor company, etc., and if the

- indication of that scope fails to enable the labor union to identify the workers' names, the names of the relevant workers;
- (iii) the details of the collective agreement to be succeeded to by the successor company, etc. (limited to cases where the split company notifies the labor union of the fact that the split contract, etc. has provisions to the effect that the collective agreement is to be succeeded to by the successor company, etc.).

(Understanding and Cooperation of Workers)

Article 4 In conducting a company split, the split company is to endeavor to obtain the understanding and cooperation of the workers in its employment at all its workplaces through consultations with the labor union when a workplace has one organized by the majority of the workers or with a person representing the majority of the workers when a workplace has no such labor union, or by any other method equivalent thereto.

(Application Mutatis Mutandis)

Article 5 The provisions of Articles 1 to 4 apply mutatis mutandis to an incorporation-type split as prescribed in Article 70-3, paragraph (1) of the Agricultural Cooperatives Act (Act No. 132 of 1947). In this case, in these provisions (excluding the part other than the items of Article 1 and item (ii) of the same Article), the term "split company" is deemed to be replaced with "split cooperative"; the term "successor company, etc." is deemed to be replaced with "formed cooperative"; the term "split contract, etc." is deemed to be replaced with "split plan"; and the term "company split" is deemed to be replaced with "incorporation-type split"; and the terms listed in the middle column of the following table in the provisions listed in the left-hand column of the same table are to be respectively deemed to be replaced with the terms listed in the right-hand column of the same table.

The part other than the items of Article 1	the Act on the Succession to Labor Contracts upon Company Split	the Act on the Succession to Labor Contracts upon Company Split as applied mutatis mutandis pursuant to Article 70-6, paragraph (2) of the Agricultural Cooperatives Act (Act No. 132 of 1947)
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Article 1, item (ii)	a company as referred to in Article 2, paragraph (2) of the Act that conducts a split as referred to in paragraph (1) of the same Article (hereinafter, such split is referred to as a "company split" and such company conducting a company split is referred to as a "split company")	a contribution cooperative as prescribed in Article 10, paragraph (2) of the Agricultural Cooperatives Act that conducts an incorporation-type split as prescribed in Article 70-3, paragraph (1) of the same Act (hereinafter, such split is referred to as an "incorporation-type split" and such cooperative conducting an incorporation-type split is referred to as a "split cooperative")
	a split contract, etc. as referred to in paragraph (1) of the same Article (hereinafter referred to as a "split contract, etc.") has provisions to the effect that a successor company, etc. as referred to in paragraph (1) of the same Article (hereinafter referred to as a "successor company, etc.")	an incorporation-type split plan as referred to in Article 70-3, paragraph (1) of the same Act (hereinafter referred to as a "split plan") has provisions to the effect that a cooperative formed in an incorporation-type split as referred to in paragraph (2), item (i) of the same Article (hereinafter referred to as a "formed cooperative")
	by the successor company, etc. from the split company	by the formed cooperative from the split cooperative
	the company split pertaining to the split contract, etc.	the incorporation-type split pertaining to the split plan
Article 1, item (iv)	a company incorporated in an incorporation-type split as prescribed in Article 763, paragraph (1) of the Companies Act (Act No. 86 of 2005))	a formed cooperative

Article 6 The provisions of Articles 1 to 4 apply mutatis mutandis to an absorption-type split as prescribed in Article 60 of the Medical Care Act (Act No. 205 of 1948) and an incorporation-type split as prescribed in Article 61, paragraph (1) of the same Act. In this case, in these provisions (excluding the part other than the items of Article 1 and item (ii) of the same Article), the term "split company" is deemed to be replaced with "split medical corporation"; the term "successor company, etc." is deemed to be replaced with "successor medical corporation, etc."; and the term "company split" is deemed to be replaced with "medical corporation split"; and the terms listed in the middle column of the following table in the provisions listed in the left-hand column of

the same table are to be respectively deemed to be replaced with the terms listed in the right-hand column of the same table.

The part other than the items of Article 1	the Act on the Succession to Labor Contracts upon Company Split	the Act on the Succession to Labor Contracts upon Company Split as applied mutatis mutandis pursuant to Article 62 of the Medical Care Act (Act No. 205 of 1948)
Article 1, item (ii)	a company as referred to in Article 2, paragraph (2) of the Act that conducts a split as referred to in paragraph (1) of the same Article (hereinafter, such split is referred to as a "company split" and such company conducting a company split is referred to as a "split company")	a medical corporation splitting in an absorption-type split as referred to in Article 60-2, item (i) of the Medical Care Act or a medical corporation splitting in an incorporation-type split as referred to in Article 61-2, item (iii) of the same Act that conducts an absorption-type split as referred to in Article 60 of the same Act or an incorporation-type split as referred to in Article 61, paragraph (1) of the same Act (hereinafter, such split is referred to as a "medical corporation split" and such medical corporation conducting a medical corporation split is referred to as a "split medical corporation")
	a split contract, etc. as referred to in paragraph (1) of the same Article	an absorption-type split contract as referred to in Article 60 of the same Act or an incorporation-type split plan as referred to in Article 61, paragraph (1) of the same Act

	a successor company, etc. as referred to in paragraph (1) of the same Article (hereinafter referred to as a "successor company, etc.	a medical corporation succeeding in an absorption-type split as referred to in Article 60 of the same Act or a medical corporation incorporated in an incorporation-type split as referred to in Article 61-2, item (i) of the same Act (hereinafter referred to as a "successor medical corporation, etc.
	by the successor company, etc. from the split company	by the successor medical corporation, etc. from the split medical corporation
	the company split	the medical corporation split
Article 1, item (iv)	tradenames	names
	addresses (or locations in the case of a company incorporated in an incorporation-type split as prescribed in Article 763, paragraph (1) of the Companies Act (Act No. 86 of 2005))	locations of principal offices

Article 7 The provisions of Articles 1 to 4 apply mutatis mutandis to an absorption-type split as prescribed in Article 137-3-7, paragraph (1) of the National Pension Act (Act No. 141 of 1959). In this case, in these provisions (excluding the part other than the items of Article 1 and item (ii) of the same Article), the term "split company" is deemed to be replaced with "split fund"; the term "successor company, etc." is deemed to be replaced with "successor fund"; the term "(a) split contract, etc." is deemed to be replaced with "(an) absorption-type split contract"; and the term "company split" is deemed to be replaced with "fund split"; and the terms listed in the middle column of the following table in the provisions listed in the left-hand column of the same table are to be respectively deemed to be replaced with the terms listed in the right-hand column of the same table.

The part other than the items of Article 1	the Act on the Succession to Labor Contracts upon Company Split	the Act on the Succession to Labor Contracts upon Company Split as applied mutatis mutandis pursuant to Article 137-3-13 of the National Pension Act (Act No. 141 of 1959)
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Article 1, item (ii)	a company as referred to in Article 2, paragraph (2) of the Act that conducts a split as referred to in paragraph (1) of the same Article (hereinafter, that split is referred to as a "company split" and the company conducting a company split is referred to as a "split company")	a fund splitting in an absorption-type split as referred to in Article 137-3-7, paragraph (2) of the National Pension Act that conducts an absorption-type split as referred to in paragraph (1) of the same Article (hereinafter, that split is referred to as a "fund split" and the fund conducting a fund split is referred to as a "split fund")
	a split contract, etc. as referred to in paragraph (1) of the same Article (hereinafter referred to as a "split contract, etc.	an absorption-type split contract as referred to in the same paragraph (hereinafter referred to as an "absorption-type split contract
	a successor company, etc. as referred to in paragraph (1) of the same Article (hereinafter referred to as a "successor company, etc.	a fund succeeding in an absorption-type split as referred to in the same paragraph (hereinafter referred to as a "successor fund
	by the successor company, etc. from the split company	by the successor fund from the split fund
	the company split pertaining to the split contract, etc.	the fund split pertaining to the absorption-type split contract
Article 1, item (iv)	tradenames, addresses (or locations in the case of a company incorporated in an incorporation-type split as prescribed in Article 763, paragraph (1) of the Companies Act (Act No. 86 of 2005))	names, locations of principal offices

Supplementary Provisions

This Ministerial Order comes into effect as of the date on which the Act comes into effect (April 1, 2001).

Supplementary Provisions [Order of the Ministry of Health, Labour and Welfare No. 116 of April 28, 2006 Extract] [Extract]

(Effective Date)

Article 1 This Ministerial Order comes into effect as of May 1, 2006.

Supplementary Provisions [Order of the Ministry of Health, Labour and Welfare No. 14 of February 4, 2015]

This Ministerial Order comes into effect as of the date on which the Act Partially Amending the Companies Act (May 1, 2015) comes into effect.

Supplementary Provisions [Order of the Ministry of Health, Labour and Welfare No. 58 of March 31, 2016]

This Ministerial Order comes into effect as of April 1, 2016.

Supplementary Provisions [Order of the Ministry of Health, Labour and Welfare No. 140 of August 17, 2016]

(Effective Date)

Article 1 This Ministerial Order comes into effect as of September 1, 2016.

(Transitional Measures)

Article 2 Prior laws continue to govern an absorption-type company split or an incorporation-type company split in cases where the relevant absorption-type split contract or the relevant incorporation-type split plan was entered into or prepared before the date on which this Ministerial Order comes into effect.

Supplementary Provisions [Order of the Ministry of Health, Labour and Welfare No. 159 of October 5, 2016 Extract] [Extract]

(Effective Date)

Article 1 This Ministerial Order comes into effect as of January 1, 2017, and the provisions of Articles 8 and 12 of the Ministerial Order on the Finance and Accounting of the National Pension Fund and the National Pension Fund Association after the amendment under Article 4 (including as applied mutatis mutandis pursuant to Article 20 of the same Order following the deemed replacement of terms) become applicable from the FY2017 budget for the National Pension Fund or the National Pension Fund Association.