

# Bank of Japan Act

(Act No. 89 of June 18, 1997)

The Bank of Japan Act (Act No. 67 of 1942) is fully amended.

Chapter I General Provisions (Article 1 - Article 13)

Chapter II Policy Board (Article 14 - Article 20)

Chapter III Officers and Employees (Article 21 - Article 32)

Chapter IV Business (Article 33 - Article 45)

Chapter V Bank of Japan Notes (Article 46 - Article 49)

Chapter VI Accounting (Article 50 - Article 53)

Chapter VII Reporting, etc. to the Diet (Article 54 and Article 55)

Chapter VIII Rectification, etc. of Illegal Acts, etc. (Article 56 - Article 58)

Chapter IX Miscellaneous Provisions (Article 59 - Article 62)

Chapter X Penal Provisions (Article 63 - Article 66)

Supplementary Provisions

## Chapter I General Provisions

(Purpose)

Article 1 (1) The purpose of the Bank of Japan, or the central bank of Japan, is to issue banknotes and to carry out currency and monetary control.

(2) In addition to what is prescribed in the preceding paragraph, the Bank of Japan's purpose is to ensure smooth settlement of funds among banks and other financial institutions, thereby contributing to the maintenance of stability of the financial system.

(The Principle of Currency and Monetary Control)

Article 2 The Bank of Japan conducts currency and monetary control, aiming at achieving price stability, thereby contributing to the sound development of the national economy.

(Respecting the Autonomy of the Bank of Japan and Ensuring Transparency)

Article 3 (1) The Bank of Japan's autonomy regarding currency and monetary control must be respected.

(2) The Bank of Japan must endeavor to clarify to the citizen the content of its decisions, as well as its decision-making process, regarding currency and monetary control.

(Relationship with the Government)

Article 4 Taking into account the fact that currency and monetary control is a component of overall economic policy, the Bank of Japan must always maintain close contact with the government and exchange views sufficiently, so that its currency and monetary control and the basic stance of the government's economic policy are mutually compatible.

(Public Nature of the Bank of Japan's Business and Autonomy in its Business Operations)

Article 5 (1) In light of the public nature of its business and property, the Bank of Japan must endeavor to conduct its business in a proper and efficient manner.

(2) In implementing this Act, due consideration must be given to the autonomy of the Bank of Japan's business operations.

(Legal Personality)

Article 6 The Bank of Japan is a juridical person.

(Head Office and Branch Offices)

Article 7 (1) The Bank of Japan locates its head office in Tokyo.

(2) The Bank of Japan may establish, relocate, or close offices including branch offices, pursuant to Order of the Ministry of Finance and upon authorization from the Minister of Finance.

(3) The Bank of Japan may establish or close its agencies that conduct a part of the Bank's business, pursuant to Order of the Ministry of Finance and upon authorization from the Minister of Finance.

(4) If an application for authorization set forth in the preceding two paragraphs has been filed but the Minister of Finance has denied it, the Minister must make public this denial of authorization and the reason therefor promptly, together with the content of the requested application.

(Stated Capital)

Article 8 (1) The amount of the Bank of Japan's stated capital is one hundred million yen contributed by both the government and non-governmental persons.

(2) Of the amount of stated capital set forth in the preceding paragraph, the amount of contribution by the government must not fall below fifty-five million yen.

(Investment Securities)

Article 9 (1) The Bank of Japan issues investment securities for capital contribution under paragraph (1) of the preceding Article.

(2) Other matters concerning investment securities set forth in the preceding paragraph, as well as matters concerning capital contribution in general, are specified by Cabinet Order.

(Transfer of Equity)

Article 10 Contributors to the Bank of Japan's capital may transfer their equity or put it in pledge, pursuant to Cabinet Order.

(Articles of Incorporation)

Article 11 (1) The Bank of Japan must specify the following matters in its articles of incorporation:

(i) purpose;

(ii) official name;

(iii) locations of the head office and branch offices;

(iv) matters concerning the stated capital and contribution;

(v) matters concerning the Policy Board;

(vi) matters concerning officers;

(vii) matters concerning its business and the performance thereof;

(viii) matters concerning the issuance of banknotes;

(ix) matters concerning accounting; and

(x) means for public notice and publication.

(2) Any amendments to the articles of incorporation do not come into effect unless authorized by the Minister of Finance and the Prime Minister.

(3) The provisions of Article 7, paragraph (4) apply mutatis mutandis to the authorization set forth in the preceding paragraph.

(Registration)

Article 12 (1) The Bank of Japan must register the relevant matters pursuant to Cabinet Order.

(2) Matters to be registered as prescribed in the preceding paragraph may not be asserted against a third party unless having been registered.

(Restriction on Use of the Bank of Japan's Name)

Article 13 No person other than the Bank of Japan may use the name "Bank of Japan."

## **Chapter II Policy Board**

(Establishment)

Article 14 A Policy Board (hereinafter referred to as the "Board" in this and the following Chapter) is established in the Bank of Japan.

(Authority)

Article 15 (1) The following matters concerning currency and monetary control are decided by the Board:

- (i) determining or altering the basic discount rate related to the discounting of negotiable instruments set forth in Article 33, paragraph (1), item (i), and other discount rates, as well as the types and conditions of negotiable instruments related to that discounting;
  - (ii) determining or altering the basic loan rate related to the loans set forth in Article 33, paragraph (1), item (ii), and other loan rates, as well as the types, conditions, and value of collateral related to those loans;
  - (iii) determining, altering, or discontinuing reserve requirement ratios, the base date, and other matters prescribed in Article 4, paragraph (1) of the Act on Reserve Deposit Requirement System (Act No. 135 of 1957);
  - (iv) determining or altering the guidelines for financial market control (currency and monetary control conducted through financial markets (including open market operations)) through such measures as the purchases and sales of negotiable instruments, bonds, or electronically recorded monetary claims (electronically recorded monetary claims prescribed in Article 2, paragraph (1) of the Electronically Recorded Monetary Claims Act (Act No. 102 of 2007); hereinafter the same applies in this item and Article 33, paragraph (1)) prescribed in Article 33, paragraph (1), item (iii), as well as determining or altering the types, conditions, and other matters of negotiable instruments, bonds, or electronically recorded monetary claims related to that financial market control;
  - (v) determining or altering other guidelines for currency and monetary control; and
  - (vi) determining or altering the Bank of Japan's view on currency and monetary control, including its basic view on economic and monetary conditions which provides the basis for matters listed in the preceding items.
- (2) In addition to matters to be subject to the Board resolution as prescribed in the preceding paragraph, the following matters are also decided by the Board:
- (i) making loans pursuant to Article 37, paragraph (1), and carrying out business pursuant to Article 38, paragraph (2);
  - (ii) applying for authorization pursuant to Article 39, paragraph (1), and determining important matters concerning the business related to that authorization;
  - (iii) conducting foreign exchange purchases and sales that are made to facilitate international financial business which the Minister of Finance specifies as constituting cooperation in the field of international finance as prescribed in Article 40, paragraph (3); initiating transactions with a foreign

- central bank, etc. (a foreign central bank, etc. prescribed in Article 41) related to the business prescribed in the same Article; and conducting transactions pursuant to Article 42;
- (iv) applying for authorization pursuant to the proviso of Article 43, paragraph (1), and determining important matters concerning the business related to that authorization;
  - (v) determining the content of a contract concerning on-site examinations prescribed in Article 44, paragraph (1), as well as determining important matters concerning the implementation of on-site examinations for each business year;
  - (vi) altering the articles of incorporation;
  - (vii) preparing or altering a operational method statement;
  - (viii) establishing, relocating, or closing offices including branch offices and agencies;
  - (ix) determining important matters concerning the Bank of Japan's organization and maximum number of its staff (excluding what is listed in the preceding item);
  - (x) establishing or altering the standards for paying remuneration prescribed in Article 31, paragraph (1), as well as rules on service prescribed in Article 32;
  - (xi) acquiring or disposing of real estate and other significant property;
  - (xii) making or altering a budget for expenses (a budget for expenses prescribed in Article 51, paragraph (1)), preparing an inventory of assets, balance sheet, profit and loss statement, and statement of accounts, and determining important matters concerning accounting including the appropriation of any surplus;
  - (xiii) preparing a written report prescribed in Article 54, paragraph (1), as well as the outline of business operations prescribed in Article 55;
  - (xiv) establishing or altering the rules prescribed in Article 59;
  - (xv) determining matters to be decided by the Board pursuant to this Act or to be carried out by the Board pursuant to this Act or other law or regulations; and
  - (xvi) determining matters which the Board finds particularly necessary, beyond what is set forth in the preceding items.
- (3) The Board supervises the execution of the duties by the officers (excluding auditors and counselors in this paragraph) of the Bank of Japan.

(Organization)

Article 16 (1) The Board is composed of nine members.

- (2) The Board members consist of six council members, the Bank of Japan's Governor, and two Deputy Governors. In this case, the Governor and the

- Deputy Governors perform their duties as the Board member independently of each other, notwithstanding the provisions of Article 22, paragraphs (1) and (2).
- (3) The Board has a chairperson, who is elected by the Board members from among themselves.
  - (4) The chairperson exercises general control over the Board business.
  - (5) The Board must designate, in advance, a member who performs the duties of the chairperson if the chairperson is prevented from attending to their duties.

(Calling of Board Meetings)

Article 17 (1) Board meetings are called by the chairperson of the Board (or by a person who performs the chairperson's duties prescribed in paragraph (5) of the preceding Article; hereinafter the same applies in this Article, the following Article, and Article 20).

- (2) Pursuant to Cabinet Order, the chairperson must regularly call Board meetings at which the matters listed in the items of Article 15, paragraph (1) (hereinafter referred to as "monetary control matters" in this Chapter) are to be discussed.
- (3) The preceding paragraph must not be interpreted as preventing the chairperson from calling a Board meeting for monetary control matters on an ad hoc basis, if the chairperson finds it necessary, or if one-third or more of the total incumbent Board members find it necessary and request the chairperson to call that meeting.

(Management of Board Meetings)

Article 18 (1) The Board may neither hold a meeting nor vote on any resolutions unless the chairperson and two-thirds or more of the total incumbent Board members are present.

- (2) The Board decisions are effected by a majority of the Board members present. If the votes are equally split, the chairperson makes a final decision.
- (3) Except for those specified in this Act, the procedures of meetings and other necessary matters concerning the administration of the Board are determined by the Board.

(Attendance of Government Representatives)

Article 19 (1) The Minister of Finance and the Minister of State for Economic and Fiscal Policy prescribed in Article 19, paragraph (2) of the Act for Establishment of the Cabinet Office (Act No. 89 of 1999) (referred to as the "Minister of State for Economic and Fiscal Policy" in the following paragraph) (or if that Minister's office is vacant, the Prime Minister) may attend and express opinions at Board meetings for monetary control matters, or may designate an official of their personnel to attend and express opinions at those

meetings, if necessary.

- (2) If attending the Board meeting for monetary control matters, the Minister of Finance or a person designated by the Minister among the personnel of the Ministry of Finance; and the Minister of State for Economic and Fiscal Policy or a person designated by the Minister among the Cabinet Office may submit proposals concerning monetary control matters at the meeting, or may request that the Board postpone a vote on proposals on monetary control matters submitted at the meeting until the next Board meeting for monetary control matters.
- (3) If a request has been made to postpone a vote as prescribed in the preceding paragraph, the Board must decide whether or not to accommodate the request, in accordance with the Board's practice for voting.

(Publication of Minutes)

- Article 20 (1) After each Board meeting for monetary control matters, the chairperson must promptly prepare a document describing an outline of the discussion at the meeting in accordance with the decisions made by the Board, and make the document public following its approval at another Board meeting for monetary control matters.
- (2) The chairperson must prepare minutes of each Board meeting for monetary control matters in accordance with the decisions made by the Board, and make those minutes public after the expiration of a period of time which is determined by the Board as appropriate.

### **Chapter III Officers and Employees**

(Officers)

Article 21 The officers of the Bank of Japan consist of six council members, the Governor, two Deputy Governors, three or fewer auditors, six or fewer executive directors, and several counselors.

(Duties and Powers of Officers)

Article 22 (1) The Governor represents the Bank of Japan and exercises general control over the Bank's business in accordance with decisions made by the Board.

- (2) The Deputy Governors, in accordance with decisions made by the Governor, represents the Bank of Japan, administers the business of the Bank assisting the Governor, acts for the Governor if the Governor is prevented from attending to their duties, and performs the Governor's duties during a vacancy in the office of the Governor.
- (3) The auditors audits the business of the Bank of Japan.

- (4) If the auditors find it necessary based on the audit results, they may submit their opinions to the Minister of Finance, the Prime Minister, or the Board.
- (5) The executive directors, in accordance with the decisions made by the Governor, administer the business of the Bank of Japan assisting the Governor and the Deputy Governors, act for the Governor if the Governor and the Deputy Governors are prevented from attending to their duties, and perform the Governor's duties during a vacancy in the office of the Governor and the Deputy Governors.
- (6) The counselors may state their opinions to the Board on any important matters concerning the Bank of Japan's business operations, upon consultation by the Board or if the counselors find it necessary.

(Restrictions on Rights of Representation)

Article 22-2 Restrictions on the Governor's or the Deputy Governor's right of representation may not be asserted against a third party in a good faith.

(Acts of Conflict of Interest)

Article 22-3 The Governor or the Deputy Governors does not have the right of representation for the matters on which their interest and that of the Bank of Japan conflict with each other. In this case, the court must appoint a special agent, upon a request from an interested person or a public prosecutor.

(Appointment of Officers)

- Article 23 (1) The Governor and the Deputy Governors are appointed by the Cabinet, subject to the consent of the House of Representatives and the House of Councilors.
- (2) The council members are appointed by the Cabinet, subject to the consent of the House of Representatives and the House of Councilors, from among persons with relevant expertise including experts on the economy or finance.
  - (3) The auditors are appointed by the Cabinet.
  - (4) The executive directors and the counsellors are appointed by the Minister of Finance based on the Board's recommendation.
  - (5) If the term of office of the Governor, a Deputy Governor, or a council member expires or a vacancy occurs in the office of any of these, and if the Diet is out of session or the House of Representatives has been dissolved, and it is impossible to obtain the consent of both Houses, the Cabinet may appoint a new Governor, Deputy Governor, or council member, notwithstanding the provisions of paragraphs (1) and (2).
  - (6) In the case referred to in the preceding paragraph, the appointment may be approved ex post by both Houses in the first Diet session after that appointment. If the Cabinet fails to obtain that ex post approval, it must



immediately dismiss the relevant Governor, Deputy Governor, or council member.

(Officers' Terms of Office)

Article 24 (1) The terms of office are five years for the Governor, a Deputy Governor, and a council member; four years for an auditor and an executive director; and two years for a counselor; provided, however, that if a vacancy occurs in the office of the Governor, Deputy Governor, or council member, the term of office for a substitute Governor, Deputy Governor, or council member is limited to the remaining term of their predecessor.

(2) The Governor, Deputy Governor, council member, auditor, executive director, and counselor may be reappointed.

(Guarantee of the Officers' Status)

Article 25 (1) Officers of the Bank of Japan (excluding executive directors in this paragraph) are not dismissed against their will during their terms of office, except in the case prescribed in the second sentence of Article 23, paragraph (6) or in the following items:

(i) an officer has become subject to an order commencing bankruptcy proceedings;

(ii) an officer has been punished pursuant to this Act;

(iii) an officer has been sentenced to imprisonment without work or a heavier punishment; or

(iv) an officer has been found incapable of carrying out their duties due to mental or physical disorder by the Board (or by the Board and the Cabinet in cases of auditors).

(2) The Cabinet or the Minister of Finance must dismiss an officer of the Bank of Japan if that officer falls under any of the cases listed in the items of the preceding paragraph.

(3) In addition to the case prescribed in the preceding paragraph, the Minister of Finance may dismiss an executive director if the Board has requested the dismissal thereof.

(Restriction on Officers' Acts)

Article 26 (1) An officer of the Bank of Japan (excluding counselors; hereinafter the same applies in this Article and Articles 31 and 32) must not conduct any of the following acts during their term of office:

(i) becoming a candidate for the Diet, for any council of a local government, or for any elected public office;

(ii) becoming an officer of any political body including a political party, or actively engaging in political activities;

- (iii) engaging in other work that brings remuneration (excluding work that the Board finds as meeting the requirements specified by the rules on service prescribed in Article 32 as the standards of work that does not interfere with the proper execution of the duties as an officer); or
  - (iv) carrying out business for profit or other business for the purpose of pecuniary gain.
- (2) If an officer of the Bank of Japan becomes a candidate for the Diet, for any council of a local government, or for any elected public office, that officer is deemed to have resigned as an officer of the Bank.

(Appointment of Agents)

Article 27 From among the Bank of Japan's executive directors or employees, the Governor and the Deputy Governors may appoint an agent who has the authority to conduct any act in or out of court in relation to the business of the Bank's head or branch office.

(Appointment of Employees)

Article 28 The Bank of Japan's employees are appointed by the Governor.

(Officers' and Employees' Duties of Confidentiality)

Article 29 The Bank of Japan's officers and employees must not leak or misappropriate secrets which they have learned in the course of their duties. The same applies even after they have left the Bank.

(Status of the Officers and Employees)

Article 30 The Bank of Japan's officers and employees are deemed to be those engaged in public service pursuant to laws and regulations.

(Standards for Paying Remuneration)

- Article 31 (1) The Bank of Japan must establish the standards for paying rewards (including the payment of money such as bonuses), salaries (including the payment of money such as bonuses), and retirement allowances (collectively referred to as "remuneration" in the following paragraph) to its officers and employees, as being consistent with the general standards prevailing in society, and must report those standards to the Minister of Finance and, at the same time, make them public. The same applies if the Bank makes any change to the standards.
- (2) Among the standards for paying remuneration prescribed in the preceding paragraph, those related to officers must be established in consideration of salaries, retirement allowances, and other circumstances of national public officers to whom the Act on Salaries of Government Officials with Special

Capacity (Act No. 252 of 1949) is applicable.

(Rules on Service)

Article 32 The Bank of Japan, in light of the public nature of its business and in order to ensure the proper execution of their duties by its officers and employees, must establish rules on service for its officers and employees, such as rules on the obligations to devote themselves to their duties and to separate themselves from private enterprises, and must report those rules to the Minister of Finance and, at the same time, make them public. The same applies if the Bank makes any change to the rules.

#### **Chapter IV Business**

(Regular Business)

Article 33 (1) In order to achieve the purpose prescribed in Article 1, the Bank of Japan may conduct the following business:

- (i) discounting of commercial bills and other negotiable instruments;
- (ii) making loans against collateral in the form of negotiable instruments, Japanese government bonds or other securities, or in the form of electronically recorded monetary claims;
- (iii) conducting purchase and sales of commercial bills or other negotiable instruments (including those drawn by the Bank of Japan), Japanese government bonds or other bonds, or electronically recorded claims;
- (iv) lending and borrowing of Japanese government bonds or other bonds against cash collateral;
- (v) taking deposits;
- (vi) conducting domestic funds transfer;
- (vii) taking safe custody of securities, or of other instruments or certificates related to property rights; and
- (viii) conducting purchases and sales of gold and silver bullion, and carrying out business related to business set forth in the preceding items.

(2) "Taking deposits" set forth in item (v) of the preceding paragraph refers to taking deposits based on a deposit contract.

(Loans to the National Government)

Article 34 In addition to the business prescribed in paragraph (1) of the preceding Article, as the central bank of Japan, the Bank of Japan may conduct the following business with the national government:

- (i) making uncollateralized loans within the limit decided by the Diet as prescribed in the proviso of Article 5 of the Fiscal Act (Act No. 34 of 1947);
- (ii) making uncollateralized loans for the national government's temporary

- borrowing permitted under the Fiscal Act or other laws concerning the national government's accounting;
- (iii) subscribing for or underwriting Japanese government bonds within the limit decided by the Diet as prescribed in the proviso of Article 5 of the Fiscal Act;
  - (iv) subscribing for or underwriting financing bills and other financing securities; and
  - (v) taking safe custody of precious metals and other articles.

(Handling of Treasury Money)

- Article 35 (1) As the central bank of Japan, the Bank of Japan must handle treasury money, pursuant to laws and regulations.
- (2) When handling treasury money pursuant to the provisions of the preceding paragraph, the Bank of Japan may conduct the business necessary for this purpose in addition to the business prescribed in Article 33, paragraph (1).

(Handling of National Government Affairs)

- Article 36 (1) As the central bank of Japan, the Bank of Japan is to handle the national government affairs concerning currency and finance, pursuant to laws and regulations.
- (2) When handling the national government affairs pursuant to the provisions of the preceding paragraph, the Bank of Japan may conduct the business necessary for this purpose in addition to the business prescribed in Article 33, paragraph (1).
- (3) Expenses necessary for handling national government affairs as prescribed in paragraph (1) may be borne by the Bank of Japan, pursuant to laws and regulations.

(Temporary Loans to Financial Institutions, etc.)

- Article 37 (1) Notwithstanding the provisions of Article 33, paragraph (1), the Bank of Japan may provide financial institutions (banks and other institutions engaged in the business of taking deposits, etc. (deposits and others prescribed in Article 2, paragraph (2) of the Deposit Insurance Act (Act No. 34 of 1971) and other deposits for savings) and in funds transfers in the course of trade; the same applies hereinafter) and other financial business entities specified by Cabinet Order (hereinafter collectively referred to as "financial institutions, etc.") with uncollateralized loans the amount of which is equivalent to the shortage of funds for a period no longer than the length of time prescribed by Cabinet Order, if an unexpected and temporary shortage of funds necessary for payment occurs in the relevant financial institution, etc. due to accidental causes, including failures in electronic data processing systems; their business

operations would be seriously hampered if the shortage is not recovered swiftly; and the Bank finds the relevant loans are necessary to secure smooth settlement of funds among financial institutions.

- (2) If having provided loans as prescribed in the preceding paragraph, the Bank of Japan must report to that effect to the Prime Minister and the Minister of Finance without delay.

(Business Contributing to the Maintenance of the Orderly Financial System)

Article 38 (1) If the Prime Minister and the Minister of Finance find it especially necessary for the maintenance of the orderly financial system, such as in cases in which, based on the consultation under Article 57-5 of the Banking Act (Act No. 59 of 1981) or other laws and regulations, they find that serious problems may arise in the maintenance of the orderly financial system, they may request the Bank of Japan to conduct the business necessary to maintain the orderly financial system, such as to provide loans to the financial institution in relation to that consultation.

- (2) If a request has been made from the Prime Minister and the Minister of Finance as prescribed in the preceding paragraph, the Bank of Japan may conduct the business necessary to maintain of the orderly financial system, including the provision of loans under special conditions, responding to that request, in addition to the business prescribed in Article 33, paragraph (1).

(Business Contributing to Smooth Settlement of Funds)

Article 39 (1) In addition to the business prescribed in Article 33 through the preceding Article, the Bank of Japan, upon authorization from the Prime Minister and the Minister of Finance, may conduct the business found to contribute to smooth settlement of funds among financial institutions in conjunction with the business prescribed in Article 33, paragraph (1), items (v) through (vii), or the business prescribed in Article 35, paragraph (2) or Article 36, paragraph (2).

- (2) The provisions of Article 7, paragraph (4) apply mutatis mutandis to the authorization set forth in the preceding paragraph.

(Purchases and Sales of Foreign Exchange)

Article 40 (1) The Bank of Japan, if necessary, may purchase and sell foreign exchange on its own account or as an agent handling the national government affairs pursuant to Article 36, paragraph (1), and it may also purchase and sell foreign exchange on behalf of foreign central banks, etc. (foreign central banks and those equivalent thereto; the same applies hereinafter) or international organizations (international organizations of which Japan has a membership, including the Bank for International Settlements; the same applies

hereinafter) as their agent in order to cooperate with them as the central bank of Japan.

- (2) The Bank of Japan is to purchase and sell foreign exchange as an agent handling the national government affairs pursuant to Article 36, paragraph (1), when the purpose of the purchases and sales is to stabilize the exchange rate of Japanese currency.
- (3) When the Bank of Japan purchases and sells foreign exchange on its own account or as an agent on behalf of foreign central banks, etc. or international organizations to cooperate with them as the central bank of Japan pursuant to paragraph (1), the Bank is to conduct the purchases and sales for the purpose which the Minister of Finance specifies as constituting cooperation in the field of international finance, at the request, or upon the approval, of the Minister of Finance.

(International Financial Business)

Article 41 The Bank of Japan may conduct the following business with foreign central banks, etc. or international organizations in order to cooperate with them as the central bank of Japan:

- (i) taking deposits related to deposit money denominated in Japanese currency (deposits prescribed in Article 33, paragraph (2));
- (ii) conducting purchases and sales of Japanese government bonds in exchange for deposits received through the business set forth in the preceding item;
- (iii) taking safe custody of securities, precious metals, and other articles;
- (iv) carrying out intermediary, brokerage, or agency services for purchases and sales of national government securities conducted by the relevant foreign central banks, etc. or international organizations; and
- (v) other business specified by Order of the Ministry of Finance as those found to contribute to the proper management of Japanese currency or assets denominated in Japanese currency held by the relevant foreign central banks, etc. or international organizations.

Article 42 In addition to the business prescribed in the preceding Article, the Bank of Japan may conduct the following transactions and other transactions necessary for cooperating, as the central bank of Japan, with foreign central banks, etc. or international organizations in the field of international finance, including the provision of international financial assistance, at the request, or upon the approval, of the Minister of Finance:

- (i) acquiring loan claims from the Bank for International Settlements against foreign central banks, etc.; and
- (ii) providing credit to foreign central banks, etc. or international organizations.

(Prohibition of Other Business)

- Article 43 (1) The Bank of Japan must not conduct any business other than that specified by this Act as the business of the Bank; provided, however, that this does not apply to cases in which the relevant business is necessary to achieve the Bank's purpose specified by this Act and the Bank has obtained authorization from the Minister of Finance and the Prime Minister.
- (2) The provisions of Article 7, paragraph (4) apply mutatis mutandis to the authorization set forth in the preceding paragraph.

(On-Site Examinations)

- Article 44 (1) For the purpose of appropriately conducting or preparing to conduct the business prescribed in Articles 37 through 39, the Bank of Japan may conclude a contract with financial institutions, etc. which would be the counterparty in that business (hereinafter referred to as the "counterparty financial institutions, etc." in this Article) concerning on-site examinations (examinations which the Bank carries out regarding the business operations and the state of the property of the counterparty financial institutions, etc. by visiting the premises thereof; hereinafter the same applies in this Article) (the relevant contract must meet the requirements specified by Cabinet Order including those whereby the Bank must notify and obtain prior consent from the counterparty financial institutions, etc. when carrying out on-site examinations).
- (2) The Bank of Japan must consider the administrative burden incurred by counterparty financial institutions, etc. if carrying out on-site examinations.
- (3) If a request has been made from the Commissioner of the Financial Services Agency, the Bank of Japan may submit the documents describing the results of the on-site examinations and other related materials to the Commissioner or have officials of the Financial Services Agency inspect them.

(Operational Method Statements)

- Article 45 (1) The Bank of Japan must prepare operational method statement and submit it to the Minister of Finance and the Prime Minister. The same applies if the Bank makes any change to the statement.
- (2) The operational method statement set forth in the preceding paragraph must contain matters specified by Cabinet Order, including those concerning the provision of loans.

## **Chapter V Bank of Japan Notes**

(Issuance of Bank of Japan Notes)

- Article 46 (1) The Bank of Japan issues banknotes.

(2) The banknotes issued by the Bank of Japan (hereinafter referred to as "Bank of Japan notes") as prescribed in the preceding paragraph are legal tender and hence used for payment without limits.

(Types and Forms of Bank of Japan Notes)

Article 47 (1) The types of Bank of Japan notes are specified by Cabinet Order.

(2) The Minister of Finance decides the forms of Bank of Japan notes and makes public notice of them.

(Exchange of Bank of Japan Notes)

Article 48 The Bank of Japan must exchange, without fees, Bank of Japan notes rendered unfit for further circulation due to soiling, damage, or other causes, pursuant to Order of the Ministry of Finance.

(Production and Voiding of Bank of Japan Notes)

Article 49 (1) The Bank of Japan must determine the procedures for producing and voiding Bank of Japan notes and submit those procedures to the Minister of Finance for approval. The same applies if the Bank makes any change to the procedures.

(2) The provisions of Article 7, paragraph (4) apply mutatis mutandis to the approval set forth in the preceding paragraph.

## **Chapter VI Accounting**

(Business Year)

Article 50 The business year of the Bank of Japan runs April 1 through March 31 of the following year.

(Budget for Expenses)

Article 51 (1) Every business year, the Bank of Japan must make a budget for expenses (limited to those specified by Cabinet Order as not hampering the currency and monetary control; hereinafter the relevant budget is referred to as a "budget for expenses"), and submit it to the Minister of Finance for authorization before the business year begins. The same applies if the Bank makes any change to the budget.

(2) If the Minister of Finance finds it inappropriate to authorize the budget for expenses submitted pursuant to the preceding paragraph, the Minister must make notice to that effect to the Bank of Japan promptly along with the reason therefor, and make the details of the submitted budget for expenses and that reason public.

(3) If the notice as prescribed in the preceding paragraph has been made, the



Bank of Japan may express its opinions to the Minister of Finance or, as necessary, make those opinions public.

(Financial Statements)

Article 52 (1) The Bank of Japan must prepare an inventory of assets and a balance sheet for each six-month period running from April through September or from October through March, and prepare a profit and loss statement for each business year as well as for each six-month period mentioned above; and submit these documents (hereinafter referred to as "financial statements") attached with auditors' written opinions thereon to the Minister of Finance for approval within two months after the relevant six-month period or the business year has elapsed.

(2) When submitting the financial statements for a business year to the Minister of Finance pursuant to the preceding paragraph, the Bank of Japan must attach a statement of accounts for the business year and the Auditors' written opinions thereon.

(3) If having received the approval from the Minister of Finance as prescribed in paragraph (1), the Bank of Japan must, without delay, prepare and keep the financial statements, the statement of accounts set forth in the preceding paragraph, and the Auditors' written opinions set forth in the preceding two paragraphs at its head office and branch offices and make them available for public inspection for a period determined by the Policy Board as appropriate.

(Appropriation of Surplus)

Article 53 (1) The Bank of Japan must reserve, as a reserve fund, five-hundredths of the surplus resulting from the settlement of profits and losses for each business year.

(2) Notwithstanding the provisions of the preceding paragraph, if the Bank of Japan finds it especially necessary, it may reserve the money which exceeds the amount of the surplus prescribed in the preceding paragraph, as a reserve fund, upon authorization from the Minister of Finance.

(3) The reserve fund built as prescribed in the preceding two paragraphs must not be used, except to cover losses incurred by the Bank of Japan or to be appropriated for dividends as prescribed in the following paragraph.

(4) The Bank of Japan, upon authorization from the Minister of Finance, may pay dividends to contributors out of the surplus resulting from the settlement of profits and losses for each business year; provided, however, that the rate of dividend payments against paid-up capital must not exceed five-hundredths per annum.

(5) After deducting the amount reserved as prescribed in paragraphs (1) and (2) and the dividend payments prescribed in the preceding paragraph from the

surplus resulting from the settlement of profits and losses for each business year, the Bank of Japan must pay the remaining surplus to the national treasury within two months after each relevant business year ends.

- (6) The government may have the Bank of Japan make the partial payment to the national treasury for each business year as prescribed in the preceding paragraph, during the relevant business year, by estimate, pursuant to Cabinet Order.
- (7) The amount of the payment to the national treasury as prescribed in paragraph (5) is treated as losses when accounting the amount of income prescribed by the Corporation Tax Act (Act No. 34 of 1965) and the amount of income related to the business tax prescribed by the Local Tax Act (Act No. 226 of 1950).
- (8) In addition to what is prescribed in the preceding three paragraphs, necessary matters concerning the payment to the national treasury pursuant to paragraph (5) are specified by Cabinet Order.
- (9) The provisions of Article 7, paragraph (4) apply mutatis mutandis to the authorization set forth in paragraphs (2) and (4).

## **Chapter VII Reporting to the Diet**

(Reporting to and Attendance at the Diet)

Article 54 (1) The Bank of Japan must, approximately every six months, prepare a written report on the Policy Board resolutions regarding the matters listed in the items of Article 15, paragraph (1) and conditions of the business that the Bank has conducted based thereon, and submit it to the Diet through the Minister of Finance.

- (2) The Bank of Japan must endeavor to explain to the Diet the written report set forth in the preceding paragraph.
- (3) The Bank of Japan's Governor, the chairperson of the Policy Board, or an agent designated by them must attend the sessions of the House of Representatives, the House of Councilors, or their Committees if requested by them, in order to explain the state of the Bank's business and property.

(Publication of an Outline of Business Operations)

Article 55 If having received the approval regarding financial statements for each business year as prescribed in Article 52, paragraph (1), the Bank of Japan must prepare an outline of its business operations for the business year and make it public along with those financial statements and a statement of accounts for the relevant business year, without delay.

## **Chapter VIII Rectification of Illegal Acts**

(Rectification of Illegal Acts)

Article 56 (1) If the Minister of Finance or the Prime Minister finds that the Bank of Japan, its officers, or its employees have violated or are likely to violate this Act, other laws or regulations, or articles of incorporation, the Minister may request the Bank to take the measures necessary to rectify those acts.

(2) If a request has been made from the Minister of Finance or the Prime Minister as prescribed in the preceding paragraph, the Bank of Japan must promptly take measures which the Policy Board finds necessary, such as rectifying those acts, and report those measures to the Minister of Finance or the Prime Minister.

(Audit at the Request of the Minister of Finance or the Prime Minister)

Article 57 (1) If the Minister of Finance or the Prime Minister finds that the Bank of Japan, its officers, or its employees have violated or are likely to violate this Act, other laws or regulations, or articles of incorporation, the Minister may request the auditors of the Bank to audit those acts and other necessary matters and report the results thereof to the Minister of Finance or the Prime Minister.

(2) If a request has been made from the Minister of Finance or the Prime Minister as prescribed in the preceding paragraph, the auditors of the Bank of Japan must promptly audit the matters subject to the request and report the results thereof to the Minister of Finance or the Prime Minister and also to the Policy Board.

(Reports)

Article 58 If the Minister of Finance or the Prime Minister finds it necessary in light of the conditions of the business operations of the Bank of Japan, the Minister may request the Bank to submit a report or relevant materials.

## **Chapter IX Miscellaneous Provisions**

(Rules)

Article 59 When having established rules regarding the organization or other matters other than those specified by this Act separately, the Bank of Japan must report those rules to the Minister of Finance without delay. The same applies if the Bank makes any change to the rules.

(Dissolution)

Article 60 (1) The dissolution of the Bank of Japan is specified separately by law.

(2) If the Bank of Japan has been dissolved, and the residual assets of the Bank exceed the amount of paid-up capital, the residual assets equivalent to the excess amount belong to the national treasury.

(Jurisdiction over Cases Concerning Appointment of Special Agents)

Article 60-2 Cases concerning the appointment of special agents are under the jurisdiction of the district court which exercises jurisdiction over the location of the head office of the Bank of Japan.

(Application, Mutatis Mutandis, of the Act on General Incorporated Associations and General Incorporated Foundations)

Article 61 The provisions of Article 4 and Article 78 of the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006) apply mutatis mutandis to the Bank of Japan.

(Delegation of Authority)

Article 61-2 The Prime Minister delegates the authority under this Act (excluding Article 19) to the Commissioner of the Financial Services Agency (excluding those prescribed by Cabinet Order).

(Delegation to a Cabinet Order)

Article 62 Beyond what is provided for in this Act, matters necessary to implement this Act are specified by Cabinet Order.

## **Chapter X Penal Provisions**

Article 63 Those who have leaked or misappropriated secrets in violation of Article 29 are punished by imprisonment with work for not exceeding a year or a fine not exceeding five hundred thousand yen.

Article 64 Those who have failed to conduct an audit under Article 57, paragraph (2), have failed to make a report under the same paragraph, or have made a false report are punished by a fine not exceeding five hundred thousand yen.

Article 65 The Bank of Japan's officers or employees are punished by a civil fine not exceeding five hundred thousand yen if falling under any of the following items:

(i) having failed to obtain the authorization from the Minister of Finance or from both the Minister of Finance and the Prime Minister, or the approval from the Minister of Finance, as required by this Act (excluding the

- provisions of Article 43, paragraph (1));
- (ii) having failed to file notification with the Minister of Finance or with both the Minister of Finance and the Prime Minister as required by this Act, or having filed false notification;
  - (iii) having failed to make public what is required by this Act, or having made it public falsely;
  - (iv) having neglected to register in violation of Cabinet Order prescribed in Article 12, paragraph (1);
  - (v) having been engaged in other work that brings remuneration or having carried out commercial business or other business for the purpose of pecuniary gain in violation of Article 26, paragraph (1);
  - (vi) having conducted any business other than that specified as the business of the Bank of Japan in violation of Article 43, paragraph (1);
  - (vii) having violated Article 48;
  - (viii) having failed to keep the financial statements, the statement of accounts, or the auditors' written opinions or having failed to make them available for public inspection in violation of Article 52, paragraph (3);
  - (ix) having failed to reserve a surplus as a reserve fund in violation of Article 53, paragraph (1);
  - (x) having disposed of a reserve fund in violation of Article 53, paragraph (3);
  - (xi) having paid dividends in violation of the proviso of Article 53, paragraph (4);
  - (xii) having failed to make a report as required in Article 56, paragraph (2) or having made a false report; or
  - (xiii) having failed to submit a report or materials as required in Article 58 or having submitted a false report or false materials.

Article 66 Those who have violated Article 13 are punished by a civil fine not exceeding five hundred thousand yen.

### **Supplementary Provisions [Extract]**

(Effective Date)

Article 1 This Act comes into effect as from April 1, 1998; provided, however, that the provisions of Article 23, paragraphs (1) and (2) (limited to the part pertaining to obtaining the consent of both Houses) and provisions of Article 5, Article 10, paragraphs (1) and (2), Article 15, and Article 19, paragraph (2) of the Supplementary Provisions come into effect as from the day of promulgation.

(Identity of the Bank of Japan and Continuation of the Status of Its Employees)

Article 2 The Bank of Japan existing prior to the enforcement of this Act is to continue existing as the same Bank of Japan based on the provisions of the amended Bank of Japan Act (hereinafter referred to as the "new Act"), and persons who are the Bank's employees (officers are not included) prior to the enforcement of this Act are deemed to have been appointed as the Bank's employees pursuant to Article 28 of the new Act, without a letter of appointment, as on the day on which this Act comes into effect (hereinafter referred to as the "day of enforcement") without issuing a letter of appointment.

(Transitional Measures Relating to Offices Including Branch Offices)

Article 3 The Bank of Japan's branch offices, local offices, and offices other than them, which exist as of the time of the enforcement of this Act, and are equivalent to those prescribed in Article 7, paragraph (2) of the New Act; and the Bank of Japan's agencies which have been authorized pursuant to Article 4, paragraph (2) of the Bank of Japan Act prior to the amendment (hereinafter referred to as the "former Act") and exist as of the time of the enforcement of this Act are deemed to be offices including branch offices and agencies established upon authorization from the Minister of Finance pursuant to Article 7, paragraph (2) or paragraph (3) of the New Act.

(Transitional Measures Relating to Contribution and Investment Securities)

Article 4 Contribution and investment securities under the provisions of the former Act are deemed to be contribution and investment securities under the relevant provisions of the new Act, respectively.

(Transitional Measures Relating to Changes to Articles of Incorporation)

Article 5 (1) The Bank of Japan must make a change to the articles of incorporation necessary for the enforcement of this Act and obtain authorization from the Minister of Finance by the day of enforcement. In this case, that authorization is to become effective as from the day of enforcement. (2) With regard to the procedure for authorization from the Minister of Finance in the case set forth in the preceding paragraph, the provisions of Article 11, paragraph (3) of the New Act are applicable.

(Transitional Measures Relating to the Policy Board Resolutions)

Article 6 (1) The determination, change, or discontinuance under Article 2, paragraph (1) or paragraph (2) of the Temporary Interest Rate Adjustment Act (Act No. 181 of 1947) of the maximum interest rate prescribed in Article 2, paragraph (1) of the same Act is deemed to fall under any of the matters listed in the items of Article 15, paragraph (1) of the new Act, until otherwise provided for by law.

(2) Resolutions by the Bank of Japan's Policy Board prescribed in Article 13-2 of the former Act are deemed to be resolutions made by the Bank's Policy Board prescribed in Article 14 of the new Act pursuant to the relevant provisions of the new Act (including the provisions of the preceding paragraph).

(Appointment of Officers and Special Provisions on Their Term of Office)

Article 7 (1) Regarding the appointment of the first Deputy Governors and council members of the Bank of Japan after the day of enforcement, if the Diet is out of session or the House of Representatives has been dissolved, and it is impossible to obtain the consent of both Houses, the provisions of Article 23, paragraphs (5) and (6) of the New Act apply *mutatis mutandis*.

(2) A person who is the Governor, Deputy Governor, executive director, auditor, or counsellor prescribed in Article 16 of the former Act at the time of the enforcement of this Act is deemed to have been appointed as the Governor, Deputy Governor, executive director, auditor, or counsellor, respectively, on the day of enforcement pursuant to the relevant provisions of the new Act. In this case, the term of office of those deemed to have been appointed are for the same period as their remaining terms of office as the Governor, Deputy Governor, executive director, auditor, or counsellor, respectively, pursuant to Article 16, paragraph (5) of the former Act, notwithstanding the provisions of Article 24, paragraph (1) of the new Act.

(3) If the total numbers of persons deemed to have been appointed as an executive director or an auditor as prescribed in the preceding paragraph exceed the fixed number of executive directors or auditors prescribed respectively in Article 21 of the new Act, the current total number of executive directors or auditors is deemed to be the fixed number until the total number becomes equal to or less than the fixed number prescribed respectively in the same Article due to their resignation or the expiration of their terms of office, notwithstanding the provisions of the same Article.

(4) A person who is an appointed member prescribed in Article 13-4, paragraph (3) of the former Act prior to the enforcement of this Act is deemed to have been appointed as a council member pursuant to Article 23, paragraph (2) of the New Act on the day of enforcement. In this case, the term of office of the person deemed to have been appointed is for the same period as the remaining term of office as an appointed member prescribed in Article 13-5, paragraph (1) of the former Act on the day of enforcement, notwithstanding the provisions of Article 24, paragraph (1) of the New Act.

(5) The Cabinet may appoint the first Deputy Governors or council member after the day of enforcement pursuant to Article 23, paragraph (1) or paragraph (2) of the New Act (excluding persons deemed to have been appointed as Deputy Governors or council members on the day of enforcement as prescribed in

paragraph (2) or the preceding paragraph, and including the first Deputy Governors or council members appointed after the resignation or the expiration of the term of office of those persons) by specifying the term of office between two years or more and five years or less so that the expiration dates of the Board members' terms of office range evenly, notwithstanding the provisions of Article 24, paragraph (1) of the New Act.

(Transitional Measures Relating to Guarantee of the Officers' Status)

Article 8 (1) With regard to the application of the provisions of Article 25, paragraph (1), item (i) of the new Act, a person who has been declared to be a legally incapacitated person, a person with limited legal capacity, or bankrupt prior to the enforcement of this Act (excluding those who was subject to a declaration as a legally incapacitated person, or a person with limited legal capacity but has had that declaration rescinded or who have had their rights restored prior to the enforcement of this Act) is deemed to have been declared to be a legally incapacitated person, a person with limited legal capacity, or bankrupt on the day of enforcement.

(2) With regard to the application of the provisions of Article 25, paragraph (1), item (ii) of the new Act, a person who has been punished under the penal provisions which are deemed to remain applicable pursuant to Article 38 of the Supplementary Provisions are deemed to have been punished pursuant to the provisions of the new Act.

(3) With regard to the application of the provisions of Article 25, paragraph (1), item (iii) of the new Act, a person who has been sentenced to imprisonment without work or a heavier punishment prior to the enforcement of this Act (excluding those who have served out their sentences or have been exempted from the execution of their sentences prior to the enforcement of this Act) is deemed to have been sentenced to imprisonment without work or a heavier punishment on the day of enforcement.

(Transitional Measures Relating to Agents)

Article 9 A person who have been appointed as an agent by the Governor of the Bank of Japan pursuant to Article 17 of the former Act prior to the enforcement of this Act (limited to those who are either an executive director or an employee of the Bank as from the day of enforcement) is deemed to have been appointed as an agent as from the day of enforcement pursuant to Article 27 of the new Act.

(Transitional Measures Relating to Standards for Remuneration and Rules on Service)

Article 10 (1) The Bank of Japan must establish standards for paying



remuneration prescribed in Article 31, paragraph (1) of the new Act (excluding those relating to the Bank's employees; the same applies in the following paragraph and paragraph (3)) and rules on service prescribed in Article 32 of the new Act which become effective as from the day of enforcement, as well as notify the Minister of Finance of them and make them public by the day of enforcement.

- (2) The establishment of standards for paying remuneration and rules on service set forth in the preceding paragraph must be decided by the Bank of Japan's Policy Board as prescribed in Article 13-2 of the former Act.
- (3) Standards for paying remuneration and rules on service set forth in paragraph (1) must be decided by the Bank of Japan's Policy Board after the day of enforcement without delay.
- (4) With regard to remuneration prescribed in Article 31, paragraph (1) of the new Act relating to the Bank of Japan's employees (referred to as "remuneration" in the following paragraph), the provisions of paragraph (1) of the same Article apply to the remuneration to be paid on and after October 1, 1998.
- (5) If standards for paying remuneration established with regard to remuneration for the Bank of Japan's employees to be paid on and after October 1, 1998 have come to be applied pursuant to the preceding paragraph and the application has caused a change to the basis of calculation of the budget for expenses for the business year including that date, the Bank must make a new budget for expenses for that business year based on the new basis of calculation, and submit it to the Minister of Finance for authorization, by that date.
- (6) The provisions of Article 51, paragraphs (2) and (3) of the New Act apply *mutatis mutandis* to the authorization set forth in the preceding paragraph.

(Transitional Measures Relating to Confidentiality Obligations)

Article 11 Persons who are the Bank of Japan's appointed members prescribed in Article 13-4, paragraph (3) of the former Act or the Bank's employees prescribed in Article 19 of the former Act prior to the enforcement of this Act are deemed to have resigned as the Bank's officers or employees prescribed in Article 21 or Article 28 on the day of enforcement, and the provisions of Article 29 and Article 63 of the new Act apply for them.

(Transitional Measures Relating to the Basic Discount Rate)

Article 12 The basic discount rate and the basic loan interest rate subject to public notice pursuant to Article 21 of the Former Act prior to the enforcement of this Act are deemed to be the basic discount rate prescribed in Article 15, paragraph (1), item (i) of the new Act and the basic loan interest rate

prescribed in item (ii) of the same paragraph which the Bank of Japan's Policy Board has decided pursuant to Article 15, paragraph (1) of the New Act, respectively.

(Transitional Measures Relating to Business for the Maintenance of the Orderly Financial System)

Article 13 (1) If any business for which the Bank of Japan has obtained authorization from the competent minister as prescribed in Article 25 of the former Act prior to the enforcement of this Act falls under the business allowed pursuant to Article 37, paragraph (1) of the new Act, the Bank is not required to file notification under paragraph (2) of the same Article regarding that business.

(2) If any business for which the Bank of Japan has obtained authorization from the competent minister as prescribed in Article 25 of the former Act prior to the enforcement of this Act falls under the business found to be necessary for the maintenance of the orderly financial system as prescribed in Article 38, paragraph (1) of the new Act (excluding the business prescribed in Article 33, paragraph (1) of the new Act), it is deemed that a request from the Minister of Finance has been made for the relevant business pursuant to Article 38, paragraph (1) of the New Act on the day of enforcement.

(Transitional Measures Relating to International Financial Business)

Article 14 Beyond what is prescribed in the preceding Article, if any business or transaction for which the Bank of Japan has obtained authorization from the competent minister as prescribed in Article 24, Article 25, or Article 27 of the former Act prior to the enforcement of this Act falls under the business or transaction which requires authorization or approval under Article 39, paragraph (1), Article 40, paragraph (3), Article 42, or Article 43, paragraph (1) of the New Act from the Minister of Finance, the relevant business or transaction is deemed to have been authorized or approved by the Minister of Finance pursuant to these relevant provisions according to the types thereof.

(Transitional Measures Relating to Operational Method Statements)

Article 15 (1) The Bank of Japan must specify operational method statements under Article 45, paragraph (1) of the New Act, which are to become effective on the day of enforcement, and notify the Minister of Finance of them by the day of enforcement.

(2) The provisions of Article 10, paragraphs (2) and (3) of the Supplementary Provisions apply mutatis mutandis to the operational method statements set forth in the preceding paragraph.

(Transitional Measures Relating to Bank of Japan Notes)

Article 16 (1) Banknotes issued pursuant to Article 29, paragraph (1) of the former Act are deemed to be Bank of Japan notes issued pursuant to Article 46, paragraph (1) of the new Act.

(2) The forms of banknotes which the competent minister has specified and made public notice of pursuant to Article 33, paragraphs (1) and (2) of the Former Act are deemed to be the forms of Bank of Japan notes which the Minister of Finance has specified and made public notice of pursuant to Article 47, paragraph (2) of the New Act.

(Transitional Measures Accompanying Discontinuance of the Issue Tax)

Article 17 With regard to the issue tax which has been imposed or should have been imposed pursuant to Article 31-2 of the Former Act prior to the enforcement of this Act, the provisions then in force remain applicable.

(Transitional Measures Relating to Procedures for Producing and voiding Bank of Japan Notes)

Article 18 The procedures for producing and voiding banknotes which have been determined by the Bank of Japan and authorized by the competent minister pursuant to Article 36 of the former Act prior to the enforcement of this Act are deemed to be the procedures for producing and voiding Bank of Japan notes which have been determined by the Bank and approved by the Minister of Finance pursuant to Article 49, paragraph (1) of the new Act.

(Transitional Measures Relating to Budget for Expenses)

Article 19 (1) The provisions of Articles 51 through 53 and Article 55 of the new Act apply to the publication of the budget for expenses, settlement-related documents, appropriation of surplus, and outline of business operations in relation to the business year which starts on or after the day of enforcement; and with regard to the public notice of the budget, settlement-related documents, appropriation of surplus, and the business outlines in relation to the business year which has started prior to the day of enforcement, the provisions then in force remain applicable.

(2) In the case referred to in the preceding paragraph, with regard to authorization for the budget for expenses relating to the business year which starts as from the day of enforcement, the provisions of Article 51 of the New Act apply.

(Transitional Measures Relating to a Reserve Fund)

Article 20 The reserve fund built pursuant to Article 39, paragraph (1) or paragraph (2) of the former Act (including reserve funds built upon

appropriation of a surplus for which the provisions then in force are deemed to remain applicable pursuant to paragraph (1) of the preceding Article) is deemed to be the reserve fund built pursuant to Article 53, paragraph (1) or paragraph (2) of the new Act.

(Effect of Authorization under the Former Act)

Article 21 Authorization or other dispositions, or an application for authorization or other acts conducted based on the provisions of the former Act are deemed to have been conducted based on the relevant provisions of the new Act, except for those otherwise provided for by these Supplementary Provisions.

(Transitional Measures Relating to a Special Reserve Fund and Special Provisions on its Belonging to the National Treasury upon Dissolution)

Article 22 (1) With regard to the special reserve fund built pursuant to paragraphs (5) and (6) of the Supplementary Provisions of the Act for Partial Amendment of the Bank of Japan Act (Act No. 46 of 1947), the provisions then in force remain applicable.

(2) If the Bank of Japan has been dissolved and there are remains of the special reserve fund as prescribed in the preceding paragraph, the residual assets limited to those equivalent to the amount exceeding the total of paid-up capital and that special reserve fund are to belong to the national treasury, notwithstanding the provisions of Article 60, paragraph (2) of the New Act.

(Transitional Measures Relating to the Application of Penal Provisions)

Article 38 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act and acts committed after the enforcement of this Act relating to matters for which the provisions then in force are deemed to remain applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force remain applicable.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 39 In addition to what is specified in Articles 2 through 22 and the preceding Article of the Supplementary Provisions, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

### **Supplementary Provisions [Act No. 102 of June 20, 1997] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as from the day of enforcement of the Finance Supervisory Agency Establishment Act (Act No. 101 of 1997).

(Transitional Measures Pertaining to Dispositions by the Minister of Finance)

Article 2 (1) Dispositions including licensing, permission, authorization, approval, and designation, or notice or other acts conducted by the Minister of Finance or other national government organs pursuant to the provisions of the Secured Bonds Trust Act, the Trust Business Act, the Norinchukin Bank Act, the Mutual Loan Association Act, the Act on Simplifying Business Affairs of Banks, etc., the Act on Engagement in Trust Business by Financial Institutions, the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, the Japan Agricultural Cooperatives Act, the Securities and Exchange Act, the Act on the Non-Life Insurance Rating Organization of Japan, the Fisheries Cooperatives Act, the Small and Medium-Sized Enterprise Cooperatives Act, the Act on Finance Business Conducted by Cooperative Associations, the Shipowner Mutual Insurance Association Act, the Securities Investment Trust Act, the Credit Union Act, the Long-Term Credit Bank Act, the Loan Trust Act, the Small and Medium-sized Fishery Finance Guarantee Act, the Credit Guarantee Association Act, the Worker's Credit Union Act, the Foreign Exchange Bank Act, the Act on Securing Compensation for Automobile Accidents, the Agriculture Credit Guarantee Insurance Act, the Act on Merger and Conversion of Financial Institutions, the Act on Foreign Security Business Entities, the Deposit Insurance Act, the Agricultural District Industry Introduction Promotion Act, the Agricultural and Fishery Business Cooperative Association Deposit Insurance Act, the Banking Act, the Act on Regulation of Loan Business, the Act on Regulation, etc. of Security Advisory Business, the Act on Regulation, etc. of Mortgage Security Business, the Financial Future Transaction Act, the Act on Regulation, etc. of Voucher of Prepayment Type, the Act on Regulation of Commodity Investment, the Act on Special Measures, etc. of the Narcotics and Psychotropics Control Act for Prevention of Conduct Encouraging Illegal Conduct Relating to Regulated Medicine under International Cooperation, the Act on Regulation of Business of Specified Claims, etc., the Act on Preparation, etc. of Related Acts for Reform of Finance System and Security Exchange System, the Act on Preferred Equity Investment of Cooperative Structure Financial Institution, the Act on Specified Joint Real Estate Ventures, the Insurance Business Act, the Act on Special Measures, etc. of Reorganization Procedure of Financial Institutions, the Act on Merger, etc. of Central Bank for Agriculture, Forestry and Fishery and Federation for Credit Agriculture Cooperative Association, the Bank of Japan Act, or the Act on Special Measures, etc. for Merger Procedures for Banks, etc. for Establishing Bank Holding Companies prior to the amendment by this Act (hereinafter referred to as the "former Secured Bonds Trust Act, etc.") are deemed to be dispositions including licensing, permission, authorization, approval, and designation, or notice or other acts conducted by the Prime

Minister or other relevant national government organs pursuant to the relevant provisions of the Secured Bonds Trust Act, the Trust Business Act, the Norinchukin Bank Act, the Mutual Loan Association Act, the Act on Simplifying Business Affairs of Banks, etc., the Act on Engagement in Trust Business by Financial Institutions, the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, the Japan Agricultural Cooperatives Act, the Securities and Exchange Act, the Act on the Non-Life Insurance Rating Organization of Japan, the Fisheries Cooperatives Act, the Small and Medium-Sized Enterprise Cooperatives Act, the Act on Finance Business Conducted by Cooperative Associations, the Shipowner Mutual Insurance Association Act, the Securities Investment Trust Act, the Credit Union Act, the Long-Term Credit Bank Act, the Loan Trust Act, the Small and Medium-sized Fishery Finance Guarantee Act, the Credit Guarantee Association Act, the Worker's Credit Union Act, the Foreign Exchange Bank Act, the Act on Securing Compensation for Automobile Accidents, the Agriculture Credit Guarantee Insurance Act, the Act on Merger and Conversion of Financial Institutions, the Act on Foreign Security Business Entities, the Deposit Insurance Act, the Agricultural District Industry Introduction Promotion Act, the Agricultural and Fishery Business Cooperative Association Deposit Insurance Act, the Banking Act, the Act on Regulation of Loan Business, the Act on Regulation, etc. of Security Advisory Business, the Act on Regulation, etc. of Mortgage Security Business, the Financial Future Transaction Act, the Act on Regulation, etc. of Voucher of Prepayment Type, the Act on Regulation of Commodity Investment, the Act on Special Measures, etc. of the Narcotics and Psychotropics Control Act for Prevention of Conduct Encouraging Illegal Conduct Relating to Regulated Medicine under International Cooperation, the Act on Regulation of Business of Specified Claims, etc., the Act on Preparation, etc. of Related Acts for Reform of Finance System and Security Exchange System, the Act on Preferred Equity Investment of Cooperative Structure Financial Institution, the Act on Specified Joint Real Estate Ventures, the Insurance Business Act, the Act on Special Measures, etc. of Reorganization Procedure of Financial Institutions, the Act on Merger, etc. of Central Bank for Agriculture, Forestry and Fishery and Federation for Credit Agriculture Cooperative Association, the Bank of Japan Act, or the Act on Special Measures, etc. for Merger Procedures for Banks, etc. for Establishing Bank Holding Companies after the amendment by this Act (hereinafter referred to as the "new Secured Bonds Trust Act, etc.").

- (2) Application, notification, or other acts made to the Minister of Finance or other national government organs pursuant to the provisions of the Former Secured Bonds Trust Act, etc. prior to the enforcement of this Act are deemed to have been made to the Prime Minister and other relevant national

government organs based on the relevant provisions of the New Secured Bonds Trust Act, etc.

(3) With regard to matters which require procedures including reporting, notification, and submission to the Minister of Finance or other national government organs pursuant to the provisions of the former Secured Bonds Trust Act, etc. and for which those procedures have not been taken prior to the enforcement of this Act, it is deemed that procedures including reporting, notification, and submission to the Prime Minister or other national government organs have not been taken for matters which require those procedures pursuant to the relevant provisions of the new Secured Bonds Trust Act, etc.; and the provisions of the new Secured Bonds Trust Act, etc. are applicable.

(Transitional Measures Relating to Penal Provisions)

Article 5 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act, the provisions then in force remain applicable.

(Delegation to Cabinet Order)

Article 6 In addition to what is specified in Article 2 through the preceding Article of the Supplementary Provisions, transitional measures necessary for the enforcement of this Act are specified by a Cabinet Order.

#### **Supplementary Provisions [Act No. 121 of December 12, 1997] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as from the day of enforcement of the Act on Preparation of Relevant Financial Acts Accompanying Cancellation of Prohibition of Establishment, etc. of Holding Companies (Act No. 120 of 1997).

#### **Supplementary Provisions [Act No. 131 of October 16, 1998]**

(Effective Date)

Article 1 This Act comes into effect as from the day of enforcement of the Act for Establishment of the Financial Reconstruction Commission (Act No. 130 of 1998).

(Transitional Measures)

Article 2 (1) Dispositions including licensing, permission, authorization, approval, and designation, or notice or other acts conducted by the Prime Minister or other national government organs pursuant to the provisions of the

Secured Bonds Trust Act, the Trust Business Act, the Norinchukin Bank Act, the Mutual Loan Association Act, the Act on Simplifying Business Affairs of Banks, etc., the Act on Engagement in Trust Business by Financial Institutions, the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, the Japan Agricultural Cooperatives Act, the Securities and Exchange Act, the Act on the Non-Life Insurance Rating Organization of Japan, the Fisheries Cooperatives Act, the Small and Medium-Sized Enterprise Cooperatives Act, the Act on Finance Business Conducted by Cooperative Associations, the Shipowner Mutual Insurance Association Act, the Local Tax Act, the Act on Securities Investment Trust and Securities Investment Corporations, the Credit Union Act, the Long-Term Credit Bank Act, the Loan Trust Act, the Small and Medium-sized Fishery Finance Guarantee Act, the Credit Guarantee Association Act, the Worker's Credit Union Act, the Act on Securing Compensation for Automobile Accidents, the Agriculture Credit Guarantee Insurance Act, the Act on Earthquake Insurance, the Registration and License Tax Act, the Act on Merger and Conversion of Financial Institutions, the Act on Foreign Security Business Entities, the Agricultural District Industry Introduction Promotion Act, the Agricultural and Fishery Business Cooperative Association Deposit Insurance Act, the Banking Act, the Act on Regulation of Loan Business, the Act on Regulation, etc. of Security Advisory Business, the Act on Regulation, etc. of Mortgage Security Business, the Financial Future Transaction Act, the Act on Regulation, etc. of Voucher of Prepayment Type, the Act on Regulation of Commodity Investment, the Act on Special Measures, etc. of the Narcotics and Psychotropics Control Act for Prevention of Conduct Encouraging Illegal Conduct Relating to Regulated Medicine under International Cooperation, the Act on Regulation of Business of Specified Claims, etc., the Act on Preparation, etc. of Related Acts for Reform of Finance System and Security Exchange System, the Act on Preferred Equity Investment of Cooperative Structure Financial Institution, the Act on Specified Joint Real Estate Ventures, the Insurance Business Act, the Act on Special Measures of Reorganization Proceedings of Financial Institutions, the Act on Merger, etc. of Central Bank for Agriculture, Forestry and Fishery and Federation for Credit Agriculture Cooperative Association, the Bank of Japan Act, the Act on Special Measures, etc. for Merger Procedures for Banks, etc. for Establishing Bank Holding Companies, the Act on Securitization of Specified Assets by Specified Purpose Companies, the Act on Preparation of Relevant Acts for Financial System Reform prior to the amendment by this Act (hereinafter referred to as the "former Secured Bonds Trust Act, etc.") are deemed to be dispositions including licensing, permission, authorization, approval, and designation, or notice or other acts conducted by the Financial Reconstruction Commission or other relevant national government organs



pursuant to the relevant provisions of the Secured Bonds Trust Act, the Trust Business Act, the Norinchukin Bank Act, the Mutual Loan Association Act, the Act on Simplifying Business Affairs of Banks, etc., the Act on Engagement in Trust Business by Financial Institutions, the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, the Japan Agricultural Cooperatives Act, the Securities and Exchange Act, the Act on the Non-Life Insurance Rating Organization of Japan, the Fisheries Cooperatives Act, the Small and Medium-Sized Enterprise Cooperatives Act, the Act on Finance Business Conducted by Cooperative Associations, the Shipowner Mutual Insurance Association Act, the Local Tax Act, the Act on Securities Investment Trust and Securities Investment Corporations, the Credit Union Act, the Long-Term Credit Bank Act, the Loan Trust Act, the Small and Medium-sized Fishery Finance Guarantee Act, the Credit Guarantee Association Act, the Worker's Credit Union Act, the Act on Securing Compensation for Automobile Accidents, the Agriculture Credit Guarantee Insurance Act, the Act on Earthquake Insurance, the Registration and License Tax Act, the Act on Merger and Conversion of Financial Institutions, the Act on Foreign Security Business Entities, the Agricultural District Industry Introduction Promotion Act, the Agricultural and Fishery Business Cooperative Association Deposit Insurance Act, the Banking Act, the Act on Regulation of Loan Business, the Act on Regulation, etc. of Security Advisory Business, the Act on Regulation, etc. of Mortgage Security Business, the Financial Future Transaction Act, the Act on Regulation, etc. of Voucher of Prepayment Type, the Act on Regulation of Commodity Investment, the Act on Special Measures, etc. of the Narcotics and Psychotropics Control Act for Prevention of Conduct Encouraging Illegal Conduct Relating to Regulated Medicine under International Cooperation, the Act on Regulation of Business of Specified Claims, etc., the Act on Preparation, etc. of Related Acts for Reform of Finance System and Security Exchange System, the Act on Preferred Equity Investment of Cooperative Structure Financial Institution, the Act on Specified Joint Real Estate Ventures, the Insurance Business Act, the Act on Special Measures of Reorganization Proceedings of Financial Institutions, the Act on Merger, etc. of Central Bank for Agriculture, Forestry and Fishery and Federation for Credit Agriculture Cooperative Association, the Bank of Japan Act, the Act on Special Measures, etc. for Merger Procedures for Banks, etc. for Establishing Bank Holding Companies, the Act on Securitization of Specified Assets by Specified Purpose Companies, the Act on Preparation of Relevant Acts for Financial System Reform after the amendment by this Act (hereinafter referred to as the "new Secured Bonds Trust Act, etc.").

- (2) Application, notification, or other acts made to the Prime Minister or other national government organs pursuant to the provisions of the former Secured

Bonds Trust Act, etc. prior to the enforcement of this Act are deemed to have been made to the Financial Reconstruction Commission and other relevant national government organs based on the relevant provisions of the new Secured Bonds Trust Act, etc.

(3) With regard to matters which require procedures including reporting, notification, and submission to the Prime Minister or other national government organs pursuant to the provisions of the former Secured Bonds Trust Act, etc. and for which those procedures have not been taken prior to the enforcement of this Act, it is deemed that procedures including reporting, notification, and submission to the Financial Reconstruction Commission or other national government organs have not been taken for matters which require those procedures pursuant to the relevant provisions of the new Secured Bonds Trust Act, etc.; and the provisions of the new Secured Bonds Trust Act, etc. are applicable.

Article 3 Orders based on the provisions of the former Secured Bonds Trust Act, etc. which have come into effect prior to the enforcement of this Act are deemed to have the same effect as orders based on the relevant provisions of the New Secured Bonds Trust Act, etc.

Article 4 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act, the provisions then in force remain applicable.

(Delegation to Cabinet Order)

Article 5 In addition to what is specified in the preceding three Articles, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

### **Supplementary Provisions [Act No. 151 of December 8, 1999] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as from April 1, 2000.

(Transitional Measures)

Article 3 With regard to the application of the provisions amended by this Act concerning persons with limited legal capacity and the curators thereof for whom the provisions then in force are deemed to remain applicable pursuant to Article 3, paragraph (3) of the Supplementary Provisions of the Act for Partial Amendment of the Civil Code (Act No. 149 of 1999), the provisions then in force remain applicable except for the following provisions:

- (i) the provisions for amending Article 138 of the Non-Contentious Cases Procedure Act pursuant to Article 4;
- (ii) the provisions in Article 7 for amending Articles 14 and 16 of the Notary Act;
- (iii) the provisions for amending Article 14-6 of the Teito Rapid Transit Authority Act pursuant to Article 14;
- (iv) the provisions for amending Article 31 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade pursuant to Article 17;
- (v) the provisions in Article 20 for amending Article 5, paragraph (3) of the National Public Service Act;
- (vi) the provisions for amending Article 23-13 of the Horse Racing Act, Article 13 of the Japan Racing Association Act, Article 5, paragraph (4) of the Act for Establishment of the Atomic Energy Commission and the Nuclear Safety Commission, Article 7, paragraph (4) of the Act for Establishment of the Council for Science and Technology Policy, Article 7, paragraph (4) of the Act for Establishment of the Space Activities Commission, Article 78, paragraph (4) of the City Planning Act, Article 11 of the Northern Territories Issue Association Act, Article 15, paragraph (4) of the Public Notice of Land Prices Act, Article 6, paragraph (4) of the Act for Establishment of the Aircraft Accidents Investigation Commission, and Article 39, paragraph (5) of the National Land Use Planning Act pursuant to Article 28;
- (vii) the provisions in Article 31 for amending Article 25-4 of the Construction Business Act;
- (viii) the provisions for amending Article 7, paragraph (1) of the Human Rights Commissioner Act pursuant to Article 32;
- (ix) the provisions for amending Article 8, paragraph (1) of the Offenders Prevention and Rehabilitation Act pursuant to Article 33;
- (x) the provisions in Article 35 for amending Article 19-4, paragraph (1) and Article 19-7, paragraph (1) of the Labor Union Act;
- (xi) the provisions in Article 44 for amending Article 5-2, paragraph (4) of the Public Offices Election Act;
- (xii) the provisions in Article 50 for amending Article 80-2 of the Building Standards Act;
- (xiii) the provisions in Article 54 for amending Article 426 of the Local Tax Act;
- (xiv) the provisions in Article 55 for amending Article 141, paragraph (1) of the Commodity Exchange Act;
- (xv) the provisions in Article 56 for amending Article 9, paragraphs (3) and (8) of the Local Public Service Act;
- (xvi) the provisions in Article 67 for amending Article 54 of the Expropriation of Land Act;
- (xvii) the provisions for amending Article 11, paragraph (1) of the Act on

- UNESCO Activities, Article 7 of the Act for Establishment of the Public Security Committee, and Article 24 of the Act on Social Insurance Examiners and the Examination Committee of Social Insurance pursuant to Article 70;
- (xviii) the provisions for amending Article 7, paragraph (4) and Article 39, paragraph (2) of the Police Act pursuant to Article 78;
- (xix) the provisions for amending Article 30 of the Act on Labor Insurance Examiners and the Labor Insurance Appeal Committee, Article 9 of the Act for Establishment of the Environmental Disputes Coordination Commission, and Article 116 of the Act on Compensation for Pollution-Related Health Damage pursuant to Article 80;
- (xx) the provisions for amending Article 4, paragraph (2) of the Act on the Organization and Operation of Local Educational Administration pursuant to Article 81;
- (xxi) the provisions for amending Article 75, paragraph (1) of the Mutual Aid Associations of Agriculture, Forestry and Fishery Corporation Personnel Act pursuant to Article 84;
- (xxii) the provisions in Article 97 for amending Article 16, paragraph (2) of the Act on the Settlement of Environmental Pollution Disputes;
- (xxiii) the provisions for amending Article 15, paragraph (6) of the Act Governing the Transfer of the Diet and Other Central Government Offices, and Article 13, paragraph (4) of the Act on the Promotion of Decentralization pursuant to Article 104;
- (xxiv) the provisions for amending Article 25, paragraph (1) of the Bank of Japan Act pursuant to Article 108; and
- (xxv) the provisions for amending Article 9, item (i) of the Act for Establishment of the Financial Reconstruction Commission pursuant to Article 110.

Article 4 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act, the provisions then in force remain applicable.

### **Supplementary Provisions [Act No. 160 of December 22, 1999] [Extract]**

(Effective Date)

Article 1 This Act (excluding Articles 2 and 3) comes into effect as from January 6, 2001; provided, however, that the provisions listed in the following items come into effect as from the day specified in the respective items:

- (ii) the provisions of Chapter III (excluding Article 3) and the following Article: July 1, 2000.

**Supplementary Provisions [Act No. 76 of June 2, 2004] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as from the day of enforcement of the Bankruptcy Act (Act No. 75 of 2004; referred to as the "new Bankruptcy Act" in paragraph (8) of the following Article, and Article 3, paragraph (8), Article 5, paragraph (8), paragraph (16), and paragraph (21), Article 8, paragraph (3), and Article 13 of the Supplementary Provisions).

(Delegation to Cabinet Order)

Article 14 In addition to what is prescribed in Article 2 through the preceding Article of the Supplementary Provisions, transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

**Supplementary Provisions [Act No. 87 of July 26, 2005] [Extract]**

This Act comes into effect as from the day of enforcement of the Companies Act.

**Supplementary Provisions [Act No. 50 of June 2, 2006] [Extract]**

(Effective Date)

(1) This Act comes into effect as from the day of enforcement of the Act on General Incorporated Associations and General Incorporated Foundations.

(Adjustment Provisions)

(2) If the day of enforcement of the Act for Partial Amendment of the Penal Code, etc. to Respond to an Increase in International and Organized Crimes and Advancement of Information Processing (Act No. of 2006) comes after the day of enforcement, with regard to the application of the provisions of item (lxii) of the Appended Table of the Act for Punishment of Organized Crimes, Control of Crime Proceeds and Other Matters (Act No. 136 of 1999; referred to as the "Anti-Organized Crime Act" in the following paragraph) for the period from the day of enforcement until the day preceding the day of enforcement of the same Act for Partial Revision, the phrase "crime pursuant to Article 157 of the Intermediate Corporation Act (Act No. 49 of 2001) (Special Breach of Trust by Directors, etc.)" in item (lxii) is deemed be replaced with "crime pursuant to Article 334 of the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006) (Special Breach of Trust by Directors, etc.)."

(3) In addition to what is prescribed in the preceding paragraph, in the case referred to in the same paragraph, with regard to the application of the

provisions of the Anti-Organized Crime Act for the period until the day preceding the day of enforcement of the Act for Partial Amendment of the Penal Code, etc. to Respond to an Increase in International and Organized Crimes and Advancement of Information Processing, the crime pursuant to Article 157 of the Former Intermediate Corporation Act (Special Breach of Trust by Directors, etc.) in the cases in which the provisions then in force remain applicable pursuant to Article 457 is deemed to be the crime set forth in item (lxii) of the Appended Table of the Anti-Organized Crime Act.

### **Supplementary Provisions [Act No. 102 of June 27, 2007] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as from the date specified by Cabinet Order within a period not exceeding one and a half years from the day of promulgation.

(Review)

Article 12 If five years have passed since the enforcement of this Act, the government is to review the system relating to the organization for electronically recorded claims by taking into account the status of the enforcement of this Act, changes in socioeconomic situations, etc. and, if the government finds it necessary, take necessary measures based on the results of the review.