

Enforcement Regulation of the Electronically Recorded Monetary Claims Act

(Cabinet Office and Ministry of Justice Order No. 4 of October 22, 2008)

Based on the provisions of the Electronically Recorded Monetary Claims Act (Act No. 102 of 2007) and the Order for Enforcement of the Electronically Recorded Monetary Claims Act (Cabinet Order No. 325 of 2008) and for the purpose of implementing the Electronically Recorded Monetary Claims Act, the Enforcement Regulation of the Electronically Recorded Monetary Claims Act is established as follows.

Chapter I General Provisions (Article 1 and Article 2)

Chapter II Division of Electronically Recorded Monetary Claims

Section 1 Division of Monetary Claims Records in Which Divisible Claims Are Recorded (Articles 3 through 6)

Section 2 Division of Monetary Claims Records in Which Divisible Obligations Are Recorded (Articles 7 through 10)

Section 3 Division of Monetary Claims Records in Which a Record of Partial Guarantee Has Been Made (Articles 11 through 14)

Section 4 Division of Monetary Claims Records in Which a Special Right to Reimbursement Has Been Recorded (Articles 15 through 20)

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Chapter III Electronic Monetary Claim Recording Institution (Articles 22 through 42)

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Chapter I General Provisions

(Definition)

Article 1 The terms used in this Order have the same meanings as the terms used in the Electronically Recorded Monetary Claims Act (Act No. 102 of 2007; hereinafter referred to as the "Act"), and the meanings of the terms listed in the following items are as prescribed respectively in those items:

- (i) "record of partial guarantee" means a record of guarantee in which the matters set forth in Article 32, paragraph (2), item (i) of the Act have been recorded;
- (ii) "original monetary claim amount" means the fixed amount of money

provided for in Article 16, paragraph (1), item (i) of the Act which was recorded in the original monetary claims record just before recording the division (or in Article 44, paragraph (1), item (iii), Article 4, paragraph (1), item (iii), Article 8, paragraph (1), item (iii), Article 12, paragraph (1), item (iii), or Article 16, paragraph (1), item (iii) of the Act, if the original monetary claims record is a divided monetary claims record arising from another division);

(iii) "record of accrual of a special right to reimbursement" means a record of payment, etc. in which a payment, etc., that gives rise to a special right to reimbursement has been recorded; and

(iv) "amount of payment, etc." means the amount of a payment, etc. which is recorded pursuant to the provisions of Article 24, item (ii) of the Act (including the amount of principal that has been extinguished if there are interest payments, delay damages, penalties, or expenses).

(Objects Equivalent to Magnetic Disks)

Article 2 The objects specified by order of the competent ministry which are prescribed in Article 2, paragraph (3) of the Act are optical disks.

Chapter II Division of Electronically Recorded Monetary Claims

Section 1 Division of Monetary Claims Records in Which Divisible Claims Have Been Recorded

(Requests for the Recording of a Division)

Article 3 If the claim amount for each obligee has been recorded in the original monetary claims record, requests for the recording of a division may be filed independently by the persons prescribed respectively in the following items in accordance with the classification of the cases set forth in those items:

(i) cases in which a recording ceiling number is recorded in the original monetary claims record: all the electronically recorded persons recorded in the original monetary claims record;

(ii) cases in which an electronically recorded monetary claim secured by an electronically recorded guarantee based on a record of a partial guarantee in the original monetary claims record is to be recorded in the divided monetary claims record: all the persons that are secured by the electronically recorded guarantee based on the record of the partial guarantee among the electronically recorded persons recorded in the original monetary claims record;

(iii) in cases other than those set forth in the preceding two items: a person that is to be recorded in the divided monetary claims record as the obligee.

(Recorded Matters in the Record of Division)

Article 4 (1) The following matters must be recorded in the divided monetary claims record for the recording of division in cases where the amount of claims of each obligee has been recorded in the original monetary claims record.

- (i) a statement to the effect that the claim has been divided from the original monetary claims record;
 - (ii) the record numbers for the original monetary claims record and the divided monetary claims record;
 - (iii) a statement that obligors in the record of accrual who are to be recorded in the divided monetary claims record are to pay a fixed amount of money;
 - (iv) the name and address of the obligees of the electronically recorded monetary claims being recorded in the divided monetary claims record; and
 - (v) the date on which the electronic recording was made.
- (2) The following matters must be recorded in the original monetary claims record for recording a division in cases where the claim amount for each obligee has been recorded in the original monetary claims record.
- (i) a statement to the effect that the claim has been divided;
 - (ii) the record number of the divided monetary claims record; and
 - (iii) the date on which the electronic recording was made.
- (3) The provisions of Article 44, paragraph (3) of the Act apply mutatis mutandis when the claim amount for each obligee has been recorded in the original monetary claims record.

(Recording in Divided Monetary Claims Records Accompanying the Record of Division)

Article 5 (1) If the claim amount for each obligee has been recorded in the original monetary claims record, when an electronic monetary claim recording institution makes a record of a division, the institution must record the following matters in the divided monetary claims record at the same time as recording the division.

- (i) matters recorded in the record of accrual in the original monetary claims record (except for those set forth below);
 - (a) a statement to the effect that the obligor pays a fixed amount of money;
 - (b) if obligations are paid in installments for the electronically recorded monetary claims, the payment dates and the amount payable on each of the payment dates;
 - (c) the names and addresses of the obligees;
 - (d) the claim amount for each obligee;
 - (e) recording ceiling numbers, if recording ceiling numbers have been recorded;
 - (f) the record number of the original monetary claims record;

- (ii) beyond what is set forth in the preceding items, the matters recorded in the currently valid electronic recordings (excluding the record of division) made in the original monetary claims record with regard to the electronically recorded monetary claims being recorded in the divided monetary claims record;
 - (iii) if electronically recorded monetary claims being recorded in the divided monetary claims record have been recorded in the original monetary claims record as obligations that are paid in installments, the payment dates for the electronically recorded monetary claims (limited to those recorded as payment dates in the original monetary claims record);
 - (iv) in the case prescribed in the preceding item, if obligations are to be paid in installments for the electronically recorded monetary claims being recorded in the divided monetary claims record, the amount payable on each of the payment dates for the electronically recorded monetary claims (limited to those that are within the scope of the amount payable on each of the corresponding payment dates recorded in the original monetary claims record);
 - (v) the name and address of the obligees of the electronically recorded monetary claims to be recorded in the divided monetary claims record;
 - (vi) if there are two or more obligees for obligees prescribed under the preceding item, the claim amount for each obligee; and
 - (vii) if a recording ceiling number has been recorded in the original monetary claims record, the recording ceiling number (or the recording ceiling number that remains for the recording of divisions after deducting one from the recording ceiling number in the record of divisions) in the divided monetary claims record.
- (2) If an electronic monetary claim recording institution has recorded matters set forth in item (i) and item (ii) of the preceding paragraph in the divided monetary claims record, the institution must record the fact that the matters have been transcribed from the original monetary claims record and the date of the transcription in the divided monetary claims record; and if the institution has recorded matters set forth in items (iii) through (vii) of the same paragraph in the divided monetary claims record, it must record the date of their recording in the divided monetary claims record.

(Recording in the Original Monetary Claims Record Accompanying the Recording of a Division)

Article 6 (1) If the claim amount for each obligee has been recorded in the original monetary claims record, when an electronic monetary claim recording institution makes a record of a division, the institution must record the following matters in the original monetary claims record at the same time as

recording the division.

- (i) a statement to the effect that, among the matters recorded in the original monetary claims record with regard to the electronically recorded monetary claims to be recorded in the divided monetary claims record, the record of matters listed in paragraph (1), item (i), (a) through (e) of the preceding Article will be deleted;
 - (ii) a statement to the effect that obligors in the record of accrual will pay the amount obtained by deducting the fixed amount of money provided for in Article 4, paragraph (1), item (iii) to be recorded in the divided monetary claims record from the original monetary claim amount;
 - (iii) if the electronically recorded monetary claims recorded in the divided monetary claims records have been recorded as obligations to be paid in installments in the original monetary claims record, the payment dates that will continue to be recorded in the original monetary claims record even after the recording of the division;
 - (iv) in the case prescribed in the preceding item, if electronically recorded monetary claims that will continue to be recorded in the original monetary claims record even after the recording of the division constitute obligations that should be paid in installments, the amount payable for the electronically recorded monetary claims on each payment date;
 - (v) the name and address of the obligees of the electronically recorded monetary claims that will continue to be recorded in the original monetary claims record even after the recording of the division;
 - (vi) if there are two or more obligees for obligees prescribed in the preceding item, the claim amount for each obligee; and
 - (vii) if a recording ceiling number has been recorded in the original monetary claims record, the recording ceiling number that remains after deducting the recording ceiling number in the divided monetary claims record from the recording ceiling number in the original monetary claims record (or for the recording ceiling number for the record of divisions, the recording ceiling number that remains after deducting one from the recording ceiling number in the original monetary claims record).
- (2) When an electronic monetary claim recording institution records the matters set forth in the items of the preceding paragraph in the original monetary claims record, the electronic monetary claim recording institution must record the date of the recording in the original monetary claims record.

Section 2 Division of Monetary Claims Records in Which Divisible Obligations Have Been Recorded

(Requests for the Recording of a Division)

Article 7 If the amount of obligations for each obligor has been recorded in the original monetary claims record, requests for the recording of a division may be filed independently by the person who will be recorded as the obligee in the divided monetary claims record.

(Recorded Matters in the Record of Division)

Article 8 (1) The following matters must be recorded in the divided monetary claims record for recording a division in cases where the amount of obligations for each obligor has been recorded in the original monetary claims record:

- (i) a statement to the effect that the claim has been divided from the original monetary claims record;
 - (ii) the record numbers of the original monetary claims record and the divided monetary claims record;
 - (iii) a statement to the effect that obligors in the record of accrual who are to be recorded in the divided monetary claims record will pay a fixed amount of money;
 - (iv) the name and address of the obligee; and
 - (v) the date on which the electronic recording was made.
- (2) For recording a division in cases where the amount of obligations for each obligor has been recorded in the original monetary claims record, the matters listed in the items of Article 4, paragraph (2) must be recorded in the original monetary claims record.
- (3) The provisions of Article 44, paragraph (3) of the Act apply mutatis mutandis when the amount of obligations for each obligor has been recorded in the original monetary claims record.

(Recording in a Divided Monetary Claims Record Accompanying the Recording of a Division)

Article 9 (1) If the amount of obligations for each obligor has been recorded in the original monetary claims record, and an electronic monetary claim recording institution makes a record of a division, the institution must record the following matters in the divided monetary claims record at the same time as recording the division:

- (i) the matters recorded in the record of accrual in the original monetary claims record (except for those listed below):
 - (a) the matters set forth in Article 5, paragraph (1), item (i), (a), (b), (e), and (f);
 - (b) the name and address of the obligor;
 - (c) the amount of obligations for each obligor;
- (ii) beyond what is set forth in the preceding item, matters recorded in the currently valid electronic recordings (excluding the record of the division)

made in the original monetary claims record with regard to the electronically recorded monetary claims to be recorded in the divided monetary claims record;

(iii) the matters set forth in Article 5, paragraph (1), item (iii), item (iv), and item (vii);

(iv) the name and address of the obligors of the electronically recorded monetary claims to be recorded in the divided monetary claims record; and

(v) if there are two or more obligors for obligors prescribed in the preceding item, the amount of obligations for each obligor.

(2) If an electronic monetary claim recording institution has recorded matters set forth in item (i) and item (ii) of the preceding paragraph in the divided monetary claims record, the institution must record a statement to the effect that those matters have been transcribed from the original monetary claims record and the date of the transcription in the divided monetary claims record; and if an electronic monetary claim recording institution has recorded matters set forth in items (iii) through (v) of the same paragraph in the divided monetary claims record, the institution must record the date of their recording in the divided monetary claims record.

(Recording in an Original Monetary Claims Record Accompanying the
Recording of a Division)

Article 10 (1) If the amount of obligations for each obligor has been recorded in the original monetary claims record, and an electronic monetary claim recording institution makes a record of a division, the institution must record the following matters in the original monetary claims record at the same time as recording the division:

(i) a statement to the effect that, among the matters recorded in the original monetary claims record with regard to the electronically recorded monetary claims to be recorded in the divided monetary claims record, the record of matters set forth in paragraph (1), item (i), (a) through (c) of the preceding Article (excluding the record number of the original monetary claims record) will be deleted;

(ii) a statement to the effect that obligors will pay the amount obtained by deducting the fixed amount of money provided for in Article 8, paragraph (1), item (iii) to be recorded in the divided monetary claims record from the original monetary claim amount;

(iii) the matters listed in Article 6, paragraph (1), item (iii), item (iv), and item (vii);

(iv) the name and address of the obligor of the electronically recorded monetary claims that will continue to be recorded in the original monetary claims record even after the recording of the division; and

- (v) if there are two or more obligors for obligors prescribed in the preceding item, the amount of obligations for each obligor.
- (2) When an electronic monetary claim recording institution records matters set forth in each item of the preceding paragraph in the original monetary claims record, the institution must record the date of recording in the original monetary claims record.

Section 3 Division of Monetary Claims Records in Which a Record of a Partial Guarantee Has Been Made

(Requests for the Recording of a Division)

Article 11 If a record of a partial guarantee has been made in the original monetary claims record, requests for the recording of a division may be filed independently by the person who is to be recorded as the obligee in the divided monetary claims record.

(Recorded Matters in the Record of Division)

Article 12 (1) The following matters must be recorded in the divided monetary claims record for recording a division in cases where a record of a partial guarantee has been made in the original monetary claims record:

- (i) a statement to the effect that the claim has been divided from the original monetary claims record;
 - (ii) the record numbers of the original monetary claims record and the divided monetary claims record;
 - (iii) a statement to the effect that obligors in the record of accrual who are to be recorded in the divided monetary claims record will pay a fixed amount of money;
 - (iv) the name and address of the obligee; and
 - (v) the date on which the electronic recording was made.
- (2) For recording a division in cases where a record of a partial guarantee has been made in the original monetary claims record, the matters set forth in the items of Article 4, paragraph (2) must be recorded in the original monetary claims record.
- (3) The provisions of Article 44, paragraph (3) of the Act apply mutatis mutandis when a record of a partial guarantee has been made in the original monetary claims record.

(Recording in a Divided Monetary Claims Record Accompanying the Recording of a Division)

Article 13 (1) If a record of a partial guarantee has been made in the original monetary claims record, and an electronic monetary claim recording institution

makes a recording of a division, the institution must record the following matters in the divided monetary claims record at the same time as recording the division:

- (i) the matters recorded in the record of accrual in the original monetary claims record (except for those listed below):
 - (a) a statement to the effect that the obligor will pay a fixed amount of money;
 - (b) if obligations are to be paid in installments for the electronically recorded monetary claims, the payment dates and the amount payable on each payment date;
 - (c) recording ceiling numbers, if recording ceiling numbers have been recorded;
 - (d) the record number of the original monetary claims record;
 - (ii) if the electronically recorded monetary claim to be recorded in the divided monetary claims record is secured by an electronically recorded guarantee based on the record of the partial guarantee, the matters recorded in the record of partial guarantee (except for the provisions limiting the scope of guarantee);
 - (iii) beyond what is set forth in the preceding two items, the matters recorded in the currently valid electronic recordings (excluding the record of the division) made in the original monetary claims record with regard to the electronically recorded monetary claims to be recorded in the divided monetary claims record;
 - (iv) the matters set forth in Article 5, paragraph (1), item (iii), item (iv), and item (vii); and
 - (v) if the electronically recorded monetary claim to be recorded in the divided monetary claims record is secured by an electronically recorded guarantee based on the record of the partial guarantee, the provisions limiting the scope of guarantee under the electronically recorded guarantee for the electronically recorded monetary claim.
- (2) If an electronic monetary claim recording institution has recorded matters set forth in items (i) through (iii) of the preceding paragraph in the divided monetary claims record, the institution must record a statement to the effect that those matters have been transcribed from the original monetary claims record and the date of the transcription in the divided monetary claims record; and if an electronic monetary claim recording institution has recorded matters set forth in item (iv) and item (v) of the same paragraph in the divided monetary claims record, the institution must record the date of recording in the divided monetary claims record.

(Recording in an Original Monetary Claim Record Accompanying the Recording

of a Division)

Article 14 (1) If a record of a partial guarantee has been made in the original monetary claims record, when an electronic monetary claim recording institution makes a record of division, the institution must record the following matters in the original monetary claims record at the same time as recording the division:

- (i) a statement to the effect that, among the matters recorded in the original monetary claims record with regard to the electronically recorded monetary claims to be recorded in the divided monetary claims record, the record of matters set forth in paragraph (1), item (i), (a) through (c) of the preceding Article and the provisions limiting the scope of guarantee (limited to provisions recorded in the record of partial guarantee for the electronically recorded guarantee under item (v) of the same paragraph) will be deleted;
 - (ii) a statement to the effect that obligors in the record of accrual will pay the amount obtained by deducting the fixed amount of money provided for in Article 12, paragraph (1), item (iii) to be recorded in the divided monetary claims record from the original monetary claim amount;
 - (iii) the matters set forth in Article 6, paragraph (1), item (iii), item (iv), and item (vii); and
 - (iv) the provisions that limit the scope of guarantee under the electronically recorded guarantee for the electronically recorded monetary claims that will continue to be recorded in the original monetary claims record even after the recording of the division, to the scope obtained by deducting the scope of guarantee recorded in the divided monetary claims record pursuant to the provisions of paragraph (1), item (v) of the preceding Article from the scope of guarantee under the electronically recorded guarantee which is recorded in the original monetary claims record.
- (2) When an electronic monetary claim recording institution records matters listed in the items of the preceding paragraph in the original monetary claims record, the institution must record the date of recording in the original monetary claims record.

Section 4 Division of Monetary Claims Records in Which a Special Right to Reimbursement Has Been Recorded

(Requests for the Recording of a Division)

Article 15 If a special right to reimbursement has been recorded in the original monetary claims record, requests for the recording of a division may be independently filed by the persons prescribed respectively in the following items in accordance with the classification of cases set forth in those items:

- (i) if a recording ceiling number has been recorded in the original monetary

claims record, all of the electronically recorded persons recorded in the original monetary claims record:

- (ii) in cases other than those set forth in the preceding item, persons that are to be recorded in the divided monetary claims record as obligees.

(Recorded Matters in the Recording of a Division)

Article 16 (1) For recording a division in cases where a special right to reimbursement has been recorded in the original monetary claims record, the following matters must be recorded in the divided monetary claims record:

- (i) a statement to the effect that the claim has been divided from the original monetary claims record;
 - (ii) the record numbers of the original monetary claims record and the divided monetary claims record;
 - (iii) a statement to the effect that the obligor in the record of accrual who is to be recorded in the divided monetary claims record will pay a fixed amount of money;
 - (iv) the name and address of the obligee of the electronically recorded monetary claim to be recorded in the divided monetary claims record; and
 - (v) the date on which the electronic recording was made.
- (2) For recording a division in cases where a special right to reimbursement has been recorded in the original monetary claims record, the matters set forth in the items of Article 4, paragraph (2) must be recorded in the original monetary claims record.
- (3) The provisions of Article 44, paragraph (3) of the Act apply *mutatis mutandis* when a special right to reimbursement has been recorded in the original monetary claims record.

(Recording in a Divided Monetary Claims Record Accompanying the Recording of a Division)

Article 17 (1) If a special right to reimbursement has been recorded in the original monetary claims record, when an electronic monetary claim recording institution makes a record of a division (limited to that for recording the special right to reimbursement in the divided monetary claims record), the institution must record the following matters in the divided monetary claims record at the same time as recording the division:

- (i) the matters recorded in the record of accrual in the original monetary claims record (except for those listed below);
 - (a) the matters set forth in Article 5, paragraph (1), item (i), (a), (e), and (f);
 - (b) if obligations are to be paid in installments for an electronically recorded monetary claim secured by an electronically recorded guarantee that gives rise to the special right to reimbursement to be recorded in the divided

- monetary claims record, the payment dates and the amount payable on each payment date;
- (ii) the matters recorded in a record of assignment as set forth in the following sub-items, which was made in the original monetary claims record:
 - (a) the record of an assignment in which the assignee is the person who received the payment, etc. that gives rise to the special right to reimbursement to be recorded in the divided monetary claims record;
 - (b) the record of an assignment in which the obligee of the special right to reimbursement to be recorded in the divided monetary claims record is an assignee and which was recorded before the record of accrual of a special right to reimbursement was made for the special right to reimbursement (limited to the case where there are persons set forth in Article 35. paragraph (1), item (ii) of the Act in connection with the special right to reimbursement);
 - (iii) the matters recorded in the record of accrual of a special right to reimbursement which was made in the original monetary claims record for the special right to reimbursement that is to be recorded in the divided monetary claims record (except for the amount of payment, etc.);
 - (iv) the matters recorded in a record of guarantee as set forth in the following sub-items, which was made in the original monetary claims record (except for the provisions that limit the scope of guarantee if the record of guarantee is the record of a partial guarantee):
 - (a) a record of guarantee for the electronically recorded guarantee that gives rise to the special right to reimbursement that is to be recorded in the divided monetary claims record;
 - (b) a record of a guarantee in which persons set forth in Article 35, paragraph (1), item (ii) or item (iii) of the Act are the electronically recorded guarantors of the special right to reimbursement that is to be recorded in the divided monetary claims record;
 - (v) the matters recorded in the pledge creation record (including electronic recordings of sub-pledges) made in the original monetary claims record, in which the pledgee is the person that has received a payment, etc. that gives rise to the special right to reimbursement that is to be recorded in the divided monetary claims record;
 - (vi) beyond what is set forth in the preceding items, the matters recorded in the currently valid electronic recordings (excluding the record of the division) made in the original monetary claims record with regard to the special right to reimbursement that is to be recorded in the divided monetary claims record;
 - (vii) the matters set forth in Article 5, paragraph (1), item (vii);
 - (viii) the amount of payment, etc. that is to be recorded in the divided

- monetary claims record for payments, etc. that give rise to the special right to reimbursement to be recorded in the divided monetary claims record;
- (ix) if the record of guarantee set forth in item (iv), (a) is a record of a partial guarantee, the provisions to limit the scope of guarantee under the electronically recorded guarantee based on the record of partial guarantee to the scope of the special right to reimbursement to be recorded in the divided monetary claims record; and
- (x) if the record of guarantee set forth in item (iv), (b) is a record of a partial guarantee, the provisions to limit the amount of the scope of guarantee under the electronically recorded guarantee based on the record of partial guarantee to zero.
- (2) If an electronic monetary claim recording institution has recorded the matters set forth in items (i) through (vi) of the preceding paragraph in the divided monetary claims record, the institution must record a statement to the effect that those matters have been transcribed from the original monetary claims record and the date of the transcription in the divided monetary claims record; and if an electronic monetary claim recording institution has recorded the matters set forth in items (vii) through (x) of the same paragraph in the divided monetary claims record, the institution must record the date of recording in the divided monetary claims record.
- (3) In applying the provisions of Article 5, paragraph (1), item (v) in the case referred to in paragraph (1), the phrase "obligees of the electronically recorded monetary claims to be recorded in the divided monetary claims record" in that item is deemed to be replaced with "obligees that were recorded in the record of accrual in the original monetary claims record, whose electronically recorded monetary claims are secured by the electronically recorded guarantee that gives rise to the special right to reimbursement that is to be recorded in the divided monetary claims record."
- (4) In applying the provisions of Article 9, paragraph (1), item (iv) in the case referred to in paragraph (1), the phrase "obligors of the electronically recorded monetary claims to be recorded in the divided monetary claims record" in that item is deemed to be replaced with "obligors that were recorded in the record of accrual in the original monetary claims record, for which the electronically recorded monetary claims related to their obligations are secured by an electronically recorded guarantee that gives rise to the special right to reimbursement that is to be recorded in the divided monetary claims record."

Article 18 (1) If a special right to reimbursement has been recorded in the original monetary claims record, when an electronic monetary claim recording institution makes a record of a division (excluding that for recording the special right to reimbursement in the divided monetary claims record), the

institution must record the following matters in the divided monetary claims record at the same time as recording the division:

- (i) the matters recorded in the currently valid electronic recordings made in the original monetary claims record with regard to the electronically recorded monetary claims to be recorded in the divided monetary claims record (excluding the following matters):
 - (a) the matters set forth in Article 5, paragraph (1), item (i), (a), (b), (e), and (f);
 - (b) the matters recorded in the record of division, if a record of the division has been made in the original monetary claims record (excluding those set forth in (a));
 - (ii) the matters set forth in Article 5, paragraph (1), item (iii), item (iv), and item (vii).
- (2) If an electronic monetary claim recording institution has recorded matters set forth in item (i) of the preceding paragraph in the divided monetary claims record, the institution must record a statement to the effect that those matters have been transcribed from the original monetary claims record and the date of the transcription in the divided monetary claims record; and if an electronic monetary claim recording institution has recorded the matters set forth in item (ii) of the same paragraph in the divided monetary claims record, the institution must record the date of recording in the divided monetary claims record.

(Recording in an Original Monetary Claims Record Accompanying the
Recording of a Division)

Article 19 (1) If a special right to reimbursement has been recorded in the original monetary claims record, and an electronic monetary claim recording institution makes a record of a division (limited to that for recording the special right to reimbursement in the divided monetary claims record), the institution must record the following matters in the original monetary claims record at the same time as recording the division:

- (i) a statement to the effect that, among the matters recorded in the original monetary claims record with regard to the special right to reimbursement to be recorded in the divided monetary claims record, the following matters will be deleted:
 - (a) the matters set forth in Article 5, paragraph (1), item (i), (a) and (e);
 - (b) the amount of payments, etc. recorded in the record of accrual of a special right to reimbursement with regard to the special right to reimbursement;
 - (c) the provisions to limit the scope of guarantee (limited to those recorded in the record of the partial guarantee when the record of guarantee set forth in Article 17, paragraph (1), item (iv), (a) is a record of a partial

- guarantee,);
- (ii) a statement to the effect that obligors in the record of accrual will pay the amount obtained by deducting the fixed amount of money prescribed in Article 16, paragraph (1), item (iii) to be recorded in the divided monetary claims record from the original monetary claim amount (if the amount of principal extinguished has been recorded in the record of accrual of a special right to reimbursement with regard to the special right to reimbursement, unless a record of the division prescribed in Article 17, paragraph (1) has been made in the original monetary claims record, the amount of principal extinguished within the amount of payment, etc. to be recorded in the divided monetary claims record pursuant to the provisions of item (viii) of the same paragraph);
 - (iii) the matters set forth in Article 6, paragraph (1), item (vii);
 - (iv) the amount obtained by deducting the amount of payment, etc. to be recorded in the divided monetary claims record pursuant to the provisions of Article 17, paragraph (1), item (viii) from the amount of payment, etc. in the divided monetary claims record from payments, etc. that give rise to the special right to reimbursement that is to be recorded in the divided monetary claims record (limited to those which had been recorded just before the recording of the division); and
 - (v) if the record of guarantee set forth in Article 17, paragraph (1), item (iv), (a) is a record of a partial guarantee, the provisions that limit the scope of guarantee under the electronically recorded guarantee based on the record of partial guarantee for the electronically recorded monetary claims that will continue to be recorded in the original monetary claims record even after the recording of the division to the scope obtained by deducting the scope of guarantee recorded in the divided monetary claims record pursuant to item (ix) of the same paragraph from the scope of guarantee under the electronically recorded guarantee recorded in the original monetary claims record.
- (2) When an electronic monetary claim recording institution has recorded matters set forth in each item of the preceding paragraph in the original monetary claims record, the institution must record the date of recording in the original monetary claims record.

Article 20 (1) If a special right to reimbursement has been recorded in the original monetary claims record, and an electronic monetary claim recording institution makes a record of a division (excluding that for recording the special right to reimbursement in the divided monetary claims record), the institution must record the following matters in the original monetary claims record at the same time as recording the division:

- (i) a statement to the effect that, among the matters recorded in original monetary claims with regard to the electronically recorded monetary claims to be recorded in the divided monetary claims record, the record of matters set forth in Article 18, paragraph (1), item (i), (a) (excluding the record number of the original monetary claims record) will be deleted;
 - (ii) a statement to the effect that obligors in the record of accrual will pay the amount obtained by deducting the fixed amount of money provided for in Article 16, paragraph (1), item (iii) to be recorded in the divided monetary claims record from the original monetary claim amount; and
 - (iii) the matters set forth in Article 6, paragraph (1), item (iii), item (iv), and item (vii).
- (2) When an electronic monetary claim recording institution has recorded matters set forth in each item of the preceding paragraph in the original monetary claims record, the institution must record the date of recording in the original monetary claims record.

Section 5 Information Necessary for Requesting the Recording of a Division

Article 21 The matters specified by order of the competent ministry as prescribed in row (xii) (f) of the Appended Table of the Order for Enforcement of the Electronically Recorded Monetary Claims Act (Cabinet Order No. 325 of 2008) are those specified in the following items in accordance with the categories of cases set forth in each of those items:

- (i) if the claim amount for each obligee is recorded in the original monetary claims record, the following matters:
 - (a) the matters set forth in Article 4, paragraph (1), item (iii) and item (iv);
 - (b) the matters set forth in Article 5, paragraph (1), items (iii) through (vii);
 - and
 - (c) the matters set forth in Article 6, paragraph (1), items (iii) through (vi);
- (ii) if the amount of obligations for each obligor is recorded in the original monetary claims record, the following matters:
 - (a) the matters set forth in Article 8, paragraph (1), item (iii);
 - (b) the matters set forth in Article 9, paragraph (1), items (iii) through (v);
 - and
 - (c) the matters set forth in Article 10, paragraph (1), items (iii) through (v) (excluding the matters set forth in Article 6, paragraph (1), item (vii));
- (iii) if a record of partial guarantee has been recorded in the original monetary claims record, the following matters:
 - (a) the matters set forth in Article 12, paragraph (1), item (iii);
 - (b) the matters set forth in Article 13, paragraph (1), item (iv) and item (v);

- (c) the matters set forth in Article 14, paragraph (1), item (iii) and item (iv) (excluding the matters set forth in Article 6, paragraph (1), item (vii));
- (iv) if a special right to reimbursement has been recorded in the original monetary claims record (limited to when the request for the recording of the division is filed in order to record the special right to reimbursement in the divided monetary claims record), the following matters:
 - (a) the matters set forth in Article 16, paragraph (1), item (iii) and item (iv);
 - (b) the matters set forth in Article 17, paragraph (1), items (vii) through (ix); and
 - (c) the matters set forth in Article 19, paragraph (1), item (v);
- (v) if a special right to reimbursement has been recorded in the original monetary claims record (excluding when the request for the recording of the division is filed in order to record the special right to reimbursement in the divided monetary claims record), the following matters:
 - (a) the matters set forth in (a) of the preceding item;
 - (b) the matters set forth in Article 18, paragraph (1), item (ii); and
 - (c) the matters set forth in paragraph (1), item (iii) of the preceding Article (excluding the matters set forth in Article 6, paragraph (1), item (vii)).

Chapter III Electronic Monetary Claim Recording Institution

(Application for Designation)

- Article 22 (1) An applicant seeking to receive a designation provided for in Article 51, paragraph (1) of the Act must submit, through the Commissioner of the Financial Services Agency, the written application for designation to be submitted to the Prime Minister among those to be submitted to the Minister of Justice and the Prime Minister pursuant to the provisions of the Act or this Order.
- (2) The written application for designation under Article 52, paragraph (1) of the Act must state the timing for commencing the electronic monetary claims recording business in addition to the matters set forth in each item of that paragraph.
 - (3) The documents specified by order of the competent ministry as prescribed in Article 52, paragraph (2), item (vii) of the Act are as follows:
 - (i) a document stating the names and trade names, addresses and locations, and the number of voting rights of major shareholders (meaning shareholders holding 10 percent or more of the voting rights of all shareholders (excluding the voting rights for shares for which voting rights cannot be exercised for all matters that are subject to resolution at a shareholders meeting and including the voting rights for shares for which the shareholder is deemed to have the voting rights pursuant to the

- provisions of Article 879, paragraph (3) of the Companies Act (Act No. 86 of 2005); the same applies hereinafter, excluding the following item); the same applies hereinafter);
- (ii) a document stating an outline of parent corporations (meaning corporations or other organizations holding the majority of voting rights in an electronic monetary claim recording institution (meaning the voting rights as prescribed in the preceding item); the same applies hereinafter) and subsidiary corporations (meaning corporations or other organizations in which an electronic monetary claim recording institution holds the majority of the voting rights of all shareholders, all members or all capital investors (in the case of a stock company, excluding voting rights for shares for which voting rights cannot be exercised for all matters that are subject to resolution at a shareholders meeting, and including voting rights for shares for which the shareholder is deemed to have voting rights pursuant to the provisions of Article 879, paragraph (3) of the Companies Act); the same applies hereinafter);
 - (iii) the extracts of the resident records of company directors and company auditors (or company directors and executive officers for a company with committees; hereinafter the same applies in this paragraph and Articles 35 through 38) or other documents in lieu thereof;
 - (iv) the resumes of the company directors and company auditors;
 - (v) the extracts of the resident records of accounting advisors for a company with accounting advisors (if the accounting advisor is a corporation, a certificate of registered information for the accounting advisor) or other documents in lieu thereof, and their resumes (if the accounting advisor is a corporation, a document stating the history of the accounting advisor);
 - (vi) a document stating the duties of company directors (executive officers for a company with committees);
 - (vii) a document stating the situation of securing employees with knowledge and experience concerning electronic monetary claims recording business and the situation of the placement of those employees;
 - (viii) a document stating the organizational structure and division of responsibilities for handling the affairs of the electronic monetary claims recording institution;
 - (ix) a document stating the management of information about the persons who use the electronic monetary claims recording institution; and
 - (x) a document stating any other matters which would serve as reference information.

Article 23 (1) Electronic or magnetic records specified by order of the competent ministry as provided by Article 52, paragraph (3) of the Act must have a

structure that falls under either of the following structures:

- (i) a 90-mm flexible disk cartridge which conforms to X6223 of the Japanese Industrial Standards pursuant to the Industrial Standardization Act (Act No. 185 of 1949) (hereinafter referred to as the "Japanese Industrial Standards");
or
 - (ii) a 120-mm optical disc which conforms to X0606 of the Japanese Industrial Standards.
- (2) A document stating the trade name of the applicant and the application date must be affixed to the electronic or magnetic record under the preceding paragraph.

(Application for Approval of Partial Entrustment of Business)

Article 24 (1) If an electronic monetary claim recording institution seeks to receive approval pursuant to the provisions of Article 58, paragraph (1) of the Act, the institution must submit a written application for approval stating the following matters to the Minister of Justice and the Commissioner of the Financial Services Agency.

- (i) the trade name or name, and the address or location of the person to which the business will be entrusted (hereinafter the "trustee" in this Article);
 - (ii) the content and scope of business to be entrusted; and
 - (iii) the period of entrustment.
- (2) The following documents must be attached to the written application for approval set forth in the preceding paragraph.
- (i) a statement of reasons;
 - (ii) a document stating the content of the contract for the entrustment of business;
 - (iii) a document pledging that the trustee satisfies the requirements set forth in Article 51, paragraph (1), item (iii) of the Act;
 - (iv) a document pledging that the trustee's company directors and company auditors (including directors, inspectors, and those equivalent thereto, and in the case of a company with committees, company directors and executive officers; hereinafter the same applies in this paragraph) satisfies the requirements set forth in Article 51, paragraph (1), item (iv) of the Act;
 - (v) a certificate of registered information of the trustee;
 - (vi) the articles of incorporation or the articles of endowment of the trustee;
 - (vii) a document stating the method of conducting the entrusted business;
 - (viii) the business report, balance sheet, and profit and loss statement of the trustee for each of the past three fiscal years, or other documents in lieu thereof;
 - (ix) a document stating the name of the company directors and company auditors of the trustee;

- (x) extracts of the resident records of the company directors and company auditors of the entrustee, or other documents in lieu thereof;
 - (xi) resumes of the company directors and auditors of the entrustee;
 - (xii) if the entrustee is a company with an accounting advisor, a document pledging that the accounting advisor of the entrustee satisfies the requirements set forth in Article 51, paragraph (1), item (iv) of the Act, a document stating the name of the accounting advisor, an extract of the accounting advisor's resident record or other documents in lieu thereof (if the accounting advisor is a corporation, a certificate of registered information of the accounting advisor), and the accounting advisor's resume (if the accounting advisor is a corporation, a document stating the history of the accounting advisor);
 - (xiii) a document stating the duties of the company directors of the entrustee (including directors and those equivalent thereto, and in the case of a company with committees, executive officers); and
 - (xiv) a document stating other matters which would serve as reference information.
- (3) The Minister of Justice and the Commissioner of the Financial Services Agency are to examine whether the following requirements are satisfied when an application for approval under paragraph (1) has been filed:
- (i) that the entrustment of business does not hinder the appropriate and reliable execution of the electronic monetary claims recording business;
 - (ii) that the entrustee is a corporation with sufficient social credibility, has an appropriate plan concerning the business being entrusted, and is capable of conducting the business reliably;
 - (iii) that the entrustee satisfies the requirements set forth in Article 51, paragraph (1), item (iii) of the Act;
 - (iv) that the company directors, accounting advisors and company auditors of the entrustee satisfy the requirements set forth in Article 51, paragraph (1), item (iv) of the Act; and
 - (v) if the entrustee recommissions the whole or a part of the entrusted business to a third party, that a conditions is attached to the contract for recommitment that the electronic monetary claims recording institution is able to check the business conducted by the party recommissioned with the business.

(Matters Requiring Entry in the Rules of Operation)

Article 25 The matters specified by order of the competent ministry as prescribed by Article 59 of the Act are the following:

- (i) the matters related to the recorded matters;
- (ii) the matters related to requests for electronic recordings to be made;

- (iii) the matters related to procedures for making electronic recordings;
- (iv) the matters related to a contract regarding settlements of remittance between accounts prescribed in Article 62, paragraph (1) of the Act or contracts prescribed in Article 64 of the Act;
- (v) the matters related to the persons that use electronic monetary claims recording institutions;
- (vi) the matters related to the hours for conducting the electronic monetary claims recording business and its holidays;
- (vii) the matters related to ensuring the safety of the registry;
- (viii) the matters related to the disclosure of recorded matters and the provision of other information; and
- (ix) other necessary matters for the electronic monetary claims recording business.

(Cases in Which It Is Possible to Be Certain That Obligations Have Been Paid)

Article 26 (1) Cases specified by an order of the competent ministry as provided in Article 65 of the Act are cases in which, based on an agreement between an electronic monetary claim recording institution, the obligee, and the bank, etc. with which the obligee has an account, the electronic monetary claim recording institution provides the bank, etc. with information regarding the payment date, the amount payable, and the obligor and obligee in connection with an obligation under an electronically recorded monetary claim in advance, and the bank, etc. has confirmed the fact that during the period up to the payment date, a payment was transferred into the obligee's account by the obligor in the full payable amount of the obligation under the electronically recorded monetary claim, and the electronic monetary claim recording institution has been notified of that fact.

- (2) The contract provided for in Article 64 of the Act in connection with the agreement under the preceding paragraph must contain the provisions that when the bank, etc. has confirmed that the payment was transferred to the obligee's account by the obligor in the full payable amount of the obligation under the electronically recorded monetary claim, the bank, etc. is to, without delay, notify the electronic monetary claim recording institution of the fact.

(Preparation and Keeping of Books and Documents)

Article 27 (1) The books and documents and other records to be prepared by the electronic monetary claim recording institutions pursuant to the provisions of Article 67 of the Act are request receipt books.

- (2) The request receipt books under the preceding paragraph must be prepared as provided for in Appended Table 1.
- (3) The request receipt books under paragraph (1) must be kept for ten years

after their preparation.

(Submission of Written Report on Business and Property)

- Article 28 (1) The written report on business and property that should be prepared by electronic monetary claim recording institutions pursuant to Article 68, paragraph (1) of the Act are the financial statements and business reports provided in Article 435, paragraph (2) of the Companies Act.
- (2) The following documents must be attached to the written report on business and property under the preceding paragraph:
- (i) the schedule of tangible fixed assets;
 - (ii) the schedule of allowances and reserves;
 - (iii) the schedule of other accounts; and
 - (iv) a document stating the names and trade names, addresses, and locations of the major shareholders, and the number of voting rights held by them.
- (3) The written report on business and property under paragraph (1) must be submitted to the Minister of Justice and the Commissioner of the Financial Services Agency within three months from the end of each business year.

(Application for Approval of Capital Reduction)

- Article 29 (1) If an electronic monetary claim recording institution seeks to receive approval for the reduction of the stated capital pursuant to the provisions of Article 69, paragraph (1) of the Act, the institution must submit a written application for approval stating the following matters to the Minister of Justice and the Commissioner of the Financial Services Agency:
- (i) the amount of stated capital before capital reduction;
 - (ii) the amount of stated capital after capital reduction;
 - (iii) the scheduled date for capital reduction; and
 - (iv) the content of capital reduction.
- (2) The following documents must be attached to the written application for approval under the preceding paragraph:
- (i) a statement of reasons;
 - (ii) a document stating the method of reduction of the stated capital; and
 - (iii) the minutes of a shareholders meeting or other documents certifying that the necessary procedures for approval have been followed; and
 - (iv) the balance sheet.

(Notification of Capital Increase)

- Article 30 (1) When an electronic monetary claim recording institution seeks to notify an increase in the amount of stated capital pursuant to the provisions of Article 69, paragraph (2) of the Act, the institution must submit a document stating the following matters to the Minister of Justice and the Commissioner

of the Financial Services Agency:

- (i) the amount of stated capital before the capital increase;
- (ii) the amount of stated capital after the capital increase;
- (iii) the scheduled date of the capital increase; and
- (iv) the content of the capital increase.

(2) The following documents must be attached to the document under the preceding paragraph:

- (i) a document stating the method of increasing the amount of stated capital; and
- (ii) the minutes of a shareholders meeting or other documents certifying that the necessary procedures have been followed.

(Application for Approval for Changes to the Articles of Incorporation or Rules of Operation)

Article 31 (1) If an electronic monetary claim recording institution seeks to receive approval for changes to the articles of incorporation or rules of operation pursuant to the provisions of Article 70 of the Act, the institution must submit a written application for approval stating the following matters to the Minister of Justice and the Commissioner of the Financial Services Agency.

- (i) the content of the change; and
- (ii) the scheduled date of the change.

(2) The following documents must be attached to the written application for approval under the preceding paragraph:

- (i) a statement of reasons;
- (ii) a comparison table of old and new articles of incorporation or rules of operation;
- (iii) the minutes of a shareholders meeting (in the case of a written application for approval for changes to the rules of operation, the minutes of board of directors' meeting) or other documents certifying that the necessary procedures for approval have been followed; and
- (iv) other documents which would serve as reference information.

(3) When an application for approval under paragraph (1) has been filed, the Minister of Justice and the Commissioner of the Financial Services Agency are to examine whether the content of the change to the articles of incorporation or rules of operation conforms to laws and regulations and is sufficient to allow for the appropriate and reliable operation of electronic monetary claim recording business.

(Application for Approval to Discontinue Business)

Article 32 If an electronic monetary claim recording institution seeks to receive approval to discontinue the whole or part of the electronic monetary claim

recording business pursuant to the provisions of Article 71 of the Act, the institution must submit a written application for approval stating the following matters to the Minister of Justice and the Commissioner of the Financial Services Agency:

- (i) the scope of business to be discontinued;
- (ii) the scheduled date and period of discontinuation; and
- (iii) the reasons for discontinuation.

(Notification of Change of Trade Names)

Article 33 (1) If an electronic monetary claim recording institution seeks to file a notification of the changes to the matters listed in Article 52, paragraph (1), item (i) or items (iii) through (v) of the Act pursuant to the provisions of Article 72, paragraph (1) of the Act, the institution must submit a document stating the following matters to the Minister of Justice and the Commissioner of the Financial Services Agency:

- (i) the content of the change; and
- (ii) the scheduled date of the change.

(2) Documents specified in each of the following items in accordance with the classification listed in each item must be attached to the document under the preceding paragraph:

- (i) changes to the matters set forth in Article 52, paragraph (1), items (i) or (iii) of the Act: document set forth in paragraph (2), item (iii) of that Article;
- (ii) changes to the matters listed in Article 52, paragraph (1), item (iv) of the Act: the following documents:

- (a) documents set forth in Article 52, paragraph (1), items (i) and (iii) of the Act;

- (b) extracts of the resident records of the company directors, executive officers or company auditors, or documents in lieu thereof;

- (c) resumes of the company directors, executive officers or company auditors;

- (d) documents set forth in Article 22, paragraph (3), item (vi);

- (iii) changes to the matters set forth in Article 52, paragraph (1), item (v) of the Act: the following documents:

- (a) documents set forth in Article 52, paragraph (2), item (i) and (iii) of the Act;

- (b) extracts of the resident records of accounting advisors or documents in lieu thereof (if the accounting advisor is a corporation, a certificate of registered information for the accounting advisor) and their resumes (if the accounting advisor is a corporation, a document stating the history of the accounting advisor).

(Identification Cards for On-site Inspections)

Article 34 The identification cards that the officials are required to carry when conducting on-site inspections of business offices or other offices of electronic monetary claim recording institutions or persons that have been entrusted with business by the institutions pursuant to the provisions of Article 73, paragraph (2) of the Act, must be in the format of the Appended Form for officials of the Ministry of Justice, and in the format specified in paragraph (1) of the Cabinet Office Order specifying the format of identification cards, etc. that must be carried by officials of the Financial Services Agency (Order of the Ministry of Finance No. 69 of 1992), for officials of the Financial Services Agency.

(Application for Approval for a Specified Merger)

Article 35 (1) If an electronic monetary claim recording institution seeks to receive approval for a specified merger pursuant to the provisions of Article 78, paragraph (1) of the Act, the institution must submit a written application for merger approval stating the following matters in addition to the matters set forth in each item of Article 52, paragraph (1) of the Act to the Minister of Justice and the Commissioner of the Financial Services Agency:

- (i) the scheduled date of the specified merger; and
- (ii) the method of the specified merger.

(2) The electronic or magnetic records specified by order of the competent ministry as prescribed in Article 78, paragraph (3) of the Act are the electronic or magnetic records prescribed in Article 23.

(3) Other documents or electronic or magnetic records specified by order of the competent ministry as prescribed in Article 78, paragraph (3) of the Act are the following documents, or if electronic or magnetic records are prepared in lieu of the documents, those electronic or magnetic records:

- (i) a statement of reasons;
- (ii) a document stating the procedure for the specified merger;
- (iii) a certificate of registered information for the parties to the specified merger;
- (iv) the minutes of shareholders meetings of the parties to the specified merger pursuant to the provisions of Article 783, paragraph (1) and Article 795, paragraph (1) or Article 804, paragraph (1) of the Companies Act or other documents certifying that the necessary procedures have been followed;
- (v) the balance sheets and profit and loss statements of the parties to the specified merger;
- (vi) a document pledging that the electronic monetary claim recording institution after the specified merger will satisfy the requirements set forth in Article 51, paragraph (1), item (iii) and item (iv) of the Act;
- (vii) the articles of incorporation of the electronic monetary claim recording

- institution after the specified merger;
- (viii) the rules of operation of the electronic monetary claim recording institution after the specified merger;
- (ix) a document stating the expected revenue and expenditures of the electronic monetary claim recording institution after the specified merger;
- (x) a document stating the names and trade names, addresses, and locations of the major shareholders of the electronic monetary claim recording institution after the specified merger, and the number of voting rights held by them;
- (xi) a document giving an outline of parent corporations and subsidiary corporations of the electronic monetary claim recording institution after the specified merger;
- (xii) extracts of the resident records of the company directors and company auditors of the electronic monetary claim recording institution after the specified merger or documents in lieu thereof;
- (xiii) resumes of the company directors and company auditors of the electronic monetary claim recording institution after the specified merger;
- (xiv) if the electronic monetary claim recording institution after the specified merger is a company with an accounting advisor, an extract of the resident record of the accounting advisor of the electronic monetary claim recording institution after the specified merger or a document in lieu thereof (if the accounting advisor is a corporation, a certificate of registered information for the accounting advisor) and the accounting advisor's resume (if the accounting advisor is a corporation, a document stating the history of the accounting advisor);
- (xv) a document stating the duties of company directors (in the case of a company with committees, the executive officers) of the electronic monetary claim recording institution after the specified merger;
- (xvi) a document stating the situation of securing employees with knowledge and experience in the electronic monetary claim recording business at the electronic monetary claim recording institution after the specified merger, and the situation of the placement of those employees;
- (xvii) a document stating the organizational structure and division of responsibilities for handling the affairs of the electronic monetary claim recording institution;
- (xviii) a document stating the management of information about the persons that will use the electronic monetary claim recording institution after the specified merger; and
- (xix) a document stating other matters which would serve as reference information.

(Application for Approval for an Incorporation-type Company Split)

- Article 36 (1) If an electronic monetary claim recording institution seeks to receive approval for an incorporation-type company split pursuant to the provisions of Article 79, paragraph (1) of the Act, the institution must submit a written application for approval for an incorporation-type company split stating the following matters in addition to the matters set forth in each item of paragraph (2) of that Article to the Minister of Justice and the Commissioner of the Financial Services Agency.
- (i) the scheduled date of the incorporation-type company split; and
 - (ii) the method of the incorporation-type company split.
- (2) The electronic or magnetic records specified by order of the competent ministry as prescribed in Article 79, paragraph (3) of the Act are the electronic or magnetic records prescribed in Article 23.
- (3) Other documents or electronic or magnetic records specified by order of the competent ministry as prescribed in Article 79, paragraph (3) of the Act are the following documents, or if electronic or magnetic records are prepared in lieu of the documents, those electronic or magnetic records:
- (i) a statement of reasons;
 - (ii) a document stating the procedure of the incorporation-type company split;
 - (iii) the certificates of registered information for the parties to the incorporation-type company split;
 - (iv) the minutes of shareholders meetings of the parties to the incorporation-type company split pursuant to the provisions of Article 804, paragraph (1) of the Companies Act or other documents certifying that the necessary procedures have been followed;
 - (v) the balance sheets and profit and loss statements of the parties to incorporation-type company split;
 - (vi) a document pledging that the established company satisfies the requirements set forth in Article 51, paragraph (1), item (iii) and item (iv) of the Act;
 - (vii) the articles of incorporation of the established company;
 - (viii) the rules of operation of the established company;
 - (ix) a document stating the expected revenue and expenditures of the established company;
 - (x) a document stating the names and trade names, addresses, and locations of the major shareholders of the established company, and the number of voting rights held by them;
 - (xi) a document giving an outline of parent corporations and subsidiary corporations of the established company;
 - (xii) the extracts of the resident records of the company directors and company auditors of the established company or a document in lieu thereof;
 - (xiii) resumes of the company directors and company auditors of the

- established company;
- (xiv) if the established company is a company with an accounting advisor, an extract of the resident record of the accounting advisor of the established company or a document in lieu thereof (if the accounting advisor is a corporation, a certificate of registered information for the accounting advisor) and the accounting advisor's resume (if the accounting advisor is a corporation, a document stating a history of the accounting advisor);
 - (xv) a document stating the duties of company directors (in the case of a company with committees, of the executive officers) of the established company;
 - (xvi) a document stating the situation of securing employees with knowledge and experience in the electronic monetary claim recording business at the established company, and the situation of the placement of those employees;
 - (xvii) a document stating the organizational structure and division of responsibilities for handling the affairs of the established company;
 - (xviii) a document stating the management of information about the persons that will use the established company; and
 - (xix) a document stating other matters which would serve as reference information.

(Application for Approval for an Absorption-type Company Split)

- Article 37 (1) If an electronic monetary claim recording institution seeks to receive approval for an absorption-type company split pursuant to the provisions of Article 80, paragraph (1) of the Act, the institution must submit a written application for approval for an absorption-type company split stating the following matters in addition to the matters set forth in each item of paragraph (2) of that Article to the Minister of Justice and the Commissioner of the Financial Services Agency.
- (i) the scheduled date of the absorption-type company split; and
 - (ii) the method of the absorption-type company split.
- (2) The electronic or magnetic records specified by order of the competent ministry as prescribed in Article 80, paragraph (3) of the Act are the electronic or magnetic records prescribed in Article 23.
- (3) Other documents or electronic or magnetic records specified by order of the competent ministry as prescribed in Article 80, paragraph (3) of the Act are the following documents, or if electronic or magnetic records are prepared in lieu of those documents, the electronic or magnetic records.
- (i) a statement of reasons;
 - (ii) a document stating the procedure for the absorption-type company split;
 - (iii) the certificates of registered information for the parties to the absorption-type company split;

- (iv) the minutes of shareholders meetings of the parties to the absorption-type company split pursuant to the provisions of Article 783, paragraph (1) and Article 795, paragraph (1) of the Companies Act or other documents certifying that the necessary procedures have been followed;
- (v) the balance sheets and profit and loss statements of the parties to the absorption-type company split;
- (vi) a document pledging that the succeeding company satisfies the requirements set forth in Article 51, paragraph (1), item (iii) and item (iv) of the Act;
- (vii) the articles of incorporation of the succeeding company;
- (viii) the rules of operation of the succeeding company;
- (ix) a document stating the expected revenue and expenditures of the succeeding company;
- (x) a document stating the names and trade names, addresses, and locations of the major shareholders of the succeeding company, and the number of voting rights held by them;
- (xi) a document giving an outline of the parent corporations and subsidiary corporations of the succeeding company;
- (xii) the extracts of the resident records of the company directors and company auditors of the succeeding company or documents in lieu thereof;
- (xiii) the resumes of the company directors and company auditors of the succeeding company.
- (xiv) if the succeeding company is a company with an accounting advisor, an extract of the resident record of the accounting advisor of the succeeding company or a document in lieu thereof (if the accounting advisor is a corporation, a certificate of registered information for the accounting advisor) and the accounting advisor's resume (if the accounting advisor is a corporation, a document stating the history of the accounting advisor);
- (xv) a document stating the duties of the company directors (in the case of a company with committees, the executive officers) of the succeeding company;
- (xvi) a document stating the situation of securing employees with knowledge and experience in the electronic monetary claim recording business at the succeeding company, and the situation of the placement of those employees;
- (xvii) a document stating the organizational structure and division of responsibilities for handling the affairs of the succeeding company;
- (xviii) a document stating the management of information about the persons that will use the succeeding company; and
- (xix) a document stating other matters which would serve as reference information.

(Application for Approval of Business Transfer)

Article 38 (1) If an electronic monetary claim recording institution seeks to receive approval for a business transfer pursuant to the provisions of Article 81, paragraph (1) of the Act, the institution must submit a written application for approval for a business transfer stating the following matters in addition to the matters set forth in each item of paragraph (2) of that Article to the Minister of Justice and the Commissioner of the Financial Services Agency.

- (i) the scheduled date of the business transfer; and
 - (ii) the method of the business transfer.
- (2) The electronic or magnetic records specified by order of the competent ministry as prescribed in Article 81, paragraph (3) of the Act are the electronic or magnetic records prescribed in Article 23.
- (3) Other documents or electronic or magnetic records specified by order of the competent ministry as prescribed in Article 81, paragraph (3) of the Act are the following documents, or if electronic or magnetic records are prepared in lieu those documents, the electromagnetic records.
- (i) a statement of reasons;
 - (ii) a document stating the procedure for the business transfer;
 - (iii) the certificates of registered information for the parties to the business transfer;
 - (iv) the minutes of shareholders meetings of the parties to the business transfer pursuant to the provisions of Article 467, paragraph (1) of the Companies Act or other documents certifying that the necessary procedures have been followed;
 - (v) the balance sheets and profit and loss statements of the parties to the business transfer;
 - (vi) a document pledging that the transferee company satisfies the requirements set forth in Article 51, paragraph (1), item (iii) and item (iv) of the Act;
 - (vii) the articles of incorporation of the transferee company;
 - (viii) the rules of operation of the transferee company;
 - (ix) a document stating the expected revenue and expenditures of the transferee company;
 - (x) a document stating the names and trade names, addresses, and locations of the major shareholders of the transferee company, and the number of voting rights held by them;
 - (xi) a document giving an outline of the parent corporations and subsidiary corporations of the transferee company;
 - (xii) the extracts of the resident records of the company directors and company auditors of the transferee company or documents in lieu thereof;
 - (xiii) the resumes of the company directors and company auditors of the transferee company;

- (xiv) if the transferee company is a company with an accounting advisor, an extract of the resident record of the accounting advisor of the transferee company or a document in lieu thereof (if the accounting advisor is a corporation, a certificate of registered information for the accounting advisor) and accounting advisor's resume (if the accounting advisor is a corporation, a document stating the history of the accounting advisor);
- (xv) a document stating the duties of the company directors (in the case of a company with committees, the executive officers) of the transferee company;
- (xvi) a document stating the situation of securing employees with knowledge and experience in the electronic monetary claim recording business at the transferee company, and the situation of the placement of those employees;
- (xvii) a document stating the organizational structure and division of responsibilities for handling the affairs of the transferee company;
- (xviii) a document stating the management of information about the persons that will use the transferee company; and
- (xix) a document stating other matters which would serve as reference information.

(Application for Approval for Dissolution)

Article 39 (1) If an electronic monetary claim recording institution seeks to receive approval pursuant to the provisions of Article 82 of the Act, the institution must submit a written application for approval stating the matters for which it must receive approval to the Minister of Justice and the Commissioner of the Financial Services Agency.

- (2) The following documents must be attached to the written application for approval under the preceding paragraph:
- (i) a statement of reasons;
 - (ii) the minutes of a shareholders meeting or other documents certifying that the necessary procedures have been followed;
 - (iii) a document clarifying the content of assets and liabilities;
 - (iv) a document stating the method of concluding the electronic monetary claim recording business; and
 - (v) a document stating other matters which would serve as reference information.

(Notification of the Lapse of Designation)

Article 40 If a person that was an electronic monetary claim recording institution or its general successor (hereinafter "former electronic monetary claim recording institution") seeks to file a notification pursuant to the provisions of Article 83, paragraph (2) of the Act, the former institution must submit a document stating the matters specified in the center column of

Appended Table 2 with the documents specified in the right column of the Table in accordance with the classification set forth in the left column of the Table to the Minister of Justice and the Commissioner of the Financial Services Agency.

(Notification of Conclusion of Electronic Monetary Claim Recording Business)

- Article 41 (1) If a former electronic monetary claim recording institution has concluded the electronic monetary claims recording business pursuant to the provisions of Article 84 of the Act, the former institution is to submit a notification to that effect to the Minister of Justice and the Commissioner of the Financial Services Agency, without delay.
- (2) Upon receiving a notification under the preceding paragraph, the Minister of Justice and the Commissioner of the Financial Services Agency are to give public notice to that effect in the Official Gazette, without delay.

(Matters to be Notified)

- Article 42 (1) If an electronic monetary claim recording institution has come to fall under any of the following items, the institution is to submit a notification to that effect to the Minister of Justice and the Commissioner of the Financial Services Agency, without delay:
- (i) if the name of the representative of the electronic monetary claim recording institution has changed;
 - (ii) if a recorded matter in the document set forth in Article 22, paragraph (3), item (vi) has changed (excluding the case where the change has resulted from the change to the names of company directors or executive officers of the electronic monetary claim recording institution);
 - (iii) if a recorded matter in the document set forth in Article 22, paragraph (3), item (vii) has changed;
 - (iv) if a recorded matter set forth in Article 24, paragraph (1), item (i) or a recorded matter in documents set forth in paragraph (2), item (ii), item (vi) or item (vii) of that Article has changed (in the case of a change to the recorded matter in documents set forth in item (vi) of the same paragraph, excluding a minor change);
 - (v) if rules have been established, repealed, or changed based on the rules of operation;
 - (vi) if it has learned that an incident has occurred at the electronic monetary claim recording institution; or
 - (vii) if the details of the incident referred to in the preceding item have been revealed.
- (2) The electronic monetary claim recording institution submitting a notification under the preceding paragraph must attach the documents specified in the

right column of the Appended Table 3 to the notification in accordance with the classification set forth in the left column of the Table.

- (3) The term "incident" set forth in paragraph (1), item (vi) means an event that falls under any of the following items:
- (i) a company director, accounting advisor (if the accounting advisor is a corporation, including members that perform its duties), company auditor, executive officer, or employee performs an act in violation of laws and regulations while executing their duties; or
 - (ii) suspension of the whole or part of the electronic monetary claims recording business due to a failure in the electronic data processing system or other accidental circumstances.

Chapter IV Miscellaneous Provisions

(Manner of Displaying the Matters Recorded in the Monetary Claims Record)

Article 43 The manner specified by order of the competent ministry as prescribed in Article 87, paragraph (1) of the Act is the display of the matters recorded in the monetary claims record on paper or on a screen.

(Disclosure of Recorded Matters with the Consent of the Person Who Has Requested an Electronic Recording to Be Made)

Article 44 If an electronic monetary claim recording institution seeks to allow a disclosure request to be made pursuant to the provisions of Article 87, paragraph (2) of the Act, the institution must inform the person requesting for the electronic recording to be made, of the scope of persons that will be allowed to make a disclosure request and the content of the recorded matters, and obtain the consent of the person requesting for the electronic recording to be made in writing or by electronic or magnetic means in advance.

(Manner of Displaying the Matters Recorded in the Electronic or Magnetic Record)

Article 45 The manner specified by order of the competent ministry as prescribed in Article 88, item (iii) of the Act is the display of the matters recorded in the electronic or magnetic record under the same item on paper or on a screen.

(Electronic or Magnetic Means)

Article 46 (1) The means specified by order of the competent ministry which uses an electronic data processing system or other means of using information and communications technology as prescribed by Article 88, item (iv) of the Act is as follows:

- (i) a means of using an electronic data processing system, which is set forth in (a) or (b) below:
 - (a) the transmission of information through a telecommunications line that connects the computer used by the sender and the computer used by the recipient, and the recording of the information in a file on the computer used by the recipient;
 - (b) the provision, through a telecommunications line, of information recorded in a file on the computer used by the sender for the recipient's inspection, and the recording of the information in a file on the computer used by the recipient;
 - (ii) the means of delivering an object onto which information has been recorded in a prepared file, using a magnetic disk or an object onto which a fixed set of information can be securely recorded by any equivalent means.
- (2) The means set forth in each item of the preceding paragraph must be means that permit the recipient to prepare a document by outputting the record from the file.

(Standard Processing Time)

Article 47 (1) Upon receipt of an application for the designation, approval or authorization set forth in the following items, the Minister of Justice, and the Prime Minister or the Commissioner of the Financial Services Agency are to endeavor to take an action regarding the application within the period set forth in the each item from the day the application arrived at their offices.

- (i) designation under Article 51, paragraph (1) of the Act: two months;
 - (ii) approval under Article 69, paragraph (1), Article 70, Article 71, Article 78, paragraph (1), Article 79, paragraph (1), Article 80, paragraph (1), Article 81, paragraph (1) or Article 82, or authorization under Article 58, paragraph (1) of the Act: one month.
- (2) The periods referred to in the preceding paragraph do not include the following periods:
- (i) the period necessary for the correction of the application;
 - (ii) the period necessary for the person who has filed the application to change the content of the application; and
 - (iii) the period necessary for the person who has filed the application to add materials that are found to be necessary for the examination of the application.