

Order for Enforcement of the Payment Services Act

(Cabinet Order No. 19 of March 1, 2010)

Chapter I General Provisions (Article 1 and 2)

Chapter II Prepaid Payment Instruments (Article 3 to 12)

Chapter III Funds Transfer (Article 12-2 to 20)

Chapter III-2 Crypto-Assets (Article 20-2 and 20-3)

Chapter IV Clearing for Fund Transfer Transactions (Article 21 and 22)

Chapter V Certified Association for Payment Service Providers (Article 23)

Chapter VI Designated Dispute Resolution Organization (Article 24 to 27)

Chapter VII Miscellaneous Provisions (Article 28 to 31)

Supplementary Provisions

Chapter I General Provisions

(Definitions)

Article 1 The terms "issuer of prepaid payment instruments", "funds transfer services", "funds transfer service provider", "crypto-assets", "crypto-asset exchange services", "crypto-asset exchange service provider", "clearing services for interbank funds transfer", "certified association for payment service providers", "designated dispute resolution organization", "dispute resolution services", "trust company", and "deposit-taking institutions" as used in this Cabinet Order mean an issuer of prepaid payment instruments, funds transfer services, funds transfer service provider, crypto-assets, crypto-asset exchange services, crypto-asset exchange service provider, clearing services for interbank funds transfer, certified association for payment service providers, designated dispute resolution organization, dispute resolution services, trust company, and deposit-taking institutions as prescribed in Article 2 of the Payment Services Act (hereinafter referred to as the "Act"), respectively.

Article 2 Deleted

Chapter II Prepaid Payment Instruments

(Close Relationship with an Issuer)

Article 3 (1) The close relationship specified by Cabinet Order as prescribed in Article 3, paragraph (4) of the Act is any of the following relationships:

(i) the relationship of being a relative of the person issuing prepaid payment instruments (meaning the prepaid payment instruments prescribed in Article

- 3, paragraph (1) of the Act; the same applies hereinafter in this Chapter) (the relevant person is hereinafter referred to as an "issuer" in this paragraph), if the relevant person is an individual;
- (ii) the relationship in which a corporation directly or indirectly holds voting rights exceeding fifty percent of the voting rights held by all shareholders in another corporation (the voting rights held by all shareholders mean voting rights held by all shareholders, all members, or all equity investors; the same applies hereinafter in this Article (in the case of a stock company, those voting rights exclude those attached to shares which may not be exercised for all particulars that are subject to a resolution of a general meeting of shareholders; and include voting rights attached to shares in respect of which the shareholder is deemed to have voting rights under Article 879, paragraph (3) of the Companies Act (Act No. 86 of 2005); the same applies hereinafter in this Article));
 - (iii) the relationship between an individual and a corporation in which the individual and their relatives directly or indirectly hold voting rights exceeding fifty percent of the voting rights held by all shareholders in the corporation;
 - (iv) the relationship between corporations in which the same person (including their relatives, if the person is an individual) directly or indirectly holds voting rights exceeding fifty percent of the voting rights held by all shareholders in the company (the relationship in question excludes the relationship that falls under item (ii)); or
 - (v) the relationship between an issuer and the person that simultaneously or continuously delivers goods or provides services that are closely related with and inseparable from the issuer's delivering of goods or providing of services, if the relevant person exists (the relationship in question excludes the relationship that falls under each of the preceding items).
- (2) In the case of item (ii) of the preceding paragraph, whether a corporation directly or indirectly holds voting rights exceeding fifty percent of the voting rights held by all shareholders in another corporation is determined by the total of the following proportions:
- (i) the proportion of the voting rights attached to shares or equity held by a corporation under its own name in that other corporation (hereinafter referred to as "shares or equity" in this paragraph) (the voting rights in question include those attached to shares or equity that cannot be asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Act on Book-Entry Transfer of Corporate Bonds and Shares (Act No. 75 of 2001) (including as applied mutatis mutandis pursuant to the provisions of Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1), and Article 276 (limited to the

portion relating to item (ii) of that Act)); and are referred to as "subject voting rights" in the following item) to the voting rights held by all shareholders in that other corporation; and

(ii) the proportion of the subject voting rights attached to the shares or equity that a corporation's subsidiary (meaning a corporation in which the relevant corporation holds shares or equity with the subject voting rights under its own name that exceed fifty percent of the voting rights held by all shareholders; the same applies hereinafter in this item) holds in that other corporation as prescribed in the preceding item under its own name to the voting rights held by all shareholders of that other corporation (or if there are two or more such subsidiaries, the total of proportions calculated for each of them).

(3) The provisions of the preceding paragraph apply mutatis mutandis to the determination of the relationship referred to in paragraph (1), items (iii) and (iv).

(Prepaid Payment Instruments Excluded from Application)

Article 4 (1) The tickets and similar articles specified by Cabinet Order as prescribed in Article 4, item (i) of the Act are the certificates and other articles (hereinafter referred to as "certificates and articles" in this Article) listed in items (i) through (iii) or, the numbers, marks, or other signs specified in item (iv):

(i) passenger tickets for ground, water, and air transportation vehicles;
(ii) admission tickets for the following facilities or places (including attraction tickets for amusement parks and other similar facilities that are issued in combination with ordinary admission tickets):

(a) a place where movies, theater, entertainment or music performances, sports events, or other shows are presented for a large number of unspecified persons to watch or listen to them;

(b) horse, bicycle, compact automobile, or motorboat racing tracks; and

(c) art museums, amusement parks, zoos, exhibitions and other similar facilities or places which a large number of unspecified persons enter;

(iii) beyond what is listed in the preceding two items, meal tickets and other certificates and articles issued in conjunction with the use of a specified facility or place that are designed to be used normally by the users of the relevant facility or place; and

(iv) numbers, marks, or other signs that have a function equivalent to the certificates and articles listed in the preceding three items (excluding those used in the case in which the issuer or the person designated by the issuer delivers goods or provides services to the users through electric telecommunication lines connecting a computer used by the issuer or the

- person designated by the issuer with a computer used by the users).
- (2) A certain period from the date of issuance specified by Cabinet Order as prescribed in Article 4, item (ii) of the Act is six months.
 - (3) Corporations specified by Cabinet Order as prescribed in Article 4, item (iv) of the Act are the following corporations:
 - (i) the National Agency for Automobile and Land Transport Technology;
 - (ii) the Japan Racing Association and the Japan Broadcasting Corporation; and
 - (iii) port authorities and local road public corporations.
 - (4) Prepaid payment instruments specified by Cabinet Order as prescribed in Article 4, item (v) of the Act are the following prepaid payment instruments:
 - (i) prepaid payment instruments for third-party business (meaning the prepaid payment instruments for third-party business prescribed in Article 3, paragraph (5) of the Act) issued only to the employees of the issuer (including persons belonging to the same household as the relevant employees; hereinafter the same applies in this item) that are designed to be used only by the relevant employees;
 - (ii) prepaid payment instruments for health care facilities, welfare facilities, or welfare services that are issued by the following persons:
 - (a) health insurance societies or the National Federation of Health Insurance Societies;
 - (b) national public service personnel mutual aid associations, the Federation of National Public Service Personnel Mutual Aid Associations, local public service personnel mutual aid associations, the National Federation of Mutual Aid Associations for Municipal Personnel, or the Promotion and Mutual Aid Corporation for Private Schools of Japan;
 - (c) corporate pension funds or the Pension Fund Association; and
 - (d) persons specified by Cabinet Office Order as similar to the persons listed in (a) through (c);
 - (iii) prepaid payment instruments issued by a person that establishes a school prescribed in Article 1 of the School Education Act (Act No. 26 of 1947) (excluding the State or a local public entity) only to its students, school children or elementary school children, or employees (hereinafter referred to as "students or employees" in this item) (limited to those that are designed to be used only by the relevant students or employees) and other prepaid payment instruments that are specified by Cabinet Office Order as those equivalent to the relevant prepaid payment instruments; and
 - (iv) beyond the prepaid payment instruments listed in the preceding three items, prepaid payment instruments issued by a person engaging in the business of a kiosk and other facilities for the welfare of employees who work within a certain work area or persons who were the relevant employees (including persons belonging to the same household as these employees or

persons; hereinafter referred to as "employees" in this item) (hereinafter referred to as "welfare facilities" in this item) only to its employees (limited to the prepaid payment instruments that are designed to be used only in the welfare facilities for the relevant employees) and other prepaid payment instruments that are specified by Cabinet Office Order as those similar to them.

- (5) Prepaid payment instruments specified by Cabinet Order as prescribed in Article 4, item (vi) of the Act are the following prepaid payment instruments:
- (i) prepaid payment instruments that are designed to be used for the delivery of goods or provision of services in the specified advance payment transactions prescribed in Article 2, paragraph (6) of the Installment Sales Act (Act No. 159 of 1961) or the delivery of goods in the advance payment installment sales prescribed in Article 11 of that Act; and
 - (ii) prepaid payment instruments issued in the transactions of the travel agency business prescribed in Article 2, paragraph (3) of the Travel Agency Act (Act No. 239 of 1952) (excluding the private lodging intermediary service prescribed in Article 2, paragraph (8) of the Private Lodging Business Act (Act No. 65 of 2017) (excluding service conducted by the travel agency prescribed in Article 6-4, paragraph (1) of the Travel Agency Act)).

(Minimum Amount of Net Assets)

Article 5 (1) The amount of money specified by Cabinet Order as prescribed in Article 10, paragraph (1), item (ii), (a) of the Act is the amount specified in the following items for the categories of cases listed in them:

- (i) if the geographic area in which the prepaid payment instruments issued by an applicant for registration referred to in Article 10, paragraph (1) of the Act can be used is limited to one municipality (including special wards; and for designated cities referred to in Article 252-19, paragraph (1) of the Local Autonomy Act (Act No. 67 of 1947), including wards or administratively consolidated wards of the relevant cities; the same applies in the following item): ten million yen;
- (ii) if an applicant for registration referred to in Article 10, paragraph (1) of the Act satisfies all of the following criteria: zero:
 - (a) the applicant is a general incorporated association, general incorporated foundation, or corporation engaging in specified non-profit activities prescribed in Article 2, paragraph (2) of the Act to Promote Specified Non-Profit Activities (Act No. 7 of 1998) (hereinafter referred to as "general incorporated association or other prescribed foundation or corporation");
 - (b) the articles of incorporation of the applicant contain a statement to the effect that the applicant engages in the business of issuing prepaid payment instruments and that the purpose of the applicant is to promote

revitalizing the local economy or encourage exchange between residents in the relevant local area;

- (c) the geographic area in which the prepaid payment instruments issued by the applicant can be used is limited to one municipality and its adjacent municipalities;
 - (d) rules prescribed by the applicant contain a provision to the effect that the relevant applicant is to maintain the bank deposits or savings in its bank account under its own name in an amount equivalent to or more than the amount arrived at when the amount of the security deposits for issuance made to an official depository pursuant to the provisions of Article 14, paragraph (1) of the Act and the amount not required to be deposited pursuant to the provisions of Article 15 and Article 16, paragraph (1) of the Act are deducted from the unused balance of the prepaid payment instruments issued by the applicant (meaning the amount calculated in accordance with a method specified by Cabinet Office Order as the total amount of the monies that can be used for the full payment of consideration associated with the prepaid payment instruments referred to in Article 3, paragraph (1), item (i) of the Act and the monies converted from the quantity of goods or services that can be requested to be delivered or provided in association with the prepaid payment instruments prescribed in item (ii) of that paragraph); and
 - (e) the prepaid payment instruments issued by the applicant contain a statement to the effect that a person may request to inspect the balance sheet and profit and loss statement of the relevant general incorporated association or other prescribed foundation or corporation, or a document used as their substitute; and
- (iii) cases other than those prescribed in the preceding two items: one hundred million yen.
- (2) A person specified by Cabinet Order as prescribed in Article 10, paragraph (1), item (ii), (b) of the Act is a nonprofit corporation established under the authorization of an administrative agency pursuant to the provisions of laws (limited to one specified by the Commissioner of the Financial Services Agency through public notice) whose articles of incorporation contain a statement to the effect that the relevant corporation engages in the business of issuing prepaid payment instruments.

(Minimum Unused Base Date Balance that Causes a Deposit to Be Required)
Article 6 The amount specified by Cabinet Order as prescribed in Article 14, paragraph (1) of the Act is ten million yen.

(Particulars to be Included in a Guarantee Contract to Secure Security

Deposits for Issuance)

Article 7 A guarantee contract to secure security deposits for issuance (meaning the guarantee contract to secure security deposits for issuance as prescribed in Article 15 of the Act; the same applies hereinafter in this Article, paragraph (2), item (ii) of the following Article, and Article 11, paragraph (2)) to be concluded by an issuer of prepaid payment instruments must contain a provision to the effect that if the counterparty to the relevant guarantee contract to secure security deposits for issuance receives an order of the Commissioner of the Financial Services Agency under Article 17 of the Act, security deposits for issuance will be made to the official depository without delay on behalf of the relevant issuer of prepaid payment instruments in the amount referred to in the order, and other provisions prescribing the particulars specified by Cabinet Office Order.

(Requirements to be Satisfied by Deposit-taking Institutions for Conclusion of a Guarantee Contract to Secure Security Deposits for Issuance)

Article 8 (1) The requirement specified by Cabinet Order as prescribed in Article 15 of the Act is that the deposit-taking institution falls under the category of having sound equity capital as specified by Cabinet Office Order in consideration of the criteria prescribed in Article 14-2 of the Banking Act (Act No. 59 of 1981) and provisions of other laws and regulations similar to this.

(2) Persons specified by Cabinet Order as prescribed in Article 15 of the Act are the persons specified in the following items:

- (i) an insurance company and any other person specified by Cabinet Office Order that falls under the category of having a sound level of solvency in terms of its ability to pay insurance proceeds as specified by Cabinet Office Order in consideration of the standard prescribed in Article 130 of the Insurance Business Act (Act No. 105 of 1995); and
- (ii) a person that has received the designation prescribed in Article 35-4, paragraph (1) of the Installment Sales Act and has received the approval referred to in the proviso to Article 35-9 of that Act for the business of the relevant guarantee contract to secure security deposits for issuance.

(Categories and Amounts Permitted in the Case in which the Person May Recover the Security Deposits for Issuance)

Article 9 (1) If a person that has made security deposits for issuance to an official depository (including bond certificates (meaning bond certificates specified by Cabinet Office Order as prescribed in Article 14, paragraph (3) of the Act; the same applies in Article 11, paragraph (8)) deposited pursuant to the provisions of Article 14, paragraph (3) of the Act; hereinafter the same applies in this Article and Article 11, paragraph (5)) pursuant to the provisions

of Article 14, paragraph (1) or (2) or Article 17 of the Act or their successor (hereinafter collectively referred to as "depositor" in this Article) has come to fall under any of the following items, the depositor may recover the security deposits for issuance in the amount prescribed in those items, by obtaining the approval of the Commissioner of the Financial Services Agency:

- (i) if the unused base date balance (meaning the unused base date balance prescribed in Article 3, paragraph (2) of the Act) as of the immediately preceding base date (meaning the base date prescribed in that paragraph; the same applies in the following item) is ten million yen or less: the full amount of the security deposits for issuance that are retained at the official depository;
- (ii) if the amount required for deposit (meaning the amount required for deposit prescribed in Article 14, paragraph (1) of the Act) as of the preceding base date falls short of the total of the amount of security deposits for issuance (meaning the total of the amount of the security deposits for issuance that are retained at the official depository, the secured amount (meaning the secured amount prescribed in Article 15 of the Act), and the amount of the trust property (meaning the amount of the trust property prescribed in Article 16, paragraph (1) of the Act); the same applies in item (iv) and in item (ii) of the following paragraph) as of the day following the date on which the written report referred to in Article 23, paragraph (1) of the Act for the base date was submitted: any amount within the limit of the amount of the security deposits for issuance that are retained at the official depository, up to the amount of such shortage;
- (iii) if the procedure for the fulfillment of the right referred to in Article 31, paragraph (1) of the Act (hereinafter referred to as the "right" in this item, the following item, paragraph (3), and Article 11) has been completed, and the unused balance as of the day on which the relevant procedure for the fulfillment of the right has been completed (meaning the amount calculated in accordance with a method specified by Cabinet Office Order as the total amount of (x) the monies that can be used for the full payment of consideration associated with the prepaid payment instruments referred to in Article 3, paragraph (1), item (i) of the Act, outstanding as of that day, and (y) the monies converted from the quantity of goods or services that can be requested to be delivered or provided in association with the prepaid payment instruments prescribed in item (ii) of that paragraph, outstanding as of that day; the same applies in the following item) is ten million yen or less: the amount remaining after the amount of costs required for the relevant procedure for the fulfillment of the right is deducted from the amount of security deposits for issuance that are retained at the official depository; or

- (iv) if the procedure for the fulfillment of the right has been completed, and the unused balance as of the day on which the relevant procedure for the fulfillment of the right has been completed exceeds ten million yen: any amount within the limit of the amount remaining after the amount of costs required for the relevant procedure for the fulfillment of the right is deducted from the amount of security deposits for issuance that are retained at the official depository, up to the amount remaining after half of the unused balance as of that day is deducted from the total of the amount of security deposits for issuance as of that day.
- (2) The circumstances specified by Cabinet Order as prescribed in Article 18, item (iv) of the Act are the circumstances in which the refund procedure under Article 20, paragraph (1) of the Act has been completed; and if the situation falls under this case and the depositor has come to fall under any of the following items, the depositor may recover the security deposits for issuance in the amount respectively prescribed in the applicable item, by obtaining the approval of the Commissioner of the Financial Services Agency:
- (i) if the unused balance as of the day on which the relevant refund procedure has been completed (meaning the amount calculated in accordance with a method specified by Cabinet Office Order as the total amount of (x) the monies that can be used for the full payment of consideration associated with the prepaid payment instruments referred to in Article 3, paragraph (1), item (i) of the Act, outstanding as of that day, and (y) the monies converted from the quantity of goods or services that can be requested to be delivered or provided in association with the prepaid payment instruments referred to in item (ii) of that paragraph, outstanding as of that day; the same applies in the following item) is ten million yen or less: the full amount of the security deposits for issuance that are retained at the official depository; or
- (ii) if the unused balance as of the day on which the relevant refund procedure has been completed exceeds ten million yen: any amount within the limit of the amount of security deposits for issuance that are retained at the official depository, up to the amount remaining after half of the unused balance as of that day is deducted from the total of the amount of security deposits for issuance as of that day.
- (3) Notwithstanding the provisions of the preceding two paragraphs, a depositor may not recover any security deposits for issuance in respect of which the refund procedure under Article 20, paragraph (1) of the Act or the procedure for fulfillment of the right is ongoing.

(Replacement of Terms of the Provisions of the Companies Act as Applied
Mutatis Mutandis to Cases in which an Issuer of Prepaid Payment
Instruments Gives a Public Notice of Refund of the Prepaid Payment

Instruments by Way of Electronic Public Notice)

Article 9-2 If the public notice under Article 20, paragraph (2) of the Act is given by way of electronic public notice (meaning the electronic public notice prescribed in Article 2, item (xxxiv) of the Companies Act), the technical replacement of terms under Article 20, paragraphs (3) and (4) of the Act in cases in which the provisions of the Companies Act are applied mutatis mutandis pursuant to Article 20, paragraph (3) and (4) of the Act is as follows:

Provisions of the Companies Act Subject to Replacement of Terms	Terms to be replaced	Terms to replace
Article 940, paragraph (1), item (iii)	objections may be stated	claims may be stated
Article 940, paragraph (3) (excluding the items)	the preceding two paragraphs	paragraph (1)
	these provisions	the provisions of the relevant paragraph

(Special Provisions for the Base Date)

Article 9-3 (1) With regard to the application of the provisions of Article 14 and Article 23 of the Act if the provisions of Article 29-2, paragraph (1) of the Act are applied, the phrase "the base date immediately preceding the day on which such fact occurred" in Article 14, paragraph (2) of the Act is deemed to be replaced with "the base date immediately preceding the day on which that fact occurred (or if the base date immediately preceding the day following the day of submitting a written notice referred to in Article 29-2, paragraph (1) is the special base date prescribed in paragraph (2) of that Article, the base date excluding the special base date; the same applies in this paragraph)"; and the term "the record period including the relevant base date" in Article 23, paragraph (1), item (i) of the Act is deemed to be replaced with "the record period (if the record period containing the day following the day of submitting a written notice referred to in Article 29-2, paragraph (1) is the period from the day following the special base date (meaning the special base date prescribed in paragraph (2) of that Article) to the next ordinary base date (meaning the ordinary base date prescribed in paragraph (2) of that Article; hereinafter the same applies in this item), the record period including the relevant ordinary base date and the record period immediately preceding the relevant record period) including the relevant base date".

(2) The period specified by Cabinet Order as prescribed in Article 29-2, paragraphs (3) and (4) of the Act is one year.

(Persons Qualified to Become Agents for a Local Finance Office in the Distribution Proceedings of Security Deposits to Holders of Prepaid Payment Instruments)

Article 10 Persons specified by Cabinet Order as prescribed in Article 31, paragraph (3) of the Act are the following persons:

- (i) deposit-taking institutions;
- (ii) trust companies;
- (iii) if bankruptcy proceedings have been commenced against the relevant issuer of prepaid payment instruments, the bankruptcy trustee;
- (iv) if reorganization proceedings have been commenced against the relevant issuer of prepaid payment instruments, the trustee; and
- (v) if rehabilitation proceedings have been commenced against the relevant issuer of prepaid payment instruments, the trustee (limited to cases in which a trustee has been appointed for the relevant rehabilitation proceedings).

(Procedure for the Fulfillment of the Right to Security Deposits for Issuance)

Article 11 (1) A holder of prepaid payment instruments may file a petition with the Commissioner of the Financial Services Agency for the fulfillment of the right to the prepaid payment instruments that the holder holds (excluding those for which the refund procedure under Article 20, paragraph (1) of the Act has been completed and those for which the procedure for the fulfillment of the right has been completed).

- (2) If the Commissioner of the Financial Services Agency has given a public notice under Article 31, paragraph (2) of the Act, the Commissioner of the Financial Services Agency must notify the person who filed a petition referred to in the preceding paragraph (hereinafter referred to as "petitioner" in this Article) and the issuer of prepaid payment instruments who issued the relevant prepaid payment instruments (if the relevant issuer of prepaid payment instruments has concluded a guarantee contract to secure security deposits for issuance or trust agreement for security deposits for issuance prescribed in Article 16, paragraph (1) of the Act, the relevant issuer of prepaid payment instruments and the counterparty to these contracts; the same applies in paragraphs (4) and (5)) to that effect.
- (3) Once the public notice under Article 31, paragraph (2) of the Act is given, even if the petitioner has withdrawn the petition, this does not prevent the procedures for the fulfillment of the right from proceeding.
- (4) The Commissioner of the Financial Services Agency must investigate the right without delay after the period referred to in Article 31, paragraph (2) of the Act has elapsed. In this case, the Commissioner of the Financial Services Agency must give the petitioner, the persons that stated their claims within the relevant period, and the relevant issuer of prepaid payment instruments an

opportunity to produce evidence and state opinions with regard to whether or not the right exists and with regard to the amount of claims secured by the relevant right in advance, by giving a public notice of the date and the place and notifying the relevant issuer of them.

- (5) The Commissioner of the Financial Services Agency, without delay, must prepare a distribution table regarding the security deposits for issuance that have been made to an official depository by the last day of the period referred to in Article 31, paragraph (2) of the Act based on the results of the investigation under the preceding paragraph, give a public notice of the table, and notify the relevant issuer of prepaid payment instruments of it.
- (6) The distribution is to be implemented in accordance with the distribution table 110 days after the date of the public notice under the preceding paragraph.
- (7) If the locations of business offices or offices of an issuer of prepaid payment instruments cannot be ascertained, the Commissioner of the Financial Services Agency is not required to give the notice under paragraph (2), (4), and (5) to the relevant issuer of prepaid payment instruments.
- (8) If bond certificates have been deposited and the Commissioner of the Financial Services Agency finds it necessary for the fulfillment of the right, the Commissioner may realize them. In this case, the costs for realization are deducted from the realized value.
- (9) In the cases referred to in paragraphs (5) and (6), the Commissioner of the Financial Services Agency may prepare a distribution table with regard to the amount remaining after the costs for the public notice prescribed in Article 31, paragraph (2) of the Act, remuneration for the agents for a local finance office in the distribution proceedings of security deposits to holders of prepaid payment instruments prescribed in paragraph (3) of that Article, and other costs required for the procedure for return of security deposits for issuance (excluding the costs for realization referred to in the preceding paragraph) are deducted from the amount of security deposits for issuance prescribed in paragraph (5); and implement distribution in accordance with the relevant distribution table.

(Requirements to be Satisfied by Deposit-taking Institutions for Exemption from Deposit Obligations)

- Article 12 (1) The requirements specified by Cabinet Order as prescribed in Article 35 of the Act are the requirements specified in Article 8, paragraph (1).
- (2) Persons specified by Cabinet Order as prescribed in Article 35 of the Act are the persons specified in Article 8, paragraph (2), item (i).

Chapter III Funds Transfer

(Maximum Amount of Funds Transfer in the Type II Funds Transfer Services and Type III Funds Transfer Services)

- Article 12-2 (1) The amount specified by Cabinet Order as a small amount as prescribed in Article 36-2, paragraph (2) of the Act is an amount equivalent to one million yen.
- (2) The amount specified by Cabinet Order as a particularly small amount as prescribed in Article 36-2, paragraph (3) of the Act is an amount equivalent to 50,000 yen.

(Persons Equivalent to Persons Who Were Directors of a Corporation Whose Registration for the Funds Transfer Services Has Been Revoked)

Article 13 Persons specified by Cabinet Order as prescribed in Article 40, paragraph (1), item (x), (e) of the Act are the following persons:

- (i) a person who was a director, executive officer, accounting advisor, company auditor, board member, or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had its license under Article 64, paragraph (1) of the Act revoked pursuant to the provisions of Article 82, paragraph (1) or (2) of the Act, and five years have not passed since that date;
- (ii) a person who was a director (including a representative person in Japan who is deemed to be an executive under Article 47, paragraph (2) of the Banking Act), executive officer, accounting advisor, company auditor, or any other person equivalent to them of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had its license under Article 4, paragraph (1) of the Banking Act revoked pursuant to the provisions of Article 27 or 28 of that Act, had its authorization under Article 52-9, paragraph (1) of that Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 52-15, paragraph (1) of that Act, had its authorization under Article 52-17, paragraph (1) of that Act or the proviso to paragraph (3) of that Article revoked pursuant to the provisions of Article 52-34, paragraph (1) of that Act, or had its permission under Article 52-36, paragraph (1) of that Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of that Act; and if five years have not passed since that date;
- (iii) a person who was a director, executive officer, accounting advisor, or company auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had its license under Article 4, paragraph (1) of the Long-Term Credit Bank Act (Act No. 187 of 1952) revoked pursuant to the provisions of Article 27 or 28 of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit

- Bank Act, had its authorization under Article 16-2-2, paragraph (1) of the Long-Term Credit Bank Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 52-15, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, had its authorization under Article 16-2-4, paragraph (1) of the Long-Term Credit Bank Act or the proviso to paragraph (3) of that Article revoked pursuant to the provisions of Article 52-34, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, or had its permission under Article 16-5, paragraph (1) of the Long-Term Credit Bank Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act; and if five years have not passed since that date;
- (iv) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had its license under Article 4 of the Credit Association Act (Act No. 238 of 1951) revoked pursuant to the provisions of Article 27 or 28 of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (1) of the Credit Association Act or had its permission under Article 85-2, paragraph (1) of the Credit Association Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (5) of the Credit Association Act; and if five years have not passed since that date;
- (v) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had its license under Article 6 of the Labor Credit Association Act (Act No. 227 of 1953) revoked pursuant to the provisions of Article 95 of that Act or had its permission under Article 89-3, paragraph (1) of that Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 94, paragraph (3) of the Labor Credit Association Act; and if five years have not passed since that date;
- (vi) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation (or in the case of a dissolution order, before the day on which the relevant dissolution order was issued; hereinafter the same applies in this item through item (ix)), if the relevant corporation has received a dissolution order under Article 106, paragraph (2) of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949), had its authorization under Article 3, paragraph (1) of the Act on Financial Business by Cooperatives (Act No. 183 of 1949) revoked pursuant to the provisions of Article 27 or 28 of the Banking Act as applied mutatis

- mutandis pursuant to Article 6, paragraph (1) of the Act on Financial Business by Cooperatives, or had its permission under Article 6-3, paragraph (1) of that Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 6-5, paragraph (1) of the Act on Financial Business by Cooperatives; and if five years have not passed since that date;
- (vii) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had its permission under Article 92-2, paragraph (1) of the Agricultural Cooperatives Act (Act No. 132 of 1947) revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 92-4, paragraph (1) of the Agricultural Cooperatives Act, or an agricultural cooperative or federation of agricultural cooperative has received a dissolution order under Article 95-2 of that Act; and if five years have not passed since that date;
- (viii) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had its permission under Article 106, paragraph (1) of the Fisheries Cooperatives Act (Act No. 242 of 1948) revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 108, paragraph (1) of the Fisheries Cooperatives Act, or a fisheries cooperative, federation of fisheries cooperatives, fishery processing cooperative, or federation of fishery processing cooperatives received a dissolution order under Article 124-2 of that Act; and if five years have not passed since that date;
- (ix) a person who was a board member, management committee member, or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had its permission under Article 95-2, paragraph (1) of the Norinchukin Bank Act (Act No. 93 of 2001) revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 95-4, paragraph (1) of the Norinchukin Bank Act or received a dissolution order under Article 86 of that Act, and five years have not passed since that date;
- (x) a person who was a director, executive officer, accounting advisor, or company auditor of a corporation within the thirty days before the date of a rescission, if the relevant corporation has had its authorization under Article 8, paragraph (1) of the Shoko Chukin Bank Limited Act (Act No. 74 of 2007) or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 13, paragraph (1) of that Act and five years have not passed since that date;
- (xi) a person who was a director, executive officer, accounting advisor, company

- auditor, or any other person equivalent to them of a corporation within the thirty days before the date of a revocation (or in the case of a dissolution order, before the day on which the relevant dissolution order was issued; or in the case of a refusal of renewal, before the day on which the relevant disposition was made; hereinafter the same applies in this item), if the relevant corporation had received a license, permission, or authorization (including other administrative dispositions similar to the relevant license, permission, or authorization; the same applies hereinafter in this item) of the same kind as the license, permission, or authorization prescribed in item (i) through the preceding item in a foreign state, but has had the relevant license, permission, or authorization of the same kind revoked, had the renewal of the relevant license, permission, or authorization refused, or received a dissolution order, pursuant to the provisions of laws and regulations of the relevant foreign state equivalent to the Act, the Banking Act, the Long-Term Credit Bank Act, the Credit Association Act, the Labor Credit Association Act, the Small and Medium-Sized Enterprise Cooperatives Act, the Act on Financial Business by Cooperatives, the Agricultural Cooperatives Act, the Fisheries Cooperatives Act, the Norinchukin Bank Act, or the Shoko Chukin Bank Limited Act; and if five years have not passed since that date;
- (xii) a person who has had an authorization under Article 52-9, paragraph (1) of the Banking Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 52-15, paragraph (1) of that Act, had an authorization under Article 16-2-2, paragraph (1) of the Long-Term Credit Bank Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 52-15, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, or had an authorization under Article 8, paragraph (1) of the Shoko Chukin Bank Limited Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 13, paragraph (1) of that Act, if five years have not passed since the date of the revocation;
- (xiii) a person who has had a permission under Article 52-36, paragraph (1) of the Banking Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of that Act, had a permission under Article 16-5, paragraph (1) of the Long-Term Credit Bank Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, had a permission under Article 85-2, paragraph (1) of the Credit Association Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (5) of the Credit Association Act, had a permission under Article 89-3, paragraph (1) of

- the Labor Credit Association Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 94, paragraph (3) of the Labor Credit Association Act, had a permission under Article 6-3, paragraph (1) of the Act on Financial Business by Cooperatives revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 6-5, paragraph (1) of the Act on Financial Business by Cooperatives, had a permission under Article 92-2, paragraph (1) of the Agricultural Cooperatives Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 92-4, paragraph (1) of the Agricultural Cooperatives Act, had a permission under Article 106, paragraph (1) of the Fisheries Cooperatives Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 108, paragraph (1) of the Fisheries Cooperatives Act, or had a permission under Article 95-2, paragraph (1) of the Norinchukin Bank Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 95-4, paragraph (1) of the Norinchukin Bank Act, if five years have not passed since the date of the revocation;
- (xiv) a person who had received an authorization or permission of the same kind as the authorization or permission under Article 52-9, paragraph (1) of the Banking Act, the proviso to paragraph (2) of that Article, or Article 52-36, paragraph (1) of that Act in a foreign state, but has had the authorization or permission of the same kind revoked or had the renewal of the relevant authorization or permission refused pursuant to the provisions of laws and regulations of the relevant foreign state corresponding to the Banking Act, if five years have not passed since the date of the revocation (or in the case of a refusal of renewal, since the day on which the person received the relevant disposition);
- (xv) a director, executive officer, accounting advisor, company auditor, board member, or auditor whose dismissal was ordered pursuant to the provisions of Article 67, paragraph (3) or Article 82, paragraph (2) of the Act, if five years have not passed since the day on which they received the relevant disposition;
- (xvi) a director (including a representative person in Japan who is deemed to be a director pursuant to Article 47, paragraph (2) of the Banking Act), executive officer, accounting advisor, or company auditor whose dismissal was ordered pursuant to the provisions of Article 27 or Article 52-34, paragraph (1) of that Act, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of that

- Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xvii) a director, executive officer, accounting advisor, or company auditor whose dismissal was ordered pursuant to the provisions of Article 27 or Article 52-34, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xviii) a board member or auditor whose dismissal was ordered pursuant to the provisions of Article 27 of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (1) of the Credit Association Act, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (3) of the Credit Association Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xix) a board member or auditor whose replacement was ordered pursuant to the provisions of Article 95, paragraph (1) of the Labor Credit Association Act, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 94, paragraph (3) of the Labor Credit Association Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xx) a board member or auditor whose dismissal was ordered pursuant to the provisions of Article 27 of the Banking Act as applied mutatis mutandis pursuant to Article 6, paragraph (1) of the Act on Financial Business by Cooperatives, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 6-5, paragraph (1) of the Act on Financial Business by Cooperatives, if five years have not passed since the day on which the officer received the relevant disposition;
- (xxi) an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 92-4, paragraph (1) of the Agricultural Cooperatives Act,

- if five years have not passed since the day on which the officer received the relevant disposition; or an officer whose reselection was ordered pursuant to the provisions of Article 95, paragraph (2) of that Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xxii) an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 108, paragraph (1) of the Fisheries Cooperatives Act, if five years have not passed since the day on which the officer received the relevant disposition; or an officer whose reselection was ordered pursuant to the provisions of Article 124, paragraph (2) of that Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xxiii) an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 95-4, paragraph (1) of the Norinchukin Bank Act, if five years have not passed since the day on which the officer received the relevant disposition; or a board member, management committee member, or auditor whose dismissal was ordered pursuant to the provisions of Article 86 of that Act, if five years have not passed since the day on which they received the relevant disposition;
- (xxiv) a director, executive officer, accounting advisor, or company auditor whose dismissal was ordered pursuant to the provisions of Article 60 of the Shoko Chukin Bank Limited Act, if five years have not passed since the day on which they received the relevant disposition; and
- (xxv) a director, executive officer, accounting advisor, company auditor, or any other person equivalent to them whose dismissal was ordered pursuant to the provisions of laws and regulations of a foreign state equivalent to the Act, the Banking Act, the Long-Term Credit Bank Act, the Credit Association Act, the Labor Credit Association Act, the Small and Medium-Sized Enterprise Cooperatives Act, the Act on Financial Business by Cooperatives, the Agricultural Cooperatives Act, the Fisheries Cooperatives Act, the Norinchukin Bank Act, or the Shoko Chukin Bank Limited Act, if five years have not passed since the day on which they received the relevant disposition.

(Minimum Required Amount as Security for Providing Funds Transfer Services)

Article 14 The amount specified by Cabinet Order as prescribed in the proviso to Article 43, paragraph (2) of the Act is the amount specified in the following items for the categories of funds transfer services (meaning the categories of funds transfer services prescribed in Article 38, paragraph (1), item (vii) of the Act; hereinafter the same applies in this Chapter) listed in those items:

- (i) the categories of funds transfer services other than the category of funds

transfer services set forth in the following item: the amount arrived at when ten million yen is divided by the number of categories of funds transfer services provided by the funds transfer service provider (that number of categories excludes the category of funds transfer services set forth in that item; and if the amount thus arrived at has a number to the right of the ten-thousand place, it is rounded down to the nearest 10,000 yen); and

(ii) the type III funds transfer services (meaning the type III funds transfer services prescribed in Article 36-2, paragraph (3) of the Act; hereinafter the same applies in this item, Article 17, paragraph (1), item (i), and Article 17-3, paragraph (2), item (ii)) (limited to cases in which the rate of management by bank deposits or savings (meaning the rate of management by bank deposits or savings prescribed in Article 45-2, paragraph (1) of the Act; the same applies in Article 17-3, paragraph (2), item (ii) of the type III funds transfer services provided by the funds transfer service provider is 100 percent): zero yen.

(Particulars to be Included in a Guarantee Contract to Secure Performance Security Deposits)

Article 15 A guarantee contract to secure performance security deposits (meaning the guarantee contract to secure performance security deposits as prescribed in Article 44 of the Act; hereinafter the same applies in this Article, paragraph (2), item (ii) of the following Article, and Article 19, paragraph (2)) that a funds transfer service provider concludes for each category of their funds transfer services must include the following particulars and other particulars specified by Cabinet Office Order:

- (i) the category of funds transfer services subject to the relevant guarantee contract to secure performance security deposits; and
- (ii) if the counterparty to the relevant guarantee contract to secure performance security deposits receives an order of the Commissioner of the Financial Services Agency under Article 46 of the Act, performance security deposits will be made to the official depository without delay on behalf of the relevant funds transfer service provider in the amount referred to in the order.

(Requirements to be Satisfied by Deposit-taking Institutions for Conclusion of a Guarantee Contract to Secure Performance Security Deposits)

Article 16 (1) The requirements specified by Cabinet Order as prescribed in Article 44 of the Act are that the deposit-taking institution falls under the category of having sound equity capital as specified by Cabinet Office Order in consideration of the criteria prescribed in Article 14-2 of the Banking Act or other laws and regulations similar to that Act.

(2) Persons specified by Cabinet Order as prescribed in Article 44 of the Act are the following persons:

- (i) an insurance company and any other persons specified by Cabinet Office Order that falls under the category of having a sound level of solvency in terms of its ability to pay insurance proceeds as specified by Cabinet Office Order in consideration of the standard prescribed in Article 130 of the Insurance Business Act; and
- (ii) a person that has received the designation prescribed in Article 35-4, paragraph (1) of the Installment Sales Act and has received the approval referred to in the proviso to Article 35-9 of that Act for the business of the relevant guarantee contract to secure performance security deposits.

(Categories and Amounts Permitted in the Case in which the Person May Recover the Performance Security Deposits)

Article 17 (1) When a person who has made performance security deposits for one category of funds transfer services to an official depository (including bond certificates (meaning bond certificates specified by Cabinet Office Order as prescribed in Article 43, paragraph (3) of the Act; the same applies in Article 19, paragraph (8)) deposited pursuant to the provisions of Article 43, paragraph (3) of the Act; hereinafter the same applies in this Article and Article 19, paragraph (5)) pursuant to the provisions of Article 43, paragraph (1) or Article 46 of the Act or their successor (hereinafter collectively referred to as "depositor" in paragraphs (3) and (4)) has come to fall under any of the following items, the depositor may recover the performance security deposits in the amount prescribed in those items, by obtaining the approval of the Commissioner of the Financial Services Agency:

- (i) if the amount required for deposit (meaning the amount required for deposit as prescribed in Article 47, item (i) of the Act) as of the immediately preceding calculation date in relation to the relevant category of funds transfer services (meaning each business day for the type I funds transfer services (meaning the type I funds transfer services prescribed in Article 36-2, paragraph (1) of the Act), and the base date prescribed in Article 43, paragraph (1), item (ii) of the Act for the Type II funds transfer services (meaning the type II funds transfer services prescribed in Article 36-2, paragraph (2) of the Act) and the type III funds transfer services; hereinafter the same applies in this item) falls short of the total of the amount of performance security deposits (meaning the total of the amount of performance security deposits that are retained at the official depository, the secured amount (meaning the secured amount prescribed in Article 44 of the Act), and the amount of the trust property (meaning the amount of the trust property prescribed in Article 45, paragraph (1) of the Act); the same applies

- in item (iii) and paragraph (3), item (ii)) in relation to the relevant category of funds transfer services as of the calculation date: any amount within the limit of the amount of the performance security deposits that are retained at the official depository in relation to the relevant category of funds transfer services, up to the amount of that shortage;
- (ii) if the procedure for the fulfillment of the right referred to in Article 59, paragraph (1) of the Act (hereinafter referred to as the "right" in this item, the following item, paragraph (4), and Article 19) has been completed with regard to the whole of the relevant category of funds transfer services: the amount remaining after the amount of costs required for the relevant procedure for the fulfillment of the right is deducted from the amount of performance security deposits that are retained at the official depository in relation to the relevant category of funds transfer services; and
 - (iii) if the procedure for the fulfillment of the right has been completed with regard to a part of the relevant category of funds transfer services: any amount within the limit of the amount arrived at when the amount of costs required for the procedure for the fulfillment of the right is deducted from the amount of the performance security deposits that are retained at the official depository in relation to the relevant category of funds transfer services, up to the amount remaining after the amount required for performance security deposits prescribed in Article 43, paragraph (2) of the Act in relation to the relevant category of funds transfer services as of the day on which the relevant procedure for the fulfillment of the right has been completed (or if that day is not a business day, the amount required for performance security deposits as of the immediately preceding business day) is deducted from the total of the performance security deposits for the relevant category of funds transfer services as of that day.
- (2) The cases specified by Cabinet Order as prescribed in Article 47, item (iii) of the Act are the cases in which a funds transfer service provider has given a public notice under Article 61, paragraph (3) of the Act (excluding cases in which it has given a public notice concerning the succession of the relevant business by way of transfer of business, merger or company split, or for other reasons) and has given the same notification individually to known creditors out of all creditors in relation to the obligations that are to be borne by the funds transfer service provider in relation to fund transfer transactions that it carries out as the funds transfer services it is intending to discontinue, and it falls under either of the following items:
- (i) if the funds transfer service provider has performed the obligations to be borne in relation to fund transfer transactions that it carries out as the funds transfer services it is intending to discontinue; or
 - (ii) if the funds transfer service provider is unable to perform its obligations to

be borne in relation to fund transfer transactions that it carries out as the funds transfer services it is intending to discontinue due to grounds not attributable thereto and has given a public notice of that fact pursuant to the provisions of Cabinet Office Order, and no claims have been stated with regard to the relevant obligations from their creditors after thirty days have elapsed since the date of the relevant public notice.

- (3) In the case referred to in the preceding paragraph, the depositor may recover the performance security deposits in the amount specified in the following items for the cases listed in those items, by obtaining the approval of the Commissioner of the Financial Services Agency:
- (i) if the funds transfer service provider intends to discontinue the whole of one category of funds transfer services: the full amount of the performance security deposits are retained at the official depository in relation to the relevant category of funds transfer services; and
 - (ii) if the funds transfer service provider intends to discontinue a part of one category of funds transfer services: any amount within the limit of the amount of the performance security deposits that are retained at the official depository in relation to the relevant category of funds transfer services, up to the amount remaining after the amount required for performance security deposits prescribed in Article 43, paragraph (2) of the Act in relation to the relevant category of funds transfer services as of the day on which it came to fall under either of the items of the preceding paragraph (or if that day is not a business day, the amount required for performance security deposits as of the immediately preceding business day) is deducted from the total of the performance security deposits for the relevant category of funds transfer services as of that day.
- (4) Notwithstanding the provisions of paragraph (1) and the preceding paragraph, a depositor may not recover any performance security deposits for one category of funds transfer services while the procedure for the fulfillment of the right is ongoing with regard to the performance security deposits for the relevant category of funds transfer services.

(Maximum Amount of Obligations to Be Borne in Relation to Type III Funds Transfer Services)

Article 17-2 The amount specified by Cabinet Order as prescribed in Article 51-3 of the Act is an amount equivalent to 50,000 yen.

(Special Provisions for Performance Security Deposits)

Article 17-3 (1) The technical replacement of terms under Article 58-2, paragraph (1) of the Act is as follows:

Provisions of the Act Subject to Replacement of Terms	Terms to be replaced	Terms to replace
Article 43, paragraph (1)	Article 48	hereinafter...this paragraph and Article 48
Article 43, paragraph (2)	items of the preceding paragraph	preceding paragraph

(2) The amount specified by Cabinet Order as prescribed in the proviso to Article 43, paragraph (1) of the Act as applied pursuant to Article 58-2, paragraph (1) of the Act following the deemed replacement of terms is the amount specified in the following items for the categories of funds transfer service provider listed in those items:

(i) a funds transfer service provider providing only the funds transfer services under the special provisions (meaning the funds transfer services under the special provisions prescribed in Article 58-2, paragraph (1) of the Act; the same applies in the following item): ten million yen;

(ii) a funds transfer service provider other than the one set forth in the preceding item (limited to the case in which the category of funds transfer services that it provides other than the funds transfer services under the special provisions is the type III funds transfer services (limited to cases in which the rate of management by bank deposits or savings of their type III funds transfer services is 100 percent)): ten million yen; and

(iii) a funds transfer service provider other than those set forth in the preceding two items: 6,660,000 yen.

(3) With regard to the application of the provisions of Articles 15 through 17 and Article 19 in cases where the provisions of Article 58-2, paragraph (1) of the Act apply, the terms listed in the middle column of the following table in the provisions listed in the left-hand column of the table are deemed to be replaced with the terms listed in the right-hand column of the same table.

Article 15	concludes for each category of their funds transfer services provided	concludes
	Article 44 of the Act	Article 44 of the Act as applied pursuant to Article 58-2, paragraph (1) of the Act following the deemed replacement of terms

Article 16	Article 44 of the Act	Article 44 of the Act as applied pursuant to Article 58-2, paragraph (1) of the Act following the deemed replacement of terms
Article 17, paragraph (1)	for one category of funds transfer services...pursuant to the provisions of Article 43, paragraph (1) or Article 46 of the Act	...pursuant to the provisions of Article 43, paragraph (1) or Article 46 of the Act as applied pursuant to Article 58-2, paragraph (1) of the Act following the deemed replacement of terms
Article 17, paragraph (1), item (i)	immediately preceding calculation date in relation to the relevant category of funds transfer services (meaning each business day for the type I funds transfer services (meaning the type I funds transfer services prescribed in Article 36-2, paragraph (1) of the Act), and the base date prescribed in Article 43, paragraph (1), item (ii) of the Act for the type II funds transfer services (meaning the type II funds transfer services prescribed in Article 36-2, paragraph (2) of the Act) and the type III funds transfer services;	immediately preceding base date (meaning the base date prescribed in Article 58-2, paragraph (5), item (ii) of the Act;
	Article 47, item (i) of the Act	Article 47, item (i) of the Act as applied pursuant to paragraph (1) of the relevant Article following the deemed replacement of terms
	in relation to the relevant category of funds transfer services as of the calculation date	as of the base date, etc.
	Article 44 of the Act	Article 44 of the Act as applied pursuant to the relevant paragraph following the deemed replacement of terms
	Article 45, paragraph (1) of the Act	Article 45, paragraph (1) of the Act as applied pursuant to the relevant paragraph following the deemed replacement of terms

	that are retained at the official depository in relation to the relevant category of funds transfer services	that are retained at the official depository
Article 17, paragraph (1), item (ii)	the relevant category of funds transfer services	the funds transfer services under the special provisions (meaning the funds transfer services under the special provisions as prescribed in Article 58-2, paragraph (1) of the Act; the same applies in the following item and paragraph (3))
	Article 59, paragraph (1) of the Act	Article 59, paragraph (1) of the Act as applied pursuant to paragraph (1) of the relevant Article following the deemed replacement of terms
	that are retained at the official depository in relation to the relevant category of funds transfer services	that are retained at the official depository
Article 17, paragraph (1), item (iii)	the relevant category of funds transfer services	the funds transfer services under the special provisions
	that are retained at the official depository in relation to the relevant category of funds transfer services	that are retained at the official depository
	the total of the performance security deposits for the relevant category of funds transfer services	the total of the performance security deposits
	of the Act in relation to the relevant category of funds transfer services	of the Act as applied pursuant to Article 58-2, paragraph (1) of the Act following the deemed replacement of terms

	the amount required for performance security deposits prescribed in Article 43, paragraph (2) of the Act in relation to the relevant category of funds transfer services as of the day on which the relevant procedure for the fulfillment of the right has been completed (or if that day is not a business day, the amount required for performance security deposits as of the immediately preceding business day)	the total amount required for performance security deposits prescribed in Article 43, paragraph (2) of the Act in relation to the relevant category of funds transfer services as of the day on which the relevant procedure for the fulfillment of the right has been completed (or if that day is not a business day, the total amount required for performance security deposits as of the immediately preceding business day; or if that total amount is not more than the amount specified in the items of Article 17-3, paragraph (2) for the categories of funds transfer Sservices listed in those items, the relevant amount specified in those items)
Article 17, paragraph (3), item (i)	one category of funds transfer services	the funds transfer services under the special provisions
	that are retained at the official depository in relation to the relevant category of funds transfer services	that are retained at the official depository
Article 17, paragraph (3), item (ii)	one category of funds transfer services	the funds transfer services under the special provisions
	that are retained at the official depository in relation to the relevant category of funds transfer services	that are retained at the official depository
	the total of the performance security deposits for the relevant category of funds transfer services	the total of the performance security deposits
	of the Act in relation to the relevant category of funds transfer services	of the Act as applied pursuant to Article 58-2, paragraph (1) of the Act following the deemed replacement of terms

	the amount required for performance security deposits prescribed in Article 43, paragraph (2) of the Act in relation to the relevant category of funds transfer services as of the day on which it came to fall under either of the items of the preceding paragraph (or if that day is not a business day, the amount required for performance security deposits as of the immediately preceding business day)	the total amount required for performance security deposits prescribed in Article 43, paragraph (2) of the Act in relation to the relevant category of funds transfer services as of the day on which it came to fall under either of the items of the preceding paragraph (or if that day is not a business day, the amount required for performance security deposits as of the immediately preceding business day; or if that total amount is not more than the amount specified in the items of Article 17-3, paragraph (2) for the categories of funds transfer services listed in those items, the relevant amount specified in those items)
Article 17, paragraph (4)	performance security deposits for one category of funds transfer services	performance security deposits
	the performance security deposits for the relevant category of funds transfer services	the performance security deposits
Article 19, paragraph (1)	for one category of funds transfer services that it provides	that it provides
Article 19, paragraph (2)	trust agreement for performance security deposits prescribed in Article 45, paragraph (1) of the Act (both agreements are limited to those in relation to the category of funds transfer services subject to the petition referred to in the preceding paragraph)	trust agreement for performance security deposits prescribed in Article 45, paragraph (1) of the Act as applied pursuant to Article 58-2, paragraph (1) of the Act following the deemed replacement of terms
Article 19, paragraph (5)	performance security deposits (limited to the performance security deposits for the category of funds transfer services subject to the petition referred to in paragraph (1))	performance security deposits

(Persons Qualified to Become Agents for Local Finance Office in the Distribution Proceedings of Security Deposits to Holders of Prepaid Payment Instruments)

Article 18 Persons specified by Cabinet Order as prescribed in Article 59, paragraph (3) of the Act are the following persons:

- (i) deposit-taking institutions;
- (ii) trust companies;
- (iii) if bankruptcy proceedings have been commenced against the relevant funds transfer service provider, the bankruptcy trustee;
- (iv) if reorganization proceedings have been commenced against the relevant funds transfer service provider, the trustee; and
- (v) if rehabilitation proceedings have been commenced against the relevant funds transfer service provider, the trustee (limited to cases in which a trustee has been appointed for the relevant rehabilitation proceedings).

(Procedure for the Fulfillment of the Right to Performance Security Deposits)

Article 19 (1) Creditors of the obligations that are to be borne by a funds transfer service provider in relation to fund transfer transactions for one category of funds transfer services that it provides may file a petition with the Commissioner of the Financial Services Agency for the fulfillment of the right with regard to the claims associated with the relevant obligations (excluding those for which the procedure for the fulfillment of the right has already been completed and those associated with the relevant obligations to be borne in relation to fund transfer transactions in the case prescribed in Article 17, paragraph (2) as the case in which the performance of the relevant obligations has been completed).

- (2) When having given a public notice under Article 59, paragraph (2) of the Act, the Commissioner of the Financial Services Agency must notify the person who filed a petition referred to in the preceding paragraph (hereinafter referred to as "petitioner" in this Article) and the relevant funds transfer service provider (or if the relevant funds transfer service provider has concluded a guarantee contract to secure performance security deposits or trust agreement for performance security deposits prescribed in article 45, paragraph (1) of the Act (both agreements are limited to those in relation to the category of funds transfer services subject to the petition referred to in the preceding paragraph), the relevant funds transfer service provider and the counterparty to these contracts; the same applies in paragraphs (4) and (5)) to that effect.
- (3) Once the public notice under Article 59, paragraph (2) of the Act is given, even if the petitioner withdraws a petition, this does not prevent the procedures for the fulfillment of the right from proceeding.
- (4) The Commissioner of the Financial Services Agency must investigate the

right without delay after the period referred to in Article 59, paragraph (2) of the Act has elapsed. In this case, the Commissioner of the Financial Services Agency must give the petitioner, the persons that stated their claims within the relevant period, and the relevant funds transfer service provider an opportunity to produce evidence and state opinions with regard to whether or not the right exists and with regard to the amount of claims secured by the relevant right in advance, by giving public notice of the date and the place and notifying the relevant funds transfer service provider of them.

- (5) The Commissioner of the Financial Services Agency, without delay, must prepare a distribution table regarding the performance security deposits (limited to the security deposits in relation to the category of funds transfer services subject to the petition referred to in paragraph (1)) that have been made to an official depository by the last day of the period referred to in Article 59, paragraph (2) of the Act based on the results of the investigation under the preceding paragraph, give a public notice of the table, and notify the relevant funds transfer service provider of it.
- (6) The distribution is to be implemented in accordance with the distribution table after 110 days have elapsed from the date of the public notice under the preceding paragraph.
- (7) If the locations of business offices of a funds transfer service provider cannot be ascertained, the Commissioner of the Financial Services Agency is not required to give notice under paragraph (2), (4), and (5) to the relevant funds transfer service provider.
- (8) If bond certificates have been deposited and the Commissioner of the Financial Services Agency finds it necessary for the fulfillment of the right, the Commissioner may realize them. In this case, the costs of conversion are deducted from the conversion proceeds.
- (9) In the cases referred to in paragraphs (5) and (6), the Commissioner of the Financial Services Agency may prepare a distribution table with regard to the amount remaining after the costs of the public notice prescribed in Article 59, paragraph (2) of the Act, remuneration for the agents for local finance office in the distribution proceedings of security deposits to holders of prepaid payment instruments as prescribed in paragraph (3) of that Article, and other costs required for the procedure for the return of the performance security deposits (excluding the costs of realization referred to in the preceding paragraph) are deducted from the amount of performance security deposits prescribed in paragraph (5), and implement distribution in accordance with the relevant distribution table.
- (10) If the procedure for the fulfillment of the right has commenced and the period referred to in Article 59, paragraph (2) of the Act has elapsed, and the amount of performance security deposits prescribed in paragraph (5) exceeds

the total amount of claims prescribed in paragraph (2) of that Article that have been filed pursuant to the provisions of that paragraph, the Commissioner of the Financial Services Agency may carry out provisional distribution to the creditors involved in the relevant procedure for the fulfillment of the right.

(11) If the Commissioner of the Financial Services Agency carries out provisional distribution, the Commissioner must promptly determine the following particulars and give a public notice of them:

(i) the fact that provisional distribution will be carried out;

(ii) the maximum amount of provisional distribution per creditor or fund transfer transaction;

(iii) the period for requesting provisional distribution;

(iv) the method of provisional distribution;

(v) documents and other articles to be submitted or presented to the Commissioner of the Financial Services Agency when a creditor requests provisional distribution; and

(vi) other particulars determined to be necessary by the Commissioner of the Financial Services Agency.

(12) A person who seeks provisional distribution must make a request for provisional distribution to the Commissioner of the Financial Services Agency pursuant to the provisions of Cabinet Office Order within the period of request stated in the public notice given pursuant to the provisions of the preceding paragraph; provided, however, that this does not apply to the cases of a natural disaster or cases in which the Commissioner of the Financial Services Agency finds a compelling reason regarding its failure to make a request within the period of request.

(13) The amount of distribution referred to in paragraph (6) in the case in which the creditors involved in the procedure for the fulfillment of the right have received provisional distribution referred to in paragraph (10) in the course of the relevant procedure is the amount remaining after the amount of the relevant provisional distribution (excluding the amount to be paid to the Treasury pursuant to the provisions of the following paragraph) is deducted.

(14) If the amount of provisional distribution referred to in paragraph (10) received by a creditor involved in the procedure for the fulfillment of the right exceeds the amount of distribution referred to in paragraph (6), the creditor must pay the excess amount to the Treasury.

(Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Cases in which a Funds Transfer Service Provider Gives a Public Notice of Discontinuation of the Funds Transfer Services by Way of Electronic Public Notice)

Article 20 If the public notice under Article 61, paragraph (3) of the Act is given

by way of electronic public notice (meaning the electronic public notice prescribed in Article 2, item (xxxiv) of the Companies Act), the technical replacement of terms under Article 61, paragraphs (6) and (7) of the Act in the case in which the provisions of the Companies Act are applied mutatis mutandis pursuant to Article 61, paragraphs (6) and (7) of the Act is as follows:

Provisions of the Companies Act Subject to Replacement of Terms	Terms to be replaced	Terms to replace
Article 940, paragraph (3) (excluding the items)	the preceding two paragraphs	paragraph (1)
	these provisions	the provisions of the relevant paragraph

Chapter III-2 Crypto-Assets

(Persons Equivalent to Persons Who Were Directors of a Corporation Whose Registration for Crypto-Asset Exchange Services Has Been Revoked)

Article 20-2 The person specified by Cabinet Order as prescribed in Article 63-5, paragraph (1), item (xi), (e) of the Act is a director, executive officer, accounting advisor, company auditor, or any other person equivalent to them whose dismissal was ordered pursuant to the provisions of laws and regulations of a foreign state equivalent to the Act, if five years have not passed since the day on which they received the relevant disposition.

(Replacement of Terms of the Provisions of the Companies Act as Applied Mutatis Mutandis to Cases in which a Crypto-Asset Exchange Service Provider Gives a Public Notice of Discontinuation of Crypto-Asset Exchange Services by Way of Electronic Public Notice)

Article 20-3 If the public notice under Article 63-20, paragraph (3) of the Act is given by way of electronic public notice (meaning the electronic public notice prescribed in Article 2, item (xxxiv) of the Companies Act), the technical replacement under Article 63-20, paragraphs (6) and (7) of the Act in cases in which the provisions of the Companies Act are applied mutatis mutandis pursuant to Article 63-20, paragraphs (6) and (7) of the Act is as follows:

Provisions of the Companies Act Subject to Replacement of Terms	Terms to be replaced	Terms to replace

Article 940(3) (excluding the items)	the preceding two paragraphs	paragraph (1)
	these provisions	the provisions of the relevant paragraph

Chapter IV Clearing for Fund Transfer Transactions

(Persons Equivalent to Persons Who Were Directors of a Corporation Whose License for Central Counter-party Clearing Services for Interbank Funds Transfer Has Been Revoked)

Article 21 Persons specified by Cabinet Order as prescribed in Article 66, paragraph (2), item (iv), (e) of the Act are the following persons:

- (i) a person who was a director, executive officer, accounting advisor, company auditor, or any other person equivalent to them, or representative person in Japan of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had a registration under Article 37 of the Act revoked pursuant to the provisions of Article 56, paragraph (1) or (2) of the Act, and five years have not passed since that date;
- (ii) a person who was a director (including a representative person in Japan who is deemed to be a director pursuant to Article 47, paragraph (2) of the Banking Act), executive officer, accounting advisor, company auditor, or any other person equivalent to them of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had a license under Article 4, paragraph (1) of that Act revoked pursuant to the provisions of Article 27 or 28 of that Act, had an authorization under Article 52-9, paragraph (1) of that Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 52-15, paragraph (1) of that Act, had an authorization under Article 52-17, paragraph (1) of that Act or the proviso to paragraph (3) of that Article revoked pursuant to the provisions of Article 52-34, paragraph (1) of that Act, or had a permission under Article 52-36, paragraph (1) of that Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of that Act; and if five years have not passed since that date;
- (iii) a person who was a director, executive officer, accounting advisor, or company auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had a license under Article 4, paragraph (1) of the Long-Term Credit Bank Act revoked pursuant to the provisions of Article 27 or 28 of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, had an authorization under Article 16-2-2, paragraph (1) of the Long-Term Credit

Bank Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 52-15, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, had an authorization under Article 16-2-4, paragraph (1) of the Long-Term Credit Bank Act or the proviso to paragraph (3) of that Article revoked pursuant to the provisions of Article 52-34, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, or had a permission under Article 16-5, paragraph (1) of the Long-Term Credit Bank Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act; and if five years have not passed since that date;

- (iv) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had a license under Article 4 of the Credit Association Act revoked pursuant to the provisions of Article 27 or 28 of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (1) of the Credit Association Act or had a permission under Article 85-2, paragraph (1) of the Credit Association Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (5) of the Credit Association Act; and if five years have not passed since that date;
- (v) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had a license under Article 6 of the Labor Credit Association Act revoked pursuant to the provisions of Article 95 of that Act or had a permission under Article 89-3, paragraph (1) of that Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 94, paragraph (3) of the Labor Credit Association Act; and if five years have not passed since that date;
- (vi) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation (or in the case of a dissolution order, before the day on which the relevant dissolution order was issued; the same applies in this item through item (ix)), if the relevant corporation has received a dissolution order under Article 106, paragraph (2) of the Small and Medium-Sized Enterprise Cooperatives Act, had an authorization under Article 3, paragraph (1) of the Act on Financial Business by Cooperatives revoked pursuant to the provisions of Article 27 or 28 of the Banking Act as applied mutatis mutandis pursuant to Article 6, paragraph (1) of the Act on Financial Business by Cooperatives, or had a permission under Article 6-3, paragraph (1) of that Act revoked pursuant to the provisions of Article 52-56,

- paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 6-5, paragraph (1) of the Act on Financial Business by Cooperatives; and if five years have not passed since that date;
- (vii) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had a permission under Article 92-2, paragraph (1) of the Agricultural Cooperatives Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 92-4, paragraph (1) of the Agricultural Cooperatives Act or an agricultural cooperative or federation of agricultural cooperatives has received a dissolution order under Article 95-2 of that Act; and if five years have not passed since that date;
- (viii) a person who was a board member or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had a permission under Article 106, paragraph (1) of the Fisheries Cooperatives Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 108, paragraph (1) of the Fisheries Cooperatives Act or a fisheries cooperative, federation of fisheries cooperatives, fishery processing cooperative, or federation of fishery processing cooperatives has received a dissolution order under Article 124-2 of that Act; and if five years have not passed since that date;
- (ix) a person who was a board member, management committee member, or auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had a permission under Article 95-2, paragraph (1) of the Norinchukin Bank Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 95-4, paragraph (1) of the Norinchukin Bank Act or received a dissolution order under Article 86 of that Act; and if five years have not passed since that date;
- (x) a person who was a director, executive officer, accounting advisor, or company auditor of a corporation within the thirty days before the date of a revocation, if the relevant corporation has had an authorization under Article 8, paragraph (1) of the Shoko Chukin Bank Limited Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 13, paragraph (1) of that Act and five years have not passed since that date;
- (xi) a person who was a director, executive officer, accounting advisor, company auditor, or any other person equivalent to them of a corporation within the thirty days before the date of a revocation (or in the case of a dissolution order, before the day on which the relevant dissolution order was issued; or in the case of a refusal of renewal, before the day on which the relevant

- disposition of the refusal of renewal was made; hereinafter the same applies in this item), if the relevant corporation had received a license, permission, authorization, or registration (including other administrative dispositions similar to the relevant license, permission, authorization, or registration; hereinafter the same applies in this item) of the same kind as the license, permission, authorization, or registration prescribed in item (i) through the preceding item in a foreign state, but that corporation has had the relevant license, permission, authorization, or registration of the same kind revoked, had the renewal of the relevant license, permission, authorization, or registration refused, or received a dissolution order, pursuant to the provisions of laws and regulations of the relevant foreign state equivalent to the Act, the Banking Act, the Long-Term Credit Bank Act, the Credit Association Act, the Labor Credit Association Act, the Small and Medium-Sized Enterprise Cooperatives Act, the Act on Financial Business by Cooperatives, the Agricultural Cooperatives Act, the Fisheries Cooperatives Act, the Norinchukin Bank Act, or the Shoko Chukin Bank Limited Act; and if five years have not passed since that date;
- (xii) a person who has had an authorization under Article 52-9, paragraph (1) of the Banking Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 52-15, paragraph (1) of that Act, had an authorization under Article 16-2-2, paragraph (1) of the Long-Term Credit Bank Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 52-15, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, or had an authorization under Article 8, paragraph (1) of the Shoko Chukin Bank Limited Act or the proviso to paragraph (2) of that Article revoked pursuant to the provisions of Article 13, paragraph (1) of that Act, if five years have not passed since the date of the revocation;
- (xiii) a person who has had a permission under Article 52-36, paragraph (1) of the Banking Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of that Act, had a permission under Article 16-5, paragraph (1) of the Long-Term Credit Bank Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, had a permission under Article 85-2, paragraph (1) of the Credit Association Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (5) of the Credit Association Act, had a permission under Article 89-3, paragraph (1) of the Labor Credit Association Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 94, paragraph (3) of the Labor Credit Association Act,

- had a permission under Article 6-3, paragraph (1) of the Act on Financial Business by Cooperatives revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 6-5, paragraph (1) of the Act on Financial Business by Cooperatives, had a permission under Article 92-2, paragraph (1) of the Agricultural Cooperatives Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 92-4, paragraph (1) of the Agricultural Cooperatives Act, had a permission under Article 106, paragraph (1) of the Fisheries Cooperatives Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 108, paragraph (1) of the Fisheries Cooperatives Act, or had a permission under Article 95-2, paragraph (1) of the Norinchukin Bank Act revoked pursuant to the provisions of Article 52-56, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 95-4, paragraph (1) of the Norinchukin Bank Act, if five years have not passed since the date of the rescission;
- (xiv) a person who had received an authorization or permission of the same kind as the authorization or permission under Article 52-9, paragraph (1) of the Banking Act, the proviso to paragraph (2) of that Article, or Article 52-36, paragraph (1) of that Act in a foreign state, but has had the relevant authorization or permission of the same kind revoked or had the renewal of the relevant authorization or permission refused pursuant to the provisions of laws and regulations of the relevant foreign state equivalent to the Banking Act, if five years have not passed since the date of the revocation (or in the case of a refusal of renewal, since the day on which the person received the relevant disposition);
- (xv) a director, executive officer, accounting advisor, company auditor, board member, or auditor whose dismissal was ordered pursuant to the provisions of Article 67, paragraph (3) or Article 82, paragraph (2) of the Act, if five years have not passed since the day on which they received the relevant disposition;
- (xvi) a director (including a representative person in Japan who is deemed to be a director pursuant to Article 47, paragraph (2) of the Banking Act), executive officer, accounting advisor, or company auditor whose dismissal was ordered pursuant to the provisions of Article 27 or Article 52-34, paragraph (1) of that Act, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of that Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xvii) a director, executive officer, accounting advisor, or company auditor

- whose dismissal was ordered pursuant to the provisions of Article 27 or Article 52-34, paragraph (1) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xviii) a board member or auditor whose dismissal was ordered pursuant to the provisions of Article 27 of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (1) of the Credit Association Act, if five years have not passed since the day on which they the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (3) of the Credit Association Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xix) a board member or auditor whose replacement was ordered pursuant to the provisions of Article 95, paragraph (1) of the Labor Credit Association Act, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 94, paragraph (3) of the Labor Credit Association Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xx) a board member or auditor whose dismissal was ordered pursuant to the provisions of Article 27 of the Banking Act as applied mutatis mutandis pursuant to Article 6, paragraph (1) of the Act on Financial Business by Cooperatives, if five years have not passed since the day on which they received the relevant disposition; or an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 6-5, paragraph (1) of the Act on Financial Business by Cooperatives, if five years have not passed since the day on which the officer received the relevant disposition;
- (xxi) an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 92-4, paragraph (1) of the Agricultural Cooperatives Act, or an officer whose reselection was ordered pursuant to the provisions of Article 95, paragraph (2) of that Act, if five years have not passed since the day on which the officer received the relevant disposition;

- (xxii) an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 108, paragraph (1) of the Fisheries Cooperatives Act, or an officer whose reselection was ordered pursuant to the provisions of Article 124, paragraph (2) of that Act, if five years have not passed since the day on which the officer received the relevant disposition;
- (xxiii) an officer whose dismissal was ordered pursuant to the provisions of Article 52-56, paragraph (2) of the Banking Act as applied mutatis mutandis pursuant to Article 95-4, paragraph (1) of the Norinchukin Bank Act, if five years have not passed since the day on which the officer received the relevant disposition; or a board member, management committee member, or auditor whose dismissal was ordered pursuant to the provisions of Article 86 of the same Act, if five years have not passed since the day on which they received the relevant disposition;
- (xxiv) a director, executive officer, accounting advisor, or company auditor whose dismissal was ordered pursuant to the provisions of Article 60 of the Shoko Chukin Bank Limited Act, if five years have not passed since the day on which they received the relevant disposition; and
- (xxv) a director, executive officer, accounting advisor, company auditor, or any other person equivalent to them whose dismissal was ordered pursuant to the provisions of laws and regulations of a foreign state equivalent to the Act, the Banking Act, the Long-Term Credit Bank Act, the Credit Association Act, the Labor Credit Association Act, the Small and Medium-Sized Enterprise Cooperatives Act, the Act on Financial Business by Cooperatives, the Agricultural Cooperatives Act, the Fisheries Cooperatives Act, the Norinchukin Bank Act, or the Shoko Chukin Bank Limited Act, if five years have not passed since the day on which they received the relevant disposition.

(Minimum Amount of Net Assets Involving Distribution of Surplus)

Article 22 The amount specified by Cabinet Order as prescribed in Article 458 of the Companies Act as applied pursuant to Article 68, paragraph (2) of the Act following the deemed replacement of terms is two billion yen.

Chapter V Certified Association for Payment Service Providers

Article 23 (1) In order to file an application for certification under Article 87 of the Act, the relevant person may submit a written application containing the following particulars to the Commissioner of the Financial Services Agency:

- (i) name;
- (ii) location of the office; and
- (iii) names of officers and names of members.

- (2) The articles of incorporation, a certificate of registered information, and other documents specified by Cabinet Office Order must be attached to the written application referred to in the preceding paragraph.

Chapter VI Designated Dispute Resolution Organization

(Designation under the Provisions of Other Acts as a Business Equivalent to the Business of Dispute Resolution)

Article 24 Designations specified by Cabinet Order as prescribed in Article 52-66 and Article 52-83, paragraph (3) of the Banking Act as applied mutatis mutandis pursuant to Article 99, paragraph (1), items (ii) and (iv), (d) and Article 101, paragraph (1) of the Act (hereinafter referred to as the "Banking Act as applied mutatis mutandis" in this Chapter) following the deemed replacement of terms are those specified in the following items:

- (i) designation under Article 156-39, paragraph (1) of the Financial Instruments and Exchange Act (Act No. 25 of 1948); and
- (ii) designations listed in the items of Article 26.

(Proportion of the Number of Funds Transfer Service Providers that Stated an Objection to the Total Number of Funds Transfer Service Providers)

Article 25 The proportion specified by Cabinet Order as prescribed in Article 99, paragraph (1), item (viii) of the Act is one-third.

(Exclusion from Application of the Restriction on Use of Names)

Article 26 Persons specified by Cabinet Order as prescribed in Article 52-77 of the Banking Act as applied mutatis mutandis are those who have received any of the following designations:

- (i) designation under Article 35-2, paragraph (1) of the Mutual Loan Business Act (Act No. 42 of 1931);
- (ii) designation under Article 12-2, paragraph (1) of the Act on Concurrent Operation of Trust Business by a Financial Institution (Act No. 43 of 1943);
- (iii) designation under Article 92-6, paragraph (1) of the Agricultural Cooperatives Act;
- (iv) designation under Article 118, paragraph (1) of the Fisheries Cooperatives Act;
- (v) designation under Article 69-2, paragraph (1) of the Small and Medium-Sized Enterprise Cooperatives Act;
- (vi) designation under Article 85-12, paragraph (1) of the Credit Association Act;
- (vii) designation under Article 16-8, paragraph (1) of the Long-Term Credit Bank Act;

- (viii) designation under Article 89-13, paragraph (1) of the Labor Credit Association Act;
- (ix) designation under Article 52-62, paragraph (1) of the Banking Act;
- (x) designation under Article 41-39, paragraph (1) of the Money Lending Business Act (Act No. 32 of 1983);
- (xi) designation under Article 308-2, paragraph (1) of the Insurance Business Act;
- (xii) designation under Article 95-6, paragraph (1) of the Norinchukin Bank Act; and
- (xiii) designation under Article 85-2, paragraph (1) of the Trust Business Act (Act No. 154 of 2004).

(Replacement of Terms in Provisions of the Banking Act as Applied Mutatis Mutandis to Designated Dispute Resolution Organizations)

Article 27 The technical replacement of terms under Article 101, paragraph (2) of the Banking Act in cases in which the provisions of the Banking Act are applied mutatis mutandis to designated dispute resolution organizations pursuant to Article 101, paragraph (1) of the Act is as follows:

Provisions of the Banking Act Subject to Replacement of Terms	Terms to be replaced	Terms to replace
Article 2, paragraph (22)	banking services	funds transfer services (meaning the funds transfer services prescribed in Article 2, paragraph (2) of the Payment Services Act (Act No. 59 of 2009); the same applies in the following paragraph) or crypto-asset exchange services (meaning the crypto-asset exchange services prescribed in paragraph (7) of the relevant Article; the same applies in the following paragraph)
Article 2, paragraph (23)	banking services	funds transfer services or crypto-asset exchange services
Article 2, paragraph (25)	bank	funds transfer service provider, etc. (meaning the funds transfer service provider, etc. prescribed in Article 99, paragraph (1), item (viii) of the Payment Services Act; the same applies in Article 52-65, paragraph (2), Article 52-67, paragraph (3), and Article 52-79, item (i))

Article 52-65, paragraph (1)	this Act	the Payment Services Act
Article 52-65, paragraph (2)	bank	funds transfer service provider, etc.
Article 52-66	other laws	laws other than the Payment Services Act
Article 52-67, paragraph (3) and Article 52-79, item (i)	bank	funds transfer service provider, etc.
Article 52-83, paragraph (3)	other laws	laws other than the Payment Services Act

Chapter VII Miscellaneous Provisions

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

Article 28 Authority specified by Cabinet Order as prescribed in Article 104, paragraph (1) of the Act means authority over the following particulars:

- (i) granting of a license under Article 64, paragraph (1) of the Act;
- (ii) revocation of the license under Article 64, paragraph (1) of the Act pursuant to the provisions of Article 82, paragraph (1) or (2) of the Act; and
- (iii) issuance of notification of the dispositions set forth in Article 85, item (i) or (ii) of the Act to the Minister of Finance pursuant to the provisions of that Article.

(Delegation of Authority over Prepaid Payment Instruments to the Directors-General of Local Finance Bureaus)

Article 29 (1) The authority under the provisions of Chapter II of the Act that has been delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 104, paragraph (1) of the Act and the authority of the Commissioner of the Financial Services Agency under the provisions of Chapter II (collectively referred to as "Commissioner's authority" in paragraph (4)) are to be delegated to the Director-General of the Local Finance Bureau having jurisdiction over the location of the principal business office or office (hereinafter referred to as the "principal business office" in this Article) of an issuer of prepaid payment instruments (including a corporation intending to obtain registration referred to in Article 7 of the Act) (or to the Director General of the Fukuoka Local Finance Branch Bureau if the relevant location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau); provided, however, that this does not preclude the Commissioner of the Financial Services Agency from exercising the authority under Article 24,

paragraphs (1) and (2), Article 25, Article 26, Article 27, paragraphs (1) and (2), and Article 29 of the Act (including cases in which these provisions (excluding Article 26 of the Act) are applied pursuant to Article 6, Article 8, paragraph (2), or Article 9, paragraph (3) of the Supplementary Provisions of the Act) themselves.

- (2) Collection of a report or material, on-site inspection, or inquiries under Article 24, paragraphs (1) and (2) of the Act (including as applied pursuant to Article 6, Article 8, paragraph (2), or Article 9, paragraph (3) of the Supplementary Provisions of the Act) (referred to as "inspection" in the following paragraph) regarding business offices or offices of an issuer of prepaid payment instruments other than its principal business office (hereinafter referred to as "secondary business offices" in this Article) may also be conducted by the Directors-General of the Local Finance Bureaus having jurisdiction over the locations of the relevant secondary business offices (or by the Director General of the Fukuoka Local Finance Branch Bureau in the case in which the relevant location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau) in addition to the Director-General of the Local Finance Bureau and the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.
- (3) The Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau who conducted inspection under the preceding paragraph for certain secondary business offices of an issuer of prepaid payment instruments may conduct inspection for the principal business office or other secondary business offices of the relevant issuer of prepaid payment instruments, if the director-general finds it necessary.
- (4) The provisions of the preceding three paragraphs do not apply to the Commissioner's authority designated by the Commissioner of the Financial Services Agency.
- (5) If the Commissioner of the Financial Services Agency has made a designation under the preceding paragraph, the commissioner is to give a public notice to that effect. The same applies if the commissioner has repealed or changed the relevant designation.

(Delegation of Authority over the Funds Transfer Services to the Directors-General of Local Finance Bureaus)

Article 30 (1) The authority under the provisions of Chapter III of the Act that has been delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 104, paragraph (1) of the Act and the authority of the Commissioner of the Financial Services Agency under the provisions of Chapter III (collectively referred to as "Commissioner's authority" in paragraph (4)) are to be delegated to the Director-General of the Local

Finance Bureau having jurisdiction over the location of the head office of a funds transfer service provider (including a person intending to obtain registration referred to in Article 37 of the Act) (in the case of a funds transfer service provider that is a foreign funds transfer service provider prescribed in Article 2, paragraph (4) of the Act, the principal business office in Japan; the same applies in this Article) (or to the Director-General of the Fukuoka Local Finance Branch Bureau if the relevant location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau); provided, however, that this does not preclude the Commissioner of the Financial Services Agency from exercising the authority under Article 54, paragraphs (1) and (2), Article 55, Article 56, paragraphs (1) and (2), and Article 58 of the Act themselves.

- (2) Collection of a report or material, on-site inspection, or inquiries under Article 54, paragraphs (1) and (2) of the Act (referred to as "inspection" in the following paragraph) regarding business offices of a funds transfer service provider other than its head office (hereinafter referred to as "branches" in this Article) may also be conducted by the Directors-General of the Local Finance Bureaus having jurisdiction over the locations of the relevant branches (or by the Director-General of the Fukuoka Local Finance Branch Bureau if the relevant location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau) in addition to the Director-General of the Local Finance Bureau and the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.
- (3) The Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau who conducted inspection under the preceding paragraph for certain branches of a funds transfer service provider may conduct inspection for the head office or other branches of the relevant funds transfer service provider, if the director-general finds it necessary.
- (4) The provisions of the preceding three paragraphs do not apply to the Commissioner's authority designated by the Commissioner of the Financial Services Agency.
- (5) If the Commissioner of the Financial Services Agency has made a designation under the preceding paragraph, the Commissioner is to give a public notice to that effect. The same applies if the Commissioner has abolished or changed the relevant designation.

(Delegation of Authority over the Crypto-Asset Exchange Services to the Directors-General of Local Finance Bureaus)

Article 31 (1) The authority under the provisions of Chapter III-2 of the Act that has been delegated to the Commissioner of the Financial Services Agency pursuant to the provisions of Article 104, paragraph (1) of the Act (referred to as "Commissioner's authority" in paragraph (4)) is to be delegated to the

Director-General of the Local Finance Bureau having jurisdiction over the location of the head office of a crypto-asset exchange service provider (including a person intending to obtain registration referred to in Article 63-2 of the Act) (in the case of a crypto-asset exchange service provider that is a foreign crypto-asset exchange service provider prescribed in Article 2, paragraph (9) of the Act, the principal business office in Japan; hereinafter the same applies in this Article) (or to the Director-General of the Fukuoka Local Finance Branch Bureau if the relevant location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau); provided, however, that this does not preclude the Commissioner of the Financial Services Agency from exercising the authority under Article 63-15, paragraphs (1) and (2), Article 63-16, Article 63-17, paragraphs (1) and (2), and Article 63-19 of the Act (including as applied pursuant to the provisions of Article 2, paragraph (3) of the Supplementary Provisions of the Act for the Partial Revision of the Payment Services Act to Address the Diversification of Financial Transactions based on Advances in Information Technology (Act No. 28 of 2019)) themselves.

- (2) Collection of reports or materials or on-site inspection or inquiries under Article 63-15, paragraphs (1) and (2) of the Act (including the cases in which these provisions are applied pursuant to the provisions of Article 2, paragraph (3) of the Supplementary Provisions of the Act for the Partial Revision of the Payment Services Act to Address the Diversification of Financial Transactions based on Advances in Information Technology) (referred to as "inspection" in the following paragraph) regarding business offices of a crypto-asset exchange service provider other than its head office (hereinafter referred to as "branches" in this Article) may also be conducted by the Directors-General of the Local Finance Bureaus having jurisdiction over the locations of the relevant branches (or by the Director General of the Fukuoka Local Finance Branch Bureau if the relevant location is within the jurisdiction of the Fukuoka Local Finance Branch Bureau) in addition to the Director-General of the Local Finance Bureau and the Director-General of the Fukuoka Local Finance Branch Bureau prescribed in the preceding paragraph.
- (3) The Director-General of a Local Finance Bureau or the Director-General of the Fukuoka Local Finance Branch Bureau who conducted inspection under the preceding paragraph for certain branches of a crypto-asset exchange service provider may conduct inspection for the head office or other branches of the relevant crypto-assets exchange service provider, if the director-general finds it necessary.
- (4) The provisions of the preceding three paragraphs do not apply to the Commissioner's authority designated by the Commissioner of the Financial Services Agency.
- (5) If the Commissioner of the Financial Services Agency has made a designation

under the preceding paragraph, the commissioner is to give a public notice to that effect. The same applies if the commissioner has repealed or changed the relevant designation.