

Cabinet Office Order on Electronic Payment Instruments Service Providers (Tentative translation)

(Cabinet Office Order No. 48 of May 26, 2023)

Based on the provisions of the Payment Services Act (Act No. 59 of 2009) and the Order for Enforcement of the Payment Services Act (Cabinet Order No. 19 of 2010), and in order to bring the same Act and the same Cabinet Order into effect, the Cabinet Office Order on Electronic Payment Instruments Service Providers is established as follows.

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Chapter I General Provisions

(Definitions)

Article 1 (1) The terms "funds transfer services," "funds transfer service provider," "electronic payment instrument," "goods, etc.," "currency-denominated assets," "specified beneficial interest in a trust," "electronic payment instruments services," "exchange, etc. of electronic payment instruments," "management of electronic payment instruments," "electronic payment instruments-related business," "electronic payment instruments service provider," "foreign electronic payment instruments service provider," "certified association for payment service providers," "designated dispute resolution organization," "trust company, etc.," "specified trust company," "deposit-taking institutions," and "Banking Act, etc." as used in this Cabinet Office Order mean funds transfer services, funds transfer service provider, electronic payment instrument, goods, etc., currency-denominated assets, specified beneficial interest in a trust, electronic payment instruments services, exchange, etc. of electronic payment instruments, management of electronic payment instruments, electronic payment instruments-related business, electronic payment instruments service provider, foreign electronic payment instruments service provider, certified association for payment service providers, designated dispute resolution organization, trust company, etc.,

specified trust company, deposit-taking institutions, and Banking Act, etc. as prescribed in Article 2 of the Payment Services Act (hereinafter referred to as the "Act"), respectively.

(2) In this Cabinet Office Order, the meanings of the terms set forth below are as prescribed respectively in those items:

- (i) electronic payment instruments service provider, etc.: an electronic payment instruments service provider (including an issuer (meaning the issuer prescribed in Article 62-8, paragraph (1) of the Act; the same applies in Article 21, paragraph (1), Article 27, paragraph (1), Article 85, and Article 86, paragraph (1)) who is deemed to be an electronic payment instruments service provider pursuant to the provisions of Article 62-8, paragraph (2) of the Act), a foreign electronic payment instruments service provider, or a person who conducts derivatives transactions, etc. prescribed in Article 33, paragraph (3) of the Financial Instruments and Exchange Act (Act No. 25 of 1948) (limited to those relating to electronic payment instruments or the price of electronic payment instruments, or the interest rate, etc. prescribed in Article 2, paragraph (21), item (iv) of the same Act, or the figures calculated based on these) in the course of trade;
- (ii) transactions regarding the electronic payment instruments services: transactions regarding the acts set forth in the items of Article 2, paragraph (10) of the Act;
- (iii) entrustment, etc.: an offer for intermediation, brokerage, or agency;
- (iv) acceptance of entrustment, etc.: accepting an offer for intermediation, brokerage, or agency;
- (v) electronic payment instruments margin transaction: the exchange, etc. of electronic payment instruments conducted by granting credit to users of the electronic payment instruments services; and
- (vi) electronic payment instruments business: the electronic payment instruments business prescribed in Article 2, paragraph (25) of the Act

(Scope of Electronic Payment Instruments)

Article 2 (1) Securities prescribed in Article 2, paragraph (5), item (i) of the Act, electronically recorded monetary claims prescribed in Article 2, paragraph (1) of the Electronically Recorded Monetary Claims Act (Act No. 102 of 2007), or anything specified by Cabinet Office Order as being similar to prepaid payment instruments prescribed in Article 3, paragraph (1) of the Act constitute property value that is issued without receiving consideration, and can be used for the purpose of paying consideration for the purchase or leasing of goods, etc. or the receipt of provision of services from the issuer of the relevant property value or the person designated by the issuer by way of presentation, delivery, notification, or other means.

- (2) The prepaid instruments specified by Cabinet Office Order in consideration of transferability and other factors as prescribed in Article 2, paragraph (5), item (i) of the Act are to be prepaid payment instruments prescribed in Article 3, paragraph (1) of the Act (excluding the balance transfer-type prepaid payment instruments prescribed in Article 1, paragraph (3), item (iv) of the Cabinet Office Order on Prepaid Payment Instruments (Cabinet Office Order No. 3 of 2010), the number notification-type prepaid payment instruments prescribed in item (v) of the same paragraph, and other types of prepaid payment instruments for which the issuer's consent or other involvement is required on each occasion of completing the transfer).
- (3) What is specified by Cabinet Office Order as prescribed in Article 2, paragraph (5), item (iv) of the Act is to be property value (limited to that which is recorded on an electronic device or any other object by electronic means) that can be used in relation to unspecified persons for the purpose of paying consideration for the purchase or leasing of goods, etc. or the receipt of the provision of services and that can also be purchased from and sold to unspecified persons acting as counterparties and that can be transferred by using an electronic data processing system (excluding those falling under what are set forth in item (i) or (iii) of the same paragraph), which is specified by the Commissioner of the Financial Services Agency in consideration of the scope in which the relevant property value can be used for the purpose of paying consideration, the status of use, and other circumstances.

(Requirements for Specified Beneficial Interest in a Trust)

Article 3 The requirements specified by Cabinet Office Order as prescribed in Article 2, paragraph (9) of the Act are the requirements specified in the following items in accordance with the category of cases respectively set forth therein:

- (i) if it is issued in Japanese yen: all of the trust property is managed by deposits (limited to deposits for which depositors can request a refund at any time and excluding those falling under foreign currency deposits or the deposits, etc. set forth in Article 3, item (i), (ii), or (vii) of the Order for Enforcement of the Deposit Insurance Act (Cabinet Order No. 111 of 1971)) or savings (limited to savings for which savings depositors can request a refund at any time and excluding those falling under foreign currency savings or the savings, etc. set forth in Article 6, item (i), (ii), or (vii) of the Order for Enforcement of the Agricultural and Fishery Cooperation Savings Insurance Act (Cabinet Order No. 201 of 1973));
- (ii) if it is issued in foreign currencies: all of the trust property is managed by deposits in the relevant foreign currencies (limited to those deposits for which depositors can request a refund at any time and excluding those

falling under the deposits, etc. set forth in Article 3, item (i), (ii), or (vii) of the Order for Enforcement of the Deposit Insurance Act) or savings in the relevant foreign currencies (limited to those savings for which savings depositors can request a refund at any time and excluding those falling under the savings, etc. set forth in Article 6, item (i), (ii), or (vii) of the Order for Enforcement of the Agricultural and Fishery Cooperation Savings Insurance Act).

(Acts Excluded from the Management of Electronic Payment Instruments)

Article 4 The acts specified by Cabinet Office Order as prescribed in Article 2, paragraph (10), item (iii) of the Act are acts conducted by a trust company, etc. as the trust business prescribed in Article 2, paragraph (1) of the Trust Business Act (Act No. 154 of 2004) based on the provisions of the same Act or the Act on Engagement in Trust Business by Financial Institutions (Act No. 43 of 1943).

(Attaching Translations)

Article 5 If there is a document to be submitted to the Commissioner of the Financial Services Agency (if the authority of the Commissioner of the Financial Services Agency has been delegated to the Directors-General of Local Finance Bureaus or the Director-General of the Fukuoka Local Finance Branch Bureau (hereinafter referred to as the "Director-General of a Local Finance Bureau, etc.") under the provisions of Article 31, paragraph (1) of the Order for Enforcement of the Payment Services Act (hereinafter referred to as the "Order")), those Directors-General of Local Finance Bureau, etc.; the same applies hereinafter except in Article 86, paragraph(1), Article 87, and Article 88, paragraph (1)) pursuant to the provisions of the Act (limited to Chapter III-2; the same applies in the following Article), the Order (limited to Chapter III-2; the same applies in the same Article), or this Cabinet Office Order, that cannot be prepared in the Japanese under special circumstances, a Japanese translation must be attached to the relevant document; provided, however, that if the document is the articles of incorporation and any of the documents set forth in the items of Article 9 (excluding items (i), (ii), (iv) through (vi), (ix), and (xviii)) that is prepared in English, it is sufficient to attach a Japanese translation of the summary thereof.

(Conversion of Foreign Currency or Electronic Payment Instruments)

Article 6 If a document to be submitted to the Commissioner of the Financial Services Agency pursuant to the provisions of the Act, the Order or this Cabinet Office Order contains any amounts or quantities indicated in a foreign currency or electronic payment instruments, the amounts converted to the

Japanese currency of those amounts or quantities and the standard used for the conversion must be included in the supplementary notes to the document.

(Applications for Registration)

Article 7 A person intending to obtain a registration referred to in Article 62-3 of the Act must submit a written application for registration referred to in Article 62-4, paragraph (1) of the Act prepared using Appended Form 1 (in the case of a foreign electronic payment instruments service provider, using Appended Form 2), attaching the documents referred to in paragraph (2) of the same Article, to the Commissioner of the Financial Services Agency.

(Other Required Information in a Written Application for Registration)

Article 8 The particulars specified by Cabinet Office Order as prescribed in Article 62-4, paragraph (1), item (xiii) of the Act are as follows:

- (i) if the applicant intends to engage in the electronic payment instruments-related business, the outline of the electronic payment instruments to be handled and their issuer;
- (ii) if the applicant intends to engage in business related to the act set forth in Article 2, paragraph (10), item (iv) of the Act, the outline of the funds transfer service provider referred to in the same item;
- (iii) the location and contact address of the business office that handles complaints from or provides consultations for users of the electronic payment instruments services;
- (iv) the names, trade names, or other names of major shareholders (meaning shareholders who hold voting rights of 10 percent or more of the voting rights held by all the shareholders (excluding the voting rights of the shares which cannot be exercised for all particulars that are subject to a resolution at a general meeting of shareholders, and including the voting rights of the shares for which the relevant shareholders are deemed to have voting rights under the provisions of Article 879, paragraph (3) of the Companies Act (Act No. 86 of 2005)); the same applies in Article 20, paragraph (2), item (xi));
- (v) the name of the certified association for payment service providers (limited to the association that holds electronic payment instruments service providers as its members (meaning the members prescribed in Article 87, item (ii) of the Act); the same applies hereinafter) to which the applicant belongs.

(Documents to be Attached to a Written Application for Registration)

Article 9 The documents specified by Cabinet Office Order as prescribed in Article 62-4, paragraph (2) of the Act are as follows (in the case of a document certified by a public agency, limited to one issued within three months prior to

the date of application):

- (i) a document prepared using Appended Form 3 pledging to the effect that the applicant does not fall under any of the items of Article 62-6, paragraph (1) of the Act;
- (ii) an extract of the resident record of a director, etc. (meaning a director, etc. prescribed in Article 62-6, paragraph (1), item (xii) of the Act; the same applies hereinafter) (if the director, etc. is a foreign national, a copy of a residence card prescribed in Article 19-3 of the Immigration Control and Refugee Recognition Act (Cabinet Order No. 319 of 1951), a copy of a special permanent resident certificate as prescribed in Article 7, paragraph (1) of the Special Act on the Immigration Control of, Inter Alia, Those Who Have Lost Japanese Nationality Pursuant to the Treaty of Peace with Japan (Act No. 71 of 1991), or an extract of the resident record), or any substitute thereof;
- (iii) if the former surname (meaning the former surname prescribed in Article 30-13 of the Order for Enforcement of the Act for Basic Register of Residents (Cabinet Order No. 292 of 1967; the same applies hereinafter) and the given name of a director, etc. are stated together with the current surname and the given name of the director, etc. in a written application for registration under the provisions of Article 7, and the document listed in the preceding item does not prove that former surname and given name, a document to prove those names;
- (iv) a certificate by a public agency proving to the effect that a director, etc. does not fall under Article 62-6, paragraph (1), item (xii), (b) of the Act (if the director, etc. is a foreign national, a written pledge prepared using Appended Form 4), or any substitute thereof;
- (v) a resume or history of a director, etc. prepared by using Appended Form 5 or 6;
- (vi) the list of shareholders prepared using Appended Form 7, the articles of incorporation, and a certificate of registered information, or any substitute thereof;
- (vii) in the case of a foreign electronic payment instruments service provider, a document proving that the provider carries out electronic payment instruments services in a foreign state under the same kind of registration as that referred to in Article 62-3 of the Act pursuant to the provisions of laws and regulations of that foreign state equivalent to the Act (including any other administrative disposition similar to the relevant registration) or conducts an act equivalent to the act set forth in Article 2, paragraph (10), item (iv) of the Act in the course of trade in accordance with the laws and regulations of that foreign state;
- (viii) the latest balance sheet (including related notes) and profit and loss statement (including related notes), or any substitute thereof (in the case of

- a corporation established in a business year that includes the date of the application for registration, the balance sheet as of the date of establishment prepared under the provisions of Article 435, paragraph (1) of the Companies Act, or any substitute thereof);
- (ix) in the case of a company with accounting auditors, a document containing the contents of the accounting audit report prepared under the provisions of Article 396, paragraph (1) of the Companies Act for the business year immediately preceding the business year that includes the date of the application for registration;
 - (x) a document stating the expected income and expenditure from the electronic payment instruments services for the three business years after commencing the business;
 - (xi) if the applicant intends to engage in the electronic payment instruments - related business, a document explaining the outline of the electronic payment instruments to be handled and their issuer;
 - (xii) if the applicant intends to engage in business related to the act set forth in Article 2, paragraph (10), item (iv) of the Act, a document explaining the outline of the funds transfer service provider referred to in the same item, and the contract document regarding the entrustment by that funds transfer service provider;
 - (xiii) an organization chart concerning the electronic payment instruments services (including organizations that perform the operations regarding internal controls);
 - (xiv) a resume of the person responsible for the management of the electronic payment instruments services;
 - (xv) internal rules concerning the electronic payment instruments services (meaning internal rules and other documents equivalent thereto; the same applies in Article 31);
 - (xvi) contract documents used in carrying out transactions regarding the electronic payment instruments services with users of the electronic payment instruments services;
 - (xvii) if part of the electronic payment instruments services is entrusted to a third party, the contract document regarding the entrustment contract;
 - (xviii) a document stating the particulars specified in (a) or (b) below for the categories of cases respectively set forth therein:
 - (a) if there is a designated dispute resolution organization for the electronic payment instruments business (meaning the designated dispute resolution organizations for the electronic payment instruments business prescribed in Article 62-16, paragraph (1), item (i) of the Act; hereinafter the same applies in this item and Article 29, paragraph (1), item (ix)): the trade name or other name of the designated dispute resolution organization for

the electronic payment instruments business, which is the counterparty to the basic contract for the implementation of dispute resolution procedures, under which the electronic payment instruments service provider takes measures to conclude the basic contract for the implementation of dispute resolution procedures as specified in Article 62-16, paragraph (1), item (i) of the Act;

- (b) when there are no designated dispute resolution organizations for the electronic payment instruments business: the details of the complaint processing measures and dispute resolution measures specified in Article 62-16, paragraph (1), item (ii) of the Act; and
- (xix) other documents containing other information that should serve as a reference.

(Notice of Registration)

Article 10 When giving a notice of registration prescribed in Article 62-5, paragraph (2) of the Act, the Commissioner of the Financial Services Agency is to give it by a written notice of completion of registration prepared using Appended Form 8.

(Public Inspection of the Register of Electronic Payment Instruments Service Providers)

Article 11 The Commissioner of the Financial Services Agency is to keep the register of electronic payment instruments service providers regarding a registered electronic payment instruments service provider at the Local Finance Bureau or the Fukuoka Local Finance Branch Bureau having jurisdiction over the location of the head office of the electronic payment instruments service provider (in the case of a foreign electronic payment instruments service provider, its principal business office in Japan; the same applies hereinafter) and make it available for public inspection.

(Financial Basis)

Article 12 The requirements specified by Cabinet Office Order as prescribed in Article 62-6, paragraph (1), item (iii) of the Act (including as applied mutatis mutandis pursuant to Article 62-7, paragraph (2) of the Act) are as follows:

- (i) the amount of stated capital is no less than 10 million yen; and
- (ii) the amount of net assets is not below zero.

(A Person Unable to Properly Perform Their Duties Relating to the Electronic Payment Instruments Services Due to a Mental or Physical Disorder)

Article 13 The person specified by Cabinet Office Order as prescribed in Article 62-6, paragraph (1), item (xii), (a) of the Act is a person who is unable to

adequately carry out the cognition, decision making, and communication necessary for properly performing their duties relating to the electronic payment instruments services due to mental impairment.

(Notice of Refusal of Registration)

Article 14 When giving a notice under the provisions of Article 62-6, paragraph (2) of the Act, the Commissioner of the Financial Services Agency is to give it by a written notice of refusal of registration prepared using Appended Form 9.

(Application for Registration of Changes)

Article 15 An electronic payment instruments service provider intending to obtain a registration of changes in registered particulars as referred to in Article 62-7, paragraph (1) of the Act must submit a written application for registration of changes prepared using Appended Form 10 to the Commissioner of the Financial Services Agency, while attaching the documents referred to in Article 62-4, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 62-7, paragraph (2) of the Act following a deemed replacement of terms.

(Documents to Be Attached to a Written Application for Registration of Changes)

Article 16 The documents specified by Cabinet Office Order as prescribed in Article 62-4, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 62-7, paragraph (2) of the Act following a deemed replacement of terms are as follows:

- (i) a document prepared using Appended Form 11 pledging to the effect that the applicant does not fall under any of items (iii) through (vi) of Article 62-6, paragraph (1) of the Act;
- (ii) the latest balance sheet (including related notes) and profit and loss statement (including related notes), or any substitute thereof (in the case of a corporation established in a business year that includes the date of the application for registration of changes, the balance sheet as of the date of establishment prepared under the provisions of Article 435, paragraph (1) of the Companies Act, or any substitute thereof)
- (iii) in the case of a company with accounting auditors, a document containing the contents of the accounting audit report prepared under the provisions of Article 396, paragraph (1) of the Companies Act for the business year immediately preceding the business year that includes the date of the application for registration of changes;
- (iv) the documents set forth in Article 9, items (x) through (xvii) and (xix) relating to the business in a category (meaning the category prescribed in Article 62-4, paragraph (1), item (vii) of the Act; the same applies in Article

19, item (iv)) that the applicant intends to newly commence.

(Notice of Registration of Changes)

Article 17 When giving a notice of registration of changes under the provisions of Article 62-5, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 62-7, paragraph (2) of the Act, the Commissioner of the Financial Services Agency is to give it by a written notice of completion of registration of changes prepared using Appended Form 12.

(Notice of Refusing Registration of Changes)

Article 18 When giving a notice under the provisions of Article 62-6, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 62-7, paragraph (2) of the Act, the Commissioner of the Financial Services Agency is to give it by a written notice of refusal of registration of changes prepared using Appended Form 13.

(Cases Not Requiring Advance Notification)

Article 19 The cases specified by Cabinet Office Order as prescribed in Article 62-7, paragraph (3) of the Act are as follows:

- (i) in the case where the electronic payment instruments service provider is engaged in the electronic payment instruments-related business, when it intends to discontinue the handling of the electronic payment instruments it currently handles;
- (ii) if the electronic payment instruments service provider is engaged in business related to the act set forth in Article 2, paragraph (10), item (iv) of the Act, when it intends to discontinue receiving the entrustment referred to in the same item from the funds transfer service provider referred to in the same item;
- (iii) the case where the electronic payment instruments service provider intends to change particulars regarding the details or methods of the electronic payment instruments services, other than the following:
 - (a) the type of the electronic payment instruments services or any equivalent particular;
 - (b) the means of receiving offers from users of the electronic payment instruments services;
 - (c) the means of management of the electronic payment instruments of users of the electronic payment instruments services;
 - (d) the means of management of the money of users of the electronic payment instruments services; and
- (iv) in the case of a change accompanying changes in the particulars set forth in Article 62-4, paragraph (1), item (vii) of the Act (limited to changes due to

the intention to commence business in a new category).

(Notification of Changes)

Article 20 (1) When intending to file a notification under the provisions of Article 62-7, paragraph (3) of the Act, an electronic payment instruments service provider must submit a written notification of changes prepared using Appended Form 14 to the Commissioner of the Financial Services Agency, while attaching the documents specified in the following items in accordance with the category of cases respectively set forth therein:

- (i) if the electronic payment instruments service provider engaged in the electronic payment instruments-related business intends to change the electronic payment instruments it currently handles: the document set forth in Article 9, item (xi) for the particulars to be changed;
- (ii) if the electronic payment instruments service provider engaged in business related to the act set forth in Article 2, paragraph (10), item (iv) of the Act intends to change the funds transfer service provider referred to in the same item: the document set forth in Article 9, item (xii) for the particulars to be changed;
- (iii) if the electronic payment instruments service provider intends to change the details or methods of the electronic payment instruments services: the documents set forth in Article 9, items (xii) through (xvi) for the particulars to be changed, and if the relevant particulars fall under item (iii), (c) or (d) of the preceding Article, a document that can demonstrate the fact related to the change.

(2) When intending to file a notification under the provisions of Article 62-7, paragraph (4) of the Act, an electronic payment instruments service provider must submit a written notification of changes prepared using Appended Form 15 to the Commissioner of the Financial Services Agency, while attaching documents specified in the following items for the categories of cases respectively set forth therein (in the case of a document certified by a public agency, limited to one issued within three months prior to the date of notification):

- (i) in the case of a change in the trade name: a certificate of registered information that contains the particulars regarding the change, or any substitute thereof, and a document prepared using Appended Form 3 pledging to the effect that the electronic payment instruments service provider does not fall under any of the items of Article 62-6, paragraph (1) of the Act;
- (ii) in the case of a change in the amount of stated capital: a certificate of registered information that contains the particulars regarding the change, or any substitute thereof;

- (iii) in the case of the establishment or discontinuation of a business office or a change in the location of a business office (excluding the case set forth in item (x)): a certificate of registered information that contains the particulars regarding the change, or any substitute thereof;
- (iv) in the case of a change in any director, etc.: the following documents:
 - (a) the documents set forth in Article 9, items (ii), (iv), and (v) that pertain to the person who newly became a director, etc. and the document set forth in item (vi) of the same Article that pertains to the change;
 - (b) if the former surname and the given name of the person who newly became a director, etc. are stated together with their current full name in a written notification of changes, and the documents set forth in (a) above (limited to the document set forth in Article 9, item (ii)) do not prove that former surname and given name, a document to prove those names; and
 - (c) a document prepared using Appended Form 3 pledging to the effect that the electronic payment instruments service provider does not fall under any of the items of Article 62-6, paragraph (1) of the Act;
- (v) if the electronic payment instruments service provider is engaged in the electronic payment instruments-related business, and when there has been a change in the electronic payment instruments currently handled: the document set forth in Article 9, item (xi) for the particulars that have been changed;
- (vi) if the electronic payment instruments service provider is engaged in business related to the act set forth in Article 2, paragraph (10), item (iv) of the Act, and when there has been a change in the funds transfer service provider referred to in the same item: the document set forth in Article 9, item (xii) for the particulars that have been changed;
- (vii) in the case of a change in the details or methods of the electronic payment instruments services: the documents set forth in Article 9, items (xiii) through (xvi) for the particulars that have been changed;
- (viii) in the case of a change in the details of business that has been entrusted or a person to whom business is entrusted: the document set forth in Article 9, item (xvii) for the particulars that have been changed;
- (ix) in the case of a change in other businesses: a certificate of registered information that contains the particulars regarding the change, or any substitute thereof;
- (x) if an electronic payment instruments service provider who has obtained the registration referred to in Article 62-3 of the Act from the Director-General of a Local Finance Bureau, etc. has changed the location of its head office to an area over which the Director-General of another Local Finance Bureau, etc. has jurisdiction: the document specified in item (iii) and a written notice of completion of registration prescribed in Article 10 that was delivered prior to

- the change;
- (xi) in the case of a change in the major shareholders: the list of shareholders prepared using Appended Form 7;
- (xii) if the electronic payment instruments service provider has become a member of a certified association for payment service providers or has withdrawn from one: a document that can demonstrate the fact that the electronic payment instruments service provider has become a member of a certified association for payment service providers or has withdrawn from one.
- (3) When a notification has been filed under the provisions of the preceding paragraph in the case set forth in item (x) of the same paragraph, the Director-General of a Local Finance Bureau, etc. must notify the Director-General of another Local Finance Bureau, etc. referred to in the same item to the effect that the notification has been filed.
- (4) The Director-General of a Local Finance Bureau, etc. who has received the notification under the provisions of the preceding paragraph is to register the particulars notified of in the register of electronic payment instruments service providers and give a notice to the person who filed the notification by a written notice of completion of registration prescribed in Article 10.

(Special Provisions for Issuers of Electronic Payment Instruments)

Article 21 (1) If an issuer engages in the electronic payment instruments services prescribed in Article 62-8, paragraph (1) of the Act under the provisions of the same paragraph, with regard to the application of the provisions of this Cabinet Office Order, the terms listed in the middle column of the following table in the provisions listed in the left-hand column of the table are replaced with the terms listed in the right-hand column of the same table.

Article 10	a written notice of completion of registration	a written notice of completion of recording
Article 11	registered	recorded
	the register of electronic payment instruments service providers	the register referred to in Article 62-5, paragraph (1) of the Act

	the head office of the electronic payment instruments service provider (in the case of a foreign electronic payment instruments service provider,	the principal business office or office of the electronic payment instruments service provider (in the case of a foreign bank (meaning the foreign bank prescribed in Article 10, paragraph (2), item (viii) of the Banking Act; the same applies hereinafter) to which a foreign bank branch (meaning the foreign bank branch prescribed in Article 47, paragraph (2) of the Banking Act; the same applies hereinafter) belongs, or a foreign trust company (meaning the foreign trust company prescribed in Article 2, paragraph (6) of the Trust Business Act; the same applies hereinafter)
Article 19	as follows	the cases set forth in items (i) and (iii)
paragraph (2) of the preceding Article	in the following items	in the following items (excluding item (vi))
paragraph (2), item (i) of the preceding Article	trade name	trade name or other name
	any substitute thereof, and a document prepared using Appended Form 3 pledging to the effect that the electronic payment instruments service provider does not fall under any of the items of Article 62-6, paragraph (1) of the Act	any substitute thereof
paragraph (2), item (ii) of the preceding Article	stated capital	stated capital or contribution

paragrap h (2), item (iii) of the precedin g Article	business office	business office or office
paragrap h (2), item (iv) of the precedin g Article	a change in any director, etc.	a change in any director, etc. (including persons equivalent thereto; the same applies hereinafter)
	the following documents	the documents set forth in (a) and (b) below
paragrap h (2), item (iv), (a) of the precedin g Article	Article 9, items (ii), (iv), and (v)	Article 21, paragraph (3), items (i) and (iii)
	item (vi) of the same Article	item (iv) of the same paragraph
paragrap h (2), item (iv), (b) of the precedin g Article	Article 9, item (ii)	Article 21, paragraph (3), item (i)
paragrap h (2), item (x) of the precedin g Article	has obtained the registration referred to in Article 62-3 of the Act from	has been recorded under the provisions of Article 62-5, paragraph (1) of the Act by
	head office	principal business office or office
	a written notice of completion of registration	a written notice of completion of recording

paragrap h (2), item (xi) of the precedin g Article	major shareholders	major shareholders (meaning persons who hold shares or contributions with the subject voting rights (meaning the subject voting rights prescribed in Article 3, paragraph (2), item (i) of the Order) amounting to not less than 10 percent of the voting rights held by all shareholders, etc. (meaning the voting rights held by all shareholders, etc. prescribed in paragraph (1), item (ii) of the same Article), under its own name or that of another person)
	shareholders	shareholders or equity investors
paragrap h (4) of the precedin g Article	register the notified particulars in the register of electronic payment instruments service providers	record the notified particulars in the register referred to in Article 62-5, paragraph (1) of the Act
	a written notice of completion of registration	a written notice of completion of recording
Article 29, paragraph (1), item (i)	trade name	trade name or other name
Article 29, paragraph (1), item (ii)	registration number	notification acceptance number
Article 29, paragraph (1), item (viii)	business office	business office or office
Article 29, paragraph (7), item (i)	the trade name and the registration number	the trade name or other name and the notification acceptance number

Article 38, paragraph (2), item (v), (a)	the registration referred to in Article 62-3 of the Act of the electronic payment instruments service provider has been revoked under the provisions of Article 62-22, paragraph (1) or (2) of the Act	the electronic payment instruments service provider has received an order to discontinue electronic payment instruments services pursuant to the provisions of Article 62-22, paragraph (1) of the Act or other cases specified in Article 19-6 of the Order
Article 38, paragraph (2), item (v), (b)	a foreign electronic payment instruments service provider	a foreign bank to which a foreign bank branch belongs, or a foreign trust company
	head office	principal business office
Article 38, paragraph (2), item (v), (c)	a foreign electronic payment instruments service provider	a foreign bank to which a foreign bank branch belongs, or a foreign trust company
Article 38, paragraph (2), item (vi)	two business days	two business days or two business handling days
Article 38, paragraph (3)	registered	recorded
Article 38, paragraph (3), item (i)	stated capital	stated capital or contribution
Article 38, paragraph (5), item (vi), (a)	the registration referred to in Article 62-3 of the Act of the electronic payment instruments service provider has been revoked under the provisions of Article 62-22, paragraph (1) or (2) of the Act	the electronic payment instruments service provider has received an order to discontinue electronic payment instruments services pursuant to the provisions of Article 62-22, paragraph (1) of the Act or other cases specified in Article 19-6 of the Order
Article 38, paragraph (5), item (vii)	the business day following	the business day or business handling day following

Article 38, paragraph (6)	business day	business day or business handling day
Article 39, paragraph (2), item (ii)	a subsidiary company (meaning the subsidiary company prescribed in Article 2, item (iii) of the Companies Act)	a subsidiary company, etc. (meaning the subsidiary company, etc. prescribed in Article 2, item (iii)-2 of the Companies Act)
	executive officer	executive officer (including persons equivalent to these)
Article 50, paragraph (1) and Article 56, paragraph (1)	business office	business office or office
Article 60, item (iii), (b)	the trade name, or alias	the trade name or other name, or alias
Article 70, item (i)	trade name	trade name or other name
Article 70, item (ii) and Article 75, paragraph (3)	business office	business office or office
Article 75, paragraph (1), item (vi), (a) and item (vii), (a) and (b), 1.	business day	business day or business handling day
Article 79	a foreign electronic payment instruments service provider	a foreign bank to which a foreign bank branch belongs, or a foreign trust company
Article 83, paragraph (2), item (i)	trade name	trade name or other name

Article 83, paragraph (2), item (ii)	the registration date and registration number	the date of notification and notification acceptance number
Article 83, paragraph (4)	business office	business office or office

- (2) The cases specified by Cabinet Office Order as prescribed in Article 19-6, item (i) of the Order are as follows:
- (i) when the issuer has had its license referred to in Article 4, paragraph (1) of the Long-Term Credit Bank Act (Act No. 187 of 1952) revoked under the provisions of Article 27 or 28 of the Banking Act (Act No. 59 of 1981) as applied mutatis mutandis pursuant to Article 17 of the Long-Term Credit Bank Act;
 - (ii) when the issuer has had its license referred to in Article 4 of the Shinkin Bank Act (Act No. 238 of 1951) revoked under the provisions of Article 27 or 28 of the Banking Act as applied mutatis mutandis pursuant to Article 89, paragraph (1) of the Shinkin Bank Act;
 - (iii) when the issuer has had its license referred to in Article 6 of the Labor Bank Act (Act No. 227 of 1953) revoked under the provisions of Article 95 of the same Act;
 - (iv) when the issuer has received an order of dissolution under the provisions of Article 27 or 28 of the Banking Act as applied mutatis mutandis pursuant to Article 106, paragraph (2) of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949) or Article 6, paragraph (1) of the Act on Financial Businesses by Cooperatives (Act No. 183 of 1949);
 - (v) when the issuer has received an order of dissolution under the provisions of Article 95-2 of the Agricultural Cooperatives Act (Act No. 132 of 1947);
 - (vi) when the issuer has received an order of dissolution under the provisions of Article 124-2 of the Fisheries Cooperatives Act (Act No. 242 of 1948);
 - (vii) when the issuer has received an order of dissolution under the provisions of Article 86 of the Norinchukin Bank Act (Act No. 93 of 2001).
- (3) The documents specified by Cabinet Office Order as prescribed in Article 62-8, paragraph (3) of the Act are as follows (in the case of a document certified by a public agency, limited to one issued within three months prior to the date of notification):
- (i) an extract of the resident record of a director, etc. (if the director, etc. is a foreign national, a copy of a residence card prescribed in Article 19-3 of the Immigration Control and Refugee Recognition Act, a copy of a special

- permanent resident certificate as prescribed in Article 7, paragraph (1) of the Special Act on the Immigration Control of, Inter Alia, Those Who Have Lost Japanese Nationality Pursuant to the Treaty of Peace with Japan, or an extract of the resident record), or any substitute thereof;
- (ii) if the former surname and the given name of a director, etc. are stated together with the current surname and the given name of the director, etc. in a document containing the particulars set forth in the items (excluding item (ix)) of Article 62-4, paragraph (1) of the Act, and when the document listed in the preceding item does not prove that former surname and given name, a document to prove those names;
 - (iii) a resume or history of a director, etc. prepared by using Appended Form 5 or Form 6;
 - (iv) the list of shareholders or equity investors prepared using Appended Form 7, the articles of incorporation, and a certificate of registered information or any substitute thereof;
 - (v) the latest balance sheet (including related notes) and profit and loss statement (including related notes), or any substitute thereof (in the case of a corporation established in a business year that includes the date of the notification, the balance sheet as of the date of establishment prepared under the provisions of Article 435, paragraph (1) of the Companies Act or any substitute thereof);
 - (vi) in the case of a company with accounting auditors, a document containing the contents of the accounting audit report prepared under the provisions of Article 396, paragraph (1) of the Companies Act for the business year immediately preceding the business year that includes the date of the notification;
 - (vii) the documents set forth in Article 9, items (x), (xi), and (xiii) through (xix).

Chapter II Business

(Measures to Ensure Information Security Management Regarding the Electronic Payment Instruments Services)

Article 22 An electronic payment instruments service provider must take measures to ensure sufficient control of the electronic data processing system handling the electronic payment instruments services, in accordance with the details and methods of its electronic payment instruments services.

(Measures to Ensure Information Security Management Regarding Personal Information of Individual Users)

Article 23 Electronic payment instruments service providers must take the necessary and appropriate measures to prevent the leakage, loss, or damage of

information with regard to the safe management of information it handles on users of electronic payment instruments services, supervision of their employees and, where the handling of such information is entrusted, supervision of entrustees.

(Reporting of Leakage, etc. of Personal Information of Individual Users)

Article 24 If there has been any leakage, loss or damage of information on individual users of the electronic payment instruments services it handles (limited to the information falling under the personal data prescribed in Article 16, paragraph (3) of the Act on the Protection of Personal Information (Act No. 57 of 2003)), or where there is any such possibility, an electronic payment instruments service provider must report the occurrence of the relevant circumstances immediately to the Director-General of a Local Finance Bureau, etc. or otherwise take appropriate measures.

(Handling of Specified Non-public Information)

Article 25 When handling personal information regarding race, creed, family origin, domicile of origin, healthcare, or criminal background of the users of the electronic payment instruments services who are individuals, and other specified non-public information (meaning information learned in the course of business of its electronic payment instruments services that has yet to be publicly disclosed), an electronic payment instruments service provider must take measures to ensure that the information is not used for a purpose other than for ensuring the appropriate operation of the business and for other purposes that are found to be necessary.

(Measures to Ensure Proper and Steady Operation of Entrusted Business)

Article 26 When entrusting part of the business of the electronic payment instruments services to a third party, an electronic payment instruments service provider must take the following measures in accordance with the details of the entrusted business:

- (i) measures to ensure that the relevant business is entrusted to a person who has the ability to perform the business in a proper and steady manner;
- (ii) measures to ensure that necessary and appropriate supervision, etc. is conducted with regard to the person to whom the relevant business is entrusted, including measures to verify whether the person is performing the business in a proper and steady manner by, among others, checking the status of performance of the business by the person regularly or as necessary and having the person make any necessary improvements;
- (iii) necessary measures to ensure appropriate and prompt processing of complaints by users of the electronic payment instruments services

- conducted by the person to whom the relevant business is entrusted;
- (iv) measures to prevent hindrance to the protection of users of the electronic payment instruments services, etc., including measures to ensure that if circumstances have arisen under which the person to whom the relevant business has been entrusted is unable to perform that business appropriately, the business will be promptly entrusted to another appropriate third party; and
- (v) measures to ensure that, if it is necessary for the purpose of ensuring the proper and steady operation of the business of the electronic payment instruments service provider and the protection of the users regarding the business, necessary measures such as the amendment or cancellation of the contract regarding the entrustment of the relevant business will be taken.

(Explanation to Prevent Users from Mistaking the Electronic Payment Instruments Services for Business Carried out by Deposit-Taking Institutions, etc., Funds Transfer Service Providers or Specified Trust Companies)

Article 27 (1) When conducting transactions regarding the exchange, etc. of electronic payment instruments or the act set forth in Article 2, paragraph (10), item (iv) of the Act with a user of the electronic payment instruments services (excluding an electronic payment instruments service provider, etc.; hereinafter the same applies in this Article through Article 29), an electronic payment instruments service provider (excluding an issuer who is deemed to be an electronic payment instruments service provider under the provisions of Article 62-8, paragraph (2) of the Act) must provide the user, in advance, with explanation to prevent users from mistaking its electronic payment instruments services for business carried out by deposit-taking institutions, etc., funds transfer service providers, or specified trust companies by delivering documents or any other appropriate means.

(2) If an electronic payment instruments service provider provides the explanation prescribed in the preceding paragraph, it is to explain the following particulars:

- (i) if the electronic payment instruments service provider conducts transactions regarding the exchange, etc. of electronic payment instruments, the fact that it is not the issuer of the electronic payment instruments it handles;
- (ii) if the electronic payment instruments service provider conducts transactions regarding the act set forth in Article 2, paragraph (10), item (iv) of the Act, the fact that the act is not a funds transfer transaction that it conducts; and
- (iii) other particulars found to serve as reference for preventing users from mistaking the electronic payment instruments services for business carried

outby deposit-taking institutions, etc., funds transfer service providers, or specified trust companies.

(Explanations Concerning the Contents of the Electronic Payment Instruments)

Article 28 (1) When an electronic payment instruments service provider conducts the exchange, etc. of electronic payment instruments with a user of the electronic payment instruments services, it must provide the user, in advance, with explanations concerning the contents of the electronic payment instruments by delivering documents or any other appropriate means.

(2) If an electronic payment instruments service provider provides the explanations prescribed in the preceding paragraph, it is to explain the following particulars:

- (i) the fact that an electronic payment instrument is not the Japanese currency or a foreign currency;
- (ii) when there is a risk of losses directly from fluctuations in the value of electronic payment instruments, that fact and the reasons for the risk;
- (iii) the fact that electronic payment instruments can be used for the purpose of paying consideration only with the consent of the person who receives payment of consideration;
- (iv) the outline and the characteristics of the electronic payment instruments it handles (including the timing when the transfer of the electronic payment instruments is determined and the grounds for the timing), and the trade name or other name and the outline of the issuer of the electronic payment instruments;
- (v) the contents of the right to claim redemption against the issuer of electronic payment instruments and the procedures for exercising that right;
- (vi) other particulars found to serve as reference with regard to the contents of the electronic payment instruments.

(3) When an issuer (limited to a deposit-taking institution, etc. and a funds transfer service provider) of electronic payment instruments has provided a user with the explanations prescribed in paragraph (1) in accordance with the provisions of the preceding two paragraphs concerning the exchange, etc. of the electronic payment instruments it issues, an electronic payment instruments service provider does not need to provide the relevant user with the explanations prescribed in paragraph (1), notwithstanding the provisions of the same paragraph.

(Provision of Information to Users)

Article 29 (1) When carrying out transactions regarding the electronic payment instruments services with a user of the electronic payment instruments

services, an electronic payment instruments service provider must provide the user in advance with information about the following particulars by delivering documents or any other appropriate means:

- (i) the trade name and address of the electronic payment instruments service provider;
- (ii) the fact that it is an electronic payment instruments service provider, and the registration number of the electronic payment instruments service provider;
- (iii) the details of the transactions (if the transaction is the purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument, including whether the electronic payment instruments service provider will become the counterparty to effect the purchase and sale or exchange regarding the transaction with the customer, or whether it will conduct intermediation, brokerage, or agency services to effect the purchase and sale or the exchange regarding the transaction);
- (iv) when there is a risk of losses directly from a change to the status of the business or property of the electronic payment instruments service provider, the issuer of the electronic payment instruments it handles or any other person, that fact and the reasons therefor;
- (v) beyond what is set forth in paragraph (2), item (ii) of the preceding Article and the preceding item, when there is a risk of losses directly from material grounds that will affect the decisions of the user regarding the transactions, that fact and the reasons therefor;
- (vi) the amount or the maximum amount of the fees, remuneration, or costs to be paid by the user or the method of calculation thereof;
- (vii) a policy for compensation or any other response to any loss incurred by the user due to an instruction given by an unauthorized person against the intention of the user, in relation to the business regarding the transactions;
- (viii) the location and contact address of the business office that handles complaints from or provides consultations for the users;
- (ix) the particulars specified in (a) or (b) below for the categories of cases respectively set forth therein:
 - (a) if there is a designated dispute resolution organization for the electronic payment instruments business: the trade name or other name of the designated dispute resolution organization for the electronic payment instruments business, which is the counterparty to the basic contract for the implementation of dispute resolution procedures, under which the electronic payment instruments service provider takes measures to conclude the basic contract for the implementation of procedures as specified in Article 62-16, paragraph (1), item (i) of the Act;
 - (b) if there are no designated dispute resolution organizations for electronic

- payment instruments business: the details of the complaint processing measures and dispute resolution measures specified in Article 62-16, paragraph (1), item (ii) of the Act taken by the electronic payment instruments service provider; and
- (x) other particulars found to be relevant to the transactions.
- (2) When providing information concerning the particulars set forth in the items of the preceding paragraph, an electronic payment instruments service provider that conducts the exchange, etc. of electronic payment instruments must also provide information concerning the following particulars at the same time:
- (i) if the electronic payment instruments service provider accepts entrustment, etc. of the purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument from a user of the electronic payment instruments services, and it may become the counterparty to the purchase and sale or the exchange subject to the entrustment, etc., that fact and the reasons therefor;
 - (ii) in the case specified in Article 33, paragraph (1), item (i), the trade name or name of the trust company, etc. referred to in the same item;
 - (iii) if the relevant transactions are carried out in an amount indicated in a foreign currency, the amount in the Japanese currency converted from that amount and the standard or the method used for the conversion.
- (3) When providing information concerning the particulars set forth in the items of paragraph (1), an electronic payment instruments service provider that conducts the management of electronic payment instruments must also provide information concerning the management method of the electronic payment instruments of the users of the electronic payment instruments services under the provisions of Article 62-14, paragraph (1) of the Act, and the name, trade name or other name of the person specified in the following items in accordance with the category of methods respectively set forth therein at the same time:
- (i) the method prescribed in Article 38, paragraph (1): the trust company, etc. prescribed in the same paragraph;
 - (ii) the method prescribed in Article 38, paragraph (3): the relevant electronic payment instruments service provider;
 - (iii) the method prescribed in Article 38, paragraph (7), item (i): the relevant electronic payment instruments service provider;
 - (iv) the method prescribed in Article 38, paragraph (7), item (ii): the third party prescribed in (a) of the same item.
- (4) When providing information concerning the particulars set forth in the items of paragraph (1), an electronic payment instruments service provider that conducts the act set forth in Article 2, paragraph (10), item (iv) of the Act must also provide information concerning the following particulars at the same time:

- (i) the trade name of the funds transfer service provider referred to in Article 2, paragraph (10), item (iv) of the Act;
 - (ii) the details of the right that a user holds against the funds transfer service provider referred to in Article 2, paragraph (10), item (iv) of the Act, and the procedures for exercising that right;
 - (iii) if the electronic payment instruments service provider accepts money from a user by deeming the case as falling under the case set forth in Article 33, paragraph (1), item (ii), (d), the time required for transferring that money to the funds transfer service provider referred to in Article 2, paragraph (10), item (iv) of the Act.
- (5) When an electronic payment instruments service provider concludes a contract with a user of the electronic payment instruments services under which transactions regarding the electronic payment instruments services are carried out on an ongoing or recurring basis, the electronic payment instruments service provider must provide the user, in advance, with information about the following particulars by delivering documents or any other appropriate means:
- (i) the particulars set forth in paragraph (1), items (i) through (ix) and the particulars specified in (a) through (c) below for the categories of cases respectively set forth in the relevant items and sub-items:
 - (a) when conducting the exchange of the electronic payment instruments, etc.: the particulars set forth in the items of paragraph (2);
 - (b) when conducting the management of electronic payment instruments: the particulars set forth in the items of paragraph (3);
 - (c) if the electronic payment instruments service provider conducts the act set forth in Article 2, paragraph (10), item (iv) of the Act: the particulars set forth in the items of the preceding paragraph;
 - (ii) when a contract period is defined, the contract period;
 - (iii) handling of the cancellation of the contract (including the method of calculation for fees, remuneration, or costs);
 - (iv) other particulars found to be relevant to the terms and conditions of the contract.
- (6) When an issuer (limited to a deposit-taking institution, etc. and a funds transfer service provider) of electronic payment instruments for transactions regarding the electronic payment instruments services or the funds transfer service provider referred to in Article 2, paragraph (10), item (iv) of the Act has provided a user with the information in accordance with the provisions of the preceding paragraphs concerning those transactions, an electronic payment instruments service provider does not need to provide the relevant user with the information under the provisions of those paragraphs, notwithstanding the provisions of those paragraphs.

- (7) When an electronic payment instruments service provider has received money or electronic payment instruments from a user of the electronic payment instruments services in relation to its electronic payment instruments services, the electronic payment instruments service provider must provide the user with information about the following particulars by delivering documents or any other appropriate means:
- (i) the trade name and the registration number of the electronic payment instruments service provider;
 - (ii) the amount of money or the quantity of the electronic payment instruments received from the user; and
 - (iii) the date of receipt.
- (8) When an electronic payment instruments service provider carries out transactions regarding the electronic payment instruments services with a user of the electronic payment instruments services on an ongoing or recurring basis, the electronic payment instruments service provider must provide the user with the transaction record and information about the amount of money and the quantity of the electronic payment instruments of the user that it manages, for each period not exceeding three months, by delivering documents or any other appropriate means.

(Other Measures to Ensure Protection of Users)

Article 30 (1) An electronic payment instruments service provider must take the following measures to ensure the protection of the users of the electronic payment instruments services it provides and to ensure the proper and steady provision of the electronic payment instruments services:

- (i) measures to establish systems necessary for protecting the users and ensuring the provision of the electronic payment instruments services in a proper and steady manner in relation to its electronic payment instruments services, in accordance with the characteristics of the electronic payment instruments, the details of the transactions and other circumstances;
- (ii) if the electronic payment instruments service provider finds a possibility that a criminal act has been committed in relation to transactions regarding the electronic payment instruments services it conducts, as there has been information provided by the investigative authority, etc. to the effect that the transactions regarding the electronic payment instruments services were used for the purpose of committing a fraud or other criminal acts, and in consideration of other circumstances, measures to suspend the relevant transactions regarding the electronic payment instruments services, etc.;
- (iii) if the electronic payment instruments service provider conducts transactions regarding the electronic payment instruments services with the users by using a computer connected with electric telecommunication lines,

- appropriate measures to prevent the users from mistaking the electronic payment instruments service provider for another person;
- (iv) if the electronic payment instruments service provider receives instructions for transactions regarding the electronic payment instruments services from the users by using a computer connected with electric telecommunication lines, appropriate measures to enable the users to easily confirm or correct the details of the instructions when they operate the computer for the relevant instructions;
 - (v) necessary measures for the electronic payment instruments service provider to avoid handling foreign electronic payment instruments (meaning electronic payment instruments issued in a foreign state that are based on laws and regulations of a foreign state equivalent to the Act, the Banking Act, etc., the Act on Engagement in Trust Business by Financial Institutions, or the Trust Business Act; hereinafter the same applies in this item and the following item) that do not satisfy any of the following requirements or other electronic payment instruments that are found to be likely to hinder the protection of users or the proper and steady provision of the electronic payment instruments services in light of the characteristics of electronic payment instruments and the operational system of the electronic payment instruments service provider:
 - (a) the foreign electronic payment instruments are issued by a person who has obtained a registration or a license (including another administrative disposition equivalent to the relevant registration or license) equivalent to the registration referred to in Article 37 of the Act or the license referred to in Article 4, paragraph (1) of the Banking Act, or has filed a notification equivalent to the notification under the provisions of Article 37-2, paragraph (3) of the Act, and issues the foreign electronic payment instruments in the course of trade under the provisions of the laws and regulations of a foreign state equivalent to the Act or the Banking Act;
 - (b) the issuer of the foreign electronic payment instruments manages assets necessary for redeeming the foreign electronic payment instruments under the provisions of the laws and regulations of a foreign state equivalent to the Act, the Banking Act, the Act on Engagement in Trust Business by Financial Institutions, or the Trust Business Act, and has been subject to an audit on the status of the management conducted by a person with a qualification equivalent to the qualification of a certified public accountant or by an audit corporation in the state where the foreign electronic payment instruments were issued;
 - (c) when finding a possibility that a criminal act has been committed as information has been provided by the investigative authority, etc. to the effect that the transactions regarding the foreign electronic payment

instruments were used for the purpose of committing a fraud or other criminal acts, and in consideration of other circumstances, the issuer of the foreign electronic payment instruments is to take measures to suspend the relevant transactions regarding the foreign electronic payment instruments services or the like;

- (vi) if the electronic payment instruments service provider handles foreign electronic payment instruments, the following measures and other measures necessary for ensuring the protection of users and the proper and steady provision of the electronic payment instruments services:
 - (a) if it has become difficult for the issuer of the foreign electronic payment instruments to perform the related obligations, etc. (meaning the performance of obligations, etc. prescribed in Article 2, paragraph (7) of the Act) or where the value of the foreign electronic payment instruments has otherwise decreased significantly, measures that promise the purchase of the foreign electronic payment instruments by the electronic payment instruments service provider who manages them on behalf of users (if users in Japan and users in foreign states can be distinguished, users in Japan; the same applies in (a)) at an amount equivalent to the amount at which the performance of obligations, etc. is supposed to be made, and measures reasonably found to enable preservation of assets necessary for the purchase or otherwise ensure protection of users at an equivalent level;
 - (b) measures necessary for ensuring that the amount of the foreign electronic payment instruments for which the electronic payment instruments service provider can conduct the management (including the management for the purpose of transferring the foreign electronic payment instruments of users (excluding electronic payment instruments service providers)) and the transfer (including the transfer associated with the exchange, etc. of electronic payment instruments) on behalf of those users becomes the same level as when the electronic payment instruments service provider handles electronic payment instruments issued by a funds transfer service provider (limited to the electronic payment instruments relating to the type-II funds transfer services prescribed in Article 36-2, paragraph (2) of the Act);
- (vii) necessary measures to appropriately manage material information concerning the electronic payment instruments that the electronic payment instruments service provider handles or intends to handle in relation to its electronic payment instruments services or concerning the electronic payment instruments service provider, which is found to have an impact on users' decision on the purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument (excluding cases where the material information is being made readily accessible to all users of the electronic payment instruments services conducted by the electronic

- payment instruments service provider);
- (viii) measures to make public the balance sheet (including related notes) and profit and loss statement (including related notes) that the electronic payment instruments service provider has submitted to the Commissioner of the Financial Services Agency by attaching them to a written report referred to in Article 62-19, paragraph (1) of the Act;
 - (ix) if the electronic payment instruments service provider borrows electronic payment instruments in relation to its electronic payment instruments services, the following measures:
 - (a) measures to indicate the fact that the borrowing of electronic payment instruments by the electronic payment instruments service provider does not fall within the scope of the management of electronic payment instruments and the electronic payment instruments borrowed by the electronic payment instruments service provider are not managed separately from the electronic payment instruments of the electronic payment instruments service provider pursuant to the provisions of Article 62-14, paragraph (1) of the Act, in a manner that enables the counterparty to clearly and accurately recognize these particulars;
 - (b) measures to establish a system for appropriately managing the outstanding balance of the obligations borne by the electronic payment instruments service provider, so as to avoid a situation where the electronic payment instruments service provider bears excessive obligations due to the borrowing of electronic payment instruments as compared to its repayment capacity or faces difficulty in repaying these obligations, which would result in weakening the protection of users or hindering the proper and steady provision of the electronic payment instruments services (including a system to require the recording of the name of the counterparty, the type and quantity of the borrowed electronic payment instruments, and the repayment deadline whenever the electronic payment instruments service provider borrows electronic payment instruments).
- (2) Beyond what is provided in the preceding paragraph, an electronic payment instruments service provider that conducts the exchange, etc. of electronic payment instruments must take the following measures:
- (i) measures to continuously indicate the following particulars so that the users of the electronic payment instruments services can clearly and accurately recognize these particulars when they conduct the purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument in relation to the electronic payment instruments handled by the electronic payment instruments service provider:
 - (a) if the electronic payment instruments service provider effects the

purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument by accepting their entrustment, etc. from a user: the following particulars concerning the electronic payment instruments subject to the entrustment, etc. (if there are no such particulars, that fact):

1. the latest contract price in the purchase and sale of the electronic payment instruments to be effected by the electronic payment instruments service provider by accepting their entrustment, etc. from the user;
 2. the latest reference price announced by a certified association for payment service providers or a person designated by a certified association for payment service providers;
- (b) if the electronic payment instruments service provider becomes the counterparty to the purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument (excluding the case prescribed in (a)): the following particulars concerning the electronic payment instruments (if there are no such particulars, that fact):
1. the latest price for the purchase of the electronic payment instruments that is offered by the electronic payment instruments service provider;
 2. the latest price for the sale of the electronic payment instruments that is offered by the electronic payment instruments service provider;
 3. the latest contract price prescribed in (a), 1.;
 4. the latest reference price prescribed in (a), 2.;
- (ii) if the electronic payment instruments service provider provides multiple transaction methods to the users of the electronic payment instruments services in relation to the exchange, etc. of electronic payment instruments that it conducts, the following particulars:
- (a) measures to formulate, publicize, and implement a policy and method for executing orders from a user for the exchange, etc. of electronic payment instruments under the best terms and conditions, for each type of electronic payment instruments;
 - (b) if the electronic payment instruments service provider has effected the purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument subject to entrustment, etc. from a user by acting as the counterparty to the transaction, without conducting intermediation, brokerage, or agency services, measures to promptly provide the user with information regarding that fact and the reason why it is compatible with the policy and method prescribed in (a) to conduct the relevant purchase and sale or exchange, by delivering documents or any other appropriate means;
 - (c) measures to provide a user with information by delivering documents or

any other appropriate means, within 20 days from the day when the user requests information, if the user requests information within three months from the day on which the electronic payment instruments service provider executed the order from the user for the exchange, etc. of electronic payment instruments, with regard to the reason why the execution of the relevant order is compatible with the policy and method prescribed in (a), as well as the type and quantity of the electronic payment instruments subject to the order, whether the order is for the sale or purchase of an electronic payment instrument or for the exchange with another electronic payment instrument, the date and time of the receipt of the order, the contract date and time, and the method of execution;

(iii) measures to establish a system for appropriately managing information concerning the exchange, etc. of electronic payment instruments conducted by the electronic payment instruments service provider and properly supervising the implementation status of the exchange, etc. of electronic payment instruments so that the interests of the users of the electronic payment instruments services are not unjustly prejudiced due to the conflict of interests between the electronic payment instruments service provider or any of its interested parties and the users of the electronic payment instruments services upon the exchange, etc. of electronic payment instruments conducted by the electronic payment instruments service provider, and measures to formulate and publicize policies related to such system;

(iv) measures, with regard to the exchange, etc. of electronic payment instruments conducted by the electronic payment instruments service provider, to examine whether a user is not in violation of the provisions of Article 185-22, paragraph (1), Article 185-23, paragraph (1), or Article 185-24, paragraph (1) or (2) of the Financial Instruments and Exchange Act, in accordance with the trends and details of the orders regarding the exchange, etc. of electronic payment instruments placed by the user of the electronic payment instruments services, the situations of the exchange, etc. of electronic payment instruments, or other circumstances, and if the user is suspected of violating these provisions, to suspend transactions regarding the electronic payment instruments services with the relevant user or take other actions, or other measures necessary for preventing unfair acts in relation to the exchange, etc. of electronic payment instruments.

(3) Beyond what is provided in paragraph (1), an electronic payment instruments service provider that conducts the management of electronic payment instruments must take measures to formulate, publicize, and implement the following policies:

(i) regarding the electronic payment instruments that the electronic payment

- instruments service provider manages separately from its own electronic payment instruments under the provisions of Article 62-14, paragraph (1) of the Act, a policy concerning the performance of obligations if the electronic payment instruments service provider is unable to perform all of the obligations in relation to the management of those electronic payment instruments that the electronic payment instruments service provider assumes against its users, as a result of the leakage, loss, or damage of information necessary for transferring electronic payment instruments or due to other grounds (the policy includes actions necessary for performing the relevant obligations and the timing to take those actions);
- (ii) a policy for compensation or any other response to any loss incurred by a person other than users of the electronic payment instruments services in relation to the relevant business if it is found necessary in light of the details and methods of the electronic payment instruments services.
- (4) Beyond what is provided in the preceding three paragraphs, an electronic payment instruments service provider must take measures necessary for preventing the electronic payment instruments service provider and its officers or employees from conducting the following acts:
- (i) while knowing that a user is likely to conduct the purchase and sale of electronic payment instruments that are crypto-and other assets (meaning the crypto-and other assets prescribed in Article 2, paragraph (24), item (iii)-2 of the Financial Instruments and Exchange Act; hereinafter the same applies in this item through item (iii)) or the exchange with other electronic payment instruments that are other crypto-and other assets in violation of Article 185-22, paragraph (1), Article 185-23, paragraph (1), or Article 185-24, paragraph (1) or (2) of the same Act (including a transaction conducted in relation to an act violating any of these provisions), an act to conduct such transactions or accept their entrustment, etc.;
- (ii) an act to conduct the purchase and sale of electronic payment instruments that are crypto-and other assets relating to crypto-and other assets, etc. (meaning the crypto-and other assets, etc. prescribed in Article 185-23, paragraph (1) of the Financial Instruments and Exchange Act; hereinafter the same applies in this item and the following item) or the exchange with other electronic payment instruments that are other crypto-and other assets, or make an offer or an entrustment, etc. thereof, for the purpose of causing fluctuations in the quotations of the relevant crypto-and other assets, etc. or the figures calculated based on their quotations or transaction volumes, or for the purpose of increasing their transaction volumes;
- (iii) an act to accept entrustment, etc. of the purchase and sale of electronic payment instruments that are crypto-and other assets or the exchange with other electronic payment instruments that are other crypto-and other assets

- relating to the relevant crypto-and other assets, etc., while knowing that it will result in manipulative quotations not reflecting the actual market through causing fluctuations in the quotations of crypto-and other assets, etc. or the figures calculated based on their quotations or transaction volumes, or through increasing their transaction volumes;
- (iv) an act to transmit to a third party or utilize material information concerning the electronic payment instruments that the electronic payment instruments service provider handles or intends to handle or concerning the electronic payment instruments service provider, which is found to have an impact on users' decisions on the purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument (excluding the case where such material information is being made readily accessible to all users of the electronic payment instruments services conducted by the electronic payment instruments service provider), for the purpose of personal gain or for a profit for the third party (excluding acts that are necessary for the proper and steady provision of the electronic payment instruments services conducted by the electronic payment instruments service provider);
 - (v) while having accepted entrustment, etc. from a user for the purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument, an act to conduct any purchase and sale of an electronic payment instrument or exchange with another electronic payment instrument at a price or volume equivalent to or more favorable than the price of the purchase and sale or the volume of the exchange subject to the entrustment, etc. before the effectuation of the purchase and sale or the exchange subject to the entrustment, etc., for the purpose of personal gain or for a profit for the third party;
 - (vi) beyond what is set forth in the preceding items, any act that is in violation of the articles of incorporation or other rules of a certified association for payment service providers (limited to those concerning the protection of users or the proper and steady provision of electronic payment instruments services, and in the case of a corporation that has not joined a certified association for payment service providers, its internal rules of equivalent content) and that is likely to weaken the protection of users or hinder the proper and steady provision of electronic payment instruments services.

(Internal Rules)

Article 31 An electronic payment instruments service provider must provide for internal rules, etc. concerning the measures to ensure the protection of the users of the electronic payment instruments services and the proper and steady provision of the electronic payment instruments services (including

explanations of the details of the measures taken by the electronic payment instruments service provider as specified in Article 62-16, paragraph (1) of the Act and the measures to prevent crimes), in accordance with the details and methods of the business of its electronic payment instruments services, and establish a system for providing training to employees, a system for providing guidance to the person to whom business is entrusted, and other systems sufficient to ensure that the business is operated based on those internal rules, etc.

(Special Provisions for Electronic Payment Instruments Margin Transactions)

Article 32 (1) When conducting electronic payment instruments margin transactions with a user of the electronic payment instruments services (excluding an electronic payment instruments service provider, etc.; hereinafter the same applies in this paragraph through paragraph (4)), in advance, an electronic payment instruments service provider must provide the user with information about the following particulars, in addition to the information under the provisions of Article 29, paragraphs (1) through (3), by delivering documents or any other appropriate means:

- (i) the amount of security deposit to be deposited by the user for the electronic payment instruments margin transactions and the method of its calculation, as well as the method by which the user deposits the security deposit and receives restitution of the security deposit;
- (ii) if there is a risk that the amount of loss relating to the electronic payment instruments margin transactions may exceed the amount of security deposit set forth in the preceding item, that fact and the reasons for the risk;
- (iii) the amount of obligations for the credit granted for the electronic payment instruments margin transactions, the due date for the payment, and the method of settlement;
- (iv) other particulars found to serve as reference with regard to the details of the electronic payment instruments margin transactions.

(2) If an electronic payment instruments service provider concludes a contract with a user of the electronic payment instruments services under which the two parties conduct electronic payment instruments margin transactions on an ongoing or recurring basis, the electronic payment instruments service provider must provide the user, in advance, with information about the following particulars, in addition to the information under the provisions of Article 29, paragraph (5), by delivering documents or any other appropriate means:

- (i) the particulars set forth in items (i) through (iii) of the preceding paragraph;
- (ii) other particulars found to be relevant to the terms and conditions of the contract.

- (3) If an electronic payment instruments service provider has received a security deposit for electronic payment instruments margin transactions from a user of the electronic payment instruments services, the electronic payment instruments service provider must provide the user with information about the following particulars, without delay, in addition to the information under the provisions of Article 29, paragraph (7), by delivering documents or any other appropriate means:
- (i) the fact that the money received from the user is a security deposit for electronic payment instruments margin transactions;
 - (ii) the types of electronic payment instruments margin transactions to which the security deposit relates and the types of electronic payment instruments which are subject to electronic payment instruments margin transactions.
- (4) If an electronic payment instruments service provider conducts electronic payment instruments margin transactions with a user of the electronic payment instruments services on an ongoing or recurring basis, the electronic payment instruments service provider must provide the user with a description of the unsettled account and the loss or gain on valuation of the electronic payment instruments margin transactions, in addition to the information under the provisions of Article 29, paragraph (8), for each period not exceeding three months, by delivering documents or any other appropriate means.
- (5) When conducting electronic payment instruments margin transactions, an electronic payment instruments service provider must take the following measures:
- (i) necessary measures to ensure that, when the amount of security deposit for electronic payment instruments margin transactions deposited by a user (limited to an individual; the same applies in item (iii)) of the electronic payment instruments services falls short of the amount obtained by multiplying the amount of electronic payment instruments margin transactions that the user intends to conduct or is conducting by 50 percent, the electronic payment instruments service provider will not conduct the electronic payment instruments margin transactions or continue to grant credit for the electronic payment instruments margin transactions without having the user deposit the amount of such shortfall;
 - (ii) necessary measures to ensure that, when the amount of security deposit for electronic payment instruments margin transactions deposited by a user (excluding an individual) of the electronic payment instruments services falls short of the amount obtained by multiplying the amount of electronic payment instruments margin transactions that the user intends to conduct or is conducting by the assumed electronic payment instruments risk ratio (meaning the ratio calculated in accordance with the method designated by the Commissioner of the Financial Services Agency as the ratio of the

amount equivalent to a risk that may arise due to fluctuations in the quotations of such electronic payment instruments against the amount of principal; hereinafter the same applies in this item) for the electronic payment instruments or the combination of electronic payment instruments subject to the electronic payment instruments margin transactions (for an electronic payment instruments service provider that does not use the assumed electronic payment instruments risk ratio, the amount obtained by multiplying the amount of the electronic payment instruments margin transactions by 50 percent), the electronic payment instruments service provider will not conduct the electronic payment instruments margin transactions or continue to grant credit for the electronic payment instruments margin transactions without having the user deposit the amount of such shortfall;

- (iii) measures to establish a sufficient management system for conducting settlement procedures for electronic payment instruments margin transactions to be performed when the amount of losses that would arise to a user if the user settled the electronic payment instruments margin transactions conducted on the user's own account reaches the amount calculated by the method of calculation agreed on with the user in advance (hereinafter such procedures are referred to as a "loss-cutting transaction" in this item), and to conduct a loss-cutting transaction in that case;
 - (iv) beyond what is set forth in the preceding three items, in relation to the electronic payment instruments margin transactions which the electronic payment instruments service provider conducts, measures to establish systems necessary for protecting the users of the business regarding the electronic payment instruments margin transactions and ensuring the proper and steady operation of the relevant business, in accordance with the details of the electronic payment instruments margin transactions and other circumstances.
- (6) The security deposit prescribed in paragraphs (1) and (3) and the preceding paragraph may be satisfied by electronic payment instruments. In this case, the phrase "as well as" in paragraph (1), item (i) is deemed to be replaced with ", the type and quantity of electronic payment instruments which may be appropriated to the security deposit, the amount which may be appropriated, and the method of calculations of these, as well as".
- (7) The collateral value of electronic payment instruments if all or part of the security deposit for electronic payment instruments margin transactions to be received by an electronic payment instruments service provider is substituted with electronic payment instruments under the provisions of the preceding paragraph is an amount specified by the rules of a certified association for payment service providers (limited to the rules designated by the

Commissioner of the Financial Services Agency).

(Exemptions from the Prohibition on Depositing Money)

Article 33 (1) The cases specified by Cabinet Office Order as prescribed in the proviso to Article 62-13 of the Act are the cases specified in the following items in accordance with the category of cases respectively set forth therein:

- (i) when conducting the exchange, etc. of electronic payment instruments: the case where the electronic payment instruments service provider receives a deposit of money from a user in relation to the exchange, etc. of electronic payment instruments and the electronic payment instruments service provider manages such money separately from its own properties through a money trust created with a trust company, etc. (hereinafter referred to as a "segregated user management money trust");
- (ii) if the electronic payment instruments service provider conducts the act set forth in Article 2, paragraph (10), item (iv) of the Act: the following cases:
 - (a) if a deposit-taking institution, etc. conducts the relevant act in the course of trade;
 - (b) if a trust company, etc. conducts the relevant act as the trust business prescribed in Article 2, paragraph (1) of the Trust Business Act;
 - (c) if a funds transfer service provider conducts the relevant act as the funds transfer services;
 - (d) if the electronic payment instruments service provider manages the money deposited by a user for the business relating to the relevant act separately from its own properties immediately after the receipt and transfers the money to the funds transfer service provider referred to in Article 2, paragraph (10), item (iv) of the Act.
- (2) A contract regarding a segregated user management money trust must satisfy all of the following requirements:
 - (i) the electronic payment instruments service provider is the settlor, a trust company, etc. is the trustee, and a user related to the transactions regarding the electronic payment instruments services conducted by the electronic payment instruments service provider is the beneficiary of the principal;
 - (ii) agents for the beneficiaries are appointed, and at least one of those agents for the beneficiaries is an attorney, a legal professional corporation, a lawyer and registered foreign lawyer joint corporation, a certified public accountant (including a foreign certified public accountant prescribed in Article 16-2, paragraph (5) of the Certified Public Accountants Act (Act No. 103 of 1948); the same applies hereinafter), an audit corporation, a tax accountant, a tax accountant corporation, or a person designated by the Commissioner of the Financial Services Agency (hereinafter referred to as an "attorney, etc.");
 - (iii) if multiple segregated user management money trusts are carried out, the

- same agent for the beneficiaries is to be appointed for those multiple segregated user management money trusts;
- (iv) if the electronic payment instruments service provider has come to fall under any of the following requirements, only the agent for the beneficiaries who is an attorney, etc. exercises its authority (excluding the case where the relevant agent for the beneficiaries accepts the exercise of the authority by another agent for the beneficiaries):
- (a) when the registration referred to in Article 62-3 of the Act of the electronic payment instruments service provider has been revoked under the provisions of Article 62-22, paragraph (1) or (2) of the Act;
 - (b) when the electronic payment instruments service provider has filed a petition for commencement of bankruptcy proceedings, rehabilitation proceedings, reorganization proceedings, or special liquidation (in the case of a foreign electronic payment instruments service provider, when it has filed a petition for commencement of bankruptcy proceedings, rehabilitation proceedings, reorganization proceedings, or special liquidation in Japan or has filed the same type of petition in the state where its head office is located, pursuant to the laws and regulations of that state);
 - (c) if the electronic payment instruments service provider has discontinued all of the electronic payment instruments services (in the case of a foreign electronic payment instruments service provider, when it has discontinued the electronic payment instruments services at all business offices it had established in Japan; hereinafter the same applies in (c)), or has dissolved (in the case of a foreign electronic payment instruments service provider, when it has commenced liquidation of the business offices it had established in Japan; hereinafter the same applies in (c)), or when the electronic payment instruments service provider has given a public notice of the discontinuation of all of the electronic payment instruments services or the dissolution under the provisions of Article 62-25, paragraph (3) of the Act;
 - (d) if the electronic payment instruments service provide has received an order to suspend all or part of the electronic payment instruments services under the provisions of Article 62-22, paragraph (1) of the Act;
- (v) except when the segregated user management money trust is a money trust created with a financial institution engaging in trust business with a contractual agreement on principal protection, the investment of money belonging to the trust property is made only by methods equivalent to the methods prescribed in Article 141-2, paragraph (1), item (v) of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007);

- (vi) if the appraised value of the principal of the trust property is less than the required amount of segregated user management (meaning the total of the individual amounts of segregated user management (meaning the amounts of the users' money that the electronic payment instruments service provider manages in relation to its electronic payment instruments services, as calculated for each user; the same applies in item (xiv) and the following paragraph); hereinafter the same applies in this Article), money in an amount equivalent to the shortfall amount is added to the trust property by the electronic payment instruments service provider, within two business days counting from the day immediately after the day on which the shortfall takes place;
- (vii) the electronic payment instruments service provider calculates the appraised value of principal of the trust property based on the market value thereof (excluding the case where the segregated user management money trust is a money trust created with a financial institution engaged in trust business with a contractual agreement on principal protection);
- (viii) if the segregated user management money trust is a money trust created with a financial institution engaged in trust business with a contractual agreement on principal protection, the appraised value of the principal of the included trust property is used as the amount of the principal of the money trust;
- (ix) in cases other than the following cases, all or part of the contract regarding a segregated user management money trust may not be terminated:
 - (a) if the appraised value of the principal of the trust property exceeds the required amount of segregated user management, when intending to terminate all or part of the contract regarding the segregated user management money trust to the extent of that excess amount;
 - (b) if the electronic payment instruments service provider intends to terminate all or part of the contract regarding the segregated user management money trust for the purpose of entrusting it as a trust property regarding another segregated user management money trust;
- (x) the trust property regarding the termination of all or part of the contract regarding the segregated user management money trust effected in the case set forth in (a) or (b) of the preceding item is to be vested in the settlor;
- (xi) if the electronic payment instruments service provider has come to fall under any of (a) through (d) of item (iv), the electronic payment instruments service provider may not give the trustee any investment instruction on the trust property, unless otherwise specifically found to be necessary by an agent for the beneficiaries who is an attorney, etc.;
- (xii) if an agent for the beneficiaries who is an attorney, etc. finds it necessary, users' beneficial interests are exercised collectively for all users by the

- relevant agent for the beneficiaries;
- (xiii) if the users' beneficial interests have been exercised collectively by an agent for the beneficiaries who is an attorney, etc., the trust agreement regarding the beneficial interests may be ended;
 - (xiv) the amount to be paid to each user if a user exercises the beneficial interest is to be the amount obtained by multiplying the realized amount of principal (meaning the amount obtained by realizing the principal of the trust property under the segregated user management money trust (or the amount of principal if the segregated user management money trust is a money trust created with a financial institution engaged in trust business with a contractual agreement on principal protection); the same applies in the following item) as of the day of the exercise of the beneficial interest by the ratio of the individual amount of segregated user management related to that user to the required amount of segregated user management as of that date (if the amount thus obtained exceeds the individual amount of segregated user management, the individual amount of segregated user management);
 - (xv) if the realized amount of principal as of the day on which a user exercises the beneficial interest exceeds the required amount of segregated user management, that excess amount is to be vested in the settlor.
- (3) An electronic payment instruments service provider must calculate the individual amounts of segregated user management and the required amount of segregated user management every business day.
 - (4) The status of the management of money under the provisions of paragraph (1), item (i) is to be subject to an audit in accordance with the provisions of Article 39 (hereinafter referred to as an "audit of separate management of money").

(Persons Excluded from Those Being Closely Related to Electronic Payment Instruments Service Providers)

Article 34 The persons specified by Cabinet Office Order as prescribed in the portions other than those listed in the items of Article 19-7, paragraph (1) of the Order are as follows:

- (i) a trust company prescribed in Article 2, paragraph (2) of the Trust Business Act and a foreign trust company prescribed in paragraph (6) of the same Article;
- (ii) a funds transfer service provider.

(Persons Falling Under the Category of Parent Companies)

Article 35 (1) The companies specified by Cabinet Office Order as prescribed in Article 19-7, paragraph (4) of the Order are the following companies, etc. (meaning the companies, etc. prescribed in the same paragraph; the same

applies hereinafter); provided, however, that this does not apply when it is clearly found that a company does not have control over the decision-making body (meaning the decision-making body prescribed in the same paragraph; the same applies in item (ii), (e)) of another company, etc., in light of the financial, operational or business relationship with the company:

- (i) a company, etc. which, on its own account, holds the majority of voting rights in another company, etc. (excluding another company, etc. which has been subject to an order of commencement of bankruptcy proceedings, an order of commencement of rehabilitation proceedings or an order of commencement of reorganization proceedings or any other company, etc. equivalent to such a company, regarding which it is found to have no effective parent-subsidiary relationship; hereinafter the same applies in this paragraph);
- (ii) a company, etc. which, on its own account, holds 40 percent or more but 50 percent or less of the voting rights in another company, etc., and which falls under any of the following requirements:
 - (a) the voting rights held by the company, etc. on its own account and the voting rights held by any person that is likely to exercise their voting rights in concert with the intention of the company, etc. due to being closely related to the company, etc. in terms of equity, personnel affairs, funding, technology, business transactions, etc., and by any person having consented to exercise their voting rights in concert with the intention of the company, etc. constitute a majority of the voting rights in that other company, etc.;
 - (b) where the company, etc. is able to have an influence on decisions of that other company, etc. with regard to its financial policies and operational or business policies, and present or former officers or employees of the company, etc. constitute a majority of the members of the board of directors or any other equivalent organ of that other company, etc.;
 - (c) there exists a contract, etc. concluded between the company, etc. and that other company, etc. which provides for control over decisions of that other company, etc. with regard to its important financial policies and operational or business policies;
 - (d) the company, etc. has financed (including the provision of a guarantee of obligation and the provision of securities; the same applies in (d) and item (ii), (b) of the following Article) for more than half of the total amount of funds procured by that other company, etc. (limited to the amount recorded in the liabilities section of the balance sheet; the same applies in (d)) (including the case where the amount financed by the company, etc., and the amount financed by a person being closely related to the company, etc. in terms of equity, personnel affairs, funding, technology, business

transactions, etc. constitutes more than half of the total amount of the funds procured);

(e) there exists any other fact implying that the company, etc. controls the decision-making body of that other company, etc.;

(iii) the company, etc. which falls under any of the requirements set forth in (b) through (e) of the preceding item, if the voting rights held by the company, etc. on its own account and the voting rights held by any person that is likely to exercise their voting rights in concert with the intention of the company, etc. due to being closely related to the company, etc. in terms of equity, personnel affairs, funding, technology, business transactions, etc., and by any person having consented to exercise their voting rights in concert with the intention of the company, etc. constitute a majority of the voting rights in another company, etc. (including the case where the company, etc. does not hold voting rights on its own account).

(2) Notwithstanding the provisions of the preceding paragraph, regarding a special purpose company (meaning the specific purpose prescribed in Article 2, paragraph (3) of the Act on Securitization of Assets (Act No. 105 of 1998) or an entity conducting the business equivalent thereto with a restriction on the change of business details), when the purpose of its incorporation is to have the owners of the securities it issues (including the creditors of a specific borrowing prescribed in paragraph (12) in the same Article) enjoy the profit generating from assets that the special purpose company has acquired at a fair value, and when its business is properly implemented in compliance with such purpose, the relevant special purpose company is regarded as being independent of any company, etc. which transferred assets to it (hereinafter referred to as a "transferor company, etc." in this paragraph), and is presumed not to fall under the category of a subsidiary company, etc. (meaning the subsidiary company, etc. prescribed in Article 19-7, paragraph (4) of the Order; the same applies in the following Article) of the transferor company, etc.

(Persons Classed as Affiliated Companies)

Article 36 The affiliated companies specified by Cabinet Office Order as prescribed in Article 19-7, paragraph (5) of the Order are the following companies, etc.; provided, however, that this does not apply if it is clearly found that the company, etc. (including a subsidiary company, etc. of the relevant company, etc.) is unable to have any material impact on decisions on the financial policies and operational or business policies of another company etc. other than a subsidiary company, etc., in light of its financial, operational or business relationship with that other company:

(i) another company, etc. other than a subsidiary company, etc., if a company, etc. (including a subsidiary company, etc. of the relevant company, etc.) holds,

- on its own account, 20 percent or more of the voting rights in that other company, etc. other than a subsidiary company, etc. (excluding another company, etc. other than a subsidiary company, etc. which has been subject to an order of commencement of bankruptcy proceedings, order of commencement of rehabilitation proceedings or order of commencement of reorganization proceedings, or any other company, etc. other than a subsidiary company, etc. equivalent to the companies mentioned above, regarding which it is found that the company, etc. is unable to have any material impact on decisions on its financial policies and operational or business policies; hereinafter the same applies in this Article);
- (ii) another company, etc. other than a subsidiary company, etc. which falls under any of the following requirements, if a company, etc. (including a subsidiary company, etc. of the relevant company, etc.) holds, on its own account, 15 percent or more but less than 20 percent of the voting rights in that other company, etc. other than a subsidiary company, etc.:
- (a) where the company, etc. is able to have an impact on decisions on financial policies and operational or business policies of that other company, etc. other than a subsidiary company, etc., any of the present or former officers or employees of the company, etc. has assumed a position of director, executive officer or any other equivalent position of that other company, etc. other than a subsidiary company;
 - (b) that other company, etc. other than a subsidiary company has received an important loan from the company, etc.;
 - (c) that other company, etc. other than a subsidiary company has received the provision of important technology from the company, etc.;
 - (d) that there exists any important operational or business transaction with the company, etc. in regard to distribution, purchasing or others;
 - (e) that there exists any other fact implying that the company, etc. is able to have a material impact on decisions on financial, operational or business policies of that other company, etc. other than a subsidiary company, etc.;
- (iii) another company, etc. other than a subsidiary company, etc. which falls under any of the requirements set forth in (a) through (e) of the preceding item, if the voting rights held by a company, etc. (including a subsidiary company, etc. of the relevant company, etc.) on its own account and the voting rights held by any person being closely related to the company, etc. in terms of equity, personnel affairs, funding, technology, business transactions, etc. and therefore being likely to exercise their voting rights in concert with the intention of the company, etc. and by any person having consented to exercise their voting rights in concert with the intention of the company, etc. constitute 20 percent or more of the voting rights in that other company, etc. other than a subsidiary company, etc. (including the case where the company,

etc. does not hold voting rights on its own account).

(Determination on the Holding of Voting Rights)

Article 37 (1) When making a determination on the holding of voting rights as prescribed in Article 19-7, paragraph (6) of the Order, the voting rights held are to include the voting rights held under the name of any other person (or under a fictitious name), and the voting rights relating to shares or equity in any of the following cases (hereinafter referred to as the "shares, etc." in this Article):

- (i) if a person holds the authority to exercise the voting rights in the company, etc. or the authority to give instructions as to their exercise, under the provisions of a contract such as a monetary trust agreement or the laws;
 - (ii) if any person in special relationship specified in Article 15-10 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965) holds the voting rights in the company, etc.;
 - (iii) if, 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 Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1), and Article 276 (limited to the part relating to item (ii)) of the same Act), a person may not assert the shares, etc. that it holds (including the shares, etc. relating to the voting rights which, pursuant to the provisions of this paragraph, are to be included in the voting rights held by the specified individual shareholder referred to in Article 19-7, paragraph (1), item (iii) of the Order) against the issuer of the shares prescribed in Article 2, paragraph (5) of the Financial Instruments and Exchange Act.
- (2) Notwithstanding the provisions of the preceding paragraph, the voting rights held referred to in the same paragraph are not to include the voting rights relating to the following shares, etc.:
- (i) the shares, etc. owned by a corporation, if a person with the authority of representation for the corporation or a manager having the authority to act as an agent for the corporation holds the authority to exercise the voting rights or to give instruction as to their exercise or the authority required for making an investment, based on the relevant authority of representation or authority to act as an agent;
 - (ii) the shares, etc. owned by an heir as their inherited property (limited to the shares, etc. owned prior to the day on which the heir (excluding the case of a joint inheritance) gave an unqualified acceptance (including if an unqualified acceptance is deemed to have been given) or a qualified acceptance, or the shares, etc. for which coheirs of that inherited property have not yet divided).

(Management of Users' Electronic Payment Instruments)

Article 38 (1) If managing electronic payment instruments of users of the electronic payment instruments services based on the provisions of Article 62-14, paragraph (1) of the Act, an electronic payment instruments service provider must employ the method of creating a trust of electronic payment instruments (hereinafter referred to as a "segregated user management electronic payment instruments trust") with a trust company, etc., having the trust company, etc. clearly divide the users' electronic payment instruments and other electronic payment instruments and manage the users' electronic payment instruments in a manner in which each user's electronic payment instruments can be identified immediately (including a manner wherein each user's quantity relating to their electronic payment instruments can be identified immediately based on books of a trust company, etc.).

(2) A contract regarding a segregated user management electronic payment instruments trust must satisfy all of the following requirements:

- (i) the electronic payment instruments service provider is the settlor, a trust company, etc. is the trustee, and a user related to the transactions regarding the electronic payment instruments services conducted by the electronic payment instruments service provider is the beneficiary of the principal;
- (ii) with regard to the trust property, the trustee only conducts an act of preservation or only conducts an act of use or an act of improvement to an extent that does not change the nature of the property;
- (iii) agents for the beneficiaries are appointed, and at least one of those agents for the beneficiaries is an attorney, etc.;
- (iv) if multiple segregated user management electronic payment instruments trusts are carried out, the same agent for the beneficiaries is to be appointed for those multiple segregated user management electronic payment instruments trusts;
- (v) if the electronic payment instruments service provider has come to fall under any of the following requirements, only the agent for the beneficiaries who is an attorney, etc. exercises its authority (excluding the case where the relevant agent for the beneficiaries accepts the exercise of the authority by another agent for the beneficiaries):
 - (a) when the registration referred to in Article 62-3 of the Act of the electronic payment instruments service provider has been revoked under the provisions of Article 62-22, paragraph (1) or (2) of the Act;
 - (b) when the electronic payment instruments service provider has filed a petition for commencement of bankruptcy proceedings, rehabilitation proceedings, reorganization proceedings, or special liquidation (in the case of a foreign electronic payment instruments service provider, when it has filed a petition for commencement of bankruptcy proceedings,

- rehabilitation proceedings, reorganization proceedings, or special liquidation in Japan or has filed the same type of petition in the state where its head office is located, pursuant to the laws and regulations of that state; the same applies in paragraph (5), item (vi), (b));
- (c) if the electronic payment instruments service provider has discontinued all of the electronic payment instruments services (in the case of a foreign electronic payment instruments service provider, when it has discontinued the electronic payment instruments services at all business offices it had established in Japan; hereinafter the same applies in (c) and paragraph (5), item (vi), (c)), or has dissolved (in the case of a foreign electronic payment instruments service provider, when it has commenced liquidation of the business offices it had established in Japan; hereinafter the same applies in (c) and (c) of the same item), or when the electronic payment instruments service provider has given a public notice of the discontinuation of all of the electronic payment instruments services or the dissolution under the provisions of Article 62-25, paragraph (3) of the Act;
- (d) if the electronic payment instruments service provider has received an order to suspend all or part of the electronic payment instruments services under the provisions of Article 62-22, paragraph (1) of the Act;
- (vi) if the quantity of the electronic payment instruments belonging to the trust property relating to a segregated user management electronic payment instruments trust and a segregated user management electronic payment instruments self-declared trust (meaning the segregated user management electronic payment instruments self-declared trust prescribed in the following paragraph; the same applies in (b) of the following item) (hereinafter, the relevant quantity is referred to as the "quantity of the entrusted electronic payment instruments") is less than the required quantity of segregated user management (meaning the total of the individual quantities of segregated user management (meaning the quantities of the users' electronic payment instruments that the electronic payment instruments service provider manages in relation to its electronic payment instruments services (excluding those managed under the provisions of paragraph (7)), as calculated for each user; the same applies hereinafter); the same applies hereinafter), electronic payment instruments in a quantity equivalent to the shortfall quantity are added to the trust property by the electronic payment instruments service provider, within two business days counting from the day immediately after the day on which the shortfall takes place;
- (vii) in cases other than the cases set forth in (a) and (b) below, all or part of the contract regarding a segregated user management electronic payment instruments trust may not be terminated:

- (a) if the quantity of the entrusted electronic payment instruments exceeds the required quantity of segregated user management, when intending to terminate all or part of the contract regarding the segregated user management electronic payment instruments trust to the extent of that excess quantity;
 - (b) when intending to terminate all or part of the contract regarding the segregated user management electronic payment instruments trust for the purpose of entrusting it as a trust property regarding another segregated user management electronic payment instruments trust or segregated user management electronic payment instruments self-declared trust;
 - (viii) the trust property regarding the termination of all or part of the contract regarding the segregated user management electronic payment instruments trust effected in the case set forth in (a) or (b) of the preceding item is to be vested in the settlor;
 - (ix) if an agent for the beneficiaries who is an attorney, etc. finds it necessary, users' beneficial interests are exercised collectively for all users by the relevant agent for the beneficiaries;
 - (x) if users' beneficial interests have been exercised collectively by an agent for the beneficiaries who is an attorney, etc., the trust agreement regarding the beneficial interests may be ended;
 - (xi) the quantity of electronic payment instruments to be returned to each user if a user exercises the beneficial interests is to be the quantity obtained by multiplying the quantity of the entrusted electronic payment instruments as of the day of the exercise of the beneficial interests by the ratio of the individual quantity of segregated user management related to that user to the required quantity of segregated user management as of that date (if the quantity thus obtained exceeds the individual quantity of segregated user management, the individual quantity of segregated user management);
 - (xii) if the quantity of the entrusted electronic payment instruments as of the day on which a user exercises the beneficial interests exceeds the required quantity of segregated user management, electronic payment instruments related to that excess quantity are to be vested in the settlor.
- (3) Notwithstanding the provisions of paragraph (1), if an electronic payment instruments service provider manages electronic payment instruments of users of the electronic payment instruments services based on the provisions of Article 62-14, paragraph (1) of the Act, and has obtained an approval from the Director-General of a Local Finance Bureau, etc. who had registered it as satisfying all of the following requirements, the electronic payment instruments service provider can manage the relevant electronic payment instruments by the method of creating a trust of electronic payment instruments through the method set forth in Article 3, item (iii) of the Trust

Act (Act No. 108 of 2006) (hereinafter referred to as a "segregated user management electronic payment instruments self-declared trust"), and clearly dividing the users' electronic payment instruments and other electronic payment instruments and managing the users' electronic payment instruments in a manner in which each user's electronic payment instruments can be identified immediately (including a manner wherein each user's quantity relating to their electronic payment instruments can be identified immediately based on books of the electronic payment instruments service provider). In this case, the electronic payment instruments service provider must manage the electronic payment instruments by the method of managing the information necessary for transferring the electronic payment instruments belonging to the trust property relating to the segregated user management electronic payment instruments self-declared trust by recording it on an electronic device that is always disconnected from the internet, an electronic or magnetic recording medium (meaning a recording medium for records used in information processing by computers which is made in an electronic, magnetic, or any other format not recognizable to human perception), or other recording medium (including a document or any other object), or by otherwise taking technical security control measures equivalent to the former:

- (i) the amount of stated capital and net assets is no less than 30 million yen;
 - (ii) provisions in documents stating the details and methods of the affairs for the segregated user management electronic payment instruments self-declared trust conform to laws and regulations and are sufficient to properly perform the relevant affairs;
 - (iii) the electronic payment instruments service provider has the knowledge and experience to accurately perform the affairs for the segregated user management electronic payment instruments self-declared trust, in light of its personnel structure.
- (4) When intending to obtain the approval referred to in the preceding paragraph, an electronic payment instruments service provider must submit a written application for approval prepared by using Appended Form 16 to the Director-General of a Local Finance Bureau, etc. referred to in the same paragraph, while attaching a document stating the details and methods of the affairs for the segregated user management electronic payment instruments self-declared trust and other documents containing other information that should serve as a reference.
- (5) A segregated user management electronic payment instruments self-declared trust must satisfy all of the following requirements:
- (i) a user related to the transactions regarding the electronic payment instruments services conducted by the electronic payment instruments service provider is the beneficiary of the principal;

- (ii) with regard to the trust property, the trustee only conducts an act of preservation or only conducts an act of use or an act of improvement to an extent that does not change the nature of the property;
- (iii) agents for the beneficiaries are appointed, and at least one of those agents for the beneficiaries is an attorney, etc.;
- (iv) if multiple segregated user management electronic payment instruments self-declared trusts are carried out, the same agent for the beneficiaries is to be appointed for those multiple segregated user management electronic payment instruments self-declared trusts;
- (v) if a segregated user management electronic payment instruments trust is carried out, the same agent for the beneficiaries as for the segregated user management electronic payment instruments trust is to be appointed for a segregated user management electronic payment instruments self-declared trust;
- (vi) if the electronic payment instruments service provider has come to fall under any of the following requirements, only the agent for the beneficiaries who is an attorney, etc. exercises its authority (excluding the case where the relevant agent for the beneficiaries accepts the exercise of the authority by another agent for the beneficiaries):
 - (a) when the registration referred to in Article 62-3 of the Act of the electronic payment instruments service provider has been revoked under the provisions of Article 62-22, paragraph (1) or (2) of the Act;
 - (b) when the electronic payment instruments service provider has filed a petition for commencement of bankruptcy proceedings, rehabilitation proceedings, reorganization proceedings, or special liquidation;
 - (c) if the electronic payment instruments service provider has discontinued all of the electronic payment instruments services or has dissolved, or when the electronic payment instruments service provider has given a public notice of the discontinuation of all of the electronic payment instruments services or the dissolution under the provisions of Article 62-25, paragraph (3) of the Act;
 - (d) if the electronic payment instruments service provider has received an order to suspend all or part of the electronic payment instruments services under the provisions of Article 62-22, paragraph (1) of the Act;
- (vii) if the quantity of the entrusted electronic payment instruments is less than the required quantity of segregated user management, electronic payment instruments in a quantity equivalent to the shortfall quantity are added to the trust property by the electronic payment instruments service provider, by the business day following the day on which the shortfall takes place;
- (viii) in cases other than the cases set forth in (a) and (b) below, all or part of

- the segregated user management electronic payment instruments self-declared trust may not be terminated:
- (a) if the quantity of the entrusted electronic payment instruments exceeds the required quantity of segregated user management, when intending to terminate all or part of the segregated user management electronic payment instruments self-declared trust to the extent of that excess quantity;
 - (b) when the electronic payment instruments service provider intends to terminate all or part of the segregated user management electronic payment instruments self-declared trust for the purpose of entrusting it as a trust property regarding a segregated user management electronic payment instruments trust or another segregated user management electronic payment instruments self-declared trust;
 - (ix) the trust property regarding the termination of all or part of the segregated user management electronic payment instruments self-declared trust effected in the case set forth in (a) or (b) of the preceding item is to be vested in the settlor;
 - (x) if an agent for the beneficiaries who is an attorney, etc. finds it necessary, users' beneficial interests are exercised collectively for all users by the relevant agent for the beneficiaries;
 - (xi) if users' beneficial interests have been exercised collectively by an agent for the beneficiaries who is an attorney, etc., the segregated user management electronic payment instruments self-declared trust regarding the beneficial interests may be ended;
 - (xii) the quantity of electronic payment instruments to be returned to each user in the case where a user exercises the beneficial interest is to be the quantity obtained by multiplying the quantity of the entrusted electronic payment instruments as of the day of the exercise of the beneficial interest by the ratio of the individual quantity of segregated user management related to that user to the required quantity of segregated user management as of that date (if the quantity thus obtained exceeds the individual quantity of segregated user management, the individual quantity of segregated user management);
 - (xiii) if the quantity of the entrusted electronic payment instruments as of the day on which a user exercises the beneficial interest exceeds the required quantity of segregated user management, electronic payment instruments related to that excess quantity are to be vested in the settlor.
- (6) An electronic payment instruments service provider must calculate the individual quantities of segregated user management and the required amount of segregated user management every business day.
- (7) Notwithstanding the provisions of paragraphs (1) and (3), when an electronic

payment instruments service provider manages electronic payment instruments of a user of the electronic payment instruments services based on the provisions of Article 62-14, paragraph (1) of the Act, and when it is clear that the relevant electronic payment instruments are vested in the user, the electronic payment instruments service provider must manage the electronic payment instruments by any of the methods set forth in the following items:

(i) the methods set forth in (a) and (b) below (for the minimum amount of electronic payment instruments that are required to be managed by a method other than that set forth in (b) for ensuring the convenience of users of the electronic payment instruments services and achieving smooth provision of the electronic payment instruments services, in light of the state of the electronic payment instruments services it conducts, the method set forth in (a)):

(a) the method of clearly dividing the users' electronic payment instruments and its own electronic payment instruments and managing the users' electronic payment instruments in a manner in which each user's electronic payment instruments can be identified immediately (including a manner in which each user's quantity relating to their electronic payment instruments can be identified immediately based on its own books; the same applies in (a) of the following item);

(b) the method of managing the information necessary for transferring the users' electronic payment instruments by recording it on an electronic device that is always disconnected from the internet, an electronic or magnetic recording medium, or other recording medium (including a document or any other object), or by taking technical security control measures equivalent to the former;

(ii) the methods set forth in (a) and (b) below (for the minimum amount of electronic payment instruments that are required to be managed by a method other than that set forth in (b) for ensuring the convenience of users of the electronic payment instruments services and achieving smooth provision of the electronic payment instruments services, in light of the state of the electronic payment instruments services it conducts, the method set forth in (a)):

(a) the method of having a third party clearly divide the users' electronic payment instruments and other electronic payment instruments and managing the users' electronic payment instruments in a manner in which each user's electronic payment instruments can be identified immediately;

(b) regarding the preservation of the users' electronic payment instruments, the method for which it is reasonably found that the protection of users is ensured at an equivalent level to the case where the electronic payment instruments service provider manages the users' electronic payment

instruments by itself.

(Audit of Separate Management of Users' Property)

Article 39 (1) An electronic payment instruments service provider must have a certified public accountant or an audit corporation conduct an audit of the status of its management under the provisions of Article 62-14, paragraph (1) of the Act, at least once each year, in accordance with the rules designated by the Commissioner of the Financial Services Agency (hereinafter this audit is referred to as an "audit of separate management of electronic payment instruments").

(2) The following persons may not conduct an audit of separate management of electronic payment instruments:

- (i) a person who may not conduct the services related to an audit of separate management of electronic payment instruments under the provisions of the Certified Public Accountants Act;
- (ii) a person who receives remuneration for a service other than the service of a certified public accountant or an audit corporation, on a regular basis, from a subsidiary company (meaning the subsidiary company prescribed in Article 2, item (iii) of the Companies Act) of the electronic payment instruments service provider or from any person including its director, accounting advisor, company auditor or executive officer, or the spouse of that person;
- (iii) an audit corporation in which at least one-half of the members are persons set forth in the preceding item.

(Obligation to Conclude Contract with Issuers)

Article 40 (1) The case specified by Cabinet Office Order as prescribed in Article 62-15 of the Act is the case where an electronic payment instruments service provider takes the measures set forth in Article 30, paragraph (1), item (vi), (a).

(2) The particulars specified by Cabinet Office Order as prescribed in Article 62-15 of the Act are the particulars specified in the following items in accordance with the category of cases respectively set forth therein:

- (i) if the electronic payment instruments service provider is engaged in the electronic payment instruments-related business, the following particulars:
 - (a) particulars concerning the sharing of the liability to compensate users for any damage incurred by them in connection with the electronic payment instruments-related business between the issuer of the electronic payment instruments it handles and the electronic payment instruments service provider;
 - (b) particulars necessary for the electronic payment instruments service provider to provide the issuer of the electronic payment instruments it handles with information necessary for the issuer to ascertain holders of

- the electronic payment instruments that the issuer issues, promptly at the request of the issuer (including the particulars concerning the frequency and timing of the provisions of the relevant information);
- (ii) if the electronic payment instruments service provider conducts the act set forth in Article 2, paragraph (10), item (iv) of the Act, the following particulars:
- (a) particulars concerning the sharing of the liability to compensate users for any damage incurred thereby in connection with the relevant act between the funds transfer service provider referred to in Article 2, paragraph (10), item (iv) of the Act and the electronic payment instruments service provider;
- (b) particulars necessary for the electronic payment instruments service provider to provide the funds transfer service provider referred to in Article 2, paragraph (10), item (iv) of the Act with information necessary for the funds transfer service provider to ascertain creditors of obligations that it bears in relation to the funds transfer transactions, promptly at the request of the funds transfer service provider (including the particulars concerning the frequency and timing of the provisions of the relevant information).

(Persons with Expert Knowledge and Experience in Particulars Related to Consumer Affairs)

Article 41 The persons specified by Cabinet Office Order as prescribed in Article 62-16, paragraph (4) of the Act are those who have any of the following qualifications and have engaged in the business of responding to consumer affairs consultations (meaning the consumer affairs consultations prescribed in Article 13, paragraph (3), item (v), (a) of the Consumer Contract Act (Act No. 61 of 2000)) for a period of not less than five years in total:

- (i) the qualification as the consumer-specialized counselor granted by the National Consumer Affairs Center of Japan;
- (ii) the qualification as the consumer advisor granted by the Japan Industrial Association;
- (iii) the qualification as the consumer consultant granted by the Japan Consumer's Association.

(Complaint Processing Measures and Dispute Resolution Measures in Relation to Electronic Payment Instruments Services)

Article 42 (1) The measures specified by Cabinet Office Order as complaint processing measures prescribed in Article 62-16, paragraph (4) of the Act are any of the following:

- (i) to take all of the following measures:

- (a) to establish a business operation system sufficient to execute operations for processing complaints related to the electronic payment instruments business (meaning the complaints related to the electronic payment instruments business out of the complaints related to the funds transfer services, etc. prescribed in Article 2, paragraph (28) of the Banking Act as applied mutatis mutandis pursuant to Article 101, paragraph (1) of the Act following the deemed replacement of terms; hereinafter the same applies in this paragraph and paragraph (3)) in a fair and appropriate manner;
 - (b) to establish internal rules for the fair and appropriate execution of operations for processing complaints related to the electronic payment instruments services (limited to the internal rules including the provisions clarifying the sharing of responsibility in the company with regard to the relevant operations);
 - (c) to inform the users of the entity to which complaints related to the electronic payment instruments services are to be made and make public the business operation system referred to in (a) and the internal rules referred to in (b) above;
 - (ii) to seek to process complaints related to the electronic payment instruments services through the resolution of complaints that is conducted by a certified association for payment service providers;
 - (iii) to seek to process complaints related to the electronic payment instrument services through the mediation prescribed in Article 19, paragraph (1) or Article 25 of the Basic Act on Consumer Policies (Act No. 78 of 1968);
 - (iv) to seek to process complaints related to the electronic payment instrument services through complaint processing procedures carried out by a person who has obtained any of the designations set forth in the items of Article 24 of the Order;
 - (v) to seek to process complaints related to the electronic payment instruments services through complaint processing procedures carried out by a corporation (meaning the corporation prescribed in Article 99, paragraph (1), item (i) of the Act; the same applies in item (iv) of the following paragraph) that has a financial basis and a personnel structure sufficient to execute operations for processing complaints related to the electronic payment instruments services in a fair and appropriate manner.
- (2) The measures specified by Cabinet Office Order as dispute resolution measures prescribed in Article 62-16, paragraph (5) of the Act are any of the following:
- (i) to seek to resolve disputes related to the electronic payment instruments business (meaning the disputes related to the electronic payment instruments services out of the disputes related to the funds transfer services, etc. prescribed in Article 2, paragraph (29) of the Banking Act as

- applied mutatis mutandis pursuant to Article 101, paragraph (1) of the Act following the deemed replacement of terms; hereinafter the same applies in this Article) through the mediation by an organization prescribed in the association rules prescribed in Article 33, paragraph (1) of the Attorneys Act (Act No. 205 of 1949) or in the rules established under the provisions of those association rules or through the arbitration procedures carried out by that organization;
- (ii) to seek to resolve disputes related to the electronic payment instruments services through the mediation prescribed in Article 19, paragraph (1) or Article 25 of the Basic Act on Consumer Policies or through the agreement prescribed in the same Article;
 - (iii) to seek to resolve disputes related to the electronic payment instruments exchange services through dispute resolution procedures carried out by a person who has obtained any of the designations set forth in the items of Article 24 of the Order;
 - (iv) to seek to resolve disputes related to the electronic payment instruments services through dispute resolution procedures carried out by a corporation that has a financial basis and a personnel structure sufficient to execute operations for resolving disputes related to the electronic payment instruments services in a fair and appropriate manner.
- (3) Notwithstanding the provisions of the preceding two paragraphs (limited to paragraph (1), item (v) and item (iv) of the preceding paragraph), an electronic payment instruments service provider must not seek to process complaints related to the electronic payment instruments services or to resolve disputes related to the electronic payment instruments services through the procedures carried out by a corporation falling under any of the following items:
- (i) a corporation that has been sentenced to a fine under the provisions of the Act or the Attorneys Act, and for whom five years have not passed since the day when the execution of the sentence terminated or the person becomes no longer subject to the execution of the sentence;
 - (ii) a corporation whose designation under the provisions of Article 99, paragraph (1) of the Act has been revoked under the provisions of Article 100, paragraph (1) of the Act, and for whom five years have not passed from the date of the revocation, or a corporation whose designation set forth in the items of Article 24 of the Order has been revoked, and for whom five years have not passed from the date of the revocation;
 - (iii) a corporation that has, in its officers conducting business thereof (if the officer is a corporation, including the person to perform its duties; hereinafter the same applies in this item), those falling under either of the following:
 - (a) a person who has been sentenced to imprisonment without work or

heavier punishment or has been sentenced under the provisions of the Act or the Attorneys Act, and for whom five years have not passed since the day when the execution of the punishment terminated or the person ceased to be subject to the execution of the sentence;

- (b) a person who was an officer of a corporation whose designation under the provisions of Article 99, paragraph (1) of the Act was revoked under the provisions of Article 100, paragraph (1) of the Act, within one month before the date of the revocation, and for whom five years have not passed from the date of the revocation, or a person who was an officer of a corporation whose designation set forth in the items of Article 24 of the Order was revoked, within one month before the date of the revocation, and for whom five years have not passed from the date of the revocation.

(Specified Electronic Payment Instruments)

Article 43 Those specified by Cabinet Office Order as prescribed in Article 62-17, paragraph (1) of the Act are the following:

- (i) out of electronic payment instruments, those indicated in a foreign currency;
- (ii) out of electronic payment instruments, those set forth in Article 2, paragraph (5), item (iv) of the Act.

(Contract Type)

Article 44 What is specified by Cabinet Office Order as prescribed in Article 34 of the Financial Instruments and Exchange Act as applied mutatis mutandis pursuant to Article 62-17, paragraph (1) of the Act (hereinafter referred to as the "Financial Instruments and Exchange Act as applied mutatis mutandis" in this Chapter) is a contract for specified electronic payment instruments transactions (meaning the contract for specified electronic payment instruments transactions prescribed in the same paragraph; hereinafter the same applies in this Chapter).

(Required Information in a Document to Be Delivered to a Professional Investor Who Has Made a Request)

Article 45 The particular specified by Cabinet Office Order as prescribed in Article 34-2, paragraph (3), item (iv) of the Financial Instruments and Exchange Act as applied mutatis mutandis is the fact that the applicant (meaning the applicant prescribed in the same paragraph) will be treated as a user other than a professional investor (meaning the professional investor prescribed in Article 2, paragraph (31) of the Financial Instruments and Exchange Act; hereinafter the same applies in this Chapter) regarding the subject contract (meaning the subject contract prescribed in Article 34-2, paragraph (2) of the Financial Instruments and Exchange Act as applied

mutatis mutandis; the same applies in Article 48), only by the electronic payment instruments service provider who has accepted the request pursuant to the provisions of the same paragraph.

(Provision by Use of Information and Communications Technology)

Article 46 (1) The particulars specified by Cabinet Office Order as prescribed in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis (including as applied mutatis mutandis pursuant to Article 34-3, paragraph (12) of the Financial Instruments and Exchange Act as applied mutatis mutandis (including as applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis), Article 34-4, paragraph (3), Article 37-3, paragraph (2), and Article 37-4, paragraph (2) of the Financial Instruments and Exchange Act as applied mutatis mutandis; hereinafter the same applies in this Article) are as follows:

- (i) out of the means of using an electronic data processing system, those set forth as follows:
 - (a) the method of transmitting the required information in a document (hereinafter referred to as the "required information" in this Article) via a telecommunications line connecting a computer used by the electronic payment instruments service provider (including a person who, pursuant to a contract with the electronic payment instruments service provider providing the particulars set forth in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis, stores files on a computer they manage, and makes those files available for use to the party to which those required information is provided (hereinafter referred to as the "users" in this Article) or to the electronic payment instruments service provider; hereinafter the same applies in this Article) and the computers used by the users, etc. (meaning a user and a person who, pursuant to a contract with the user, stores the user file (meaning the file solely made available for use to the users; hereinafter the same applies in this Article) on a computer they manage; hereinafter the same applies in this Article), and recording those required information in the user file stored on the computer used by the users, etc. (if the applicant consents to the provision by the methods specified in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis or notifies to the effect that the applicant will not receive the provision by those methods, the method of recording the consent or the notification in a file stored on the computer used by the electronic payment instruments service provider who provides the particulars set forth in the same paragraph);

- (b) the method of making the required information that are recorded in the files stored on a computer used by the electronic payment instruments service provider available for a user's inspection via a telecommunications line, and recording those required information in the user file of the relevant user stored on the computer used by the users, etc. (if the applicant consents to the provision by the methods specified in Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* or notifies to the effect that the applicant will not receive the provision by those methods, the method of recording the consent or the notification in a file stored on the computer used by the electronic payment instruments service provider);
 - (c) the method of making the required information that are recorded in the user file stored on a computer used by the electronic payment instruments service provider available for a user's inspection via a telecommunications line;
 - (d) the method of making the required information that are recorded in the inspection file (meaning a file stored on a computer used by the electronic payment instruments service provider in which the required information are recorded for the purpose of making them available for public inspection by multiple users at the same time; hereinafter the same applies in this Article) available for a user's inspection via a telecommunications line;
 - (ii) the method of delivering a file storing the required information, which is prepared by the use of an electronic or magnetic recording medium.
- (2) The methods set forth in the items of the preceding paragraph must conform to the following criteria:
- (i) the method enables a user to prepare a document by outputting information recorded on the user file or inspection file;
 - (ii) if the methods set forth in item (i), (a), (c) or (d) of the preceding paragraph (excluding the method of recording the required information in the user file stored on a computer used by a user), the user is informed of the fact that the required information will be or have been recorded in the user file or the inspection file; provided, however, that this does not apply when it is confirmed that the user has inspected those required information;
 - (iii) if the methods set forth in item (i), (c) or (d) of the preceding paragraph, the following particulars cannot be deleted or altered for five years after the day on which the transaction referred to in the required information was finally conducted (when any complaint related to the required information has been raised prior to the last day of the relevant period, until the last day of the relevant period or the day on which the complaint was resolved, whichever comes later); provided, however, that the required information may be deleted in the cases where the required information that have been

made available for inspection are delivered in writing, where those particulars are provided by the method set forth in item (i), (a) or (b) of the preceding paragraph or in item (ii) of the same paragraph with the user's consent (meaning a consent given by the method prescribed in Article 19-8 of the Order), or where the user has instructed the deletion of those required information:

- (a) in the case of the methods set forth in item (i), (c) of the preceding paragraph, the required information that are recorded in the user file;
- (b) in the case of the methods set forth in item (i), (d) of the preceding paragraph, the required information that are recorded in the inspection file;
- (iv) in the case of the methods set forth in item (i), (d) of the preceding paragraph, they are to conform to the following requirements:
 - (a) information necessary for a user's inspection of the inspection file is recorded in the user file;
 - (b) until the elapse of the period prescribed in the preceding item, the user file recording the information necessary for a user's inspection of the inspection file under the provisions of (a) and the inspection file are kept connectible via a telecommunications line; provided, however, that this does not apply if a user who has been given access to the files has notified to the effect that the ability to connect does not need to be maintained.
- (3) The term "electronic data processing system" as used in paragraph (1), item (i) means an electronic data processing system connecting a computer used by an electronic payment instruments service provider and a computer storing the user file used by a user, etc. or an electronic payment instruments service provider, via a telecommunications line.

(Types and Details of Electronic or Magnetic Means)

Article 47 The types and details of the methods to be specified under the provisions of Article 19-8, paragraph (1) and Article 19-9, paragraph (1) of the Order are as follows:

- (i) the methods set forth in the items of paragraph (1) of the preceding Article or the items of Article 49, paragraph (1), which are to be used by an electronic payment instruments service provider;
- (ii) the format for recording information in a file.

(Required Information in a Document Indicating Consent by a Person Having Made a Request for Reinstatement as a Professional Investor)

Article 48 The particulars specified by Cabinet Office Order as prescribed in Article 34-2, paragraph (11) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) the day on which the acceptance under the provisions of Article 34-2, paragraph (11) of the Financial Instruments and Exchange Act as applied mutatis mutandis is to be given (hereinafter referred to as the "date of acceptance" in items (iv) and (v));
- (ii) the fact that the subject contract is a contract for specified electronic payment instruments transactions;
- (iii) the fact that the applicant for reinstatement (meaning the applicant for reinstatement prescribed in Article 34-2, paragraph (11) of the Financial Instruments and Exchange Act as applied mutatis mutandis; hereinafter the same applies in this Article) understands the following particulars:
 - (a) the fact that the provisions set forth in the items of Article 45 (excluding items (iii) and (iv)) of the Financial Instruments and Exchange Act as applied mutatis mutandis do not apply if the applicant for reinstatement is any of the persons specified respectively in those items regarding the subject contract (excluding the cases prescribed in the proviso to the same Article);
 - (b) the fact that if a person who is deemed inappropriate to be treated as a professional investor regarding the subject contract, in light of the person's knowledge, experience and state of property, is treated as a professional investor, the protection of the person might be impaired;
- (iv) the fact that the applicant for reinstatement will again be treated as a professional investor in the case of soliciting the conclusion of, or concluding, the subject contract on or after the date of acceptance;
- (v) the fact that the applicant for reinstatement may make a request under the provisions of Article 34-2, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis at any time on or after the date of acceptance.

(Obtaining of Consent Using Information and Communication Technology)

Article 49 (1) The methods specified by Cabinet Office Order as prescribed in Article 34-2, paragraph (12) of the Financial Instruments and Exchange Act as applied mutatis mutandis (including as applied mutatis mutandis pursuant to Article 34-3, paragraph (3) of the Financial Instruments and Exchange Act as applied mutatis mutandis (including as applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis); hereinafter the same applies in this Article) are as follows:

- (i) out of the means of using an electronic data processing system, those set forth as follows:
 - (a) the method of transmitting the information via a telecommunications line connecting a computer used by the electronic payment instruments service

provider and a computer used by the party from whom a consent is to be obtained under the provisions of Article 34-2, paragraph (12) of the Financial Instruments and Exchange Act as applied mutatis mutandis (hereinafter the party is referred to as the "user" in this Article) and recording the information in a file stored on a computer used by the recipient;

- (b) the method of making the particulars concerning the user's consent recorded in a file stored on a computer used by the electronic payment instruments service provider available for the user's inspection via a telecommunications line, and recording the particulars concerning the user's consent in the file stored on the computer used by the electronic payment instruments service provider;
- (ii) the method of obtaining a file storing the particulars concerning a consent, which is prepared by the use of an electronic or magnetic recording medium.
- (2) The methods set forth in the items of the preceding paragraph must be those enabling an electronic payment instruments service provider to prepare a document by way of outputting the information recorded in the files.
- (3) The term "electronic data processing system" as used in paragraph (1), item (i) means an electronic data processing system connecting a computer used by an electronic payment instruments service provider and a computer used by a user via a telecommunications line.

(Expiration Date If a Corporation Which is a User Other Than a Professional Investor is Deemed to Be a Professional Investor)

Article 50 (1) The case specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (2) of the Financial Instruments and Exchange Act as applied mutatis mutandis is the case where an electronic payment instruments service provider has designated a certain date and publicized the following particulars by posting them at a place easily accessible to the public at its business office, or by any other appropriate means:

- (i) the designated date;
- (ii) the fact that the day prescribed in the following paragraph is to be the expiration date (meaning the expiration date prescribed in Article 34-3, paragraph (2), item (ii) of the Financial Instruments and Exchange Act as applied mutatis mutandis; the same applies in paragraph (2), item (i) of the following Article and Article 52).
- (2) The day specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (2) of the Financial Instruments and Exchange Act as applied mutatis mutandis is to be the day designated by an electronic payment instruments service provider under the provisions of the preceding paragraph, which is the latest day within a period of one year from the date of acceptance

(meaning the date of acceptance prescribed in paragraph (2), item (i) of the same Article; the same applies in paragraph (2), item (iii) of the following Article and Article 52).

(Required Information in a Document Indicating Consent by a Corporation

Having Made a Request Which is a User Other Than a Professional Investor)

Article 51 (1) The particular specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (2), item (iv), (a) of the Financial Instruments and Exchange Act as applied mutatis mutandis is the fact that the provisions set forth in the items of Article 45 (excluding items (iii) and (iv)) of the Financial Instruments and Exchange Act as applied mutatis mutandis do not apply if the applicant (meaning the applicant prescribed in Article 34-3, paragraph (2) of the Financial Instruments and Exchange Act as applied mutatis mutandis; the same applies in the following paragraph) falls under any of the persons respectively specified in the items of Article 45 (excluding items (iii) and (iv)) of the Financial Instruments and Exchange Act as applied mutatis mutandis regarding the subject contract (meaning the subject contract prescribed in Article 34-3, paragraph (2), item (ii) of the Financial Instruments and Exchange Act as applied mutatis mutandis; the same applies in the following paragraph and Article 53) (excluding the cases prescribed in the proviso to Article 45 of the Financial Instruments and Exchange Act as applied mutatis mutandis).

(2) The particulars specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (2), item (vii) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) the fact that, regarding any act related to the subject contract concluded prior to the expiration date, which is to be conducted pursuant to the provisions of laws and regulations or of the contract, the applicant is treated as a professional investor, even if that act is conducted after the expiration date;
- (ii) the fact that the applicant will be treated as a professional investor regarding the subject contract only by the electronic payment instruments service provider who has accepted the request pursuant to the provisions of Article 34-3, paragraph (2) of the Financial Instruments and Exchange Act as applied mutatis mutandis;
- (iii) the fact that the applicant may make a request under the provisions of Article 34-3, paragraph (9) of the Financial Instruments and Exchange Act as applied mutatis mutandis at any time on or after the date of acceptance.

(Period Necessary for a Corporation Which is a User Other Than a Professional Investors That Made a Request to Make a Request for Renewal)

Article 52 (1) The period specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (7) of the Financial Instruments and Exchange Act as applied mutatis mutandis is to be eleven months (in the cases set forth in the following items, the period respectively specified therein):

- (i) if the period between the date of acceptance and the expiration date is less than one year (excluding the case set forth in the following item): that period minus one month;
 - (ii) if the period between the date of acceptance and the expiration date does not exceed one month: one day.
- (2) With regard to the application of the provisions of the preceding paragraph in the cases prescribed in Article 34-3, paragraph (8) of the Financial Instruments and Exchange Act as applied mutatis mutandis, the term "date of acceptance" in the items of the preceding paragraph is deemed to be replaced with "day following the previous expiration date".

(Required Information in a Document to Be Delivered to a Corporation Having Made a Request for Reinstatement as a User Other Than a Professional Investor)

Article 53 The particulars specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (11) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) the day on which the acceptance under the provisions of Article 34-3, paragraph (10) of the Financial Instruments and Exchange Act as applied mutatis mutandis is to be given (hereinafter referred to as the "date of acceptance" in item (iii));
- (ii) the fact that the subject contract is a contract for specified electronic payment instruments transactions;
- (iii) the fact that the corporation that made a request under the provisions of Article 34-3, paragraph (9) of the Financial Instruments and Exchange Act as applied mutatis mutandis will again be treated as a user other than a professional investor in the case of soliciting the conclusion of, or concluding, the subject contract on or after the date of acceptance.

(Proprietors That May Make a Request for Treatment as a Professional Investor)

Article 54 (1) The individuals specified by Cabinet Office Order as prescribed in Article 34-4, paragraph (1), item (i) of the Financial Instruments and Exchange Act as applied mutatis mutandis are those falling under either of the following requirements:

- (i) the individual has not obtained the consent from all of the silent partners on making a request under the provisions of Article 34-4, paragraph (1) of the

- Financial Instruments and Exchange Act as applied mutatis mutandis;
- (ii) the total amount of the equity investment under the silent partnership contract prescribed in Article 535 of the Commercial Code (Act No. 48 of 1899) which the individual concluded is less than 300 million yen.
- (2) The individuals specified by Cabinet Office Order as prescribed in Article 34-4, paragraph (1), item (i) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:
- (i) an individual who has concluded a partnership contract prescribed in Article 667, paragraph (1) of the Civil Code (Act No. 89 of 1896) and has become a partner delegated to manage the business of the partnership (limited to an individual who falls under both of the following requirements):
 - (a) the individual has obtained the consent from all of the other partners on making a request under the provisions of Article 34-4, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis;
 - (b) the total amount of the equity investment under the partnership contract is not less than 300 million yen;
 - (ii) an individual who has concluded a limited liability partnership agreement prescribed in Article 3, paragraph (1) of the Limited Liability Partnership Act (Act No. 40 of 2005) and is involved in the decision-making on the execution of the important business of the partnership, and who is also a partner personally executing the relevant business (limited to an individual who falls under both of the following requirements):
 - (a) the individual has obtained the consent from all of the other partners on making a request under Article 34-4, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis;
 - (b) the total amount of the equity investment under the limited liability partnership agreement is not less than 300 million yen.

(Individuals Who May Request Treatment as Professional Investor)

Article 55 The requirements specified by Cabinet Office Order as prescribed in Article 34-4, paragraph (1), item (ii) of the Financial Instruments and Exchange Act as applied mutatis mutandis are that all of the following requirements must be met:

- (i) judging reasonably from the status of the transactions or any other circumstances, the amount obtained by deducting the total amount of liabilities of the applicant (meaning the applicant prescribed in Article 34-4, paragraph (2) of the Financial Instruments and Exchange Act as applied mutatis mutandis; hereinafter the same applies in this Article and Article 57) as of the date of acceptance (meaning the date of acceptance prescribed in Article 34-3, paragraph (2), item (i) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is applied mutatis mutandis

- pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis; the same applies in the following item, paragraph (2) of the following Article, Article 57, paragraph (2), item (iii), and Article 58) from the total amount of the assets of the applicant as of the date of acceptance is likely to be 300 million yen or more;
- (ii) judging reasonably from the status of the transactions or any other circumstances, the total amount of the applicant's assets (limited to the assets set forth as follows) as of the date of acceptance is likely to be 300 million yen or more:
 - (a) securities (excluding those set forth in (e) and (f) (limited to those under contracts concluded with a special enterprise operator prescribed in Article 2, paragraph (9) of the Act on Specified Joint Real Estate Ventures (Act No. 77 of 1994)) and those falling under what are set forth in (h));
 - (b) rights relating to a derivatives transaction (meaning the derivatives transaction prescribed in Article 2, paragraph (20) of the Financial Instruments and Exchange Act);
 - (c) specified deposits, etc. prescribed in Article 11-5 of the Agricultural Cooperatives Act, specified deposits, etc. prescribed in Article 11-11 of the Fishery Cooperatives Act, specified deposits, etc. prescribed in Article 6-5-11, paragraph (1) of the Act on Financial Businesses by Cooperatives, specified deposits, etc. prescribed in Article 89-2, paragraph (1) of the Shinkin Bank Act, specified deposits, etc. prescribed in Article 17-2 of the Long-Term Credit Bank Act, specified deposits, etc. prescribed in Article 94-2 of the Labor Bank Act, specified deposits, etc. prescribed in Article 13-4 the Banking Act, specified deposits, etc. prescribed in Article 59-3 of the Norinchukin Bank Act, and specified deposits, etc. prescribed in Article 29 of the Shoko Chukin Bank Limited Act (Act No. 74 of 2007);
 - (d) the rights relating to benefits, such as insurance proceeds, mutual aid benefits and refunds payable under a specified mutual aid contract prescribed in Article 11-27 of the Agricultural Cooperatives Act, a specified mutual aid contract prescribed in Article 12-3, paragraph (1) of the Consumer Cooperatives Act (Act No. 200 of 1948), a specified mutual aid contract prescribed in Article 15-12 of the Fisheries Cooperatives Act, a specified mutual aid contract prescribed in Article 9-7-5, paragraph (2) of the Small and Medium-Sized Enterprise Cooperatives Act, and a specified insurance contract prescribed in Article 300-2 of the Insurance Business Act (Act No. 105 of 1995);
 - (e) beneficial interest in a trust relating to a specific trust agreement prescribed in Article 24-2 of the Trust Business Act (excluding those falling under what is set forth in (h));
 - (f) rights under a specified joint real estate venture contract prescribed in

Article 2, paragraph (3) of the Act on Specified Joint Real Estate Ventures;
(g) rights relating to transactions on a commodity market (meaning the transactions on a commodity market prescribed in Article 2, paragraph (10) of the Commodity Derivatives Transaction Act (Act No. 239 of 1950)), foreign commodity market transactions (meaning the foreign commodity market transactions prescribed in paragraph (13) of the same Article), and over-the-counter commodity derivatives transactions (meaning the over-the-counter commodity derivatives transactions prescribed in paragraph (14) of the same Article);

(h) what is set forth in the items of Article 43;

(iii) one year has elapsed from the day on which the applicant concluded a contract for specified electronic payment instruments transactions with the relevant electronic payment instruments service provider for the first time.

(Expiration Date If an Individual Who is a User Other Than a Professional Investor is Deemed to Be a Professional Investor)

Article 56 (1) The case specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (2) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* that is applied *mutatis mutandis* pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* is the case where an electronic payment instruments service provider has designated a certain date and publicized the following particulars by posting them at a place easily accessible to the public at its business office, or by any other appropriate means:

(i) the designated date;

(ii) the fact that the day prescribed in the following paragraph is to be the expiration date (meaning the expiration date prescribed in Article 34-3, paragraph (2), item (ii) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* that is applied *mutatis mutandis* pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied *mutatis mutandis*; the same applies in paragraph (2), item (i) of the following Article and Article 58).

(2) The day specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (2) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* that is applied *mutatis mutandis* pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* is to be the day designated by an electronic payment instruments service provider under the provisions of the preceding paragraph, which is the latest day within a period of one year from the date of acceptance.

(Required Information in a Document Indicating Consent by an Individual

- Having Made a Request Who is a User Other Than a Professional Investor)
- Article 57 (1) The particular specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (2), item (iv), (a) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis is the fact that the provisions set forth in the items of Article 45 (excluding items (iii) and (iv)) of the Financial Instruments and Exchange Act as applied mutatis mutandis do not apply if the applicant falls under any of the persons respectively specified in the items of Article 45 (excluding items (iii) and (iv)) of the Financial Instruments and Exchange Act as applied mutatis mutandis regarding the subject contract (meaning the subject contract prescribed in Article 34-3, paragraph (2), item (ii) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis; the same applies in the following paragraph and Article 59) (excluding the cases prescribed in the proviso to Article 45 of the Financial Instruments and Exchange Act as applied mutatis mutandis).
- (2) The particulars specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (2), item (vii) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:
- (i) the fact that, regarding any act related to the subject contract concluded prior to the expiration date, which is to be conducted pursuant to the provisions of laws and regulations or of the contract, the applicant is treated as a professional investor, even if that act is conducted after the expiration date;
 - (ii) the fact that the applicant will be treated as a professional investor regarding the subject contract only by the electronic payment instruments service provider who has accepted the request pursuant to the provisions of Article 34-3, paragraph (2) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis;
 - (iii) the fact that the applicant may make a request under the provisions of Article 34-4, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis at any time on or after the date of acceptance.

(Period Necessary for an Individual Who is a User Other Than a Professional Investor That Made a Request to Make a Request for Renewal)

Article 58 (1) The period specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (7) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis is to be eleven months (in the cases set forth in the following items, the period respectively specified therein):

- (i) if the period between the date of acceptance and the expiration date is less than one year (excluding the case set forth in the following item): that period minus one month;
 - (ii) if the period between the date of acceptance and the expiration date does not exceed one month: one day.
- (2) With regard to the application of the provisions of the preceding paragraph in the cases prescribed in Article 34-3, paragraph (8) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis, the term "date of acceptance" in the same paragraph is deemed to be replaced with "day following the previous expiration date".

(Required Information in a Document to Be Delivered to an Individual Having Made a Request for Reinstatement as a User Other Than a Professional Investor)

Article 59 The particulars specified by Cabinet Office Order as prescribed in Article 34-3, paragraph (11) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) the day on which the acceptance under the provisions of Article 34-4, paragraph (5) of the Financial Instruments and Exchange Act as applied mutatis mutandis is to be given (referred to as the "date of acceptance" in item (iii));
- (ii) the fact that the subject contract is a contract for specified electronic payment instruments transactions;
- (iii) the fact that the individual who made a request under the provisions of Article 34-4, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis will again be treated as a user other than a professional investor in the case of soliciting the conclusion of, or concluding, the subject contract on or after the date of acceptance.

(Acts Similar to Advertising)

Article 60 The acts specified by Cabinet Office Order as prescribed in the

paragraphs of Article 37 of the Financial Instruments and Exchange Act as applied mutatis mutandis are to be the provision of identical information to many persons, by means of postal mail, correspondences delivery (meaning the correspondence delivery prescribed in Article 2, paragraph (2) of the Act on Correspondence Delivery by Private Business Operators (Act No. 99 of 2002) that is provided by a general correspondence delivery operator prescribed in paragraph (6) of the same Article or by a specified correspondence delivery operator prescribed in paragraph (9) of the same Article), transmission by facsimile devices, transmission by electronic mail (meaning the electronic mail prescribed in Article 2, item (i) of the Act on Regulation of Transmission of Specified Electronic Mail (Act No. 26 of 2002)), distribution of leaflets or pamphlets or by any other means (excluding those set forth as follows):

- (i) distribution of documents prepared in accordance with laws or regulations, or in accordance with the dispositions rendered by administrative agencies under laws and regulations;
- (ii) distribution of materials on the analysis and appraisal of individual companies not intended to be used for solicitation for the conclusion of a contract for specified electronic payment instruments transactions;
- (iii) provision of premiums or any other goods only indicating all of the following particulars (limited to premiums or goods clearly and accurately indicating the particulars set forth in (b) through (d)) (if any of the following particulars is not indicated on the premiums or other goods, including provision of those premiums or other goods together with other goods indicating the relevant particular as an integral part thereof):
 - (a) the name of the electronic payment instruments relating to a contract for specified electronic payment instruments transactions;
 - (b) the trade name, or alias of the electronic payment instruments service provider that provides identical information to many persons by the methods prescribed in this item;
 - (c) the particulars set forth in Article 19-10, paragraph (2), item (i) of the Order (limited to the case where the letters or numerical characters representing the relevant particulars are indicated in a size which does not differ substantially from the size of the largest letters or numerical characters representing other particulars);
- (d) a notice to the effect that the details of either of the following documents should be read comprehensively:
 - 1. the document prescribed in Article 37-3, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis (hereinafter referred to as the "document to be delivered prior to conclusion of contract" in this Chapter);
 - 2. the contract change document prescribed in Article 67, paragraph (1),

item (ii), (b).

(Method of Indication of Advertisement on the Details of the Electronic Payment Instruments-related Business Relating to a Contract for Specified Electronic Payment Instruments Transactions)

- Article 61 (1) When making an advertisement or conducting any of the acts prescribed in the preceding Article (hereinafter referred to as the "advertisement, etc." in the following paragraph and Article 64, paragraph (1), item (ii)) regarding the details of its electronic payment instruments-related business relating to a contract for specified electronic payment instruments transactions, an electronic payment instruments service provider must clearly and accurately indicate the particulars set forth in the items of Article 37, paragraph (1) of the Financial Instruments and Exchange Act as applied *mutatis mutandis*.
- (2) When making an advertisement, etc. regarding the details of its electronic payment instruments-related business relating to a contract for specified electronic payment instruments transactions, an electronic payment instruments service provider is to indicate the particulars set forth in Article 19-10, paragraph (1), item (ii) of the Order by using letters or numerical characters in a size which does not differ substantially from the size of the largest letters or numerical characters representing other particulars.
- (3) Notwithstanding the provisions of the preceding paragraph, when an electronic payment instruments service provider intends to make any advertisement of the details of its electronic payment instruments-related business relating to a contract for specified electronic payment instruments transactions by way of having it broadcast through the use of broadcasting facilities of a basic broadcaster (meaning the basic broadcaster prescribed in Article 2, item (xxiii) of the Broadcast Act (Act No. 132 of 1950) and excluding the Japan Broadcasting Corporation and the Open University of Japan (meaning the Open University of Japan prescribed in Article 3 of the Act on the Open University of Japan (Act No. 156 of 2002)); the same applies in Article 64, paragraph (1), item (ii)) or by any of the methods set forth in the items of the same paragraph (excluding the method of sound broadcasting), the electronic payment instruments service provider is to indicate the particulars set forth in Article 19-10, paragraph (2), item (i) of the Order by using letters or numerical characters in a size which does not differ substantially from the size of the largest letters or numerical characters representing other particulars.

(Particulars Concerning Consideration Payable by Users)

- Article 62 The particulars specified by Cabinet Office Order as prescribed in Article 19-10, paragraph (1), item (i) of the Order are the amount of the

consideration payable by a user in relation to a contract for specified electronic payment instruments transactions, irrespective of whether it is named as fees, remuneration, expenses or others (excluding the price of the electronic payment instruments or the amount of security deposit to be deposited by the user in relation to a contract for specified electronic payment instruments transactions; hereinafter referred to as "fees, etc."), by type or its upper limit, or the outline of the method of its calculation (including the ratio to the price of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions; hereinafter the same applies in this Article), and the total of the relevant amount by type or its upper limit, or the outline of the method of its calculation; provided, however, that if these details cannot be indicated, such fact and its reasons are to be indicated.

(Important Particulars Which May Have an Impact on Users' Decisions)

Article 63 The particulars specified by Cabinet Office Order as prescribed in Article 19-10, paragraph (1), item (iii) of the Order are as follows:

- (i) the facts regarding important particulars on the contract for specified electronic payment instruments transactions which would be disadvantageous to the user;
- (ii) if the electronic payment instruments service provider is a member of a certified association for payment service providers, that fact and the name of the certified association for payment service providers.

(Method Equivalent to Broadcasting Using Broadcasting Facilities of a Basic Broadcaster)

Article 64 (1) The methods specified by Cabinet Office Order as prescribed in Article 19-10, paragraph (2) of the Order are as follows:

- (i) the method of broadcasting by the use of the broadcasting facilities of a private broadcaster (meaning the private broadcaster prescribed in Article 2, item (xxv) of the Broadcast Act);
- (ii) the method of making available for users' inspection the details of the information recorded in files stored on a computer used by the electronic payment instruments service provider or by a person that has accepted entrustment of the service relating to an advertisement, etc. to be made by the electronic payment instruments service provider (limited to information identical to that provided through broadcasting by the use of the broadcasting facilities of a basic broadcaster or by the method set forth in the preceding item) via a telecommunications line;
- (iii) the method of exposing to the public an indoor or outdoor advertisement regularly or continuously for a fixed period, by way of posting or indicating it on signboards, standing signboards, bills, notices, advertising towers,

billboards, buildings or any other structures, or any other methods similar thereto.

- (2) The particulars specified by Cabinet Office Order as prescribed in Article 19-10, paragraph (2), item (ii) of the Order are those set forth in Article 60, item (iii), (d).

(Particulars Prohibited from Misleading Advertisements)

Article 65 The particulars specified by Cabinet Office Order as prescribed in Article 37, paragraph (2) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* are as follows:

- (i) particulars related to the cancellation of a contract for specified electronic payment instruments transactions;
- (ii) particulars related to the sharing of all or part of the losses or a guarantee of profit, in connection with a contract for specified electronic payment instruments transactions;
- (iii) particulars related to the planned amount of damages (including penalties) relating to a contract for specified electronic payment instruments transactions;
- (iv) particulars related to the amount of the fees, etc. payable by users in connection with a contract for specified electronic payment instruments transactions or the method of calculation of the amount, and the method and timing of the payment of the fees, etc. and the payee of the fees, etc.;
- (v) particulars related to the financial resources or credit of the electronic payment instruments service provider;
- (vi) particulars related to the performance of the electronic payment instruments services conducted by the electronic payment instruments service provider.

(Method of Statement of Document to Be Delivered Prior to Conclusion of Contract)

Article 66 (1) The particulars set forth in the items of Article 37-3, paragraph (1) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* must be stated unambiguously and accurately in a document to be delivered prior to conclusion of contract by using letters and numerical characters larger than 8-point as prescribed in Z8305 of the Japanese Industrial Standards based on the Industrial Standardization Act (Act No. 185 of 1949) (hereinafter referred to as the "JIS").

- (2) Notwithstanding the provisions of the preceding paragraph, the outline of the particulars set forth in Article 37-3, paragraph (1), item (iv) of the Financial Instruments and Exchange Act as applied *mutatis mutandis*, and the particulars set forth in items (v) and (vi) of the same paragraph and Article 69,

item (x) are to be stated unambiguously and accurately, after the particulars prescribed in the following paragraph, in the frame of the document to be delivered prior to conclusion of contract by using letters and numerical characters larger than 12-point as prescribed in JIS Z8305.

- (3) When preparing a document to be delivered prior to conclusion of contract, an electronic payment instruments service provider is to indicate especially important particulars that may have an impact on users' decisions, out of the particulars set forth in Article 69, item (i) and the particulars set forth in the items of Article 37-3, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis, plainly at the beginning of the document to be delivered prior to conclusion of contract by using letters and numerical characters larger than 12-point as prescribed in JIS Z8305.

(Exemption from Requirement to Deliver a Document to Be Delivered Prior to Conclusion of Contract)

Article 67 (1) The cases specified by Cabinet Office Order as prescribed in the proviso to Article 37-3, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) the case where, within one year prior to the conclusion of the contract for specified electronic payment instruments transactions, the electronic payment instruments service provider has delivered to the user a document to be delivered prior to conclusion of contract related to another contract for specified electronic payment instruments transactions which is in substance identical to the relevant contract for specified electronic payment instruments transactions;
- (ii) if there is an intention to conclude a contract for specified electronic payment instruments transactions for the purpose of effecting a partial change to any term of a contract for specified electronic payment instruments transactions already in effect, the following cases:
 - (a) when the relevant partial change does not result in a change to the required information in the document to be delivered prior to conclusion of contract relating to a contract for specified electronic payment instruments transactions already in effect;
 - (b) if the relevant partial change results in a change to the required information in the document to be delivered prior to conclusion of contract relating to a contract for specified electronic payment instruments transactions already in effect, when the electronic payment instruments service provider has delivered to the user a document stating the particulars subject to the change (hereinafter referred to as a "contract change document" in the following item, the following paragraph, and Article 73, item (i), (b));

- (iii) if the electronic payment instruments service provider has conducted the provision, etc. of important information in a simple manner and has also provided the user with explanations regarding the particulars set forth in Article 37-3, paragraph (1), items (iii) through (vii) of the Financial Instruments and Exchange Act as applied mutatis mutandis (in the case prescribed in (b) of the preceding item, limited to the particulars related to the change referred to in the same item) in a manner and to the extent necessary for ensuring that the user understands them, in light of the user's knowledge, experience, and conditions of property and in light of the purpose of concluding the contract for specified electronic payment instruments transactions (if the electronic payment instruments service provider has provided the user with the required information in a document to be delivered prior to conclusion of contract (in the case prescribed in (b) of the preceding item, a document to be delivered prior to conclusion of contract or a contract change document; hereinafter the same applies in this item and paragraph (4), items (ii) and (iii)) by the method of making them available for users' inspection by the use of an electronic data processing system, excluding the case where the user requests the delivery of a document to be delivered prior to conclusion of contract, only when the following requirements are fully satisfied):
- (a) the required information in the document to be delivered prior to conclusion of contract have been displayed in an easily visible location for the user, on the screen of a computer used by the user in accordance with the method prescribed in the preceding Article (excluding the case where the manner to make them available for users' inspection conforms to the criteria set forth in Article 46, paragraph (2), item (i));
 - (b) measures are taken to keep the required information in the document to be delivered prior to conclusion of contract easily available for the user's inspection for five years after the day on which the transaction referred to in those particulars was finally conducted (when any complaint related to those particulars has been raised prior to the last day of the relevant period, until the last day of the relevant period or the day on which the complaint is resolved, whichever comes later).
- (2) The provisions of Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis, Article 19-8 of the Order, and Articles 46 and 47 apply mutatis mutandis to the delivery of a contract change document under the provisions of item (ii), (b) of the preceding paragraph.
- (3) If within one year from the day of delivery of a document to be delivered prior to conclusion of contract (including the day on which a document to be delivered prior to conclusion of contract is deemed to have been delivered pursuant to the provisions of this paragraph), another contract for specified

electronic payment instruments transactions which is in substance identical to the contract for specified electronic payment instruments transactions relating to the relevant document to be delivered prior to conclusion of contract has been concluded, a document to be delivered prior to conclusion of contract is deemed to have been delivered on the date of the conclusion of that other contract, and the provisions of paragraph (1), item (i) apply.

- (4) The "provision, etc. of important information in a simple manner" referred to in paragraph (1), item (iii) means to deliver a document stating the following particulars in a simple manner or to provide the required information in the document by any of the methods set forth in the items of Article 46, paragraph (1) and to provide explanations on these particulars (including explanations to reply to users' questions based on the examples of questions referred to in item (i)):
- (i) the outline of major particulars set forth in the items of Article 37-3, paragraph (1) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* (in the case prescribed in paragraph (1), item (ii), (b), limited to the particulars related to the change referred to in the same item) that contribute to users' decisions on the conclusion of a contract for specified electronic payment instruments transactions and examples of related questions;
 - (ii) a notice to the effect that the information necessary to receive the provision of the required information in the document to be delivered prior to conclusion of contract and the details of the particulars to be provided should be read comprehensively;
 - (iii) the fact that a document to be delivered prior to conclusion of contract will be delivered at the request of a user.

(Particulars Concerning Consideration Payable by Users)

Article 68 The particulars specified by Cabinet Office Order as prescribed in Article 37-3, paragraph (1), item (iv) of the Financial Instruments and Exchange Act as applied *mutatis mutandis* are the amount of the fees, etc. payable by a user in relation to a contract for specified electronic payment instruments transactions, irrespective of whether it is named as fees, remuneration, expenses or others, by type or its upper limit, or the outline of the method of its calculation (including the ratio to the price of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions; hereinafter the same applies in this Article), and the total of the relevant amount by type or its upper limit, or the outline of the method of its calculation; provided, however, that if these details cannot be indicated, such fact and its reasons are to be indicated.

(Required information in a Document to Be Delivered Prior to Conclusion of Contract)

Article 69 The particulars specified by Cabinet Office Order as prescribed in Article 37-3, paragraph (1), item (vii) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) a notice to the effect that the details of the document to be delivered prior to conclusion of contract should be read comprehensively;
- (ii) the name of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions;
- (iii) the trade name or other name and address of the issuer of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions;
- (iv) when the issuer of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions is a corporation, the name of its representative;
- (v) the particulars concerning the procedures for the transfer of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions;
- (vi) if the transfer of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions is subject to any restriction, to that effect and the details of the restriction;
- (vii) the minimum transaction units and other transaction conditions for the electronic payment instruments relating to the contract for specified electronic payment instruments transactions;
- (viii) the method for redemption of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions;
- (ix) handling of the cancellation of the contract for specified electronic payment instruments transactions (including the method of calculation for fees, etc.);
- (x) if the conclusion of a contract for specified electronic payment instruments transactions by a user bears a risk of the accrual of any loss caused directly by a fluctuation in the value of currencies or any other indicators, the following particulars:
 - (a) the relevant indicators;
 - (b) the reasons for a risk of loss which may be caused by any fluctuation in those indicators;
- (xi) the outline of the taxation related to the contract for specified electronic payment instruments transactions;
- (xii) if there is any grounds for termination of the contract for specified electronic payment instruments transactions, the details of the grounds;
- (xiii) the method whereby a user contacts the electronic payment instruments service provider;

- (xiv) whether the electronic payment instruments service provider is a member of any certified association for payment service providers, and if it is a member, the name of the association, and whether the electronic payment instruments service provider is a covered operator (meaning the covered operator prescribed in Article 79-11, paragraph (1) of the Financial Instrument and Exchange Act; hereinafter the same applies in this item) of any certified investor protection organization (limited to a certified investor protection organization if the contract for specified electronic payment instruments transactions is covered by the certified services (meaning the certified services prescribed in Article 79-10, paragraph (1) of the same Act) of the certified investor protection organization), and if it is a covered operator of any of those organizations, the name of the organizations;
- (xv) the particulars specified in (a) or (b) below in accordance with the category of cases respectively set forth therein:
 - (a) if there is a designated dispute resolution organization: the trade name or other name of the designated dispute resolution organization, which is the counterparty to the basic contract for the implementation of dispute resolution procedures, under which the electronic payment instruments service provider takes measures to conclude the basic contract for the implementation of dispute resolution procedures as specified in Article 62-16, paragraph (1), item (i) of the Act;
 - (b) if there are no designated dispute resolution organizations: the details of the complaint processing measures and dispute resolution measures specified in Article 62-16, paragraph (1), item (ii) of the Act that the electronic payment instruments service provider takes;
- (xvi) other particulars found to serve as reference with regard to the conclusion of a contract for specified electronic payment instruments transactions.

(Required Information in a Document to Be Delivered Upon Conclusion of Contract)

Article 70 The following particulars must be stated in a document prescribed in Article 37-4, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis that is to be prepared when a contract for specified electronic payment instruments transactions is effected (the document is referred to as a "document to be delivered upon conclusion of contract" in the following Article):

- (i) the trade name of the electronic payment instruments service provider;
- (ii) the name of the business office of the electronic payment instruments service provider;
- (iii) the outline of the contract for specified electronic payment instruments transactions;

- (iv) if the contract for specified electronic payment instruments transactions is a contract for conducting the exchange, etc. of electronic payment instruments, the following particulars:
 - (a) whether it is a transaction for itself, intermediation, brokerage, or agency services;
 - (b) whether it is for the sale or purchase of electronic payment instruments or the exchange with other electronic payment instruments;
 - (c) the name of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions;
 - (d) the volume of the contract executed;
 - (e) the contract price or unit price and the amount (in the case of the exchange with other electronic payment instruments, the name of those other electronic payment instruments and the price equivalent to the contract price);
 - (f) the amount and calculation method of money to be paid by the user;
 - (g) the transaction type;
- (v) the method for redemption of the electronic payment instruments relating to the contract for specified electronic payment instruments transactions;
- (vi) handling of the cancellation of the contract for specified electronic payment instruments transactions (including the method of calculation for fees, etc.);
- (vii) the date on which conclusion of the contract for specified electronic payment instruments transactions was effected;
- (viii) the particulars concerning the fees, etc. in relation to the contract for specified electronic payment instruments transactions;
- (ix) the name of the user;
- (x) the method whereby the user contacts the electronic payment instruments service provider;
- (xi) beyond the particulars set forth in the preceding items, the particulars necessary for properly indicating the details of the transactions.

(Exemption from Requirement to Deliver a Document to Be Delivered Upon Conclusion of Contract)

Article 71 (1) If specified by Cabinet Office Order as prescribed in the proviso to Article 37-4, paragraph (1) of the Financial Instruments and Exchange Act as applied mutatis mutandis regarding a document to be delivered upon conclusion of contract are the cases falling under any of the following items, if a contract for specified electronic payment instruments transactions is newly effected for the purpose of effecting a partial change to any term of a contract for specified electronic payment instruments transactions already in effect:

- (i) when the relevant partial change does not result in a change to the required information in the document to be delivered upon conclusion of contract

- relating to a contract for specified electronic payment instruments transactions already in effect;
- (ii) when the relevant partial change results in a change to the required information in the document to be delivered upon conclusion of contract relating to a contract for specified electronic payment instruments transactions already in effect, when the electronic payment instruments service provider has delivered to the user a document stating the particulars subject to the change.
- (2) The provisions of Article 34-2, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis, Article 19-8 of the Order, and Articles 46 and 47 apply mutatis mutandis to the delivery of a document under the provisions of item (ii) of the preceding paragraph.

(Significance of Registration of Credit Rating Agencies and Other Particulars)

Article 72 (1) The particulars specified by Cabinet Office Order as prescribed in Article 38, item (iii) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) the significance of a registration referred to in Article 66-27 of the Financial Instruments and Exchange Act;
- (ii) the following particulars regarding the person that has determined the credit rating (meaning the credit rating prescribed in Article 2, paragraph (34) of the Financial Instruments and Exchange Act; hereinafter the same applies in this Article):
- (a) the trade name or other name
- (b) when the person is a corporation (including an organization without juridical personality for which the representative person or administrator has been designated), the names of the officers (in the case of an organization without juridical personality for which the representative person or administrator has been designated, the name of the representative person or administrator);
- (c) the name and location of the head office or any other principal business office or office;
- (iii) the outline of the policies and methods used by the person that has determined the credit rating in determining the relevant credit rating;
- (iv) the assumptions, significance and limitations of the credit rating.
- (2) Notwithstanding the provisions of the preceding paragraph, regarding the credit ratings determined by a person that is a specified associated corporation (meaning the "specified associated corporation" prescribed in Article 116-3, paragraph (2) of the Cabinet Office Order on Financial Instruments Business; hereinafter the same applies in this paragraph), the particulars specified by Cabinet Office Order as prescribed in Article 38, item (iii) of the Financial

Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) the significance of a registration referred to in Article 66-27 of the Financial Instruments and Exchange Act;
- (ii) the trade name or other name and the registration number of the credit rating agency whose associated corporation (meaning the associated corporation prescribed in Article 295, paragraph (3), item (x) of the Cabinet Office Order on Financial Instruments Business) has been designated as the specified associated corporation by the Commissioner of the Financial Services Agency pursuant to the provisions of Article 116-3, paragraph (2) of the same Cabinet Office Order;
- (iii) the name used by the specified associated corporation as a representation of the credit rating business (meaning the credit rating business prescribed in Article 2, paragraph (35) of the Financial Instruments and Exchange Act);
- (iv) the outline of the policies and methods used by the specified associated corporation in determining its credit ratings, or the method to obtain information on the relevant outline from the credit rating agency prescribed in item (ii);
- (v) the assumptions, significance and limitations of the credit rating.

(Prohibited Acts)

Article 73 The acts specified by Cabinet Office Order as prescribed in Article 38, item (ix) of the Financial Instruments and Exchange Act as applied mutatis mutandis are as follows:

- (i) an act to conclude a contract for specified electronic payment instruments transactions, without having provided a user (excluding a professional investor (excluding a person who is deemed to be a user other than a professional investor pursuant to the provisions of Article 34-2, paragraph (5) of the Financial Instruments and Exchange Act as applied mutatis mutandis, but including a person who is deemed to be a professional investor pursuant to the provisions of Article 34-3, paragraph (4) of the Financial Instruments and Exchange Act as applied mutatis mutandis (including as applied mutatis mutandis pursuant to Article 34-4, paragraph (6) of the Financial Instruments and Exchange Act as applied mutatis mutandis))) with a prior explanation on the particulars set forth in Article 37-3, paragraph (1), items (iii) through (vii) of the Financial Instruments and Exchange Act as applied mutatis mutandis (if the document set forth in (b) is to be delivered, a prior explanation on the particulars set forth in items (iii) through (vii) of the same paragraph as stated in the relevant document) upon the delivery of the following documents, in a manner and to the extent necessary for ensuring that the user understands them, in light of the user's knowledge, experience, and conditions of property and in light of the purpose

of concluding the contract for specified electronic payment instruments transactions:

- (a) a document to be delivered prior to conclusion of contract;
- (b) a contract change document;
- (ii) an act to make any false representation, or to make any representation which would lead to any material particular being misunderstood, in concluding a contract for specified electronic payment instruments transactions or in making a solicitation therefor;
- (iii) an act to promise a user or the user's designee to provide any special benefit, or to provide any special benefit to a user or a third party (including an act to cause any third party to promise to provide, or to provide, any special benefit), in connection with a contract for specified electronic payment instruments transactions;
- (iv) in connection with the conclusion or cancellation of a contract for specified electronic payment instruments transactions, an act to solicit a user (limited to an individual) by phone calls or visits at times when the user may feel annoyed.

(Exemption of Exclusion from Application of Restriction on Acts)

Article 74 The case specified by Cabinet Office Order as prescribed in the proviso to Article 45 of the Financial Instruments and Exchange Act as applied mutatis mutandis is to be the case where, with regard to the application of the provisions of Article 37-4 of the Financial Instruments and Exchange Act as applied mutatis mutandis, an electronic payment instruments service provider has failed to develop a system for promptly responding to an inquiry concerning a contract for specified electronic payment instruments transactions that a user concluded.

Chapter III Supervision

(Preparation and Keeping of Books and Documents Regarding the Electronic Payment Instruments Services)

Article 75 (1) The books and documents regarding the electronic payment instruments services prescribed in Article 62-18 of the Act are as follows:

- (i) if the electronic payment instruments service provider is engaged in the electronic payment instruments-related business, transaction records regarding the electronic payment instruments-related business;
- (ii) if the electronic payment instruments service provider conducts the act set forth in Article 2, paragraph (10), item (iv) of the Act, transaction records regarding the relevant act;
- (iii) a general ledger;

- (iv) if the electronic payment instruments service provider concludes a contract with a user of the electronic payment instruments services under which the two parties conduct transactions regarding the electronic payment instruments services on an ongoing or recurring basis, a customer ledger;
 - (v) if the electronic payment instruments service provider conducts the exchange, etc. of electronic payment instruments, order forms;
 - (vi) if the electronic payment instruments service provider conducts the management of the money of a user of the electronic payment instruments services, the following records:
 - (a) records of the amount of the user's money under management on each business day;
 - (b) if specified in Article 33, paragraph (1), item (i), the following records:
 - 1. records of the amount of trust property regarding a segregated user management money trust on each business day;
 - 2. records concerning the results of the audit of separate management of money;
 - (vii) if the electronic payment instruments service provider conducts the management of the electronic payment instruments of a user of the electronic payment instruments services, the following records:
 - (a) records of the quantity of the user's electronic payment instruments under management on each business day;
 - (b) if the electronic payment instruments service provider conducts the management of electronic payment instruments by the methods prescribed in Article 38, paragraph (1) or (3), the following records:
 - 1. records of the amount of trust property regarding a segregated user management electronic payment instruments trust and a segregated user management electronic payment instruments self-declared trust and the quantity of the entrusted electronic payment instruments on each business day;
 - 2. records concerning the results of the audit of separate management of electronic payment instruments.
- (2) An electronic payment instruments service provider must keep the books and documents set forth in items (i) through (iv) of the preceding paragraph for at least ten years from the day of the closing of the books, the books and documents set forth in item (v) of the same paragraph for at least seven years from the day of the closing of the books, and the books and documents set forth in items (vi) and (vii) of the same paragraph for at least five years from the day of the closing of the books.
- (3) The books and documents set forth in the items of paragraph (1) must be kept in Japan; provided, however, that this does not apply if the relevant books and documents are prepared at a business office established in a foreign state and

when copies thereof are kept in Japan without delay after they are prepared, or when the books and documents are prepared in the form of an electronic or magnetic record (meaning a record made in an electronic, magnetic, or any other format not recognizable to human perception, which is used in information processing by computers; hereinafter the same applies in this paragraph and Article 81) and are kept under a situation where the particulars recorded in those electronic or magnetic records can be inspected without delay at a business office established in Japan.

(Transaction Records Regarding the Electronic Payment Instruments-related Business)

Article 76 (1) The transaction records regarding the electronic payment instruments-related business prescribed in paragraph (1), item (i) of the preceding Article are as follows:

- (i) a transaction diary;
- (ii) transaction records for the intermediation or agency service;
- (iii) the business' own ledger.

(2) The following particulars must be stated in the transaction diary referred to in item (i) of the preceding paragraph, with regard to the acts set forth in Article 2, paragraph (10), items (i) and (ii) of the Act (excluding acts regarding an intermediation or agency service):

- (i) the date of the contract;
- (ii) if the electronic payment instruments service provider conducts transactions regarding the electronic payment instruments services with a user on an ongoing or recurring basis, the name of the user of the electronic payment instruments services;
- (iii) whether it is a transaction for itself or brokerage;
- (iv) whether it is the sale or purchase of electronic payment instruments, or the exchange with other electronic payment instruments;
- (v) the name of the electronic payment instruments;
- (vi) the quantity of the electronic payment instruments;
- (vii) the contract price or unit price and the amount (in the case of the exchange with other electronic payment instruments, the name of those other electronic payment instruments and the price equivalent to the contract price);
- (viii) in the case of a brokerage, the following particulars:
 - (a) the name of the counterparty;
 - (b) the amount of the fees, remuneration or any other consideration receivable in relation to the transaction;
- (ix) in the case of an electronic payment instruments margin transaction, the following particulars:

- (a) the fact that it is an electronic payment instruments margin transaction;
 - (b) whether it is a new transaction or settlement transaction;
 - (c) the amount of obligation for the credit granted, and the due date for the payment;
 - (d) the amount of the fees, remuneration, or any other consideration receivable in relation to the electronic payment instruments margin transaction.
- (3) The following particulars must be stated in the transaction record regarding an intermediation or agency service referred to in paragraph (1), item (ii), with regard to the acts set forth in Article 2, paragraph (10), item (ii) of the Act (limited to acts regarding an intermediation or agency service):
- (i) the date when either of the intermediation or agency service was provided;
 - (ii) the name of the user of the electronic payment instruments services;
 - (iii) whether it is an intermediation or agency service;
 - (iv) the details of the intermediation or agency service;
 - (v) the name of the electronic payment instruments;
 - (vi) the quantity of the electronic payment instruments;
 - (vii) the contract price or unit price and the amount (in the case of the exchange with other electronic payment instruments, the name of those other electronic payment instruments and the price equivalent to the contract price);
 - (viii) the amount of the fees, remuneration or any other consideration receivable in relation to the intermediation or agency service;
 - (ix) in the case of an electronic payment instruments margin transaction, the following particulars:
 - (a) the fact that it is an electronic payment instruments margin transaction;
 - (b) whether it is a new transaction or settlement transaction;
 - (c) the amount of obligation for the credit granted, and the due date for the payment;
 - (d) the amount of the fees, remuneration, or any other consideration receivable in relation to the electronic payment instruments margin transaction.
- (4) The following particulars must be stated in the service provider's own ledger referred to in paragraph (1), item (iii):
- (i) the name of the electronic payment instruments;
 - (ii) the date of the contract;
 - (iii) in the case of a transaction wherein the counterparty is selected on its own, the name of the counterparty;
 - (iv) whether it is the sale or purchase of electronic payment instruments, or the exchange with other electronic payment instruments;
 - (v) the quantity of the electronic payment instruments;

- (vi) the balance of the amount of money and the quantity of the electronic payment instruments that it holds.

(Customer Ledger)

Article 77 (1) The customer ledger prescribed in Article 75, paragraph (1), item (iv) consists of the following:

- (i) in the case of a person who conducts the exchange, etc. of electronic payment instruments or the act set forth in Article 2, paragraph (10), item (iv) of the Act, a user ledger;
- (ii) in the case of a person who conducts the management of electronic payment instruments, a book on the description of the management of electronic payment instruments.

(2) A user ledger referred to in item (i) of the preceding paragraph must be prepared for each user of the electronic payment instruments services and must contain the particulars set forth in the following items in accordance with the category of cases respectively set forth therein:

- (i) if electronic payment instruments service provider conducts the exchange, etc. of electronic payment instruments: the following particulars:
 - (a) the name of the user;
 - (b) the deposit and withdrawal of money and the dates thereof, and the outstanding balance;
 - (c) the name of the electronic payment instruments;
 - (d) whether it is a transaction for itself, intermediation, brokerage, or agency services;
 - (e) whether it is the sale or purchase of electronic payment instruments, or the exchange with other electronic payment instruments;
 - (f) the date of the contract;
 - (g) the quantity of the electronic payment instruments;
 - (h) the contract price or unit price and the amount (in the case of the exchange with other electronic payment instruments, the name of those other electronic payment instruments and the price equivalent to the contract price);
 - (i) in the case of an electronic payment instruments margin transaction, the following particulars:
 - 1. the fact that it is an electronic payment instruments margin transaction;
 - 2. the amount of obligation for the credit granted, and the due date for the payment;
 - 3. particulars concerning the security deposit (the type of the security deposit, the dates of receipt or return, and the amount or quantity);
- (ii) if the electronic payment instruments service provider conducts the act set forth in Article 2, paragraph (10), item (iv) of the Act: the following

particulars:

- (a) the name of the user;
- (b) changes in the amount of claims relating to obligations regarding funds transfer transactions held by the user, the dates thereof, and the outstanding balance of the claims.

(3) A book on the description of the management of electronic payment instruments referred to in paragraph (1), item (ii) must be prepared for each user of the electronic payment instruments services and must contain the following particulars:

- (i) the name of the user;
- (ii) whether it is an acceptance or withdrawal and the date thereof, and the outstanding balance;
- (iii) the name of a person who manages the user's electronic payment instruments;
- (iv) the name of the electronic payment instruments;
- (v) the quantity of the electronic payment instruments.

(Order Forms)

Article 78 The following particulars must be stated in an order form referred to in Article 75, paragraph (1), item (v), regarding the acts set forth in Article 2, paragraph (10), items (i) and (ii) of the Act:

- (i) whether it is a transaction for itself, intermediation, brokerage or agency services (in the case of the placement of an order for a self-transaction, it is a transaction for itself);
- (ii) the name of the user of the electronic payment instruments services;
- (iii) the name of the electronic payment instruments;
- (iv) whether it is for the sale or purchase of electronic payment instruments, or the exchange with other electronic payment instruments;
- (v) the volume of the order received and the volume of the order placed;
- (vi) the volume of the contract executed;
- (vii) whether it is a limit order or market order (in the case of a limit order, including the price and valid period of the order (excluding any order of which the valid period is the day of the order));
- (viii) the date and time of receipt and placement of the order;
- (ix) the date and time of the contract;
- (x) the contract price or unit price and the amount (in the case of the exchange with other electronic payment instruments, the name of those other electronic payment instruments and the price equivalent to the contract price);
- (xi) in the case of an electronic payment instruments margin transaction, the following particulars:

- (a) the fact that it is an electronic payment instruments margin transaction;
- (b) whether it is a new transaction or settlement transaction;
- (c) the amount of obligation for the credit granted, and the due date for the payment;
- (xii) if the transaction did not come into effect, that fact and the cause thereof, in lieu of the particulars set forth in items (vi), (ix), and (x).

(Reports on the Electronic Payment Instruments Services)

Article 79 The written report on the electronic payment instruments services referred to in Article 62-19, paragraph (1) of the Act must be prepared using Appended Form 17 (in the case of a foreign electronic payment instruments service provider, Appended Form 18) by separating it into a business summary and a document containing the status of income and expenditure regarding the electronic payment instruments services and must be submitted to the Commissioner of the Financial Services Agency within three months from the last day of the relevant business year (in the case of a foreign electronic payment instruments service provider, within four months from the last day of the relevant business year), while attaching thereto the documents specified in Article 81, paragraph (1).

(Reports on the Management of Electronic Payment Instruments)

- Article 80 (1) The period specified by Cabinet Office Order as prescribed in Article 62-19, paragraph (2) of the Act is each three-month period of the business year (when the last period is less than three months, that period less than three months; referred to as the "subject period" in the following paragraph and paragraph (2) of the following Article).
- (2) The written report referred to in Article 62-19, paragraph (2) of the Act must be prepared using Appended Form 19 and must be submitted to the Commissioner of the Financial Agency within one month from the last day of the subject period, together with the documents set forth in the items of paragraph (2) of the following Article; provided, however, that it is sufficient to submit the documents set forth in item (i) of the same paragraph within two months from the last day of the subject period.

(Documents to Be Attached to a Written Report)

- Article 81 (1) The documents specified by Cabinet Office Order as prescribed in Article 62-19, paragraph (3) of the Act are as follows:
- (i) the latest balance sheet (including related notes) and profit and loss statement (including related notes);
 - (ii) in the case of an electronic payment instruments service provider who conducts the management of electronic payment instruments, an audit report

- prepared by a certified public accountant or audit corporation regarding the documents set forth in the preceding item;
- (iii) in the case of managing the money of a user of the electronic payment instruments services, a print-out of the information on the amount of the relevant user's money as of the last day of the relevant business year recorded in electronic or magnetic records or other document proving the amount of the relevant user's money;
 - (iv) in the case of undergoing an audit of separate management of money, a copy of the latest report submitted by a certified public accountant or audit corporation.
- (2) The documents specified by Cabinet Office Order as prescribed in Article 62-19, paragraph (4) of the Act are as follows:
- (i) the balance sheet (including related notes) and profit and loss statement (including related notes) regarding the subject period;
 - (ii) a print-out of the information on the balance of the electronic payment instruments of a user under management in relation to the electronic payment instruments services as of the last day of the subject period that is recorded in electronic or magnetic records or other document proving the balance of the user's electronic payment instruments;
 - (iii) in the case of managing the money of a user of the electronic payment instruments services, a print-out of the information on the amount of the user's money as of the last day of the subject period that is recorded in electronic or magnetic records or other document proving the amount of the user's money;
 - (iv) in the case of undergoing an audit of separate management of money or an audit of separate management of electronic payment instruments, a copy of the latest report submitted by a certified public accountant or audit corporation.

(Means of Giving Public Notice)

Article 82 The public notice under the provisions of Article 62-22, paragraph (2) and Article 62-24 of the Act is to be given in the Official Gazette.

Chapter IV Miscellaneous Provisions

(Notifications of Discontinuation of Business)

Article 83 (1) A person intending to file a notification under the provisions of Article 62-25, paragraph (1) of the Act must submit a written notification prepared using Appended Form 20 to the Commissioner of the Financial Services Agency.

(2) The following particulars must be stated in the written notification referred

to in the preceding paragraph:

- (i) the trade name;
 - (ii) the registration date and registration number;
 - (iii) the reason for the notification;
 - (iv) the date on which the electronic payment instruments service provider came to fall under any of the items of Article 62-25, paragraph (1) of the Act;
 - (v) when having discontinued all or part of the electronic payment instruments services, the reasons therefor;
 - (vi) when having discontinued all or part of the electronic payment instruments services by way of transfer of business, merger, or company split, or for other reasons, the means for business succession and the successor.
- (3) The public notice under the provisions of Article 62-25, paragraph (3) of the Act is to be published in the Official Gazette, in a daily newspaper that publishes particulars on current events, or by means of electronic public notice prescribed in Article 2, item (xxxiv) of the Companies Act.
- (4) The public notice and the posting at business offices under the provisions of Article 62-25, paragraph (3) of the Act are to inform of the methods of completing the performance of obligations under the provisions of paragraph (5) of the same Article and returning or transferring the users' property to the users of the electronic payment instruments services, except for the case where a public notice is given due to business succession by way of transfer of business, merger or company split, or for other reasons.
- (5) When having given a public notice under the provisions of Article 62-25, paragraph (3) of the Act, an electronic payment instruments service provider must immediately submit a written notification prepared using Appended Form 21 to the Commissioner of the Financial Services Agency, while attaching a copy of the public notice.
- (6) When intending to discontinue all or part of the electronic payment instruments services by way of transfer of business, merger or company split, or for other reasons, an electronic payment instruments service provider must attach a document containing the details of the contract regarding the business succession and the method for the business succession to the written notification referred to in the preceding paragraph.

(Case Where the Completion of the Performance of Obligations Due to Revocation of Registration is Not Required)

Article 84 The cases specified by Cabinet Office Order as prescribed in Article 62-26, paragraph (1) of the Act are the cases where an electronic payment instruments service provider has another electronic payment instruments service provider succeed to all of its electronic payment instruments by way of transfer of business, merger or company split, or for other reasons.

(Notification of Violation of Laws and Regulations)

Article 85 If an electronic payment instruments service provider (including an issuer who is deemed to be an electronic payment instruments service provider pursuant to the provisions of Article 62-8, paragraph (2) of the Act) has come to know that any of its directors, etc. or employees has committed violation of laws and regulations regarding the electronic payment instruments services or an act that hinders the proper and steady provision of the electronic payment instruments services, the electronic payment instruments service provider is to submit a written notification prepared using Appended Form 22 that contains the following particulars to the Director-General of a Local Finance Bureau, etc., within two weeks from the day on which it came to know that fact:

- (i) the name of the business office or office at which the relevant act occurred;
- (ii) the name and the title of the director, etc. or employee who committed that act;
- (iii) summary of the act.

(Government Agencies through Which to Submit Documents)

Article 86 (1) When an electronic payment instruments service provider (including a person intending to obtain a registration referred to in Article 62-3 of the Act, an issuer who is deemed to be an electronic payment instruments service provider pursuant to the provisions of Article 62-8, paragraph (2) of the Act, and an issuer intending to file a notification under the provisions of paragraph (3) of the same Article) intends to submit a written application for registration referred to in Article 62-4, paragraph (1) of the Act and other documents prescribed in the Act and this Cabinet Office Order (hereinafter referred to as "written application, etc." in the following paragraph and the following Article) to the Commissioner of the Financial Services Agency, the electronic payment instruments service provider must submit them through the Director-General of the Local Finance Bureau with jurisdiction over the location of its principal business office, etc. (meaning the principal business office prescribed in Article 31, paragraph (1) of the Order; the same applies in the following paragraph) (when the office is located within the jurisdictional district of the Fukuoka Local Finance Branch Bureau, the Director-General of the Fukuoka Local Finance Branch Bureau).

- (2) If an electronic payment instruments service provider intends to submit a written application, etc. to the Director-General of a Local Finance Bureau, etc., and the head of a Local Finance Office, etc., the head of the Otaru Branch, or the head of the Kitami Branch (hereinafter referred to as the "head of the relevant Local Finance Office, etc." in this paragraph and the following Article) has jurisdiction over the location of its principal business office, the electronic

payment instruments service provider must submit them through the head of the relevant Local Finance Office, etc.

(Submission of Written Applications, etc. through Certified Associations for Payment Service Providers)

Article 87 When intending to submit a written application, etc. to the Commissioner of the Financial Services Agency or the Director-General of a Local Finance Bureau, etc. (including submission through the head of the Local Finance Office, etc. under the provisions of paragraph (2) of the preceding Article), an electronic payment instruments service provider may submit it through a certified association for payment service providers.

(Standard Processing Period)

Article 88 (1) The Commissioner of the Financial Services Agency is to endeavor to process any application filed for registration under Article 62-3 of the Act, registration of changes under Article 62-7, paragraph (1) of the Act, or approval under Article 38, paragraph (3) within two months from the day on which the application has arrived at the office.

(2) The period prescribed in the preceding paragraph does not include the following periods:

- (i) the period required to amend the application;
- (ii) the period required for the applicant to change the details of the application;
- (iii) the period required for the applicant to add materials that are found to be necessary for the examination regarding the application.