

Order for Enforcement of the Unfair Competition Prevention Act (Tentative translation)

(Cabinet Order No. 388 of December 5, 2001)

The Cabinet hereby enacts this Cabinet Order pursuant to the provisions of Article 11, paragraph (2), item (iii) of the Unfair Competition Prevention Act (Act No. 47 of 1993).

(Contents of a Technical Secret)

Article 1 The information specified by Cabinet Order as referred to in Article 5-2, paragraph (1) of the Unfair Competition Prevention Act (hereinafter referred to as the "Act") is the method of evaluating or analyzing information (excluding methods that fall under the category of manufacturing methods).

(Acts Obviously Involving the Use of Technical Secrets)

Article 2 The act specified by Cabinet Order as referred to in Article 5-2, paragraph (1) of the Act is the provision of services for evaluating or analyzing by using a technical secret (limited to a technical secret regarding a method of evaluating or analyzing information (including methods that fall under the category of manufacturing methods)) as prescribed in Article 2, paragraph (1), item (x) of the Act.

(Foreign Public Officials Specified by Cabinet Order)

Article 3 (1) The persons specified by Cabinet Order set forth in Article 18, paragraph (2), item (iii) of the Act are to be persons who engage in the business affairs of the following undertaking (excluding the undertakings prescribed in the same item) to which special rights and interests are granted by the national or local government of the foreign states for performance of its business:

- (i) an undertaking in which voting rights exceeding 50 percent of all shareholders' voting rights are directly held by one or more of the national or local governments of foreign states;
- (ii) an undertaking for which, with respect to all or part of the matters to be resolved at a shareholders meeting, the resolution will not become effective unless the national or local government of a foreign state conducts permission, authorization, approval, consent or any other act similar thereto, or which may invalidate the resolution;
- (iii) an undertaking in which one or more of the national or local governments or public undertakings of foreign states directly owns a number of voting

shares or an amount of capital subscription that exceeds 50 percent of that undertaking's total issued voting shares or total amount of capital subscription, or in which voting rights exceeding 50 percent of the voting rights of all shareholders are directly held by one or more of the national or local governments or public undertakings of foreign states, or in which the majority of officers (meaning directors, auditors, council members, inspectors, liquidators, and other persons engaged in management of the business; the same applies in the following paragraph) are appointed or designated by one or more of the national or local foreign governments or public undertakings of foreign states (excluding undertakings prescribed in item (i)).

- (2) The term "public undertaking" prescribed in item (iii) of the preceding paragraph means an undertaking as prescribed in Article 18, paragraph (2), item (iii) of the Act and an undertaking as set forth in items (i) and (ii) of the preceding paragraph. In this case, an undertaking in which one or more of the national or local foreign governments or public undertakings of foreign states directly owns a number of voting shares or an amount of capital subscription that exceeds 50 percent of that undertaking's total issued voting shares or total amount of capital subscription, or in which voting rights exceeding 50 percent of the voting rights of all shareholders are directly held by one or more of the national or local governments or public undertakings of foreign states, or in which the majority of officers are appointed or designated by one or more of the national or local foreign governments or public undertakings of foreign states is deemed to be a public undertaking.