

# **Regulation for Enforcement of the Installment Sales Act**

(Order of the Ministry of International Trade and Industry No. 95 of November 14, 1961)

The Regulation for Enforcement of the Installment Sales Act is established as follows based on the provisions of the Installment Sales Act (Act No. 159 of 1961) for the purpose of enforcing the relevant Act.

## **Table of Contents**

Chapter I General Provisions (Article 1)

Chapter I-2 Installment Sales

Section 1 General Provisions (Articles 1-2 through 11)

Section 2 Prepaid Installment Sales (Articles 12 through 26)

Chapter II Loan-Affiliated Installment Sales (Articles 27 through 35)

Chapter III Intermediation of Credit Purchases

Section 1 Intermediation of Comprehensive Credit Purchases

Subsection 1 Business (Articles 36 through 60)

Subsection 2 Special Provisions for Investigation into the Comprehensive Purchase Amount Projected to Be Affordable (Articles 61 through 62-6)

Subsection 3 Registration, etc. of Comprehensive Credit Purchase Intermediaries (Articles 63 through 68)

Subsection 4 Registered Comprehensive Small Amount Credit Purchase Intermediaries (Articles 68-3 through 68-17)

Section 2 Intermediation of Individual Credit Purchases

Subsection 1 Business (Articles 69 through 98)

Subsection 2 Registration, etc. of Individual Credit Purchase Intermediaries (Articles 99 through 103)

Section 3 Designated Credit Bureaus

Subsection 1 General Rules (Articles 104 through 108)

Subsection 2 Business (Articles 109 through 114)

Subsection 3 Supervision (Articles 115 through 117)

Subsection 4 Participating Comprehensive Credit Purchase Intermediaries and Participating Individual Credit Purchase Intermediaries (Articles 118 through 121)

Chapter IV Specified Prepaid Transactions (Articles 122 through 125)

Chapter V Designated Entrusted Institutions (Articles 126 through 131)

Chapter VI Proper Management of Credit Card Numbers

Section 1 Proper Management of Credit Card Numbers (Articles 132 through

133)

Section 2 Contract for Handling Credit Card Numbers (Articles 133-2 through 133-14)

Chapter VII Certified Installment Sales Association (Articles 134 and 135)

Chapter VIII Miscellaneous Provisions (Articles 136 through 142)

Supplementary Provisions

## **Chapter I General Provisions**

(Definition of Terms)

Article 1 Except in cases where specifically provided, the terms used in this Order have the same meanings as the terms used in the Installment Sales Act (Act No. 159 of 1961; referred to below as the "Act").

### **Chapter I-2 Installment Sales**

#### **Section 1 General Provisions**

(Method for Indication of the Terms and Conditions of Installment Sales)

Article 1-2 (1) The matters stated in the items of Article 3, paragraph (1) of the Act must be indicated as specified in the following items; provided, however, that the matters stated in item (iv) of the relevant paragraph may be omitted in cases where, in respect of a payment method of installments, the interval of paying the installments is other than those specified in paragraph (2), item (i) and the amount of the installments is other than those specified in item (ii) of the relevant paragraph as requested by a purchaser or a service recipient (referred to below as a "purchaser, etc." in this Section, Chapter II, Chapter III (excluding Articles 44 through 47, Articles 56 through 58, Article 71, Article 72, Article 73-2, Article 74, paragraph (1), item (iv) and paragraph (2), Articles 89 through 91, and Section 3), Chapter VII, and Appended Table 1) or where the installment fee (the total amount of money that the installment seller requires the purchaser, etc. to pay as the fee for installment sales, whatever their names, such as interest, credit check expenses, collection expenses, administrative expenses, bad debt expenses and other expenses, regardless of designation (when it is clearly stated that any fee for registration or recording of the establishment of a mortgage or for the cancellation thereof or any fee for preparation of a notarial deed (limited to fees prescribed by laws and regulations; referred to below as the "fee for registration, etc.") is not to be included in the fee for installment sales, the amount that remains after deducting the fee for registration, etc.); the same applies below) is less than 2,500 yen:

(i) the matters are to be displayed by readily visible means at a business office,

- etc. as prescribed in Article 2, paragraph (1), item (i) of the Act on Specified Commercial Transactions (Act No. 57 of 1976) (referred to as a "business office, etc." in Article 69, paragraph (1), item (i)) or in writing;
- (ii) matters are to be accurately expressed using terms that are easy to read and understand by counterparties to whom designated goods or designated rights are intended to be sold or designated services are intended to be provided;
  - (iii) letters and numbers in 8 point or larger as specified in Japanese Industrial Standard (JIS) Z-8305 are to be used;
  - (iv) the matters stated in Article 3, paragraph (1), item (iv) of the Act are to be indicated as the rate of the installment fee calculated as prescribed in the following paragraph, on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.
- (2) The method specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 3, paragraph (1), item (iv) of the Act is the method specified in row (i) of Appended Table 1; provided, however, that relevant method may be the method specified in row (ii) of the relevant table if, in respect of a payment method of installments, the interval of paying installments is other than those specified in item (i) and the amount of the installments is other than those specified in item (ii):
- (i) where the interval of paying installments falls under either of the following:
    - (a) where the payment of installments during the period of payment is to be made once every month at regular intervals;
    - (b) except in the cases listed in (a), where it is less than two months from the day of concluding the contract to the day preceding the day of the first installment payment, and where, during the period from the day of the first installment payment to the final day of the period of payment, the payment of installments is to be made once every month at regular intervals;
  - (ii) where the amount of installments falls under any of the following:
    - (a) where installments are of the same amount;
    - (b) where installments except for any one installment are of the same amount and the relevant one different installment is an amount of not more than 150 percent of that of other equal installments;
    - (c) where the period of payment includes any months of June, July, August, December, or January (limited to the cases where the period of payment is less than one year), and the installments for the period of payment except for an installment for any months of June, July, August, December, or January (referred to below as the "installment for the specified month") falls under (a) or (b) and the amount of the installment for the specified month exceeds that of the other installments; or where the period of

payment includes any months of June, July, or August, and either of December or January, and the installments for the period of payment except for an installment for any months of June, July or August, and an installment for either of the relevant December or January (referred to below as the "installment for the specified two months") falls under (a) or (b) and the installment for the specified two months are of the same amount and exceed the amount of the other installments.

Article 2 (1) When an installment seller delivers a document containing the matters stated in the items of Article 3, paragraph (2) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for users to read and understand;
  - (ii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
  - (iii) the matters stated in Article 3, paragraph (2), item (ii) of the Act are to be indicated as the rate of the installment fee calculated as prescribed in the following paragraph, on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.
- (2) The method specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 3, paragraph (2), item (ii) of the Act is the method specified in row (i) of Appended Table 1; provided, however, that the relevant method may be the method specified in row (ii) of the relevant table if, in respect of a payment method of installments, the interval of paying installments is other than those specified in paragraph (2), item (i) of the preceding Article and the amount of the installments is other than those specified in item (ii) of the relevant paragraph:
- (3) The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 3, paragraph (2), item (iii) of the Act are as follows:
- (i) a concrete example of the calculation of the selling price by installment payment of goods or rights or the price by installment payment for the provision of services;
  - (ii) when there is an agreement on the credit line (meaning the maximum amount for purchasing goods or rights or for receiving services by the installment sales method that is specified in advance; the same applies in paragraph (3), item (ii) of the following Article), the relevant amount;
  - (iii) beyond what is provided for in the preceding item, when there are any special agreements concerning the use of a card, etc., the details of it.

Article 3 (1) When an installment seller delivers a document containing the

matters stated in the items of Article 3, paragraph (3) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for users to read and understand;
  - (ii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
  - (iii) the matters stated in Article 3, paragraph (3), item (ii) of the Act are to be indicated as the rate of the installment fee calculated as prescribed in the following paragraph, on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.
- (2) The method specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 3, paragraph (3), item (ii) of the Act is the method specified in row (iii) of Appended Table 1.
- (3) The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 3, paragraph (3), item (iii) of the Act is as follows:
- (i) a concrete example of the calculation of the amount of the payment money;
  - (ii) when there is an agreement on the credit line, the relevant amount;
  - (iii) beyond what is provided for in the preceding item, when there are any special agreements concerning the use of a card, etc., the details of it.

Article 4 When an installment seller advertises, pursuant to the provisions of Article 3, paragraph (4) of the Act, the conditions for the sale in cases of selling designated goods or designated rights or the conditions for the provision in cases of designated services being provided by the installment sales method prescribed in paragraph (1), paragraph (2), or paragraph (3) of the relevant Article, it must indicate the relevant matters stated respectively in the items of paragraph (1), the items of paragraph (2), or the items of paragraph (3) of the relevant Article, as specified in the following items; provided, however, that the matters stated in paragraph (1), item (iv) of the relevant Article may be omitted in cases where the installment fee is less than 2,500 yen:

- (i) regarding the matters stated in the items of paragraph (1), the items of paragraph (2), or the items of paragraph (3) of Article 3 of the Act, they are to be accurately displayed using terms that are easy to read and understand by counterparties to whom designated goods or designated rights are intended to be sold or designated services are intended to be provided, or users;
- (ii) where the advertisement is made in writing, letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
- (iii) the matters stated in paragraph (1), item (iv), paragraph (2), item (ii), or paragraph (3), item (ii) of Article 3 of the Act are to be indicated as the rate

of the installment fee calculated as prescribed respectively in Article 1-2, paragraph (2), Article 2, paragraph (2), or Article 3, paragraph (2), on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.

(Delivery of Documents)

Article 5 The matters specified by Order of the Ministry of Economy, Trade and Industry stated in Article 4, paragraph (1), item (vii) of the Act are as follows; provided, however, that the matters listed in item (v) may be omitted where an installment seller has concluded a contract to sell designated goods or designated rights or to provide designated services by the installment sales method stated in Article 3, paragraph (2) of the Act, and the matters listed in items (iii) and (iv) may be omitted where an installment seller has concluded a contract to sell designated goods by the installment sales method stated in the relevant paragraph to which two or more types of designated goods relate (the matters that may be omitted are limited to those regarding the types of designated goods whose selling price in cash is less than 3,000 yen (excluding a type of designated goods whose selling price in cash is the highest of all the designated goods regarding the relevant contract)):

- (i) the name and address or telephone number of the installment seller;
- (ii) the date of the contract;
- (iii) the type of the goods, rights, or services;
- (iv) the quantity of the goods (in the case of rights or services, the number of times or the period during which the rights may be exercised or the number of times or the period during which the services may be received under the contract);
- (v) the amount of the initial deposit or the initial payment;
- (vi) the number of payments of installments;
- (vii) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract to sell designated goods or designated rights or to offer designated services by the installment sales method (referred to below as the "contract for installment sales")
- (viii) excluding the case of prepaid installment sales, when there is an agreement on the demand for the payment of installments that have not yet become due, the details of it;
- (ix) when there is an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to pay installments (excluding cases where the contract has been cancelled), the details of it;
- (x) when the provision of services is one of the conditions for the sale of

designated goods or designated rights, the details of the relevant services, the timing of their provision, and any other matters concerning the relevant services;

- (xi) when the sale of goods is one of the conditions for the sale of designated rights or the provision of designated services, the details of the relevant goods, the delivery time, and any other matters concerning the relevant goods;
- (xii) when the sale of rights is one of the conditions for the sale of designated goods or the provision of designated services, the details of the relevant rights, the timing of their transfer, and any other matters concerning the relevant rights;
- (xiii) when there is an agreement on the liability in cases where the type or quality of goods does not conform to the content of the contract, the details of it;
- (xiv) when there are any other special agreements beyond what is listed in the preceding items, the details of those;
- (xv) when the contract for installment sales is a personal multilevel marketing contract or a personal business opportunity sales contract, to that effect.

Article 6 (1) When an installment seller delivers, pursuant to the provisions of Article 4, paragraph (1) of the Act (limited to the case of installment sales as stated in Article 3, paragraph (1) of the Act), a document containing the matters listed in the items of Article 4, paragraph (1) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;
- (ii) regarding the matters listed in Article 4, paragraph (1), item (v) of the Act, the details of the relevant matters must be in accordance with the following standards:
  - (a) it is not to be provided that the contract may not be canceled by the purchaser, etc.;
  - (b) it is to be provided that if the details of the relevant contract presented by the installment seller by way of using samples, catalogues, etc., before the conclusion of the contract for installment sales, differ from the goods or rights received or the services to be received by the purchaser, etc., the relevant purchaser, etc. may cancel the relevant contract;
  - (c) it is to be provided that the cancellation of the contract due to a failure of the purchaser, etc. to perform the obligation to make payments is allowed only when the failure to perform the obligation has continued for a certain period of time as specified by the installment seller, and the installment seller has demanded the payment in writing specifying a reasonable period

of not less than 20 days but there has been a failure to perform the obligation within the relevant period;

(d) an agreement on the amount of damages, etc. in cases where the contract has been cancelled due to a cause attributable to the purchaser, etc. must be in accordance with the provisions of Article 6, paragraph (1), paragraph (3) and paragraph (4) of the Act;

(e) regarding the obligation of the installment seller in cases where the contract has been cancelled due to a cause attributable to the installment seller, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code (Act No. 89 of 1896);

(iii) when there are provisions concerning the matters specified in Article 4, paragraph (1), item (vi) of the Act and item (viii), item (ix), item (xiii), and item (xiv) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the transfer of ownership	(a) the time for the transfer of ownership of goods is to be clearly indicated (b) it is to be provided that the purchaser may not pledge the goods as collateral, or transfer or resell the goods, before the transfer of ownership of the goods
(ii) matters concerning the demand for the payment of installments that have not yet become due	(a) it is to be provided that the payment of installments that have not yet become due may be demanded due to a failure of the purchaser, etc. to perform the obligation to make payments only when the failure to perform the obligation has continued for a certain period of time as specified by the installment seller, and the installment seller has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the period



	(b) no other case than the case of the significant deterioration of the credit of the purchaser, etc. or a violation of any important contract clause is to be provided as the case where the payment of installments that have not yet become due may be demanded due to reasons other than a failure of the purchaser, etc. to perform the obligation to make payments
(iii) matters concerning the amount of damages or a penalty for breach of contract in the case of any failure to perform the obligation to pay installments (excluding cases where the contract has been cancelled)	an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to pay installments (excluding cases where the contract has been cancelled) must be in accordance with the provisions of Article 6, paragraph (2) of the Act
(iv) matters concerning liability in cases where the type or quality of goods does not conform to the content of the contract	it is not to be provided that in cases where the type or quality of goods does not conform to the content of the contract (excluding any nonconformity in automobiles where it is clear that they have been used for a purpose other than for temporary special service under the Road Vehicles Act (Act No. 185 of 1951) and where the nonconformity is generally caused by the usage), the installment seller assumes no liability for the nonconformity
(v) special agreements other than those listed in Article 4, paragraph (1), item (vi) of the Act and item (viii), item (ix), and item (xiii) of the preceding Article	there should be no special agreements that are in violation of laws and regulations

(iv) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

(2) The provisions of the preceding paragraph apply mutatis mutandis to the installment sales stated in Article 3, paragraph (2) of the Act.

Article 7 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 4, paragraph (2), item (vi) of the Act are as follows; provided, however, that the matters listed in items (iii) and (iv) may be omitted where an installment seller has concluded a contract for installment sales to which two or more types of designated goods

relates (those matters that may be omitted are limited to those relating to the types of designated goods whose selling price in cash is less than 3,000 yen (excluding a type of designated goods whose selling price in cash is the highest of all the designated goods regarding the relevant contract)):

- (i) the name and address or telephone number of the installment seller;
- (ii) the date of the contract;
- (iii) the type of the goods, rights, or services;
- (iv) the quantity of the goods (in the case of rights or services, the number of times or the period during which the rights may be exercised or the number of times or the period during which the services may be received under the contract);
- (v) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract for installment sales;
- (vi) when there is an agreement on the demand for the payment money that have not yet become due, the details of it;
- (vii) when there is an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to the payment money (excluding cases where the contract has been cancelled), the details of it;
- (viii) when the provision of services is one of the conditions for the sale of designated goods or designated rights, the details of the relevant services, the timing of their provision, and any other matters concerning the relevant services;
- (ix) when the sale of goods is one of the conditions for the sale of designated rights or the provision of designated services, the details of the relevant goods, the delivery time, and any other matters concerning the relevant goods;
- (x) when the sale of rights is one of the conditions for the sale of designated goods or the provision of designated services, the details of the relevant rights, the timing of their transfer, and any other matters concerning the relevant rights;
- (xi) when there is an agreement on the liability in cases where the type or quality of goods does not conform to the content of the contract, the details of it;
- (xii) when there are any other special agreements beyond what is listed in the preceding items, the details of those;
- (xiii) when the contract for installment sales is a personal multilevel marketing contract or a personal business opportunity sales contract, to that effect.

Article 8 When an installment seller delivers, pursuant to the provisions of Article 4, paragraph (2) of the Act, a document containing the matters listed in the items of the relevant paragraph, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;
- (ii) regarding the matters listed in Article 4, paragraph (2), item (iv) of the Act, the details of the relevant matters must be in accordance with the following standards:
  - (a) it is not to be provided that the contract may not be canceled by the purchaser, etc.;
  - (b) it is to be provided that if the details of the relevant contract presented by the installment seller by way of using samples, catalogues, etc., before the conclusion of the contract for installment sales, differ from the goods or rights received or the services to be received by the purchaser, etc., the relevant purchaser, etc. may cancel the relevant contract;
  - (c) it is to be provided that the cancellation of the contract due to a failure of the purchaser, etc. to perform the obligation to make payments is allowed only when the failure to perform the obligation has continued for a certain period of time as specified by the installment seller, and the installment seller has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the relevant period;
  - (d) regarding the obligation of the installment seller in cases where the contract has been cancelled due to a cause attributable to the installment seller, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code;
- (iii) when there are provisions concerning the matters specified in Article 4, paragraph (2), item (v) of the Act and item (vi), item (xi), and item (xii) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the transfer of ownership	(a) the time for the transfer of ownership of goods is to be clearly indicated (b) it is to be provided that the purchaser may not pledge the goods as collateral, or transfer or resell the goods, prior to the transfer of ownership of said goods

(ii) matters concerning the demand for the payment money that have not yet become due	(a) it is to be provided that the payment money that have not yet become due may be demanded due to a failure of the Purchaser, etc. to perform the obligation to make payments only when the failure to perform the obligation has continued for a certain period of time as specified by the installment seller, and the installment seller has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within that period (b) no other case than the case of the significant deterioration of the credit of the Purchaser, etc. or a violation of any important contract clause is to be provided as the case where the payment money that have not yet become due may be demanded due to reasons other than a failure of the Purchaser, etc. to perform the obligation to make payments
(iii) matters concerning liability in cases where the type or quality of goods does not conform to the content of the contract	it is not to be provided that in cases where the type or quality of goods does not conform to the content of the contract (excluding any nonconformity in automobiles where it is clear that they have been used for a purpose other than for temporary special service under the Road Vehicles Act and where the nonconformity is generally caused by the usage), the installment seller assumes no liability for the nonconformity
(iv) special agreements other than those listed in Article 4, paragraph (2), item (v) of the Act and item (vi) and item (xi) of the preceding Article	there should be no special agreements that are in violation of laws and regulations

(iv) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

Article 9 When an installment seller delivers a document containing the matters

listed in the items of Article 4, paragraph (3) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;
- (ii) regarding the grounds for the calculation of the payment money, the amount of the unpaid portion of any obligations other than delay damages and the fee for installment sales, the breakdown of the payment money, and any other matters necessary for calculating the payment money are to be indicated;
- (iii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

(Methods of Using Information and Communications Technology)

Article 10 (1) The methods specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 4-2 of the Act are to be the following:

- (i) method of using an electronic data processing system as listed in (a) or (b):
    - (a) method of sending a document through a telecommunication line connecting the computer used by the installment seller and the computer used by the user or the purchaser, etc., and recording it in a file on the computer used by the recipient;
    - (b) method of providing a user or purchaser, etc. with the matters to be indicated in a document which are recorded in a file on the computer used by the installment seller for inspection through a telecommunication line, and recording the relevant matters in a file on the computer used by the relevant user or purchaser, etc. (in the case of consenting or refusing to accept the provision of matters through the method prescribed in the first sentence of Article 4-2 of the Act, method of recording to that effect in a file on the computer used by the installment seller);
  - (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent method that may reliably store certain matters, which contains the matters to be indicated in a document.
- (2) The methods listed in the preceding paragraph must be the one that allows the user or the purchaser, etc. to prepare a document by outputting the contents recorded in the file.
- (3) The "electronic data processing system" stated in paragraph (1), item (i) means an electronic data processing system that connects the computer used by the installment seller and the computer used by the user or the purchaser, etc. through a telecommunication line.

Article 11 The type and details of the methods to be indicated pursuant to the

provisions of Article 2 of the Order for Enforcement of the Installment Sales Act (Cabinet Order No. 341 of 1961; referred to below as the "Order") are the following matters:

- (i) the method prescribed in paragraph (1) of the preceding Article that is used by the installment seller;
- (ii) the method of recording in the file.

## **Section 2 Prepaid Installment Sales**

(Application for License)

Article 12 (1) A written application as stated in Article 12, paragraph (1) of the Act is to be prepared in accordance with Form 1.

(2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 12, paragraph (2) of the Act are as follows:

- (i) the record on the financial condition prepared in accordance with Form 2 as of a certain day within one month before the day of submitting the written application for a license, the record on the income and expenditure for the business year immediately before the day of submitting the written application for a license prepared in accordance with Form 3, and the balance sheets (including related notes; the same applies in Article 122, paragraph (2), item (i)), profit and loss statements (including related notes; the same applies in the relevant item), and statements of changes in net assets (including related notes; the same applies in the relevant item) for the last five business years immediately before the day of submitting the written application for a license (regarding a corporation whose business term is six months, for the last ten business terms) or any alternative documents;
  - (ii) documented business plans for the coming five business years (regarding a corporation whose business term is six months, for the coming ten business terms) after obtaining a license that contains the following matters:
    - (a) sales plans of designated goods that the person intends to sell by the prepaid installment sales method;
    - (b) income and expenditure plans;
    - (c) financial plans;
  - (iii) curricula vitae of officers;
  - (iv) a document to pledge that the person does not fall under any of the provisions of Article 15, paragraph (1), items (vi) through (viii) of the Act;
  - (v) when the person has any agency office related to prepaid installment sales, a copy of the agency contract;
  - (vi) the sales amount of designated goods sold by the prepaid installment sales method, by type of goods, for one year before the day of filing an application.
- (3) The electronic or magnetic records specified by Order of the Ministry of

Economy, Trade and Industry stated in Article 12, paragraph (3) of the Act is to be the information obtained and recorded from the computer used by administrative organizations, etc. as prescribed in Article 6, paragraph (1) of the Act on the Advancement of Government Administration Processes That Use Information and Communications Technology (Act No. 151 of 2002; referred to as the "Use of Information and Communications Technology Act" in Article 140).

(Standards for the Terms of a Contract for Prepaid Installment Sales)

Article 13 The standards specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 15, paragraph (1), item (v) of the Act are as follows:

- (i) there must be columns to indicate the following:
  - (a) the name and address of the seller;
  - (b) the name of the purchaser;
  - (c) a contract number;
  - (d) the date of the contract;
  - (e) the type of the goods;
  - (f) the quantity of the goods;
  - (g) the price by prepaid installment sales; and
  - (h) the amount, number, time of payment, and means of the payment of installments;
  - (i) the timing and method of delivery of terms of the contract for prepaid installment sales;
- (ii) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;

(iii) the matters listed in the left-hand column of the following table (for contracts for prepaid installment sales that provide for partial payment of the purchase price before delivery of the goods, the matters listed in (i) through (v) of that column) are to be stated and the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters to be indicated	Standards
(i) matters concerning the issuance of receipts	it is to be provided that where installment payments are to be collected or brought in, receipts are to be issued
(ii) matters concerning the time of the delivery of goods	a certain period within 30 days after the full payment of the charge that is to be paid before receiving the delivery of goods is to be specified as the time of the delivery

(iii) matters concerning the cancellation of the contract	it is to be provided that the cancellation of the contract due to a failure of the purchaser to perform the obligation to make payments is allowed only when the failure to perform the obligation has continued for a certain period of time as specified by the seller, and the seller has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the period, and that in cases where the purpose of the contract can no longer be achieved due to a cause attributable to the seller, the purchaser may cancel the contract
(iv) matters concerning the amount of damages, etc. due to the cancellation of the contract	it is to be provided that in cases where the contract is cancelled due to a cause attributable to the purchaser, the seller is to refund the amount, which is obtained by deducting the expenses generally required for concluding and performing the contract from the amount already paid by the purchaser, during a certain period within 60 days from the day of cancelling the contract; and the amount to be refunded is clearly indicated in such a way that the purchaser can easily make a calculation; and it is to be provided that in cases where the contract is cancelled due to a cause attributable to the seller, the seller is to refund, without delay, the sum of the amount already paid plus a certain amount not less than the amount obtained by multiplying the amount already paid by the statutory interest rate



(v) matters concerning the lump-sum payment of the remaining amount of the charge	it is to be provided that in cases where the purchaser pays in cash, in the middle of paying installments, the amount that remains after deducting, from the selling price in cash of the goods related to the contract, the sum of the amount already paid plus a certain amount not less than the amount obtained by multiplying the amount already paid by the statutory interest rate, the purchaser may receive the delivery of the goods and complete the contract
(vi) matters concerning the delivery of goods before the full payment	it is to be provided that in cases where the purchaser has paid installments a certain number of times or more as specified by the seller and meets the requirements specified by the seller, the purchaser may change the details of that Contract for Installment Sales and take delivery of the goods, and that in this case, the seller must allocate the sum of the amount already paid plus a certain amount not less than the amount obtained by multiplying the amount already paid by the statutory interest rate for a part of the charge after the change to the contract
(vii) matters concerning delivery and redelivery of the terms of a contract for prepaid installment sales	in the case where the terms of a contract for prepaid installment sales is delivered, the timing and method of delivery are provided and, if the purchasers requests redelivery of the relevant contract, it is to be provided that the terms of the contract must be redelivered without delay

(iv) the following matters must not be indicated:

- (a) that in cases where the terms of the contract for prepaid installment sales are reissued, fees exceeding the expenses generally required for the reissuance are to be collected;
- (b) that the seller may raise the price after concluding the contract for any reason other than an increase of the consumption tax and the local consumption tax;
- (c) that the seller may change goods regarding the contract after concluding the contract;

- (d) a special agreement indicating that the purchaser may not cancel the contract;
- (e) any special agreements as prescribed in Article 27, paragraph (2) of the Act;
- (f) a special agreement that is significantly disadvantageous to the purchaser regarding the jurisdiction of the court that covers actions regarding the relevant contract;
- (g) beyond what is listed in (a) to (f), any special agreements that are in violation of laws and regulations or significantly disadvantageous to the purchaser;
- (v) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

(Notification of Business Security Deposit)

Article 14 Notification under Article 16, paragraph (2) of the Act (including cases where applied mutatis mutandis pursuant to Article 18, paragraph (2), and Article 22, paragraph (3) of the Act) must be made by submitting a written notification prepared in accordance with Form 4.

(Securities That Can Be Allocated for Business Security Deposit)

Article 15 Securities specified by Order of the Ministry of Economy, Trade and Industry stated in Article 17, paragraph (2) of the Act (including cases where applied mutatis mutandis pursuant to Article 18, paragraph (2), Article 18-3, paragraph (5), Article 22, paragraph (3), and Article 22-2, paragraph (3) of the Act) are to be listed in the following items:

- (i) bonds as prescribed in Article 2, paragraph (1), items (i) through (iii) of the Financial Instruments and Exchange Act (Act No. 25 of 1948);
- (ii) in addition to those listed in the preceding item, secured bonds under the Secured Bond Trust Act (Act No. 52 of 1905) and bonds guaranteeing the right to receive preferential payment under laws and regulations (excluding own bonds and bonds issued by a company that has received an order of commencement of special liquidation proceedings under the Companies Act (Act No. 86 of 2005) and for which an order for termination of the special liquidation proceedings has not become final and binding, a company that has received an order of commencement of bankruptcy proceedings under the Bankruptcy Act (Act No. 75 of 2004) and for which an order for termination of the bankruptcy proceedings or an order for discontinuance of the bankruptcy proceedings has not become final and binding, a company that has received an order of commencement of rehabilitation proceedings under the Civil Rehabilitation Act (Act No. 225 of 1999) and for which an order for termination of the rehabilitation proceedings or an order for discontinuance

of the rehabilitation proceedings has not become final and binding, or a company that has received an order of commencement of reorganization proceedings under the Corporate Reorganization Act (Act No. 154 of 2002) and for which an order for termination of the reorganization proceedings or an order for discontinuance of the reorganization proceedings has not become final and binding);

- (iii) paperless national government bonds as prescribed in Article 88 of the Act on Book-Entry Transfer of Bonds, Shares, etc. (Act No. 75 of 2001).

(Value of Securities That Can be Allocated for Business Security Deposit)

Article 16 (1) If the securities stated in the preceding Article are allocated for business security deposit or prepaid services security deposit pursuant to the provisions of Article 17, paragraph (2) of the Act (including cases where applied mutatis mutandis pursuant to Article 18, paragraph (2), Article 18-3, paragraph (5), Article 22, paragraph (3), and Article 22-2, paragraph (3) of the Act), the value of the relevant securities are to be the amount listed respectively in the following items, in accordance with the category of securities listed in the relevant item:

- (i) regarding the securities listed in item (i) or item (iii) of the preceding Article, 95 percent of the face value;
  - (ii) regarding the securities listed in item (ii) of the preceding Article, 90 percent of the face value.
- (2) When applying the provisions of the preceding paragraph to bonds issued by means of a discount, the amount obtained by adding the amount calculated by the appended formula to their issue price is deemed to be their face value.

(Preservative Measures for Advances Received)

Article 17 Notification under Article 18-4, paragraph (1), and Article 22, paragraph (2) of the Act must be made by submitting a written notification prepared in accordance with Form 5.

Article 18 (1) An application for approval as stated in Article 18-5, paragraph (3) of the Act must be made by submitting a written application prepared in accordance with Form 6.

- (2) An application for approval as stated in Article 18-5, paragraph (5) of the Act must be made by submitting a written application prepared in accordance with Form 7.
- (3) The written application stated in the preceding paragraph must be attached with a document certifying that the contract on the entrustment of business deposit has been cancelled.

(Notification of Succession)

Article 19 (1) Notification under Article 18-6, paragraph (2) of the Act must be made by submitting a written notification prepared in accordance with Form 8.

(2) Documents certifying the fact stated in Article 18-6, paragraph (2) of the Act are as follows:

- (i) a certificate of the registered matters, curricula vitae of officers, and a document as prescribed in Article 12, paragraph (2), item (iv);
- (ii) regarding a corporation that has succeeded to the status of a licensed installment seller by accepting a transfer of all the business, a copy of the business transfer contract.

(Notification of Change)

Article 20 (1) Notification under Article 19, paragraph (1) of the Act must be made by submitting a written notification prepared in accordance with Form 9.

(2) Notification under Article 19, paragraph (2) of the Act must be made by submitting a written notification prepared in accordance with Form 10.

(3) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 12, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 19, paragraph (4) of the Act are as follows:

- (i) regarding notification under Article 19, paragraph (1) of the Act, the following documents:
  - (a) a document certifying the matters regarding the change;
  - (b) when the change refers to an officer that has newly taken office, the curriculum vitae of the relevant officer, and a document listed in Article 12, paragraph (2), item (iv) (limited to the document regarding Article 15, paragraph (1), item (viii) of the Act);
  - (c) when the change refers to the establishment of a new agency office related to prepaid installment sales, a copy of the agency contract;
- (ii) regarding a notification under Article 19, paragraph (2) of the Act, the terms of the contract for prepaid installment sales before and after the change.

(4) The provisions of Article 12, paragraph (3) applies mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 12, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 19, paragraph (4) of the Act.

(Maintenance of Books)

Article 21 (1) Books as stated in Article 19-2 of the Act must be maintained at the principal business office (where it is difficult to indicate all the matters listed in the items of paragraph (3) in books maintained at the principal business office, such books must be maintained at the principal business office

and secondary business offices for which a written notification prepared in accordance with Form 11 has been submitted to the Minister of Economy, Trade and Industry).

- (2) Books must be preserved for two years from the date of closing.
- (3) The matters specified by Order of the Ministry of Economy, Trade and Industry stated in Article 19-2 of the Act are as follows:
  - (i) the name and address of the person that has concluded the contract for prepaid installment sales;
  - (ii) the contract number;
  - (iii) the name of the goods;
  - (iv) the balance of advances received that have been received as the whole or a part of the charge for goods regarding the contract for prepaid installment sales (referred below to as "advanced reservation payment");
  - (v) the total amount of advanced reservation payment and the number of contracts at month-end for each business office or agency office.
- (4) If books are maintained at the principal business office, and the secondary business offices prescribed in paragraph (1), the total amount of advanced reservation payment and the number of contracts at month-end for each business office where books are maintained must be indicated in the books maintained at the principal office.

(Income and Expenditure Ratio, etc. Regarding Order for Improvement)

Article 22 (1) The ratio specified by Order of the Ministry of Economy, Trade and Industry stated in Article 20-2, paragraph (1), item (i) of the Act is to be 100 percent.

- (2) The ratio specified by Order of the Ministry of Economy, Trade and Industry stated in Article 20-2, paragraph (1), item (ii) of the Act is to be 90 percent.
- (3) The cases specified by Order of the Ministry of Economy, Trade and Industry stated in Article 20-2, paragraph (1), item (iii) of the Act are as follows:
  - (i) when the amount of total assets minus total liabilities is less than the amount of stated capital or capital contributions;
  - (ii) when the total amount of advanced reservation payment or the total amount of liabilities is significantly excessive in light of the status of the financial condition;
  - (iii) when costs for deferral regarding prepaid installment sales are recorded in an inflated manner or accounting procedures are otherwise unsound;
  - (iv) when the amount that may be allocated for the tender arising from the contract for prepaid installment sales based on preservative measures for advances received, as of the base date, is less than the base amount for the relevant base date;
  - (v) when the guidance and supervision for salespersons and other workers is

- not sufficient;
- (vi) when the guidance for a person to which prepaid installment sales business have been entrusted (when the entrusted person is a corporation, the guidance for the members, directors, executive officers, and other corporate representatives who execute the business) or agency offices (when an agency office is a corporation, the guidance for the members, directors, executive officers, and other corporate representatives who execute the business) is not sufficient;
  - (vii) when the licensed installment seller has failed to convey the truth to the purchaser or has conveyed or indicated to them false information or information that may cause a misunderstanding regarding important matters concerning the contract for prepaid installment sales that may affect the judgment of the purchaser;
  - (viii) when the licensed installment seller has failed to convey any disadvantageous facts to the purchaser and has had the purchaser extinguish the existing contract for prepaid installment sales and apply for a new contract for prepaid installment sales, or has had the purchaser apply for a new contract for prepaid installment sales, and as a result extinguish the existing contract for prepaid installment sales;
  - (ix) when the purchaser is intimidated in order to cause the conclusion of a contract for prepaid installment sales or to prevent the purchaser from canceling a contract for prepaid installment sales;
  - (x) when a request for cancellation of a prepaid installment sales contract from a purchaser is refused or is unreasonably delayed;
  - (xi) when necessary measures are not taken for appropriate handling of information concerning purchasers obtained in relation to the prepaid installment sales business and for appropriate and timely processing of complaints from purchasers;
  - (xii) when the obligations stated in the terms of the contract for prepaid installment sales are not performed;
  - (xiii) when the details of the terms of the contract for prepaid installment sales do not conform to the standards stated in Article 13.
- (4) The total amount of assets or total amount of liabilities provided in item (i) of the preceding paragraph, the total amount of advanced reservation payment or total amount of liabilities provided in item (ii) of that paragraph, and the costs for deferral relating to prepaid installment sales provided in item (iii) of that paragraph is to be calculated based on book value (assets after deducting allowances for doubtful accounts relating to notes receivable, accounts receivable, loans receivable, and accounts receivable-other, and in the case of tangible fixed assets (excluding land and construction in progress), after deducting allowances for depreciation; the same applies below in this

paragraph and Article 124, paragraph (4)) as of the date when the calculation is made (referred to below as the "date of calculation"); provided, however, that when the book value of the assets exceeds the amount of the assets assessed as of the date of calculation or the book value of the liabilities is below the amount of the liabilities assessed as of the date of calculation, the calculation is to be based on the relevant assessed amount.

(Calculation of the Amount of Revenues)

- Article 23 (1) The amount of revenue prescribed in Article 20-2, paragraph (2) of the Act is to be calculated by totaling net sales (including service revenues) and non-operating revenues. In this case, regarding a licensed installment seller that records unrealized profits on installment sales in the liabilities section on the balance sheet, any increase in the relevant unrealized profits on installment sales for the relevant business year is to be deducted from the amount of revenue and any decrease is to be included in the amount of revenue.
- (2) The amount of expenses prescribed in Article 20-2, paragraph (2) of the Act is to be calculated by totaling the cost of sales (including service costs), selling, general and administrative expenses, and non-operating expenses.
- (3) In the cases referred to in the preceding two paragraphs, the amount of special profits or losses arising from prior-period adjustments or from sources other than regular business activities are not to be included in the amount of revenue or expenses.
- (4) The total amount of current assets prescribed in Article 20-2, paragraph (2) of the Act is to be calculated by totaling the following:
- (i) cash;
  - (ii) deposits;
  - (iii) notes receivable;
  - (iv) accounts receivable;
  - (v) securities (excluding investment securities);
  - (vi) goods;
  - (vii) finished goods;
  - (viii) semi-finished goods;
  - (ix) raw materials;
  - (x) work in process;
  - (xi) supplies;
  - (xii) advance payments;
  - (xiii) prepaid expenses (limited to those to be redeemed and become expenses within one year);
  - (xiv) short-term loans receivable;
  - (xv) advances paid;
  - (xvi) accounts receivable-other;

- (xvii) accrued income;
  - (xviii) costs for deferral regarding prepaid installment sales (limited to those to be redeemed and become expenses within one year);
  - (xix) assets other than those listed in the preceding items (limited to those that are deemed to be cashable within one year).
- (5) The total amount of current liabilities prescribed in Article 20-2, paragraph (2) of the Act is to be calculated by totaling the following:
- (i) notes payable;
  - (ii) accounts payable;
  - (iii) short-term loans payable;
  - (iv) accounts payable;
  - (v) accrued expenses;
  - (vi) advances received regarding prepaid installment sales (limited to those expected to be withdrawn within one year);
  - (vii) deposits received;
  - (viii) unearned income;
  - (ix) accrued corporate tax, etc.;
  - (x) liabilities other than those listed in the preceding items (limited to those that are deemed to be paid or repaid within one year).
- (6) The amount of assets or liabilities prescribed in paragraph (4) or the preceding paragraph is to be calculated based on the book value (regarding assets listed in paragraph (4), item (iii), item (iv), and item (xvi), based on the amount that remains after deducting allowances for doubtful accounts; the same applies below in this paragraph) as of the date of calculation; provided, however, that when the book value of the assets exceeds the amount of the assets assessed as of the date of calculation or the book value of the liabilities is below the amount of the liabilities assessed as of the date of calculation, the calculation is to be based on the relevant assessed amount.

(Recovery of Security Money for Prepaid Services Deposited by an Entrusted Party Under a Contract on the Entrustment of Business Deposit)

Article 24 An application for approval as stated in Article 20-4, paragraph (2) of the Act must be made by submitting a written application prepared in accordance with Form 12.

(Public Notice of Disposition)

Article 25 A public notice under Article 24 of the Act (including cases where applied mutatis mutandis pursuant to Article 26 of the Act) is to be issued by publishing it in the Official Gazette.

(Notification of Discontinuation)



Article 26 Notification under Article 26, paragraph (1) of the Act must be made by submitting a written notification prepared in accordance with Form 13.

## **Chapter II Loan-Affiliated Installment Sales**

(Method for Indication of the Terms and Conditions of Loan-Affiliated Installment Sales)

Article 27 (1) When a loan-affiliated installment seller delivers a document containing the matters stated in the items of Article 29-2, paragraph (1) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for users to read and understand;
  - (ii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
  - (iii) the matters stated in Article 29-2, paragraph (1), item (ii) of the Act is indicated as the rate of the loan handling commission calculated as prescribed in the following paragraph (the total amount of money that the loan affiliated installment seller (including the person who guarantees the obligations of the purchaser, etc., entrusted by the loan affiliated installment seller) or the person who provides loans (meaning the counterparty from whom the purchaser, etc. obtains loans to be allocated for the whole or a part of the total amount of the payment when purchasing designated goods or designated rights or receiving the offering of designated services by the loan affiliated installment sales method) requests the purchaser, etc. to pay as the fee for loan affiliated installment sales, whatever their names, such as interest on loans, guarantee commission, credit check expenses, administrative expenses, and the like (when it is clearly stated that the fee for registration, etc. is not to be included in the fee for loan affiliated installment sales, the amount that remains after deducting the fee for registration, etc.); the same applies below), on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.
- (2) The method specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 29-2, paragraph (1), item (ii) of the Act is to be the method specified in row (i) of Appended Table 1; provided, however, that the relevant method may be the method specified in row (ii) of the relevant table in cases where the interval of repaying installment payments is other than those specified in item (i) and the amount of the repayments is other than those specified in item (ii):
- (i) where the interval of repaying installment payments falls under either of the following:
    - (a) where the repayment of installment payments during the period of

- repayment is to be made once every month at regular intervals;
- (b) except in cases listed in (a), where it is less than two months from the day of concluding the contract to the day preceding the day of repaying the first installment payment, and where, from the day of repaying the first installment payment to the final day of the period of repayment, the repayment of installment payments is to be made once every month at regular intervals;
- (ii) where the amount of installment payments falls under any of the following:
- (a) where installment payments are of the same amount;
- (b) where installment payments except for any particular installment payment are of the same amount and the relevant one installment payment that differs is an amount of not more than 150 percent of that of other equal installment payments;
- (c) where the period of repayment includes any months of June, July, August, December, or January (limited to the cases where the period of repayment is less than one year), and any of the installment payments for the period of repayment except for an installment payment for any months of the relevant June, July, August, December, or January (referred to below as the "installment payment for the specified month") falls under (a) or (b) and the amount of the installment payment for the specified month exceeds that of the other installment payments; or where the period of repayment includes any months of June, July, or August, and either of December or January, and any of the installment payments for the period of repayment except for an installment payment for any months of the relevant June, July or August, and an installment payment for either of the months of December or January (referred to below as the "installment payments for the specified two months") falls under (a) or (b) and the installment payments for the specified two months are of the same amount and exceed the amount of the other installment payments.
- (3) The matters specified by Order of the Ministry of Economy, Trade and Industry stated in Article 29-2, paragraph (1), item (iii) of the Act are as follows:
- (i) a concrete example of the calculation of the total amount of the payment;
- (ii) when there is an agreement on the credit line (meaning a maximum amount for purchasing designated goods or designated rights or for receiving designated services by the loan-affiliated installment sales method that is specified in advance; the same applies in paragraph (3), item (ii) of the following Article), the relevant amount;
- (iii) beyond what is provided for in the preceding item, when there are any special agreements concerning the use of a card, etc., the details of those.

Article 28 (1) When a loan-affiliated installment seller delivers a document containing the matters stated in the items of Article 29-2, paragraph (2) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for users to read and understand;
  - (ii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
  - (iii) the matters stated in Article 29-2, paragraph (2), item (ii) of the Act are to be indicated as the rate of the loan handling commission calculated as prescribed in the following paragraph, on an annual rate basis, down to at least to three decimal places, and no other rates are to be indicated.
- (2) The method specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 29-2, paragraph (2), item (ii) of the Act is to be the method specified in row (iii) of Appended Table 1.
- (3) The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 29-2, paragraph (2), item (iii) of the Act are as follows:
- (i) a concrete example of the calculation of the amount of the payment money;
  - (ii) when there is an agreement on the credit line, the relevant amount;
  - (iii) beyond what is provided for in the preceding item, when there are any special agreements concerning the use of a card, etc., the details of those.

Article 29 When a loan-affiliated installment seller advertises, pursuant to the provisions of Article 29-2, paragraph (3) of the Act, the conditions for the sale in cases of selling designated goods or designated rights or for the provision in cases of providing designated services, by the loan-affiliated installment sales method prescribed in paragraph (1) or paragraph (2) of the relevant Article, the seller must indicate the relevant matters stated respectively in the items of paragraph (1) or the items of paragraph (2) of the relevant Article as specified in the following items:

- (i) regarding the matters stated in the items of paragraph (1) or the items of paragraph (2) of Article 29-2 of the Act, they are to be accurately displayed using terms that are easy for users to read and understand;
- (ii) where the advertisement is made in writing, letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
- (iii) the matters stated in paragraph (1), item (ii), or paragraph (2), item (ii) of Article 29-2 of the Act are to be indicated as the rate of the loan handling commission calculated as prescribed respectively in Article 27, paragraph (2), or paragraph (2) of the preceding Article, on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.

(Delivery of Documents)

Article 30 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 29-3, paragraph (1), item (vii) of the Act are as follows; provided, however, that the matters listed in items (iii) and (iv) may be omitted where a loan-affiliated installment seller has concluded a contract to sell designated goods by the loan-affiliated installment sales method stated in Article 29-2, paragraph (1) of the Act to which two or more types of designated goods relate (the matters that may be omitted are limited to those regarding the types of designated goods whose selling price in cash is less than 3,000 yen (excluding a type of designated goods whose selling price in cash is the highest of all the designated goods regarding the relevant contract)):

- (i) the name and address or telephone number of the loan-affiliated installment seller;
- (ii) the date of the contract;
- (iii) the type of the goods, rights, or services;
- (iv) the quantity of the goods (in the case of rights or services, the number of times or the period during which the rights may be exercised, or the number of times or period during which the services may be received under the contract);
- (v) the number of repayments;
- (vi) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract to sell designated goods or designated rights or to offer designated services by the loan-affiliated installment sales method (referred to below as the "contract for the loan-affiliated installment sale");
- (vii) the matters concerning the provisions of Article 30-4, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 29-4, paragraph (2) of the Act;
- (viii) when the provision of services is one of the conditions for the sale of designated goods or designated rights, the details of the relevant services, the timing of their provision, and any other matters concerning the relevant services;
- (ix) when the sale of goods is one of the conditions for the sale of designated rights or the provision of designated services, the details of the relevant goods, the delivery time, and any other matters concerning the relevant goods;
- (x) when the sale of rights is one of the conditions for the sale of designated goods or the provision of designated services, the details of the relevant rights, the timing of their transfer, and any other matters concerning the relevant rights;

- (xi) when there is an agreement on the liability in cases where the type or quality of goods does not conform to the content of the contract, the details of this;
- (xii) when there are any other special agreements beyond what is listed in the preceding items, the details of those;
- (xiii) when the contract for the loan-affiliated installment sale is a personal multilevel marketing contract or a personal business opportunity sales contract, to that effect.

Article 31 When a loan-affiliated installment seller delivers, pursuant to the provisions of Article 29-3, paragraph (1) of the Act, a document containing the matters listed in the items of the relevant paragraph, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;
- (ii) regarding the matters listed in Article 29-3, paragraph (1), item (v) of the Act, the details of the relevant matters must be in accordance with the following standards:
  - (a) it is not to be provided that the contract may not be canceled by the purchaser, etc.;
  - (b) it is to be provided that if the details of the relevant contract presented by the loan-affiliated installment seller by way of using samples, catalogues, etc., before the conclusion of the contract for the loan-affiliated installment sales, differ from the goods or rights received or the services to be received by the purchaser, etc., the relevant purchaser, etc. may cancel the relevant contract;
  - (c) regarding the obligation of the loan-affiliated installment seller in cases where the contract has been cancelled due to a cause attributable to the loan-affiliated installment seller, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code;
- (iii) it is to be provided that regarding the matters listed in item (vii) of the preceding Article, the grounds arising regarding the details of those for the loan-affiliated installment seller that has sold designated goods or designated rights or is to provide designated services may be asserted against the loan-affiliated installment seller that demands the repayment of installment payments;
- (iv) when there are provisions concerning the matters specified in Article 29-3, paragraph (1), item (vi) of the Act and item (xi) and item (xii) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the transfer of ownership	(a) the time for the transfer of ownership of goods is to be clearly indicated
	(b) it is to be provided that the purchaser may not pledge the goods as collateral, or transfer or resell the goods, before the transfer of ownership of the goods
(ii) matters concerning the liability in cases where the type or quality of goods does not conform to the content of the contract	it is not to be provided that in cases where the type or quality of goods does not conform to the content of the contract (excluding any nonconformity in automobiles where it is clear that they have been used for a purpose other than for temporary special service under the Road Vehicles Act and where the nonconformity is generally caused by the usage), the loan-affiliated installment seller assumes no liability for the nonconformity
(iii) special agreements other than those listed in Article 29-3, paragraph (1), item (vi) of the Act and item (xi) of the preceding Article	there should be no special agreements that are in violation of laws and regulations

(v) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

Article 32 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 29-3, paragraph (2), item (vi) of the Act are as follows; provided, however, that the matters listed in items (iii) and (iv) may be omitted where a loan-affiliated installment seller has concluded a contract for the loan-affiliated installment sale to which two or more types of designated goods relate (the matters that may be omitted are limited to those regarding the types of designated goods whose selling price in cash is less than 3,000 yen (excluding a type of designated goods whose selling price in cash is the highest of all the designated goods regarding the relevant contract)):

- (i) the name and address or telephone number of the loan-affiliated installment seller;
- (ii) the date of the contract;
- (iii) the type of the goods, rights, or services;

- (iv) the quantity of the goods (in the case of rights or services, the number of times or the period during which the rights may be exercised, or the number of times or period during which the services may be received under the contract);
- (v) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract for the loan-affiliated installment sale;
- (vi) the matters concerning the provisions of Article 30-5 of the Act as applied *mutatis mutandis* pursuant to Article 29-4 paragraph (3) of the Act;
- (vii) when the provision of services is one of the conditions for the sale of designated goods or designated rights, the details of the relevant services, the timing of their provision, and any other matters concerning the relevant services;
- (viii) when the sale of goods is one of the conditions for the sale of designated rights or the provision of designated services, the details of the relevant goods, the delivery time, and any other matters concerning the relevant goods;
- (ix) when the sale of rights is one of the conditions for the sale of designated goods or the provision of designated services, the details of the relevant rights, the timing of their transfer, and any other matters concerning the relevant rights;
- (x) when there is an agreement on the liability in cases where the type or quality of goods does not conform to the content of the contract, the details thereof;
- (xi) when there are any other special agreements beyond what is listed in the preceding items, the details of those;
- (xii) when the contract for the loan-affiliated installment sale is a personal multilevel marketing contract or a personal business opportunity sales contract, to that effect.

Article 33 When a loan-affiliated installment seller delivers, pursuant to the provisions of Article 29-3, paragraph (2) of the Act, a document containing the matters listed in the items of the relevant paragraph, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;
- (ii) regarding the matters listed in Article 29-3, paragraph (2), item (iv) of the Act, the details of the relevant matters must be in accordance with the following standards:
  - (a) it is not to be provided that the contract may not be canceled by the purchaser, etc.;

- (b) it is to be provided that if the details of the relevant contract presented by the loan-affiliated installment seller by way of using samples, catalogues, etc., before the conclusion of the contract for the loan-affiliated installment sales, differ from the goods or rights received or the services to be received by the purchaser, etc., the relevant purchaser, etc. may cancel the relevant contract;
- (c) regarding the obligation of the loan-affiliated installment seller in cases where the contract has been cancelled due to a cause attributable to the loan-affiliated installment seller, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code;
- (iii) it is to be provided that regarding the matters listed in item (vi) of the preceding Article, the grounds arising regarding the details of those for the loan-affiliated installment seller that has sold designated goods or designated rights or is to provide designated services may be asserted against the loan-affiliated installment seller that demands the repayment of the payment money;
- (iv) when there are provisions concerning the matters specified in Article 29-3, paragraph (2), item (v) of the Act and item (x) and item (xi) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the transfer of ownership	<p>(a) the time for the transfer of ownership of goods is to be clearly indicated</p> <p>(b) it is to be provided that the purchaser may not pledge the goods as collateral, or transfer or resell the goods, before the transfer of ownership of the goods</p>
(ii) matters concerning the liability in cases where the type or quality of goods does not conform to the content of the contract	it is not to be provided that in cases where the type or quality of goods does not conform to the content of the contract (excluding any nonconformity in automobiles where it is clear that they have been used for a purpose other than for temporary special service under the Road Vehicles Act and where the nonconformity is generally caused by the usage), the loan-affiliated installment seller assumes no liability for the nonconformity



(iii) special agreements other than those listed in Article 29-3, paragraph (2), item (v) of the Act and item (x) of the preceding Article	there should be no special agreements that are in violation of laws and regulations
--	---

(v) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

(Methods of Using Information and Communications Technology)

Article 34 (1) The methods specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 4-2 of the Act as applied mutatis mutandis pursuant to Article 29-4, paragraph (1) of the Act are to be the following:

- (i) method of using an electronic data processing system as listed in (a) or (b):
  - (a) method of sending a document through a telecommunication line connecting the computer used by the loan-affiliated installment seller and the computer used by the user or the purchaser, etc., and recording it in a file on the computer used by the recipient;
  - (b) method of providing a user or purchaser, etc. with the matters to be indicated in a document which are recorded in a file on the computer used by the loan-affiliated installment seller for inspection through a telecommunication line, and recording the relevant matters in a file on the computer used by the relevant user or purchaser, etc. (in the case of consenting or refusing to accept the provision of matters through the method prescribed in the first sentence of Article 4-2 of the Act as applied mutatis mutandis pursuant to Article 29-4, paragraph (1) of the Act, method of recording to that effect in a file on the computer used by the loan affiliated installment seller);
- (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent means that may reliably store certain matters, which contains the matters to be indicated in a document.
- (2) The methods listed in the preceding paragraph must be the one that allows the user or the purchaser, etc. to prepare a document by outputting the contents recorded in the file.
- (3) The "electronic data processing system" stated in paragraph (1), item (i) means the electronic data processing system that connects the computer used by the loan-affiliated installment seller and the computer used by the user or the purchaser, etc. through a telecommunication line.

Article 35 The type and details of the methods to be indicated pursuant to the

provisions of Article 2 of the Order as applied mutatis mutandis pursuant to Article 17 of the Order by replacing the terms are the following matters:

- (i) the method prescribed in paragraph (1) of the preceding Article that is used by the loan affiliated installment seller;
- (ii) the method of recording in the file.

### **Chapter III Intermediation of Credit Purchases**

#### **Section 1 Intermediation of Comprehensive Credit Purchases**

##### **Subsection 1 Business**

(Provision of Information Regarding the Conditions for the Intermediation of Comprehensive Credit Purchases)

Article 36 (1) When a comprehensive credit purchase intermediary provides information regarding the matters stated in the items of Article 30, paragraph (1) of the Act pursuant to the provisions of that paragraph, it must follow the rules specified in the following items:

- (i) matters are to be accurately displayed using terms that are easy for users to read and understand;
  - (ii) information is to be provided by delivery of a document or method of using an electronic information processing system or other information communication technology;
  - (iii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
  - (iv) the matters stated in Article 30, paragraph (1), item (ii) of the Act are to be indicated as the rate of the fee for the intermediation of comprehensive credit purchases calculated as prescribed in paragraph (5) (the total amount of money that the comprehensive credit purchase intermediary requests the purchaser, etc. to pay as the fee for the intermediation of comprehensive credit purchases, whatever their names, such as interest, credit check expenses, collection expenses, administrative expenses, bad debt expenses, and other expenses (when it is clearly stated that any fee for registration, etc. are not to be included in the fee for the intermediation of comprehensive credit purchases, the amount that remains after deducting the fee for registration, etc.); the same applies below), on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.
- (2) The phrase "method of using information communication technology" in item (ii) of the preceding paragraph are to be the following methods:
- (i) method of using an electronic data processing system as listed in (a) , (b), (c), or (d):
    - (a) method of sending a document through a telecommunication line connecting the computer used by the comprehensive credit purchase

- intermediary and the computer used by the user, and recording it in a file on the computer used by the recipient;
- (b) method of offering the information to be provided (referred to below as "information to be provided") that is recorded in a file on the computer used by the comprehensive credit purchase intermediary to the user for inspection through a telecommunication line, and recording the relevant information in a file on a computer used by the relevant user;
  - (c) method of offering the information to be provided that is recorded in a file on the computer used by the comprehensive credit purchase intermediary (limited to those used exclusively by users or purchasers, etc.; referred to below in the following paragraph, Article 50, Article 53, Article 55-4, and Article 68-7 as "customer files") to the user for inspection through a telecommunication line;
  - (d) method of offering information to be provided recorded in a viewing file (meaning a file on the computer used by the comprehensive credit purchase intermediary in which information to be provided is recorded for offering for simultaneous inspection by multiple users or purchasers, etc.; the same applies below in the following paragraph, Article 50, Article 55-4, and Article 68-7) to the user for inspection through a telecommunication line;
  - (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent means that may reliably store certain matters, which contains the information to be provided.
- (3) The methods listed in the preceding paragraph must conform to the following standards:
- (i) the user must be able to create a document by outputting the contents recorded in the file;
  - (ii) in the case of the methods listed in item (i), (c) or (d) of the preceding paragraph, the matters listed below (limited to those matters regarding the transaction terms and conditions of the intermediation of comprehensive credit purchases applicable to the user) may not be deleted or modified during the period until the day on which a transaction regarding a card, etc. is completed; provided, however, that in the case where information to be provided made available for inspection is delivered in a document, the case where information to be provided made available for inspection is provided by the method listed in (a) or (b) of that item or item (ii) of that paragraph, or the case where there are instructions from the user to delete the relevant information to be provided, the relevant information to be provided may be deleted.
  - (a) for the method listed in item (i), (c) of the preceding paragraph: the information to be provided recorded in a customer file;
  - (b) for the method listed in item (i), (d) of the preceding paragraph: the

- information to be provided recorded in a viewing file.
- (iii) for the method listed in item (i), (d) of the preceding paragraph, method that conforms to the following standards:
    - (a) the information required for a user to view the viewing file is to be recorded in a customer file;
    - (b) a customer file recording information required for a user to view the viewing file pursuant to provisions of (a), along with the relevant viewing file, must be maintained in a state in which a connection is possible over electronic communication circuits for the period of time prescribed in the preceding item; provided, however, that this does not apply in the case in which the fact has been communicated that a user who has been provided with viewing need not have the information maintained in a state in which a connection is possible.
  - (4) In this Article through Article 37-2, Article 50, Article 52 through Article 53-2, Article 55-2 through Article 55-4, and Article 68-6 through Article 68-7, "electronic data processing system" means an electronic data processing system that is connected by a telecommunications line between the computer used by a comprehensive credit purchase intermediary and the computer used by a user.
  - (5) The method specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30, paragraph (1), item (ii) of the Act is the method specified in row (i) of Appended Table 1; provided, however, that the relevant method may be the method specified in row (ii) of the relevant table in cases where the interval of making payments is other than those specified in item (i), and the amount of the payments is other than those specified in item (ii):
    - (i) where the interval of making payments falls under either of the following:
      - (a) where payment during the period of payment is to be made once every month at regular intervals;
      - (b) except in cases listed in (a), where it is less than two months from the day of concluding the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases to the day preceding the day of the first payment, and where, during the period from the day of the first payment to the final day of the period of payment, payment is to be made once every month at regular intervals;
    - (ii) where the amount of the payments falls under any of the following:
      - (a) where payments are of the same amount;
      - (b) where payments except for any particular payment are of the same amount and the relevant one payment that differs is an amount of not more than 150 percent of that of other equal payments;
      - (c) where the period of payment includes any months of June, July, August, December, or January (limited to the cases where the period of payment is

less than one year), and any of the payments for the period of payment except for a payment for any months of the relevant June, July, August, December, or January (referred to below as the "payment for the specified month") falls under (a) or (b) and the amount of the payment for the specified month exceeds that of the other payments; or where the period of payment includes any months of June, July, or August, and either of December or January, and any of the payments for the period of payment except for a payment for any months of the relevant June, July or August, and a payment for either of the months of December or January (referred to below as the "payments for the specified two months") falls under (a) or (b) and the payments for the specified two months are of the same amount and exceed the amount of the other payments.

(6) Matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30, paragraph (1), item (iii) of the Act are as follows:

- (i) a concrete example of the calculation of the total amount of the payment;
- (ii) when there is an agreement on the credit line, the relevant amount;
- (iii) beyond what is provided for in the preceding item, when there are any special agreements concerning the use of a card, etc., the details of those.

Article 37 (1) When a comprehensive credit purchase intermediary provides information regarding the matters stated in the items of Article 30, paragraph (2) of the Act pursuant to the relevant paragraph, it must follow the rules specified in the following items:

- (i) matters are to be accurately displayed using terms that are easy for users to read and understand;
  - (ii) information is to be provided by delivery of a document or method of using an electronic information processing system or other information communication technology;
  - (iii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
  - (iv) the matters stated in Article 30, paragraph (2), item (ii) of the Act are to be indicated as the rate of the fee for intermediation of comprehensive credit purchases calculated as prescribed in paragraph (4), on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.
- (2) The phrase "method of using information communication technology" in item (ii) of the preceding paragraph is to be the method listed in paragraph (2) of the preceding Article:
- (3) The method in the preceding paragraph must conform to the standards listed in paragraph (3) of the preceding Article:
- (4) The method specified by Order of the Ministry of Economy, Trade and

Industry and Cabinet Office Order stated in Article 30, paragraph (2), item (ii) of the Act is the method specified in row (iii) of Appended Table 1.

(5) The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30, paragraph (2), item (iii) of the Act are as follows:

- (i) a concrete example of the calculation of the amount of the payment money;
- (ii) when there is an agreement on the credit line, the relevant amount;
- (iii) beyond what is provided for in the preceding item, when there are any special agreements concerning the use of a card, etc., the details of those.

Article 37-2 (1) When delivering a document (limited to documents regarding the transaction terms and conditions of the intermediation of comprehensive credit purchases applicable to the user) containing the matters stated in each item of paragraph (1) or each item of paragraph (2) of Article 30 pursuant to the provisions of Article 30, paragraph (3) of the Act, the provisions of paragraph (1), paragraph (5) and paragraph (6) of Article 36 or paragraph (1), paragraph (4) and paragraph (5) of the preceding Article applies *mutatis mutandis*.

(2) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 30, paragraph (3) of the Act are the cases that fall under any of the following:

- (i) the case where the services provided by a comprehensive credit purchase intermediary to a user or purchaser, etc. fall under any of the following:
  - (a) the comprehensive credit purchase intermediary is to issue a card, etc. (limited to the numbers, marks or any other signs specified in Article 2, paragraph (3), item (i) of the Act; the same applies below in this item, Article 53-2, Article 55-2, Article 55-3, and Article 68-6) to the relevant user without delivering a card or other object;
  - (b) the relevant user uses a computer used by the user and provides notice of the card, etc. specified in (a) to conclude a contract specified in the provisions of Article 30-2-3, paragraph (1) or paragraph (2) of the Act and in the provisions of Article 30-2-3, paragraph (5) of the Act; and
  - (c) if the comprehensive credit purchase intermediary demands the payment money specified in Article 30-2-3, paragraph (3) of the Act in relation to a contract specified in paragraph (2) of that Article provided in (b), the payment is to be made by a method using an electronic information processing system that is listed in Article 53, paragraph (2), item (i).
- (ii) the case where the comprehensive credit purchase intermediary provided information pursuant to the provisions of Article 30, paragraph (1) or paragraph (2) of the Act by delivering a document that contains the matters specified in each item of paragraph (1) or each item of paragraph (2) of Article 30 of the Act.

Article 38 When a comprehensive credit purchase intermediary advertises, pursuant to the provisions of Article 30, paragraph (4) of the Act, the transaction conditions for the intermediation of comprehensive credit purchases, it must indicate the relevant matters stated respectively in the items of paragraph (1), or the items of paragraph (2) of the relevant Article as specified in the following items:

- (i) with respect to the matters specified in each item of paragraph (1) or each item of paragraph (2) of Article 30 of the Act, they are to be accurately displayed using terms that are easy for users to read and understand;
- (ii) where the advertisement is made in writing, letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
- (iii) the matters stated in paragraph (1), item (ii), or paragraph (2), item (ii) of Article 30 of the Act are to be indicated as the rate of the fee for the intermediation of comprehensive credit purchases calculated as prescribed respectively in Article 36, paragraph (5), or Article 37, paragraph (4), on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.

(Investigation into the Comprehensive Purchase Amount Projected to Be Affordable)

Article 39 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the main clause of Article 30-2, paragraph (1) of the Act are as follows:

- (i) the annual income;
- (ii) the balance of deposits or savings (limited to cases where calculation of the comprehensive purchase amount projected to be affordable is necessary to protect the interests of the user (limited to users who are individuals; the same applies in the following Article to Article 48, Article 56 through Article 58, Article 62-3, Article 62-4, Article 68-3, Article 68-4, Section 3 and Appended Table 2));
- (iii) the payment status of obligations regarding the intermediation of credit purchases;
- (iv) the loan status;
- (v) beyond what is listed in the preceding items, any other matters necessary to calculate the comprehensive purchase amount projected to be affordable that can be judged objectively.

Article 40 (1) If a comprehensive credit purchase intermediary investigates the matters listed in the items of the preceding Article, pursuant to the provisions of the main clause of Article 30-2, paragraph (1) of the Act, and when it intends

to deliver or grant a card, etc. to a user, it is to follow the rules specified in the following paragraph through paragraph (6).

- (2) An investigation into the matters listed in item (i) of the preceding Article is based on a report of annual income by a user or by any other appropriate method; provided, however, that in the case where a card, etc. is to be delivered or issued for the purpose of intermediation of comprehensive credit purchases to a user whose livelihood is maintained from the income of another person or the income of the user and the income of another person (in the case where a card, etc. is to be delivered or issued to a person other than a person (referred to below as a "specified spouse") whose livelihood is supported primarily by the income of the spouse (including persons who have not registered their marriage but are living in circumstances equivalent to a de facto marriage; the same applies below), limited to the case where the consent of such other person has been obtained in advance in writing or by any other appropriate method), the calculation may be performed by adding the annual income of the user and such other person based on a report of the annual income of such other person received from the other person or by any other appropriate method:
- (3) An investigation into the matters listed in item (ii) of the preceding Article is based on a report of the balance of deposits or savings received from the user or by any other appropriate method; provided, however, that in the case where a card, etc. is to be delivered or issued for the purpose of intermediation of comprehensive credit purchases to a user whose livelihood is maintained from the income of another person or the income of the user and the income of another person (in the case where a card, etc. is to be delivered or issued to a person other than a specified spouse, limited to the case where the consent of such other person has been obtained in advance in writing or by any other appropriate method), the calculation may be performed by adding the deposits or savings of the user and such other person based on a report of the deposits or savings of such other person received from the other person or by any other appropriate method.:
- (4) An investigation into the matters listed in item (iii) of the preceding Article is carried out by confirming a user's payment status of obligations regarding the intermediation of credit purchases to the relevant comprehensive credit purchase intermediary; provided, however, that in the case where a card, etc. is to be delivered or issued for the purpose of intermediation of comprehensive credit purchases to a user whose livelihood is maintained from the income of another person or the income of the user and the income of another person, if the calculation is performed by adding the annual income or deposits or savings of the relevant user and such other person pursuant to the provisions of the preceding two paragraphs, the calculation must be performed by adding the obligations of the user and such other person regarding the intermediation



of credit purchases that have not yet come due or for which the payment obligation has not been performed by declaring obligations regarding the intermediation of credit purchases received from the other person that have not yet come due or for which the payment obligation has not been performed or by any other appropriate method.:

- (5) An investigation into the matters listed in item (iv) of the preceding Article must be carried out by taking into consideration a user's loan status from the relevant comprehensive credit purchase intermediary and any other loan status of the user.
- (6) An investigation into the matters listed in item (v) of the preceding Article must be carried out based on a report received from the user concerning the relevant matters or by any other appropriate method.

Article 41 (1) If a comprehensive credit purchase intermediary investigates the matters listed in the items of Article 39, pursuant to the provisions of the main clause of Article 30-2, paragraph (1) of the Act, and intends to deliver or grant a card, etc. to a user for the purpose of renewing the effective period for a card, etc. already delivered or granted to the user for the intermediation of comprehensive credit purchases (the effective period means the period during which goods or rights can be purchased or services can be received by the method of purchase or receipt regarding the intermediation of comprehensive credit purchases, which is specified in advance; the same applies below) (excluding cases where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. associated with a card, etc. already delivered or granted to the user (referred to below as an "associated card, etc.") for the purpose of renewing the effective period for the associated card, etc.), the comprehensive credit purchase intermediary must confirm the matters reported under paragraphs (2) to (4) and paragraph (6) of the preceding Article (when it is deemed that there has been any change to such matters, the matters after the change) and the user's payment status of obligations regarding the intermediation of credit purchases to the relevant comprehensive credit purchase intermediary, and must take into account the user's loan status.

- (2) It is to be sufficient to carry out the investigation stated in the preceding paragraph once during the period between six months before the day on which the comprehensive credit purchase intermediary intends to renew the relevant effective period up to the day of the renewal.

Article 42 If a comprehensive credit purchase intermediary investigates the matters listed in the items of Article 39, pursuant to the provisions of the main clause of Article 30-2, paragraph (1) of the Act, and intends to increase the

credit line regarding a card, etc. already delivered or granted to a user, the comprehensive credit purchase intermediary must confirm the matters reported under paragraphs (2) through (4) and paragraph (6) of Article 40 (when it is deemed that there has been any change to those matters, the matters after the change) and the user's payment status of obligations regarding the intermediation of credit purchases to the relevant comprehensive credit purchase intermediary, and must take into account the user's loan status.

Article 43 (1) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 30-2, paragraph (1) of the Act are the cases listed as follows:

- (i) cases where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. with a credit line of not more than 300,000 yen to a user for the intermediation of comprehensive credit purchases, or intends to increase the credit line regarding a card, etc. already delivered or granted to a user up to the limit of 300,000 yen (including cases that fall under Article 41 or Article 42 and excluding cases that fall under any of the following):
  - (a) when it is deemed, by using the specified credit information held by the designated credit bureau, that the user's payment obligations will not be performed as of the time when the comprehensive credit purchase intermediary intends to deliver or grant the relevant card, etc. to the user or intends to increase the credit line regarding the relevant card, etc.;
  - (b) when it is deemed, by using the specified credit information held by the designated credit bureau, that the amount of the user's obligation regarding the intermediation of comprehensive credit purchases to the relevant comprehensive credit purchase intermediary exceeds 500,000 yen or the amount of the user's obligation regarding the intermediation of comprehensive credit purchases which has not yet become due or for which the payment obligations have not been performed exceeds 1,000,000 yen;
- (ii) cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc. already delivered or granted to a user temporarily in response to a request from the user, and has confirmed, in advance, the purpose for which the user purchases goods or rights from the seller affiliated with the intermediation of comprehensive credit purchases or receives services from the service provider affiliated with the intermediation of comprehensive credit purchases upon presenting or notifying the relevant card, etc., and the name or any equivalent information of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of

comprehensive credit purchases, and when falling under any of the following:

- (a) cases where the period during which the credit line is temporarily increased is not more than three months and the increased credit line does not exceed twice the amount obtained by multiplying the comprehensive purchase amount projected to be affordable calculated, based on the information obtained through an investigation under the main clause of Article 30-2, paragraph (1) of the Act, by the rate specified by the Minister of Economy, Trade, and Industry stated in the main clause of Article 30-2-2 of the Act (in cases where an investigation under the main clause of Article 30-2, paragraph (1) of the Act has not been carried out for any justifiable grounds, twice the credit line regarding the relevant card, etc. (in cases where the credit line regarding the relevant card, etc. has already been increased temporarily in response to the request from the user, the credit line before the temporary increase)), and when the increased credit line is deemed to be reasonable in light of the relevant purpose;
- (b) cases where the user is deemed to be likely to earn temporary short-term income, and when the increased credit line is deemed to be reasonable in light of the relevant income;
- (c) cases where the user purchases goods or rights, which are deemed to be urgently necessary to protect the life or body of the user or persons who have the same livelihood as the user, from the seller affiliated with the intermediation of comprehensive credit purchases, or is provided with services, which are deemed to be urgently necessary to protect the life or body of the user or persons who have the same livelihood as the user, from the service provider affiliated with the intermediation of comprehensive credit purchases, upon presenting or notifying the relevant card, etc., and when the increased credit line is deemed to be reasonable in light of the relevant purpose;
- (iii) cases stated in Article 41 (including cases stated in the relevant Article where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. with a credit line of not more than 300,000 yen to a user for the intermediation of comprehensive credit purchases), and when the user's obligation regarding the intermediation of comprehensive credit purchases to the relevant comprehensive credit purchase intermediary is less than 50,000 yen;
- (iv) cases where the comprehensive credit purchase intermediary intends to deliver or grant an associated card, etc. to a user within an amount obtained by multiplying the comprehensive purchase amount projected to be affordable calculated, based on the information obtained through an investigation under the main clause of Article 30-2, paragraph (1) of the Act, by the rate specified by the Minister of Economy, Trade, and Industry stated

- in the main clause of Article 30-2-2 of the Act (in cases where an investigation under the main clause of Article 30-2, paragraph (1) of the Act has not been carried out for any justifiable grounds, within the credit line regarding a card, etc. already delivered or granted to the user), or intends to increase the credit line regarding the relevant associated card, etc.;
- (v) beyond what is listed in item (i), item (iii), or the preceding item, cases where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. to a user in lieu of a card already delivered or granted, during the period from the time when the comprehensive credit purchase intermediary delivered or granted the relevant card, etc. up to the day of the expiration of the effective period for the relevant card, etc. (excluding cases where the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc.).
- (2) A comprehensive credit purchase intermediary, in the cases listed in the items of the preceding paragraph, must prepare a record on the matters specified in the following items for each user, in accordance with the categories of cases listed in the respective items, in writing or as electronic or magnetic records, and must preserve the relevant record up to the day of the expiration of the effective period for a card, etc. (including an associated card, etc.) (such effective period includes the effective period after the renewal in the cases listed in item (i) (excluding cases where the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc.) and excludes the effective period after the renewal in the cases listed in item (i) (limited to cases where the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc.), any of items (ii) through (v)), or the last one of the final due dates specified under all the contracts providing the receipt of monies subject to the intermediation of comprehensive credit purchases (limited to contracts regarding the relevant card, etc. (including an associated card, etc.)) concluded during the relevant effective period (when all the obligations regarding the intermediation of comprehensive credit purchases under these contracts have been extinguished through the payment thereof or on other grounds, the day of the extinguishment), whichever comes later:
- (i) cases listed in item (i) of the preceding paragraph: the following matters:
- (a) the date of the contract (if the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the date of the increase of the credit line, and if the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc., the date for the renewal, and the date on which the comprehensive credit purchase intermediary carried out an investigation by using the specified credit information held by the designated credit bureau);
- (b) the credit line regarding a card, etc. already delivered or granted to the

- user (in cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the increased credit line);
- (c) the results of the investigation carried out by using the specified credit information held by the designated credit bureau;
  - (d) the amount of the obligation regarding the intermediation of comprehensive credit purchases to the relevant comprehensive credit purchase intermediary;
- (ii) cases listed in item (ii) of the preceding paragraph: the following matters:
- (a) the day on which a request was made by the user and the date on which the credit line regarding a card, etc. was increased;
  - (b) the period for the increase of the credit line;
  - (c) the increased credit line;
  - (d) the purpose for which the user purchases goods or rights from the seller affiliated with the intermediation of comprehensive credit purchases or is provided with services by the service provider affiliated with the intermediation of comprehensive credit purchases upon presenting or notifying a card, etc.;
  - (e) the name or any equivalent information of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases that has been confirmed in advance;
  - (f) the name or any equivalent information of the seller affiliated with the intermediation of comprehensive credit purchases from which the user has purchased goods or rights or of the service provider affiliated with the intermediation of comprehensive credit purchases by which the user is to be provided with services, upon presenting or notifying a card, etc., during the period for the increase of the credit line;
  - (g) the temporary short-term income that the user is deemed to be likely to earn (limited to the cases falling under item (ii), (b) of the preceding paragraph);
- (iii) cases listed in item (iii) of the preceding paragraph: the following matters:
- (a) the date on which the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc. already delivered or granted to the user and the date on which the comprehensive credit purchase intermediary investigated the user's obligation regarding the intermediation of comprehensive credit purchases to the relevant comprehensive credit purchase intermediary;
  - (b) the credit line regarding a card, etc. already delivered or granted to the user;
  - (c) the amount of the obligation regarding the intermediation of

comprehensive credit purchases to the relevant comprehensive credit purchase intermediary;

- (iv) cases listed in item (iv) of the preceding paragraph: the following matters:
  - (a) the date of the contract regarding an associated card, etc. (in cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding an associated card, etc., the date of the increase of the credit line);
  - (b) the credit line regarding an associated card, etc. already delivered or granted to the user (in cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding an associated card, etc., the increased credit line);
- (v) cases listed in item (v) of the preceding paragraph: the date on which the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. to the user.

Article 44 The assets specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30-2, paragraph (2) of the Act is to be a building that a user or purchaser, etc. (limited to a purchaser who is an individual or a service recipient who is an individual; the same applies below in this Article through to Article 47, Articles 56 to 58, Article 71, Article 72, Article 73-2, Article 74, paragraph (1), item (iv) and paragraph (2), Articles 89 to 91, Section 3, and Appended Table 2) owns and uses for their own residential purpose (when they own two or more such buildings, limited to a single building out of those buildings that the relevant user or purchaser, etc. mainly uses for their own residential purpose; referred to below as the "residence" in this Article), land that a user or purchaser, etc. owns and uses as their residence, or the superficies right established on the relevant land.

Article 45 (1) The amount specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30-2, paragraph (2) of the Act (referred to below as the "subsistence cost" in this Article and paragraph (1), item (ii) of the following Article) is to be the amount listed in the right-hand column of Appended Table 2, in accordance with the categories of the total number of users or purchasers, etc. and persons who have the same livelihood as the relevant users or purchasers, etc. as listed in the left-hand column of the relevant table (provided, however, that when a person whose livelihood is maintained by the income of another person does not add the annual income as prescribed in Article 40, paragraph (2) or Article 72, paragraph (2) or add deposits or savings as prescribed in Article 40, paragraph (3) or Article 72, paragraph (3), when carrying out an investigation under the main clause of Article 30-2, paragraph (1) or the main clause of Article 35-3-3,

paragraph (1) of the Act in order to calculate the comprehensive purchase amount projected to be affordable or the individual purchase amount projected to be affordable of the relevant users or purchasers, etc., the total number is one), and in accordance with the category of the cases listed in the middle column of the relevant table.

(2) Notwithstanding the provisions of the preceding paragraph, the subsistence cost in the following cases may be as specified respectively in the following items:

(i) cases where it is not possible to receive reports for both the total number of users or purchasers, etc. listed in the left-hand column of Appended Table 2 and persons who share a livelihood with those persons and the categories listed in the middle column of that table: 2,400,000 yen

(ii) cases where it is not possible to receive a report on the categories of the cases listed in the middle column of Appended Table 2 (excluding cases falling under the preceding item): The higher of the amounts listed in the right-hand column of that table according to the total number of users or purchasers, etc. listed in the left-hand column of that table and persons who share a livelihood with such persons

(iii) cases where it is not possible to receive a report on the total number of users or purchasers, etc. listed in the left-hand column of Appended Table 2 and persons who share a livelihood with those persons (excluding cases falling under item (i)): The amount listed in the right-hand column of Appended Table 2 according to the categories of the cases listed in the middle column of that table after deeming the total number of users or purchasers, etc. listed in the left-hand column of that table and persons who share a livelihood with those persons to be four or more

(iv) cases where the actual amount equivalent to one year of expenses necessary to maintain the minimum standard of living of the user or purchaser, etc. and persons who share a livelihood with such persons is determined by objective and reasonable method from the user or purchaser etc.: The amount determined by such method (in this case, the amount in the right-hand column of Appended Table 2 is to be taken into consideration as a lower limit according to the categories of the total number of users or purchasers, etc. listed in the left-hand column of that table and persons who share a livelihood with those persons and the category of the cases listed in the middle column of that table)

(3) Notwithstanding the provisions of the preceding two paragraphs, the subsistence cost in the following cases may be as specified respectively in the following items:

(i) cases where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. for intermediation of comprehensive credit

purchases to a person who makes a living by depending on the income of a another person and lives with the relevant relative, or intends to increase the credit line regarding a card, etc. already delivered or granted to the relevant person, and when the comprehensive credit purchase intermediary does not add annual income as prescribed in Article 40, paragraph (2), or does not add deposits or savings as prescribed in Article 40, paragraph (3), when carrying out an investigation under the main clause of Article 30-2, paragraph (1) of the Act in order to calculate the comprehensive purchase amount projected to be affordable of the relevant person: it is deemed that there is no subsistence cost;

(ii) cases where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. for intermediation of comprehensive credit purchases to a person who makes a living from their own income and the income of another person, or intends to increase the credit line regarding a card, etc. already delivered or granted to the relevant person, and when the comprehensive credit purchase intermediary does not add the annual income as prescribed in Article 40, paragraph (2) or does not add deposits or savings as prescribed in Article 40, paragraph (3), when carrying out an investigation under the main clause of Article 30-2, paragraph (1) of the Act in order to calculate the comprehensive purchase amount projected to be affordable of the relevant person: the subsistence cost is the amount obtained by dividing the subsistence cost of the relevant person under the preceding two paragraphs proportionally in accordance with the relevant person's annual income and the annual income of the relevant other person ascertained by a declaration of the relevant other person or any other appropriate method (when declaration of the relevant other person concerning the other person's own annual income cannot be obtained, and the relevant annual income cannot be presumed rationally, the amount equivalent to 50 percent of the subsistence cost of the relevant person under the preceding two paragraphs; the same applies in item (v));

(iii) cases where the individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases with a person whose livelihood depends primarily on the income of a spouse and who lives with their spouse, intending to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases that falls under the category of a contract to sell goods or designated rights (excluding those that are deemed to be necessary for everyday life) by the method of sales regarding the intermediation of individual credit purchases or a contract to provide services (excluding those that are deemed to be necessary for everyday life) by the method of provision regarding the intermediation of



- individual credit purchases, and when the individual credit purchase intermediary does not add the annual income as prescribed in Article 72, paragraph (2) or does not add deposits or savings as prescribed in Article 72, paragraph (3), when carrying out an investigation under the main clause of Article 35-3-3, paragraph (1) of the Act in order to calculate the individual purchase amount projected to be affordable of the relevant person: it is deemed that there is no subsistence cost;
- (iv) cases where the individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases with a person who makes a living by depending on the income of another person (excluding a person whose livelihood depends primarily on the income of a spouse) and lives with the relevant other person, and when the individual credit purchase intermediary does not add the annual income as prescribed in Article 72, paragraph (2) or does not add deposits or savings as prescribed in Article 72, paragraph (3) when carrying out an investigation under the main clause of Article 35-3-3, paragraph (1) of the Act in order to calculate the individual purchase amount projected to be affordable of the relevant person: it is deemed that there is no subsistence cost;
- (v) cases where the individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases with a person who makes a living from their own income and the income of another person and the individual credit purchase intermediary does not add the annual income as prescribed in Article 72, paragraph (2) or does not add deposits or savings as prescribed in Article 72, paragraph (3) when carrying out an investigation under the main clause of Article 35-3-3, paragraph (1) of the Act in order to calculate the individual purchase amount projected to be affordable of the relevant person: the subsistence cost is the amount obtained by dividing the subsistence cost of the relevant person under the preceding two paragraphs proportionally in accordance with the annual income of the relevant person and the other person's annual income ascertained by a declaration of such other person or any other appropriate method.
- (4) Notwithstanding the provisions of the preceding three paragraphs (excluding paragraph (2), item (iv)), the subsistence cost of a user or a purchaser, etc. in cases where a comprehensive credit purchase intermediary or an individual credit purchase intermediary confirms the residential area of the user or the purchaser, etc. may be the amount obtained by multiplying the subsistence cost of the user or the purchaser, etc. under the preceding three paragraphs (excluding paragraph (2), item (iv)) by the rate specified in the following items, in accordance with the category of residential areas of the user or the

purchaser, etc. listed in the relevant items (meaning the category of residential areas specified in Appended Table 3; the same applies in the following Article):

- (i) category 1: 90 percent;
- (ii) category 2: 85 percent.

Article 46 (1) If there has been any reorganization of the municipalities listed in Appended Table 3 (including special wards; the same applies below in this Article and Appended Table 3), the category of residential areas of a user or a purchaser, etc. residing in areas listed in the following items are specified by the municipality specified in the relevant items:

- (i) if the whole or a part of a municipality has been incorporated into another municipality as a result of reorganization, the area in the relevant municipality after the reorganization: the relevant other municipality;
  - (ii) if a new municipality has been established as a result of reorganization, the area in the relevant municipality after the reorganization: the municipality to which the relevant area belonged before the reorganization (when there are two or more those municipalities, the municipality where the subsistence cost of the user or the purchaser, etc. is the highest).
- (2) If there have been any changes to the border of the municipalities listed in Appended Table 3, the category of residential areas of a user or a purchaser, etc. residing in areas regarding the relevant border changes are specified by the municipality to which the relevant area has come to belong as a result of the relevant border changes.

Article 47 The basic specified credit information specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30-2, paragraph (3) of the Act (except for the status of payment of obligations regarding intermediation of credit purchases, if a certified comprehensive credit purchase intermediary uses specified credit information pursuant to the provisions of Article 30-5-5, paragraph (2) of the Act or a registered comprehensive small amount credit purchase intermediary uses specified credit information pursuant to the provisions of Article 35-2-4, paragraph (2) of the Act excluding the matters prescribed in Article 118, paragraph (2), item (i), (a)) means any other information concerning the ability to pay of a user or a purchaser, etc. regarding the intermediation of credit purchases.

Article 47-2 A comprehensive credit purchase intermediary, pursuant to the provisions of Article 30-2, paragraph (4) of the Act, must prepare a record on the matters specified in the following items for each user, in accordance with the categories of cases listed in the respective items, in writing or as electronic

or magnetic records, and must preserve the relevant record up to the day of the expiration of the effective period for a card, etc. (including the effective period after the renewal in the cases listed in item (i) and excluding the effective period after the renewal in the cases listed in item (ii)), or the last one of the final due dates specified under all the contracts providing the receipt of monies subject to the intermediation of comprehensive credit purchases (limited to contracts regarding the relevant card, etc.) concluded during the relevant effective period (when all the obligations regarding the intermediation of comprehensive credit purchases under these contracts have been extinguished through the payment thereof or on other grounds, the day of the extinguishment), whichever comes later:

- (i) cases where the comprehensive credit purchase intermediary carries out an investigation pursuant to the provisions of Article 40 or Article 42, or cases stated in Article 42: the following matters:
  - (a) the date of the contract (if the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the date of the increase of the credit line);
  - (b) the credit line regarding a card, etc. already delivered or granted to the user (if the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the increased credit line);
  - (c) the results of the investigation under the main clause of Article 30-2, paragraph (1) of the Act (including the results of the investigation carried out by using the specified credit information held by the designated credit bureau, pursuant to the provisions of paragraph (3) of the relevant Article);
  - (d) when consent has been obtained concerning Article 40, paragraph (2) or paragraph (3), the matters concerning the relevant consent;
  - (e) any other documents used for the investigation under the main clause of Article 30-2, paragraph (1) of the Act or copies of those;
- (ii) cases where the comprehensive credit purchase intermediary carries out an investigation pursuant to the provisions of Article 41: the following matters:
  - (a) the date on which the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc. already delivered or granted to the user and the date on which the comprehensive credit purchase intermediary carried out the investigation under the main clause of Article 30-2, paragraph (1) of the Act;
  - (b) the credit line regarding a card, etc. already delivered or granted to the user;
  - (c) the results of the investigation under the main clause of Article 30-2, paragraph (1) of the Act (including the results of the investigation carried out by using the specified credit information held by the designated credit bureau, pursuant to the provisions of paragraph (3) of the relevant Article);

- (d) when consent has been obtained concerning Article 40, paragraph (2) or paragraph (3), the matters concerning the relevant consent;
- (e) any other documents used for the investigation under the main clause of Article 30-2, paragraph (1) of the Act or copies of those.

(Cases Causing No Hindrances with the Protection of Users Regarding the Prohibition of Delivery of a Card in Cases Exceeding the Comprehensive Purchase Amount Projected to Be Affordable)

Article 48 The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 30-2-2 of the Act are the cases listed in the items of Article 43, paragraph (1).

(Provision of Information Concerning a Contract Providing the Receipt of Monies Subject to the Intermediation of Comprehensive Credit Purchases)

Article 49 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30-2-3, paragraph (1), item (iii) of the Act are the following matters; provided, however, that the matters listed in item (vi) through item (ix) may be omitted in cases where information is provided in accordance with paragraph (1), item (iv) of the following Article pursuant to Article 30, paragraph (1) of the Act:

- (i) the name and address or telephone number of the comprehensive credit purchase intermediary, name of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases, and other matters that can identify these persons;
- (ii) the date of the contract;
- (iii) the number of payments;
- (iv) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases;
- (v) the matters concerning the provisions of Article 30-4 of the Act;
- (vi) when there is an agreement on the cancellation of the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases, the details of this;
- (vii) when there is an agreement on the demand for the payments that have not yet become due, the details of this;
- (viii) when there is an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of comprehensive credit

- purchases has been cancelled), the details of it;
- (ix) when there are any other special agreements beyond what is listed in the preceding items, the details of those.

Article 50 (1) When a comprehensive credit purchase intermediary provides information regarding the matters listed in the items of Article 30-2-3, paragraph (1) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately displayed using terms that are easy for purchasers, etc. to read and understand;
- (ii) information is to be provided by delivery of a document or method of using an electronic information processing system or other information communication technology;
- (iii) it is to be provided that regarding the matters listed in item (v) of the preceding Article, the grounds arising regarding the details of those for the seller affiliated with the intermediation of comprehensive credit purchases that has sold goods or designated rights or for the service provider affiliated with the intermediation of comprehensive credit purchases that is to provide services may be asserted against the comprehensive credit purchase intermediary that demands the payments;
- (iv) when there are provisions concerning the matters specified in item (vi) through item (ix) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the cancellation of the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases	(a) it is not to be provided that the purchaser, etc. cannot cancel the contract

(b) it is to be provided that the cancellation of the contract due to a failure of the purchaser, etc. to perform the obligation to make payments is allowed only when the failure to perform the obligation has continued for a certain period of time as specified by the comprehensive credit purchase intermediary, and the comprehensive credit purchase intermediary has demanded the payment in writing (in the cases prescribed in Article 55-3, paragraph (1), item (i) and Article 68-6, paragraph (1), item (i), in writing or by electronic or magnetic means, and in the cases prescribed in Article 55-3, paragraph (1), item (ii) and article 68-6, paragraph (1), item (ii), by electronic or magnetic means) specifying a reasonable period of not less than 20 days (in the case where a certified comprehensive credit purchase intermediary concluded a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases with a user for which the credit line related to a card, etc. delivered by the certified comprehensive credit purchase intermediary is no more than the amount prescribed in Article 23, paragraph (1) of the Order, then the number of days prescribed in paragraph (2) of said Article, and in the case where a registered comprehensive small amount credit purchase intermediary concluded a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases with a user for which the credit line related to a card, etc. delivered by the a registered comprehensive small amount credit purchase intermediary is no more than the amount prescribed in Article 24 of the Order, then the number of days prescribed in Article 25 of the Order) but there has been a failure to perform the obligation within the period

(c) an agreement on the amount of damages, etc. in cases where the contract has been cancelled due to a cause attributable to the purchaser, etc. must be inaccordance with the provisions of Article 30-3, paragraph (1) of the Act

	<p>(d) concerning the obligation of the comprehensive credit purchase intermediary in cases where the contract has been cancelled due to a cause attributable to the comprehensive credit purchase intermediary, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code</p>
<p>(ii) matters concerning the demand for the payments that have not yet become due</p>	<p>(a) it is to be provided that the payments that have not yet become due may be demanded due to a failure of the purchaser, etc. to perform the obligation to make payments only when the failure to perform the obligation has continued for a certain period of time as specified by the comprehensive credit purchase intermediary, and the comprehensive credit purchase intermediary has demanded the payment in writing (in the cases prescribed in Article 55-3, paragraph (1), item (i) and Article 68-6, paragraph (1), item (i), in writing or by electronic or magnetic means, and in the cases prescribed in Article 55-3, paragraph (1), item (ii) and article 68-6, paragraph (1), item (ii), by electronic or magnetic means) specifying a reasonable period of not less than 20 days (in the case where a certified comprehensive credit purchase intermediary concluded a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases with a user for which the credit line related to a card, etc. delivered by the certified comprehensive credit purchase intermediary is no more than the amount prescribed in Article 23, paragraph (1) of the Order, then the number of days prescribed in paragraph (2) of the Article, and in the case where a registered comprehensive small amount credit purchase intermediary concluded a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases with a user for which the credit line related to a card, etc. delivered by the a registered comprehensive small amount credit purchase intermediary is no more than the amount prescribed in Article 24 of the Order, then the number of days prescribed in Article 25 of the Order) but there has been a failure to perform the obligation within the period</p>

	(b) no other case than the case of the significant deterioration of the credit of the purchaser, etc. or a violation of any important contract clause is to be provided as the case where the payments that have not yet become due may be demanded due to reasons other than a failure of the purchaser, etc. to perform the obligation to make payments
(iii) matters concerning the amount of damages or a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases has been cancelled)	an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases has been cancelled) must be in accordance with the provisions of Article 30-3, paragraph (2) of the Act
(iv) special agreements other than those listed in items (vi) through (viii) of the preceding Article	there should be no special agreements that are in violation of laws and regulations

(v) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

(2) The phrase "method of using information communication technology" in item (ii) of the preceding paragraph are to be the following methods:

(i) method of using an electronic data processing system as listed in (a) , (b), (c), or (d):

(a) method of sending a document through a telecommunication line connecting the computer used by the comprehensive credit purchase intermediary and the computer used by the purchaser, etc., and recording it in a file on the computer used by the recipient;

(b) method of offering the information to be provided that is recorded in a file on a computer used by the comprehensive credit purchase intermediary to the purchaser, etc. for inspection through a telecommunication line, and recording the relevant information in a file on the computer used by the purchaser, etc.;

(c) method of offering information to be provided recorded in a customer file to the purchaser, etc. for inspection through a telecommunication line;

(d) method of offering information to be provided recorded in a viewing file to



- the purchaser, etc. for inspection through a telecommunication line;
  - (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent means that may reliably store certain matters, which contains the information to be provided.
- (3) The methods listed in the preceding paragraph must conform to the following standards:
- (i) the purchaser, etc. is able to prepare a document by outputting the contents recorded in the file;
  - (ii) in the case of the methods listed in item (i), (c) or (d) of the preceding paragraph, the matters listed below may not be deleted or modified during the period until the day on which all the obligations regarding the intermediation of comprehensive credit purchases pursuant to a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases have been extinguished through the payment of those or on other grounds; provided, however, that in the case where information to be provided made available for inspection is delivered in writing, the case where the information to be provided is provided by the method listed in (a) or (b) of that item or item (ii) of that paragraph, or the case where there are instructions from the purchaser, etc. to delete the relevant information to be provided, the relevant information to be provided may be deleted.
    - (a) for the method listed in item (i), (c) of the preceding paragraph: the information to be provided recorded in a customer file;
    - (b) for the method listed in item (i), (d) of the preceding paragraph: the information to be provided recorded in a viewing file.
  - (iii) for the method listed in item (i), (d) of the preceding paragraph, method that conforms to the following standards:
    - (a) the information required for a purchaser, etc. to view the viewing file is to be recorded in a customer file;
    - (b) a customer file recording information required for a purchaser, etc. to view the viewing file pursuant to provisions of (a), along with the relevant viewing file, must be maintained in a state in which a connection is possible over electronic communication circuits for the period of time prescribed in the preceding item; provided, however, that this does not apply in the case in which the fact has been communicated that a purchaser, etc. who has been provided with viewing need not have the information maintained in a state in which a connection is possible.

Article 51 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30-2-3, paragraph (2), item (iii) of the Act are as follows; provided, however, that the matters listed in item

(v) through item (viii) may be omitted if information is provided in accordance with paragraph (1), item (iv) of the following Article pursuant to Article 30, paragraph (2) of the Act:

- (i) the name and address or telephone number of the comprehensive credit purchase intermediary, name of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases, and other matters that can identify these persons;
- (ii) the date of the contract;
- (iii) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases;
- (iv) the matters concerning the provisions of Article 30-5 of the Act;
- (v) when there is an agreement on the cancellation of the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases, the details of this;
- (vi) when there is an agreement on the demand for the payment money that have not yet become due, the details of this;
- (vii) when there is an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to the payment money (excluding cases where the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases has been cancelled), the details of it;
- (viii) when there are any other special agreements beyond what is listed in the preceding items, the details of those.

Article 52 (1) When a comprehensive credit purchase intermediary provides information regarding the matters stated in the items of Article 30-2-3, paragraph (2) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately displayed using terms that are easy for purchasers, etc. to read and understand;
- (ii) information is to be provided by delivery of a document or method of using an electronic information processing system or other information communication technology;
- (iii) it is to be provided that regarding matters listed in item (iv) of the preceding Article, the grounds arising regarding the details of those for the seller affiliated with the intermediation of comprehensive credit purchases that has sold goods or designated rights or for the service provider affiliated with the intermediation of comprehensive credit purchases that is to provide

services may be asserted against the comprehensive credit purchase intermediary that demands the payment money.

(iv) when there are provisions concerning the matters specified in item (v), item (vi) and item (viii) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the cancellation of the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases	(a) it is not to be provided that the purchaser, etc. cannot cancel the contract

(b) it is to be provided that the cancellation of the contract due to a failure of the purchaser, etc. to perform the obligation to make payments is allowed only when the failure to perform the obligation has continued for a certain period of time as specified by the comprehensive credit purchase intermediary, and the comprehensive credit purchase intermediary has demanded the payment in writing (in the cases prescribed in Article 55-3, paragraph (1), item (i) and Article 68-6, paragraph (1), item (i), in writing or by electronic or magnetic means, and in the cases prescribed in Article 55-3, paragraph (1), item (ii) and article 68-6, paragraph (1), item (ii), by electronic or magnetic means) specifying a reasonable period of not less than 20 days (in the case where a certified comprehensive credit purchase intermediary concluded a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases with a user for which the credit line related to a card, etc. delivered by the certified comprehensive credit purchase intermediary is no more than the amount prescribed in Article 23, paragraph (1) of the Order, then the number of days prescribed in paragraph (2) of the Article, and in the case where a registered comprehensive small amount credit purchase intermediary concluded a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases with a user for which the credit line related to a card, etc. delivered by the a registered comprehensive small amount credit purchase intermediary is no more than the amount prescribed in Article 24 of the Order, then the number of days prescribed in Article 25 of the Order) but there has been a failure to perform the obligation within the period

(c) concerning the obligation of the comprehensive credit purchase intermediary in cases where the contract has been cancelled due to a cause attributable to the comprehensive credit purchase intermediary, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code

<p>(ii) matters concerning the demand for the payment money that have not yet become due</p>	<p>(a) it is provided that the payment of tenders that have not yet become due may be demanded due to a failure of the Purchaser, etc. to perform the obligation to make payments only when the failure to perform the obligation has continued for a certain period of time as specified by the comprehensive credit purchase intermediary, and the comprehensive credit purchase intermediary has demanded the payment in writing (in the cases prescribed in Article 55-3, paragraph (1), item (i) and Article 68-6, paragraph (1), item (i), in writing or by electronic or magnetic means, and in the cases prescribed in Article 55-3, paragraph (1), item (ii) and article 68-6, paragraph (1), item (ii), by electronic or magnetic means) specifying a reasonable period of not less than 20 days (in the case where a certified comprehensive credit purchase intermediary entered into a contract for receiving intermediation of comprehensive credit purchases with a user for which the credit line pertaining to a card, etc. delivered by the certified comprehensive credit purchase intermediary is no more than the amount prescribed in Article 23, paragraph (1) of the Order, then the number of days prescribed in paragraph (2) of said Article, and in the case where a registered low-amount comprehensive credit purchase intermediary entered into a contract for receiving intermediation of comprehensive credit purchases with a user for which the credit line pertaining to a card, etc. delivered by the a registered low-amount comprehensive credit purchase intermediary is no more than the amount prescribed in Article 24 of the Order, then the number of days prescribed in Article 25 of the Order) but there has been a failure to perform the obligation within said period</p> <p>(b) no other case than the case of the significant deterioration of the credit of the purchaser, etc. or a violation of any important contract clause is to be provided as the case where the payment money that have not yet become due may be demanded due to reasons other than a failure of the Purchaser, etc. to perform the obligation to make payments</p>
--	--

(iii) special agreements other than those listed in items (v) through (vii) of the preceding Article	there should be no special agreements that are in violation of laws and regulations
--	---

- (v) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.
- (2) The phrase "method of using information communication technology" in item (ii) of the preceding paragraph is to be the method listed in Article 50, paragraph (2):
- (3) The method in the preceding paragraph must conform to the standards listed in Article 50, paragraph (3).

Article 53 (1) When a comprehensive credit purchase intermediary provides information regarding the matters stated in the items of Article 30-2-3, paragraph (3) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately displayed using terms that are easy for purchasers, etc. to read and understand;
- (ii) information is to be provided by delivery of a document or method of using an electronic information processing system or other information communication technology;
- (iii) regarding the grounds for the calculation of the payment money, the amount of the unpaid portion of any obligations other than delay damages and the fee for intermediation of comprehensive credit purchases, the breakdown of tenders, and any other matters necessary for calculating payment money are to be indicated;
- (iv) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.
- (2) The phrase "method of using information communication technology" in item (ii) of the preceding paragraph are to be the following methods:
  - (i) method of using an electronic data processing system as listed in (a) , (b), or (c):
    - (a) method of sending a document through a telecommunication line connecting the computer used by the comprehensive credit purchase intermediary and the computer used by the purchaser, etc., and recording it in a file on the computer used by the recipient;
    - (b) method of offering the information to be provided that is recorded in a file on a computer used by the comprehensive credit purchase intermediary to the purchaser, etc. for inspection through a telecommunication line, and

- recording the relevant information in a file on a computer used by the purchaser, etc.;
  - (c) method of offering information to be provided recorded in a customer file to the purchaser, etc. for inspection through a telecommunication line;
  - (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent means that may reliably store certain matters, which contains the information to be provided.
- (3) The methods listed in the preceding paragraph must conform to the following standards:
- (i) the purchaser, etc. is able to prepare a document by outputting the contents recorded in the file;
  - (ii) in the case of the method listed in item (i), (c) of the preceding paragraph, the information to be provided in the customer file may not be deleted or altered during the period until the day on which all the obligations regarding the payment money have been extinguished through the payment of those or on other grounds (in the case of new provision of information regarding the relevant payment money pursuant to the provisions of Article 30-2-3, paragraph (3) of the Act (including cases where partial payment has been made concerning the relevant payment money and where payments other than the relevant payment money are added to the relevant payment money) the day of provision of the information); provided, however, that in the case where the information to be provided made available for inspection is delivered in writing, the case where the information to be provided is provided by the method listed in item (i), (a) or (b) or item (ii) of the preceding paragraph, or the case where there are instructions from the purchaser, etc. to delete the relevant information to be provided, the relevant information to be provided may be deleted.

Article 53-2 (1) When delivering a document (limited to documents regarding contracts providing the receipt of monies subject to the intermediation of comprehensive credit purchases for which obligations relating to the intermediation of comprehensive credit purchases remain outstanding) containing the matters stated in each item of paragraph (1), each item of paragraph (2) or each item of paragraph (3) of Article 30-2-3 pursuant to the provisions of the main clause of Article 30-2-3, paragraph (4) of the Act, the provisions of Article 49 and Article 50, paragraph (1) or Article 51 and Article 52, paragraph (1) or paragraph (1) of the preceding Article applies *mutatis mutandis*.

- (2) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 30-2-3, paragraph (4) of the Act are the cases that fall under any of the following:

- (i) the case where the services provided by a comprehensive credit purchase intermediary to a user or purchaser, etc. fall under all of the following:
  - (a) the comprehensive credit purchase intermediary is to grant a card, etc. to the relevant user without delivering a card or other object;
  - (b) the relevant user uses a computer used by the user and provides notice of the card, etc. specified in (a) to conclude a contract specified in the provisions of Article 30-2-3, paragraph (1) or paragraph (2) of the Act or in the provisions of Article 30-2-3, paragraph (5) of the Act; and
  - (c) in the case where the comprehensive credit purchase intermediary demands the payment money specified in Article 30-2-3, paragraph (3) of the Act in relation to a contract specified in paragraph (2) of that Article provided in (b), the payment is to be made by method of using an electronic information processing system that is listed in paragraph (2), item (i) of the preceding Article.
- (ii) the case where the comprehensive credit purchase intermediary provided information pursuant to the provisions of Article 30-2-3, paragraph (1), paragraph (2) or paragraph (3) of the Act by delivering a document that contains the matters specified in each item of paragraph (1), each item of paragraph (2) or each item of paragraph (3) of Article 30-2-3 of the Act.

Article 54 (1) The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30-2-3, paragraph (5), item (iv) of the Act are as follows: provided, however, that in cases where a comprehensive credit purchase intermediary has concluded a service contract for the intermediation of comprehensive credit purchases under which the price in cash for the provision of services regarding the relevant contract (excluding the designated services prescribed in Article 2, paragraph (5) of the Act) is less than 10,000 yen or a service contract for the intermediation of comprehensive credit purchases to provide services that are usually performed in full immediately when a service recipient presents a card, etc. or card details, or in exchange therefor (excluding the designated services prescribed in Article 2, paragraph (5) of the Act; the same applies in the following paragraph), information relating to the matters listed in item (iv), item (vii), item (viii), and item (x) (excluding the relevant matters in the case where the recipient of such services requests to provide information regarding the matters listed in the relevant items), and in the case where the seller concluded a contract for sales involving the intermediation of comprehensive credit purchases and the selling price in cash of the goods regarding such contract (excluding the designated goods specified in Article 2, paragraph (5) of the Act) is less than 10,000 yen, information relating to the matters listed in item (iv), item (vi), item (viii), and item (x) (excluding the relevant matters in the case where the



buyer of such goods is requested to provide information regarding the matters listed in the relevant items), may be omitted; and in cases where a comprehensive credit purchase intermediary has concluded a sales contract for the intermediation of comprehensive credit purchases to which two or more types of goods pertain, information relating to the matters listed in item (iii) and item (iv) need not be provided (such matters that need not be provided shall be limited to those regarding the types of goods whose selling price in cash is less than 3,000 yen (excluding a type of goods whose selling price in cash is the highest of all the goods regarding the relevant contract)):

- (i) the name and address or telephone number of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases;
- (ii) the date of the contract;
- (iii) the type of the goods, rights, or services;
- (iv) the quantity of the goods (in the case of rights or services, the number of times or the period during which the rights may be exercised or the number of times or the period during which the services may be received under the contract);
- (v) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or consult with concerning a contract to sell goods or designated rights by the method of sales regarding the intermediation of comprehensive credit purchases or to offer services by the method of offering regarding the intermediation of comprehensive credit purchases (referred to below as the "contract for sales involving the intermediation of comprehensive credit purchases");
- (vi) when the provision of services is one of the conditions for the sale of goods or designated rights, the details of the relevant services, the timing of their provision (excluding the case where the relevant services are provided at the time of conclusion of the contract for the provision of the services), and any other matters concerning the relevant services;
- (vii) when the sale of goods is one of the conditions for the sale of designated rights or the provision of services, the details of the relevant goods, the delivery time (excluding the case where the relevant goods are delivered at the time of conclusion of the contract for the sale of the goods), and any other matters concerning the relevant goods;
- (viii) when the sale of rights is one of the conditions for the sale of goods or the provision of services, the details of the relevant rights, the timing of their transfer (excluding the case where the relevant rights are transferred at the time of conclusion of the contract for the sale of the rights), and any other matters concerning the relevant rights;
- (ix) when there are provisions on liability in cases where the type or quality of

- goods does not conform to the content of the contract, the details of those provisions;
  - (x) when there are any other special agreements beyond what is listed in the preceding items, the details of those;
  - (xi) when the contract for sales involving the intermediation of comprehensive credit purchases is a personal multilevel marketing contract or a personal business opportunity sales contract, to that effect.
- (2) If a purchaser, etc. purchases goods or designated rights or receives services by presenting or notifying a card, etc. to a machine, or in exchange for that, without meeting face to face with a seller affiliated with the intermediation of comprehensive credit purchases or a service provider affiliated with the intermediation of comprehensive credit purchases nor receiving the solicitation from them, and where a contract falling under any of the following has been concluded, information regarding the matters listed in the items of the preceding paragraph may not be provided, notwithstanding the provisions of the relevant paragraph:
- (i) a sales contract affiliated with the intermediation of comprehensive credit purchases to sell goods or designated rights that are usually delivered or transferred immediately when the purchaser purchases goods or designated rights by presenting or notifying a card, etc., or in exchange for that;
  - (ii) a service contract affiliated with the intermediation of comprehensive credit purchases to provide services that are usually performed in full immediately when the service recipient is provided with services by presenting or notifying a card, etc., or in exchange for that.

- Article 55 (1) When a comprehensive credit purchase intermediary provides information regarding the matters stated in the items of Article 30-2-3, paragraph (5) of the Act, pursuant to the provisions of the relevant paragraph, it must follow the rules specified in the following items:
- (i) matters are to be accurately displayed using terms that are easy for purchasers, etc. to read and understand;
  - (ii) information is to be provided by delivery of a document or method of using an electronic information processing system or other information communication technology;
  - (iii) regarding the matters listed in Article 30-2-3, paragraph (5), item (iii) of the Act, the details of those matters must be in accordance with the following standards:
    - (a) it is not to be provided that the purchaser, etc. may not cancel the contract for sales involving the intermediation of comprehensive credit purchases;
    - (b) it is to be provided that if the details of the contract presented by the

seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases by way of using samples, catalogues, etc., before the conclusion of the contract for sales involving the intermediation of comprehensive credit purchases, differ from the goods or rights received or the services to be received by the purchaser, etc., the relevant purchaser, etc. may cancel the relevant contract;

- (c) regarding the obligation of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases in cases where the contract for sales involving the intermediation of comprehensive credit purchases has been cancelled due to a cause attributable to the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code;

(iv) when there are provisions concerning the matters specified in paragraph (1), item (ix) and item (x) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the criteria in the right-hand column of the table.

Matters	Standards
(i) matters concerning liability in cases where the type or quality of goods does not conform to the content of the contract	it is not to be provided that in cases where the type or quality of goods does not conform to the content of the contract (excluding any defect in automobiles where it is clear that they have been used for a purpose other than for temporary special service under the Road Vehicles Act and where the defect is generally caused by the usage), the seller affiliated with the intermediation of comprehensive credit purchases assumes no liability for the nonconformity
(ii) special agreements other than those listed in item (ix) of the preceding Article	there should be no special agreements that are in violation of laws and regulations

(v) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

(2) The phrase "method of using information communication technology" in item (ii) of the preceding paragraph are to be the following methods:

(i) method of using an electronic data processing system as listed in (a), (b), (c),

- or (d):
- (a) method of sending a document through a telecommunication line connecting the computer used by the seller for the intermediation of comprehensive credit purchases or the service provider for the intermediation of comprehensive credit purchases and the computer used by the purchaser, etc., and recording it in a file on the computer used by the recipient;
  - (b) method of offering the information to be provided that is recorded in a file on a computer used by seller for the intermediation of comprehensive credit purchases or the service provider for the intermediation of comprehensive credit purchases to the purchaser, etc. for inspection through a telecommunication line, and recording the relevant information in a file on a computer used by the purchaser, etc.;
  - (c) method of offering the information to be provided that is recorded in a file on a computer used by the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases (limited to those used exclusively by users or purchasers, etc.; referred to below in the following paragraph as "Customer Files") to the purchaser, etc. for inspection through a telecommunication line;
  - (d) method of offering information to be provided recorded in a viewing file (meaning a file on a computer used by the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases in which information to be provided is recorded for offering for simultaneous inspection by multiple purchasers, etc.; the same applies below in the following paragraph) to purchasers, etc. for inspection through a telecommunication line;
  - (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent means that may reliably store certain matters, which contains the information to be provided.
- (3) The methods listed in the preceding paragraph must conform to the following standards:
- (i) the purchaser, etc. is able to prepare a document by outputting the contents recorded in the file;
  - (ii) in the case of the methods listed in item (i), (c) or (d) of the preceding paragraph, the matters listed below may not be deleted or modified during the period until the day on which delivery of the goods or transfer of the rights or provisions of the services is completed or the day on which one year has passed from the time of conclusion of the contract specified in Article 30-2-3, paragraph (5) of the Act, whichever is later; provided, however, that in

the case where information to be provided made available for inspection is delivered in a document, the case where information to be provided is provided by the means listed in item (i), (a) or (b) or item (ii) of the preceding paragraph, or the case where there are instructions from the purchaser, etc. to delete the relevant information to be provided, the relevant information to be provided may be deleted.

- (a) for the method listed in item (i), (c) of the preceding paragraph: the information to be provided recorded in a customer file;
- (b) for the method listed in item (i), (d) of the preceding paragraph: the information to be provided recorded in a viewing file.
- (iii) for the method listed in item (i), (d) of the preceding paragraph, method that conforms to the following standards:
  - (a) the information required for a purchaser, etc. to view the viewing file is to be recorded in a customer file;
  - (b) a customer file recording information required for a purchaser, etc. to view the viewing file pursuant to provisions of (a), along with the relevant viewing file, must be maintained in a state in which a connection is possible over electronic communication circuits for the period of time prescribed in the preceding item; provided, however, that this does not apply in the case in which the fact has been communicated that a purchaser, etc. who has been provided with viewing need not have the information maintained in a state in which a connection is possible.
- (4) The "electronic data processing system" stated in paragraph (1), item (ii) and paragraph (2), item (i) means the electronic data processing system that connects the computer used by the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases and the computer used by the purchaser, etc. through a telecommunication line.

Article 55-2 (1) When delivering, pursuant to the provisions of the main clause of Article 30-2-3, paragraph (6) of the Act, a document containing the matters listed in the items of paragraph (5) of the relevant Article, the provisions of Article 54 and paragraph (1) of the preceding Article applies mutatis mutandis.

- (2) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 30-2-3, paragraph (6) of the Act are the cases that fall under any of the following:
  - (i) the case where the services provided by a comprehensive credit purchase intermediary to a user or purchaser, etc. fall under all of the following:
    - (a) the comprehensive credit purchase intermediary is to grant a card, etc. to the relevant user without delivering a card or other object;
    - (b) the relevant user uses a computer used by the user and provides notice of

- the card, etc. specified in (a) to conclude a contract specified in the provisions of Article 30-2-3, paragraph (1) or paragraph (2) of the Act or in the provisions of Article 30-2-3, paragraph (5) of the Act; and
- (c) in the case where the comprehensive credit purchase intermediary demands the payment money specified in Article 30-2-3, paragraph (3) of the Act in relation to a contract specified in paragraph (2) of that Article provided in (b), the payment is to be made by method of using an electronic information processing system that is listed in Article 53, paragraph (2), item (i).
- (ii) the case where the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases provided information pursuant to the provisions of each item of paragraph (5) of Article 30-2-3 of the Act by delivering a document that contains the matters specified in that Article.

(Restriction on the Cancellation of a Contract)

Article 55-3 (1) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 30-2-4, paragraph (1) of the Act are the cases that fall under any of the following:

- (i) the case where the services provided by a comprehensive credit purchase intermediary to a user or purchaser, etc. fall under all of the following:
  - (a) the comprehensive credit purchase intermediary is to grant a card, etc. to the relevant user without delivering a card or other object;
  - (b) the relevant user uses a computer used by the user and provides notice of the card, etc. specified in (a) to conclude a contract specified in the provisions of Article 30-2-3, paragraph (1) or paragraph (2) of the Act or in the provisions of Article 30-2-3, paragraph (5) of the Act; and
  - (c) in the case where the comprehensive credit purchase intermediary demands the payment money specified in Article 30-2-3, paragraph (3) of the Act in relation to a contract specified in paragraph (2) of that Article provided in (b), the payment is to be made by method of using an electronic information processing system that is listed in Article 53, paragraph (2), item (i).
- (ii) in the case where the comprehensive credit purchase intermediary obtains consent from the user or purchaser, etc. concerning demand by electronic or magnetic means.
- (2) In the case prescribed in item (i) of the preceding paragraph, a comprehensive credit purchase intermediary may make a written demand specified in Article 30-2-4, paragraph (1) of the Act.
- (3) In the case prescribed in paragraph (1), item (ii), when a comprehensive

credit purchase intermediary makes a written demand specified in Article 30-2-4, paragraph (1) of the Act, the comprehensive credit purchase intermediary must indicate in advance to the relevant user or purchaser, etc. the type and details of the electronic or magnetic means used and obtain consent in writing or by electronic or magnetic means.

- (4) If a comprehensive credit purchase intermediary that obtained consent pursuant to the provisions of the preceding paragraph receives notification in writing or by electronic or magnetic means from the relevant user or purchaser, etc. indicating that provision by electronic or magnetic means are not be accepted, the comprehensive credit purchase intermediary may not make a demand specified in Article 30-2-4, paragraph (1) of the Act to the user or purchaser, etc. by electronic or magnetic means specified in that paragraph; provided, however, that this does not apply if the user or purchaser, etc. again consents pursuant to the provisions of the preceding paragraph.
- (5) The type and details of the method to be indicated pursuant to the provisions of paragraph (3) are to be the following matters:
  - (i) the means prescribed in paragraph (1) of the following Article that is used by a comprehensive credit purchase intermediary;
  - (ii) the method of recording in the file.

(Methods of Using Information and Communications Technology)

Article 55-4 (1) The electronic or magnetic means stated in Article 30-2-4, paragraph (1) of the Act are to be the following:

- (i) method of using an electronic data processing system as listed in (a) or (b):
    - (a) method of sending a document through a telecommunication line connecting the computer used by the comprehensive credit purchase intermediary and the computer used by the purchaser, etc., and recording it in a file on the computer used by the recipient;
    - (b) method of providing the purchaser, etc. with the matters relating to a demand that is recorded in a file on the computer used by the comprehensive credit purchase intermediary for inspection through a telecommunication line, and recording the relevant information in a file on the computer used by the purchaser, etc.;
  - (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent method that may reliably store certain matters, which contains the matters relating to a demand.
- (2) The methods listed in the preceding paragraph must conform to the following standards:
- (i) the purchaser, etc. is to be able to prepare a document by outputting the contents recorded in the file;
  - (ii) in the case of the method listed in item (i), (b) of the preceding paragraph,

notification is to be provided to the purchaser etc. indicating that the information relating to a demand is recorded in a customer file or viewing file; provided, however, that this does not apply if it is confirmed that the purchaser, etc. viewed the relevant matters regarding the demand.

(Measures Concerning Operation of Business)

Article 56 When a comprehensive credit purchase intermediary entrusts the safety management of information on users or purchasers, etc. that it handles, the supervision of workers, and the handling of the relevant information, pursuant to the provisions of Article 30-5-2 of the Act, it must take necessary and appropriate measures for supervising the entrusted person so as to prevent the leakage or loss of or damage to the relevant information.

Article 57 A comprehensive credit purchase intermediary must take measures for ensuring that it must not use any information concerning the ability to pay of users or purchasers, etc. that it has received, pursuant to the provisions of Article 30-5-2 of the Act, from a person engaging in the business of specified credit information services, etc., for any other purposes than for the investigation into the ability to pay.

Article 58 A comprehensive credit purchase intermediary must take measures for ensuring that it must not use any information on users or purchasers, etc. concerning their race, creed, family origin, domicile of origin, health and medical care, or criminal background, or any other special private information (meaning unpublished information that the comprehensive credit purchase intermediary comes to know in the course of business; the same applies in Article 91) that it handles pursuant to the provisions of Article 30-5-2 of the Act, for any other purposes than for ensuring the proper operation of the business and other purposes that are deemed to be necessary.

Article 59 When a comprehensive credit purchase intermediary entrusts the business of the intermediation of comprehensive credit purchases to a third party, pursuant to the provisions of Article 30-5-2 of the Act, it must take the following measures, in accordance with the contents of the relevant business:

- (i) measures for entrusting the business to a person that has the ability to perform it properly;
- (ii) measures for carrying out necessary and appropriate supervision over the person that has been entrusted with the relevant business (referred to below as the "entrusted party" in this Article and Article 92), such as through inspecting whether or not the entrusted party is performing the relevant business properly by confirming, regularly or as necessary, the status of the



- entrusted party's performance of the relevant business, and through having the relevant person make any required improvements;
- (iii) measures necessary for appropriately and promptly processing complaints from users or purchasers, etc. regarding the relevant business performed by the entrusted party;
  - (iv) measures for preventing any hindrance to the protection of the interests of users or purchasers, etc. regarding the relevant business, such as through entrusting the relevant business to another third party promptly in the event that the entrusted party cannot perform the relevant business properly;
  - (v) measures for taking necessary measures such as changing or canceling the contract for the entrustment of the relevant business, in cases where the entrusted party does not perform the relevant business properly and it is necessary for protecting the interests of users or purchasers, etc. regarding the relevant business.

Article 60 When a comprehensive credit purchase intermediary takes measures necessary for processing complaints from users or purchasers, etc. (including the assertion under Article 30-4, paragraph (1) of the Act; the same applies below in this Article) properly and promptly, pursuant to the provisions of Article 30-5-2 of the Act, it must follow the rules specified in the following items:

- (i) when receiving complaints from users or purchasers, etc., the comprehensive credit purchase intermediary without delay, is to determine whether the complaint is the result of an act by the comprehensive credit purchase intermediary, a seller affiliated with the intermediation of comprehensive credit purchases, or a service provider affiliated with the intermediation of comprehensive credit purchases that failed to protect the interests of the user or purchaser, etc. in relation to business involving the intermediation of a comprehensive credit purchases;
- (ii) when any of the following apply in light of the results of the determination pursuant to the provisions of the preceding item or other factors, the comprehensive credit purchase intermediary is to provide notification of the details of the complaint to the relevant seller affiliated with the intermediation of comprehensive credit purchases or service provider affiliated with the intermediation of comprehensive credit purchases and the business that has a contract for handling credit card numbers that concluded the contract for handling credit card numbers:
  - (a) when it is found that the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases has conducted an act falling under any of the items of Article 35-3-7 of the Act in relation to a

contract for sales, etc. involving the intermediation of comprehensive credit purchases;

- (b) when in light of how complaints have been filed concerning acts which fall short of protecting the interests of users or purchasers, etc. about the business regarding the intermediation of comprehensive credit purchases conducted by the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases (excluding complaints whose details arise from acts specified in (a)), it is deemed that the relevant seller affiliated with the intermediation of comprehensive credit purchases or the relevant service provider affiliated with the intermediation of comprehensive credit purchases lacks in protection of the interests of users or purchasers, etc. about the business regarding the intermediation of comprehensive credit purchases;
- (iii) when it is found, in light of the results of the determination pursuant to the provisions of item (i) or other factors, that the comprehensive credit purchase intermediary conducted any acts which fall short of protecting the interests of users or purchasers, etc. about the business regarding the intermediation of comprehensive credit purchases, the comprehensive credit purchase intermediary is to investigate matters necessary to process the complaint.

## **Subsection 2 Special Provisions for Investigation into the Comprehensive Purchase Amount Projected to Be Affordable**

(Application for Certification as Comprehensive Credit Purchase Intermediaries)

- Article 61 (1) An application for certification under Article 30-5-4, paragraph (1) of the Act must be filed by submitting a written application stating the following matters to the Minister of Economy, Trade and Industry:
- (i) the means specified in Article 30-5-4, paragraph (1), item (i) of the Act;
  - (ii) matters relating to the delinquency rate (meaning the ratio of the number of cards, etc. with outstanding obligations relating to intermediation of comprehensive credit purchases to the number of cards, etc. that have obligations relating to intermediation of comprehensive credit purchases that are in arrears at a particular time; the same applies below);
  - (iii) the system specified in Article 30-5-4, paragraph (1), item (ii) of the Act.
- (2) The application specified in the preceding paragraph is to be prepared in accordance with Form 13-2.
- (3) The following documents must be attached to the written application for registration stated in paragraph (1):

- (i) the internal rules, etc. concerning the method prescribed in Article 30-5-4, paragraph (1), item (i) of the Act and the systems prescribed in item (ii) of that paragraph (meaning rules that are to be followed by a certified comprehensive credit purchase intermediary or its officers (meaning members, directors, or executive officers that execute the business or any equivalent persons; the same applies in Article 63, paragraph (2), item (vii), Article 64, paragraph (1), item (iv), Article 65, item (iii), Article 68-11, item (iii), Article 99, paragraph (2), item (vii), Article 100, item (iii), and Article 133-2, paragraph (2), item (iii)), workers, and other employees, and other equivalent rules prepared by the certified comprehensive credit purchase intermediary; the same applies in Article 62-2-2, paragraph (2));
- (ii) an organization chart relating to the systems prescribed in Article 30-5-4, paragraph (1), item (ii) of the Act.

(Standards for Certification)

Article 62 (1) The standards specified by Order of Ministry of Economy, Trade and Industry stated in Article 30-5-4, paragraph (1), item (i) of the Act are as follows:

- (i) when specifying the method prescribed in Article 30-5-4, paragraph (1), item (i) of the Act, inappropriate or inadequate technology and information is not to be used;
  - (ii) information concerning a user's ability to pay must not be used in a manner likely to result in unjust discrimination, prejudice, or other significant disadvantage to the relevant user;
  - (iii) the delinquency rate is to be managed such that it does not exceed the delinquency rate calculated by a designated credit bureau pursuant to this Order.
- (2) The standards prescribed by an Order of the Ministry of Economy, Trade and Industry prescribed in Article 30-5-4, paragraph (1), item (ii) of the Act is to provide for a system necessary to ensure the effective performance of the calculations prescribed in the main clause of Article 30-5-5, paragraph (1) of the Act.

(Certification for Changes)

Article 62-2 (1) An application for certification under Article 30-5-4, paragraph (3) of the Act must be filed by submitting a written application prepared in accordance with Form 13-3.

- (2) The following documents must be attached to the written application for certification stated in the preceding paragraph:
  - (i) if the applicant intends to modify the method prescribed in Article 30-5-4, paragraph (1), item (i) of the Act in relation to certification specified in that

paragraph, internal rules, etc. relating to the relevant method after modification;

- (ii) if the applicant intends to modify the system prescribed in Article 30-5-4, paragraph (1), item (ii) of the Act in relation to certification specified in that paragraph, internal rules, etc. and an organization chart relating to the relevant system after modification;

(Exceptions to the Obligation to Calculate the User Purchase Amount Projected to Be Affordable)

Article 62-3 (1) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 30-5-5, paragraph (1) of the Act are the cases listed as follows:

- (i) cases where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. with a credit line of not more than 300,000 yen to a user for the intermediation of comprehensive credit purchases (including cases where a card, etc. is delivered or granted to a user in order to renew the period of validity of a card, etc. that was delivered or granted for the intermediation of comprehensive credit purchases) or intends to increase the credit line regarding a card, etc. already delivered or granted to a user up to the limit of 300,000 yen (excluding cases that fall under any of the following):
  - (a) when it is deemed, by using the specified credit information held by the designated credit bureau, that the user's payment obligations will not be performed as of the time when the comprehensive credit purchase intermediary intends to deliver or grant the relevant card, etc. to the user or intends to increase the credit line regarding the relevant card, etc.;
  - (b) when it is found that, by using the specified credit information held by the designated credit bureau, that the amount of the user's obligation regarding the intermediation of comprehensive credit purchases to the relevant certified comprehensive credit purchase intermediary exceeds 500,000 yen or the amount of the user's obligation regarding the intermediation of comprehensive credit purchases which has not yet become due or for which the payment obligations have not been performed exceeds 1,000,000 yen;
- (ii) cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc. already delivered or granted to a user temporarily in response to a request from the user, and has confirmed, in advance, the purpose for which the user purchases goods or rights from the seller affiliated with the intermediation of comprehensive credit purchases or receives services from the service provider affiliated with the intermediation of comprehensive credit purchases upon presenting or notifying the relevant card, etc., and the name or any equivalent information

- of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases, and when falling under any of the following:
- (a) cases where the period during which the credit line is temporarily increased is not more than three months and the increased credit line does not exceed twice the amount of the user purchase amount projected to be affordable calculated pursuant to the main clause of Article 30-5-5, paragraph (1) of the Act (in cases where a calculation under the main clause of that paragraph (1) of the Act has not been carried out for any justifiable grounds, twice the credit line regarding the relevant card, etc. (if the credit line regarding the relevant card, etc. has already been increased temporarily in response to the request from the user, the credit line before the temporary increase)), and when the increased credit line is deemed to be reasonable in light of the relevant purpose
  - (c) cases where the user purchases goods or rights, which are deemed to be urgently necessary to protect the life or body of the user or persons who have the same livelihood as the user, from the seller affiliated with the intermediation of comprehensive credit purchases, or is provided with services, which are deemed to be urgently necessary to protect the life or body of the user or persons who have the same livelihood as the user, from the service provider affiliated with the intermediation of comprehensive credit purchases, upon presenting or notifying the relevant card, etc., and when the increased credit line is deemed to be reasonable in light of the relevant purpose;
  - (iii) cases where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. to a user in order to renew the period of validity of a card, etc. that was delivered or granted for the intermediation of comprehensive credit purchases (excluding cases where an associated card, etc. is delivered or granted to a user for the intermediation of comprehensive credit purchases in order to renew the period of validity of an associated card, etc. that was delivered or granted) if the user's obligations relating to the intermediation of comprehensive credit purchases owed to the relevant certified comprehensive credit purchase intermediary is less than 50,000 yen;
  - (iv) cases where the certified comprehensive credit purchase intermediary intends to deliver or grant an associated card, etc. to a user within the user purchase amount projected to be affordable calculated pursuant to the main clause of Article 30-5-5, paragraph (1) of the Act (if a calculation under the main clause of that paragraph has not been carried out on any justifiable grounds, within the credit line regarding a card, etc. already delivered or granted to the user) or intends to increase the credit line regarding the relevant associated card, etc.;

- (v) beyond what is listed in item (i), item (iii), or the preceding item, cases where the certified comprehensive credit purchase intermediary intends to deliver or grant a card, etc. to a user in lieu of a card already delivered or granted, during the period from the time when the certified comprehensive credit purchase intermediary delivered or granted the relevant card, etc. up to the day of the expiration of the effective period for the relevant card, etc. (excluding cases where the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc.).
- (2) A certified comprehensive credit purchase intermediary must, in the cases listed in the items of the preceding paragraph, prepare a record on the matters specified in the following items for each user, in accordance with the categories of cases listed in the respective items, by means of documents or electronic or magnetic records, and must preserve the relevant record up to the day of the expiration of the effective period (excluding the effective period after the renewal) of a card, etc. (including an associated card, etc.) or the last of the final due dates specified under all contracts providing the receipt of monies subject to the intermediation of comprehensive credit purchases (limited to contracts regarding the relevant card, etc. (including an associated card, etc.)) concluded during the relevant effective period (when all the obligations regarding the intermediation of comprehensive credit purchases under those contracts have been extinguished through the payment thereof or on other grounds, the day of the extinguishment), whichever comes later:
- (i) cases listed in item (i) of the preceding paragraph: the following matters:
- (a) the date of the contract (in cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the date of the increase of the credit line, and in cases where the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc., the date for the renewal, and the date on which the comprehensive credit purchase intermediary carried out an investigation by using the specified credit information held by the designated credit bureau);
  - (b) the credit line regarding a card, etc. already delivered or granted to the user (in cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the increased credit line);
  - (c) the results of the investigation carried out by using the specified credit information held by the designated credit bureau;
  - (d) the amount of the obligation regarding the intermediation of comprehensive credit purchases to the relevant certified comprehensive credit purchase intermediary;
- (ii) cases listed in item (ii) of the preceding paragraph: the following matters:

- (a) the day on which a request was made by the user and the date on which the credit line regarding a card, etc. was increased;
- (b) the period for the increase of the credit line;
- (c) the increased credit line;
- (d) the purpose for which the user purchases goods or rights from the seller affiliated with the intermediation of comprehensive credit purchases or is provided with services by the service provider affiliated with the intermediation of comprehensive credit purchases upon presenting or notifying a card, etc.;
- (e) the name or any equivalent information of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases that has been confirmed in advance;
- (f) the name or any equivalent information of the seller affiliated with the intermediation of comprehensive credit purchases from which the user has purchased goods or rights or of the service provider affiliated with the intermediation of comprehensive credit purchases by which the user is to be provided with services, upon presenting or notifying a card, etc., during the period for the increase of the credit line;
- (g) the temporary short-term income that the user is deemed to be likely to earn (limited to the cases falling under item (ii), (b) of the preceding paragraph);
- (iii) cases listed in item (iii) of the preceding paragraph: the following matters:
  - (a) the date on which the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc. already delivered or granted to the user and the date on which the comprehensive credit purchase intermediary investigated the user's obligation regarding the intermediation of comprehensive credit purchases to the relevant certified comprehensive credit purchase intermediary;
  - (b) the credit line regarding a card, etc. already delivered or granted to the user;
  - (c) the amount of the obligation regarding the intermediation of comprehensive credit purchases to the relevant certified comprehensive credit purchase intermediary;
- (iv) cases listed in item (iv) of the preceding paragraph: the following matters:
  - (a) the date of the contract regarding an associated card, etc. (in cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding an associated card, etc., the date of the increase of the credit line);
  - (b) the credit line regarding an associated card, etc. already delivered or granted to the user (in cases where the comprehensive credit purchase

intermediary intends to increase the credit line regarding an associated card, etc., the increased credit line);

- (v) cases listed in item (v) of the preceding paragraph: the date on which the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. to the user.

(Records Concerning Calculation of the User Purchase Amount Projected to Be Affordable)

Article 62-4 A certified comprehensive credit purchase intermediary must, pursuant to the provisions of Article 30-5-5, paragraph (3) of the Act, prepare a record on the matters specified in the following items for each user, in accordance with the categories of cases listed in the respective items, by means of documents or electronic or magnetic records, and must preserve the relevant record up to the day of the expiration of the effective period for a card, etc.

(including the effective period after the renewal in the cases listed in item (i) and excluding the effective period after the renewal in the cases listed in item (ii)), or the last one of the final due dates specified under all the contracts providing the receipt of monies subject to the intermediation of comprehensive credit purchases (limited to contracts regarding the relevant card, etc.) concluded during the relevant effective period (when all the obligations regarding the intermediation of comprehensive credit purchases under those contracts have been extinguished through the payment thereof or on other grounds, the day of the extinguishment), whichever comes later:

- (i) in cases where the user purchase amount projected to be affordable is calculated pursuant to the provisions of the main clause of Article 30-5-5, paragraph (1) of the Act, if a card, etc. is delivered or granted to the user for the purpose of intermediation of comprehensive credit purchases or if the maximum amount regarding a card, etc. delivered or granted to the user for the purpose of intermediation of comprehensive credit purchases is increased: the following matters;
- (a) the date of the contract (in cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the date of the increase of the credit line);
- (b) the credit line regarding a card, etc. already delivered or granted to the user (in cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the increased credit line);
- (c) the user purchase amount projected to be affordable calculated pursuant to the provisions of the main clause of Article 30-5-5, paragraph (1) of the Act (limited to cases where the amount differs from the credit line specified in (b));



- (d) the results of the investigation carried out pursuant to Article 30-5-5, paragraph (2) of the Act by using specified credit information held by the designated credit bureau;
- (ii) in cases where the user purchase amount projected to be affordable is calculated pursuant to the provisions of the main clause of Article 30-5-5, paragraph (1) of the Act, if a card, etc. is delivered or granted to the user in order to renew the period of validity of a card, etc. delivered or granted for the intermediation of comprehensive credit purchases: the following matters:
  - (a) the date on which the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc. already delivered or granted to the user and the date on which the comprehensive credit purchase intermediary carried out the calculation under the main clause of Article 30-5-5, paragraph (1) of the Act;
  - (b) the credit line regarding a card, etc. already delivered or granted to the user;
  - (c) the user purchase amount projected to be affordable calculated pursuant to the provisions of the main clause of Article 30-5-5, paragraph (1) of the Act (limited to cases where the amount differs from the credit line specified in (b));
  - (d) the results of the investigation carried out pursuant to Article 30-5-5, paragraph (2) of the Act by using specified credit information held by the designated credit bureau;

(Periodic Reports to the Minister of Economy, Trade and Industry)

Article 62-5 (1) Reports under Article 30-5-5, paragraph (4) of the Act must be made by submitting a written notification prepared in accordance with Form 13-4.

- (2) The matters prescribed by Order of the Ministry of Economy, Trade and Industry specified in Article 30-5-5, paragraph (4) of the Act are the actual delinquency rate for the fiscal year covered by the report and other matters relating to calculation of the user purchase amount projected to be affordable.

(Cases Causing No Hindrance to the Protection of Users Regarding the Prohibition of Delivery, etc. of a Card, etc. in Cases Exceeding the User Purchase Amount Projected to Be Affordable)

Article 62-6 The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 30-5-6 of the Act are the cases listed in the items of Article 62-3, paragraph (1).

### **Subsection 3 Registration, etc. of Comprehensive Credit Purchase Intermediaries**

(Application for Registration)

Article 63 (1) A written application as stated in Article 32, paragraph (1) of the Act is to be prepared in accordance with Form 14.

(2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 32, paragraph (2) of the Act are as follows:

- (i) the record on the financial condition prepared in accordance with Form 2 as of a certain day within one month before the day of submitting the written application for registration, and the balance sheet (including related notes; the same applies in the main clause of Article 68-9, paragraph (2), item (i) and the main clause of Article 99, paragraph (2), item (i)) and profit and loss statements (including related notes; the same applies in the main clause of Article 68-9, paragraph (2), item (1) and the main clause of Article 99, paragraph (2), item (i)), and statements of changes in net assets (including related notes; the same applies in the main clause of Article 68-9, paragraph (2), item (i) and the main clause of Article 99, paragraph (2), item (i)) for the business year immediately before the day of submitting the written application for registration, or any alternative documents; provided, however, that regarding a corporation that has been established in the business year containing the day of filing the application for registration, the balance sheet (including related notes; the same applies in the proviso to Article 68-9, paragraph (2), item (i) and the proviso to Article 99, paragraph (2), item (i)) that is to be prepared upon the establishment of the relevant corporation pursuant to the provisions of Article 435, paragraph (1) or Article 617, paragraph (1) of the Companies Act, or any alternative documents;
- (ii) in cases where there are any additional businesses, the documents stating the types and an outline of those;
- (iii) curricula vitae of officers (meaning officers as prescribed in Article 32, paragraph (1), item (iv) of the Act; the same applies in Article 67, paragraph (2), item (ii), Article 68-9, paragraph (2), item (iii), Article 68-15, paragraph (2), item (ii), Article 99, paragraph (2), item (iii), Article 102, paragraph (2), item (ii), Article 133-2, paragraph (2), item (i), and Article 133-4, paragraph (2), item (ii)) (when an officer is a corporation, the documents stating the history of the relevant officer; the same applies in Article 67, paragraph (2), item (ii), Article 68-9, paragraph (2), item (iii), Article 68-15, paragraph (2), item (ii), Article 99, paragraph (2), item (iii), Article 102, paragraph (2), item (ii), Article 133-2, paragraph (2), item (i), and Article 133-4, paragraph (2), item (ii));
- (iv) the list of names of shareholders or members, and the list of names of shareholders or members of the parent company (meaning a parent company as prescribed in Article 2, item (iv) of the Companies Act; the same applies

- below), or any alternative documents;
  - (v) a document stating the trade names or names of the participating designated credit bureau;
  - (vi) a document stating the trade names or names of persons that have concluded a specified credit information service contract and that perform the business of specified credit information services, etc. (excluding the participating designated credit bureau; the same applies in Article 68-9, paragraph (2), item (vi) and Article 99, paragraph (2), item (vi));
  - (vii) the internal rules, etc. concerning the business regarding the intermediation of comprehensive credit purchases (meaning rules that are to be followed by the comprehensive credit purchase intermediary or its officers, workers, and other employees, and other equivalent rules prepared by the comprehensive credit purchase intermediary; the same applies in Article 66, Article 68-9, paragraph (2), item (vii), Article 68-12, and Article 68-14, paragraph (2));
  - (viii) an organization chart concerning the business regarding the intermediation of comprehensive credit purchases;
  - (ix) a document to pledge that the person does not fall under any of the provisions of Article 33-2, paragraph (1), items (v) through (xi) of the Act.
- (3) The provisions of Article 12, paragraph (3) applies mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 32, paragraph (3) of the Act.

(A Person Having the Same or Greater Influence as Directors, etc.)

Article 64 (1) The person specified by Order of the Ministry of Economy, Trade and Industry stated in Article 32, paragraph (1), item (iv) of the Act is to be a person that falls under any of the following items:

- (i) an individual that holds shares or capital contributions (referred to below as "shares, etc." in this Article) regarding 25 percent or more of the voting rights of all the shareholders, etc. of the relevant corporation (meaning the voting rights of all shareholders, all members, or all contributors (regarding a stock company, excluding the voting rights regarding the shares which cannot be exercised for all matters that are subject to a resolution at a general meeting of shareholders and including the voting rights regarding the shares for which the shareholder is deemed to have voting rights pursuant to the provisions of Article 879, paragraph (3) of the Companies Act); the same applies below in this Article) under their own name or the name of another person (including a temporary establisher; the same applies in the following item);
- (ii) an individual that holds Shares, etc. regarding 50 percent or more of the voting rights of all the shareholders, etc. of the parent company of the

- relevant corporation under their own name or the name of another person;
- (iii) a member executing the business of the relevant corporation or in cases where a person equivalent to them is a corporation, a person that is to perform those duties;
- (iv) an officer of the relevant corporation or in cases where any person listed in the preceding three items is a minor, the statutory agent of them (in the case where the statutory agent is a corporation, the officers of the corporation).
- (2) In cases stated in item (i) or item (ii) of the preceding paragraph, the voting rights held by persons listed in these provisions are to include the voting rights regarding Shares, etc. that cannot be asserted against the issuer pursuant to the provisions of Article 147, paragraph (1) or Article 148, paragraph (1) of the Act on Book-Entry Transfer of Bonds, Shares, etc. (including cases where these provisions are applied mutatis mutandis pursuant to Article 228, paragraph (1), Article 235, paragraph (1), Article 239, paragraph (1), and Article 276 (limited to the part regarding item (ii) of the relevant Article) of the relevant Act).

(A Corporation Deemed to be Likely to Conduct Illegal Acts)

Article 65 The corporation specified by Order of the Ministry of Economy, Trade and Industry stated in Article 33-2, paragraph (1), item (x) of the Act is to fall under any of the following items:

- (i) a corporation which has made a notification under Article 35 of the Act during the period from the day on which a notice was given, pursuant to the provisions of Article 15 of the Administrative Procedure Act (Act No. 88 of 1993), regarding a disposition of rescission of registration on the grounds that the corporation falls under any of the items of paragraph (1) or the items of paragraph (2) of Article 34-2 of the Act to the day on which the relevant disposition is made or it is determined not to make the relevant disposition (that corporation excludes a corporation that has reasonable grounds for the discontinuation of its business of the intermediation of comprehensive credit purchases; the same applies below in this Article), and for which five years have not passed from the day of making the relevant notification;
- (ii) a person that used to be a member executing the business or any equivalent person of a corporation that has made a notification under Article 35 of the Act during the period stated in the preceding item, and that was in the relevant position during the period from the day 30 days before the day on which a notice as stated in the same item was given up to the day of discontinuing the relevant corporation (such person must be limited to a corporation), and for which five years have not passed from the day of making the relevant notification;
- (iii) a corporation which has, as one of its officers, a person that used to be an

officer of a corporation that has made a notification under Article 35 of the Act during the period stated in item (i), and that was in the relevant position during the period from the day 30 days before the day on which a notice as stated in the same item was given up to the day of discontinuing the relevant corporation, and for which five years have not passed from the day of making the relevant notification.

(Systems Necessary for Securing Fair and Proper Performance of the Intermediation of Comprehensive Credit Purchases)

Article 66 (1) The systems specified by Order of the Ministry of Economy, Trade and Industry stated in Article 33-2, paragraph (1), item (xi) of the Act are as follows:

- (i) a system necessary to ensure the smooth implementation of an investigation as prescribed in the main clause of Article 30-2, paragraph (1) of the Act, measures prescribed in Article 35-16, paragraph (1) and paragraph (3) of the Act, and other measures specified in the Act;
  - (ii) a system necessary for appropriately and promptly processing complaints from users or purchasers, etc.;
  - (iii) sufficient internal rules, etc. are to be established so as to secure the fair and proper performance of the intermediation of comprehensive credit purchases;
  - (iv) a system necessary for complying with the provisions of the Act, orders based on the provisions of the Act, or internal rules, etc.;
- (2) The internal rules, etc. stated in item (iii) of the preceding paragraph must include provisions that clarify allocation of responsibility concerning the operation of the intermediation of comprehensive credit purchases.

(Notification of Change)

Article 67 (1) Notification under Article 33-3, paragraph (1) of the Act must be made by submitting a written notification prepared in accordance with Form 15.

- (2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 32, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 33-3, paragraph (2) of the Act are as follows:
- (i) a document certifying the matters regarding the change;
  - (ii) when the change refers to an officer that has newly taken office, the curriculum vitae of the relevant officer, and a document listed in Article 63, paragraph (2), item (ix) (limited to the document regarding Article 33-2, paragraph (1), item (vii) of the Act).
- (3) The provisions of Article 12, paragraph (3) apply mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy,

Trade and Industry stated in Article 32, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 33-3, paragraph (3) of the Act.

(Public Notice of Disposition)

Article 68 A public notice under Article 34-4 of the Act is to be issued by publishing it in the Official Gazette.

(Notification of Discontinuation)

Article 68-2 Notification under Article 35 of the Act must be made by submitting a written notification prepared in accordance with Form 13.

#### **Subsection 4 Registered Comprehensive Small Amount Credit Purchase Intermediaries**

(Exceptions to the Obligation to Calculate the User Purchase Amount Projected to Be Affordable)

Article 68-3 (1) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 35-2-4, paragraph (1) of the Act are the cases listed as follows:

- (i) cases where the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc. already delivered or granted to a user temporarily in response to a request from the user, and has confirmed, in advance, the purpose for which the user purchases goods or rights from the seller affiliated with the intermediation of comprehensive credit purchases or receives services from the service provider affiliated with the intermediation of comprehensive credit purchases upon presenting or notifying the relevant card, etc., and the name or any equivalent information of the seller affiliated with the intermediation of comprehensive credit purchases or the service provider affiliated with the intermediation of comprehensive credit purchases, and when falling under any of the following:
  - (a) cases where the period during which the credit line is temporarily increased is not more than three months and the increased credit line does not exceed twice the amount of the user purchase amount projected to be affordable calculated pursuant to the main clause of Article 35-2-4, paragraph (1) of the Act (in cases where a calculation under the main clause of that paragraph (1) of the Act has not been carried out for any justifiable grounds, twice the credit line regarding the relevant card, etc. (if the credit line regarding the relevant card, etc. has already been increased temporarily in response to the request from the user, the credit line before the temporary increase)), and when the increased credit line is deemed to be reasonable in light of the relevant purpose;

- (b) cases where the user is deemed to be likely to earn temporary short-term income, and when the increased credit line is deemed to be reasonable in light of the relevant income;
  - (c) cases where the user purchases goods or rights, which are deemed to be urgently necessary to protect the life or body of the user or persons who have the same livelihood as the user, from the seller affiliated with the intermediation of comprehensive credit purchases, or is provided with services, which are deemed to be urgently necessary to protect the life or body of the user or persons who have the same livelihood as the user, from the service provider affiliated with the intermediation of comprehensive credit purchases, upon presenting or notifying the relevant card, etc., and when the increased credit line is deemed to be reasonable in light of the relevant purpose;
  - (ii) cases where the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. to a user in order to renew the period of validity of a card, etc. that was delivered or granted for the intermediation of comprehensive credit purchases (excluding cases where an associated card, etc. is delivered or granted to a user for the intermediation of comprehensive credit purchases in order to renew the period of validity of an associated card, etc. that was delivered or granted) if the user's obligations relating to the intermediation of comprehensive credit purchases owed to the relevant registered comprehensive small amount credit purchase intermediary is less than 50,000 yen;
  - (iii) cases where the registered comprehensive small amount credit purchase intermediary intends to deliver or grant an associated card, etc. to a user within the user purchase amount projected to be affordable calculated pursuant to the main clause of Article 35-2-4, paragraph (1) of the Act (if a calculation under the main clause of that paragraph has not been carried out on any justifiable grounds, within the credit line regarding a card, etc. already delivered or granted to the user) or intends to increase the credit line regarding the relevant associated card, etc.;
  - (iv) beyond what is listed in the preceding two items, cases where the registered comprehensive small amount credit purchase intermediary intends to deliver or grant a card, etc. to a user in lieu of a card already delivered or granted, during the period from the time when the registered comprehensive small amount credit purchase intermediary delivered or granted the relevant card, etc. up to the day of the expiration of the effective period for the relevant card, etc. (excluding cases where the registered comprehensive small amount credit purchase intermediary intends to renew the effective period for a card, etc.).
- (2) A registered low-amount comprehensive credit purchase intermediary must,

in the cases listed in the items of the preceding paragraph, prepare a record on the matters specified in the following items for each user, in accordance with the categories of cases listed in the respective items, by means of documents or electronic or magnetic records, and keeps the relevant record up to the day of the expiration of the effective period (excluding the effective period after the renewal) of a card, etc. (including an associated card, etc.) or the last of the final due dates specified under all contracts for receiving the intermediation of comprehensive credit purchases (limited to contracts regarding the relevant card, etc. (including an associated card, etc.)) concluded during the relevant effective period (when all the obligations regarding the intermediation of comprehensive credit purchases under those contracts have been extinguished through the payment thereof or on other grounds, the day of the extinguishment), whichever comes later:

- (i) cases listed in item (i) of the preceding paragraph: the following matters:
  - (a) the day on which a request was made by the user and the date on which the credit line regarding a card, etc. was increased;
  - (b) the period for the increase of the credit line;
  - (c) the increased credit line;
  - (d) the purpose for which the user purchases goods or rights from the seller for the intermediation of comprehensive credit purchases or is provided with services by the service provider for the intermediation of comprehensive credit purchases upon the presentation of a card, etc. or card details;
  - (e) the name or any equivalent information of the seller for the intermediation of comprehensive credit purchases or the service provider for the intermediation of comprehensive credit purchases that has been confirmed in advance;
  - (f) the name or any equivalent information of the seller for the intermediation of comprehensive credit purchases from which the user has purchased goods or rights or of the service provider for the intermediation of comprehensive credit purchases by which the user is to be provided with services, upon the presentation of a card, etc. or card details, during the period for the increase of the credit line;
  - (g) the temporary short-term income that the user is deemed to be likely to earn (limited to the cases falling under item (i), (b) of the preceding paragraph);
- (ii) cases listed in item (ii) of the preceding paragraph: the following matters:
  - (a) the date on which the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc. already delivered or granted to the user and the date on which the comprehensive credit purchase intermediary investigated the user's obligation regarding the



- intermediation of comprehensive credit purchases to the relevant registered low-amount comprehensive credit purchase intermediary;
- (b) the credit line regarding a card, etc. already delivered or granted to the user;
- (c) the amount of the obligation regarding the intermediation of comprehensive credit purchases to the relevant certified comprehensive credit purchase intermediary;
- (iii) cases listed in item (iii) of the preceding paragraph: the following matters:
  - (a) the date of the contract regarding an associated card, etc. (if the comprehensive credit purchase intermediary intends to increase the credit line regarding an associated card, etc., the date of the increase of the credit line);
  - (b) the credit line regarding an associated card, etc. already delivered or granted to the user (if the comprehensive credit purchase intermediary intends to increase the credit line regarding an associated card, etc., the increased credit line);
- (iv) cases listed in item (iv) of the preceding paragraph: the date on which the comprehensive credit purchase intermediary intends to deliver or grant a card, etc. to the user.

(A Record Related to Calculation of the User Purchase Amount Projected to Be Affordable)

Article 68-4 A registered comprehensive small amount credit purchase intermediary must, pursuant to the provisions of Article 35-2-4, paragraph (3) of the Act, prepare a record on the matters specified in the following items for each user, in accordance with the categories of cases listed in the respective items, by means of documents or electronic or magnetic records, and must keep the relevant record up to the day of the expiration of the effective period for a card, etc. (including the effective period after the renewal in the cases listed in item (i) and excluding the effective period after the renewal in the cases listed in item (ii)), or the last one of the final due dates specified under all the contracts providing the receipt of monies subject to the intermediation of comprehensive credit purchases (limited to contracts regarding the relevant card, etc.) concluded during the relevant effective period (when all the obligations regarding the intermediation of comprehensive credit purchases under those contracts have been extinguished through the payment thereof or on other grounds, the day of the extinguishment), whichever comes later:

- (i) in cases where the user purchase amount projected to be affordable is calculated pursuant to the provisions of the main clause of Article 35-2-4, paragraph (1) of the Act, if a card, etc. is delivered or granted to the user for the purpose of intermediation of comprehensive credit purchases or if the

maximum amount regarding a card, etc. delivered or granted to the user for the purpose of intermediation of comprehensive credit purchases is increased: the following matters;

- (a) the date of the contract (if the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the date of the increase of the credit line);
  - (b) the credit line regarding a card, etc. already delivered or granted to the user (if the comprehensive credit purchase intermediary intends to increase the credit line regarding a card, etc., the increased credit line);
  - (c) the user purchase amount projected to be affordable calculated pursuant to the provisions of the main clause of Article 35-2-4, paragraph (1) of the Act (limited to cases where the amount differs from the credit line specified in (b));
  - (d) the results of the investigation carried out pursuant to Article 35-2-4, paragraph (2) of the Act by using specified credit information held by a designated credit bureau;
- (ii) in cases where the user purchase amount projected to be affordable is calculated pursuant to the provisions of the main clause of Article 35-2-4, paragraph (1) of the Act, if a card, etc. is delivered or granted to the user in order to renew the period of validity of a card, etc. delivered or granted for the intermediation of comprehensive credit purchases: the following matters;
- (a) the date on which the comprehensive credit purchase intermediary intends to renew the effective period for a card, etc. already delivered or granted to the user and the date on which the comprehensive credit purchase intermediary carried out the calculation under the main clause of Article 35-2-4, paragraph (1) of the Act;
  - (b) the credit line regarding a card, etc. already delivered or granted to the user;
  - (c) the user purchase amount projected to be affordable calculated pursuant to the provisions of the main clause of Article 35-2-4, paragraph (1) of the Act (limited to cases where the amount differs from the credit line specified in (b));
  - (d) the results of the investigation carried out pursuant to Article 35-2-4, paragraph (2) of the Act by using specified credit information held by the designated credit bureau;

(Cases Causing No Hindrances with the Protection of Users Regarding the Prohibition of Delivery of a Card in Cases Exceeding the User Purchase Amount Projected to Be Affordable)

Article 68-5 The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 35-2-5 of the

Act are the cases listed in the items of Article 68-3, paragraph (1).

(Restriction on the Cancellation of a Contract)

Article 68-6 (1) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 35-2-6, paragraph (1) of the Act are the cases that fall under any of the following:

- (i) the case where services provided by a registered comprehensive small amount credit purchase intermediary to a user or purchaser, etc. fall under all of the following:
    - (a) the registered comprehensive small amount credit purchase intermediary is to grant a card, etc. to the relevant user without delivering a card or other object;
    - (b) the relevant user uses a computer used by the user and provides notice of the card, etc. specified in (a) to conclude a contract specified in the provisions of Article 30-2-3, paragraph (1) or paragraph (2) of the Act or in the provisions of Article 30-2-3, paragraph (5) of the Act; and
    - (c) in the case where the registered comprehensive small amount credit purchase intermediary demands the payment money specified in Article 30-2-3, paragraph (3) of the Act in relation to a contract specified in paragraph (2) of that Article provided in (b), the payment is to be made by method of using an electronic information processing system that is listed in Article 53, paragraph (2), item (i).
  - (ii) the case where the registered comprehensive small amount credit purchase intermediary obtains consent from the user or purchaser, etc. concerning demand by electronic or magnetic means.
- (2) In the case prescribed in item (i) of the preceding paragraph, a registered comprehensive small amount credit purchase intermediary may make a written demand specified in Article 35-2-6, paragraph (1) of the Act.
- (3) In the case prescribed in paragraph (1), item (ii), when a registered comprehensive small amount credit purchase intermediary makes a written demand specified in Article 35-2-6, paragraph (1) of the Act, the registered small amount comprehensive credit purchase intermediary must indicate in advance to the relevant user or purchaser, etc. the type and details of the electronic or magnetic means used and obtain consent in writing or by electronic or magnetic means.
- (4) If a registered comprehensive small amount credit purchase intermediary that obtained consent pursuant to the provisions of the preceding paragraph receives notification in writing or by electronic or magnetic means from the relevant user or purchaser, etc. indicating that provision by electronic or magnetic means is not accepted, the registered comprehensive small amount credit purchase intermediary may not make a demand specified in Article 35-2-

6, paragraph (1) of the Act to the user or purchaser, etc. by electronic or magnetic means; provided, however, that this does not apply if the user or purchaser, etc. again consents pursuant to the provisions of the preceding paragraph.

- (5) The type and details of the method to be indicated pursuant to the provisions of paragraph (3) are to be the following matters:
- (i) the method prescribed in paragraph (1) of the following Article that is used by a registered comprehensive small amount credit purchase intermediary;
  - (ii) the method of recording in the file.

(Methods of Using Information and Communications Technology)

Article 68-7 (1) The electronic or magnetic means stated in Article 35-2-6, paragraph (1) of the Act is the following:

- (i) method of using an electronic data processing system as listed in (a) or (b):
    - (a) method of sending a document through a telecommunication line connecting the computer used by the registered comprehensive small amount credit purchase intermediary and the computer used by the purchaser, etc., and recording it in a file on the computer used by the recipient;
    - (b) method of providing the purchaser, etc. with the matters relating to a demand that is recorded in a file on a computer used by the registered comprehensive small amount credit purchase intermediary for inspection through a telecommunication line, and recording the relevant information in a file on a computer used by the purchaser, etc.;
  - (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent means that may reliably store certain matters, which contains the matters relating to a demand.
- (2) The method listed in the preceding paragraph must conform to the following standards:
- (i) the purchaser, etc. is to be able to prepare a document by outputting the contents recorded in the file;
  - (ii) in the case of the method listed in item (i), (b) of the preceding paragraph, notification is to be provided to the purchaser etc. indicating that the information relating to a demand is recorded in a customer file or viewing file; provided, however, that this does not apply if it is confirmed that the purchaser, etc. viewed the relevant matters regarding the demand.

(Periodic Reports to the Minister of Economy, Trade and Industry)

Article 68-8 (1) Reports under Article 35-2-7 of the Act must be made by submitting a written notification prepared in accordance with Form 15-2.

- (2) The matters prescribed by Order of the Ministry of Economy, Trade and

Industry specified in Article 35-2-7 of the Act are the actual delinquency rate for the fiscal year covered by the report and other matters relating to calculation of the user purchase amount projected to be affordable.

(Application for Registration)

Article 68-9 (1) A written application as stated in Article 35-2-9, paragraph (1) of the Act is to be prepared in accordance with Form 15-3.

(2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-2-9, paragraph (2) of the Act are as follows:

- (i) the record on the financial condition prepared in accordance with Form 2 as of a certain day within one month before the day of submitting the written application for registration, and the balance sheet, profit and loss statements, and statements of changes in net assets for the business year immediately before the day of submitting the written application for registration or any alternative documents (in the case where the registration specified in Article 35-2-3, paragraph (1) of the Act is obtained as satisfying the conditions specified in item (i) of the following Article, regarding the person who intends to obtain the relevant registration and its parent company); provided, however, that regarding a corporation that has been established in the business year containing the day of filing the application for registration, the balance sheet that is to be prepared upon the establishment of the relevant corporation pursuant to the provisions of Article 435, paragraph (1) or Article 617, paragraph (1) of the Companies Act or any alternative documents;
- (ii) if there are any additional businesses, the documents stating the types and an outline of those;
- (iii) curricula vitae of officers;
- (iv) the list of names of shareholders or members, and the list of names of shareholders or members of the parent company, or any alternative documents;
- (v) a document stating the trade names or names of the participating designated credit bureau;
- (vi) a document stating the trade names or names of persons that have concluded a specified credit information service contract and perform the business of specified credit information services, etc.;
- (vii) the internal rules, etc. concerning the business regarding the intermediation of comprehensive credit purchases (including internal rules, etc. relating to the method specified in Article 35-2-9, paragraph (1), item (iv) of the Act and the system specified in item(v) of that paragraph);
- (viii) an organization chart concerning the business regarding the intermediation of comprehensive credit purchases (including an organization chart relating to the system specified in Article 35-2-9, paragraph (1), item

- (v) of the Act);
  - (ix) in the case where the registration specified in Article 35-2-3, paragraph (1) of the Act is obtained as satisfying the conditions specified in item (ii) or item (iii) of the following Article, a documented business plan showing that any of those items are satisfied;
  - (x) a document to pledge that the person does not fall under any of the provisions of Article 35-2-11, items (iv) through (xi) of the Act.
- (3) The provisions of Article 12, paragraph (3) applies mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-2-9, paragraph (3) of the Act.

(The Amount of Total Assets Minus Total Liabilities)

Article 68-10 The requirement prescribed by Order of the Ministry of Economy Trade and Industry specified in Article 35-2-11, paragraph (1), item (iii) of the Act is to be the amount equal to total assets minus total liabilities (referred to below in this Article as "net assets") is not a negative value and falls under any of the following items:

- (i) the total amount of the net assets of the person who intends to obtain the registration specified in Article 35-2-3, paragraph (1) of the Act and its parent company is at least an amount equivalent to 90 percent of the total amount of stated capital or equity interest of these persons;
- (ii) net assets are expected to be at least 90 percent of the amount of stated capital or equity interest within five years from the date of the commencement of business;
- (iii) net assets are expected to be at least 10 million yen within five years from the date of the commencement of business.

(A Corporation Deemed to be Likely to Conduct Illegal Acts)

Article 68-11 The corporation specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-2-11, paragraph (1), item (ix) of the Act is to fall under any of the following items:

- (i) a corporation which has made a notification under Article 35 of the Act as applied mutatis mutandis pursuant to Article 35-3 of the Act during the period from the day on which a notice was given, pursuant to the provisions of Article 15 of the Administrative Procedure Act, regarding a disposition of revocation of registration on the grounds that the corporation falls under any of the items of paragraph (1) or the items of paragraph (2) of Article 35-2-14 of the Act to the day on which the relevant disposition is made or it is determined not to make the relevant disposition (excluding a corporation that has reasonable grounds for the discontinuation of its business of the intermediation of comprehensive credit purchases; the same applies below in

this Article), and for which five years have not passed from the day of making the relevant notification;

- (ii) a person that used to be a member executing the business or any equivalent person of a corporation that has made a notification under Article 35 of the Act as applied mutatis mutandis pursuant to Article 35-3 of the Act during the period stated in the preceding item, and that was in the relevant position during the period from the day 30 days before the day on which a notice as stated in the same item was given up to the day of discontinuing the relevant corporation (that person is limited to a corporation), and for which five years have not passed from the day of making the relevant notification;
- (iii) a corporation which has, as one of its officers, a person that used to be an officer of a corporation that has made a notification under Article 35 of the Act as applied mutatis mutandis pursuant to Article 35-3 of the Act during the period stated in item (i), and that was in the relevant position during the period from the day 30 days before the day on which a notice as stated in the same item was given up to the day of discontinuing the relevant corporation, and for which five years have not passed from the day of making the relevant notification.

(Systems Necessary for Securing Fair and Proper Performance of the Intermediation of Comprehensive Small Amount Credit Purchases)

Article 68-12 (1) The systems specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-2-11, paragraph (1), item (x) of the Act are as follows:

- (i) a system necessary to ensure the smooth implementation of measures prescribed in Article 35-16, paragraph (1) and paragraph (3) of the Act, and other measures specified in the Act;
  - (ii) a system necessary for appropriately and promptly processing complaints from users or purchasers, etc.;
  - (iii) sufficient internal rules, etc. are established so as to secure the fair and proper performance of the intermediation of comprehensive credit purchases as prescribed in Article 35-2-3, paragraph (1) of the Act;
  - (iv) a system necessary for complying with the provisions of the Act, orders based on the provisions of the Act, or internal rules, etc.;
- (2) The internal rules, etc. stated in item (iii) of the preceding paragraph must include provisions that clarify allocation of responsibility concerning the operation of the intermediation of comprehensive credit purchases.

(Standards Concerning Methods of Calculation of the User Purchase Amount Projected to be Affordable)

Article 68-13 (1) The criteria prescribed by Order of the Ministry of Economy,

Trade and Industry specified in Article 35-2-11, paragraph (1), item (xi), (a) are as follows:

- (i) when specifying the method prescribed in Article 35-2-11, paragraph (1), item (xi), (a) of the Act, inappropriate or inadequate technology and information are used;
  - (ii) information concerning a user's ability to pay is not to be used in a manner likely to result in unjust discrimination, prejudice, or other significant disadvantage to the relevant user;
  - (iii) the delinquency rate is to be managed appropriately in light of the delinquency rate calculated by a designated credit information institution pursuant to this Order.
- (2) The criteria prescribed by an Order of the Ministry of Economy, Trade and Industry prescribed in Article 35-2-11, paragraph (1), item (xi), (b) of the Act is to provide for a system necessary to ensure the effective performance of the calculations prescribed in the main clause of Article 35-2-4, paragraph (1) of the Act.

(Change in Registration)

Article 68-14 (1) An application for change of registration under Article 35-2-12, paragraph (1) of the Act must be filed by submitting a written application prepared in accordance with Form 15-4.

- (2) The following documents must be attached to the written application for registration stated in the preceding paragraph:
- (i) if the applicant intends to modify the method prescribed in Article 35-2-9, paragraph (1), item (iv) of the Act, internal rules, etc. relating to the relevant method after modification;
  - (ii) if the applicant intends to modify the system prescribed in Article 35-2-9, paragraph (1), item (v) of the Act, internal rules, etc. and an organization chart relating to the relevant system after modification.
- (3) The provisions of paragraph (1) the preceding Article apply mutatis mutandis to the standards prescribed by Order of the Ministry of Economy, Trade and Industry specified in Article 35-2-11, paragraph (1), item (xi), (a) as applied mutatis mutandis pursuant to Article 35-2-12, paragraph (2) of the Act, and the provisions of paragraph (2) the preceding Article apply mutatis mutandis to the standards prescribed by Order of the Ministry of Economy, Trade and Industry specified in Article 35-2-11, paragraph (1), item (xi), (b) as applied mutatis mutandis pursuant to Article 35-2-12, paragraph (2) of the Act.

(Notification of Change)

Article 68-15 (1) Notification under Article 35-2-13, paragraph (1) of the Act must be made by submitting a written notification prepared in accordance with



Form 15-5.

- (2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in the main clause of Article 35-2-9, paragraph (2) as applied mutatis mutandis pursuant to Article 35-2-13, paragraph (3) of the Act are as follows:
- (i) a document certifying the matters regarding the change;
  - (ii) when the change refers to an officer that has newly taken office, the curriculum vitae of the relevant officer, and document listed in Article 68-9, paragraph (2), item (x) (limited to the document regarding Article 35-2-11, paragraph (1), item (vi) of the Act).
- (3) The provisions of Article 12, paragraph (3) apply mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-2-9, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 35-2-13, paragraph (3) of the Act.

(Public Notice of Disposition)

Article 68-16 The provisions of Article 68 apply mutatis mutandis to public notices prescribed in Article 34-4 of the Act as applied mutatis mutandis pursuant to Article 35-3 of the Act.

(Notification of Discontinuation)

Article 68-17 The provisions of Article 68-2 apply mutatis mutandis to notifications prescribed in Article 35 of the Act as applied mutatis mutandis pursuant to Article 35-3 of the Act.

## **Section 2 Intermediation of Individual Credit Purchases**

### **Subsection 1 Business**

(Indication of the Conditions for the Intermediation of Individual Credit Purchases)

Article 69 (1) The matters stated in the items of Article 35-3-2, paragraph (1) of the Act must be indicated as specified in the following items; provided, however, that the matters stated in item (iv) of the relevant paragraph may be omitted in cases where the interval of making the payments is other than those specified in Article 36, paragraph (5), item (i) and the amount of the payments is other than those specified in item (ii) of the relevant paragraph as requested by a purchaser, etc., or where the fee for the intermediation of individual credit purchases (the total amount of money that the individual credit purchase intermediary requires the purchaser, etc. to pay as the fee for individual credit purchases including interest, credit check expenses, collection expenses, administrative expenses, bad debt expenses and other expenses, regardless of

designation (when it is clearly stated that the fee for registration, etc. is not to be included in the fee for individual credit purchases, the amount that remains after deducting the fee for registration, etc.); the same applies below) is less than 2,500 yen. In this case, the term "a contract for receiving the intermediation of comprehensive credit purchases" in the relevant paragraph is deemed to be replaced with "a contract for receiving the intermediation of individual credit purchases":

- (i) the matters are to be displayed by readily visible means at a business office, etc. or in writing;
  - (ii) matters are to be accurately displayed using terms that are easy for purchasers, etc. to read and understand;
  - (iii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
  - (iv) the matters stated in Article 35-3-2, paragraph (1), item (iv) of the Act are to be indicated as the rate of the fee for the intermediation of individual credit purchases calculated as prescribed in the following paragraph, on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.
- (2) The method specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 35-3-2, paragraph (1), item (iv) of the Act is the method specified in row (i) of Appended Table 1; provided, however, that the relevant method may be the method specified in row (ii) of the relevant table in cases where, in respect of a payment method of payments, the interval of paying installments is other than those specified in Article 36, paragraph (5), item (i) and the amount of the installments is other than those specified in item (ii) of the relevant paragraph: In this case, the term "a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases" in the relevant paragraph is deemed to be replaced with "a contract providing the receipt of monies subject to the intermediation of individual credit purchases."

**Article 70** When a seller affiliated with the intermediation of individual credit purchases or a service provider affiliated with the intermediation of individual credit purchases advertises, pursuant to the provisions of Article 35-3-2, paragraph (2) of the Act, the conditions for the sale in the case of selling goods or designated rights or for providing services by the method of sales or provision regarding the intermediation of individual credit purchases, it must indicate the relevant matters stated respectively in the items of paragraph (1) of the relevant Article as specified in the following items; provided, however, that the matters stated in paragraph (1), item (iv) of the relevant Article may be omitted if the fee for the intermediation of individual credit purchases is

less than 2,500 yen:

- (i) matters are to be accurately displayed using terms that are easy for purchasers, etc. to read and understand;
- (ii) where the advertisement is made in writing, letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used;
- (iii) the matters stated in Article 35-3-2, paragraph (1), item (iv) of the Act are to be indicated as the rate of the fee for the intermediation of individual credit purchases calculated as prescribed respectively in paragraph (2) of the preceding Article, on an annual rate basis, down to at least three decimal places, and no other rates are to be indicated.

(Investigation into the Individual Purchase Amount Projected to Be Affordable)  
Article 71 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the main clause of Article 35-3-3, paragraph (1) of the Act are as follows:

- (i) the annual income;
- (ii) the balance of deposits or savings (limited to cases where necessary for the calculation of the individual purchase amount projected to be affordable to protect the interests of the purchaser, etc.);
- (iii) the payment status of obligations regarding the intermediation of credit purchases;
- (iv) the loan status;
- (v) the value of goods to be purchased by the method of purchases regarding the intermediation of individual credit purchases;
- (vi) beyond what is listed in the preceding items, other matters necessary for the calculation of the individual purchase amount projected to be affordable that can be judged objectively.

Article 72 (1) If an individual credit purchase intermediary investigates the matters listed in the items of the preceding Article, pursuant to the provisions of the main clause of Article 35-3-3, paragraph (1) of the Act, it follows the rules specified in the following paragraph through paragraph (7).

- (2) An investigation into the matters listed in item (i) of the preceding Article must be carried out by a report of the annual income received from the purchaser, etc. or by any other appropriate method; provided, however, that in the case where the individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases with a purchaser, etc. whose livelihood is maintained from the income of another person or the income of the purchaser, etc. and the income of another person (the case where the individual credit purchase intermediary intends to conclude a contract providing the receipt of

monies subject to intermediation of individual credit purchases with a specified spouse, other than in the case where the contract is a contract for the sale of goods or designated rights that are necessary for daily life by a sales method regarding individual credit purchase intermediation or a contract to provide services that are necessary in daily life by a method of provision regarding individual credit purchase intermediation, limited to the case where the consent of the other person is obtained in writing or by any other appropriate method in advance), the annual income of the relevant purchaser, etc. and the other person may be added together based on a report of the annual income of the other person received from the other person or by any other appropriate method.

- (3) An investigation into the matters listed in item (ii) of the preceding Article must be carried out by a report of deposits or savings received from the relevant purchaser, etc. or by any other appropriate method; provided, however, that in the case where the individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases with a purchaser, etc. whose livelihood is maintained from the income of another person or the income of the purchaser, etc. and the income of another person (the case where the individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases with a specified spouse, other than in the case where the contract is a contract for the sale of goods or designated rights that are necessary for daily life by a sales method regarding individual credit purchase intermediation or a contract to provide services that are necessary in daily life by a method of provision regarding individual credit purchase intermediation, limited to the case where the consent of the other person is obtained in writing or by any other appropriate method in advance), the deposits and savings of the relevant purchaser, etc. and the other person may be added together based on a declaration of the deposits and savings of the other person received from the other person or by any other appropriate method.
- (4) An investigation into the matters listed in item (iii) of the preceding Article must be carried out by confirming the status of payment by the purchaser, etc. of obligations regarding the credit purchase intermediation to the relevant individual credit purchase intermediary; provided, however, that in the case where the individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases with a purchaser, etc. whose livelihood is maintained from the income of another person or the income of the purchaser, etc. and the income of another person, if the calculation is performed by adding the annual income or deposits or savings of the relevant purchaser, etc. and

the other person pursuant to the proviso of paragraph (2) or the proviso of paragraph (3), the calculation must be performed by totaling the obligations of the purchaser, etc. and such other person regarding intermediation of credit purchases that have not yet come due or for which the payment obligation has not been performed by declaring obligations regarding the intermediation of credit purchases received from the other party that have not yet come due or for which the payment obligation has not been performed or by any other appropriate method.

- (5) An investigation into the matters listed in item (iv) of the preceding Article must be carried out by taking into consideration the loan status of a purchaser, etc. from the relevant individual credit purchase intermediary and any other loan status of the purchaser, etc.
- (6) An investigation into the matters listed in item (v) of the preceding Article must be carried out by making a calculation rationally, taking into consideration the amount that is likely to be obtained when realizing goods of the same type as the relevant goods (excluding cases where a proper calculation is deemed to be impossible).
- (7) An investigation into the matters listed in item (vi) of the preceding Article must be carried out by a report of the relevant matters received from a purchaser, etc. or by any other appropriate method.

Article 73 (1) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 35-3-3, paragraph (1) of the Act are the cases where an individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases that falls under the category of a contract other than a specified contract to sell goods that are deemed to be necessary for life and are durable and suitable for the sales under regular conditions (limited to goods for which a purchaser (limited to a purchaser who is an individual; the same applies below in this paragraph, and Article 74, paragraph (1), item (ii)) is to pay not more than 100,000 yen in total) by the method of sales regarding the intermediation of individual credit purchases (excluding cases where it is deemed, by using the specified credit information held by the designated credit bureau, that the purchaser's payment obligations will not be performed as of the time of concluding the relevant contract, or where the individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases that falls under the category of a contract to sell goods of the quantity deemed to be unnecessary for life by the method of sales regarding the intermediation of individual credit purchases).

- (2) An individual credit purchase intermediary, in the cases prescribed in the

preceding paragraph, must prepare a record on the matters listed in the following items for each purchaser, by means of documents or electronic or magnetic records, and must preserve the relevant record up to the final due date specified under the contract providing the receipt of monies subject to the intermediation of individual credit purchases (when the obligation regarding the intermediation of individual credit purchases under the relevant contract has been extinguished through the payment of that or on other grounds, the day of the extinguishment):

- (i) the date of the contract;
  - (ii) the fact that the relevant contract is a contract other than a specified contract;
  - (iii) the name and the quantity of the goods to be sold by the method of sales regarding the intermediation of individual credit purchases;
  - (iv) the total amount of the payment by the purchaser;
  - (v) the results of the investigation carried out by using the specified credit information held by the designated credit bureau.
- (3) The provisions of Article 44 apply mutatis mutandis to assets specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order as stated in Article 35-3-3, paragraph (2) of the Act.

Article 73-2 An individual credit purchase intermediary, pursuant to the provisions of Article 35-3-3, paragraph (4) of the Act, must prepare a record on the following matters for each purchaser, etc. by means of documents or electronic or magnetic records, and must preserve the relevant record up to the final due date specified under the contract providing the receipt of monies subject to the intermediation of individual credit purchases (when the obligation regarding the intermediation of individual credit purchases under the relevant contract has been extinguished through the payment of that or on other grounds, the day of the extinguishment):

- (i) the date of the contract;
- (ii) the total amount of the payment by the purchaser, etc.;
- (iii) the results of the investigation under the main clause of Article 35-3-3, paragraph (1) of the Act (including the results of the investigation carried out by using the specified credit information held by the designated credit bureau, pursuant to the provisions of Article 35-3-3, paragraph (3) of the Act);
- (iv) when consent has been obtained concerning Article 72, paragraph (2) or paragraph (3), the matters concerning the relevant consent;
- (v) any other documents used for the investigation under the main clause of Article 35-3-3, paragraph (1) of the Act or copies of those.

(Cases Causing No Hindrances with the Protection of Purchasers, etc.

Regarding the Prohibition of Conclusion of a Contract Providing the Receipt of Monies Subject to the Intermediation of Individual Credit Purchases in Cases Exceeding the Individual Purchase Amount Projected to Be Affordable)

Article 74 (1) The cases specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in the proviso to Article 35-3-4 of the Act are the cases listed as follows:

(i) cases specified in Article 73, paragraph (1);

(ii) cases where an individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases that falls under the category of a contract to sell goods that are deemed to be necessary for everyday life and are durable and suitable for selling under regular conditions, and it has been confirmed, based on the information obtained from the purchaser concerning the usage of the relevant goods, how the purchaser used goods of the same type in the past, any other reasons that the purchaser needs the relevant goods in life, and the circumstances of the purchaser's life, and on the information obtained through an investigation under the main clause of Article 35-3-3 paragraph (1) of the Act, that the relevant goods are necessary for the purchaser's life, that the purchaser has the intention of purchasing the relevant goods, and that the total amount to be paid by the purchaser and the quantity of the relevant goods are reasonable in light of the living standards of the purchaser;

(iii) cases where an individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract to provide lessons of academic skills for a service recipient (limited to a service recipient who is an individual; the same applies below in this paragraph) or a person who has the same livelihood as the service recipient (excluding a specified continuous service contract as prescribed in Article 35-3-5, paragraph (1), item (iv) of the Act (referred to below as a "specified continuous service contract")) or a contract for the provision of driving lessons relating to the driving of a motor vehicle as prescribed in Article 2, paragraph (1), item (ix) of the Road Traffic Act (Act No. 105 of 1960) at a driving school for which notification has been provided in accordance with Article 98, paragraph (2) of the relevant Act or a designated driving school specified in Article 99, paragraph (1) of the relevant Act by the method of provision regarding the intermediation of individual credit purchases, and it has been confirmed, based on the information obtained from the service recipient concerning the reasons that the service recipient needs the relevant services, and the circumstances of the service recipient's life, and on the

- information obtained through an investigation under the main clause of Article 35-3-3, paragraph (1) of the Act, that the relevant services are necessary for the service recipient, that the service recipient has the intention of being provided with the relevant services, and that the total amount to be paid by the service recipient and the number of times or the period in which they are provided with the relevant services are reasonable in light of the living standards of the service recipient;
- (iv) cases where an individual credit purchase intermediary intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases that falls under the category of a contract to sell goods or provide services which are deemed to be urgently necessary to protect the life or body of the purchaser, etc. or persons who has the same livelihood as the purchaser, etc., by the method of sales or provision regarding the intermediation of individual credit purchases, and it has been confirmed, based on the information obtained from the purchaser, etc. concerning the reasons that the purchaser, etc. urgently needs the relevant goods or services, and the circumstances of the life of the purchaser, etc., and on the information obtained through an investigation under the main clause of Article 35-3-3 paragraph (1) of the Act, that the relevant goods or services are urgently necessary for the purchaser, etc., that the purchaser, etc. has the intention of purchasing the relevant goods or receiving the provision of the relevant services, and that the total amount to be paid by the purchaser, etc. and the quantity of the relevant goods or the number of times or the period in which they are provided with the relevant services are reasonable in light of the reasons that the purchaser, etc. urgently needs the relevant goods or services.
- (v) cases where a person intends to conclude a contract providing the receipt of monies subject to the intermediation of individual credit purchases regarding a contract for the inspection prescribed in Article 48 of the Road Transport Vehicle Act (Act No. 185 of 1951) or the ongoing inspections prescribed in Article 62, paragraph (1) of the relevant Act for a motor vehicle that is deemed to be necessary for the life of the person who receives the services by the method of provision regarding the intermediation of individual credit purchases and it has been confirmed, based on the information obtained from the service recipient concerning the reasons that the service recipient needs the relevant services, the circumstances of the service recipient's life, and information obtained through an investigation under the main clause of Article 35-3-3, paragraph (1) of the Act, that the relevant services are necessary for the service recipient, that the service recipient has the intention of receiving the relevant services, and that the total amount to be paid by the service recipient is reasonable in light of the living standard of



the service recipient;

- (2) An individual credit purchase intermediary, in the cases listed items (ii) through (v) of the preceding paragraph, must prepare a confirmation record as specified under items (ii) to (v) of the preceding paragraph for each purchaser, etc., by means of documents or electronic or magnetic records, and must preserve the relevant record up to the final due date specified under the contract providing the receipt of monies subject to the intermediation of individual credit purchases (when the obligation regarding the intermediation of individual credit purchases under the relevant contract has been extinguished through the payment of that or on other grounds, the day of the extinguishment).

(Investigation into Solicitation of a Contract for Sales Involving the Intermediation of Individual Credit Purchases)

Article 75 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 35-3-5, paragraph (1) of the Act are the matters specified in the following items, in accordance with the categories listed in the respective items:

- (i) cases where an individual credit purchase intermediary intends to conclude a contract for the intermediation of individual credit purchases with a seller or a service provider (limited to a person that engages in door-to-door sales, a person that engages in telemarketing sales, a person that engages in multilevel marketing as prescribed in Article 33, paragraph (1) of the Act on Specified Commercial Transactions (referred to below as "multilevel marketing"), a person that provides specified continuous service as prescribed in Article 41, paragraph (1) of the relevant Act (referred to below as "specified continuous service provision"), or a person that engages in business opportunity sales as prescribed in Article 51, paragraph (1) of the relevant Act (referred to below as "business opportunity sales"); the same applies below in this Article and the following Article): the following matters:
- (a) the basic matters concerning the solicitation of an application for or conclusion of a sales contract involving the intermediation of individual credit purchases or a service contract involving the intermediation of individual credit purchases (referred to below as the "contract for sales, etc. involving the intermediation of individual credit purchases") related to a specified contract, carried out by the seller or the service provider;
- (b) the matters concerning goods or designated rights that the seller intends to sell by the method of sales regarding the intermediation of individual credit purchases, or services that the service provider intends to provide by the method of provision regarding the intermediation of individual credit purchases (in cases where the relevant services or the relevant designated

- rights relate to a specified continuous service contract and the service recipient or the purchaser of the relevant rights need to purchase any goods when the seller or the service provider provides the relevant services or provides services upon the exercise of the relevant rights, including the matters concerning the relevant goods);
- (c) in cases where the seller or the service provider engages in multilevel marketing or business opportunity sales, the matters concerning the specified profit (meaning the specified profit prescribed in Article 33, paragraph (1) of the Act on Specified Commercial Transactions; the same applies below) or the business opportunity profit (meaning the business opportunity profit prescribed in Article 51, paragraph (1) of the relevant Act; the same applies below) regarding the business opportunity sales;
  - (d) the status of the transactions and financial condition of the seller or the service provider;
  - (e) in cases where the seller or the service provider engages in multilevel marketing, specified continuous service provision, or business opportunity sales, the matters concerning a system that is sufficient for continuously conducting businesses for multilevel marketing transactions as prescribed in Article 33, paragraph (1) of Act on Specified Commercial Transactions (referred to below as "multilevel marketing transactions"), transactions regarding specified continuous service provision, or business opportunity sales transactions as prescribed in Article 51, paragraph (1) of the relevant Act (referred to below as "business opportunity sales transactions");
  - (f) the matters concerning dispositions, etc. for the suspension of businesses for specified transactions (meaning transactions regarding door-to-door sales or telemarketing sales, multilevel marketing transactions, transactions regarding specified continuous service provision, or business opportunity sales transactions; the same applies below in this Article and the following Article) conducted by the seller or the service provider;
  - (g) the matters concerning the status of the development of a system necessary for preventing the seller or the service provider from conducting acts listed in the items of Article 35-3-7 of the Act upon carrying out the solicitation of an application for or conclusion of a contract for sales, etc. involving the intermediation of individual credit purchases related to a specified contract, and a system necessary for appropriately and promptly processing complaints on specified transactions conducted by the seller or the service provider;
  - (h) the matters concerning how complaints have been filed regarding specified transactions conducted by the seller or the service provider and the contents of those complaints;
  - (ii) cases where an individual credit purchase intermediary has received an

application for a contract providing the receipt of monies subject to the intermediation of individual credit purchases related to a specified contract that falls under the category of a contract for sales, etc. involving the intermediation of individual credit purchases: the following matters:

- (a) the matters concerning the existence of any mistaken belief that the information conveyed regarding the matters concerning the contract for sales, etc. involving the intermediation of individual credit purchases or the contract providing the receipt of monies subject to the intermediation of individual credit purchases is true, any mistaken belief that there are no such facts regarding the relevant matters, or any mistaken belief that the details of a conclusive determination provided on the relevant matters are certain;
- (b) the matters concerning acts in violation of Article 6, paragraph (3), Article 21, paragraph (3), Article 34, paragraph (3), Article 44, paragraph (3), or Article 52, paragraph (2) of the Act on Specified Commercial Transactions, or acts as prescribed in Article 4, paragraph (3) of the Consumer Contract Act (Act No. 61 of 2000) that are conducted by the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases that relates to the relevant contract for sales, etc. involving the intermediation of individual credit purchases.

Article 76 (1) An investigation under Article 35-3-5, paragraph (1) of the Act into the matters specified in item (i) and item (ii) of the preceding Article is to be carried out as specified in the following paragraph through paragraph (12).

(2) The investigation into the matters specified in item (i) of the preceding Article must be carried out before the conclusion of a contract for the intermediation of individual credit purchases (limited to a contract that an individual credit purchase intermediary intends to conclude with a seller or a service provider; the same applies below in this Article and Article 78).

(3) The matters listed in item (i), (a) of the preceding Article must be the matters including the following:

- (i) the type of specified transactions conducted by the seller or the service provider that intends to conclude a contract for the intermediation of individual credit purchases;
- (ii) the name, date of birth, address, and telephone number of the seller or service provider (in the case of a corporation, the name, address, telephone number, and corporate number (the corporate identification number prescribed in Article 2, paragraph (15) of the Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures (Act No. 27 of 2013); the same applies below) and the name and date of birth of the

- corporate representative);
- (iii) the address and telephone number of a store or other place of business of the seller or the service provider that intends to conclude a contract for the intermediation of individual credit purchases;
  - (iv) the area where the seller or the service provider that intends to conclude a contract for the intermediation of individual credit purchases carries out the solicitation of an application for or conclusion of a contract for sales, etc. involving the intermediation of individual credit purchases related to a specified contract.
- (4) Regarding matters listed in item (i), (b) of the preceding Article, an investigation must be carried out into what are listed as follows:
- (i) what indicates the type of goods or designated rights that the seller that intends to conclude a contract for the intermediation of individual credit purchases intends to sell by the method of sales regarding the intermediation of individual credit purchases or the type of services that the service provider that intends to conclude a contract for the intermediation of individual credit purchases intends to provide by the method of provision regarding the intermediation of individual credit purchases;
  - (ii) samples, catalogues, and other articles that the seller or the service provider that intends to conclude a contract for the intermediation of individual credit purchases presents to the counterparty upon carrying out the solicitation of an application for or conclusion of a contract for sales, etc. involving the intermediation of individual credit purchases related to a specified contract;
  - (iii) data which show the grounds for the matters that the seller or the service provider that intends to conclude a contract for the intermediation of individual credit purchases has conveyed upon carrying out the solicitation of an application for or conclusion of a contract for sales, etc. involving the intermediation of individual credit purchases related to a specified contract (limited to the matters conveyed in cases where the details of the complaints discovered as a result of an investigation into the matters listed in item (i), (h) of the preceding Article are deemed to have been caused by any of the acts in violation of Article 6, paragraph (1), Article 21, paragraph (1), Article 34, paragraph (1), Article 44, paragraph (1) or paragraph (2), or Article 52, paragraph (1) of the Act on Specified Commercial Transactions, or the acts prescribed in Article 4, paragraph (1), item (i) of the Consumer Contract Act) and which relate to the performance, quality, efficacy, or required quantity of goods or the effects of services or rights-related services.
- (5) Regarding matters listed in item (i), (c) of the preceding Article, an investigation must be carried out into data which show the grounds for the matters that the seller or the service provider that intends to conclude a

contract for the intermediation of individual credit purchases has conveyed or on which such seller or service provider has provided a conclusive determination upon carrying out the solicitation of an application for or conclusion of a contract for sales, etc. involving the intermediation of individual credit purchases related to a specified contract (limited to the matters conveyed or a conclusive determination provided in cases where the details of the complaints discovered as a result of an investigation into the matters listed in (h) of the relevant item are deemed to have been caused by any of the acts in violation of Article 34, paragraph (1), or Article 52, paragraph (1) of the Act on Specified Commercial Transactions, or the acts prescribed in Article 4, paragraph (1) of the Consumer Contract Act) and which are listed in Article 34, paragraph (1), item (iv) or Article 52, paragraph (1), item (iv) of the Act on Specified Commercial Transactions.

- (6) Regarding matters listed in item (i), (d) of the preceding Article, an investigation must be carried out by making a confirmation based on the balance sheet and profit and loss statements for the business year immediately before the day of the investigation or other equivalent documents, or by any other means.
- (7) Regarding matters listed in item (i), (e) of the preceding Article, an investigation must be carried out into a documented business plan or other articles showing that the system is sufficient for continuously conducting businesses for multilevel marketing transactions, transactions regarding specified continuous service provision, or business opportunity sales transactions.
- (8) The matters listed in item (i), (f) of the preceding Article must be the matters including the following:
  - (i) whether or not any disposition under the Act on Specified Commercial Transactions (limited to instructions under Article 7, Article 22, Article 38, Article 46, or Article 56 of the relevant Act, or orders under Article 8, paragraph (1), Article 23, paragraph (1), Article 39, paragraphs (1) through (3), Article 47, paragraph (1), or Article 57, paragraph (1) of the relevant Act; the same applies below in this paragraph) has ever been made during the five years preceding the day of the investigation;
  - (ii) whether or not the seller or the service provider that intends to conclude a contract for the intermediation of individual credit purchases has ever been an officer of a corporation which has received any disposition under the Act on Specified Commercial Transactions during the five years preceding the day of the investigation;
  - (iii) in cases where the seller or the service provider that intends to conclude a contract for the intermediation of individual credit purchases is a corporation, whether or not the corporation has either of the following as its officers:

- (a) a person that has received any disposition under the Act on Specified Commercial Transactions within the period stated in item (i);
  - (b) a person that used to be an officer of a corporation which has received any disposition under the Act on Specified Commercial Transactions within the period stated in item (i).
- (9) Regarding matters listed in item (i), (h) of the preceding Article, an investigation must be carried out into information held by a certified installment sales association or any other persons that process complaints concerning specified transactions.
- (10) An investigation into the matters listed in item (ii) of the preceding Article must be carried out, in a considerable period of time after receiving an application for a contract providing the receipt of monies subject to the intermediation of individual credit purchases related to a specified contract that falls under the category of a contract for sales, etc. involving the intermediation of individual credit purchases, regarding a person that has filed the relevant application, by phone or by any other means.
- (11) The matters listed in item (ii), (a) of the preceding Article must be the matters including the following:
- (i) the existence of any mistaken belief that the information conveyed regarding the matters to be indicated in the document prescribed in Article 35-3-8 or Article 35-3-9, paragraph (1) of the Act is true, any mistaken belief that there are no such facts regarding the relevant matters, or any mistaken belief that the details of a conclusive determination provided on the relevant matters (limited to the assertive determination provided on matters which are uncertain and that may change in the future) are certain;
  - (ii) the existence of any conclusive determination provided regarding matters concerning the performance, quality, efficacy, or required quantity of goods or the effects of services or rights-related services that relate to the contract providing the receipt of monies subject to the intermediation of individual credit purchases related to a specified contract that falls under the category of a contract for sales, etc. involving the intermediation of individual credit purchases, or regarding other uncertain matters concerning goods or designated rights, or services regarding the relevant contract that may change in the future (excluding the matters to be indicated in the document prescribed in Article 35-3-8 or Article 35-3-9, paragraph (1) of the Act);
  - (iii) the existence of any goods or designated rights, or any services associated with goods or designated rights, or services that relate to the contract providing the receipt of monies subject to the intermediation of individual credit purchases related to a specified contract that falls under the category of a contract for sales, etc. involving the intermediation of individual credit purchases, or any other matters that are not indicated in the document

stated in Article 35-3-8 or Article 35-3-9, paragraph (1) of the Act but are significant enough to affect the judgment of the person that has filed the relevant application (referred to as "significant matters" in the following item);

(iv) when there are any significant matters as stated in the preceding item, the existence of any mistaken belief that the information conveyed regarding the significant matters are true, or any mistaken belief that there are no such facts regarding the significant matters;

(v) beyond what is listed in item (i) through the preceding item, the existence of any mistaken belief that the information conveyed regarding the matters concerning the contract for sales, etc. involving the intermediation of individual credit purchases or the contract providing the receipt of monies subject to the intermediation of individual credit purchases, which are significant enough to affect the judgment of the person that has filed the relevant application, is true, any mistaken belief that there are no such facts regarding the relevant matters, or any mistaken belief that the details of a conclusive determination provided on the relevant matters (limited to a conclusive determination provided on uncertain matters that may change in the future) are certain.

(12) Regarding matters listed in item (ii), (b) of the preceding Article, an investigation must be carried out into the existence of any acts prescribed in (b) of the relevant item.

Article 77 (1) An individual credit purchase intermediary, in the cases listed in the following items, must investigate the matters specified in the following items, in accordance with the categories listed in the respective items, beyond the matters specified in the items of Article 75:

(i) in cases where an investigation into the matters listed in Article 75, item (ii),

(a) has revealed that the conclusive determination prescribed in paragraph (11), item (ii) of the preceding Article (limited to a conclusive determination on the matters regarding the performance, quality, efficacy, or required quantity of goods or the effects of services or rights-related services) has been provided: data held by the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases that has provided the relevant conclusive determination that show the grounds for the matters regarding the provision of the relevant conclusive determination (provided, however, that when the relevant data have already been investigated in the course of an investigation into the matters listed in Article 75, item (i), (b) (limited to an investigation regarding paragraph (4), item (iii) of the preceding Article), data that complement the relevant data);

- (ii) in cases where it is deemed, in light of the results of the determination under Article 94, item (i) and other circumstances, that the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases had conducted acts falling under any of the items of Article 35-3-7 of the Act, upon carrying out the solicitation of an application for or conclusion of a contract for sales, etc. involving the intermediation of individual credit purchases related to a specified contract: the following matters:
  - (a) the details of the relevant acts;
  - (b) the matters listed in Article 75, item (i), (g) concerning the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases;
  - (c) any other matters necessary for preventing any acts listed in the items of Article 35-3-7 of the Act that relate to the relevant complaints, in accordance with the details of those;
- (iii) in cases where, based on the results of the determination under Article 94, item (i), the confirmation of information held by a certified installment sales association or by any other means, and in light of how complaints (including the withdrawal, etc. of the application under Article 35-3-12, paragraph (1) of the Act, the notification of the rescission of the manifestation of an intention of applying for or accepting a contract providing the receipt of monies subject to the intermediation of individual credit purchases under Article 35-3-13, paragraph (1), Article 35-3-14, paragraph (1), Article 35-3-15, paragraph (1), or Article 35-3-16, paragraph (1) of the Act, or the assertion under Article 35-3-19, paragraph (1) of the Act; the same applies below in this Article and Article 94) arising from an act concerning the solicitation of an application for or conclusion of a contract for sales, etc. involving the intermediation of individual credit purchases related to a specified contract carried out by the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases (excluding complaints arising from an act prescribed in the preceding item; referred to below as "complaints concerning a specified contract" in this item) have been filed by purchasers, etc. and how complaints concerning a specified contract concerning such specified contract carried out by a seller or a service provider that has concluded a contract for the intermediation of individual credit purchases with the relevant individual credit purchase intermediary (excluding the relevant seller affiliated with the intermediation of individual credit purchases or the relevant service provider affiliated with the intermediation of individual credit purchases; referred to below as the "other seller, etc. affiliated with



the intermediation of individual credit purchases" in this item and Article 94, item (iii)) have been filed by purchasers, etc., it is deemed that the relevant seller affiliated with the intermediation of individual credit purchases or the relevant service provider affiliated with the intermediation of individual credit purchases lacks in protection of the interests of purchasers, etc. compared with the relevant other seller, etc. affiliated with the intermediation of individual credit purchases: the matters specified in the preceding item.

- (2) If as a result of the determination under Article 94, item (i), it is deemed that the details of the complaints stated in the relevant item have been caused by acts regarding the solicitation of an application for or conclusion of a contract for sales, etc. involving the intermediation of individual credit purchases related to a specified contract carried out by a seller affiliated with the intermediation of individual credit purchases or a service provider affiliated with the intermediation of individual credit purchases, and when an investigation into the matters specified in Article 75, item (i) has not been carried out regarding the relevant seller affiliated with the intermediation of individual credit purchases or the relevant service provider affiliated with the intermediation of individual credit purchases, the relevant investigation must be carried out without delay, notwithstanding the provisions of the preceding paragraph.

(Preparation of a Record on Investigation into Solicitation of a Sales Contract Involving the Intermediation of Individual Credit Purchases)

Article 78 An individual credit purchase intermediary, pursuant to the provisions of Article 35-3-5, paragraph (2) of the Act, must prepare a record on the matters specified in the following items in accordance with the categories of investigations listed in the respective items, in writing or in electronic or magnetic means, and must preserve the relevant record for five years after preparing it; provided, however, that a record on the matters specified in item (i) must be prepared and preserved only in cases where the individual credit purchase intermediary has concluded a contract for the intermediation of individual credit purchases:

- (i) investigation into the matters specified in Article 75, item (i): the following matters:
- (a) the date of the investigation;
  - (b) the results of the investigation (in cases where there are any documents or other data obtained in relation to the relevant investigation, including the relevant data);
  - (c) in cases where a contract for the intermediation of individual credit purchases has been concluded with a seller affiliated with the

intermediation of individual credit purchases or a service provider affiliated with the intermediation of individual credit purchases that relates to the relevant investigation, the date of the conclusion of the relevant contract;

- (ii) investigation into the matters specified in Article 75, item (ii): the following matters:
  - (a) the matters listed in (a) and (b) of the preceding item;
  - (b) in cases where a contract providing the receipt of monies subject to the intermediation of individual credit purchases regarding the relevant investigation has been concluded, the date of the conclusion of the relevant contract;
- (iii) investigation under the preceding Article: the matters listed in (a) and (b) of item (i).

(Delivery of Documents by a Seller, etc. Affiliated with the Intermediation of Individual Credit Purchases)

Article 79 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 35-3-8, item (ix) of the Act are as follows:

- (i) the name, address, and telephone number of the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases, and the individual credit purchase intermediary;
- (ii) the date of the conclusion of the contract for sales, etc. involving the intermediation of individual credit purchases and the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases;
- (iii) the type of the goods, rights, or services;
- (iv) the quantity of the goods (in the case of rights or services, the number of times or the period during which the rights may be exercised or the number of times or the period during which the services may be received under the contract);
- (v) the amount of the initial deposit;
- (vi) when the contract for sales, etc. involving the intermediation of individual credit purchases is a personal multilevel marketing contract, the matters concerning the specified burden (meaning the specified burden prescribed in Article 33, paragraph (1) of the Act on Specified Commercial Transactions; the same applies in the left-hand column of item (i) of the table of item (v) of the following Article, Article 81, item (vi), the left-hand column of item (i) of the table of Article 82, item (iv), Article 83, item (vi), and the left-hand

- column of item (i) of the table of Article 84, item (iv)) and the specified profit involved in the multilevel marketing transactions;
- (vii) when the contract for sales, etc. involving the intermediation of individual credit purchases is a personal business opportunity sales contract, the matters concerning the specified burden (meaning the specified burden prescribed in Article 51, paragraph (1) of the Act on Specified Commercial Transactions; the same applies in the left-hand column of item (iii) of the table of item (v) of the following Article, Article 81, item (vii), the left-hand column of item (iii) of the table of Article 82, item (iv), Article 83, item (vii), and the left-hand column of item (iii) of the table of Article 84, item (iv)) involved in the business opportunity transactions;
- (viii) the number of payments;
- (ix) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract for sales, etc. involving the intermediation of individual credit purchases and the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases;
- (x) the matters concerning the provisions of Article 35-3-19 of the Act;
- (xi) when there is an agreement on the demand for the payments that have not yet become due, the details of this;
- (xii) when there is an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled), the details of this;
- (xiii) when the provision of services is one of the conditions for the sale of goods or designated rights, the details of the relevant services, the timing of their provision, and any other matters concerning the relevant services;
- (xiv) when the sale of goods is one of the conditions for the sale of designated rights or the provision of services, the details of the relevant goods, the delivery time, and any other matters concerning the relevant goods;
- (xv) when the sale of rights is one of the conditions for the sale of goods or the provision of services, the details of the relevant rights, the timing of their transfer, and any other matters concerning the relevant rights;
- (xvi) when there are provisions on liability in cases where the type or quality of goods does not conform to the content of the contract, the details of those provisions;
- (xvii) when there are any other special agreements beyond what is listed in the preceding items, the details of those;
- (xviii) when the contract for sales, etc. involving the intermediation of

individual credit purchases is a personal multilevel marketing contract or a personal business opportunity sales contract, to that effect.

Article 80 When an individual credit purchase intermediary delivers a document containing the matters stated in Article 35-3-8, item (v) or item (vii) of the Act, pursuant to the provisions of the items of Article 35-3-8 of the Act or Article 35-3-9, paragraph (2), item (i) or paragraph (4), item (i) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;
- (ii) the details of the basic matters prescribed in Article 35-3-8, item (v) of the Act are as follows:
  - (a) regarding the resale of goods or rights, when there are any conditions for the method of the delivery or the transfer of goods or rights to purchase, or any other conditions for the resale of goods or rights, the details of those;
  - (b) regarding the consignment sale of goods or rights, when there are any conditions for the method of the delivery or the transfer of goods or rights to sell on consignment, the time and method of the delivery of the received payment, or any other conditions for the consignment sale of goods or rights, the details of those;
  - (c) when there are any conditions for the provision of services of the same type, the details of those;
- (iii) the details of the basic matters prescribed in Article 35-3-8, item (vii) of the Act are as follows:
  - (a) the details of the business to provide or intermediate;
  - (b) the number of times or the business hours to provide or intermediate and the quantity of the business to provide or intermediate during one week, one month, or any other certain period of time;
  - (c) when the unit rate of the reward for the business per time or per hour, or any other unit rate of the reward has been specified, that unit rate;
  - (d) the method of the calculation of what are specified in (b) or (c) and other business opportunity profit;
  - (e) beyond what is listed in (d), when there are any cases where the whole or a part of the business opportunity profit is not paid, the conditions for that;
  - (f) beyond what is listed in (d) and (e), the time and method of the payment of business opportunity profit and any other conditions for the payment of business opportunity profit;
- (iv) regarding the matters listed in Article 35-3-8, item (viii) of the Act, the details of those must be in accordance with the following standards:
  - (a) it is not to be provided that the contract may not be canceled by the purchaser, etc. concerning the contract for sales, etc. involving the

intermediation of individual credit purchases;

- (b) it is to be provided that if the details of the relevant contract presented by the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases by way of using samples, catalogues, etc., before the conclusion of the contract for sales, etc. involving the intermediation of individual credit purchases, differ from the goods or rights received or the services to be received by the purchaser, etc., the relevant purchaser, etc. may cancel the relevant contract;
- (c) it is to be indicated in red in a red box that if the purchaser, etc. is the counterparty of any of the contracts specified in Article 35-3-10, paragraph (1), items (iv) through (vi) of the Act, the contract for sales, etc. involving the intermediation of individual credit purchases is deemed to have been cancelled pursuant to the provisions of the main clause of paragraph (5) of the relevant Article;
- (d) it is to be indicated in red in a red box that if the purchaser, etc. is the counterparty of the contract prescribed in Article 35-3-11, paragraph (1) of the Act, the contract for sales, etc. involving the intermediation of individual credit purchases is deemed to have been cancelled pursuant to the provisions of the main clause of paragraph (7) of the relevant Article;
- (e) regarding the obligation of the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary in cases where the contract for sales, etc. involving the intermediation of individual credit purchases has been cancelled due to a cause attributable to the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code;
- (v) regarding the matters listed in item (vi) and item (vii) of the preceding Article, the document must respectively contain the details listed in the right-hand column of the following table regarding the matters listed in the left-hand column of the same table.

Matters	Details
(i) matters concerning the specified burden involved in the multilevel marketing transactions	(a) concerning the purchase of goods, the supplier and the method of the delivery of the goods (b) concerning the purchase of rights, the supplier and the method of the transfer of the rights

	<p>(c) the method of the provision of services</p> <p>(d) concerning the provision of the transaction fee, the recipient, the amount, and the nature of the fee, and the time and method of the provision of this</p> <p>(e) when there is any portion of the transaction fee to be returned, the conditions for the return</p>
(ii) matters concerning the specified profit	<p>(a) the method of the calculation of the rate of the amount of the specified profit that can be received out of the selling price in cash of goods or rights to pay to another person who engages in the resale or consignment sale or the intermediation of the sale of goods or rights, or the offering price in cash of services to pay to another person who engages in the offering of services of the same type or the intermediation of offering of services, and any other methods of the calculation of the specified profit</p> <p>(b) beyond what is listed in (a), when there are any cases where the whole or a part of the specified profit is not paid, the conditions for them</p> <p>(c) beyond what is listed in (a) and (b), the time and the method of the payment of the specified profit, and any other conditions for the payment of the specified profit</p>
(iii) matters concerning the specified burden involved in the business opportunity sales transactions	<p>(a) concerning the purchase of goods, the supplier and the method of the delivery of the goods</p> <p>(b) concerning the purchase of rights, the supplier and the method of the transfer of the rights</p> <p>(c) the method of the provision of services</p> <p>(d) concerning the provision of the transaction fee, the recipient, the amount, and the nature of the fee, and the time and method of the provision of this</p> <p>(e) when there is any portion of the transaction fee to be returned, the conditions for the return</p>

(vi) it is to be provided that regarding matters listed in item (x) of the preceding Article, the grounds arising regarding the details of those for the seller affiliated with the intermediation of individual credit purchases that has sold goods or designated rights or for the service provider affiliated with the intermediation of individual credit purchases that is to provide services may be asserted against the individual credit purchase intermediary that demands the payments;

(vii) if there are provisions concerning the matters specified in item (xi), item (xii), item (xvi), and item (xvii) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the demand for the payments that have not yet become due	<p>(a) it is to be provided that the payments that have not yet become due may be demanded due to a failure of the purchaser, etc. to perform the obligation to make payments only when the failure to perform the obligation has continued for a certain period of time specified by the individual credit purchase intermediary, and the individual credit purchase intermediary has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the period</p> <p>(b) no other case than the case of the significant deterioration of the credit of the purchaser, etc. or a violation of any important contract clause is to be provided as the case where the payments that have not yet become due may be demanded due to reasons other than a failure of the purchaser, etc. to perform the obligation to make payments</p>

(ii) matters concerning the amount of damages or a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled)	an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled) must be in accordance with the provisions of Article 35-3-18, paragraph (2) of the Act
(iii) matters concerning liability in cases where the type or quality of goods does not conform to the content of the contract	it is not to be provided that in cases where the type or quality of goods does not conform to the content of the contract (excluding any defect in automobiles where it is clear that they have been used for a purpose other than for temporary special service under the Road Vehicles Act and the defect is generally caused by such usage), the seller affiliated with the intermediation of individual credit purchases assumes no liability
(iv) special agreements other than those listed in item (xi), item (xii), and item (xvi) of the preceding Article	there should be no special agreements that are in violation of laws and regulations

(viii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

(Delivery of Documents by an Individual Credit Purchase Intermediary)

Article 81 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 35-3-9, paragraph (2), item (iv) of the Act are as follows:

- (i) the name, address, and telephone number of the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases, and the individual credit purchase intermediary;
- (ii) the date of the application for the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases;
- (iii) the type of the goods, rights, or services;
- (iv) the quantity of the goods (in the case of rights or services, the number of



- times or the period during which the rights may be exercised or the number of times or the period during which the services may be received under the contract);
- (v) the amount of the initial deposit;
  - (vi) when the contract for sales, etc. involving the intermediation of individual credit purchases is a specified personal multilevel marketing contract, the matters concerning the specified burden and the specified profit involved in the multilevel marketing transactions;
  - (vii) when the contract for sales, etc. involving the intermediation of individual credit purchases is a personal business opportunity sales contract, the matters concerning the specified burden involved in the business opportunity transactions;
  - (viii) the number of payments;
  - (ix) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract for sales, etc. involving the intermediation of individual credit purchases and the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases;
  - (x) the matters concerning the provisions of Article 35-3-19 of the Act;
  - (xi) when there is an agreement on the demand for the payments that have not yet become due, the details of this;
  - (xii) when there is an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled), the details of this;
  - (xiii) when there are any other special agreements beyond what is listed in the preceding items, the details of those.

Article 82 When an individual credit purchase intermediary delivers a document containing the matters stated in the items of Article 35-3-9, paragraph (2) of the Act, it is to follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;
- (ii) regarding the matters listed in Article 35-3-9, paragraph (2), item (ii) of the Act, the details of those must be in accordance with the following standards:
  - (a) it is not to be provided that the purchaser, etc. may not cancel the contract providing the receipt of monies subject to the intermediation of individual credit purchases regarding a contract for sales, etc. involving

- the intermediation of individual credit purchases;
- (b) it is to be indicated in red in a red box that if the purchaser, etc. is the person that has filed an application for any of the contracts specified in Article 35-3-10, paragraph (1), items (i) through (iii) of the Act, the application for the contract for sales, etc. involving the intermediation of individual credit purchases are deemed to have been withdrawn pursuant to the provisions of the main clause of paragraph (5) of the relevant Article;
  - (c) it is to be indicated in red in a red box that if the purchaser, etc. is the person that has filed an application for the contract prescribed in Article 35-3-11, paragraph (1) of the Act, the application for the contract for sales, etc. involving the intermediation of individual credit purchases are deemed to have been withdrawn pursuant to the provisions of the main clause of paragraph (7) of the relevant Article;
  - (d) it is to be provided that the cancellation of the contract providing the receipt of monies subject to the intermediation of individual credit purchases due to a failure of the purchaser, etc. to perform the obligation to make payments is allowed only when the failure to perform the obligation has continued for a certain period of time as specified by the individual credit purchase intermediary, and the individual credit purchase intermediary has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the relevant period;
  - (e) an agreement on the amount of damages, etc. in cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled due to a cause attributable to the purchaser, etc. must be in accordance with the provisions of Article 35-3-18, paragraph (1) of the Act;
  - (f) regarding the obligation of the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary in cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relate to a contract for sales, etc. involving the intermediation of individual credit purchases has been cancelled due to a cause attributable to the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code;
- (iii) regarding the matters listed in Article 35-3-9, paragraph (2), item (iii) of

the Act, it is sufficient to deliver only the matters specified in Article 75, item (ii);

(iv) regarding the matters listed in item (vi) and item (vii) of the preceding Article, the document must respectively contain the details listed in the right-hand column of the following table regarding the matters listed in the left-hand column of the same table.

Matters	Details
(i) matters concerning the specified burden involved in the multilevel marketing transactions	<p>(a) concerning the purchase of goods, the supplier and the method of the delivery of the goods</p> <p>(b) concerning the purchase of rights, the supplier and the method of the transfer of the rights</p> <p>(c) the method of the provision of services</p> <p>(d) concerning the provision of the transaction fee, the recipient, the amount, and the nature of the fee, and the time and method of the provision of this</p> <p>(e) when there is any portion of the transaction fee to be returned, the conditions for the return</p>
(ii) matters concerning the specified profit	<p>(a) the method of the calculation of the rate of the amount of the specified profit that can be received out of the selling price in cash of goods or rights to pay to another person who engages in the resale or consignment sale or the intermediation of the sale of goods or rights, or the offering price in cash of services to pay to another person who engages in the offering of services of the same type or the intermediation of offering of services, and any other methods of the calculation of the specified profit</p> <p>(b) beyond what is listed in (a), when there are any cases where the whole or a part of the specified profit is not paid, the conditions for them</p> <p>(c) beyond what is listed in (a) and (b), the time and the method of the payment of the specified profit, and any other conditions for the payment of the specified profit</p>
(iii) matters concerning the specified burden involved in the business opportunity sales transactions	<p>(a) concerning the purchase of goods, the supplier and the method of the delivery of the goods</p> <p>(b) concerning the purchase of rights, the supplier and the method of the transfer of the rights</p>

	(c) the method of the provision of services (d) concerning the provision of the transaction fee, the recipient, the amount, and the nature of the fee, and the time and method of the provision of this (e) when there is any portion of the transaction fee to be returned, the conditions for the return
--	--

(v) it is to be provided that regarding matters listed in item (x) of the preceding Article, the grounds arising regarding the details of those for the seller affiliated with the intermediation of individual credit purchases that has sold goods or designated rights or for the service provider affiliated with the intermediation of individual credit purchases that is to provide services may be asserted against the individual credit purchase intermediary that demands the payments;

(vi) if there are provisions concerning the matters specified in item (xi) through item (xiii) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the demand for the payments that have not yet become due	(a) it is to be provided that the payments that have not yet become due may be demanded due to a failure of the purchaser, etc. to perform the obligation to make payments only when the failure to perform the obligation has continued for a certain period of time specified by the individual credit purchase intermediary, and the individual credit purchase intermediary has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the period

	(b) no other case than the case of the significant deterioration of the credit of the purchaser, etc. or a violation of any important contract clause is to be provided as the case where the payments that have not yet become due may be demanded due to reasons other than a failure of the purchaser, etc. to perform the obligation to make payments
(ii) matters concerning the amount of damages or a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled)	an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled) must be in accordance with the provisions of Article 35-3-18, paragraph (2) of the Act
(iii) special agreements other than those listed in item (xi) and item (xii) of the preceding Article	there should be no special agreements that are in violation of laws and regulations

(vii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

Article 83 The matters specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 35-3-9, paragraph (4), item (iv) of the Act are as follows:

- (i) the name, address, and telephone number of the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases, and the individual credit purchase intermediary;
- (ii) the date of the conclusion of the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases;
- (iii) the type of the goods, rights, or services;
- (iv) the quantity of the goods (in the case of rights or services, the number of times or the period during which the rights may be exercised or the number of times or the period during which the services may be received under the contract);

- (v) the amount of the initial deposit;
- (vi) when the contract for sales, etc. involving the intermediation of individual credit purchases is a specified personal multilevel marketing contract, the matters concerning the specified burden and the specified profit involved in the multilevel marketing transactions;
- (vii) when the contract for sales, etc. involving the intermediation of individual credit purchases is a personal business opportunity sales contract, the matters concerning the specified burden involved in the business opportunity transactions;
- (viii) the number of payments;
- (ix) the name and address or telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract for sales, etc. involving the intermediation of individual credit purchases and the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases;
- (x) the matters concerning the provisions of Article 35-3-19 of the Act;
- (xi) when there is an agreement on the demand for the payments that have not yet become due, the details of this;
- (xii) when there is an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled), the details of this;
- (xiii) when there are any other special agreements beyond what is listed in the preceding items, the details of those.

Article 84 When an individual credit purchase intermediary delivers a document containing the matters stated in the items of Article 35-3-9, paragraph (4) of the Act, it must follow the rules specified in the following items:

- (i) matters are to be accurately stated using terms that are easy for purchasers, etc. to read and understand;
- (ii) regarding the matters listed in Article 35-3-9, paragraph (4), item (ii) of the Act, the details of those must be in accordance with the following standards:
  - (a) it is not to be provided that the purchaser, etc. may not cancel the contract providing the receipt of monies subject to the intermediation of individual credit purchases regarding a contract for sales, etc. involving the intermediation of individual credit purchases;
  - (b) it is to be indicated in red in a red box that if the purchaser, etc. is the counterparty of any of the contracts specified in Article 35-3-10, paragraph (1), items (iv) through (vi) of the Act, the contract for sales, etc. involving

- the intermediation of individual credit purchases is deemed to have been cancelled pursuant to the provisions of the main clause of paragraph (5) of the relevant Article;
- (c) it is to be indicated in red in a red box that if the purchaser, etc. is the counterparty of the contract prescribed in Article 35-3-11, paragraph (1) of the Act, the contract for sales, etc. involving the intermediation of individual credit purchases is deemed to have been cancelled pursuant to the provisions of the main clause of paragraph (7) of the relevant Article;
- (d) it is to be provided that the cancellation of the contract providing the receipt of monies subject to the intermediation of individual credit purchases due to a failure of the purchaser, etc. to perform the obligation to make payments is allowed only when the failure to perform the obligation has continued for a certain period of time specified by the individual credit purchase intermediary, and the individual credit purchase intermediary has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the relevant period;
- (e) an agreement on the amount of damages, etc. in cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled due to a cause attributable to the purchaser, etc. must be in accordance with the provisions of Article 35-3-18, paragraph (1) of the Act;
- (f) regarding the obligation of the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary in cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases has been cancelled due to a cause attributable to the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary, there should be no special agreements that are more disadvantageous to the purchaser, etc. than those prescribed in Article 545 of the Civil Code;
- (iii) regarding the matters listed in Article 35-3-9, paragraph (4), item (iii) of the Act, it is sufficient to deliver only the results of the investigation under Article 35-3-5, paragraph (1) of the Act that relates to Article 75, item (ii);
- (iv) regarding the matters listed in item (vi) and item (vii) of the preceding Article, the document must respectively contain the details listed in the right-hand column of the following table regarding the matters listed in the left-hand column of the same table.

Matters	Details
---------	---------

(i) matters concerning the specified burden involved in the multilevel marketing transactions	<p>(a) concerning the purchase of goods, the supplier and the method of the delivery of the goods</p> <p>(b) concerning the purchase of rights, the supplier and the method of the transfer of the rights</p> <p>(c) the method of the provision of services</p> <p>(d) concerning the provision of the transaction fee, the recipient, the amount, and the nature of the fee, and the time and method of the provision of this</p> <p>(e) when there is any portion of the transaction fee to be returned, the conditions for the return</p>
(ii) matters concerning the specified profit	<p>(a) the method of the calculation of the rate of the amount of the specified profit that can be received out of the selling price in cash of goods or rights to pay to another person who engages in the resale or consignment sale or the intermediation of the sale of goods or rights, or the offering price in cash of services to pay to another person who engages in the offering of services of the same type or the intermediation of offering of services, and any other methods of the calculation of the specified profit</p> <p>(b) beyond what is listed in (a), when there are any cases where the whole or a part of the specified profit is not paid, the conditions for them</p> <p>(c) beyond what is listed in (a) and (b), the time and the method of the payment of the specified profit, and any other conditions for the payment of the specified profit</p>
(iii) matters concerning the specified burden involved in the business opportunity sales transactions	<p>(a) concerning the purchase of goods, the supplier and the method of the delivery of the goods</p> <p>(b) concerning the purchase of rights, the supplier and the method of the transfer of the rights</p> <p>(c) the method of the provision of services</p>



	<p>(d) concerning the provision of the transaction fee, the recipient, the amount, and the nature of the fee, and the time and method of the provision of this</p> <p>(e) when there is any portion of the transaction fee to be returned, the conditions for the return</p>
--	--

(v) it is to be provided that regarding matters listed in item (x) of the preceding Article, the grounds arising regarding the details of those for the seller affiliated with the intermediation of individual credit purchases that has sold goods or designated rights or for the service provider affiliated with the intermediation of individual credit purchases that is to provide services may be asserted against the individual credit purchase intermediary that demands the payments;

(vi) if there are provisions concerning the matters specified in item (xi) through item (xiii) of the preceding Article that are listed in the left-hand column of the following table, the details of those matters must be in accordance with the standards in the right-hand column of the table.

Matters	Standards
(i) matters concerning the demand for the payments that have not yet become due	(a) it is to be provided that the payments that have not yet become due may be demanded due to a failure of the purchaser, etc. to perform the obligation to make payments only when the failure to perform the obligation has continued for a certain period of time specified by the individual credit purchase intermediary, and the individual credit purchase intermediary has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the period

	(b) no other case than the case of the significant deterioration of the credit of the purchaser, etc. or a violation of any important contract clause is to be provided as the case where the payments that have not yet become due may be demanded due to reasons other than a failure of the purchaser, etc. to perform the obligation to make payments
(ii) matters concerning the amount of damages or a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled)	an agreement on liquidated damages or a provision for a penalty for breach of contract in the case of any failure to perform the obligation to make payments (excluding cases where the contract providing the receipt of monies subject to the intermediation of individual credit purchases has been cancelled) must be in accordance with the provisions of Article 35-3-18, paragraph (2) of the Act
(iii) special agreements other than those listed in item (xi) and item (xii) of the preceding Article	there should be no special agreements that are in violation of laws and regulations

(vii) letters and numbers in 8 point or larger as specified in JIS Z-8305 are to be used.

(Delivery of Documents after Obstructing Withdrawal, etc. of Application for a Contract Providing the Receipt of Monies Subject to the Intermediation of Individual Credit Purchases)

Article 85 (1) The document to be delivered pursuant to the provisions of Article 35-3-10, paragraph (1) of the Act must contain the following matters:

(i) that during the period up to the day on which eight days have passed from the day on which the document was received, the application for a contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for door-to-door sales, etc. (meaning a contract for sales, etc. involving the intermediation of individual credit purchases listed in any of items (i) through (iii) of paragraph (1), or any of items (i) through (iii) of paragraph (3) of Article 35-3-9 of the Act; the same applies below in this item, item (v), and item (vi)) may be withdrawn, or the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for door-to-door sales, etc. may be cancelled, in writing, based on the provisions of Article 35-3-10,

- paragraph (1) of the Act;
- (ii) the matters concerning the provisions of paragraph (2), paragraph (3), paragraphs (5) through (7), paragraphs (9) through (11), paragraph (13), and paragraph (14) of Article 35-3-10 of the Act (limited to the matters regarding the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases listed in paragraph (1), item (i) or item (ii), or paragraph (3), item (i) or item (ii) of Article 35-3-9 of the Act);
  - (iii) the matters concerning the provisions of paragraph (2), paragraph (3), paragraphs (5) through (7), paragraph (9), paragraph (10), and paragraphs (12) through (14) of Article 35-3-10 of the Act (limited to the matters regarding the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases listed in paragraph (1), item (iii), or paragraph (3), item (iii) of Article 35-3-9 of the Act);
  - (iv) the name, address, and telephone number of the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases, and the individual credit purchase intermediary;
  - (v) the date of filing the application for or concluding the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for door-to-door sales, etc.;
  - (vi) the details of the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for door-to-door sales, etc.
- (2) Letters and numbers in 8 point or larger as specified in JIS Z-8305 must be used for the document.
  - (3) When filling out the document, the details of the matters listed in paragraph (1), item (i) and item (ii) or item (iii) must be indicated in red in a red box.
  - (4) When a seller affiliated with the intermediation of individual credit purchases, a service provider affiliated with the intermediation of individual credit purchases, or an individual credit purchase intermediary has delivered a document to be delivered under Article 35-3-10, paragraph (1) of the Act to the applicant, etc. (meaning the applicant, etc. prescribed in the relevant paragraph; the same applies below in this paragraph), it must immediately confirm that the applicant, etc. sees the relevant document and convey to the applicant, etc. the details of the matters listed in paragraph (1), item (i) and item (ii) or item (iii).

Article 86 (1) The document to be delivered pursuant to the provisions of Article 35-3-11, paragraph (1), item (i) of the Act must contain the following matters:

- (i) that during the period up to the day on which 20 days have passed from the day on which the document was received, the application for a contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified personal multilevel marketing contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases may be withdrawn, or the contract providing the receipt of monies the intermediation of individual credit purchases that relates to a specified personal multilevel marketing contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases may be cancelled, in writing, based on the provisions of Article 35-3-11, paragraph (1), item (i) of the Act;
  - (ii) the matters concerning the provisions of paragraph (2), paragraph (4), paragraph (5), paragraphs (7) through (9), paragraph (11), and paragraph (12) of Article 35-3-11 of the Act;
  - (iii) the name, address, and telephone number of the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases, and the individual credit purchase intermediary;
  - (iv) the date of filing the application for or concluding the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified personal multilevel marketing contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases;
  - (v) the details of the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified personal multilevel marketing contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases.
- (2) Letters and numbers in 8 point or larger as specified in JIS Z-8305 must be used for the document.
- (3) When filling out the document, the details of the matters listed in paragraph (1), item (i) and item (ii) must be indicated in red in a red box.
- (4) When a seller affiliated with the intermediation of individual credit purchases, a service provider affiliated with the intermediation of individual credit purchases, an individual credit purchase intermediary, a supervisor, a solicitor, or a general multilevel marketing distributor has delivered a document to be delivered under Article 35-3-11, paragraph (1), item (i) of the Act to the applicant, etc. (meaning the applicant, etc. prescribed in the part other than those listed in the items of the relevant paragraph; the same

applies below in this Article through Article 88) for the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified personal multilevel marketing contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases, it must immediately confirm that the applicant, etc. sees the relevant document and convey to the applicant, etc. the details of the matters listed in paragraph (1), item (i) and item (ii).

Article 87 (1) The document to be delivered pursuant to the provisions of Article 35-3-11, paragraph (1), item (ii) of the Act must contain the following matters:

- (i) that during the period up to the day on which eight days have passed from the day on which the document was received, the application for a contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified continuous service contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases may be withdrawn, or the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified continuous service contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases may be cancelled, in writing, based on the provisions of Article 35-3-11, paragraph (1), item (ii) of the Act;
  - (ii) the matters concerning the provisions of paragraphs (3) through (5), paragraphs (7) through (9), and paragraphs (11) through (14) of Article 35-3-11 of the Act;
  - (iii) the name, address, and telephone number of the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases, and the individual credit purchase intermediary;
  - (iv) the date of filing the application for or concluding the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified continuous service contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases;
  - (v) the details of the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified continuous service contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases.
- (2) Letters and numbers in 8 point or larger as specified in JIS Z-8305 must be used for the document.
- (3) When filling out the document, the details of the matters listed in paragraph (1), item (i) and item (ii) must be indicated in red in a red box.

- (4) When a seller affiliated with the intermediation of individual credit purchases, a service provider affiliated with the intermediation of individual credit purchases, or an individual credit purchase intermediary has delivered a document to be delivered under Article 35-3-11, paragraph (1), item (ii) of the Act to the applicant, etc. for the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a specified continuous service contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases, it must immediately confirm that the applicant, etc. sees the relevant document and convey to the applicant, etc. the details of the matters listed in paragraph (1), item (i) and item (ii).

Article 88 (1) The document to be delivered pursuant to the provisions of Article 35-3-11, paragraph (1), item (iii) of the Act must contain the following matters:

- (i) that during the period up to the day on which 20 days have passed from the day on which the document was received, the application for a contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a personal business opportunity sales contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases may be withdrawn, or the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a personal business opportunity sales contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases may be cancelled, in writing, based on the provisions of Article 35-3-11, paragraph (1), item (iii) of the Act;
- (ii) the matters concerning the provisions of paragraph (4), paragraph (5), paragraphs (7) through (9), paragraph (11), and paragraph (12) of Article 35-3-11 of the Act;
- (iii) the name, address, and telephone number of the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases, and the individual credit purchase intermediary;
- (iv) the date of filing the application for or concluding the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a personal business opportunity sales contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases;
- (v) the details of the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a personal business opportunity sales contract falling under the category of a contract

- for sales, etc. involving the intermediation of individual credit purchases.
- (2) Letters and numbers in 8 point or larger as specified in JIS Z-8305 must be used for the document.
  - (3) When filling out the document, the details of the matters listed in paragraph (1), item (i) and item (ii) must be indicated in red in a red box.
  - (4) When a seller affiliated with the intermediation of individual credit purchases, a service provider affiliated with the intermediation of individual credit purchases, or an individual credit purchase intermediary has delivered a document to be delivered under Article 35-3-11, paragraph (1), item (iii) of the Act to the applicant, etc. for the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a personal business opportunity sales contract falling under the category of a contract for sales, etc. involving the intermediation of individual credit purchases, it must immediately confirm that the applicant, etc. sees the relevant document and convey to the applicant, etc. the details of the matters listed in paragraph (1), item (i) and item (ii).

(Measures Concerning Operation of Business)

Article 89 When an individual credit purchase intermediary entrusts the safety management of information on purchasers, etc. that it handles, the supervision of workers, and the handling of the relevant information, pursuant to the provisions of Article 35-3-20 of the Act, it must take necessary and appropriate measures for supervising the entrusted person so as to prevent the leakage or loss of or damage to the relevant information.

Article 90 An individual credit purchase intermediary must take measures for ensuring that it must not use any information concerning the ability to pay of purchasers, etc. that it has received, pursuant to the provisions of Article 35-3-20 of the Act, from a person engaging in the business of specified credit information services, etc., for any other purposes than for the investigation into the ability to pay.

Article 91 An individual credit purchase intermediary must take measures for ensuring that it must not use any information on purchasers, etc. concerning their race, creed, family origin, domicile of origin, health and medical care, or criminal background, or any other special private information that it handles pursuant to the provisions of Article 35-3-20 of the Act, for any other purposes than for ensuring the proper operation of the business and any other purposes that are deemed to be necessary.

Article 92 When an individual credit purchase intermediary entrusts the

business of the intermediation of individual credit purchases to a third party, pursuant to the provisions of Article 35-3-20 of the Act, it must take the following measures, in accordance with the contents of the relevant business:

- (i) measures for entrusting the business to a person that has the ability to perform it properly;
- (ii) measures for carrying out necessary and appropriate supervision over the entrusted party, such as through inspecting whether or not the entrusted party is performing the relevant business properly by confirming, regularly or as necessary, the status of the entrusted party's performance of the relevant business, and through having the relevant person make any required improvements;
- (iii) measures necessary for appropriately and promptly processing complaints from purchasers, etc. regarding the relevant business performed by the entrusted party;
- (iv) measures for preventing any hindrance to the protection of the interests of purchasers, etc. regarding the relevant business, such as through entrusting the relevant business to another third party promptly in the event that the entrusted party cannot perform the relevant business properly;
- (v) measures for taking necessary measures such as changing or canceling the contract for the entrustment of the relevant business, in cases where the entrusted party does not perform the relevant business properly and it is necessary for protecting the interests of purchasers, etc. regarding the relevant business.

Article 93 If an individual credit purchase intermediary intends to conclude, pursuant to the provisions of Article 35-3-20 of the Act, a contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to a contract for sales, etc. involving the intermediation of individual credit purchases listed in paragraph (1), item (i), item (ii) or item (iii), or paragraph (3), item (i), item (ii) or item (iii) of Article 35-3-9 of the Act, and when it deems, in light of the information obtained through an investigation under Article 35-3-5, paragraph (1) of the Act or by any other means, that the relevant contract for sales, etc. involving the intermediation of individual credit purchases is likely to fall under the category of a contract as listed in the items of Article 9-2, paragraph (1) or the items of Article 24-2, paragraph (1) of the Act on Specified Commercial Transactions, it must not conclude the contract providing the receipt of monies subject to the intermediation of individual credit purchases that relates to the contract for sales, etc. involving the intermediation of individual credit purchases; provided, however, that this does not apply when it has confirmed that there are any special circumstances under which the purchaser, etc. needs to conclude the



relevant contract for sales, etc. involving the intermediation of individual credit purchases.

Article 94 When an individual credit purchase intermediary takes measures necessary for appropriately and promptly processing complaints from purchasers, etc., pursuant to the provisions of Article 35-3-20 of the Act, it must follow the rules specified in the following items:

- (i) when receiving complaints from purchasers, etc., the individual credit purchase intermediary without delay, is to determine whether the complaint is the result of an act by the individual credit purchase intermediary, or a seller affiliated with the intermediation of individual credit purchases, or service provider affiliated with the intermediation of individual credit purchases that failed to protect the interests of the purchaser etc. in relation to business involving the intermediation of individual credit purchases;
- (ii) when falling under any of the following, in light of the results of the determination under item (i) or the confirmation of information held by a certified installment sales association or by any other means, the individual credit purchase intermediary is to investigate any matters necessary for processing the relevant complaints, in accordance with the details of the complaints:
  - (a) when it is found that the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases has conducted an act falling under any of the items of Article 35-3-7 of the Act in relation to a contract for sales, etc. involving the intermediation of individual credit purchases (excluding an act listed in Article 77, paragraph (1), item (ii));
  - (b) when in light of how complaints have been filed by purchasers, etc. concerning acts which fall short of protecting the interests of purchasers, etc. about the business regarding the intermediation of individual credit purchases conducted by the seller affiliated with the intermediation of individual credit purchases or the service provider affiliated with the intermediation of individual credit purchases (excluding complaints whose details arise from an act prescribed in Article 77, paragraph (1), item (ii) and (a) and complaints prescribed in Article 77, paragraph (1), item (iii); the same applies below in this item) and how complaints have been filed by purchasers, etc. concerning acts which fall short of protecting the interests of purchasers, etc. about the business regarding the intermediation of individual credit purchases conducted by the other seller, etc. affiliated with the intermediation of individual credit purchases, it is deemed that the relevant seller affiliated with the intermediation of individual credit purchases or the relevant service provider affiliated with the

- intermediation of individual credit purchases lacks in protection of the interests of purchasers, etc. compared with the relevant other seller, etc. affiliated with the intermediation of individual credit purchases;
- (iii) when it is found, in light of the results of the determination pursuant to the provisions of item (i) or other factors, that the individual credit purchase intermediary conducted any acts which fall short of protecting the interests of purchasers etc. about the business regarding the intermediation of individual credit purchases, the individual credit purchase intermediary is to investigate matters necessary to process the complaint;
- (iv) if it is found to be necessary in light of matters learned from the content of the complaint received from a purchaser, etc., of the investigation pursuant to the provisions of the preceding two items, or of other means, measures to improve the business involving the intermediation of individual credit purchases and other necessary measures are to be taken.

(Methods of Using Information and Communications Technology)

Article 95 (1) The electronic or magnetic means stated in Article 35-3-22, paragraph (1) of the Act are the following:

- (i) method of using an electronic data processing system listed in (a) or (b):
- (a) method of sending a document through a telecommunication line connecting the computer used by the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary, and the computer used by the purchaser, etc., and recording it in a file on the computer used by the recipient;
- (b) method of providing the purchaser, etc. with the matters to be indicated in a document which are recorded in a file on the computer used by the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary, for inspection through a telecommunication line, and recording the relevant matters in a file on the computer used by the relevant purchaser, etc. (in the case of consenting or refusing to accept the provision of matters through the electronic or magnetic means prescribed in Article 35-3-22, paragraph (1) of the Act, method of recording to that effect in a file on the computer used by the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary);
- (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-

- ROM, or any other equivalent means that may reliably store certain matters, which contains the matters to be indicated in a document.
- (2) The method listed in the preceding paragraph must be the one that allows the purchaser, etc. to prepare a document by outputting the contents recorded in the file.
- (3) The "electronic data processing system" stated in paragraph (1), item (i) means the electronic data processing system that connects the computer used by the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary, and the computer used by the purchaser, etc. through a telecommunication line.

Article 96 The type and details of the methods to be indicated pursuant to the provisions of Article 27, paragraph (1) of the Order are to be the following matters:

- (i) the method prescribed in paragraph (1) of the preceding Article that is used by the seller affiliated with the intermediation of individual credit purchases, the service provider affiliated with the intermediation of individual credit purchases, or the individual credit purchase intermediary;
- (ii) the method of recording in the file.

Article 97 Confirmation under Article 27, paragraph (3) of the Order is to be made by confirming that the matters have been recorded in a file on the computer used by the purchaser, etc., in writing, orally, by cable or telephone, by method of using an electronic data processing system, or by any other means.

Article 98 The methods specified by Order of the Ministry of Economy, Trade and Industry and Cabinet Office Order stated in Article 35-3-22, paragraph (2) of the Act are the methods listed in Article 95, paragraph (1), item (ii).

## **Subsection 2 Registration, etc. of Individual Credit Purchase Intermediaries**

(Application for Registration)

- Article 99 (1) A written application as stated in Article 35-3-24, paragraph (1) of the Act is to be prepared in accordance with Form 16.
- (2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-24, paragraph (2) of the Act are as follows:
- (i) the record on the financial condition prepared in accordance with Form 2 as of a certain day within one month before the day of submitting the written

- application for registration, and the balance sheet, profit and loss statements, and statements of changes in net assets for the business year immediately before the day of submitting the written application for registration or any alternative documents; provided, however, that regarding a corporation that has been established in the business year containing the day of filing the application for registration, the balance sheet that is to be prepared upon the establishment of the relevant corporation pursuant to the provisions of Article 435, paragraph (1) or Article 617, paragraph (1) of the Companies Act or any alternative documents;
- (ii) in cases where there are any additional businesses, the documents stating the types and an outline of those;
  - (iii) curricula vitae of officers;
  - (iv) the list of names of shareholders or members, and the list of names of shareholders or members of the parent company, or any alternative documents;
  - (v) a document stating the trade names or names of the participating designated credit bureau;
  - (vi) a document stating the trade names or names of persons that have concluded a specified credit information service contract and perform the business of specified credit information services, etc.;
  - (vii) the internal rules, etc. concerning the business regarding the intermediation of individual credit purchases (meaning rules that are to be followed by the individual credit purchase intermediary or its officers, workers, and other employees, and other equivalent rules prepared by the individual credit purchase intermediary; the same applies in Article 101);
  - (viii) an organization chart concerning the business regarding the intermediation of individual credit purchases;
  - (ix) a document to pledge that the person does not fall under any of the provisions of Article 35-3-26 paragraph (1), items (iii) through (ix) of the Act.
- (3) The provisions of Article 12, paragraph (3) applies mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-24, paragraph (3) of the Act.

(A Corporation Deemed to be Likely to Conduct Illegal Acts)

Article 100 The corporation specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-26, paragraph (1), item (viii) of the Act is to fall under any of the following items:

- (i) a corporation which has made a notification under Article 26, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 35-3-35 of the Act during the period from the day on which a notice was given, pursuant to the provisions of Article 15 of the Administrative Procedure Act, regarding a

disposition of revocation of registration on the grounds that the corporation falls under any of the items of paragraph (1) or the items of paragraph (2) of Article 35-3-32 of the Act to the day on which the relevant disposition is made or it is determined not to make the relevant disposition (excluding a corporation that has reasonable grounds for the discontinuation of its business of the intermediation of individual credit purchases; the same applies below in this Article), and for which five years have not passed from the day of making the relevant notification;

- (ii) a person that used to be a member executing the business or any equivalent person of a corporation that has made a notification under Article 26, paragraph (1) of the Act as applied *mutatis mutandis* pursuant to Article 35-3-35 of the Act during the period stated in the preceding item, and that was in the relevant position during the period from the day 30 days before the day on which a notice as stated in the preceding item was given up to the day of discontinuing the relevant corporation (that person is limited to a corporation), and for which five years have not passed from the day of making the relevant notification;
- (iii) a corporation which has, as one of its officers, a person that used to be an officer of a corporation that has made a notification under Article 26, paragraph (1) of the Act as applied *mutatis mutandis* pursuant to Article 35-3-35 of the Act during the period stated in item (i), and that was in the relevant position during the period from the day 30 days before the day on which a notice as stated in item (i) was given up to the day of discontinuing the relevant corporation, and for which five years have not passed from the day of making the relevant notification.

(Systems Necessary for Securing Fair and Proper Performance of the Intermediation of Individual Credit Purchases)

Article 101 (1) The systems specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-26, paragraph (1), item (ix) of the Act are as follows:

- (i) a system necessary to ensure the smooth implementation of an investigation prescribed in the main clause of Article 35-3-3, paragraph (1) of the Act, an investigation prescribed in Article 35-3-5, paragraph (1) of the Act, and any other measures specified in the Act;
- (ii) a system necessary for appropriately and promptly processing complaints from purchasers, etc.;
- (iii) sufficient internal rules, etc. are established so as to secure the fair and proper performance of the intermediation of individual credit purchases;
- (iv) a system necessary for complying with the provisions of the Act, orders based on the provisions of the Act, or internal rules, etc.

- (2) The internal rules, etc. stated in item (iii) of the preceding paragraph must include provisions that clarify allocation of responsibility concerning the operation of the intermediation of individual credit purchases.

(Notification of Change)

Article 102 (1) Notification under Article 35-3-28, paragraph (1) of the Act must be made by submitting a written notification prepared in accordance with Form 17.

- (2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-24, paragraph (2) as applied mutatis mutandis pursuant to Article 35-3-28, paragraph (3) of the Act are as follows:

- (i) a document certifying the matters regarding the change;
- (ii) when the change refers to an officer that has newly taken office, the curriculum vitae of the relevant officer, and document listed in Article 99, paragraph (2), item (ix) (limited to the document regarding Article 35-3-26, paragraph (1), item (v) of the Act).

- (3) The provisions of Article 12, paragraph (3) apply mutatis mutandis to electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry specified in Article 35-3-24, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 35-3-28, paragraph (3) of the Act.

(Provisions to be Applied Mutatis Mutandis)

Article 103 The provisions of Article 25 and Article 26 apply mutatis mutandis to the case of engaging in the intermediation of individual credit purchases in the course of trade. In this case, the term "Article 24 of the Act (including cases where applied mutatis mutandis pursuant to Article 26 of the Act)" in Article 25 is deemed to be replaced with "Article 24 of the Act as applied mutatis mutandis pursuant to Article 35-3-35 of the Act," and the term "Article 26, paragraph (1) of the Act" in Article 26 is deemed to be replaced with "Article 26, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 35-3-35 of the Act."

(Persons Specified by Order of the Ministry of Economy, Trade and Industry Specified in Article 35-3-36, Paragraph (1), Item (iv), (a) of the Act)

Article 103-2 A person specified by an Order of the Ministry of Economy, Trade and Industry specified in Article 35-3-36, paragraph (1), item (iv), (a) of the Act is to be a person that is unable to adequately carry out the cognition, decision making, and communication necessary for properly performing specified credit information provision services due to impairment of mental functions.

### **Section 3 Designated Credit Bureaus**

## Subsection 1 General Rules

(Size of the Specified Credit Information)

Article 104 (1) The size of the specified credit information specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-36, paragraph (1), item (v) of the Act is [i] the number of participating registered comprehensive credit purchase intermediaries (meaning a registered comprehensive credit purchase intermediary with which a person engaging in the business of specified credit information services, etc. has concluded a specified credit information service contract; the same applies in item (i) of the following paragraph, and Article 106, paragraph (2), item (iv)), [ii] the number of participating registered individual credit purchase intermediaries (meaning a registered individual credit purchase intermediary with which a person engaging in the business of specified credit information services, etc. has concluded a specified credit information service contract; the same applies in item (ii) of the following paragraph, and Article 106, paragraph (2), item (iv)), [iii] the total amount of the obligations regarding the intermediation of comprehensive credit purchases and the intermediation of two months' installment purchases which have not yet become due or for which the payment obligations have not been performed and which relate to the basic specified credit information the person holds (when a participating comprehensive credit purchase intermediary provides the amount of the fee for the intermediation of comprehensive credit purchases, including the amount of the relevant fee (referred to as the "specified fee for the intermediation of comprehensive credit purchases" in Article 118, paragraph (3)); the same applies in item (iii) of the following paragraph), [iv] the total amount of the obligations regarding the intermediation of individual credit purchases and the intermediation of two months' installment purchases which have not yet become due or for which the payment obligations have not been performed and which relate to the basic specified credit information the person holds (when a participating individual credit purchase intermediary provides the amount of the fee for the intermediation of individual credit purchases, including the amount of the relevant fee (referred to as the "specified fee for the intermediation of individual credit purchases" in Article 118, paragraph (3)); the same applies in item (iv) of the following paragraph), and [v] the total number of the names of the goods that were sold by the method of sales regarding the intermediation of individual credit purchases or the intermediation of two months' installment purchases which pertain to the basic specified credit information the person holds, or the numbers, marks or any other signs with which the relevant goods can be identified (in the case of designated rights sold or services to be provided by the method of sales or provision regarding the intermediation of

individual credit purchases which relate to the basic specified credit information the person holds, the total number of the types of the relevant rights or the relevant services, or the numbers, marks or any other signs with which the relevant rights or the relevant services can be identified).

(2) The standards specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-36, paragraph (1), item (v) of the Act are as follows:

(i) that the number of participating registered comprehensive credit purchase intermediaries is 50 or more;

(ii) that the number of participating registered individual credit purchase intermediaries is 30 or more;

(iii) the total amount of the obligations regarding the intermediation of comprehensive credit purchases and the intermediation of two months' installment purchases which have not yet become due or for which the payment obligations have not been performed and which relate to the basic specified credit information the person holds is 1.5 trillion yen or more;

(iv) the total amount of the obligations regarding the intermediation of individual credit purchases and the intermediation of two months' installment purchases which have not yet become due or for which the payment obligations have not been performed and which relate to the basic specified credit information the person holds is 3 trillion yen or more;

(v) the total number of the names of the goods regarding the intermediation of individual credit purchases or the intermediation of two months' installment purchases which relate to the basic specified credit information the person holds, or the numbers, marks or any other signs with which the relevant goods can be identified (in the case of designated rights or services, the total number of the types of the relevant rights or the relevant services, or the numbers, marks or any other signs with which the relevant rights or the relevant services can be identified) is four million or more.

(3) In this Section, the "intermediation of two months' installment purchases" means, under the condition that a specified seller sells goods or designated rights to a purchaser or a specified service provider provides services to a service recipient, without using a card, etc., to deliver the amount equivalent to the whole or a part of the charge for the goods or the designated rights or the value of the services to the relevant seller or the relevant service provider (including to deliver such amount to the relevant seller or the relevant service provider via a person other than the relevant seller or the relevant service provider), and to receive the relevant amount from the relevant purchaser, etc. up to the time specified in advance within two months from the time when the relevant purchaser, etc. concluded a contract to purchase goods or designated rights from the relevant seller or to receive services from the relevant service



provider.

(Financial Basis)

Article 105 The financial basis specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-36, paragraph (1), item (vi) of the Act is to be the amount of total assets minus total liabilities recorded in the balance sheet stated in Article 35-3-37, paragraph (2), item (iv) of the Act is 500 million yen or more.

(Documents to be Attached to Written Application for Designation)

Article 106 (1) A written application as stated in Article 35-3-37, paragraph (1) of the Act is to be prepared in accordance with Form 18.

(2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-37, paragraph (2), item (v) of the Act are as follows:

- (i) a document to pledge that the person satisfies the requirements listed in Article 35-3-36, paragraph (1), item (ii) of the Act;
  - (ii) a certificate issued by a public agency indicating that any of the officers (meaning the officers stated in Article 35-3-36, paragraph (1), item (iv) of the Act; the same applies below in this item, the following item, the following Article, Article 108, Article 111, paragraph (2), item (viii) and item (ix), Article 113, item (x) and item (xi), and Article 115, paragraph (2)) does not fall under Article 35-3-36, paragraph (1), item (iv), (b) (excluding cases where the officer is a foreign national);
  - (iii) the curricula vitae of officers (if an officer is a corporation, a document stating the history of the relevant officer; the same applies in Article 111, paragraph (2), item (ix) and Article 115, paragraph (2), item (ii));
  - (iv) a document stating the names of the participating registered comprehensive credit purchase intermediaries and the participating registered individual credit purchase intermediaries;
  - (v) a document explaining that conforms to the provisions listed in Article 35-3-36, paragraph (1), item (v) of the Act;
  - (vi) a document stating the status of securing employees that have knowledge and experience on the business of specified credit information services, etc. and the status of deploying the relevant employees;
  - (vii) a document stating the organization and segregation of the applicant's affairs;
  - (viii) a document stating other matters to be referred to.
- (3) The provisions of Article 12, paragraph (3) apply mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-37, paragraph (3) of the Act.

(Restriction on the Concurrent Holding of Positions by Officers)

Article 107 (1) The corporation specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-38 of the Act falls under any of the following items:

- (i) a comprehensive credit purchase intermediary or a corporation that engages in the intermediation of two months' installment purchases as its business;
  - (ii) an individual credit purchase intermediary or a corporation that engages in the intermediation of two months' installment purchases as its business;
  - (iii) a corporation that operates a money lending business as prescribed in Article 2, paragraph (1) of the Money Lending Business Act (Act No. 32 of 1983);
  - (iv) a company managing and collecting on monetary claims as prescribed in Article 2, paragraph (3) of the Act on Special Measures Concerning the Management of and Collection on Monetary Claims (Act No. 126 of 1998);
  - (v) a corporation that operates the business of guaranteeing claims;
  - (vi) a corporation that operates the business of purchasing machinery and other goods designated by a service recipient and leasing them to the relevant service recipient (referred to as "leasing business" in item (iv) of the following paragraph).
- (2) The businesses specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-38 of the Act are to be the businesses listed as follows:
- (i) a money lending business as prescribed in Article 2, paragraph (1) of the Money Lending Business Act;
  - (ii) a claim management and collection business as prescribed in Article 2, paragraph (2) of the Act on Special Measures Concerning the Management of and Collection on Monetary Claims;
  - (iii) the guaranteeing of claims;
  - (iv) a leasing business.

(Application for Approval for the Concurrent Holding of Positions by Officers of Designated Credit Bureaus)

Article 108 (1) If the representative and managing officers of a designated credit bureau intend to obtain approval under Article 35-3-38 of the Act, they must submit a written application for approval stating the matters to be approved, attaching it with the following documents, to the Minister of Economy, Trade and Industry, via the relevant designated credit bureau:

- (i) a written statement of reasons;
- (ii) curriculum vitae;
- (iii) a document stating the method of processing ordinary business and the

- working conditions at the designated credit bureau;
- (iv) in cases where they intend to engage in the ordinary business of any of the corporations listed in the items of paragraph (1) of the preceding Article (referred to below as the "other corporation" in this Article), a document stating the method of processing ordinary business at the relevant other corporation, transactions and any other relations between the designated credit bureau and the relevant other corporation; a document stating the articles of incorporation and the details of the final activity reports or business reports of the relevant other corporation; the balance sheet (including related notes; the same applies in Article 111, paragraph (2), item (vii)), profit and loss statements (including related notes; the same applies in the relevant item), surplus appropriation statement or deficit disposition statement, statements of changes in net assets (including related notes), or other documents from which the status of recent activities, financial condition, and profit and loss of the relevant other corporation can be ascertained;
  - (v) in cases where they intend to continuously operate any of the businesses listed in the items of paragraph (2) of the preceding Article that they now operate, a document stating the type and method of the business, the status of recent business activities, financial condition, and profit and loss of the business, and the projected transactions and income and expenditure for one year from the day of filing the application;
  - (vi) in cases where they intends to newly operate any of the businesses listed in the items of paragraph (2) of the preceding Article, a document stating the type and method of the business, and the projected transactions and income and expenditure for one year after commencing the business;
  - (vii) a document stating any other matters that the Minister of Economy, Trade and Industry finds necessary.
- (2) When an application for approval under the preceding paragraph has been filed, the Minister of Economy, Trade and Industry is to examine whether or not the act of representing or engaging in ordinary business of the other corporation regarding the relevant application or of operating any of the businesses listed in the items of paragraph (2) of the preceding Article is unlikely to interfere with the representative or managing officers of the designated credit bureau regarding the relevant application representing or engaging in ordinary business of the designated credit bureau.

## **Subsection 2 Business**

(Application for Approval for Concurrent Business)

Article 109 (1) If a designated credit bureau intends to obtain approval under

the proviso to Article 35-3-41, paragraph (1) of the Act, it must submit a written application for approval stating the following matters to the Minister of Economy, Trade and Industry:

- (i) business for which it intends to obtain approval for concurrent business (referred to below as a "concurrent business");
  - (ii) scheduled date for commencing the concurrent business.
- (2) The written application stated in the preceding paragraph must be attached with the following documents:
- (i) a document stating the details and the method of the concurrent business;
  - (ii) a document stating the organization and the deployment of the personnel in charge of the concurrent business;
  - (iii) the rules concerning the operation of the concurrent business;
  - (iv) a document stating the projected income and expenditure of the concurrent business for three years after commencing the concurrent business.

(Notification of Discontinuation of Concurrent Business)

Article 110 When a designated credit bureau intends to make a notification indicating that it has discontinued the business for which it had obtained approval as stated in the proviso to Article 35-3-41, paragraph (1) of the Act, pursuant to the provisions of paragraph (2) of the relevant Article, it is to submit a document stating the following matters to the Minister of Economy, Trade and Industry:

- (i) the details of the discontinued business;
- (ii) the date of the discontinuation;
- (iii) the reason for the discontinuation.

(Application for Approval for Partial Entrustment of Business)

Article 111 (1) If a designated credit bureau intends to obtain approval pursuant to the provisions of Article 35-3-42, paragraph (1) of the Act, it must submit a written application for approval stating the following matters to the Minister of Economy, Trade and Industry:

- (i) the name or trade name and the address of the counterparty to which it entrusts the business (referred to below as the "entrusted party" in this Article and the following Article), and the location of the business office or office where the entrusted business is performed;
  - (ii) the details and the scope of the business to entrust;
  - (iii) the period of entrustment.
- (2) A written application as stated in the preceding paragraph must be attached with the following documents:
- (i) a written statement of reasons;
  - (ii) a document stating the details of the business entrustment contract;

- (iii) a document to pledge that the entrusted party satisfies the requirements listed in Article 35-3-36, paragraph (1), items (ii) through (iv) of the Act;
- (iv) a document stating the history of the entrusted party;
- (v) the articles of incorporation or the articles of endowment of the entrusted party;
- (vi) a document stating the method of performing the business to entrust;
- (vii) the business report, balance sheet, and profit and loss statement for each of the most recent three fiscal years of the entrusted party, or any alternative documents;
- (viii) a document stating the names or trade names of the officers of the entrusted party;
- (ix) curricula vitae of officers of the entrusted party;
- (x) a document stating duties for the board members (including members that execute the business, directors, and any equivalent persons, and in the case of a company with committees, meaning executive officers) of the entrusted party;
- (xi) a document stating any other matters to be referred to.

(Standards for Approval for Partial Entrustment of Business)

Article 112 When the Minister of Economy, Trade and Industry has received a written application for approval as stated in paragraph (1) of the preceding Article and finds that the application conforms to the following standards, the Minister is to approve the application:

- (i) that the entrustment of the business contributes to enhancing the efficiency of the business;
- (ii) that the entrusted party is a corporation with social credibility, has a proper plan for the entrusted business, and may perform the business reliably;
- (iii) that the entrusted party satisfies the requirements listed in Article 35-3-36, paragraph (1), items (ii) through (iv) of the Act.

(Matters to be Indicated in Operational Rules)

Article 113 The matters specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-43, paragraph (1), item (x) of the Act are as follows:

- (i) matters concerning the hours to perform the business of specified credit information services, etc. and concerning holidays;
- (ii) matters concerning the system to supervise employees;
- (iii) matters concerning the preparation of a record on the business of specified credit information services, etc.;
- (iv) matters concerning the terms of the specified credit information service

- contract;
- (v) matters concerning the consent of the users or purchasers, etc. on specified credit information to be handled in the business of specified credit information services, etc.;
  - (vi) matters concerning measures necessary to ensure that the facilities to be used for the business of specified credit information services, etc. are not easily damaged by power failures and earthquakes, fires, floods or any other disasters;
  - (vii) matters concerning measures regarding requests for disclosure, etc. prescribed in Article 37, paragraph (1) of the Act on the Protection of Personal Information (Act No. 57 of 2003);
  - (viii) matters concerning the notification of any changes to the articles of incorporation or any other equivalent rules;
  - (ix) matters concerning the notification of the details of any accidents in which the whole or a part of the business of specified credit information services, etc. has been suspended due to a breakdown of the electronic data processing system or any other accidental circumstances, and the matters concerning the notification of remedial measures;
  - (x) in cases where an officer or an employee of the designated credit bureau or the entrusted person for a part of its business (referred to below as an "officer, etc." in this item and the following item) has come to know the occurrence of any act in violation to laws and regulations or the designated credit bureau's operational rules in the course of performing the business of specified credit information services, etc. (in the case of the entrusted person for a part of the business, limited to the business regarding the part entrusted by the designated credit bureau), the matters concerning the notification of the name of the business office or office where the relevant act occurred, the name or trade name and the title of the officer, etc. that has conducted the relevant act, and an outline of the relevant act, and the matters concerning the notification of remedial measures;
  - (xi) in cases where a participating comprehensive credit purchase intermediary or a participating individual credit purchase intermediary, or an officer, etc. has come to know the conduct of any act in violation to Article 35-3-56, Article 35-3-57, or Article 35-3-59 of the Act or the designated credit bureau's operational rules, the matters concerning the notification of the name of the business office or office where the relevant act occurred, the name or trade name and the title of the officer, etc. that has conducted the relevant act, and an outline of the relevant act, and the matters concerning the notification of remedial measures;
  - (xii) other necessary matters concerning the business of specified credit information services, etc.

(Matters to be Recorded in a Record on the Business of Specified Credit Information Services, etc.)

Article 114 Pursuant to the provisions of Article 35-3-45 of the Act, a designated credit bureau must prepare a record on the following matters, regarding the business of specified credit information services, etc., by means of documents or electronic or magnetic records, and must preserve the relevant record for three years after preparing it:

- (i) the name of the participating comprehensive credit purchase intermediary or the participating individual credit purchase intermediary that has requested the provision of the basic specified credit information, or the numbers, marks, or any other signs with which the relevant participating comprehensive credit purchase intermediary or the relevant participating individual credit purchase intermediary can be identified (when the designated credit bureau has received a request for the provision of the basic specified credit information from another designated credit bureau, based on a request from a participating comprehensive credit purchase intermediary or a participating individual credit purchase intermediary of the other designated credit bureau, the trade name or name of the other designated credit bureau; the name of the participating comprehensive credit purchase intermediary or the participating individual credit purchase intermediary of the other designated credit bureau that has received the request; or the number, mark, or any other signs with which the relevant participating comprehensive credit purchase intermediary or the relevant participating individual credit purchase intermediary can be identified);
- (ii) the name of the individual for whom the provision of the basic specified credit information was requested;
- (iii) the date on which the provision of the basic specified credit information was requested;
- (iv) the details of the provided basic specified credit information.

### **Subsection 3 Supervision**

(Notification of Change)

Article 115 (1) Notification under Article 35-3-50, paragraph (1) of the Act must be made by submitting a written notification prepared in accordance with Form 19.

(2) A written notification under the preceding paragraph must be attached with the following documents:

- (i) when the notification of the change relates to the trade name or name, the name or the location of the principal business office or office or any other

business office or office where the business of specified credit information services, etc. is performed, or the name or trade name of officers, a document certifying the relevant change;

- (ii) when the notification of the change refers to an officer that has newly taken office, the curriculum vitae of the relevant officer, and documents listed in Article 35-3-37, paragraph (2), item (i) of the Act (limited to those regarding Article 35-3-36, paragraph (1), item (iv) of the Act).

(Submission of a Report Concerning the Business or Financial Condition)

- Article 116 (1) A report on the business and financial condition that a designated credit bureau is to prepare under Article 35-3-51, paragraph (1) of the Act must be prepared in accordance with Form 20 and be submitted to the Minister of Economy, Trade and Industry within three months after the elapse of a business year.
- (2) A report as stated in the preceding paragraph must be attached with financial statements as prescribed in Article 435, paragraph (2) of the Companies Act (if a designated credit bureau is not a company, any alternative document) regarding the final business year.
  - (3) If a designated credit bureau cannot submit a report as stated in paragraph (1) within the period prescribed in the relevant paragraph due to unavoidable grounds, it may postpone the submission by obtaining approval from the Minister of Economy, Trade and Industry in advance.
  - (4) When a designated credit bureau intends to obtain approval under the preceding paragraph, it must submit a written application for approval to the Minister of Economy, Trade and Industry, together with a written statement of reasons.
  - (5) When an application for approval under the preceding paragraph has been filed, the Minister of Economy, Trade and Industry is to examine whether or not there are any grounds for deeming it unavoidable for the designated credit bureau that has filed the application to postpone the submission of the report under paragraph (3).

(Application for Suspension or Discontinuation)

- Article 117 An application for approval under Article 35-3-53, paragraph (1) of the Act must be filed by submitting a written application prepared in accordance with Form 21.

**Subsection 4 Participating Comprehensive Credit Purchase  
Intermediaries and Participating Individual Credit Purchase  
Intermediaries**



(Matters to be Included in Basic Specified Credit Information)

Article 118 (1) The matters specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-56, paragraph (1), item (i) of the Act are as follows:

- (i) the name (with the kana reading);
- (ii) the address;
- (iii) the date of birth;
- (iv) the telephone number (excluding the telephone number of the place of employment);
- (v) the number, symbol, or other code sufficient to identify the individual stated on the insured's certificate for long-term care insurance (limited to a certificate that includes the name, address, and date of birth of a natural person) (limited to cases where the participating comprehensive credit purchase intermediary has made confirmation as prescribed in Article 4, paragraph (1) of the Act on Prevention of Transfer of Criminal Proceeds (Act No. 22 of 2007) (limited to those regarding the matters listed in item (i) of the relevant paragraphs; referred to below as "identity confirmation") by the method listed in Article 6, paragraph (1), item (i), (b), (c), (d), (g), (h) or (i) of the Order for Enforcement of the Act on Prevention of Transfer of Criminal Proceeds (Order of the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Justice, Ministry of Finance, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry, and Ministry of Land, Infrastructure, Transport and Tourism No. 1 of 2008), or where the participating individual credit purchase intermediary has been presented with the insured's certificate for long-term care insurance or the notification of a number, symbol, or other code on the insured's certificate for long-term care insurance sufficient to identify the individual (including the presentation or the notification to the participating individual credit purchase intermediary via a seller affiliated with the intermediation of individual credit purchases or a service provider affiliated with the intermediation of individual credit purchases));
- (vi) the numbers, marks, or any other signs that are indicated in documents for identity confirmation (meaning a passport, etc. or tourism landing permit for those arriving by ship as prescribed in Article 6, paragraph (1), item (ii) of the Order for Enforcement of the Act on Prevention of Transfer of Criminal Proceeds or a driver's license, etc., residence card, or special permanent resident's certificate as prescribed in Article 7, item (i), (a) of the relevant Order; the same applies below in this item) and with which the person can be identified (limited to cases where the participating comprehensive credit purchase intermediary has obtained Identity Confirmation by the method of

- receiving the presentation of documents for Identity Confirmation or any other methods as listed in Article 6, paragraph (1), item (i), (a), (e), (f), (g), (h), (i) or (k) of the Order for Enforcement of the Act on Prevention of Transfer of Criminal Proceeds, or where the participating individual credit purchase intermediary has been presented with documents for Identity Confirmation or the notification of the number, mark, or any other signs that is indicated in documents for Identity Confirmation and with which the person can be identified (including the presentation or the notification to the participating individual credit purchase intermediary via a seller affiliated with the intermediation of individual credit purchases or a service provider affiliated with the intermediation of individual credit purchases)).
- (2) The matters specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-56, paragraph (1), item (iv) of the Act are the matters specified in the following items, in accordance with the categories listed in the respective items:
- (i) a participating comprehensive credit purchase intermediary: the following matters:
    - (a) out of the amount of the obligation regarding the intermediation of comprehensive credit purchases prescribed in Article 35-3-56, paragraph (1), item (iii) of the Act (including the amount of the fee for the intermediation of comprehensive credit purchases), the amount that the purchaser, etc. is supposed to pay in a year;
    - (b) the existence of any delay in the payment of the obligation regarding the intermediation of comprehensive credit purchases (in cases where the participating comprehensive credit purchase intermediary engages in the intermediation of two months' installment purchases as its business, and provides the amount of the obligation regarding the intermediation of two months' installment purchases which has not yet become due or for which the payment obligations have not been performed (excluding cases where the participating comprehensive credit purchase intermediary provides the amount of the relevant obligation separately from the amount of the obligation regarding the intermediation of comprehensive credit purchases prescribed in Article 35-3-56, paragraph (1), item (iii) of the Act), including the relevant intermediation of two months' installment purchases (referred to as the "specified intermediation of two months' installment purchases" in paragraph (3)); the same applies in (c) and paragraph (1) of the following Article) or any delay in the payment of the fee for the intermediation of comprehensive credit purchases;
    - (c) the number, mark, or any other signs with which the intermediation of comprehensive credit purchases can be identified;
  - (ii) a participating individual credit purchase intermediary: the following

matters:

- (a) out of the amount of the obligation regarding the intermediation of individual credit purchases prescribed in Article 35-3-56, paragraph (1), item (iii) of the Act (including the amount of the fee for the intermediation of individual credit purchases), the amount that the purchaser, etc. is supposed to pay in a year;
  - (b) the existence of any delay in the payment of the obligation regarding the intermediation of individual credit purchases or the fee for the intermediation of individual credit purchases;
  - (c) the number, mark, or any other signs with which the intermediation of individual credit purchases can be identified;
  - (d) any of the following matters:
    - 1. the name of the goods that were sold by the method of sales regarding the intermediation of individual credit purchases, or the number, mark, or any other signs with which the relevant goods can be identified;
    - 2. the type of rights that were sold by the method of sales regarding the intermediation of individual credit purchases, or the number, mark, or any other signs with which the relevant rights can be identified;
    - 3. the type of services that are to be provided by the method of provision regarding the intermediation of individual credit purchases, or the number, mark, or any other signs with which the relevant services can be identified;
  - (e) any of the following matters:
    - 1. the quantity of the goods that were sold by the method of sales regarding the intermediation of individual credit purchases, or the unit of the contract providing the receipt of monies subject to the intermediation of individual credit purchases;
    - 2. the number of times or the period that the rights sold by the method of sales regarding the intermediation of individual credit purchases can be exercised, or the unit of the contract providing the receipt of monies subject to the intermediation of individual credit purchases;
    - 3. the number of times or the period that the services to be provided by the method of provision regarding the intermediation of individual credit purchases can be received, or the unit of the contract providing the receipt of monies subject to the intermediation of individual credit purchases.
- (3) The amount of the obligation listed in Article 35-3-56, paragraph (1), item (iii) of the Act is to include the amount of the specified fee for the intermediation of comprehensive credit purchases, the amount of the specified fee for the intermediation of individual credit purchases, and the amount of the obligation regarding the specified intermediation of two months' installment purchases.

(Cases Not Requiring Consent Related to the Provision of Specified Credit Information)

Article 119 (1) The cases specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-3-57, paragraph (1) of the Act are the cases where it is necessary for managing the obligation regarding the intermediation of comprehensive credit purchases or the intermediation of individual credit purchases provided before the time listed as follows, or the fee for intermediation of comprehensive credit purchases or the intermediation of individual credit purchases:

- (i) when a person that has concluded a specified credit information service contract with the comprehensive credit purchase intermediary or the individual credit purchase intermediary and that engages in the business of specified credit information services, etc. has been designated as stated in Article 35-3-36, paragraph (1) of the Act;
  - (ii) when the comprehensive credit purchase intermediary or the individual credit purchase intermediary has concluded a specified credit information service contract with a designated credit bureau.
- (2) A participating comprehensive credit purchase intermediary may obtain consent as listed in the items of Article 35-3-57, paragraph (2) of the Act comprehensively from purchaser, etc., in writing or in electronic or magnetic means, in advance.

(Methods of Using Information and Communications Technology)

Article 120 The electronic or magnetic means stated in Article 35-3-57, paragraph (1) and paragraph (2) of the Act are the following:

- (i) the method of using an electronic data processing system as listed in (a) or (b):
  - (a) the method of sending a document through a telecommunication line connecting the computer used by the participating comprehensive credit purchase intermediary or the participating individual credit purchase intermediary, and the computer used by the user or the purchaser, etc., and recording it in a file on the computer used by the participating comprehensive credit purchase intermediary or the participating individual credit purchase intermediary;
  - (b) the method of providing the user or the purchaser, etc. with the matters concerning the consent of the user or the purchaser, etc. which are recorded in a file on the computer used by the participating comprehensive credit purchase intermediary, or the participating individual credit purchase intermediary for inspection through a telecommunication line, and recording the matters concerning the consent of the user or the

purchaser, etc. in a file on the computer used by the participating comprehensive credit purchase intermediary or the participating individual credit purchase intermediary;

- (ii) method of delivering a file, prepared in the form of a magnetic disk, CD-ROM, or any other equivalent means that may reliably store certain matters, which contains the matters concerning the consent of the user or the purchaser, etc.

(Preparation, etc. of a Record on Consent Related to the Provision, etc. of Specified Credit Information)

Article 121 A participating comprehensive credit purchase intermediary or a participating individual credit purchase intermediary must prepare a record on the consent prescribed in Article 35-3-57, paragraph (3) of the Act, by means of documents or electronic or magnetic records, and must preserve the relevant record while the designated credit bureau holds specified credit information based on the relevant consent.

#### **Chapter IV Specified Prepaid Transactions**

(Application for License)

Article 122 (1) A written application as stated in Article 12, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act is to be prepared in accordance with Form 22.

(2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 12, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act are as follows:

- (i) the record on the financial condition prepared in accordance with Form 2 as of a certain day within one month before the day of submitting the written application for a license, the record on the income and expenditure for the business year immediately before the day of submitting the written application for a license prepared in accordance with Form 3, and the balance sheets, profit and loss statements, and statements of changes in net assets for the last five business years immediately before the day of submitting the written application for a license (regarding a corporation whose business term is six months, for the last ten business terms), or any alternative documents;
- (ii) documented business plans for the coming five business years (regarding a corporation whose business term is six months, for the coming ten business terms) after obtaining a license that contain the following matters:
  - (a) plans for transactions by the specified prepaid transactions method;
  - (b) income and expenditure plans;

- (c) financial plans;
  - (iii) curricula vitae of officers;
  - (iv) a document to pledge that the person does not fall under any of the provisions of Article 15, paragraph (1), items (vi) through (viii) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act;
  - (v) when the person has any agency office related to specified prepaid transactions, a copy of the agency contract;
  - (vi) when the person has any brokerage office related to specified prepaid transactions, a copy of the brokerage contract;
  - (vii) the amount of transactions by the specified prepaid transactions method, for one year before the day of filing an application.
- (3) The provisions of Article 12, paragraph (3) applies mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 12, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act.

(Standards for the Terms of a Contract for Specified Prepaid Transactions)

Article 123 (1) The standards specified by Order of the Ministry of Economy, Trade and Industry stated in Article 15, paragraph (1), item (v) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act are as follows:

- (i) there are to be columns to indicate the following matters:
  - (a) the name and address of the person that has obtained a license as stated in Article 35-3-61 of the Act (referred to below as the "specified prepaid transactions operator" in this Chapter);
  - (b) the type or the scope of goods or designated services regarding the contract;
  - (c) the total amount of money that the purchaser or person being provided with designated services (referred to below as the "purchaser, etc." in this Chapter) is to pay based on the relevant contract (that amount is referred to below as the "amount of the contract");
  - (d) the amount of each payment regarding the contract for specified prepaid transactions, the number of payments, and the time and the method of the payments;
  - (e) the timing and method of delivery of the terms of the contract for specified prepaid transactions;
- (ii) the matters listed in the left-hand column of the following table are stated and the details of those matters must be in accordance with the respective standards listed in the right-hand column of that table.

Matters to be indicated	Standards
-------------------------	-----------

(i) matters concerning the issuance of receipts	it is provided that where payments are to be collected or brought in, receipts are to be issued
(ii) matters concerning a notice after the full payment of the charge for goods or the value of designated services	the method of giving a notice is to be provided where the full amount of the charge for goods or the value of designated services have been paid off
(iii) matters concerning the time of the delivery of goods or the provision of designated services	it is to be provided that goods are to be delivered or designated services are to be provided on or after a certain day within one month after the full payment of the charge or the value that is to be paid before receiving the delivery of goods or the provision of designated services
(iv) matters concerning money other than the amount of the contract that the purchaser, etc. is to pay	it is to be provided that concerning whether or not there is any money other than the amount of the contract that the purchaser, etc. is to pay and on the decision of the amount of the money, if any, necessary explanations must be made and the consent of the purchaser, etc. must be obtained before the purchaser, etc. receives the delivery of goods or the provision of designated services.
(v) matters concerning the deposit, etc. of the business security deposit or business deposit for prepaid services	the name and location of the depository in which the business security deposit or business deposit for prepaid services is being deposited or the entrusted party of the contract on the entrustment of business deposit are to be indicated
(vi) matters concerning the refund of the business security deposit or business deposit for prepaid services	it is indicated that the Purchaser, etc. may receive tenders for the claims arising from the contract from the business security money or security money for prepaid services

(vii) matters concerning the cancellation of the contract	<p>it is to be provided that the cancellation of the contract due to a failure of the purchaser, etc. to perform the obligation to make payments is allowed only when the failure to perform the obligation has continued for a certain period of time as specified by the specified prepaid transactions operator, and the specified prepaid transactions operator has demanded the payment in writing specifying a reasonable period of not less than 20 days but there has been a failure to perform the obligation within the period, and that in cases where the purpose of the contract can no longer be achieved due to a cause attributable to the specified prepaid transactions operator or any other cases where the purchaser, etc. deems it necessary, the purchaser, etc. may cancel the contract, and the procedures for notifying the cancellation is specified</p>
---	---



(viii) matters concerning the amount of damages, etc. due to the cancellation of the contract	it is to be provided that the Specified Prepaid Transactions Operator shall refund the amount obtained by deducting the expenses generally required for concluding and performing the contract from the amount already paid by the purchaser, etc., during a certain period within 45 days, [i]from the day of cancelling the contract if the contract is cancelled due to a cause attributable to the purchaser, etc., or [ii]from the day on which a notification was made through the procedures stated in row (vii) above if the contract is cancelled with a notification by the purchaser, etc.; and the amount to be refunded is clearly indicated in a way by which the purchaser, etc. can easily make a calculation; provided, however, that it is to be provided that in cases where the contract is cancelled due to a cause attributable to the specified prepaid transactions operator, the specified prepaid transactions operator is to refund, without delay, the sum of the amount already paid plus a certain amount not less than the amount obtained by multiplying the amount already paid by the statutory interest rate
(ix) matters concerning the inquiries on the contract, etc.	the name, address, and telephone number of the organization to which the purchaser, etc. can make inquiries or hold consultations regarding the contract are to be indicated
(x) matters concerning delivery and redelivery of the terms of the contract for specified prepaid transactions;	it is to be provided that in the case where the terms of the contract for specified prepaid transactions are delivered, the timing and method of the delivery are stated and if the purchaser, etc. requests redelivery of the relevant terms of the contract, the terms is to be redelivered without delay

(iii) the following matters are not to be indicated:

- (a) that in cases where the terms of the contract for specified prepaid transactions are reissued, fees exceeding the expenses generally required for the reissuance are charged;

- (b) that after conclusion of the contract the specified prepaid transactions operator may change the details of the contract and may raise the amount of the contract without obtaining the consent of the purchaser, etc.;
- (c) any special agreements as prescribed in Article 27, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act;
- (d) a special agreement indicating that the purchaser, etc. may not cancel the contract;
- (e) a special agreement that is significantly disadvantageous to the purchaser, etc. regarding the jurisdiction of the court that covers actions regarding the relevant contract;
- (f) regarding the details of goods or designated services about the contract, any matter that differs vastly from the truth or misleads people into believing that they are vastly better than they are in reality or that the terms and conditions of the goods or designated services are extremely advantageous;
- (g) beyond what is listed in (a) to (f), any special agreements that are in violation of laws and regulations or significantly disadvantageous to the purchaser, etc.;
- (iv) the matters listed as follows are to be indicated in red in a red box:
  - (a) to the effect that the purchaser, etc. should carefully read the details of the terms of the contract for specified prepaid transactions;
  - (b) to the effect that the specified prepaid transactions operator is obliged to take preservative measures for advances received for the amount equivalent to 50 percent of the total amount of the advance received, pursuant to the provisions of Article 18-3 of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act;
  - (c) the number of days required for the refund of money for cancellation in cases where the contract is cancelled with a notification by the purchaser, etc. (excluding cases where the contract is cancelled due to a cause attributable to the specified prepaid transactions operator).
- (2) For the terms of the contract for specified prepaid transactions stated in the preceding paragraph, letters and numbers in 8 point or larger (for the matters listed in item (iv) of the relevant paragraph, letters and numbers in 10 point or larger) as specified in JIS Z-8305 are to be used.

(Income and Expenditure Ratio, etc. Regarding Order for Improvement, etc.)

- Article 124 (1) The ratio specified by Order of the Ministry of Economy, Trade and Industry stated in Article 20-2, paragraph (1), item (i) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act is to be 100 percent.
- (2) The ratio specified by Order of the Ministry of Economy, Trade and Industry stated in Article 20-2, paragraph (1), item (ii) of the Act as applied mutatis

mutandis pursuant to Article 35-3-62 of the Act is to be 80 percent.

- (3) The cases specified by Order of the Ministry of Economy, Trade and Industry stated in Article 20-2, paragraph (1), item (iii) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act are as follows:
- (i) when the amount of total assets minus total liabilities is less than the amount of stated capital or capital contributions;
  - (ii) when the total amount of advanced reservation payment or the total amount of liabilities is significantly excessive in light of the status of the financial condition;
  - (iii) when costs for deferral regarding specified prepaid transactions are recorded in an inflated manner or accounting procedures are otherwise unsound;
  - (iv) when the amount that may be allocated for the tender arising from the contract for specified prepaid transactions based on preservative measures for advances received, as of the base date, is less than the base amount for the relevant base date;
  - (v) when the guidance and supervision for recruiters and other workers is not sufficient;
  - (vi) when the guidance provided to a person to which specified prepaid transactions have been entrusted (if the entrusted person is a corporation, the guidance for the members, directors, executive officers, and other corporate representatives who execute the business) or agency offices (if the agency is a corporation, the guidance for the members, directors, executive officers, and other corporate representatives who execute the business) is not sufficient;
  - (vii) when the specified prepaid transactions operator has failed to convey the truth to the purchaser, etc. or has conveyed or indicated to them false information or information that may cause a misunderstanding regarding important matters concerning the contract for specified prepaid transactions that may affect the judgment of the purchaser, etc.;
  - (viii) when the specified prepaid transactions operator has failed to convey any disadvantageous facts to the purchaser, etc. and has had the purchaser, etc. extinguish the existing contract for specified prepaid transactions and apply for a new contract for specified prepaid transactions, or has had the purchaser, etc. apply for a new contract for specified prepaid transactions and as a result extinguish the existing contract for specified prepaid transactions;
  - (ix) when the purchaser, etc. was intimidated to cause the conclusion of a specified prepaid transaction contract or to prevent the purchaser, etc. from canceling a specified prepaid transaction contract;
  - (x) when a request for cancellation of a specified prepaid transactions contract from a purchaser, etc. is refused or is unreasonably delayed;

- (xi) when necessary measures are not taken for appropriate handling of information concerning purchasers, etc. obtained in relation to the specified prepaid transaction business and for appropriate and timely processing of complaints from purchasers, etc.;
  - (xii) when the obligations stated in the terms of the contract for specified prepaid transactions are not performed or likely cannot be performed;
  - (xiii) when the details of the terms of the contract for specified prepaid transactions do not conform to the standards stated in the preceding Article.
- (4) The total amount of assets or total amount of liabilities provided in item (i) of the preceding paragraph, the total amount of advanced reservation payment or total amount of liabilities provided in item (ii) of that paragraph, and the costs for deferral relating to specified prepaid transactions provided in item (iii) of that paragraph is to be calculated based on the book value as of the date of calculation; provided, however, that when the book value of the assets exceeds the amount of the assets assessed as of the date of calculation or the book value of the liabilities is below the amount of the liabilities assessed as of the date of calculation, the calculation is to be based on the relevant assessed amount.

(Provisions to be Applied Mutatis Mutandis)

Article 125 The provisions of Articles 14 through 21 and Articles 23 through 26 apply mutatis mutandis to the case of engaging in the specified prepaid transactions in the course of trade. In this case, the term "Article 16, paragraph (2) of the Act (including cases where applied mutatis mutandis pursuant to Article 18, paragraph (2) and Article 22, paragraph (3) of the Act)" in Article 14 is deemed to be replaced with "Article 35-3-62 of the Act; and Article 16, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 18, paragraph (2) and Article 22, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 17, paragraph (2) of the Act (including cases where applied mutatis mutandis pursuant to Article 18, paragraph (2), Article 18-3, paragraph (5), Article 22, paragraph (3), and Article 22-2, paragraph (3) of the Act)" in Article 15 and Article 16, paragraph (1) is deemed to be replaced with "Article 35-3-62 of the Act; and Article 17, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 18, paragraph (2), Article 18-3, paragraph (5), Article 22, paragraph (3), and Article 22-2, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 18-4, paragraph (1) and Article 22, paragraph (2) of the Act" in Article 17 is deemed to be replaced with "Article 18-4, paragraph (1) and Article 22, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 18-5, paragraph (3) of the Act" in Article 18, paragraph (1) is

deemed to be replaced with "Article 18-5, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 18-5, paragraph (5) of the Act" in paragraph (2) of the relevant Article is deemed to be replaced with "Article 18-5, paragraph (5) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 18-6, paragraph (2) of the Act" in Article 19, paragraph (1) and paragraph (2) is deemed to be replaced with "Article 18-6, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 12, paragraph (2), item (iv)" in paragraph (2), item (i) of the relevant Article is deemed to be replaced with "Article 122, paragraph (2), item (iv)"; the term "Article 19, paragraph (1) of the Act" in Article 20, paragraph (1) is deemed to be replaced with "Article 19, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 19, paragraph (2) of the Act" in paragraph (2) of the relevant Article is deemed to be replaced with "Article 19, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 12, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 19, paragraph (4) of the Act" in paragraph (3) of the relevant Article is deemed to be replaced with "Article 12, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 19, paragraph (4) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 19, paragraph (1) of the Act" in item (i) of the relevant paragraph is deemed to be replaced with "Article 19, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 12, paragraph (2), item (iv)" in (b) of the relevant item is deemed to be replaced with "Article 122, paragraph (2), item (iv)"; the term "Article 15, paragraph (1), item (viii) of the Act" in (b) of the relevant item is deemed to be replaced with "Article 15, paragraph (1), item (viii) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 19, paragraph (2) of the Act" in item (ii) of the relevant paragraph is deemed to be replaced with "Article 19, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "terms of the contract for prepaid installment sales" in item (ii) of the relevant paragraph is deemed to be replaced with "terms of the contract for specified prepaid transactions"; the term "Article 19-2 of the Act" in Article 21, paragraph (1) and paragraph (3) is deemed to be replaced with "Article 19-2 of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "name of the goods" in paragraph (3), item (iii) of the relevant Article is deemed to be replaced with "type or the scope of the goods or the designated services regarding the contract"; the term "the charge for the goods" in item (iv) of the relevant paragraph is deemed to be replaced with "the charge for the goods or the value of the designated services"; the term "Article

20-2, paragraph (2) of the Act" in Article 23 is deemed to be replaced with "Article 20-2, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 20-4, paragraph (2) of the Act" in Article 24 is deemed to be replaced with "Article 20-4, paragraph (2) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; the term "Article 24 of the Act (including cases where applied mutatis mutandis pursuant to Article 26 of the Act)" in Article 25 is deemed to be replaced with "Article 35-3-62 of the Act; and Article 24 of the Act as applied mutatis mutandis pursuant to Article 26 of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act"; and the term "Article 26, paragraph (1) of the Act" in Article 26 is deemed to be replaced with "Article 26, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 35-3-62 of the Act."

## **Chapter V Designated Entrusted Institutions**

(Application for Designation)

Article 126 (1) A written application as stated in Article 35-4, paragraph (2) of the Act is to be prepared in accordance with Form 23.

(2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-4, paragraph (3) of the Act are as follows:

(i) a certificate of the registered matters;

(ii) the record on the financial condition prepared in accordance with Form 2 as of a certain day within one month before the day of submitting the written application for designation, the record on the income and expenditure for the business year immediately before the day of submitting the written application for designation prepared in accordance with Form 3, and the balance sheets (including related notes), profit and loss statements (including related notes), and statements of changes in net assets (including related notes) for the last two business years immediately before the day of submitting the written application for designation (regarding a corporation whose business term is six months, for the last four business terms);

(iii) curricula vitae of officers;

(iv) a document to pledge that the person does not fall under any of the provisions of Article 35-5, items (v) through (vii) of the Act.

(3) The provisions of Article 12, paragraph (3) apply mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-4, paragraph (4) of the Act.

(Persons Specified by Order of the Ministry of Economy, Trade and Industry Specified in Article 35-5, Item (vii), (a))

Article 126-2 A person specified by an Order of the Ministry of Economy, Trade and Industry specified in Article 35-5, item (vii), (a) of the Act is to be a person that is unable to adequately carry out the cognition, decision making, and communication necessary for properly performing the services under entrustment due to impairment of mental functions.

(Statement of Business Methods)

Article 127 (1) The statement of business methods stated in Article 35-4, paragraph (3) of the Act must contain the following matters:

- (i) the scope of the purpose of the services under entrustment;
  - (ii) the limit of the entrustment;
  - (iii) the limit of the entrustment per entrusting party under the contract on the entrustment of business deposit for prepaid services (simply referred to below as a "entrusting party");
  - (iv) the matters concerning the method of concluding the contract on the entrustment of business deposit for prepaid services (referred to below as the "contract on the entrustment of business deposit");
  - (v) the matters concerning the commission;
  - (vi) the matters concerning the standards for refusing to conclude the contract on the entrustment of business deposit;
  - (vii) the matters concerning the method of investigating the status of the business and financial condition of the entrusting party;
  - (viii) the matters concerning the method of asset management;
  - (ix) other necessary matters concerning the operation of the business.
- (2) The documented business plan stated in Article 35-4, paragraph (3) of the Act must contain plans for services under entrustment by major entrusting party, income and expenditure plans, and financial plans for the coming three business years (regarding a corporation whose business term is six months, for the coming six business terms) after being designated.

(Standards for the Terms of a Contract on the Entrustment of Business Deposit for Prepaid Services)

Article 128 The standards specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-5, item (iv) of the Act are as follows:

- (i) there are to be columns to indicate the following matters:
  - (a) the name and address of the entrusted party under the contract on the entrustment of business deposit (simply referred to below as the "entrusted party");
  - (b) the name and address of the entrusting party;
  - (c) the contract number;
  - (d) the date of the contract;

- (e) the amount of the entrustment based on the contract on the entrustment of business deposit;
- (f) the amount of the commission;
- (g) contract term;

(ii) the matters stated in the left-hand column of the following table are indicated and the details of those matters must be in accordance with the standards specified respectively in the right-hand column of the relevant table:

Matters to be indicated	Standards
(i) matters concerning the obligation of deposit	causes and details of the obligation of deposit must be in accordance with the provisions of Article 18-3, paragraph (3) of the Act (including cases where applied mutatis mutandis pursuant to Article 35-3-62 of the Act)
(ii) matters concerning the preservation of claims accruing from the performance of the obligation of deposit	it is to be provided that the entrusted party may have the entrusting party provide security when the entrusted party finds it necessary for preserving claims that accrue from the performance of the obligation of deposit
(iii) matters concerning the obligation of the entrusting party to give a notice	it is to be provided that in cases where any fact that may have a significant impact on the operation of the entrusting party's business occurs, the entrusting party should give a notice to that effect to the entrusted party without delay
(iv) matters concerning investigation	it is to be provided that the entrusted party may investigate the status of the entrusting party's business and property or have the entrusting party make a report on it when the entrusted party finds it necessary for performing the entrusted business

(iii) the following matters are not to be indicated:

- (a) agreement that in cases where the entrusted party has deposited a business deposit for prepaid services based on the contract on the entrustment of business deposit, the entrusted party is to waive the right to reimbursement from the entrusting party;
- (b) beyond matters listed in (a), any other agreement that may significantly hinder the sound performance of the services under entrustment.



(Notification of Change)

- Article 129 (1) Notification under Article 35-6 of the Act must be made by submitting a written notification prepared in accordance with Form 9.
- (2) The written notification under the preceding paragraph must be attached with the following document:
- (i) when the notification of change is for the trade name, the name or location of the head office or other business offices, the amount of the stated capital, the names or addresses of officers, or the articles of incorporation, a document certifying the relevant change;
  - (ii) when the notification of change refers to an officer that has newly taken office, the curriculum vitae of the relevant officer, and a document as listed in Article 126, paragraph (2), item (iv) (limited to a document regarding Article 35-5, item (vii) of the Act).

(Notification of Discontinuation)

Article 130 Notification under Article 35-7, paragraph (1) of the Act must be made by submitting a written notification prepared in accordance with Form 24.

(Submission of Documented Business Plan)

- Article 131 (1) The documented business plan stated in Article 35-8, paragraph (1) of the Act must contain plans for services under entrustment, income and expenditure plans, and financial plans for each major entrusting party.
- (2) Notification under Article 35-8, paragraph (2) of the Act must be made by submitting a written notification prepared in accordance with Form 25.
- (3) A business report under Article 35-8, paragraph (3) of the Act is to be prepared in accordance with Form 26.

## **Chapter VI Proper Management of Credit Card Numbers**

### **Section 1 Proper Management of Credit Card Numbers, etc.**

(Proper Management of Credit Card Numbers)

- Article 132 The standards specified by Order of Ministry of Economy, Trade and Industry stated in Article 35-16, paragraph (1) of the Act are as follows:
- (i) necessary and appropriate measures are to be taken to prevent leakage and loss of or damage to credit card numbers, etc. and other accidents relating to the management of credit card numbers etc. (referred to below as "accident such as leakage");
  - (ii) when an accident such as leakage has occurred or is suspected of having occurred at a business that handles credit card numbers, etc., the circumstances of the accident are to be immediately ascertained, measures

are to be taken to prevent expansion of the accident, and an investigation necessary to determine the cause of the accident (including identification of the credit card numbers, etc. involved in the accident) is to be conducted promptly according to the circumstances of the accident;

- (iii) when an accident such as leakage has occurred or is suspected of having occurred at a business that handles credit card numbers, etc. or an entrusted business that handles credit card numbers, etc., the credit card, etc. purchase intermediary that granted credit card numbers, etc. involved in the accident to the users id to take measures necessary to prevent a person other than users from purchasing goods or rights from the specified seller or from being provided with services by the specified service provider by notifying the seller or service provider of the relevant credit card numbers, etc.;
- (iv) when any accident such as leakage has occurred or is suspected of having occurred at a business that handles credit card number, etc., the relevant business that handles credit card number, etc. is to take necessary measures to prevent any similar accident such as leakage from occurring again;
- (v) credit card numbers, etc. are not to be handled in a manner that impedes the sound development of transactions regarding the intermediation of credit card purchases or that fails to protect the interests of users or purchasers, etc.

#### (Persons that Handle Large Volumes of Credit Card Numbers)

Article 132-2 A person specified by an Order of the Ministry of Economy, Trade and Industry in Article 35-16, paragraph (1), item (vii) of the Act is to be a person engaged in the business of providing credit card numbers, etc. to the specified broker for third-party payment (including provision to such broker for third-party payment via a person other than the broker for third-party payment) on behalf of the specified seller affiliated with the intermediation of credit card purchases or service provider affiliated with the intermediation of credit card purchases.

#### (Standards for Necessary Guidance and other Measures to an Entrusted Business That Handles Credit Card Number, etc.)

Article 133 (1) The standards specified by Order of Ministry of Economy, Trade and Industry stated in Article 35-16, paragraph (3) of the Act is as specified in the following paragraph through paragraph (6).

- (2) A business that handles credit card number, etc. must take necessary measures in advance to cause an entrusted business that handles credit card number, etc. to take the following measures:
  - (i) when any accident such as leakage has occurred or is suspected of having at an entrusted business that handles credit card number, etc., the

- circumstances of the accident are to be immediately ascertained, the business that handles credit card number, etc. is to be notified of the situation, and measures are to be taken to prevent expansion of the accident;
- (ii) when any accident such as leakage has occurred or is suspected of having occurred at an entrusted business that handles credit card number, etc., an investigation necessary to determine the cause of the accident (including identification of the credit card numbers, etc. involved in the accident) is to be conducted promptly according to the circumstances of the accident and notification of the results of the investigation is to be provided to the relevant business that handles credit card number, etc.;
  - (iii) when an accident such as leakage has occurred or is suspected of having occurred at an entrusted business that handles credit card number, etc., measures necessary to prevent any similar accident such as leakage from occurring again;
  - (iv) beyond the matters listed in the preceding items, measures necessary for appropriate management of credit card numbers, etc.
- (3) When any accident such as leakage has occurred or is suspected of having occurred at an entrusted business that handles credit card number, etc., the business that handles credit card number, etc. must provide guidance to the entrusted business that handles credit card number, etc. to immediately ascertain circumstances of the accident, notify the business that handles credit card number, etc. of the situation, and take measures to prevent expansion of the accident.
- (4) When any accident such as leakage has occurred or is suspected of having occurred at an entrusted business that handles credit card number, etc., the business that handles credit card number, etc. must provide guidance to the entrusted business credit card number, etc. to investigate promptly in order to determine the cause of the accident (including identification of the credit card numbers, etc. involved in the accident) according to the circumstances of the accident and provide notification of the results of the investigation to the relevant business that handles credit card number, etc..
- (5) A business that handles credit card number, etc. must provide guidance to an entrusted business that handles credit card number, etc. that caused an accident such as leakage or is suspected of causing an accident such as leakage to take necessary measures to prevent any similar accident such as leakage from occurring again.
- (6) A business that handles credit card number, etc. must provide guidance and take other necessary measures to an entrusted business that handles credit card number, etc. to ensure that credit card numbers, etc. are to be properly handled by the entrusted business that handles credit card number, etc..

## **Section 2 Contract for Handling Credit Card Number, etc.**

(Application for Registration)

Article 133-2 (1) A written application as stated in Article 35-17-3, paragraph (1) of the Act is to be prepared in accordance with Form 26-2.

(2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-17-3, paragraph (2) of the Act are as follows:

(i) curricula vitae of officers;

(ii) the list of names of shareholders or members, and the list of names of shareholders or members of the parent company, or any alternative documents;

(iii) internal rules, etc. (meaning rules prepared by the business that has a contract for handling credit card numbers, etc. to be complied with by the business that has a contract for handling credit card numbers, etc. or its officers, employees, or other workers or other comparable rules; the same applies the following Article) regarding the business relating to the conclusion of a contract for handling credit card numbers, etc., and investigations pursuant to the provisions of Article 35-17-8, paragraph (1) or paragraph (3) of the Act;

(iv) an organization chart concerning business regarding the conclusion of a contract for handling credit card numbers, etc. and investigations pursuant to the provisions of Article 35-17-8, paragraph (1) or paragraph (3) of the Act;

(v) a document to pledge that the person does not fall under any of the provisions of Article 35-17-5 paragraph (1), items (iii) through (viii) of the Act.

(3) The provisions of Article 12, paragraph (3) apply mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-17-3, paragraph (3) of the Act.

(Systems Necessary to Ensure the Proper Implementation of Operations, etc. Relating to the Conclusion of Contracts for Handling Credit Card Numbers, etc.)

Article 133-3 (1) The systems specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-17-5, paragraph (1), item (viii) of the Act are as follows:

(i) when business regarding the conclusion of contracts for handling credit card numbers, etc. or investigations pursuant to the provisions of Article 35-17-8, paragraph (1) or paragraph (3) of the Act is entrusted to a third party, systems necessary to ensure proper implementation of the measures listed below:

(a) measures for entrusting the business to a person that has the ability to

- perform the relevant business or investigations properly;
- (b) measures for carrying out necessary and appropriate supervision over the person that has been entrusted with the relevant business or investigations (referred to below as the "entrusted party" in this item), such as through inspecting whether or not the entrusted party is performing the relevant business or investigations properly by confirming, regularly or as necessary, the status of the entrusted party's performance of the relevant business or investigations, and through having them make the required improvements;
  - (c) measures for preventing any hindrance to the protection of the interests of users or purchasers, etc. regarding the relevant business or investigations, such as through entrusting the relevant business or investigations to another third party promptly in the event that the entrusted party cannot perform the relevant business or investigations properly;
  - (d) measures for taking necessary measures such as changing or canceling the contract for the entrustment of the relevant business or investigations in cases where the entrusted party does not perform the relevant business or investigations properly and it is necessary for proper management of the credit card numbers, etc. relating to the relevant business or investigations.
- (ii) sufficient internal rules, etc. so as to secure the proper performance of business regarding the conclusion of contracts for handling credit card numbers, etc. and investigations pursuant to the provisions of Article 35-17-8, paragraph (1) or paragraph (3) of the Act;
  - (iii) a system necessary for complying with the provisions of the Act, orders based on the provisions of the Act, or internal rules, etc.;
- (2) The internal rules, etc. specified in item (ii) of the preceding paragraph must clearly provide for the system of responsibility relating to business regarding conclusion of contracts for handling credit card numbers, etc. or investigations pursuant to the provisions of Article 35-17-8, paragraph (1) or paragraph (3) of the Act.

(Notification of Change)

- Article 133-4 (1) Notification under Article 35-17-6, paragraph (1) of the Act must be made by submitting a written notification prepared in accordance with Form 26-3.
- (2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-17-3, paragraph (2) of the Act as applied *mutatis mutandis* pursuant to Article 35-17-6, paragraph (3) of the Act are as follows:
- (i) a document certifying the matters regarding the change;
  - (ii) when the change refers to an officer that has newly taken office, the

curriculum vitae of the relevant officer, and a document as listed in Article 133-2, paragraph (2), item (v) (limited to a document regarding Article 35-17-5, paragraph (1), item (v) of the Act).

- (3) The provisions of Article 12, paragraph (3) apply mutatis mutandis to the electronic or magnetic records specified by Order of the Ministry of Economy, Trade and Industry prescribed in Article 35-17-3, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 35-17-6, paragraph (3) of the Act.

(Investigation, etc. into a Business That Has a Contract for Handling Credit Card Numbers, etc.)

Article 133-5 The matters specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-17-8, paragraph (1) of the Act are as follows:

- (i) basic matters concerning sellers or service providers that intend to conclude a contract for handling credit card numbers, etc. (referred to below as an "applicant merchant") or a seller affiliated with the intermediation of credit card, etc. purchase or a service provider affiliated with the intermediation of credit card, etc. purchase that has concluded a contract for handling credit card numbers, etc. (referred to below as a "merchant");
- (ii) matters concerning the goods or rights that the applicant merchant intends to sell or the services that the applicant merchant intends to provide by a sales method regarding the intermediation of credit card, etc. purchase or the goods or rights that the merchant intends to sell or the services that the merchant intends to provide by a sales method regarding the intermediation of credit card, etc. purchase;
- (iii) matters concerning the measures prescribed in Article 35-16, paragraph (1) and paragraph (3) and Article 35-17-15 of the Act that the applicant merchant intends to take or that the merchant takes;
- (iv) the existence and details of any acts falling under any of the items of Article 35-3-7 of the Act performed by the applicant merchant or merchant in relation to a contract for the sale of goods or rights or a contract for the provision of services by a sales method regarding the intermediation of credit card, etc. purchase;
- (v) matters relating to the status of development of systems necessary to prevent the acts listed in the preceding item in relation to a contract under which an applicant merchant or merchant sells goods or rights or provides services by a sales method regarding the intermediation of credit card, etc. purchase;
- (vi) the status of complaints relating to acts that failed to protect the interests of users or purchasers, etc. in relation to business regarding the intermediation of credit card, etc. purchase by an applicant merchant or merchant;

- (vii) matters concerning the status of systems necessary for preventing the applicant merchant or merchant from engaging in the acts listed in the preceding item (excluding acts falling under item (iv)) in relation to a contract for the sale of goods or rights or a contract for the provision of services by a sales method regarding the intermediation of credit card, etc. purchase and systems necessary for appropriately and promptly processing complaints relating to business of the intermediation of credit card, etc. purchase of the relevant applicant merchant or merchant;
- (viii) beyond the matters listed in the preceding items, matters necessary and appropriate to ensure appropriate management, etc. of credit card numbers, etc. by applicant merchants and merchants.

Article 133-6 (1) An investigation under Article 35-17-8, paragraph (1) of the Act into the matters specified in the items of the preceding Article may be carried out as specified in the following paragraph through paragraph (9); provided, however, that regarding investigation of the matters specified in item (vi) and item (vii) of the preceding Article, the investigation may be conducted as specified in the following items according to the categories of the cases listed in the following items.

- (i) in cases where, in light of the results of the investigation under the following paragraph and paragraph (3) and other circumstances, there is a low risk that the applicant merchant will perform an act that fails to protect the interests of users or purchasers etc. in relation to a contract for the sale of goods or rights or a contract to provide services by a sales method regarding the intermediation of credit card, etc. purchase: the investigations under paragraph (7) and paragraph (8) are to be omitted or are to be conducted using a simpler method from among the investigation methods specified in paragraph (7) and paragraph (8);
  - (ii) in cases where it is deemed that an investigation using advanced technology or means will ensure the same level of effectiveness as an investigation under paragraph (7) regarding the degree of risk that the applicant merchant will perform an act that fails to protect the interests of users or purchasers etc. in relation to a contract for the sale of goods or rights or a contract to provide services by a sales method regarding the intermediation of credit card, etc. purchase: the relevant investigation is to be performed in lieu of the investigation under paragraph (7).
- (2) The matters specified in item (i) of the preceding Article must be the matters including the following:
- (i) the types of transactions conducted by the applicant merchant;
  - (ii) the name, date of birth, address, and telephone number of the applicant merchant (in the case of a corporation, the name, address, telephone number,

and corporate number and the name and date of birth of the corporate representative).

- (3) Concerning the matters specified in item (ii) of the preceding Article, an investigation must be conducted regarding the indication of the types of goods or of rights to be sold or services to be provided by the applicant merchant by a sales method regarding the intermediation of credit card, etc. purchase.
- (4) Concerning the matters specified in item (iii) of the preceding Article, an investigation must be conducted to determine whether the measures prescribed in Article 35-16, paragraph (1) and paragraph (3) and Article 35-17-15 of the Act that the Applicant Merchant intends to take conform to the standards prescribed in each item of Article 132, Article 133, paragraph (2) through paragraph (6), or each item of Article 133-14.
- (5) Concerning the matters specified in item (iv) of the preceding Article, an investigation must be conducted to ascertain the existence or absence of dispositions under the Act on Specified Commercial Transactions during the five years preceding the date of the investigation, the details thereof, and other matters by confirming reports from the applicant merchant or complaints received from users or purchasers, etc. or by any other appropriate method.
- (6) Concerning the matters specified in item (v) of the preceding Article, in the case where, as a result of the investigation under the preceding paragraph, it is clear that there was a disposition under the Act on Specified Commercial Transactions or an act falling under any item of Article 35-3-7 of the Act occurred during the five years preceding the date of the investigation, an investigation must be conducted by necessary and appropriate methods.
- (7) Concerning the matters specified in item (vi) of the preceding Article, an investigation must be conducted by confirming reports from the applicant merchant and complaints received from users or purchasers, etc., confirming information in the possession of a certified installment sales association, obtaining information by using the Internet, or by any other appropriate method.
- (8) Concerning the matters specified in item (vii) of the preceding Article, in the case where, as a result of the investigation under the preceding paragraph and in light of the status of occurrence of complaints relating to acts failing to protect the interests of users or purchasers, etc. concerning business regarding the intermediation of credit card, etc. purchase by the applicant merchant and the status of occurrence of complaints relating to acts failing to protect the interests of users or purchasers, etc. by merchant other than the applicant merchant (referred to below in this paragraph as the "other merchants") in relation to business regarding the intermediation of credit card, etc. purchase, the relevant applicant merchant is deemed to be substantially lacking in the protection of the interests of users or purchasers etc. compared to other



merchants, an investigation must be conducted by necessary and appropriate methods.

- (9) Concerning the matters specified in item (viii) of the preceding Article, an investigation must be conducted by necessary and appropriate methods to ensure proper management of credit card numbers, etc. by the applicant merchant.

Article 133-7 (1) Periodic investigations of the matters specified in Article 133-5, item (iii), item (vi), and item (viii) pursuant to the provisions of Article 35-17-8, paragraph (3) of the Act must be conducted in an appropriate frequency as provided in the following paragraph through paragraph (4); provided, however, that continuous monitoring of the status of transactions, etc. regarding contracts for the sale of goods or rights or the provision of services by a sales method regarding the intermediation of credit card, etc. purchase by merchants or taking other equivalent or greater measures may be performed in lieu of those investigations.

- (2) Concerning the matters specified in Article 133-5, item (iii), an investigation must be conducted to determine whether the measures specified in Article 35-16, paragraph (1) and paragraph (3) and Article 35-17-15 of the Act taken by a merchant conform to the standards prescribed in each item of Article 132, Article 133, paragraph (2) through paragraph (6), or each item of Article 133-14.

- (3) Concerning the matters specified in Article 133-5, item (vi), an investigation must be conducted with appropriate frequency and by appropriate method in light of the status of occurrence of complaints relating to acts that fail to protect the interests of users or purchasers, etc. in relation to business regarding the intermediation of credit card, etc. purchase by the relevant merchant known to the business that has a contract for handling credit card numbers, etc.. In this case, appropriate method means confirmation of information in the possession of a certified installment sales association or other methods according to the status of the occurrence of those complaints.

- (4) The matters specified in Article 133-5, item (viii) must include matters regarding occurrence of accident such as leakage and unauthorized use of credit card numbers, etc. (referred to below as "unauthorized use") by users or purchasers, etc. at merchants, and the frequency and method of investigation is to be appropriate according to the degree of risk of occurrence of accidents such as leakage and unauthorized use in light of information known to the business that has a contract for credit card numbers, etc.. In this case, appropriate method means confirmation of information in the possession of a certified installment sales association or other methods according to the degree of the risk.

Article 133-8 Concerning matters specified in Article 133-5, item (i), item (ii), and item (iv) through item (viii) pursuant to the provisions of Article 35-17-8, paragraph (3) of the Act, the matters specified in the following items must be investigated according to the categories of the cases listed in the following items.

- (i) in the case where a change occurred to the matters listed in Article 133-5, item (i) and item (ii) in light of a report from a merchant, confirmation of a complaint received from a user or purchaser, etc., confirmation of information in the possession of a certified installment sales association, acquisition of information using the internet, or learned by any other appropriate method: the matter concerning which a change occurred;
- (ii) in the case where a merchant is found to have performed an act that falls under any of the items of Article 35-3-7 of the Act in relation to a contract for the sale of goods or rights or a contract to provide services by a sales method regarding the intermediation of credit card, etc. purchase based on the information obtained through an investigation of the details of a complaint received from a user (including a complaint received via a credit card, etc. purchase intermediary) or by any other method: the following matters;
  - (a) matters specified in Article 133-5, item (iv);
  - (b) matters specified in Article 133-5, item (v);
  - (c) matters specified in Article 133-5, item (vii) (limited to matters regarding the status of the systems necessary for appropriately and promptly processing complaints concerning the intermediation of credit card, etc. purchase);
- (iii) in the case where, based on the information obtained through an investigation of the details of a complaint received from a user or purchaser, etc. (including a complaint received via a credit card, etc. purchase intermediary) or by any other method, and in light of the status of occurrence of complaints relating to acts failing to protect the interests of users or purchasers, etc. (excluding complaints concerning which the details of the complaint are attributable to an act specified in the preceding item; the same applies below in this item) in relation to business regarding the intermediation of credit card, etc. purchase by the merchant and the status of occurrence of complaints relating to acts failing to protect the interests of users or purchasers, etc. by merchants other than the relevant merchant (referred to below in this item as the "other merchants") in relation to business regarding the intermediation of credit card, etc. purchase, the relevant merchant is deemed to be lacking in the protection of the interests of users or purchasers etc. compared to other merchants: the following matters;

- (a) the details of the acts that failed to protect the interests of users or purchasers, etc. in relation to business regarding the intermediation of credit card, etc. purchase by the relevant merchant;
- (b) matters specified in Article 133-5, item (vii);
- (iv) in the case where, in light of the matters learned through communications with the merchant or by other method, it is recognized that an accident such as leakage by the relevant merchant occurred or is suspected of having occurred: the following matters;
  - (a) the results of the investigation conducted by the relevant merchant concerning the accident pursuant to Article 132, item (ii); and
  - (b) matters necessary to take the appropriate measures listed in item (i) and item (ii) of the following Article.
- (v) in the case where, based on information obtained through communication from a credit card, etc. purchase intermediary or by other method and in light of the status of occurrence of unauthorized use at the merchant and other circumstances, it is recognized that hindrances to the prevention of unauthorized use by the merchant have occurred or are likely to occur: the following matters.
  - (a) details of the relevant unauthorized use;
  - (b) the status of implementation of the measures specified in Article 133-14, item (i) taken by the merchant to prevent the unauthorized use;
  - (c) matters necessary to take the appropriate measures listed in item (i) and item (iii) of the following Article.
- (vi) beyond the matters listed in the preceding items, in the case where appropriate management of credit card numbers, etc. by the merchant is hindered or likely to be hindered: the matters necessary to take any of the appropriate measures listed in item (i) through item (iii) of the following Article.

Article 133-9 A business that has a contract for handling credit card numbers, etc. must take the measures stated below pursuant to Article 35-17-8, paragraph (4) of the Act.

- (i) if it is recognized that the measures specified in Article 35-16, paragraph (1) or paragraph (3) or Article 35-17-15 of the Act taken by a merchant do not comfort to, or likely not comfort to the standards prescribed in each item of Article 132, Article 133, paragraph (2) to paragraph (6), or each item of Article 133-14, instruct the merchant to take measures comforting to those standards within a reasonable period;
- (ii) if an accident such as leakage has occurred or is suspected of having occurred at the merchant, to instruct the merchant to take measures necessary to prevent any similar accident such as leakage from occurring

- again;
- (iii) based on the conditions of occurrence of unauthorized use at the merchant, to instruct the merchant to take measures necessary to prevent any similar unauthorized use from occurring again;
  - (iv) if the merchant does not follow the guidance specified in the preceding three items or if the measures taken by the merchant specified in Article 35-16, paragraph (1) or paragraph (3) or Article 35-17-15 of the Act are not expected to conform to the standards prescribed in each item of Article 132, Article 133, paragraph (2) through paragraph (6), or each item of Article 133-14, to cancel the contract for handling credit card number, etc. with the merchant;
  - (v) if notice of the details of a complaint from a comprehensive credit purchase intermediary is received pursuant to the provisions of Article 60, item (ii) and an investigation is conducted pursuant to the provisions of item (ii) or item (iii) of the preceding Article because the complaint falls under either of those items, to provide information relating to the investigation to the comprehensive credit purchase intermediary as necessary.

Article 133-10 (1) When an investigation of the matters listed in each item of Article 133-5 is conducted as an investigation under Article 35-17-8, paragraph (1) of the Act pursuant to the provisions of Article 35-17-8, paragraph (5) of the Act and a contract for handling credit card number, etc. is concluded, records of the matters stated below must be prepared in writing or by electronic or magnetic means, and in the case of the matters listed in item (i) and item (ii), the records must be retained until the completion of preparation of records relating to the first investigation under Article 35-17-8, paragraph (3) of the Act conducted after the investigation for each of the matters listed in Article 133-5 (in the case of termination of the contract for handling credit card number, etc. with the merchant that is the subject of the investigation, for five years from the date of the termination), and in the case of the matters listed in item (iii), the record must be retained for five years from the day of termination of the contract for handling credit card number, etc. with the relevant merchant.

- (i) the date of the investigation;
  - (ii) the results of the investigation (in cases where there are any documents or other data obtained in relation to the relevant investigation, including the relevant data; the same applies in the following paragraph.);
  - (iii) the date of conclusion of the contract for handling credit card number, etc. with the merchant that is the subject of the investigation.
- (2) When an investigation is conducted pursuant to the provisions of Article 133-7 as an investigation under Article 35-17-8, paragraph (3) of the Act pursuant

to the provisions of Article 35-17-8, paragraph (5) of the Act, records of the matters stated in each of the following items must be prepared in writing or by electronic or magnetic means, and the records of each matter must be retained until the completion of preparation of records relating to the first investigation conducted after the investigation (in the case of termination of the contract for handling credit card number, etc. with the merchant that is the subject of the investigation, for five years from the date of the termination).

(i) the date of the investigation;

(ii) the results of the investigation (in cases where measures were taken pursuant to the provisions of Article 35-17-8, paragraph (4) of the Act based on the results of the investigation, including the details of those measures).

(3) When an investigation is conducted pursuant to the provisions of Article 133-8, item (i) as an investigation under Article 35-17-8, paragraph (3) of the Act pursuant to the provisions of Article 35-17-8, paragraph (5) of the Act, written records or electronic or magnetic records of any matters listed in Article 133-5, item (i) or item (ii) that changed must be prepared and must be retained until the completion of preparation of new records (in the case of termination of the contract for handling credit card number, etc. with the merchant that is the subject of the investigation, for five years from the date of such termination).

(4) When an investigation is conducted pursuant to the provisions of Article 133-8, item (ii) to item (vi) as an investigation under Article 35-17-8, paragraph (3) of the Act pursuant to the provisions of Article 35-17-8, paragraph (5) of the Act, records of the matters stated in each item of paragraph (2) must be prepared in writing or by electronic or magnetic means and retained for five years after their preparation.

#### (Measures Concerning Operation of Business)

Article 133-11 When a business that has a contract for handling credit card numbers entrusts the safety management of information on credit card number, etc. that it handles, the supervision of workers, and the handling of the relevant information, pursuant to the provisions of Article 35-17-9 of the Act, it must take necessary and appropriate measures for supervising the entrusted party so as to prevent the leakage or loss of or damage to the relevant information.

#### (Public Notice of Disposition)

Article 133-12 A public notice under Article 35-17-13 of the Act is to be issued by publishing it in the Official Gazette.

#### (Notification of Discontinuation)

Article 133-13 Notification under Article 35-17-14 of the Act must be made by

submitting a written notification prepared in accordance with Form 13.

(Prevention of Unauthorized Use of Credit Card Numbers)

Article 133-14 The standards specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-17-15 of the Act are as follows:

- (i) when notification of a credit card number, etc. is received, necessary and appropriate measures are to be taken to prevent unauthorized use including appropriate confirmation that the notification is from the user who received the credit card number, etc. from the credit card purchase intermediary; and
- (ii) if Unauthorized Use occurs at a Merchant, measures necessary to prevent similar Unauthorized Use are taken based on the circumstances of occurrence.

## **Chapter VII Certified Installment Sales Association**

(Application for Certification of Certified Installment Sales Association)

Article 134 (1) A written application as stated in Article 35-18 of the Act is to be prepared in accordance with Form 27.

(2) The documents specified by Order of the Ministry of Economy, Trade and Industry stated in Article 31, paragraph (2) of the Order are as follows:

- (i) operational rules and other regulations;
- (ii) the inventory of property as of the most recent business year (regarding a corporation that has been established in the business year containing the day of filing the application, as of the time of the establishment) or any other document showing that the association has a financial basis;
- (iii) curricula vitae of officers.

(Information Regarding a Seller, etc. Affiliated with the Intermediation of Comprehensive Credit Purchase or a Seller, etc. Affiliated with the Intermediation of Individual Credit Purchases That is Necessary for Protecting the Interests of Users, etc. and Information Necessary for Appropriate Management of Credit Card Numbers, etc.)

Article 135 (1) The information specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-20, paragraph (1) of the Act is to be the following information:

- (i) in cases where it is recognized that the details of the complaint received from a user were caused by the act of a seller affiliated with the intermediation of comprehensive credit purchases, etc. specified in Article 35-20, paragraph (1) of the Act (referred to below in this paragraph as a "seller, etc. for the intermediation of comprehensive credit purchases") that failed to protect the interests of users in relation to the business regarding

- the intermediation of comprehensive credit purchases, the details of the complaint;
- (ii) in cases where notification is provided pursuant to the provisions of Article 60, item (ii), the facts of the notification.
  - (iii) in cases where an investigation under Article 77, paragraph (1), item (ii) or item (iii), or Article 94, item (ii) has been carried out, the facts and the grounds for the relevant investigation;
  - (iv) in cases where the contract for the intermediation of individual credit purchases that was concluded with the seller, etc. affiliated with the intermediation of individual credit purchases as prescribed in Article 35-20, paragraph (1) of the Act (referred to below as a "seller, etc. affiliated with the intermediation of individual credit purchases" in this paragraph) has been cancelled on the grounds that the relevant seller, etc. affiliated with the intermediation of individual credit purchases has conducted any acts which fail to protect the interests of purchasers, etc. about the business regarding the intermediation of individual credit purchases, the facts and the grounds for the relevant cancellation;
  - (v) the name, date of birth, address, and telephone number of the seller, etc. affiliated with the intermediation of comprehensive credit purchases (limited to a seller or service provider that has entered into a contract for the intermediation of comprehensive credit purchases with a comprehensive credit purchase intermediary that is a member) or seller, etc. affiliated with the intermediation of individual credit purchases (in the case of a corporation, the name, address, telephone number, and corporate number and the name and date of birth of the corporate representative) regarding the information listed in the preceding items.
- (2) The information specified by Order of the Ministry of Economy, Trade and Industry stated in Article 35-20, paragraph (2) of the Act is to be the following information:
- (i) in cases where an investigation under Article 133-8, items (ii) through (vi) has been carried out, the facts and the grounds for the relevant investigation;
  - (ii) if measures have been taken pursuant to the provisions of Article 133-9, item (i), item (ii), item (iii), or item (iv), the facts of those measures and the reasons for taking them;
  - (iii) the name, date of birth, address, and telephone number of the seller or service provider regarding the information listed in the preceding two items or the seller affiliated with the intermediation of credit card, etc. purchase or the service provider affiliated with credit card, etc. purchase specified in Article 35-20, paragraph (2) of the Act (in the case of a corporation, the name, address, telephone number, and corporate number and the name and date of

birth of the corporate representative.

## **Chapter VIII Miscellaneous Provisions**

(Collection of Reports)

Article 136 The person listed in column 1 of the following table must submit the documents listed in column 2 of the relevant table to the person listed in column 4 of the relevant table by the time limit listed in column 3 of the relevant table:

Person who is to submit documents	Documents to be submitted	Time limit	Person to whom documents are to be submitted
-----------------------------------	---------------------------	------------	--



<p>(i) a licensed installment seller or person who has obtained a license as specified in Article 35-3-61 of the Act</p>	<p>the report on the property and the income and expenditure prepared in accordance with Form 28 as of the final day of the business year, and the balance sheets (including related notes; the same applies below), profit and loss statements (including related notes; the same applies below), and statements of changes in net assets (including related notes; the same applies below) for the business year, (in the case where there is a person specified by the Ministry of Economy, Trade and Industry as having a close relationship with the licensed installment seller or a person who obtained a license specified in Article 35-3-61 of the Act, including the balance sheet, profit and loss statements, and statement of changes in net assets for the person's most recent business year), or any alternative documents</p>	<p>after the end of each business year, without delay</p>	<p>to the Minister of Economy, Trade and Industry via the Director of the Regional Bureau of Economy, Trade and Industry who has jurisdiction over the location of the principal office</p>
--	---	---	---

	the report on the status of Reservation Advances Received and the number of contracts for prepaid installment sales or contracts for specified prepaid transactions during the period from April to September and from October to March, which is prepared in accordance with Form 29	within 50 days from the final day of the final month in each term, every year	
(ii) a registered comprehensive credit purchase intermediary, registered individual comprehensive small amount credit purchase intermediary or registered individual credit purchase intermediary	the record on the property prepared in accordance with Form 2 as of the final day of the business year, and the balance sheet, profit and loss statements, and statements of changes in net assets, or any alternative documents, and business report for the business year	after the end of each business year, without delay	in the case of a registered comprehensive credit purchase intermediary or registered individual credit purchase intermediary, to the Director of the Regional Bureau of Economy, Trade and Industry who has jurisdiction over the location of the principal office in the case of a registered comprehensive small amount credit purchase intermediary, to the Minister of Economy, Trade and Industry

(iii) a designated entrusted institution (excluding those whose business term is six months or shorter)	the summary report on the property prepared in accordance with Form 30 as of the day on which six months have passed from the final day of each business year	within 50 days from the day on which six months have passed from the final day of each business year	to the Minister of Economy, Trade and Industry
(iv) a designated entrusted institution	the report on the status of the conclusion of the contract on the entrustment of business deposit as of the day on which 50 days have passed from the day following the base date, which is prepared in accordance with Form 31	within 30 days from the day on which 50 days have passed from the day following the base date	to the Minister of Economy, Trade and Industry
(v) a business that has a contract for handling credit card number, etc.	the business report	after the end of each business year, without delay	to the Director of the Regional Bureau of Economy, Trade and Industry who has jurisdiction over the location of the principal office

(vi) a certified installment sales association	the inventory of property as of the end of the previous business year, the settlements of accounts for the previous business year and income and expenditure budget for the relevant business year, and the business report for the previous business year and documented business plan for the relevant business year	within three months after the elapse of each business year	to the Minister of Economy, Trade and Industry
--	--	--	--

(Certificate to Identify the Status of Officials)

Article 137 The certificate to identify the status of the officials prescribed in Article 41, paragraph (7) of the Act is to be prepared in accordance with Form 32.

(Hearing of Opinions)

Article 138 (1) A hearing of opinions under Article 42, paragraph (1) of the Act or Article 44, paragraph (1) of the Act is held at an open hearing presided over by the Minister of Economy, Trade and Industry or an official appointed by the Minister or the Director of the Regional Bureau of Economy, Trade and Industry or an official appointed by the Director.

(2) When the Minister of Economy, Trade and Industry or the Director of the Regional Bureau of Economy, Trade and Industry intends to hold an open hearing, the Minister or the Director must notify the person raising an objection or the requestor for review and any other participants of the case name, the date and place of the open hearing, and the summary of the case, and give a public notice of those up to 20 days before the date of the open hearing.

(3) A person that intends to attend the open hearing to state opinions as an interested person (excluding a participant) must submit a document containing the following matters to the Minister of Economy, Trade and Industry or the Director of the Regional Bureau of Economy, Trade and Industry up to ten days before the date of the open hearing:

(i) the name and address;

- (ii) prima-facie evidence showing that the person has any interest in the case;
  - (iii) an outline of the opinions.
- (4) The Minister of Economy, Trade and Industry or the Director of the Regional Bureau of Economy, Trade and Industry is to designate persons that may attend the open hearing to state opinions from among persons that have submitted the document pursuant to the provisions of the preceding paragraph, and notify the persons the Minister or Director has designated of this by three days before the date of the open hearing.
- (5) At the open hearing, no person other than the person raising an objection or the requestor for review, participants, persons designated as prescribed in the preceding paragraph, or their agents may be allowed to state opinions.
- (6) Agents of the person raising an objection, or the requestor for review, participants, or persons designated as prescribed in paragraph (4) must submit a document certifying their capacity to representation to the chairperson.
- (7) When a person that attends the open hearing to state opinions makes statements beyond the scope of the case, or when a person that attends the open hearing disturbs the order of the hearing or acts in a disturbing manner, the chairperson may prohibit the person from making statements or may order the person to leave.
- (8) The chairperson may postpone or continue an open hearing, if the chairperson finds this to be necessary. In this case, the chairperson must decide on the date and place of the next open hearing, notify the person raising an objection or the requestor for review, participants, or persons designated as prescribed in paragraph (4) of this, and give a public notice of this.
- (9) The chairperson must prepare a record for the open hearing that contains the following matters and affix their signature and seal to the record:
- (i) the title of the case;
  - (ii) the date and place of the open hearing;
  - (iii) the title and name of the chairperson;
  - (iv) the names and addresses of the person raising an objection or the requestor for review, and participants, or their agents that attended the open hearing;
  - (v) the names and addresses of the persons designated as prescribed in paragraph (4) or their agents that attended the open hearing;
  - (vi) the names of any other attendants;
  - (vii) arguments or statements, or a summary of those;
  - (viii) the details of the presented evidence;
  - (ix) any other major matters concerning the developments of the open hearing.
- (x) The person raising an objection or the requestor for review, or their agents may inspect the record prescribed in the preceding paragraph. The same applies to participants, persons designated as prescribed in paragraph (4), any other persons that have submitted written prima-facie evidence showing

that they have any interest in the case, and their agents.

(Hearings)

Article 139 A notice under Article 15, paragraph (1) of the Administrative Procedure Act must be given up to 21 days before the date of the hearing.

(Route, etc. of Documents)

Article 140 The following application, notification, and report must be made via the Director of the Regional Bureau of Economy, Trade and Industry that has jurisdiction over the location of the principal office of the person that makes the relevant application, notification, or report; provided, however, that this does not apply to cases where the relevant application, notification and report is made pursuant to the provisions of Article 6, paragraph (1) of the Use of Information and Communications Technology Act

- (i) an application for a license as stated in Article 12 of the Act (including cases where applied mutatis mutandis pursuant to Article 35-3-62 of the Act);
- (ii) a notification of succession as stated in Article 18-6, paragraph (2) of the Act (including cases where applied mutatis mutandis pursuant to Article 35-3-62 of the Act);
- (iii) a notification of change as stated in Article 19, paragraph (1) and paragraph (2) of the Act (including cases where applied mutatis mutandis pursuant to Article 35-3-62 of the Act);
- (iv) a notification of discontinuation as stated in Article 26 of the Act (including cases where applied mutatis mutandis pursuant to Article 35-3-62 of the Act).

Article 141 The report by the prefectural governor stated in Article 35, paragraph (4) of the Order must be made via the Director of the Regional Bureau of Economy, Trade and Industry that has jurisdiction over the areas of the relevant prefecture.

(Methods Prescribed by Order of the Ministry of Economy, Trade and Industry or Cabinet Office Order Specified in Item (ii) of Appended Table 1-2 and Item (ii) of Appended Table 1-3 of the Order)

Article 142 The methods prescribed by Order of the Ministry of Economy, Trade and Industry or Cabinet Office Order specified in item (ii) of Appended Table 1-2 and item (ii) of Appended Table 1-3 of the Order are to be as stated in the following items for the respective treatments listed in those items.

- (i) hair removal: irradiation by light or the flow of electricity through a needle;
- (ii) removal of acne, spots, freckles, moles, tattoos, and other items on the skin or skin revitalization: irradiation by light or sound waves, use of drugs, or

- stimulation using equipment;
- (iii) reduction of the symptoms of wrinkles or sagging skin: use of drugs or insertion of thread;
- (iv) reduction of fat: irradiation by light or sound waves, use of drugs, or stimulation using equipment;
- (v) teeth whitening: application of whitening agent to the teeth.

### **Supplementary Provisions**

This Ministerial Order comes into effect on the day of enforcement of the Act (December 1, 1961).

### **Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 95 of August 10, 1968]**

- (1) This Ministerial Order comes into effect on August 25, 1968.
- (2) The Order on the Installment Sales Council (Order of the Ministry of International Trade and Industry No. 51 of 1961) is repealed.

### **Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 137 of December 14, 1972]**

- (1) This Ministerial Order comes into effect on March 15, 1973; provided, however, that the provisions amending the Table of Contents of the Regulation for Enforcement of the Installment Sales Act (limited to the part regarding Chapter II-2) and the provisions amending to add one Chapter after Article 15 of the relevant Regulation comes into effect on December 15, 1972.
- (2) Concerning a person that is deemed to have obtained a license under Article 29-5 of the Installment Sales Act after the amendment, pursuant to the provisions of Article 7, paragraph (1) of the Supplementary Provisions of the Act Partially Amending the Installment Sales Act (Act No. 72 of 1972) (including cases where the relevant person has obtained a license continuously under Article 29-5 of the Installment Sales Act after the amendment), the term "80 percent" in Article 12-8, paragraph (2) of the Regulation for Enforcement of the Installment Sales Act after the amendment is deemed to be replaced as specified in the right-hand column of the following table, for the period listed respectively in the left-hand column of the relevant table:

from March 15, 1973 to March 31, 1974	40 percent
from April 1, 1974 to March 31, 1975	50 percent

from April 1, 1975 to March 31, 1976	60 percent
from April 1, 1976 to March 31, 1977	70 percent

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 67 of July 25, 1973] [Extract]**

(Effective Date)

- (1) This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 16 of February 22, 1974]**

This Ministerial Order comes into effect on March 15, 1974.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 67 of October 5, 1976]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 7 of February 27, 1979]**

- (1) This Ministerial Order comes into effect on the date of promulgation.  
(2) Prior laws continue to govern the applicability regarding the submission of a report to be prepared on January 31, 1979 under Article 24, paragraph (2) and paragraph (5) before the amendment, and a report of January of the relevant year under paragraph (3) of the relevant Article.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 21 of April 13, 1981]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 32 of June 16, 1983]**

- (1) This Ministerial Order comes into effect on the date of promulgation.  
(2) Concerning a person that has obtained approval under Article 8, paragraph (1) of the Regulation for Enforcement of the Installment Sales Act before the amendment (including cases where applied mutatis mutandis pursuant to Article 12-9), before the enforcement of this Ministerial Order, it is deemed



that a notification under Article 8, paragraph (1) of the Regulation for Enforcement of the Installment Sales Act after the amendment (including cases where applied mutatis mutandis pursuant to Article 12-9) has been made.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 82 of November 17, 1984]**

This Ministerial Order comes into effect on December 1, 1984.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 13 of March 28, 1987]**

This Ministerial Order comes into effect on April 1, 1987.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 66 of December 14, 1990]**

This Ministerial Order comes into effect on March 31, 1991.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 77 of December 21, 1991]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 14 of March 30, 1992]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 47 of May 27, 1994]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 66 of September 30, 1994]**

This Ministerial Order comes into effect on the day of enforcement of the Administrative Procedure Act (October 1, 1994).

**Supplementary Provisions [Order of the Ministry of International Trade**

**and Industry No. 34 of April 5, 1995]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 34 of March 30, 1998] [Extract]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on April 1, 1998.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 95 of October 22, 1999]**

This Ministerial Order comes into effect on the day of enforcement of the Act Partially Amending the Act on Door-to-Door Sales, etc. and the Installment Sales Act (Act No. 34 of 1999) (October 22, 1999).

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 27 of March 2, 2000]**

This Ministerial Order comes into effect on April 1, 2000; provided, however, that the provisions amending Form 7 and Form 21 come into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 59 of March 31, 2000]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on April 1, 2000.

(Transitional Measures)

Article 2 Concerning bonds issued by a company that has filed an application for the commencement of composition under the Composition Act (Act No. 72 of 1922) before the enforcement of this Ministerial Order, the provisions then in force will remain applicable.

**Supplementary Provisions [Order of the Ministry of International Trade and Industry No. 260 of October 31, 2000]**

This Ministerial Order comes into effect on January 6, 2001.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and  
Industry No. 3 of January 6, 2001]**

(Effective Date)

- (1) This Order on the Central Government Reform Task Force (referred to as the "Task Force Order" in the following paragraph and paragraph (3)) comes into effect on the day of enforcement of the Act Partially Amending the Cabinet Act (Act No. 88 of 1999) (January 6, 2001); provided, however, that the provisions of paragraph (3) of the Supplementary Provisions come into effect on the date of promulgation.

(Effect of this Task Force Order)

- (2) This Task Force Order is to become the Order on the Development of Orders Related to Organizations of the Ministry of Economy, Trade and Industry for Central Government Reform (Order of the Ministry of Economy, Trade and Industry No. 3 of 2001) on the day of enforcement of this.

(Transitional Measures upon Partially Amending the Regulation for  
Enforcement of the Measurement Act)

- (3) The term of office of persons that are in the position of the president, members, and expert advisors of the previous Measurement Administration Council as of the day preceding the day of enforcement of this Task Force Order expires on the relevant day, notwithstanding the provisions of Article 105 and Article 109, paragraph (3) of the Regulation for Enforcement of the Measurement Act before the amendment by the provisions of Article 6.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and  
Industry No. 14 of March 2, 2001]**

(Effective Date)

- (1) This Ministerial Order comes into effect on April 1, 2001.

(Transitional Measures)

- (2) Concerning a person that has obtained a license under Article 35-3-2 of the Installment Sales Act as of the time of enforcement of this Ministerial Order, the provisions of Article 14-3, paragraph (3), item (vi) of the Regulation for Enforcement of the Installment Sales Act after the amendment do not apply up to the day on which six months have passed from the day of enforcement of this Ministerial Order.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and**

**Industry No. 39 of March 26, 2001]**

This Ministerial Order comes into effect on the day of enforcement of the Act on the Development of Related Acts for Utilizing Information and Communications Technology Concerning Delivery of Documents, etc. (April 1, 2001).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 145 of April 18, 2001]**

This Ministerial Order comes into effect on June 1, 2001.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 29 of March 7, 2002]**

This Ministerial Order comes into effect on March 11, 2002.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 66 of March 29, 2002] [Extract]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on April 1, 2002.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 1 of January 6, 2003]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 9 of February 3, 2003]**

This Ministerial Order comes into effect on the day of enforcement of the Act on Use of Information and Communications Technology in Administrative Procedure (February 3, 2003).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 17 of March 7, 2003]**

This Ministerial Order comes into effect on the date of promulgation; provided, however, that the provisions to amend the term "the Corporate Reorganization Act (Act No. 172 of 1952)" in Article 4, item (ii) to "the Corporate Reorganization

Act (Act No. 154 of 2002)" come into effect on April 1, 2003.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 30 of March 28, 2003]**

This Ministerial Order comes into effect on April 1, 2003.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 43 of March 31, 2003] [Extract]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 46 of March 31, 2003]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 88 of August 27, 2004]**

This Ministerial Order comes into effect on November 11, 2004.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 121 of December 24, 2004]**

This Ministerial Order comes into effect on January 1, 2005.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 14 of March 4, 2005]**

This Ministerial Order comes into effect on the day of enforcement of the Real Property Registration Act (March 7, 2005).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 46 of March 30, 2005]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on April 1, 2005.

(Transitional Measures)

Article 2 For the time being, prior laws continue to govern the maintenance and

preservation of books by a person that has obtained a license under Article 11 and Article 35-3-2 of the Installment Sales Act before the enforcement of this Ministerial Order.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 8 of February 20, 2006]**

This Ministerial Order comes into effect on March 1, 2006.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 39 of March 31, 2006]**

This Ministerial Order comes into effect on April 1, 2006.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 63 of April 28, 2006] [Extract]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on the day of enforcement of the Companies Act (May 1, 2006).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 66 of September 28, 2007] [Extract]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on the day of enforcement of the Act Partially Amending the Securities and Exchange Act (September 30, 2007).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 91 of December 26, 2008]**

This Ministerial Order comes into effect on the day of enforcement of the Act Partially Amending the Act on Book-Entry Transfer of Company Bonds, etc. for Streamlining Settlement of Transactions of Shares, etc.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 37 of June 26, 2009] [Extract]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on the day of enforcement of

the Act Partially Amending the Act on Specified Commercial Transactions and the Installment Sales Act (referred to below as the "Amendment Act"); provided, however, that the provisions of Article 2 come into effect on the day of enforcement of the provisions listed in Article 1, item (iii) of the Supplementary Provisions of the Amendment Act.

(Transitional Measures)

Article 2 With the consent already obtained, as of the time of enforcement of this Ministerial Order, on calculating the annual income of a person falling under a person listed in Article 40, paragraph (2), item (ii) of the Regulation for Enforcement of the Installment Sales Act after the amendment under Article 1 (referred to below as the "New Ministerial Order") and that of a person falling under a relative as prescribed in Article 40, paragraph (2), item (ii) of the New Ministerial Order, from the relevant person falling under the relative, pursuant to the provisions of the relevant paragraph; or such consent obtained on totaling the balance of deposits or savings of a person falling under a person as listed in paragraph (3), item (ii) of the relevant Article and that of a person falling under a relative as prescribed in the relevant item, from the relevant person falling under the relative, pursuant to the provisions of the relevant paragraph, is deemed to be the consent obtained on totaling the annual income of a person as listed in paragraph (2), item (ii) of the relevant Article and that of the relative prescribed in the relevant item, from the relevant relative, pursuant to the provisions of the relevant paragraph; and the consent obtained on totaling the balance of deposits or savings of a person as listed in paragraph (3), item (ii) of the relevant Article and that of the relative prescribed in the relevant item, from the relevant relative, pursuant to the provisions of the relevant paragraph, respectively.

Article 3 With the consent already obtained, as of the time of enforcement of this Ministerial Order, on calculating the annual income of a person falling under a person as listed in Article 40, paragraph (2), item (iii) of the New Ministerial Order and that of a person falling under the relevant person's spouse, from the relevant person falling under the spouse, pursuant to the provisions of the relevant paragraph; or such consent obtained on totaling the balance of deposits or savings of a person falling under a person as listed in paragraph (3), item (iii) of the relevant Article and that of a person falling under the relevant person's spouse, from the relevant person falling under the spouse, pursuant to the provisions of the relevant paragraph, is deemed to be the consent obtained on totaling the annual income of a person as listed in paragraph (2), item (iii) of the relevant Article and that of the relevant person's spouse, from the relevant spouse, pursuant to the provisions of the relevant paragraph; and the

consent obtained on totaling the balance of deposits or savings of a person as listed in paragraph (3), item (iii) of the relevant Article and that of the relevant person's spouse, from the relevant spouse, pursuant to the provisions of the relevant paragraph, respectively.

- Article 4 (1) If a person falling under a comprehensive credit purchase intermediary has given a public notice of the following matters in the Official Gazette and has notified the following matters to known persons falling under users, purchasers, or service recipients, before the enforcement of the Amendment Act, and when the relevant persons falling under users, purchasers, or service recipients have not filed an objection to the matters listed in item (i) within a certain period of time as prescribed in item (ii), it is deemed that they have given the consent under Article 4-2 of the Installment Sales Act after the amendment under Article 3 of the Amendment Act (referred to below as the "New Act") as applied mutatis mutandis, by replacing terms, pursuant to Article 30-6 of the New Act (limited to the consent regarding the matters to be indicated in the documents prescribed in Article 30-2-3, paragraphs (1) through (3) of the New Act (excluding the matters to be indicated in the documents prescribed in Article 30-2, paragraphs (1) through (3) of the Installment Sales Act before the amendment under Article 3 of the Amendment Act (referred to below as the "Former Act"))):
- (i) to the effect that the matters to be indicated in the documents prescribed in Article 30-2-3, paragraphs (1) through (3) of the New Act (excluding the matters to be indicated in the documents prescribed in Article 30-2, paragraphs (1) through (3) of the Former Act) are to be provided by the electronic or magnetic means prescribed in Article 4-2 of the New Act as applied mutatis mutandis, by replacing terms, pursuant to Article 30-6 of the New Act (referred to below as "electronic or magnetic means");
  - (ii) to the effect that if there is any objection to the matters listed in the preceding item, the objection is to be filed within a certain period of time.
- (2) The period stated in item (ii) of the preceding paragraph must not be less than one month.

Article 5 (1) If a person falling under a seller affiliated with the intermediation of comprehensive credit purchases or a service provider affiliated with the intermediation of comprehensive credit purchases has given a public notice of the following matters in the Official Gazette and has notified the following matters to known persons falling under users, purchasers, or service recipients, before the enforcement of the Amendment Act, and when the relevant persons falling under users, purchasers, or service recipients have not filed an objection to the matters listed in item (i) within a certain period of time as prescribed in



item (ii), it is deemed that they have given the consent under Article 4-2 of the New Act as applied mutatis mutandis, by replacing terms, pursuant to Article 30-6 of the New Act (limited to the consent regarding the matters to be indicated in the documents prescribed in Article 30-2-3, paragraph (4) of the New Act (excluding the matters to be indicated in the documents prescribed in Article 30-2, paragraph (4) of the Former Act)):

- (i) to the effect that the matters to be indicated in the documents prescribed in Article 30-2-3, paragraph (4) of the New Act (excluding the matters to be indicated in the documents prescribed in Article 30-2, paragraph (4) of the Former Act) are to be provided by electronic or magnetic means;
  - (ii) to the effect that if there is any objection to the matters listed in the preceding item, the objection is to be filed within a certain period of time.
- (2) The period stated in item (ii) of the preceding paragraph must not be less than one month.

Article 6 During six months from the day of enforcement of the Amendment Act, the term "meaning a registered individual credit purchase intermediary" in Article 104, paragraph (1) of the New Ministerial Order is deemed to be replaced with "meaning a registered individual credit purchase intermediary and individual credit purchase intermediary that has submitted a written application as stated in Article 35-3-24, paragraph (1) of the Act (excluding an individual credit purchase intermediary whose application for registration has been granted or refused as stated in Article 35-3-24, paragraph (1) of the Act)."

Article 7 If a person, that concluded a specified credit information service contract with a comprehensive credit purchase intermediary or an individual credit purchase intermediary and engages in the business of specified credit information services, etc., has been designated as stated in Article 35-3-36, paragraph (1) of the New Act, the comprehensive credit purchase intermediary or the individual credit purchase intermediary may decide not to provide the relevant person that engages in the business of specified credit information services, etc. with the matters listed in Article 118, paragraph (1), items (v) through (vii) of the New Ministerial Order and paragraph (2), item (ii), (d) and (e) of the relevant Article that pertain to a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases or a contract providing the receipt of monies subject to the intermediation of individual credit purchases concluded before the designation stated in Article 35-3-36, paragraph (1) of the New Act, notwithstanding the provisions of Article 35-3-56, paragraph (1) of the New Act; provided, however, that in this case, a participating comprehensive credit purchase intermediary or a participating individual credit purchase intermediary must endeavor to obtain

the relevant matters, and when it has obtained the relevant matters, it must provide the relevant matters to the participating designated credit bureau, without delay.

Article 8 If a person, that concluded a specified credit information service contract with a comprehensive credit purchase intermediary, and engages in the business of specified credit information services, etc., has concluded, after having been designated as stated in Article 35-3-36, paragraph (1) of the New Act, a contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases with a purchaser or a service recipient to which a card, etc. was granted or delivered prior to the designation under the relevant paragraph, the comprehensive credit purchase intermediary may decide not to provide the participating designated credit bureau with the matters listed in Article 118, paragraph (1), items (v) to (vii) of the New Ministerial Order, notwithstanding the provisions of Article 35-3-56, paragraph (2) of the New Act; provided, however, that in this case, a participating comprehensive credit purchase intermediary shall endeavor to obtain the relevant matters, and when it has obtained the relevant matters, it must provide the relevant matters to the participating designated credit bureau, without delay.

Article 9 The provisions of Article 118, paragraph (2), item (i), (a) and item (ii), (a) of the New Ministerial Order do not apply to a participating comprehensive credit purchase intermediary and a participating individual credit purchase intermediary that do not provide the participating designated credit bureau with the amount that purchasers, etc. are supposed to pay in one year, up to the day of enforcement of the provisions listed in Article 1, item (iii) of the Supplementary Provisions of the Amendment Act.

Article 10 The provisions of Article 35-3-57, paragraph (2) of the New Act do not apply in cases where a participating comprehensive credit purchase intermediary intends to obtain the consent listed in the items of Article 35-3-57, paragraph (2) of the New Act comprehensively from purchasers, etc., in writing or in electronic or magnetic means, pursuant to the provisions of Article 119, paragraph (2) of the New Ministerial Order, and where the contract providing the receipt of monies subject to the intermediation of comprehensive credit purchases, for which the participating comprehensive credit purchase intermediary intends to obtain the consent of the purchasers, etc., has been concluded with the purchasers, etc. to which the participating comprehensive credit purchase intermediary has granted or delivered a card, etc. before the time listed as follows:

- (i) when the person that concluded the specified credit information service contract with the comprehensive credit purchase intermediary, and engages in the business of specified credit information services, etc., was designated as stated in Article 35-3-36, paragraph (1) of the New Act;
- (ii) when the comprehensive credit purchase intermediary concluded the specified credit information service contract with the designated credit bureau.

Article 11 Measures taken under Article 133, paragraph (1) of the New Ministerial Order before the enforcement of this Ministerial Order are deemed to be measures taken under the relevant paragraph.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 51 of August 31, 2009]**

This Ministerial Order comes into effect on the date of promulgation.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 27 of March 30, 2012]**

This Ministerial Order comes into effect on the day of enforcement of the Act Partially Amending the Civil Code and Related Acts (April 1, 2012).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 50 of July 6, 2012]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on the day of enforcement (July 9, 2012) of the Act Partially Amending the Immigration Control and Refugee Recognition Act and Special Act on the Immigration Control of, Inter Alia, Those Who Have Lost Japanese Nationality Pursuant to the Treaty of Peace with Japan (referred to below as the "Amendment Act"); provided, however, that the revised provisions of Article 118, paragraph (1) of this Order (excluding the provisions revising "driver's license number" to "number of a driver's license, etc. (meaning a driver's license or driver's record certificate; the same applies below in this item)", revising "driver's license" to "driver's license etc.", and revising "the relevant driver's license" to "the relevant driver's license etc." within the revised item (vi) of the relevant paragraph and the provisions revising "or alien registration card" to ", residence card, or special permanent resident's certificate" in item (vii) of the relevant paragraph) comes into effect on April 1, 2013.

(Transitional Measures Concerning Driver's Record Certificates)

Article 2 Prior laws continue to govern an application of the provisions of Article 118, paragraph (1), item (vi) of the Regulation for Enforcement of the Installment Sales Act revised by this Ministerial Order (referred to below as the "New Regulation") to driver's record certificates issued before April 1, 2012.

(Transitional Measures Concerning Alien Registration Certificates)

Article 3 (1) Concerning application of the provisions of Article 118, paragraph (1), item (vii) of the New Regulation, an alien registration card held by a medium- to long-term resident is deemed a residence card, and an alien registration card held by special permanent resident is deemed a special permanent resident's certificate.

(2) The period during which an alien registration card is deemed a residence card pursuant to the provisions of the preceding paragraph is to be the period specified in each item of Article 15, paragraph (2) of the Supplementary Provisions of the Revised Act, and the period during which an alien registration card is deemed a special permanent resident's certificate is to be the period specified in each item of Article 28, paragraph (2) of the Supplementary Provisions of the Revised Act.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 88 of August 2, 2016]**

This Ministerial Order comes into effect on the day of enforcement of the Order for Partially Amending the Regulation for Enforcement of the Act on Prevention of Transfer of Criminal Proceeds (October 1, 2016).

**Supplementary Provisions [December 1, 2017, Cabinet Office Order and Order of the Ministry of Economy, Trade and Industry No. 2]**

(Effective Date)

Article 1 (1) This Order comes into effect on the day of enforcement of the Act Partially Amending the Installment Sales Act (Act No. 99 of 2016); provided, however, that the provisions revising Article 142 come into effect on the day of enforcement of the Act Partially Amending the Act on Specified Commercial Transactions (Act No. 60 of 2016) (December 1, 2017).

(Day of Enforcement of the Act Partially Amending the Installment Sales Act (Act No. 99 of 2016), i.e., June 1, 2018).

(Transitional Measures)

Article 2 The provisions of Article 136, paragraph (1) and Form 28 of the Regulation for Enforcement of the Installment Sales Act revised by this Order apply to documents submitted for fiscal years ending on or after the enforcement date of this Order, and the provisions then in force apply to documents submitted for fiscal years ending before that date.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 68 of November 30, 2018]**

This Ministerial Order comes into effect on the date of promulgation; provided, however, that the provisions in table (2) come into effect on April 1, 2020.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 17 of July 1, 2019]**

This Ministerial Order comes into effect on the day of enforcement of the Act Partially Amending the Unfair Competition Prevention Act, etc. (July 1, 2019).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 36 of September 11, 2019]**

This Ministerial Order comes into effect on the day of enforcement of the Act on the Establishment of Related Laws to Ensure the Appropriateness, etc. Measures Pertaining to Restrictions on the Rights of Adult Wards, etc. (September 14, 2019).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 49 of December 13, 2019]**

This Ministerial Order comes into effect on the day of enforcement of the Act Partially Amending the Act on the Use of Information and Communications Technology in Administrative Procedure, etc. for Improving the Convenience of Related Parties and Simplifying and Enhancing Efficiency of Administrative Operations through the Utilization of Information and Communications Technology.

**Supplementary Provisions [March 31, 2020, Cabinet Office Order and Order of the Ministry of Economy, Trade and Industry No. 2]**

This Order comes into effect on the day of enforcement of the Act Partially Amending the Civil Code (April 1, 2020).

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 81 of October 1, 2020]**

This Ministerial Order comes into effect on October 1, 2020.

**Supplementary Provisions [December 16, 2020, Cabinet Office Order and Order of the Ministry of Economy, Trade and Industry No. 6]**

This Order comes into effect on the date of enforcement of the Act Partially Amending the Installment Sales Act.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 92 of December 28, 2020]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on the day of promulgation.

(Transitional Measures)

Article 2 (1) Documents in formats before revision by this Ministerial Order (referred to in the following paragraph as the "previous format") existing at the time of the enforcement of this Ministerial Order (excluding Form No. 13 of the Ministerial Order on Transitional Measures for Enforcement of the Act Partially Amending the Electricity Business Act, etc. before revision by Article 92) are deemed to be forms revised by this Ministerial Order.

(2) Forms in the previous format existing at the time of enforcement of the Ministerial Order (excluding Form No. 13 of the Ministerial Order on Transitional Measures for Enforcement of the Act Partially Amending the Electricity Business Act, etc. before revision by Article 92) may be corrected and used for the time being.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 10 of March 1, 2021] [Extract]**

(Effective Date)

Article 1 This Ministerial Order comes into effect on the day of enforcement of the Act Partially Amending the Companies Act (March 1, 2021; referred to in the following Article as the "Enforcement Date").

**Supplementary Provisions [Order of the Ministry of Economy, Trade and Industry No. 61 of July 19, 2021]**

This Ministerial Order comes into effect on July 19, 2021.

**Supplementary Provisions [Order of the Ministry of Economy, Trade and  
Industry No. 36 of March 31, 2022]**

This Ministerial Order comes into effect on April 1, 2022.

Appended Table 1

(i) the calculation is to be made as follows:

$$R = F / (n \sum_{i=1}^n U_i \cdot T_i)$$

(a) in this formula, R, F, n, and  $T_i$  are to refer to the following values, respectively:

R: the rate of the installment fee (regarding loan-affiliated installment sales, the loan handling commission; and regarding the intermediation of comprehensive credit purchases or the intermediation of individual credit purchases, the fee for the intermediation of comprehensive credit purchases or the intermediation of individual credit purchases; the same applies below);

F: the total amount of the installment fee;

n: number of payments (regarding loan-affiliated installment sales, number of repayments);

$T_i$ : the period from the day on which the previous installment was paid (regarding loan-affiliated installment sales, the previous installment payment was made, and regarding the intermediation of comprehensive credit purchases or the intermediation of individual credit purchases, the previous payment was made; the same applies below) to the day preceding the day to pay the relevant installment, or the period from the day on which the contract was concluded to the day preceding the day to pay the first installment (such period is to be indicated by the year); provided, however, that regarding the period from the day on which the contract was concluded to the day preceding the day to pay the first installment, the period shorter than two months may be deemed to be one-twelfth of a year;

(b)  $U_i$  is either of the following values, and R is to be calculated by substituting the relevant value into the formula:

1. When i is one, the selling price in cash of the goods or rights or the price in cash for the provision of the services (in cases where an installment seller (regarding loan-affiliated installment sales, a loan-affiliated installment seller, and regarding the intermediation of comprehensive credit purchases or the intermediation of individual credit purchases, a seller affiliated with the intermediation of comprehensive credit purchases, a service provider affiliated with the intermediation of

comprehensive credit purchases, a seller affiliated with the intermediation of individual credit purchases, or a service provider affiliated with the intermediation of individual credit purchases; the same applies below) has received the initial deposit, initial payment, or application fee from purchasers, etc., the amount that remains after deducting those amounts);

2. When  $i$  is two or more, the values listed as follows:

$$U_i = U_{i-1} - \{P_{i-1} - (R \cdot U_{i-1} \cdot T_{i-1})\};$$

$P_i$  is the amount of each installment;

3. in cases where the amounts of the installments fall under the cases listed in Article 1, paragraph (2), item (ii), (b), Article 27, paragraph (1), item (iii), or Article 36, paragraph (5), item (ii), (b), the calculation may be made by deeming that all the installments are of the same amount, and in cases where the amounts of the installments fall under the cases listed in Article 1, paragraph (2), item (ii), (c), Article 27, paragraph (2), item (ii), (c), or Article 36, paragraph (5), item (ii), (c), the calculation may be made by deeming that all the installments, except for the installment for the specified month or the installment for the specified two months, are of the same amount;

(ii) using the formula stated in the preceding item, the calculation is to be made by substituting the value of  $U_i$  listed in (b) of the relevant item with either of the following values:

1. When  $i$  is one, the selling price in cash of the goods or rights or the price in cash for the provision of the services (in cases where an installment seller has received the initial deposit, initial payment, or application fee from purchasers, etc., the amount that remains after deducting those amounts);

2. When  $i$  is two or more, the amount of the principal as of the day preceding the day to pay an installment,

(iii) the calculation is to be made as follows:

$$R = r / T$$

in this formula,  $R$ ,  $r$  and  $T$  are to refer to the following values, respectively:

$R$ : the rate of the installment fee;

$r$ : the value obtained by dividing the amount of the installment fee to be paid at one time by the amount of principal as of the base date for calculating the relevant fee;

$T$ : the interval between the times to pay the payment money (the interval is to be indicated by the year).

Appended Table 2

Left-hand column	Middle column	Right-hand column
------------------	---------------	-------------------





	<p>cases where a user or a purchaser, etc. or their spouse owns a residence and has concluded a contract for a loan of funds necessary for constructing or purchasing the residence</p> <p>cases where a user or a purchaser, etc. or their spouse does not own a residence and pays rent for the residence</p>	1,770,000 yen
Three	<p>cases where a user or a purchaser, etc. or their spouse owns a residence and has not concluded any contract for a loan of funds necessary for constructing or purchasing the Residence</p> <p>cases where a user or a purchaser, etc. or their spouse does not own a residence and does not pay rent for the residence</p> <p>cases where a user or a purchaser, etc. or their spouse owns a residence and has concluded a contract for a loan of funds necessary for constructing or purchasing the residence</p> <p>cases where a user or a purchaser, etc. or their spouse does not own a residence and pays rent for the residence</p>	<p>1,690,000 yen</p> <p>2,090,000 yen</p>
Four or more	<p>cases where a user or a purchaser, etc. or their spouse owns a residence and has not concluded any contract for a loan of funds necessary for constructing or purchasing the Residence</p> <p>cases where a user or a purchaser, etc. or their spouse does not own a residence and does not pay rent for the residence</p>	2,000,000 yen

	<p>cases where a user or a purchaser, etc. or their spouse owns a residence and has concluded a contract for a loan of funds necessary for constructing or purchasing the residence</p> <p>cases where a user or a purchaser, etc. or theirhis/her spouse does not own a rResidence and pays rent for thesaid rResidence</p>	2,400,000 yen
--	--	---------------

Appended Table 3

category 1	<p>in Hokkaido, Kitami-shi, Abashiri-shi, Rumoi-shi, Wakkanai-shi, Bibai-shi, Ashibetsu-shi, Akabira-shi, Monbetsu-shi, Shibetsu-shi, Nayoro-shi, Mikasa-shi, Nemuro-shi, Takikawa-shi, Sunagawa-shi, Utashinai-shi, Fukagawa-shi, Furano-shi, Date-shi, Ishikari-shi, Hokuto-shi, Kameda-gun Nanae-cho, Yamakoshi-gun Oshamanbe-cho, Hiyama-gun Esashi-cho, Abuta-gun Kyogoku-cho, Abuta-gun Kutchan-cho, Iwanai-gun Iwanai-cho, Yoichi-gun Yoichi-cho, Sorachi-gun Naie-cho, Sorachi-gun Kamisunagawa-cho, Sorachi-gun Minamifurano-cho, Kamikawa-gun Takasu-cho, Kamikawa-gun Higashikagura-cho, Kamikawa-gun Kamikawa-cho, Kamikawa-gun Higashikawa-cho, Kamikawa-gun Shintoku-cho, Yuufutu-gun Shimukappu-cho, Yuufutu-gun Abira-cho, Nakagawa-gun Otoineppu-mura, Nakagawa-gun Nakagawa-cho, Nakagawa-gun Makubetsu-cho, Teshio-gun Teshio-cho, Teshio-gun Horonobe-cho, Soya-gun Sarufutsu-mura, Esashi-gun Hamatonbetsu-cho, Esashi-gun Esashi-cho, Abashiri-gun Mihoro-cho, Shari-gun Shari-cho, Shari-gun Kiyosato-cho, Monbetsu-gun Engaru-cho, Monbetsu-gun Takinoue-cho, Monbetsu-gun Okoppe-cho, Monbetsu-gun Nishiokoppe-cho, Monbetsu-gun Omu-cho, Saru-gun Hidaka-cho, Urakawa-gun Urakawa-cho, Kato-gun Otofuke-cho, Kasai-gun Memuro-cho, Kasai-gun Nakasatsunai-mura, Ashoro-gun Rikubetsu-cho, Kushiro-gun Kushiro-cho, Kawakami-gun Teshikaga-cho, Shibetsu-gun Nakashibetsu-cho, Shibetsu-gun Shibetsu-cho, Menashi-gun Rausu-cho, and Hidaka-gun Shinhidaka-cho; in Aomori prefecture, Hirosaki-shi, Hachinohe-shi, Kuroishi-shi, Goshogawara-shi, Towada-shi, Misawa-shi and Mutsu-shi; in Iwate prefecture, Miyako-shi, Oofunato-shi, Hanamaki-shi, Kitakami-shi, Kuji-shi, Tono-shi, Ichinoseki-shi, Rikuzentakata-shi, Kamaishi-shi, Ninohe-shi, Oshu-shi, and Iwate-gun Takizawa-mura; in Miyagi prefecture, Ishinomaki-shi, Kesennuma-shi, Shiroishi-shi, Kakuda-shi, Iwanuma-shi, Osaki-shi, Shibata-gun Ogawara-cho, Shibata-gun Shibata-cho, Miyagi-gun Shichigahama-cho, Miyagi-gun Rifu-cho, and Kurokawa-gun Tomiya-machi; in Akita prefecture, Noshiro-shi, Yokote-shi, Odate-shi, Oga-shi, Yuzawa-shi, Kazuno-shi, Yurihonjo-shi, and Daisen-shi; in Yamagata prefecture, Yonezawa-shi, Tsuruoka-shi, Sakata-shi, Shinjo-shi, Sagae-shi, Kaminoyama-shi, Murayama-shi, Nagai-shi, Tendo-shi, Higashine-shi, Obanazawa-shi, and Nanyo-shi; in Fukushima prefecture, Aizuwakamatsu-shi, Koriyama-shi, Iwaki-shi, Shirakawa-shi, Sukagawa-shi, Kitakata-shi, Soma-shi, Nihonmatsu-shi, and Minamisoma-shi; in Ibaraki prefecture, Ishioka-shi, Ryugasaki-shi, Hitachiota-shi, Takahagi-shi, Ushiku-shi, Tsukuba-shi, Hitachinaka-shi, Kashima-shi, Moriya-shi, Chikusei-shi, Naka-gun Tokai-mura, Inashiki-gun Miho-mura, and Kitasoma-gun Tone-machi; in Tochigi prefecture, Tochigi-shi, Sano-shi, Kanuma-shi, Nikko-shi, Oyama-shi, Mooka-shi, Otawara-shi, Yaita-shi, Nasushiobara-shi, Shimotsuke-shi, Kawachi-gun Kaminokawa-machi, and Shimotsuga-gun Mibu-machi; in Gunma prefecture, Isesaki-shi, Ota-shi, Numata-shi, Tatebayashi-shi, Sibukawa-shi, Fujioka-shi, Tomioka-shi, Annaka-shi, Agatsuma-gun Kusatsu-machi, Tone-gun Minakami-machi, and Oura-gun Oizumi-machi; in Saitama prefecture, Gyoda-shi, Chichibu-shi, Hanno-shi, Kazo-shi, Honjo-shi, Higashimatsuyama-shi, Hanyu-shi, Konosu-shi, Fukaya-shi, Kuki-shi, Kitamoto-shi, Hasuda-shi, Sakado-shi, Satte-shi, Tsurugashima-shi, Hidaka-shi, Yoshikawa-shi, Kitaadachi-gun Ina-machi, Iruma-gun Moroyama-machi, Iruma-gun Ogose-machi, Hiki-gun Ranzan-machi, Hiki-gun Ogawa-cho, Hiki-gun Hatoyama-machi, Minamisaitama-gun Miyashiro-machi, Minamisaitama-gun Shirooka-machi, Kitakatsushika-gun Kurihashi-machi, Kitakatsushika-gun Washimiya-machi, Kitakatsushika-gun Sugito-machi and Kitakatsushika-gun Matsubushi-machi; in Chiba prefecture, Choshi-shi,</p>
------------	--

category 2	<p>in Hokkaido, Ishikari-gun Tobetsu-cho, Ishikari-gun Shinshinotsu-mura, Matsumae-gun Fukushima-cho, Matsumae-gun Matsumae-cho, Kamiiso-gun Shiriuchi-cho, Kamiiso-gun Kikonai-cho, Kayabe-gun Shikabe-cho, Kayabe-gun Mori-machi, Futami-gun Yakumo-cho, Hiyama-gun Kaminokuni-cho, Hiyama-gun Assabu-cho, Nishi-gun Ootobe-cho, Kudo-gun Setana-cho, Okushiri-gun Okushiri-cho, Setana-gun Imakane-cho, Shimamaki-gun Shimamaki-mura, Suttsu-gun Suttsu-cho, Suttsu-gun Kuromatsunai-cho, Isoya-gun Rankoshi-cho, Abuta-gun Niseko-cho, Abuta-gun Makkari-mura, Abuta-gun Rusutsu-mura, Abuta-gun Kimobetsu-cho, Abuta-gun Toyoura-cho, Abuta-gun Toyako-cho, Iwanai-gun Kyowa-cho, Furuu-gun Tomari-mura, Furuu-gun Kamoenai-mura, Shakotan-gun Shakotan-cho, Furubira-gun Furubira-cho, Yoichi-gun Niki-cho, Yoichi-gun Akaigawa-mura, Sorachi-gun Nanporo-cho, Sorachi-gun Kamifurano-cho, Sorachi-gun Nakafurano-cho, Yubari-gun Yuni-cho, Yubari-gun Naganuma-cho, Yubari-gun Kuriyama-cho, Kabato-gun Tsukigata-cho, Kabato-gun Rausu-cho, Kabato-gun Shintotsukawa-cho, Uryu-gun Moseushi-cho, Uryu-gun Chippubetsu-cho, Uryu-gun Uryu-cho, Uryu-gun Hokuryu-cho, Uryu-gun Numata-cho, Uryu-gun Horokanai-cho, Kamikawa-gun Toma-cho, Kamikawa-gun Pippu-cho, Kamikawa-gun Aibetsu-cho, Kamikawa-gun Biei-cho, Kamikawa-gun Wassamu-cho, Kamikawa-gun Kenbuchi-cho, Kamikawa-gun Shimokawa-cho, Kamikawa-gun Shimizu-cho, Nakagawa-gun Bifuka-cho, Nakagawa-gun Ikeda-cho, Nakagawa-gun Toyokoro-cho, Nakagawa-gun Honbetsu-cho, Mashike-gun Mashike-cho, Rumoi-gun Obira-cho, Tomamae-gun Tomamae-cho, Tomamae-gun Haboro-cho, Tomamae-gun Shosanbetsu-mura, Teshio-gun Enbetsu-cho, Teshio-gun Toyotomi-cho, Esashi-gun Nakatonbetsu-cho, Rebun-gun Rebun-cho, Rishiri-gun Rishiri-cho, Rishiri-gun Rishirifuji-cho, Abashiri-gun Tsubetsu-cho, Abashiri-gun Ozora-cho, Shari-gun Koshimizu-cho, Tokoro-gun Kunneppu-cho, Tokoro-gun Oketo-cho, Tokoro-gun Saroma-cho, Monbetsu-cho Kamiyubetsu-cho, Monbetsu-cho Yubetsu-cho, Usu-gun Sobetsu-cho, Shiraoi-gun Shiraoi-cho, Yufutsu-gun Atsuma-cho, Yufutsu-gun Mukawa-cho, Saru-gun Biratori-cho, Niikappu-gun Niikappu-cho, Samani-gun Samani-cho, Horoizumi-gun Erimo-cho, Kato-gun Shihoro-cho, Kato-gun Kamishihoro-cho, Kato-gun Shikaoi-cho, Kasai-gun Sarabetsu-mura, Hiroo-gun Taiki-cho, Hiroo-gun Hiroo-cho, Ashoro-gun Ashoro-cho, Tokachi-gun Urahoro-cho, Akkeshi-gun Akkeshi-cho, Akkeshi-gun Hamanaka-cho, Kawakami-gun Shibeche-cho, Akan-gun Tsurui-mura, Shiranuka-gun Shiranuka-cho, and Notsuke-gun Betsukai-cho; in Aomori prefecture, Tsugaru-shi, Hirakawa-shi, Higashitsugaru-gun Hiranai-machi, Higashitsugaru-gun Imabetsu-shi, Higashitsugaru-gun Yomogita-mura, Higashitsugaru-gun Sotogahama-machi, Nishitsugaru-gun Ajigasawa-machi, Nishitsugaru-gun Fukaura-machi, Nakatsugaru-gun Nishimeya-mura, Minamitsugaru-gun Fujisaki-machi, Minamitsugaru-gun Owani-machi, Minamitsugaru-gun Inakadate-mura, Kitatsugaru-gun Itayanagi-machi, Kitatsugaru-gun Tsuruta-machi, Kitatsugaru-gun Nakadomari-machi, Kamikita-gun Noheji-machi, Kamikita-gun Shichinohe-machi, Kamikita-gun Rokunohe-machi, Kamikita-gun Yokohama-machi, Kamikita-gun Tohoku-machi, Kamikita-gun Rokkasho-mura, Kamikita-gun Oirase-cho, Shimokita-gun Oma-machi, Shimokita-gun Higashidori-mura, Shimokita-gun Kazamaura-mura, Shimokita-gun Sai-mura, Sannohe-gun Sannohe-machi, Sannohe-gun Gonohe-machi, Sannohe-gun Takko-machi, Sannohe-gun Nanbu-cho, Sannohe-gun Hashikami-cho, and Sannohe-gun Shingo-mura; in Iwate prefecture, Hachimantai-shi, Iwate-gun Shizukuishi-cho, Iwate-gun Kuzumaki-machi, Iwate-gun Iwate-machi, Shiwa-gun Shiwa-cho, Shiwa-gun Yahaba-cho, Waga-gun Nishiwaga-machi, Isawa-gun Kanegasaki-</p>
------------	--

un co ve re d ar ea s	Municipalities other than those categorized into category 1 or category 2
--	---

Form 1 (Re. Article 12)

Form 2 (Re. Articles 12, 63, 68-9, 99, 122, 126, and 136)

Form 3 (Re. Article 12, 122, and 126)

Form 4 (Re. Article 14)

Form 5 (Re. Article 17)

Form 6 (Re. Article 18)

Form 7 (Re. Article 18)

Form 8 (Re. Article 19)

Form 9 (Re. Article 20 and 129)

Form 10 (Re. Article 20)

Form 11 (Re. Article 21)

Form 12 (Re. Article 24)

Form 13 (Re. Article 26, 68-2, 68-17, 103, 125, and 133-13)

Form 13-2 (Re. Article 61)

Form 13-3 (Re. Article 62-2)

Form 13-4 (Re. Article 62-5)

Form 14 (Re. Article 63)

Form 15 (Re. Article 67)

Form 15-2 (Re. Article 68-8)

Form 15-3 (Re. Article 68-9)

Form 15-4 (Re. Article 68-14)

Form 15-5 (Re. Article 68-15)

Form 16 (Re. Article 99)

Form 17 (Re. Article 102)

Form 18 (Re. Article 106)

Form 19 (Re. Article 115)

Form 20 (Re. Article 116)

Form 21 (Re. Article 117)

Form 22 (Re. Article 122)

Form 23 (Re. Article 126)

Form 24 (Re. Article 130)

Form 25 (Re. Article 131)

Form 26 (Re. Article 131)

Form 26-2 (Re. Article 133-2)

Form 26-3 (Re. Article 133-4)

Form 27 (Re. Article 134)

Form 28 (Re. Article 136)

Form 29 (Re. Article 136)

Form 30 (Re. Article 136)

Form 31 (Re. Article 136)

Form 32 (Re. Article 137)

Appended formula

$$((\text{face value} - \text{issue value}) / \text{the number of years from the date of issuance to the date of redemption}) \times (\text{the number of years from the date of issuance to the date of deposit})$$

For calculation in accordance with this formula, if any fraction of less than one year arises regarding the number of years from the date of issuance and the date of redemption and the number of years from the date of issuance to the date of deposit, or if any fraction of less than one yen arises regarding the amount obtained by dividing the difference between face value and issue value by the number of years from the date of issuance to the date of redemption, that fraction is rounded down.