

Act against Unjustifiable Premiums and Misleading Representations (Article 15 paragraph (2) unenforced (Tentative translation))

(Act No. 134 of May 15, 1962)

Table of Contents

Chapter I General Provisions (Article 1 to Article 3)
Chapter II Regulations Relating to Premiums and Representations
Section 1 Limitations and Prohibition of Premiums and Prohibition of Misleading Representations (Article 4 to Article 6)
Section 2 Orders for Action (Article 7)
Section 3 Surcharges (Article 8 to Article 21)
Section 4 Administrative Measures for Offering Premiums and Representations (Article 22 to Article 24)
Section 5 Collection of Reports and Inspections (Article 25)
Section 6 Approval of Corrective Action Plans (Article 26 to Article 33)
Chapter III Injunction of Qualified Consumer Organizations (Article 34 and Article 35)
Chapter IV Agreements or Rules (Article 36 and Article 37)
Chapter V Miscellaneous Provisions (Article 38 to Article 45)
Chapter VI Penal Provisions (Article 36 to Article 41)
Supplementary Provisions

Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is to protect the interests of general consumers by providing for limitations and the prohibition of acts that are likely to interfere with general consumers' voluntary and rational choice-making in order to prevent the inducement of customers by means of unjustifiable premiums and misleading representations in connection with the transaction of goods and services.

(Definitions)

Article 2 (1) The term "Entrepreneur" as used in this Act means any person who runs a commercial, industrial, financial or any other business. For the purpose of applying the provisions of the following paragraph and Article 36, an officer, employee, agent, or any other person who acts for the benefit of an Entrepreneur is deemed to be an Entrepreneur.

- (2) The term "Trade Association" as used in this Act means any combination or federation of a combination of two or more Entrepreneurs with its principal purpose the furtherance of their common interest as Entrepreneurs, and includes the following; provided, however, that a combination or federation of a combination of two or more Entrepreneurs, which have capital, or contributions made by the constituent Entrepreneurs (meaning an Entrepreneur who is a member of the Trade Association; the same applies in Article 51), and whose principal purpose is to run and is actually running a commercial, industrial, financial or any other business for profit is not included:
- (i) Any general incorporated association or any other association of which two or more Entrepreneurs are members (including the equivalent thereof);
 - (ii) Any general incorporated foundation or any other foundation of which two or more Entrepreneurs control the appointment and dismissal of directors or managers, the execution of operations or continuation of its existence; and
 - (iii) Any partnership of which two or more Entrepreneurs are partners, or a contractual combination of two or more Entrepreneurs.
- (3) The term "Premiums" as used in this Act means any article, money, or other source of economic gain given as a means of inducing customers, irrespective of whether a direct or indirect system is employed, or whether or not a lottery system is used, by an Entrepreneur to another party, in connection with a transaction involving goods or services which the Entrepreneur supplies (including transactions relating to real estate; the same applies hereinafter), and which are designated by the Prime Minister as such.
- (4) The term "Representations" as used in this Act means advertisement or any other Representations which an Entrepreneur makes as a means of inducing customers, with respect to the substance of the goods or services which the Entrepreneur supplies, or the trade terms or any other particular concerning the transaction, and which are designated by the Prime Minister as such.

(Public Hearings and Public Notice Relating to the Designation of Premiums and Representations)

Article 3 (1) When the Prime Minister takes action to effect designation under the provisions of paragraph (3) or (4) of the preceding Article, or to amend or abolish the provisions, the Prime Minister must hold a public hearing pursuant to Cabinet Office Order provisions, and must hear the opinion of the relevant Entrepreneur and the public as well as the opinion of the Consumer Commission.

- (2) Designations as well as any amendment and abolition as prescribed in the preceding paragraph are to be made by public notice.

Chapter II Regulations Relating to Premiums and Representations
Section 1 Limitations and Prohibition of Premiums and Prohibition of
Misleading Representations

(Limitation and the Prohibition of Premiums)

Article 4 When the Prime Minister finds it necessary in order to prevent unjust inducement of customers and secure general consumers' voluntary and rational choice-making, the Prime Minister may limit the maximum value of a Premium or the total amount of Premiums, the kind of Premiums or means of offering of a Premium, or any other matter relating thereto, or may prohibit the offering of a Premium.

(Prohibition of Misleading Representations)

Article 5 No Entrepreneur may make a Representation as provided for in any one of the following items in connection with the transaction of goods or services which the Entrepreneur supplies:

- (i) Any Representation where the quality, standard or any other particular relating to the content of goods or services is portrayed to general consumers as being significantly superior to that of the actual goods or services, or are portrayed as being, contrary to fact, significantly superior to those of other Entrepreneurs who supply the same kind of or similar goods or services as those supplied by the relevant Entrepreneur, thereby being likely to induce customers unjustly and to interfere with general consumers' voluntary and rational choice-making;
- (ii) Any Representation by which price or any other trade terms of goods or services could be misunderstood by general consumers to be significantly more advantageous than the actual goods or services, or than those of other Entrepreneurs who supply the same kind of or similar goods or services as those supplied by the relevant Entrepreneur, thereby being likely to induce customers unjustly and to interfere with general consumers' voluntary and rational choice-making; or
- (iii) Beyond what is listed in the preceding two items, any Representation by which any particular relating to transactions of goods or services is likely to be misunderstood by general consumers and which is designated by the Prime Minister as such, and considered likely to induce customers unjustly and to interfere with general consumers' voluntary and rational choice-making.

(Public Hearings and Public Notices Relating to the Limitation or Prohibition of Premiums and Designation Pertaining to the Prohibition of Misleading Representations)

Article 6 (1) When the Prime Minister takes action to impose limitations or prohibition under the provisions of Article 4, or to effect designation under the provisions of item (iii) of the preceding Article, or to amend or abolish the provisions, the Prime Minister must hold a public hearing pursuant to the provisions of Cabinet Office Order, and must hear the opinion of the relevant Entrepreneur and the public as well as the opinion of the Consumer Commission.

(2) Limitations, prohibition, as well as any designation, and any amendment and abolition as prescribed in the preceding paragraph are to be made by public notice.

Section 2 Orders for Action

Article 7 (1) The Prime Minister may, in the event that an Entrepreneur acts in violation of the limitations or prohibition under the provisions of Article 4 or the provisions of Article 5, order the relevant Entrepreneur to cease committing the violation, or to take the measures necessary to prevent the reoccurrence of the violation, or to take any other necessary measures including public notification of the particulars relating to the implementation of the measures. Such an order may be issued to the following persons even when the violation has already ceased to exist:

(i) The Entrepreneur who committed the violation;

(ii) Where the Entrepreneur who committed the violation is a corporation and has ceased to exist as a result of a merger: the corporation which continues to exist after the merger takes place or the corporation which becomes incorporated upon the merger taking place;

(iii) Where the Entrepreneur who committed the violation is a corporation: another corporation which has taken over the whole of or part of the business pertaining to the violation from the corporation as a result of a split; and

(iv) the Entrepreneur who has acquired the whole or part of the business pertaining to the violation from the Entrepreneur who committed the violation.

(2) With regard to the order (hereinafter referred to as "Orders for Measures") prescribed in the preceding paragraph, when the Prime Minister finds it necessary in order to evaluate whether any Representation falls under Article 5, item (i), the Prime Minister may designate a period of time and require the relevant Entrepreneur to submit data as reasonable grounds for the Representation the Entrepreneur has made. In such cases, if the Entrepreneur fails to submit the data, the Representation concerned is deemed to fall under the same item for the purpose of applying the provisions of the same paragraph.

(3) Orders for Measures shall be issued by serving a certified copy of the written

order to take action.

Section 3 Surcharges

(Payment Order for Surcharge)

Article 8 (1) If an Entrepreneur has acted in violation of the provisions of Article 5 (excluding acts pertaining to Representations that fall under item (iii) of the same Article; hereinafter referred to as the "Acts Subject to Surcharge"), the Prime Minister must order the Entrepreneur to pay to the National Treasury a surcharge equivalent to three percent of proceeds from sales, which is calculated by a method prescribed by Cabinet Order pertaining to the Acts Subject to Surcharge, for goods or services transacted during the subject period when the Acts Subject to Surcharge are committed; provided, however, the Prime Minister may not order the payment if it is determined that the Entrepreneur was unaware that their Representations pertaining to Acts Subject to Surcharge fell under any of the following items throughout the time period when the Acts Subject to Surcharge were committed, and that they did not fail to exercise due caution about their lack of awareness, or if the amount of the surcharge is one million five hundred thousand yen or less:

- (i) Any Representation where the quality, standard or any other particular relating to the content of goods or services is portrayed as being significantly superior to that of the actual goods or services, or are portrayed as being, contrary to fact, significantly superior to those of other Entrepreneurs who supply the same kind of or similar goods or services as those supplied by the relevant Entrepreneur; or
 - (ii) Any Representation indicating that the price and other trade terms for goods or services are significantly more favorable to the other party in a transaction than they actually are, or that, contrary to fact, they are significantly more advantageous to the other party in a transaction than those of other Entrepreneurs who supply the same kind of or similar goods or services as the relevant Entrepreneur.
- (2) The "Subject Period" as prescribed in the preceding paragraph means the period during which the Acts Subject to Surcharge are committed (if the Entrepreneur makes transactions of goods or services through the Acts Subject to Surcharge between the day when the Acts Subject to Surcharge are discontinued and the day on which a period of six months has elapsed after the discontinuation thereof (or the day on which the Entrepreneur takes measures prescribed by Cabinet Office Order as measures to eliminate the risk of Representations pertaining to the Acts Subject to Surcharge, unjustly inducing customers and interfering with general consumers' voluntary and rational choice-making, if the Entrepreneur does so prior to the day), the time period

from the time when the Acts Subject to Surcharge are discontinued to the day when the last of the transactions is made is to be added to the Subject Period and if this period exceeds three years, the Subject Period is to retroactively start three years from the last day of this period.).

- (3) When the Prime Minister finds it necessary in order to evaluate whether any Representation falls under Article 5, item (i) with regard to the order prescribed under paragraph (1) (hereinafter referred to as the "Payment Order for a Surcharge."), the Prime Minister may designate a period of time and require the relevant Entrepreneur to submit data as reasonable grounds for the Representation the Entrepreneur has made. In such cases, if the Entrepreneur fails to submit the data, the Representation is presumed to fall under the same item for the purpose of applying the provisions of the same paragraph.
- (4) In cases where the Prime Minister orders the payment of surcharge pursuant to the provision of paragraph (1), if the Entrepreneur fails to report the facts that should be the basis for the calculation of the surcharge for the relevant acts subject to surcharge, despite the fact that the Prime Minister has requested the Entrepreneur to report such facts pursuant to the provision of paragraph (1) of Article 25, the Prime Minister may estimate by a reasonable method provided by Cabinet Office Order and order the Payment Orders for Surcharges in the following manner: The amount of sales specified in paragraph (1) during the Period Subject to a Surcharge with respect to the Entrepreneur, during which the facts that should be the basis for the calculation of the surcharge cannot be ascertained because such facts were not reported, by using data or other materials obtained from the Entrepreneur or from other Entrepreneurs supplying goods or services pertaining to the Acts Subject to a Surcharge or from other Entrepreneurs receiving such goods or services.
- (5) With respect to the application of paragraph (1) where an Entrepreneur has received Payment Orders for Surcharges (limited to cases where said Payment Orders for Surcharges have become final and binding) within ten years prior to the base date and has committed an act Subject to a surcharge after the date of said Payment Orders for Surcharges, the term "three hundredths" in the said paragraph shall be replaced with "four/five hundredths."
- (6) The "base date" prescribed in the preceding paragraph means the earliest of the following dates on which the following acts were committed with respect to the case pertaining to the Acts Subject to a Surcharge prescribed in the same paragraph.
 - (i) Collection of reports, etc. (meaning the collection of reports, orders for submission of books and documents and other articles, inspections, or questions pursuant to the provisions of Article 25, paragraph (1));The same

- shall apply in Article 12, paragraph (4))
- (ii) Request for submission of materials under the provisions of paragraph (3)
 - (iii) Notice pursuant to the provisions of Article 15, paragraph (1)

(Reduction of Surcharges by Reporting Facts Constituting Acts Subject to Surcharges)

Article 9 In the case referred to in paragraph (1) of the preceding Article (including the case where it is applied by replacing the terms pursuant to the provision of paragraph (5) of the same Article; the same shall apply hereinafter in this section.), if the Entrepreneur reports factual matters constituting the Acts Subject to Surcharge to the Prime Minister, pursuant to the provisions of Cabinet Office Order, the Prime Minister must reduce the relevant surcharge by fifty percent of the surcharge calculated pursuant to paragraph (1) of the same Article; provided, however, that this does not apply if this report is made in anticipation of a Payment Order for a Surcharge being issued because of the examination having been conducted with regard to the Acts Subject to Surcharge.

(Reduction of Surcharges by Implementing Refund Policies)

Article 10 (1) In the event a general consumer makes an offer, who has made a transaction of goods or services during the Subject Period prescribed under Article 8, paragraph (2), and who is specified pursuant to the provisions of Cabinet Order, and if a person who receives a notice prescribed under the provisions of Article 15, paragraph (1) intends to implement a measure by which they deliver an amount of money (including prepaid means of payment under item (i) of paragraph (1) of the same Article issued by a third party type issuer provided in paragraph (7) of Article 3 of the Payment Services Act (Act No. 59 of 2009) and other means provided by Cabinet Office Order and which conform to the criteria provided by Cabinet Office Order as those that can be used in the same manner as money in the ordinary course of business (hereinafter in this paragraph referred to as "means of payment other than money"), the same shall apply in this Article and the following Article, paragraph (2)) greater than three percent of the purchase price of the goods or services, which is calculated by a method prescribed by Cabinet Order, pertaining to the transaction made by the general consumer who makes the offer (In the case of measures to deliver a means of payment other than money, such measures shall be limited to those taken to a person who has consented to the delivery of said means of payment other than money. Hereinafter referred to as the "Refund Policy" in this and the following Articles), pursuant to the provisions of Cabinet Office Order they may prepare and submit, for approval, a plan for implementing the Refund Policy (hereinafter referred to as the

"Planned Refund Policy" in this Article) they intend to implement (hereinafter referred to as the "Implementation Plan for Refund Policy" in this Article) to the Prime Minister on or before the deadline of the submission of Written Explanation prescribed in Article 15, paragraph (1).

- (2) The Implementation Plan for Refund Policy must include the following:
 - (i) Details of the Planned Refund Policy and the implementation period;
 - (ii) Matters relating to the method of making the information public so that persons to whom the Planned Refund Policy is applicable understand the details of the Planned Refund Policy; and
 - (iii) the amount of money required for implementing the Planned Refund Policy and the means of raising the funds.
- (3) The Implementation Plan for Refund Policy may include the name of the person or entity to whom the Refund Policy is already applied prior to the application for the approval referred to in paragraph (1), the amount and method of the calculation of the money delivered to the person or entity, as well as other matters prescribed by Cabinet Office Order as those relating to the Refund Policy applied prior to the application.
- (4) If a person who applies for the approval referred to in paragraph (1) implements the Refund Policy after the application but before receiving a notice of disposition, they must report to the Prime Minister, without delay, and pursuant to the provisions of Cabinet Office Order, the name of the person or entity to whom the Refund Policy is applied to, the amount and method of the calculation of the money delivered to said person or entity, as well as other matters prescribed by Cabinet Office Order as those relating to the Refund Policy.
- (5) In the case where an application for the approval referred to in paragraph (1) is made, the Prime Minister must not approve the application unless the Implementation Plan for Refund Policy conforms to all of the following:
 - (i) The Planned Refund Policy pertaining to the Implementation Plan for Refund Policy is likely to be implemented smoothly and reliably;
 - (ii) It is not unjustly discriminatory against specific persons among those that are subject (if the Implementation Plan for a Refund Policy includes the matters prescribed in paragraph (3) or if the report under the provisions of preceding paragraph is made, persons to whom the Refund Policy is applied in connection with the inclusion or report are included) to the Planned Refund Policy pertaining to the Implementation Plan for Refund Policy; and
 - (iii) the implementation period under paragraph (2), item (i) described in the Implementation Plan for Refund Policy will end within the period prescribed by Cabinet Office Order as a period found to be reasonable for promoting the recovery of damage suffered by the general consumers as a result of the Acts Subject to Surcharge.

- (6) A person who has received the approval referred to in paragraph (1) (hereinafter referred to as the "Approved Entrepreneur" in this and the following Articles) must obtain approval from the Prime Minister, pursuant to the provisions of Cabinet Office Order, when intending to amend the Implementation Plan for Refund Policy for which approval is granted.
- (7) The provisions in paragraph (5) apply mutatis mutandis to the approval referred to in the preceding paragraph.
- (8) If the Prime Minister finds that the Refund Policy of an Approved Entrepreneur is not implemented in conformance with the approved Implementation Plan for Refund Policy (or the revised Implementation Plan if any amendment under the provisions of paragraph (6) is approved; referred to as the "Approved Implementation Plan for Refund Policy" in the following Article, paragraphs (1) and (2)), the Prime Minister must rescind the approval referred to in paragraph (1) (including the approval of any amendments under the provisions of paragraph (6); referred to simply as the "Approval" in the following paragraph and in the proviso of paragraph (10)).
- (9) When granting Approval, or rescinding Approval pursuant to the provisions of the preceding paragraph, the Prime Minister is to promptly notify the person that is subject to the disposition to that effect in writing.
- (10) If the Prime Minister has granted the approval referred to in paragraph (1), the Prime Minister may not order the Approved Entrepreneur to pay surcharge until the deadline of the report prescribed under paragraph (1) of the following Article, notwithstanding the provisions of Article 8, paragraph (1); provided, however, that this does not apply to cases where the Approval is rescinded pursuant to the provisions of paragraph (8).

Article 11 (1) Approved Entrepreneurs (excluding those whose approval referred to in paragraph (1) of the preceding Article (including the approval of amendments prescribed under the provisions of paragraph (6) of the same Article) is rescinded pursuant to the provisions of paragraph (8) of the same Article; the same applies in paragraph (3)) must report to the Prime Minister, pursuant to the provisions of Cabinet Office Order, the results of the Refund Policy pertaining to the Approved Implementation Plan for Refund Policy, implemented subsequent to the approval referred to in paragraph (1) of the same Article, within one week of the expiration of the implementation period prescribed in paragraph (2), item (i) of the same Article described in the Approved Implementation Plan for Refund Policy.

- (2) If the Prime Minister finds, in the case referred to in Article 8, paragraph (1), based on the report prescribed under the provisions of the preceding paragraph, that the Refund Policy applied after the approval referred to in paragraph (1) of the preceding Article is implemented in conformance with the Approved

Implementation Plan for Refund Policy, the Prime Minister is to deduct the amount calculated pursuant to the provisions of Cabinet Office Order as money delivered through the Refund Policy (if the Approved Implementation Plan for Refund Policy includes the matters prescribed in paragraph (3) of the same Article or the report prescribed in the provisions of paragraph (4) of the same Article, the Refund Policy relating to the matters or report is included) from the amount of surcharge calculated pursuant to the provisions of Article 8, paragraph (1) or Article 9. In this case, if the amount falls below zero after the amount calculated pursuant to the provisions of Cabinet Office Order is deducted from the amount of surcharge, the amount is to be set as zero.

- (3) The Prime Minister is not to order an Approved Entrepreneur to pay a surcharge if the amount of surcharge as calculated pursuant to the provisions of the preceding paragraph is less than ten thousand yen, notwithstanding the provisions of Article 8, paragraph (1). In this case, the Prime Minister is to promptly notify the Approved Entrepreneur to that effect in writing.

(Duty to Pay Surcharges)

Article 12 (1) Any person who has received a Payment Order for a Surcharge must pay the surcharge calculated pursuant to the provisions of Article 8, paragraph (1) or paragraph (4), Article 9, or paragraph (2) of the preceding Article.

- (2) If the amount of surcharge calculated pursuant to the provisions of Article 8, paragraph (1) or paragraph (4), Article 9, or paragraph (2) of the preceding Article is less than a unit of ten thousand yen, the surcharge is rounded down to the nearest ten thousand yen.

- (3) If an Entrepreneur who has committed Acts Subject to Surcharge is a corporation, and the corporation has ceased to exist as result of a merger, the Acts Subject to Surcharge committed by the corporation are deemed as Acts Subject to Surcharge committed by the surviving corporation, or established as a result of the merger for the purpose of application of the provisions of Article 8 to the preceding Article as well as preceding two paragraphs and the following paragraph.

- (4) If an Entrepreneur that has committed an Acts Subject to a Surcharge is a corporation, and the corporation transfers all of the business connected with the Acts Subject to a Surcharge to one or more of its subsidiaries, etc. (referring to the Entrepreneur's subsidiaries or parent company (meaning another company of which the Entrepreneur is a subsidiary; the same applies hereinafter in this paragraph), or other companies whose parent company is the same as that of the Entrepreneur; the same applies hereinafter in this paragraph) on or after the day the collection of reports, etc. start for the cases connected with the Acts Subject to a Surcharge (or if no collection of reports,

etc. starts, on the day the corporation receives a notice prescribed under the provisions of Article 15, paragraph (1) concerning the Acts Subject to a Surcharge, hereinafter referred to as the "the Investigation Start Date" in this paragraph), or if the corporation (limited to a company) had any one or more of its subsidiaries, etc. succeed to all of the business connected with the Acts Subject to a Surcharge through a company split on or after the Investigation Start Date for the case connected with the Acts Subject to a Surcharge, and ceased to exist due to a reason other than merger, the Acts Subject to a Surcharge committed by the corporation is deemed to be the Acts Subject to a Surcharge committed by the subsidiaries, etc. to whom all or part of the relevant business has been transferred or who have succeeded to all or part of the relevant business through a company split (hereinafter referred to as the "Subsidiaries, etc., Succeeding to Specified Business" in this paragraph) for the purpose of application of the provisions of the Article 8 to the preceding Article as well as the preceding three paragraphs. In this case, if there are two or more subsidiaries, etc. that have succeeded to the specified business, the term "order the Entrepreneur" appearing in Article 8, paragraph (1) is deemed to be replaced with "order the subsidiaries, etc. that have succeeded to the specified business (meaning the Subsidiaries, etc., Succeeding to Specified Business as provided for in Article 12, paragraph (4); the same applies hereinafter in this paragraph), jointly and severally with any other Subsidiaries, etc., Succeeding to Specified Business that have received an order pursuant to the provisions of this paragraph, and the term "Any person who has received an order... Article 8, paragraph (1)..." appearing in paragraph (1) is deemed to be replaced with "Any subsidiaries, etc. that have succeeded to specified business (referring to the Subsidiaries, etc., Succeeding to Specified Business prescribed under the provisions of paragraph (4); the same applies hereinafter in this paragraph) that have received an order pursuant to the provisions of Article 8, paragraph (1) pays, jointly and severally with any other Subsidiaries, etc., Succeeding to Specified Business that have received an order pursuant to the provisions of Article 8, paragraph (1)... the same paragraph..."

- (5) The term "subsidiaries" prescribed in the preceding paragraph means other companies in which the majority of the voting rights (excluding voting rights associated with shares that do not allow a person to exercise the rights on any of the matters that can be decided at the general shareholders' meeting, but including voting rights associated with shares that are deemed to include the voting rights pursuant to the provisions of Article 879, paragraph (3) of the Companies Act (Act No. 86 of 2005); the same applies hereinafter in this paragraph) of all shareholders (including all members; the same applies hereinafter in this paragraph) are held by the company. In this case, the other companies in which the majority of the voting rights of all shareholders are

owned by the company and one or more of its subsidiaries, or by one or more subsidiaries of the company, the companies are deemed to be subsidiaries of the company.

- (6) In the case referred to in paragraphs (3) and (4), matters necessary for the application of the provisions in Article 8, paragraphs (2) to (6), as well as in Article 9 to the preceding Article are specified by Cabinet Order.
- (7) After five years have passed since the day the Acts Subject to a Surcharge stopped, the Prime Minister may not order payment of surcharge relevant to the Acts Subject to a Surcharge.

(Granting the Opportunity for Explanation in Response to Payment Orders for Surcharges)

Article 13 When intending to issue a Payment Order for a Surcharge, the Prime Minister must grant the person to whom the Payment Order for a Surcharge is to be addressed an opportunity for explanation.

(Methods of Granting the Opportunity for Explanation)

- Article 14 (1) Except when the Prime Minister authorizes presentation to be made orally, the explanation is to be made by submitting a written statement of explanation (referred to as the "Written Explanation" in paragraph (1) of the following Article).
- (2) When offering explanation, documentary evidence or an article of evidence may be submitted.

(Method of Notice of Grant of Opportunity for Explanation)

Article 15 (1) The Prime Minister must provide written notice of the following particulars to the person to whom a Payment Order for a Surcharge is to be addressed, within a considerable period of time before the deadline of the submission of Written Explanation (or in the case of oral presentation, before the date and time of that presentation):

- (i) The amount of surcharge to be ordered;
 - (ii) The basis for the calculation of surcharge and the Acts Subject to a Surcharge pertaining to the surcharge; and
 - (iii) the place and deadline for submitting a Written Explanation (or cases of oral presentation, a notice to that effect and the date, time, and place of the presentation thereof).
- (2) If the location of a person to whom a Payment Order for a Surcharge is to be addressed is unknown, the Prime Minister may deliver a notice (hereinafter referred to as "Matters of Public Notice" in this paragraph) pursuant to the provisions of the preceding paragraph to such person at any time, stating the name of such person (if it is a corporation, its name and the name of the

representative), the matters listed in item (iii) of the said paragraph and the matters listed in the items of the said paragraph by the Prime Minister, and the document shall be made available for inspection by an unspecified number of persons by a method prescribed by Cabinet Office Order. This may also be performed by posting the document containing the matters of public notice at the bulletin board of the Consumer Affairs Agency, or by taking measures to place the matters of public notice in a condition in which they can be viewed on the visual screen of a computer installed in the office. In this case, the notice is deemed to have reached the addressee after two weeks from the date on which such measures were taken.

(Agents)

Article 16 (1) Any person who has received the notice set forth in the provisions of paragraph (1) of the preceding Article (including persons to whom the notice is deemed to have arrived pursuant to the provisions of the second sentence of paragraph (2) of the same Article; referred to as the "Parties" in the following paragraph and paragraph (4)) may appoint agents.

(2) Agents may individually perform any act relating to explanation on behalf of the Parties.

(3) The status of agents must be certified in writing.

(4) When an agent becomes divested of their status, the parties who appointed that agent must give written notice thereof to the Prime Minister.

(Method of Issuing Payment Orders for Surcharges)

Article 17 (1) Payment Orders for Surcharges must be given in writing, and must state the amount of surcharge to be paid, the basis for its calculation, the Acts Subject to a Surcharge pertaining to the surcharge, as well as the time limit for payment .

(2) Payment Orders for Surcharges take effect by serving a written copy on the addressee thereof.

(3) The time limit for payment of the surcharge set forth in paragraph (1) falls on the day on which seven months has elapsed from the day on which the copy of the written Payment Order for a Surcharge is issued.

(Demanding Payment)

Article 18 (1) If a person fails to pay a surcharge by the time limit for payment, the Prime Minister must make a demand for the payment by specifying the time limit in a written demand.

(2) If the Prime Minister makes a demand for payment under the provisions of the preceding paragraph, the Prime Minister may collect a delinquency charge at a rate of 14.5 percent per annum accrued on the amount of the surcharge for

which the demand is made, calculated based on the number of days from the day after the time limit for payment to the day on which the surcharge is paid; provided, however, that this does not apply if the delinquency charge amounts to less than one thousand yen.

- (3) If the amount of the delinquency charges as calculated pursuant to the provisions of the preceding paragraph is figure with less than one hundred yen in the ones place, this amount is rounded down to the nearest hundred yen.

(Execution of Payment Orders for Surcharges)

Article 19 (1) If a person who has received a demand pursuant to the provisions of paragraph (1) of the preceding Article fails to pay the amount the person is required to pay by the designated time limit, a Payment Order for a Surcharge is to be executed by order of the Prime Minister. This order has the same effect as that of an enforceable title of obligation.

- (2) Payment Orders for Surcharges are executed in accordance with the provisions of the Civil Execution Act (Act No. 4 of 1979) and other laws and regulations on compulsory execution procedures.
- (3) If the Prime Minister finds it necessary for the execution of a Payment Order for a Surcharge, they may inquire with public offices or public and private organizations, and request the offices and organizations to report necessary particulars.

(Claims for Surcharges)

Article 20 With regard to application of the provisions of the Bankruptcy Act (Act No. 75 of 2004), the Civil Rehabilitation Act (Act No. 225 of 1999), Corporate Reorganization Act (Act No. 154 of 2002), and the Act on Special Treatment of Corporate Reorganization Proceedings and Other Insolvency Proceedings of Financial Institutions (Act No. 95 of 1996), claims for surcharges under Payment Orders for Surcharges and claims for delinquency charges under the provisions of Article 18, paragraph (2) are deemed to be claims for a non-penal fine.

(Exclusion of Application of the Administrative Procedure Act)

Article 21 The provisions of Chapter III of the Administrative Procedure Act (Act No. 88 of 1993) does not apply to Payment Orders for Surcharges rendered by the Prime Minister and other dispositions under the provisions of this Section; provided, however, that this does not apply with regard to the application of the provisions of Articles 12 and 14 of the same Act pertaining to the provisions of Article 10, paragraph (8).

Section 4 Administrative Measures for Offering Premiums and

Representations

(Administrative Measures for the Offering of Premiums and Representations to be Taken by Entrepreneurs)

- Article 22 (1) With regard to transactions of goods or services which Entrepreneurs supply, in order to prevent the unjust inducement of customers and interference with the general consumers' voluntary and rational choice-making by offering Premiums or making Representations, Entrepreneurs must establish necessary systems and take other necessary measures to properly manage matters relating to the maximum and total value of the Premiums, and other matters relating to the offering of the Premiums, as well as matters relating to the Representations pertaining to the quality, standard, and other details of the goods or services.
- (2) The Prime Minister is to prescribe the guidelines required for appropriate and effective implementation of the measures Entrepreneurs should take based on the provisions of the preceding paragraph (hereinafter referred to simply as the "Guidelines" in this Article).
- (3) When the Prime Minister prescribes Guidelines, the Prime Minister must in advance consult with the minister who has over the business of the Entrepreneur and the Fair Trade Commission, and hear the opinion of the Consumer Commission.
- (4) The Prime Minister is to, when the Guidelines are prescribed, publish the Guidelines without delay.
- (5) The provisions in the preceding two paragraphs apply mutatis mutandis to any amendments to the Guidelines.

(Guidance and Advice)

Article 23 If the Prime Minister finds it necessary for facilitating appropriate and effective implementation of the measures to be taken by Entrepreneurs pursuant to the provisions of paragraph (1) of the preceding Article, the Prime Minister may provide necessary guidance and advice to the Entrepreneurs concerning the measures.

(Recommendation and Publication)

- Article 24 (1) If the Prime Minister finds that an Entrepreneur fails to take the measures they should take based on the provisions of Article 22, paragraph (1) without due cause, the Prime Minister may recommend that the Entrepreneur take the measures necessary to manage the offering of the Premiums or the making the Representations.
- (2) If the Prime Minister recommends under the provisions of the preceding paragraph and the Entrepreneur fails to follow the recommendation, the Prime

Minister may publicize to that effect.

Section 5 Collection of Reports and Inspections

- Article 25 (1) When the Prime Minister finds it necessary in order to execute this law, the Prime Minister may have the relevant Entrepreneur or other Entrepreneurs who have a business relationship with the relevant Entrepreneur report on their business or property or order them to submit books and documents and other materials, or may have officials enter offices or other places of business of the relevant Entrepreneur, or of other Entrepreneurs who have a business relationship with the relevant Entrepreneur, inspect their books, documents, and other materials, or ask questions of the persons concerned.
- (2) The officials who conduct on-site inspections pursuant to the provisions of the preceding paragraph must carry their identification cards and present them to the relevant persons.
- (3) The authority under the provisions of paragraph (1) must not be construed as being granted for criminal investigation.

Section 6 Approval of Corrective Action Plans

(Notice of Continuous Alleged Acts of Violation)

- Article 26 In cases where there are facts sufficient to suspect the existence of a restriction or prohibition under Article 4 or an act in violation of the provisions of Article 5, the Prime Minister may, when it is found to be necessary to ensure voluntary and reasonable selection of goods and services by general consumers, notify in writing the following matters to the person whose act is the cause of such suspicion; provided, however, this shall not apply after a notice pursuant to the provisions of Article 30 of the Administrative Procedure Act pertaining to a measure order or a notice pursuant to the provisions of Article 15, paragraph (1) has been given.
- (i) Summary of the acts that gave rise to the suspicions
- (ii) Provisions of laws and regulations that are suspected to be violated
- (iii) A fact that an application for accreditation may be filed pursuant to the provisions of paragraph (1) of the following Article

(Application for Approval Pertaining to Corrective Action Plans)

- Article 27 (1) When a person who has been notified pursuant to the provisions of the preceding Article intends to formulate and implement measures (hereinafter referred to as "Corrective Actions" in this Article and Article 29, paragraph (1), item (i)) necessary to correct the acts that have become grounds

for suspicion and their effects, he/she may prepare a plan (hereinafter referred to as the "Corrective Action Plans" in this Article and the same item) concerning the measures to be implemented and submit it to the Prime Minister within 60 days of receiving said notification for approval, pursuant to the provisions of Cabinet Office Order.

- (2) Corrective Action Plans shall include the following items:
 - (i) Details of the Corrective Actions
 - (ii) Implementation period for Corrective Actions
 - (iii) Other matters specified by the Cabinet Office Order
- (3) When an application for approval is filed pursuant to the provisions of paragraph (1), the Prime Minister shall grant approval when he/she finds that the Corrective Action Plans conform to all of the following items:
 - (i) Corrective Action Plans are sufficient to correct the acts that have caused the suspicion and the effects thereof;
 - (ii) Corrective Actions are expected to be implemented reliably.
- (4) The approval set forth in the preceding paragraph shall be made in writing.
- (5) The approval under paragraph (3) shall take effect upon service of a certified copy of the approval to the addressee thereof.
- (6) When an application for approval pursuant to the provisions of paragraph (1) is filed, if the Prime Minister finds that the Corrective Action Plans do not conform to any of the items of paragraph (3), the Prime Minister shall dismiss the application.
- (7) The provisions of paragraphs (4) and (5) shall apply mutatis mutandis to the disposition pursuant to the provision of the preceding paragraph. In this case, the term "certificate" in paragraph (5) shall be deemed to be replaced with "non-approval certificate."
- (8) When a person who has obtained the approval set forth in paragraph (3) intends to change the Corrective Action Plans pertaining to said approval, he/she shall obtain the approval of the Prime Minister pursuant to the provisions of Cabinet Office Order.
- (9) The provisions of paragraphs (3) to (7) shall apply mutatis mutandis to the approval of changes set forth in the preceding paragraph.

(Effects for Approval Pertaining to Corrective Action Plans)

Article 28 The provisions of paragraph (1) of Article 7 and paragraph (1) of Article 8 shall not apply to the acts that became the grounds for suspicion pertaining to the approval in the event that the Prime Minister has granted the approval under paragraph (3) of the preceding Article (including approval for change under paragraph (8) of the same Article, the same shall apply in the following Article). However, this shall not apply in cases where said accreditation has been rescinded pursuant to the provisions of paragraph (1) of

the following Article.

(Rescission for Approval Pertaining to Corrective Action Plans)

Article 29 (1) The Prime Minister shall rescind the accreditation under paragraph (3) of Article 27 if any of the following items applies.

- (i) When it is found that corrective measures have not been implemented in accordance with the Corrective Action Plans approved under Article 27, paragraph (3).
 - (ii) When it is found that a person who has obtained the accreditation set forth in paragraph (3) of Article 27 has obtained said accreditation based on false or fraudulent facts.
- (2) The provisions of Article 27, paragraphs (4) and (5) shall apply mutatis mutandis to the rescission of the accreditation set forth in paragraph (3) of the same Article pursuant to the provisions of the preceding paragraph. In this case, the term "certificate" in paragraph (5) of said Article shall be deemed to be replaced with "certificate of rescission."
- (3) Where the accreditation under Article 27, paragraph (3) has been rescinded pursuant to the provisions of paragraph (1), if such rescission takes place on or after the date two years prior to the expiration of the period prescribed in Article 12, paragraph (7), a surcharge payment order for the acts that were the grounds for suspicion pertaining to said accreditation may be issued even within two years from the date of said rescission, notwithstanding the provisions of said paragraph.

(Notice Pertaining to Previously Suspected Acts of Violation)

Article 30 Even in cases where there is no longer any fact sufficient to suspect the existence of a restriction or prohibition under Article 4 or an act in violation of Article 5, the Prime Minister may, when he/she finds it necessary to ensure voluntary and reasonable selection of goods and services by general consumers, notify in writing the persons listed in item (i) of the matters listed in item (ii) with respect to the act that gave rise to such suspicion. provided, however, this shall not apply after a notice pursuant to the provisions of Article 30 of the Administrative Procedure Act pertaining to a measure order or a notice pursuant to the provisions of Article 15, paragraph (1) has been given.

(i) Any of the following personnel:

- (a) The person who committed the act that gave rise to such suspicion
- (b) Where the person who committed the act that gave rise to the suspicion is a corporation, the corporation surviving after the merger or incorporated as a result of the merger when the corporation ceased to exist as a result of the merger

- (c) Where the person who committed the act that gave rise to the suspicion is a corporation, a corporation that has succeeded to all or part of the business pertaining to the act that gave rise to the suspicion through a split from the said corporation
- (d) A person who has acquired all or part of the business pertaining to the act that gave rise to the suspicion from the person who committed the act that gave rise to the suspicion
- (ii) Any of the following matters
 - (a) Summary of the acts that gave rise to the suspicions
 - (b) Provisions of laws and regulations that are suspected to be violated
 - (c) A fact that an application for accreditation may be filed pursuant to the provisions of paragraph (1) of the following Article

(Application for Approval Pertaining to Impact Corrective Action Plans)

Article 31 (1) When a person who has been notified pursuant to the provisions of the preceding Article intends to formulate and implement measures (hereinafter referred to as "Impact Corrective Actions" in this Article and Article 33, paragraph (1), item (i)) necessary to correct the acts that have become grounds for suspicion and their effects, he/she may prepare a plan (hereinafter referred to as the "Impact Corrective Action Plans" in this Article and the same item) concerning the measures to be implemented and submit it to the Prime Minister within 60 days of receiving said notification for approval, pursuant to the provisions of Cabinet Office Order.

- (2) Impact Corrective Action Plans shall include the following items.
 - (i) Details of the Impact Corrective Actions
 - (ii) Implementation period for Impact Corrective Actions
 - (iii) Other matters specified by the Cabinet Office Order
- (3) When an application for approval is filed pursuant to the provisions of paragraph (1), the Prime Minister shall grant approval when he/she finds that the Impact Corrective Action Plans conform to all of the following items:
 - (i) Impact Corrective Actions are sufficient to correct the acts that have caused the suspicion by the effects thereof
 - (ii) Impact Corrective Actions are expected to be implemented reliably.
- (4) The provisions of Article 27, paragraphs (4) and (5) shall apply mutatis mutandis to the accreditation set forth in the preceding paragraph.
- (5) When an application for approval pursuant to the provisions of paragraph (1) is filed, if the Prime Minister finds that the Impact Corrective Action Plans do not conform to any of the items of paragraph (3), the Prime Minister shall dismiss the application.
- (6) The provisions of Article 27, paragraphs (4) and (5) shall apply mutatis mutandis to the disposition pursuant to the provision of the preceding

paragraph. In this case, the term "certificate" in paragraph (5) of said Article shall be deemed to be replaced with "non-approval certificate."

- (7) When a person who has obtained the approval set forth in paragraph (3) intends to change the Impact Corrective Action Plans pertaining to said approval, he/she shall obtain the approval of the Prime Minister pursuant to the provisions of Cabinet Office Order.
- (8) The provisions of paragraphs (3) to (6) shall apply mutatis mutandis to the approval of changes set forth in the preceding paragraph.

(Effects for Approval Pertaining to Impact Corrective Action Plans)

Article 32 The provisions of paragraph (1) of Article 7 and paragraph (1) of Article 8 shall not apply to the acts that became the grounds for suspicion pertaining to the approval in the event that the Prime Minister has granted the approval under paragraph (3) of the preceding Article (including approval for change under paragraph (7) of the same Article, the same shall apply in the following Article). However, this shall not apply in cases where said accreditation has been rescinded pursuant to the provisions of paragraph (1) of the following Article.

(Rescission for Approval Pertaining to Impact Corrective Action Plans)

- Article 33 (1) The Prime Minister shall rescind the accreditation under paragraph (3) of Article 31 if any of the following items applies.
- (i) When it is found that impact corrective measures have not been implemented in accordance with the Impact Corrective Action Plans approved under Article 31, paragraph (3).
 - (ii) When it is found that a person who has obtained the accreditation set forth in paragraph (3) of Article 31 has obtained said accreditation based on false or fraudulent facts.
- (2) The provisions of Article 27, paragraphs (4) and (5) shall apply mutatis mutandis to the rescission of the accreditation set forth in paragraph (3) of Article 31 pursuant to the provisions of the preceding paragraph. In this case, the term "certificate" in paragraph (5) of Article 27 shall be deemed to be replaced with "certificate of rescission."
 - (3) Where the accreditation under Article 31, paragraph (3) has been rescinded pursuant to the provisions of paragraph (1), if such rescission takes place on or after the date two years prior to the expiration of the period prescribed in Article 12, paragraph (7), a surcharge payment order for the acts that were the grounds for suspicion pertaining to said accreditation may be issued even within two years from the date of said rescission, notwithstanding the provisions of said paragraph.

Chapter III Rights of Qualified Consumer Organizations to Demand Injunctions

(Right to Demand Injunction)

Article 34 (1) When an Entrepreneur actually commits or is likely to commit any of the acts listed in the following items in relation to a number of unspecified general consumers, a qualified consumer organization prescribed in Article 2, paragraph (4) of the Consumer Contract Act (Act No. 61 of 2000) (hereinafter referred to simply as the "Qualified Consumer Organizations" in this Article and Article 41) may demand that the Entrepreneur stop or prevent the same act, make it known that the same act is the Representation prescribed in these items or take other necessary measures to stop or prevent the same act:

- (i) A Representation by which the quality, standard or any other particular relating to the content of goods or services could be misperceived as being significantly superior to what it actually is, or significantly superior to those of other Entrepreneurs who supply the same kind of or similar goods or services as those supplied by the Entrepreneur; or
- (ii) A Representation by which the price or any other trade terms of goods or services could be misunderstood to be significantly more advantageous for general consumers than they actually are, or than those of other Entrepreneurs who supply the same kind of or similar goods or services as those supplied by the Entrepreneur.

(2) When consumer affairs support groups or consumer affairs supporters prescribed under Article 11-7, paragraph (1) of the Consumer Safety Act (Act No. 50 of 2009) obtain information that an Entrepreneur actually commits or is likely to commit any of the acts listed in the items in the preceding paragraph against a number of unspecified general consumers, they may provide this information to a Qualified Consumer Organization to the extent necessary for the Qualified Consumer Organization to exercise its right to make a demand under the provisions of the same paragraph.

(3) A Qualified Consumer Organization that has received the information pursuant to the provisions of the preceding paragraph may not use or provide the information for purposes other than the purpose of providing it for an appropriate exercise of its right to make a demand under the provisions of paragraph (1).

(Request for Disclosure of Materials)

Article 35 (1) When Qualified Consumer Organizations have reasonable grounds to suspect that an Entrepreneur's current labeling falls under the labeling prescribed in paragraph (1), item (i) of the preceding Article, it may, pursuant to the provisions of a Cabinet Office Order, request said Entrepreneur to

disclose materials showing reasonable grounds to support the labeling made by said Entrepreneur, indicating such grounds.

- (2) An Entrepreneur shall endeavor to comply with the request under the preceding paragraph, except in cases where the materials set forth in the preceding paragraph contain trade secrets (meaning trade secrets as provided in Article 2, paragraph (6) of the Unfair Competition Prevention Act (Act No. 47 of 1993)) or where there are other justifiable grounds.

Chapter IV Agreements or Rules

(Agreements or Rules)

- Article 36 (1) An Entrepreneur or a Trade Association may, upon obtaining authorization from the Prime Minister and the Fair Trade Commission pursuant to the provisions of Cabinet Office Order, with respect to the matters relevant to Premiums or Representations, conclude or establish an agreement or rules, aiming at the prevention of unjust inducement of customers and securing general consumers' voluntary and rational choice-making and fair competition between Entrepreneurs. The same applies in the event alterations thereof are attempted to be made.
- (2) Unless the Prime Minister and the Fair Trade Commission find that an agreement or a rule under the preceding paragraph meets the criteria set out in all of the following items, the Prime Minister and the Fair Trade Commission must not grant authorization under the same paragraph:
- (i) That it is appropriate to prevent unjust inducement of customers and to secure general consumers' voluntary and rational choice-making and fair competition between Entrepreneurs;
 - (ii) That it is not likely to impede unreasonably on the interests of general consumers or the related Entrepreneur;
 - (iii) That it is not unjustly discriminatory; and
 - (iv) that it does not unreasonably restrict the participation in or withdrawal from the agreement or rule.
- (3) If the Prime Minister and the Fair Trade Commission find that the agreement or rule as authorized under paragraph (1) no longer meets any of the items of the preceding paragraph, they must revoke the authorization.
- (4) If the Prime Minister and the Fair Trade Commission have made a disposition under the provisions of paragraph (1) or the preceding paragraph, they must make public notice thereof pursuant to the Cabinet Office Order provisions.
- (5) The provisions of Article 7, paragraphs (1) and (2) of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947) (including the cases where applied mutatis mutandis pursuant to Article 8-2,

paragraph (2) and Article 20, paragraph (2) of the same Act), Article 8-2, paragraphs (1) and (3), Article 20, paragraph (1), Article 70-4, paragraph (1) and Article 74 of the Act do not apply to the agreement or rule that has been authorized under paragraph (1), or to the acts of Entrepreneurs or a Trade Association as have been done in accordance therewith.

(Consultations)

Article 37 The Prime Minister must, when intending to specify Cabinet Office Order as prescribed in paragraphs (1) and (4) of the preceding Article, consult with the Fair Trade Commission in advance.

Chapter V Miscellaneous Provisions

(Delegation of Authority)

Article 38 (1) The Prime Minister is to delegate the authority under this Act (excluding the authority specified by Cabinet Order) to the Secretary General of the Consumer Affairs Agency.

(2) The Secretary General of the Consumer Affairs Agency may delegate part of the authority as delegated under the provisions of the preceding paragraph to the Fair Trade Commission.

(3) Due to circumstances where the Secretary General of the Consumer Affairs Agency needs to handle unjustifiable Premiums and misleading Representations in an urgent and focused manner, as well as other circumstances prescribed by Cabinet Order, if the Secretary General finds it necessary in order to effectively issue an order to an Entrepreneur under Orders for Measures, a Payment Order for a Surcharge, or a recommendation under Article 24, paragraph (1), the Secretary General may delegate, pursuant to the provisions of Cabinet Order, the authority delegated thereto pursuant to the provisions of paragraph (1) (limited to the authority under Article 25, paragraph (1)) to the minister who has jurisdiction over the business of the Entrepreneur or to the Commissioner of the Financial Services Agency.

(4) If the Fair Trade Commission, the minister who has jurisdiction over the business of an Entrepreneur, or the Commissioner of the Financial Services Agency exercised the authority delegated thereto under the provisions of the preceding two paragraphs, they are to report the result thereof to the Secretary General of the Consumer Affairs Agency, pursuant to Cabinet Order provisions.

(5) The minister who has over the business of an Entrepreneur may, pursuant to Cabinet Order provisions, delegate all or part of the authority delegated pursuant to the provisions of paragraph (3) and prescribed in the preceding paragraph to the head of a local branch office.

(6) The Commissioner of the Financial Services Agency may, pursuant to Cabinet

Order provisions, delegate part of the authority delegated thereto under the provisions of paragraph (3) and prescribed in paragraph (4) (collectively referred to as the "Commissioner's Authority" in the following paragraph) to the Securities and Exchange Surveillance Commission.

- (7) The Commissioner of the Financial Services Agency may, pursuant to Cabinet Order provisions, delegate part of the Commissioner's Authority (excluding the authority delegated to the Securities and Exchange Surveillance Commission pursuant to the preceding paragraph) to the Director General of the Local Finance Bureau or the Director General of the Local Finance Branch Bureau.
- (8) The Securities and Exchange Surveillance Commission may, pursuant to Cabinet Order provisions, delegate part of the authority delegated thereto pursuant to the provisions of paragraph (6) to the Director General of the Local Finance Bureau or the Director General of the Local Finance Branch Bureau.
- (9) With regard to the administrative processes pertaining to the authority delegated to the Director General of the Local Finance Bureau or the Director General of the Local Finance Branch Bureau, the Securities and Exchange Surveillance Commission is to direct and supervise the Director General of the Local Finance Bureau or the Director General of the Local Finance Branch Bureau.
- (10) In the case referred to in paragraph (6), a request for a review of an order issued by the Securities and Exchange Surveillance Commission to report or submit materials (including cases where the order is issued by the Director General of the Local Finance Bureau or Director General of the Local Finance Branch Bureau pursuant to the provisions of paragraph (8)) may only be made to the Securities and Exchange Surveillance Commission.
- (11) Part of the administrative processes that fall under the authority delegated to the Secretary General of the Consumer Affairs Agency pursuant to the provisions of paragraph (1) may be undertaken by a prefectural governor pursuant to Cabinet Order provisions.

(Delegation to Cabinet Office Order)

- Article 39 (1) Beyond what is provided for in this Act, any matters necessary for the enforcement of this Act are to be specified by Cabinet Office Order.
- (2) The provisions of Article 37 applies mutatis mutandis to cases where the Prime Minister intends to set forth Cabinet Office Order prescribed in the preceding paragraph (limited to Order to be set forth pertaining to agreements or rules under Article 36, paragraph (1)).

(Coordination among Relevant Parties)

- Article 40 The Prime Minister, the heads of relevant administrative organs (if this administrative organ is a council organization, the council), the heads of

relevant local public organizations, the head of the National Consumer Affairs Center of Japan, and other relevant parties are to exchange necessary information and otherwise endeavor to ensure close coordination among the relevant parties in order to prevent the inducement of customers by means of unjustifiable Premiums and misleading Representations to protect the interests of general consumers.

(Provision of Information to Foreign Authorities)

Article 41 (1) The Prime Minister may provide Foreign Authorities that enforce foreign laws and regulations equivalent to this Act (referred to as "Foreign Authorities" in the following paragraph and paragraph (3)) with information that is deemed to contribute to the performance of their duties (limited to those equivalent to the duties prescribed in this Act. The same shall apply in the following paragraph).

(2) With respect to the provision of information pursuant to the provision of the preceding paragraph, appropriate measures shall be taken to ensure that the information is not used for any purpose other than the performance of the duties of Foreign Authorities concerned and is not used for the investigation (limited to after the fact of the crime to which it relates has been identified) or trial (referred to in the same paragraph as "investigation") of a foreign criminal case without the consent set forth in the following paragraph.

(3) When requested by a foreign enforcement authority, the Prime Minister may, except in cases falling under any of the following items, give consent to the use of the information provided pursuant to the provision of paragraph (1) for the investigation of a foreign criminal case (in item (iii), referred to as the "Requesting Country") pertaining to the said request.

(i) When the crime that is the subject of the investigation of the criminal case pertaining to said request is a political crime, or when said request is deemed to have been made for the purpose of conducting an investigation of a political crime.

(ii) When the act of committing the crime that is the subject of the investigation of the criminal case pertaining to the request was committed in Japan, and the act does not constitute a crime according to the laws and regulations of Japan.

(iii) When there is no assurance from the Requesting Country that it will comply with a similar request made by Japan.

(4) When giving the consent set forth in the preceding paragraph, the Prime Minister shall, in advance, obtain confirmation from the Minister of Justice that it does not fall under items (i) and (ii) of said paragraph, and from the Minister of Foreign Affairs that it does not fall under item (iii) of the said paragraph, respectively.

(Served Documents)

Article 42 Documents to be served shall be prescribed by Cabinet Office Order in addition to those provided for in this Act.

(Application Mutatis Mutandis of the Code of Civil Procedure Concerning Service)

Article 43 Regarding the service of documents, the provisions of Article 99, Article 101, Article 103, Article 105, Article 106, Article 107 (1) (limited to the part pertaining to item (i)) The same shall apply in item (ii) of paragraph (1) of the following Article) and (3), Article 108, and Article 109 of the Code of Civil Procedure (Act No. 109 of 1996) shall apply mutatis mutandis. In this case, the term "court execution officer" in Article 99, paragraph (1) of said Act and the term "court clerk" in Article 107, paragraph (1) of said Act shall be deemed to be replaced with "employees of the Consumer Affairs Agency," the term "Supreme Court Rules" in said paragraph with "Cabinet Office Order," the term "presiding judge" in Article 108 of said Act and the term "court" in Article 109 of said Act with the "Prime Minister."

(Service by Publication)

Article 44 (1) The Prime Minister may make service by publication in the following cases:

- (i) Where the domicile, residence, or other place where service should be made is unknown to the person to whom service is to be made
 - (ii) When service may not be made pursuant to the provision of Article 107 (1) of the Code of Civil Procedure as applied mutatis mutandis by replacing the terms and phrases pursuant to the preceding Article
 - (iii) Where it should be found that service to be made in a foreign state cannot be made under the provisions of Article 108 of the Code of Civil Procedure as applied mutatis mutandis upon reading the preceding Article, or that service cannot be made thereunder
 - (iv) In cases where, even after six months have elapsed from the issuance of the commission to the competent foreign government agency pursuant to Article 108 of the Code of Civil Procedure as applied mutatis mutandis upon reading the preceding Article, no document evidencing the service of the commission has been sent to the competent foreign government agency
- (2) Service by publication shall be made by posting a document stating that the document to be served shall be delivered at any time to the person who is to receive service in a manner provided for in a Cabinet Office Order and in a condition that is accessible to an unspecified number of persons, and by posting a document stating such fact at the posting area of the Consumer Affairs

Agency or taking measures to display a visual representation of such fact on a computer installed at the office of the Consumer Affairs Agency in a condition that is accessible for public inspection.

- (3) Service by publication shall become effective upon the elapse of two weeks from the day on which the action under the preceding paragraph was taken.
- (4) In the case of service by publication made with respect to service to be made in a foreign state, the period set forth in the preceding paragraph shall be six weeks.

(Use of Electronic Data Processing System)

Article 45 When an official of the Consumer Affairs Agency has, pursuant to the provisions of Article 7, paragraph (1) of the Act on the Advancement of Government Administration Processes That Use Information and Communications Technology (Act No. 151 of 2002), conducted affairs concerning a notice of disposition, etc. prescribed in Article 3, item (ix) of the said Act, which are to be conducted by serving documents pursuant to the provisions of this Act or a Cabinet Office Order, using an electronic data processing system prescribed in Article 6, paragraph (1) of the said Act, instead of preparing and submitting a document stating matters concerning service under Article 109 of the Code of Civil Procedure as applied *mutatis mutandis* by replacing the terms and phrases in Article 43, said matters shall be recorded in a file on a computer (including input-output devices) used by the Consumer Affairs Agency using said electronic data processing system.

Chapter VI Penal Provisions

Article 46 (1) When Orders for Measures are violated, the person who committed said violation shall be punished by imprisonment with work up to two years or a fine of up to three million yen.

- (2) In light of the circumstances, imprisonment and a fine may be cumulatively imposed on a person who has committed a crime set forth in the preceding paragraph, in light of the circumstances.

Article 47 Any person who has failed to report or submit materials or provided a false report or submitted false materials, or refused, obstructed or evaded inspection, or failed to answer or gave false answers to the questions as provided in Article 25, paragraph (1), is subject to punishment by imprisonment for not more than one year or by a fine of not more than three million yen.

Article 48 In any of the following cases, the person who commits said violation

shall be punished by a fine of up to one million yen:

- (i) When an Entrepreneur has misled general consumers into believing that the quality, standard, or other details of the goods or services that it supplies in transactions of the goods or services are significantly better than the actual ones or those of other Entrepreneurs who supply the same or similar goods or services as those of the Entrepreneur concerned.
- (ii) When an Entrepreneur has misled general consumers into believing that the price or other terms and conditions of the goods or services in a transaction of the goods or services that it supplies are significantly more favorable to the counterparty of the transaction than they actually are or are for other Entrepreneurs who supply goods or services of the same or similar kind as those of the Entrepreneur concerned.

Article 49 (1) When a representative of a corporation, or an agent, an employee, or any other worker in the service of a corporation or of an individual has, with regard to the business or property of the corporation or individual, committed a violation stipulated in the following items, not only the offender but also the corporation or the individual is subject to punishment by the fine as prescribed in the respective items:

- (i) Article 46, paragraph (1): a fine of not more than three hundred million yen
 - (ii) The two preceding Articles: fines under each of the Articles
- (2) Where a representative, a manager, an agent, an employee, or any other worker in a service of an organization without judicial personality has, with regard to the business or property of the organization, committed a violation stipulated in each item of the preceding paragraph, not only the offender, but also the organization is subject to punishment by a fine as prescribed in the respective items.
- (3) In cases referred to in the preceding paragraph, the representative or manager represents the organization in respect of procedural actions and the provisions of the Code of Criminal Procedure (Act No. 131 of 1948) which are applicable to procedural actions where a corporation is the accused or the suspect applies *mutatis mutandis*.

Article 50 If a violation as referred to in Article 46, paragraph (1) occurs, the fine as prescribed in the same paragraph is also to be imposed on the representative of the corporation concerned (excluding those which fall under a Trade Association) who has failed to take necessary measures to prevent the violation despite the knowledge of a plan to commit the violation, or who has failed to take necessary measures to rectify the violation despite the knowledge of the violation.

Article 51 (1) In the case of violation of Article 46, paragraph (1), the fine as prescribed in the same paragraph is also to be imposed on a director or any other officer or a manager of the Trade Association concerned or its constituent Entrepreneurs (in cases where the officer, employee, agent, or any other person who has done the act for the benefit of an Entrepreneur was a constituent Entrepreneur, the Entrepreneur is included) who has failed to take necessary measures to prevent the violation despite the knowledge of a plan to commit the violation or who has failed to take necessary measures to rectify the violation despite knowledge of the violation.

(2) Where a director or any other officer or a manager of the Trade Association concerned or its constituent Entrepreneurs as provided for in the preceding paragraph is a corporation or any other organization, the provisions of the same paragraph apply to a director or any other officer or a manager of the organization.

Article 52 A Qualified Consumer Organization that uses or provides information, in violation of the provisions of Article 34, paragraph (3) for purposes other than the purposes prescribed in the same paragraph is subject to punishment by a non-criminal fine of up to three hundred thousand yen.

Supplementary Provisions [Extract]

- (1) This Act comes into effect as of the day on which three months have elapsed since the date of promulgation; provided, however, that the provisions of the following paragraph comes into effect as of the date of promulgation.
- (2) A hearing with respect to the designation under the provisions of Article 2 or Article 4, item (iii) or the limitation or prohibition under the provisions of Article 3 may be held before the date on which this Act comes into effect.

Supplementary Provisions [Act No. 44 of May 30, 1972]

This Act comes into effect as of October 1, 1972.

Supplementary Provisions [Act No. 89 of November 12, 1993] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which the Administrative Procedure Act (Act No. 88 of 1993) comes into effect.

(Transitional Measures Concerning Adverse Dispositions Pertaining to Consultations)

Article 2 Where, before this Act comes into effect, a consultation or other request was filed with a council or other organization adopting a council system to the effect that procedures for hearings or the granting of an opportunity for explanation prescribed in Article 13 of the Administrative Procedure Act, or other procedures equivalent to the procedures for giving a statement of opinions should be taken, the provisions that continue to govern remain applicable with regard to the procedures for adverse dispositions pertaining to the consultation or request, notwithstanding the provisions of the relevant laws revised by this Act.

(Transitional Measures Concerning Penal Provisions)

Article 13 For the purpose of applying penal provisions to acts committed before this Act comes into effect, the provisions that continue to govern remain applicable.

(Transitional Measures upon Arrangement of Provisions on Hearings)

Article 14 Hearings or hearing meetings held pursuant to the provisions of laws before this Act comes into effect (excluding those pertaining to adverse dispositions) or procedures thereof are deemed to have been held or conducted pursuant to the corresponding provisions of the relevant laws revised by this Act.

(Delegation to Cabinet Order)

Article 15 Beyond what is provided for in Article 2 through the preceding Article of the Supplementary Provisions, any transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

Supplementary Provisions [Act No. 87 of July 16, 1999] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2000; provided, however, that the provisions listed in each of the following items comes into effect as of the date specified in the respective items:

- (i) The provisions in Article 1 for revision to add five Articles, a Section heading, two Subsections and Subsection headings following Article 250 of the Local Autonomy Act (limited to the part pertaining to Article 250-9, paragraph (1) of the Act (limited to the part pertaining to obtaining the consent of both Houses of the Diet)), the provisions in Article 40 for revising Paragraph (9) and Paragraph (10) of the Supplementary Provisions of the Natural Parks Act (limited to the part pertaining to paragraph (10) of the Supplementary Provisions), the provisions of Article 244 (excluding the part

pertaining to the provisions for revising Article 14-3 of the Agricultural Improvement Promotion Act), and the provisions of Article 472 (excluding the part pertaining to the provisions for revising Article 6, Article 8 and Article 17 of the Municipal Merger Act), as well as the provisions of Article 7, Article 10, Article 12, the proviso to Article 59, Article 60 paragraph (4) and paragraph (5), Article 73, Article 77, Article 157 paragraph (4) through paragraph (6), Article 160, Article 163, Article 164 and Article 202 of the Supplementary Provisions: The date of promulgation.

(Affairs of the National Government)

Article 159 Beyond what is provided for in the respective laws prior to revision by this Act, the processes of the national government, other local governments and other public entities that were managed or executed by local government organs in accordance with laws or Cabinet Orders based thereon before this Act comes into effect (referred to in Article 161 of the Supplementary Provisions as "processes of the national government") are to, after this Act comes into effect, be handled by local governments as the processes of the local governments in accordance with laws or Cabinet Orders based thereon.

(Transitional Measures Concerning Dispositions and Applications)

- Article 160 (1) When applying the respective revised laws after the date on which this Act comes into effect, excluding those specified in the provisions of Article 2 through the preceding Article of the Supplementary Provisions or in the provisions concerning transitional measures in the respective revised laws (including orders based thereon), dispositions of permission, and other actions taken pursuant to the provisions of the respective laws prior to the revision before this Act comes into effect (or, in the case of the provisions listed in the items of Article 1 of the Supplementary Provisions, the provisions; the same applies hereinafter in this Article and in Article 163 of the Supplementary Provisions) (hereinafter in this Article referred to as "Dispositions and Other Actions") or applications for permission, etc., and other actions already taken pursuant to the provisions of the respective laws prior to the revision at the time when this Act comes into effect (hereinafter in this Article referred to as "Applications and Other Actions") for which the person who is to conduct administrative processes pertaining to these actions changes to a different person on the date on which this Act comes into effect, is deemed to be Dispositions and Other Actions, or Applications and Other Actions, taken pursuant to the corresponding provisions of the respective revised laws.
- (2) If matters for which reports, notifications, submissions and other procedures were required to be made to national or local government organs under the provisions of the respective laws prior to the revision before this Act comes into

effect, but for which those procedures were not carried out before the date on which this Act comes into effect, are matters for which reports, notifications, submissions and other procedures are required to be made to the corresponding organs of national or local governments under the corresponding provisions of the respective revised laws, except for matters to which other provisions of this Act and Cabinet Orders based thereon apply, it is deemed that the procedures for those matters have not been carried out, and the provisions of the respective laws revised by this Act apply thereto.

(Transitional Measures Concerning Appeals)

Article 161 (1) Appeals under the Administrative Appeals Act concerning dispositions pertaining to processes of the national government, etc., that were implemented before the date of coming into force by an administrative agency (hereafter in this Article referred to as "Administrative Agency Ordering the Disposition") which had a higher administrative agency as prescribed in the Act (hereafter in this Article referred to as "Higher Administrative Agency") before the date of coming into force, are subject to the provisions of the Administrative Appeals Act by deeming the Administrative Agency Ordering the Disposition as having a Higher Administrative Agency even after the date of coming into force. In this case, the administrative agency deemed to be the Higher Administrative Agency of the Administrative Agency Ordering the Disposition is to be the administrative agency that was the Higher Administrative Agency of the Administrative Agency Ordering the Disposition before the date of coming into force.

(2) In cases falling under the preceding paragraph, when the administrative agency that is deemed to be the Higher Administrative Agency is a local government organ, the processes to be handled by the organ under the provisions of the Administrative Appeals Act are Item 1 statutory entrusted functions as prescribed in Article 2 paragraph (9), item (i) of the new Local Autonomy Act.

(Transitional Measures Concerning Fees)

Article 162 Concerning fees required to be paid under the provisions of the respective laws prior to the revision by this Act (including orders based thereon) before the date of coming into effect, except as otherwise provided in this Act and Cabinet Orders based thereon, the provisions that continue to govern remain applicable.

(Transitional Measures Concerning Penal Provisions)

Article 163 When applying penal provisions to acts committed before this Act comes into effect, the provisions that continue to govern remain applicable.

(Delegation of Other Transitional Measures to Cabinet Orders)

Article 164 (1) Beyond what is provided for in these Supplementary Provisions, transitional measures necessary upon the coming into effect of this Act (including transitional measures concerning penal provisions) is prescribed by Cabinet Order.

(2) Necessary matters concerning application of the provisions of Article 18, Article 51 and Article 184 of the Supplementary Provisions is prescribed by Cabinet Order.

(Review)

Article 250 Effort is to be made to avoid, as far as possible, creating additional functions as Item 1 statutory entrusted functions prescribed in Article 2, paragraph (9), item (i) of the new Local Autonomy Act, and those listed in Appended Table 1 of the new Local Autonomy Act and those indicated in Cabinet Orders based on the Act are to be subjected to review and appropriately revised at suitable times, from the viewpoint of promoting decentralization.

Article 251 To enable local governments to execute their processes and projects autonomously and independently, the government, while taking account of trends in financial circumstances, is to review means of enhancing and securing local tax revenues in accordance with the distribution of roles between the national and local governments, and take necessary measures based on the results thereof.

Article 252 To enable local governments to execute their processes and projects autonomously and independently, the government, while taking account of trends in financial circumstances, is to review means of enhancing and securing local tax revenues in accordance with the distribution of roles between the national and local governments, and take necessary measures based on the results thereof.

Supplementary Provisions [Act No. 76 of May 19, 2000] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding six months from January 6, 2001.

Supplementary Provisions [Act No. 45 of May 23, 2003]

(Effective Date)

Article 1 This Act comes into effect as of the day on which one month has elapsed since the date of promulgation; provided, however, that the provisions for revising Article 5, paragraph (1), the provisions for revising Article 6, paragraph (1), and the provisions for revising Article 9-2 (limited to the part for revising "Article 4" to "Article 4, paragraph (1)"), as well as the provisions of the following Article comes into effect as of the day on which six months have elapsed since the date of promulgation.

(Transitional Measures)

Article 2 The provisions of Article 4 of the Act against Unjustifiable Premiums and Misleading Representations revised by this Act (hereinafter referred to as the "New Act") applies to the Representation made after the provisions set forth in the proviso to the preceding Article come into effect, and with regard to the Representation made before the provisions set forth in the proviso to the Article come into effect, the provisions that continue to govern remain applicable.

Article 3 The provisions of Article 6, paragraph (2) and Article 8, paragraph (1) of the New Act applies to a cease and desist order issued by the Fair Trade Commission after this Act comes into effect, and with regard to a cease and desist order issued by the Fair Trade Commission before this Act comes into effect, the provisions that continue to govern remain applicable.

Article 4 The provisions of Article 9-2 of the New Act do not apply to an act that has ceased to exist before this Act comes into effect.

(Delegation to Cabinet Order)

Article 5 Beyond what is provided for in Article 2 through the preceding Article of the Supplementary Provisions, any transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

Supplementary Provisions [Act No. 35 of April 27, 2005] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding one year from the date of promulgation.

(Transitional Measures upon Partial Revision to the Act against Unjustifiable Premiums and Misleading Representations)

Article 22 Where, in relation to the violation prescribed in Article 6, paragraph

(1) of the Act against Unjustifiable Premiums and Misleading Representations prior to the revision under the provisions of the preceding Article, prior to the date of coming into effect, notice has been given pursuant to the provisions of Article 30 of the Administrative Procedure Act (Act No. 88 of 1993) or a transcript of a written decision of commencement of hearing has been served pursuant to the provisions of Article 50, paragraph (2) of the Former Act as applied pursuant to Article 7, paragraph (1) of the Act against Unjustifiable Premiums and Misleading Representations prior to the revision under the provisions of the preceding Article, the provisions that continue to govern remain applicable with regard to the procedure for a cease and desist order and the hearing procedure relating to the violation, notwithstanding the provisions of the Act against Unjustifiable Premiums and Misleading Representations revised under the provisions of the preceding Article and of the New Act.

Supplementary Provisions [Act No. 29 of May 2, 2008] [Extract]

(Effective Date)

(1) This Act comes into effect as of April 1, 2009.

Supplementary Provisions [Act No. 49 of June 5, 2009] [Extract]

(Effective date)

Article 1 This Act comes into effect as of the date on which the Act Establishing the Consumer Affairs Agency and the Consumer Commission (Act No. 48 of 2009) comes into effect; provided, however, that the provisions listed in each of the following items comes into effect as of the date specified in the respective items.

(i) the provisions of Article 9 of the Supplementary Provisions: the date of promulgation of this Act.

(Transitional Measures upon Partial Revision to the Act against Unjustifiable Premiums and Misleading Representations)

Article 6 (1) The Rules of the Fair Trade Commission issued pursuant to the provisions of Article 5, paragraph (1) or Article 12, paragraph (1) or paragraph (4) of the Act against Unjustifiable Premiums and Misleading Representations prior to the revision under the provisions of Article 12 (hereinafter referred to as the "Former Act" in this Act) have the effect of Cabinet Office Order under Article 7, paragraph (3) of the Act for Establishment of the Cabinet Office, issued pursuant to the provisions of Article 5, paragraph (1) or Article 11, paragraph (1) or paragraph (4) of the Act against Unjustifiable Premiums and Misleading Representations revised by the provisions of Article 12 (hereinafter

referred to as the "New Act" in this Article).

- (2) The limitation or prohibition imposed by the Fair Trade Commission under the provisions of Article 3 of the Former Act prior to the date of coming into effect are deemed to be the limitation or prohibition imposed by the Prime Minister pursuant to the provisions of Article 3 of the New Act as of the date of coming into effect.
- (3) The provisions of Article 6 of the New Act are applicable to the limitation or prohibition under the provisions of Article 3 of the Former Act or the violation of the provisions of Article 4, paragraph (1) of the Former Act, which took place prior to the date of coming into effect; provided, however, that with regard to an order issued under the provisions of Article 6, paragraph (1) of the Former Act prior to the date of coming into effect, and to the application to this order of the provisions of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947), as well as an appeal against this order, the provisions that continue to govern remain applicable.
- (4) Any agreement or rule authorized pursuant to the provisions of Article 12, paragraph (1) of the Former Act at the time when this Act comes into effect is deemed to be an agreement or rule authorized by the Prime Minister and the Fair Trade Commission pursuant to the provisions of Article 11, paragraph (1) of the New Act as of the date of coming into effect.
- (5) With regard to an appeal against a disposition made by the Fair Trade Commission pursuant to the provisions of Article 12, paragraph (1) or paragraph (3) of the Former Act prior to the date of coming into effect, the provisions that continue to govern remain applicable.

(Transitional Measures Concerning Application of Penal Provisions)

Article 8 When applying penal provisions to acts committed before this Act comes into effect and to acts committed after this Act comes into effect if the provisions previously in force remain applicable pursuant to the Supplementary Provisions of this Act, the provisions that continue to remain applicable.

(Delegation to Cabinet Orders)

Article 9 Beyond what is provided for in Article 2 through the preceding Article of the Supplementary Provisions, any transitional measures necessary for the enforcement of this Act (including transitional measures concerning penal provisions) are specified by Cabinet Order.

Supplementary Provisions [Act No. 100 of December 13, 2013] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding one year and six months from the date of promulgation.

Supplementary Provisions [Act No. 69 of June 13, 2014] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of enforcement of the Administrative Appeal Act (Act No. 68 of 2014).

Supplementary Provisions [Act No. 71 of June 13, 2014] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding one year and six months from the date of promulgation; provided, however, that the provisions listed in the following items come into effect as of the dates specified respectively in those items:

- (i) The provisions of the following Article and Article 5 of the Supplementary Provisions: The date of promulgation; and
- (ii) The revising provisions of Article 10 of Act against Unjustifiable Premiums and Misleading Representations in Article 1, the revising provisions that add an Article in main provisions of the same Act, the provisions of Article 2 (excluding the revising provisions of the following paragraph) and the provisions of Article 3 and Article 7 through Article 11 of supplementary provisions: the date specified by Cabinet Order within a period not exceeding two years from the date of promulgation.

(Transitional Measures as a Result of Partial Revision of the Act against Unjustifiable Premiums and Misleading Representations)

Article 2 (1) The Prime Minister may establish guidelines for administrative measures for the offering of premiums and representations to be taken by Entrepreneur even prior to the enforcement of this Act as prescribed in Article 7 of the Act against Unjustifiable Premiums and Misleading Representations amended by the provisions of Article 1.

(2) The guideline pursuant to the preceding paragraph is deemed to have been established under the provisions of Article 7, paragraph (2) of the Act against unjustifiable Premiums and Misleading Representation amended by the provisions of Article 1 on the date of enforcement of this Act.

(Transitional Measures Concerning Penal Provisions)

Article 4 With regard to the application of penal provisions to acts committed

prior to the enforcement of this act, the provisions that continue to govern remain applicable.

(Delegation to Cabinet Order)

Article 5 Beyond those provided for in these Supplementary Provisions, necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

(Reviews)

Article 6 When five years have elapsed after the enforcement of this Act, the government is to review the status of enforcement of the provisions of this Act and, if necessary, take required measures based on the results of the review.

Supplementary Provisions [Act No. 118 of November 27, 2014] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding one year and six months from the date of promulgation; provided, however, the provisions of Article 3 of Supplementary provisions comes into effect as of the date of promulgation.

(Transitional Measures)

Article 2 The provisions of Chapter II Section 3 of the Act against Unjustifiable Premiums and Misleading Representations amended by this Act (hereinafter referred to as the "New Act") applies the Acts Subject to a Surcharge pursuant to Article 8, paragraph (1) of New Act committed on or after the date of enforcement of this Act (referred to as "the Date of Enforcement" in Article 7 of the Supplementary provisions.)

(Delegation to Cabinet Order)

Article 3 Beyond what is provided for in preceding Articles, the transitional measures necessary for enforcement of this Act are specified by Cabinet Order.

(Review)

Article 4 When five years have elapsed after the enforcement of this Act, the government is to review the status of enforcement of the New Act and, if necessary, take required measures based on the results of the review.

(Provisions for Adjustments)

Article 7 If the Date of Enforcement is prior to the date of enforcement of the Act on the Arrangement, etc. of Related Acts following the Enforcement of the

Administrative Appeal Act (Act No.69 of 2014), the phrase "Article 12, paragraph 10" in the provisions revising Article 12, paragraph 10 of the Act against Unjustifiable Premiums and Misleading Representations in Article 28 of the Act on the Arrangement, etc. of Related Acts following the Enforcement of the Administrative Appeal Act is deemed to be replaced with the phrase "Article 33, paragraph 10".

Supplementary Provisions [Act No. 16 of May 31, 2019] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding nine months from the date of promulgation.

Supplementary Provisions [Act No. 48 of May 25, 2022] [Extract]

(Effective Date)

Article 1 This Act shall come into effect as of the date specified by Cabinet Order within a period not exceeding four years and from the day of promulgation; provided, however, that the provisions set forth in each of the following items come into effect as of the day specified in the relevant item:

- (i) The provisions of Article 3 and the provisions in Article 60 of the Supplementary Provisions for revising Article 52, paragraph (2) of Commercial Registration Act (Act No. 125 of 1963) and the provisions of Article 125 of the Supplementary Provisions: Date of promulgation

(Delegation to Cabinet Orders)

Article 125 Beyond those provided for in these Supplementary Provisions, necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

Supplementary Provisions [Act No. 68 of June 17, 2022] [Extract]

(Effective Date)

- (1) This Act comes into effect as of the date of enforcement of the Act Partially Amending the Penal Code and Related Acts, however, that the provisions set forth in each of the following items come into effect as of the day specified in the relevant item:

- (i) The provisions of Article 509: Date of promulgation

Supplementary Provisions [Act No. 29 of May 17, 2023] [Extract]

(Effective Date)

Article 1 This Act shall come into effect as of the date specified by Cabinet Order within a period not exceeding one year and six months from the day of promulgation; provided, however, that the provisions set forth in each of the following items come into effect as of the day specified in the relevant item:

- (i) The provisions of Article 4 of the Supplementary Provisions: Date of promulgation
- (ii) Provisions for revision of Article 15, paragraph (2): The date specified by a Cabinet Order within a period not exceeding three years from the day of promulgation

(Transitional Measures)

Article 2 The provisions of Article 8, paragraphs (4) through (6) of the Act Against Unjustifiable Premiums and Misleading Representations as revised by this Act (hereinafter referred to as the "New Act" in the following Article) shall apply to the calculation of the amount of surcharge (In the case of a Act Subject to a Surcharge that started before the enforcement date and has not ceased after the enforcement date, only the portion corresponding to the Act Subject to a Surcharge after the enforcement date) for Acts Subject to a Surcharge prescribed in Article 8, paragraph (1) of the Act Against Unjustifiable Premiums and Misleading Representations (hereinafter referred to as "Acts Subject to a Surcharge" in this Article) that were initiated before the enforcement date (hereinafter in this Article and Article 8 of the Supplementary Provisions referred to as the "Date of Enforcement") of this Act and have not been discontinued after the enforcement date and those initiated after the enforcement date.

Article 3 With respect to the application of the provisions of Article 44, paragraphs (2) and (3) of the New Act during the period until the day before the date of enforcement of the provisions listed in Article 1, item (ii) of the Supplementary Provisions, the phrase "make the documents available for inspection by an unspecified number of persons by a method specified by a Cabinet Office Order, and post documents stating to that effect at a notice board of the Consumer Agency. In addition, the term "shall take measures to make available for public inspection a written statement to that effect displayed on the screen of a computer installed in the office of the Consumer Agency" in paragraph (2) of the said Article shall be deemed to be replaced with "shall post the statement at the posting area of the Consumer Agency" and the term "has taken measures" in paragraph (3) of the said Article with "has started posting the statement."

(Delegation to Cabinet Orders)

Article 4 In addition to what is provided for in the preceding two Articles, transitional measures necessary for the enforcement of this Act (including transitional measures concerning penal provisions) shall be specified by Cabinet Order.