

Act on the Fund Corporation for the Overseas Development of Japan's ICT and Postal Services (Tentative translation)

(Act No. 35 of June 5, 2015)

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Chapter I General Provisions

(Purpose of JICT)

Article 1 The Fund Corporation for the Overseas Development of Japan's ICT and Postal Services is a stock company whose purpose is to contribute to sustainable growth of the national economy, as a result of efforts to improve the profitability of business operators in Japan who respond to the relevant demands, through the expansion of common demand for communication, broadcasting and postal businesses in Japan and overseas, by providing funds and other support for persons, etc. engaged in communication, broadcasting and postal businesses overseas, utilizing the knowledge, technology and experience accumulated by Japanese business operators.

(Definition)

Article 2 The term "communications, broadcasting and postal business" as used in this Act means the following:

- (i) telecommunication business (business providing services for the provision of telecommunication facilities for others' telecommunication in order to respond to the demands of others);
 - (ii) broadcasting business (business providing services for the transmission of telecommunication intended to be received directly by the public);
 - (iii) postal business (business providing service for the delivery of confidential correspondence and other postal items in order to respond to the demands of others); and
 - (iv) businesses that contribute to the development of demand for services provided by the businesses specified in the preceding three items and other businesses closely related to the businesses specified in the preceding three items, which all share business profits and losses with these businesses specified in the preceding three items.
- (2) The term "target business" as used in this Act means communication, broadcasting and postal service businesses conducted overseas or businesses supporting telecommunications, broadcasting and postal service businesses conducted overseas.

(Number)

Article 3 Only one Fund Corporation for the Overseas Development of Japan's ICT and Postal Services (hereinafter referred to as "JICT") is to be incorporated.

(Shares Owned by the Government)

Article 4 The government must at all times hold a number of shares (excluding shares of a class specified as being unable to exercise voting rights with respect to all of the matters for which a resolution can be made at a shareholders meeting; hereinafter the same applies in this Article) equivalent to 50 percent or more of the total number of shares issued by JICT.

(Approval of Shares, Corporate Bonds and Borrowings)

Article 5 When JICT intends to solicit persons to subscribe for the shares for subscription provided in Article 199, paragraph (1) of the Companies Act (Act No. 86 of 2005) (referred to as "shares for subscription" in Article 45, item (i)), the share options for subscription provided in Article 238, paragraph (1) of the same Act (referred to as "share options for subscription" in the same item), or the bonds for subscription provided in Article 676 of the same Act (referred to as "bonds for subscription" in Article 35 and the same item in Article 45), intends to issue shares, bonds or share options in a share exchange or partial

share exchange, or intends to borrow funds, JICT must obtain the approval of the Minister for Internal Affairs and Communications.

- (2) When JICT has issued shares upon the exercise of share options, it must notify the Minister for Internal Affairs and Communications of that fact without delay.
- (3) The total of the current amount of JICT's borrowings and the current principal amount of its obligations under the bonds issued thereby must not exceed the amount obtained by multiplying the total of the amount of its stated capital and the amount of its reserves by a factor specified by Cabinet Order.

(Contributions by the Government)

Article 6 If the government finds it to be necessary, it may make contributions to JICT of up to the amount specified in the budget.

(Trade Name)

Article 7 (1) JICT must use the characters “株式会社海外通信・放送・郵便事業支援機構” (pronounced "kabushiki gaisha kaigai tsushin housou yubin jigyo shien kiko) in its trade name.

- (2) A person who is not JICT must not use the characters “株式会社海外通信・放送・郵便事業支援機構” (pronounced "kabushiki gaisha kaigai tsushin housou yubin jigyo shien kiko) in its name.

Chapter II Incorporation

(Information Required to Be Specified or Recorded in the Articles of Incorporation)

Article 8 (1) Beyond the matters set forth in the items of Article 27 of the Companies Act, the following information must be specified or recorded in the articles of incorporation of JICT:

- (i) the number of shares issued at the time of incorporation of JICT (hereinafter referred to as a "share issued at incorporation")(if it is intended to incorporate JICT as a company with class shares, those classes and the number of shares in each class);
- (ii) the amount to be paid in for a share issued at incorporation (meaning the amount of money paid in, or assets other than money contributed, in exchange for one share issued at incorporation);
- (iii) the number of shares issued at incorporation allotted to the government (if it is intended to incorporate JICT as a company with class shares, those classes and the number of shares in each class);
- (iv) the matters set forth in Article 107, paragraph (1), item (i) of the Companies Act;

- (v) an indication that JICT has a board of directors and company auditors; and
 - (vi) an indication that JICT dissolves upon completion of the operations set forth in the items of Article 23, paragraph (1).
- (2) The following information must not be specified or recorded in the articles of incorporation of JICT:
- (i) an indication that JICT has an audit and supervisory committee or a nominating committee, etc. provided in Article 2, item (xii) of the Companies Act; and
 - (ii) the provisions provided in accordance with the proviso to Article 139, paragraph (1) of the Companies Act.

(Approval of Incorporation)

Article 9 The incorporators of JICT must prepare the articles of incorporation, and must submit these articles of incorporation and the business plan to the Minister for Internal Affairs and Communications to apply for approval to incorporate promptly after subscribing for shares issued at incorporation allotted to them.

Article 10 (1) If an application for approval under the provisions of the preceding Article is filed, the Minister for Internal Affairs and Communications must examine whether the application conforms to the following standards:

- (i) the procedures of the incorporation and the contents of the articles of incorporation conform to the provisions of laws and regulations;
 - (ii) nothing false is specified or recorded in the articles of incorporation, nor is a false signature, name or seal affixed thereto (including the actions that are taken in lieu of the signing or the affixing of the names and seals under the provisions of Article 26, paragraph (2) of the Companies Act); and
 - (iii) it is certain that the management of the operations is soundly performed and contributes to the promotion of target businesses.
- (2) If the Minister for Internal Affairs and Communications finds the application to conform to the standards set forth in the items of the preceding paragraph as a result of examination pursuant to the same paragraph, the minister must approve the incorporation.

(Election of Directors and Company Auditors at Incorporation and Their Dismissal)

Article 11 The election of directors at incorporation provided in Article 38, paragraph (1) of the Companies Act and the election of company auditors at incorporation provided in paragraph (3), item (ii) of the same Article, and their dismissal do not become effective without the approval of the Minister for Internal Affairs and Communications.

(Replacement of Terms in Provisions of the Companies Act)

Article 12 With respect to the application of the provisions of Article 30, paragraph (2), Article 34, paragraph (1), Article 59, paragraph (1), item (i), and Article 963, paragraph (1) of the Companies Act, the phrase "Articles of incorporation that are certified by a notary public pursuant to the preceding paragraph may not be amended before the formation of the Stock Company" in Article 30, paragraph (2) of the same Act is deemed to be replaced with "Articles of incorporation may not be amended before the incorporation of Fund Corporation for the Overseas Development of Japan's ICT and Postal Services after the approval set forth in Article 10 paragraph (2) of the Act on Fund Corporation for the Overseas Development of Japan's ICT and Postal Services (Act No. 35 of 2015)"; the phrase "subscription for shares issued at incorporation" in Article 34, paragraph (1) of the same Act is deemed to be replaced with "the approval set forth in Article 10, paragraph (2) of the Act on Fund Corporation for the Overseas Development of Japan's ICT and Postal Services"; the phrase "the date of the certification of the articles of incorporation and the name of the notary public who effected that certification" in the same item is deemed to be replaced with "the date of the approval set forth in Article 10, paragraph (2) of the Act on Fund Corporation for the Overseas Development of Japan's ICT and Postal Services"; and the phrase "Article 34, paragraph (1)" in Article 963, paragraph (1) of the same Act is deemed to be replaced with "Article 34, paragraph (1) (including when the provisions are applied pursuant to the provisions of Article 12 of the Act on Fund Corporation for the Overseas Development of Japan's ICT and Postal Services after deemed replacement)."

(Non-Applicability of Provisions of the Companies Act)

Article 13 The provisions of Article 30, paragraph (1) and Article 33 of the Companies Act do not apply to the incorporation of JICT.

Chapter III Administration

Section 1 Directors

(Resolution for Election of Directors and Company Auditors)

Article 14 A resolution electing or dismissing a director or company auditor of JICT does not become effective without the approval of the Minister for Internal Affairs and Communications.

(Directors' Duty of Confidentiality)

Article 15 A director, accounting advisor, company auditor or employee of JICT or

a person that was employed as such must not disclose or misappropriate any secret learned in the course of the person's duties.

Section 2 Committee on Overseas Communications, Broadcasting and Postal Businesses

(Establishment)

Article 16 The Committee on Overseas Communications, Broadcasting and Postal Businesses (hereinafter referred to as the "committee") is established in JICT.

(Authority)

Article 17 (1) The committee makes the following decisions:

- (i) decisions about business operators to which support for target businesses will be extended as set forth in Article 25, paragraph (1) and the content of the support for those target businesses;
 - (ii) decisions about transfer and other dispositions of shares, etc. or claims set forth in Article 27, paragraph (1); and
 - (iii) beyond what is set forth in the preceding two items, decisions about the matters set forth in Article 362, paragraph (4), items (i) and (ii) of the Companies Act that have been delegated through a resolution of the board of directors.
- (2) The committee is deemed to have been delegated by the board of directors to make the decisions set forth in items (i) and (ii) of the preceding paragraph.

(Committee Organization)

Article 18 (1) The committee is to be composed of three to seven members who are directors.

- (2) At least one representative director and one outside director must be among the members of the committee.
- (3) The committee members are decided through a resolution of the board of directors.
- (4) A resolution appointing or removing a committee member does not become effective without the approval of the Minister for Internal Affairs and Communications.
- (5) The committee members individually perform their own duties.
- (6) The committee has a chairperson who is elected from among its members.
- (7) The chairperson presides over the affairs of the committee.
- (8) The committee must designate in advance a committee member to undertake the duties of the chairperson if the chairperson is unable to perform the duties.

(Operations)

- Article 19 (1) The committee is convened by the chairperson (if the chairperson is unable to perform this duty, by the person who undertakes the duties of the chairperson pursuant to paragraph (8) of the preceding Article; the same applies in the following paragraph and paragraph (3)).
- (2) The committee may not hold a meeting or pass any resolution without the attendance of the chairperson and two thirds or more of the total number of the incumbent committee members.
- (3) A decision of the committee is effected by a majority of the committee members present at the meeting. The chairperson effects such a decision in the event of a tie.
- (4) A committee member with a special interest in a resolution under the provisions of the preceding paragraph may not participate in the vote.
- (5) The number of committee members who may not participate in the vote pursuant to the provisions of the preceding paragraph is not to be included in the number of the incumbent committee members provided in paragraph (2).
- (6) Company auditors must attend the meetings of the committee and must state their opinions if they find it to be necessary.
- (7) A member of the committee who has been appointed by the committee must notify the board of directors of the resolution under the provisions of paragraph (3) without delay after the resolution is passed.
- (8) Minutes must be prepared with respect to the meeting of the committee specified by Order of the Ministry of Internal Affairs and Communications, and if those minutes are prepared in writing, the committee members and company auditors who were present at the meeting must sign or affix their names and seals to the minutes.
- (9) If the minutes set forth in the preceding paragraph are prepared as an electronic or magnetic record (meaning a record used in computerized information processing which is created in electronic form, magnetic form, or any other form that cannot be perceived by the human senses; hereinafter the same applies in this paragraph and paragraph (2), item (ii) of the following Article), actions that are taken in lieu of the signing or the affixing of the names and seals provided by Order of the Ministry of Internal Affairs and Communications must be taken with respect to the matters recorded in the electronic or magnetic record.
- (10) Beyond what is provided in the preceding paragraphs and the following Article, the committee decides the procedures for its decisions and other matters necessary for its own operations.

(Minutes)

- Article 20 (1) JICT must keep the minutes set forth in paragraph (8) of the

preceding Article at its head office for ten years after the date of the meeting of the committee.

- (2) If it is necessary for the exercise of rights, a shareholder may make the following requests with the permission of the court:
 - (i) if the minutes set forth in the preceding paragraph are prepared in writing, a request for inspection or copying of those written minutes; and
 - (ii) if the minutes set forth in the preceding paragraph are prepared as an electronic or magnetic record, a request for inspection or copying of anything that indicates the matters recorded in the electronic or magnetic record by a method provided by Order of the Ministry of Internal Affairs and Communications.
- (3) If it is necessary for the enforcement of the liability of a committee member, an obligee may make the requests set forth in the items of the preceding paragraph with respect to the minutes set forth in paragraph (1) with the permission of the court.
- (4) If the court finds that the inspection or copying pertaining to the requests set forth in the items of paragraph (2) or the requests set forth in the preceding paragraph is likely to cause considerable damage to JICT, it must not give permission set forth in paragraph (2) or the preceding paragraph.
- (5) The provisions of Article 868, paragraph (1), Article 869, Article 870, paragraph (2) (limited to the part pertaining to item (i)), Article 870-2, the main clause of Article 871, Article 872 (limited to the part pertaining to item (v)), Article 872-2, the main clause of Article 873, Article 875, and Article 876 apply mutatis mutandis to the permission set forth in paragraphs (2) and (3).
- (6) A director may make the requests set forth in the items of paragraph (2) with respect to the minutes set forth in paragraph (1).

(Registration)

- Article 21 (1) When JICT appoints a committee member, it must register the name of the member at the location of its head office within two weeks. The same applies if there is a change in the name of a committee member.
- (2) A document evidencing that a committee member has been appointed and the appointed committee member has accepted the position must be attached to a written application for the registration of the appointment of a committee member under the provisions of the preceding paragraph.
 - (3) A document evidencing a change due to the resignation of a committee member must be attached to a written application for the registration of that change.
 - (4) With respect to directors who have been appointed as committee members and are outside directors, JICT must register the fact that they are outside directors.

Section 3 Amendments to the Articles of Incorporation

Article 22 A resolution amending the articles of incorporation of JICT does not become effective without the approval of the Minister for Internal Affairs and Communications.

Chapter IV Operations

Section 1 Scope of Operations

Article 23 (1) JICT engages in the following operations for achieving its purpose:

- (i) making contributions to target business operators (meaning business operators to which the JICT extends its support pursuant to the provisions of Article 25, paragraph (1) (including partnerships formed through a partnership contract provided in Article 667, paragraph (1) of the Civil Code (Act No. 89 of 1896); silent partnerships formed through a silent partnership contract provided in Article 535 of the Commercial Code (Act No. 48 of 1899); investment limited partnerships provided in Article 2, paragraph (2) of the Limited Partnership Act for Investment (Act No. 90 of 1998); limited liability partnerships provided in Article 2 of the Limited Liability Partnership Act (Act No. 40 of 2005); and organizations formed pursuant to foreign laws and regulations which are similar to any of these partnerships; the same applies hereinafter) the same applies hereinafter);
- (ii) contributing funds (meaning the funds provided in Article 131 of the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006) to target business operators;
- (iii) loaning funds to target business operators;
- (iv) acquiring securities (meaning the securities set forth in the items of Article 2, paragraph (1) of the Financial Instruments and Exchange Act (Act No. 25 of 1948) and the rights deemed to be securities pursuant to the provisions of paragraph (2) of the same Article; hereinafter the same applies in this item and item (xii)) issued by target business operators and securities held by target business operators;
- (v) acquiring monetary claims against target business operators, and monetary claims held by target business operators;
- (vi) guarantee of bonds issued by target business operators, and obligations pertaining to their borrowing of funds;
- (vii) making offerings or private placements of securities (limited to the rights set forth in Article 2, paragraph (2), item (v) or (vi) of the Financial Instruments and Exchange Act which are deemed to be securities pursuant to the provisions of the same paragraph) on behalf of target business

- operators;
- (viii) staffing engineers and other experts to business operators which engage in or intend to engage in target businesses;
 - (ix) giving advice to business operators which engage in or intend to engage in target businesses;
 - (x) transferring, establishing or licensing intellectual property rights (meaning the intellectual property rights set forth in Article 2, paragraph (2) of the Intellectual Property Basic Act (Act No. 122 of 2002) and those equivalent thereto in foreign countries; the same applies in the following item), or disclosing trade secrets (meaning the trade secrets set forth in Article 2, paragraph (6) of the Unfair Competition Prevention Act (Act No. 47 of 1993) and those equivalent thereto in foreign countries; the same applies in the following item), to business operators which engage in or intend to engage in target businesses;
 - (xi) acquiring or receiving the transfer, establishment or license of intellectual property rights necessary for the operations set forth in the preceding item, or receiving the disclosure of trade secrets;
 - (xii) transferring and other dispositions of shares, share options, equity or securities (referred to as "shares, etc." in Article 27, paragraphs (1) and (2)) which JICT holds;
 - (xiii) managing, transferring, and other dispositions of claims;
 - (xiv) carrying out necessary negotiations and investigations in connection with the operations set forth in the preceding items;
 - (xv) carrying out necessary investigations and provision of information for promoting target businesses;
 - (xvi) carrying out operations incidental to those set forth in the preceding items; and
 - (xvii) beyond what is set forth in the preceding items, carrying out necessary operations for achieving the purpose of JICT.
- (2) If JICT intends to engage in the operations set forth in item (xvii) of the preceding paragraph, it must obtain the approval of the Minister for Internal Affairs and Communications in advance.

Section 2 Support Standards

Article 24 (1) The Minister for Internal Affairs and Communications establishes standards which JICT must comply with when deciding on business operators subject to support for target businesses (limited to that provided through the operations set forth in paragraph (1), items (i) through (vii) of the preceding Article; hereinafter referred to as "support for target businesses") and the content of those support for target businesses (hereinafter referred to as

- "support standards" in this Article and paragraph (1) of the following Article).
- (2) When the Minister for Internal Affairs and Communications intends to establish support standards pursuant to the provisions of the preceding paragraph, the minister must consult with the Minister of Foreign Affairs, the Minister of Finance, and the Minister of Economy, Trade and Industry in advance.
 - (3) When the Minister for Internal Affairs and Communications establishes support standards pursuant to the provisions of paragraph (1), the minister is to make them public.

Section 3 Implementation of Operations

(Decision to Provide Support)

- Article 25 (1) When JICT intends to provide support for target businesses, it must decide on a business operator subject to that support and the content thereof in accordance with the support standards.
- (2) When JICT intends to decide whether to provide support for target businesses, it must obtain approval from the Minister for Internal Affairs and Communications in advance.
 - (3) When the Minister for Internal Affairs and Communications intends to give approval pursuant to the provisions of the preceding paragraph, the minister must consult with the Minister of Foreign Affairs, the Minister of Finance, and the Minister of Economy, Trade and Industry in advance.

(Revocation of the Decision to Provide Support)

- Article 26 (1) In the following cases, JICT must promptly revoke a decision under the provisions of paragraph (1) of the preceding Article (referred to as a "decision to provide support" in the following paragraph):
- (i) if the target business operator fails to engage in the target business; or
 - (ii) if the target business operator receives an order of commencement of bankruptcy proceedings, an order of commencement of rehabilitation proceedings, an order of commencement of reorganization proceedings, an order of commencement of special liquidation proceedings or an order of recognition of foreign insolvency proceedings.
- (2) When JICT revokes a decision to provide support pursuant to the provisions of the preceding paragraph, it must immediately notify the target business operator of that fact.

(Transfer and Other Disposition of Shares)

- Article 27 (1) When JICT intends to make a decision to conduct transfer and other dispositions of shares, etc. or claims pertaining to a target business

operator that it holds, it must obtain approval from the Minister for Internal Affairs and Communications in advance.

- (2) JICT must endeavor to conduct transfer and other dispositions of all the shares, etc. and claims that it holds by March 31, 2046 in consideration of the economic situation and the status of businesses of target business operators.
- (3) If JICT guarantees obligations, the due date for redemption of the guaranteed loans must be no later than March 31, 2046.

Chapter V Assistance from the National Government

(Assistance from the National Government)

Article 28 (1) The Minister for Internal Affairs and Communications and the heads of national government administrative organs must endeavor to provide JICT and target business operators with necessary advice and other assistance for the smooth and reliable implementation of their businesses.

- (2) Beyond what is set forth in the preceding paragraph, the Minister for Internal Affairs and Communications and the heads of national government administrative organs must cooperate and coordinate with each other so as to promote the smooth and reliable implementation of businesses conducted by JICT and target business operators.

(Financial Measures)

Article 29 The State must endeavor to take necessary financial measures and other measures for promoting support for target businesses and other businesses that contribute to the smooth and reliable implementation of target businesses

Chapter VI Finance and Accounting

(Budget Approval)

Article 30 (1) Before the start of each business year, JICT must submit its budget for the business year to the Minister for Internal Affairs and Communications to obtain the approval of the minister. The same applies when JICT intends to amend its budget.

- (2) Documents relating to the business plan and the financial plan for the business year must be attached to the budget set forth in the preceding paragraph.

(Resolution to Pay Dividend of Surplus)

Article 31 A resolution to pay dividend of and other appropriation of the surplus of the JICT does not become effective without the approval of the Minister for

Internal Affairs and Communications.

(Financial Statements)

Article 32 Within three months from the end of each business year, JICT must submit its balance sheet, profit and loss statement, and business report for that business year to the Minister for Internal Affairs and Communications.

(Government Guarantee)

Article 33 Notwithstanding the provisions of Article 3 of the Act on Restrictions on Financial Assistance by the Government to Corporations (Act No. 24 of 1946), the government may enter into a guarantee contract with respect to JICT's obligations pertaining to the bonds or borrowings set forth in Article 5, paragraph (1) within the scope of the amount approved by a Diet resolution.

Chapter VII Supervision

(Supervision)

Article 34 (1) JICT is supervised by the Minister for Internal Affairs and Communications pursuant to the provisions of this Act.
(2) If the Minister for Internal Affairs and Communications finds it to be necessary for the enforcement of this Act, the minister may issue to JICT an order that is necessary for supervision in relation to the operations of JICT.

(Consultation with the Minister of Finance)

Article 35 When the Minister for Internal Affairs and Communications intends to give the approval set forth in Article 5, paragraph (1) (limited to when intending to solicit persons to subscribe for bonds for subscription, issue bonds in a share exchange or partial share exchange, or borrow funds), Article 10, paragraph (2), Article 22, Article 23, paragraph (2), Article 30, paragraph (1), Article 31 or Article 38, the minister must consult with the Minister of Finance.

(Evaluation of Operational Performance)

Article 36 (1) The Minister for Internal Affairs and Communications must evaluate the operational performance of JICT for each business year.
(2) When the Minister for Internal Affairs and Communications makes the evaluation set forth in the preceding paragraph, the minister must notify JICT of the results of the evaluation and disclose them to the public without delay.

Chapter VIII Dissolution

(Dissolution of JICT)

Article 37 JICT dissolves upon completion of the operations set forth in the items of Article 23, paragraph (1).

(Resolution to Approve Merger)

Article 38 A resolution approving a merger, split, transfer or acquisition of a business or dissolution of JICT does not become effective without the approval of the Minister for Internal Affairs and Communications.

Chapter IX Miscellaneous Provisions

(Collection of Reports)

Article 39 (1) If the Minister for Internal Affairs and Communications finds it to be necessary for the enforcement of this Act, the minister may have JICT make a report on JICT's operations or may have its personnel enter the business office, office or other place of business of JICT to inspect the books, documents, and other articles of JICT.

(2) A personnel who conducts an on-site inspection pursuant to the provisions of the preceding paragraph must carry identification and present it to persons concerned.

(3) The authority to conduct an on-site inspection under the provisions of paragraph (1) must not be construed as being granted for criminal investigation purposes.

Chapter X Penal Provisions

Article 40 (1) A director, accounting advisor (if the accounting advisor is a corporation, its member who is to perform the duties of the accounting advisor), company auditor or employee of JICT who accepts, solicits or promises to accept a bribe in connection with the duties thereof is punished by imprisonment for not more than three years. If that person commits a wrongful act or fails to commit a reasonable act for this reason, the person is punished by imprisonment for not more than five years.

(2) In the case referred to in the preceding paragraph, the bribe accepted by the criminal is confiscated. If all or part of the bribe cannot be confiscated, the equivalent value thereof is collected.

Article 41 (1) A person who gives, offers to give or promises to give a bribe set forth in paragraph (1) of the preceding Article is punished by imprisonment for not more than three years or by a fine of not more than 1,000,000 yen.

(2) If a person who has committed the crime set forth in the preceding paragraph surrenders, the person may be given a reduced sentence or granted an absolute

discharge.

Article 42 (1) The crime set forth in Article 40, paragraph (1) applies to persons who have committed the crime set forth in the same paragraph outside Japan.
(2) The crime set forth in paragraph (1) of the preceding Article is governed by the provisions of Article 2 of the Penal Code (Act No. 45 of 1907).

Article 43 If a director, accounting advisor (if the accounting advisor is a corporation, its member who is to perform the duties of the accounting advisor), company auditor or employee of JICT or a person who was employed as such discloses or misappropriates any secret learned in the course of the person's duties in violation of the provisions of Article 15, the person is punished by imprisonment for not more than one year or by a fine of not more than 500,000 yen.

Article 44 If JICT fails to make a report under the provisions of Article 39, paragraph (1) or makes a false report, or if it refuses, obstructs or evades an inspection under the provisions of the same paragraph, the director, accounting advisor (if the accounting advisor is a corporation, its member who is to perform the duties of the accounting advisor), company auditor or employee of JICT who has committed the violation is punished by a fine of not more than 500,000 yen.

Article 45 In the case falling under any of the following items, the director, accounting advisor or employee who is to perform the duties thereof or company auditor of JICT who has committed the violation is punished by a non-criminal fine of not more than 1,000,000 yen:

- (i) if JICT solicits persons to subscribe for shares for subscription, share options for subscription or bonds for subscription, issues shares, bonds or share options in a share exchange or partial share exchange, or borrows funds in violation of the provisions of Article 5, paragraph (1);
- (ii) if JICT fails to give a notification that it has issued shares in violation of the provisions of Article 5, paragraph (2);
- (iii) if JICT fails to register in violation of the provisions of Article 21, paragraph (1) or (4);
- (iv) if JICT engages in the operations in violation of the provisions of Article 23, paragraph (2);
- (v) if JICT makes a decision in violation of the provisions of Article 25, paragraph (2) or Article 27, paragraph (1);
- (vi) if JICT fails to obtain the approval of its budget in violation of the provisions of Article 30, paragraph (1);

- (vii) if JICT fails to submit its balance sheet, profit and loss statement or business report in violation of the provisions of Article 32 or submits that document containing a false entry or record; and
- (viii) if JICT violates an order under Article 34, paragraph (2).

Article 46 A person who uses “海外通信・放送・郵便事業支援機構” (pronounced "kabushiki gaisha kaigai tsushin housou yubin jigyo shien kiko") in the name thereof in violation of the provisions of Article 7, paragraph (2) is punished by a non-criminal fine of not more than 100,000 yen.

Supplementary Provisions [Extract]

(Effective Date)

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

(Transitional Measures)

Article 3 With respect to the budget of JICT for the business year containing the date of incorporation of JICT, the phrase "Before the start of each business year" in Article 30, paragraph (1) is deemed to be replaced with the phrase "Without delay after its incorporation."

(Review)

Article 4 Approximately five years after the enforcement of this Act, the government is to review the enforcement status of this Act and take necessary measures based on the results thereof.