

BUSINESS REGULATIONS CONCERNING PARTICIPANTS' MEETINGS AND
PARTICIPANT PROTECTION TRUSTS
[TRANSLATION]

This is an English translation of "Business Regulations concerning Participants' Meetings and Participant Protection Trusts" (Enacted on August 15, 2008).

This translation is prepared solely for reference purpose and shall not have any binding force. This is an unofficial translation and the original Japanese text will be definitive in case of any divergence in the meaning.

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(As in Effect January 5, 2009)

JAPAN SECURITIES DEPOSITORY CENTER, INC.

Chapter 1 General Provisions

Article 1 Purpose

The provisions contained herein shall provide for, of the matters to be provided for by the Japan Securities Depository Center, Incorporated (hereinafter “JASDEC”) as designated by the provisions in Article 3, Paragraph 1 of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. (Act No. 75, 2001; hereinafter referred to as the “Act”) under its Business Regulations, matters relating to the Participants’ Meeting (which means the general meeting of the participants provided for in Article 33 of the Act. The same shall apply hereinafter) and matters relating to the Participant Protection Trust (which means the participant protection trust provided for in Article 2, Paragraph 11 of the Act. The same shall apply hereinafter.)

Article 2 Definitions

In these regulations, the terms cited in each of the following items shall have the meanings ascribed to them in each such item.

- (1) JASDEC Participant means a JASDEC Participant provided for in Article 2, Item 11 of the Business Regulation Relating to Corporate Bonds, etc. (hereinafter the “Corporate Bonds, etc. Business Regulations”) and a JASDEC Participant provided for in Article 2, Item 17 of the Business Regulations Concerning Book-Entry Transfer of Stocks, etc. (hereinafter the “Stocks, etc. Business Regulations”).
- (2) Account Management Institution means an account management institution provided for in Article 2, Item 6 of the Corporate Bonds, etc. Business Regulations and an account management institution provided for in Article 2, Item 12 of the Stocks, etc. Business Regulations.
- (3) Direct Account Management Institution means a direct account management institution provided for in Article 2, Item 7 of the Corporate Bonds, etc. Business Regulations and a direct management institution provided for in Article 2, Item 13 of the Stocks, etc. Business Regulations.
- (4) Indirect Account Management Institution means an indirect account management institution provided for in Article 2, Item 8 of the Corporate Bonds, etc. Business Regulations and an indirect account management institution provided for in Article 2, Item 14 of the Stocks, etc. Business Regulations.
- (5) JASDEC Participant Account means the JASDEC Participant Account provided for in Article 2, Item 12 of the Corporate Bonds, etc. Business Regulations and the JASDEC Participant Account provided for in Article 2, Item 31 of the Stocks, etc. Business Regulations.
- (6) Assessment [*futankin*] means the share of the amount to be borne as provided for in Article 62, Paragraph 1 of the Act.

(7) Trust Operation Year means the trust operation year of the Participant Protection Trust.

Chapter 2 Participants' Meeting

Article 3 Matters Regarding the Participants' Meeting in the Case of Designated Mergers, Incorporation-type Company Split, Absorption-type Company Split and Business Transfers

1. JASDEC, when engaging in a designated merger provided for in Article 25 of the Act, when engaging in a incorporation-type company split provided for in Article 27 of the same Act, when engaging in an absorption-type company split provided for in Article 29 of the same Act or when engaging in business transfer provided for in Article 31 of the same Act, will obtain the consent of JASDEC Participants by a resolution of the Participants' Meeting held by JASDEC Participants.
2. The convocation of the Participants' Meeting, resolutions and other related matters shall be handled, not only in accordance with the provisions of this chapter but pursuant also to the provisions of Articles 34 through 39 of the Act and the provisions of Articles 23 through 31 of the Orders Relating to Supervision of General Book-Entry Transfer Institutions (Cabinet / Ministry of Justice Order No. 1 of 2002).

Article 4 Chairman of the Participants' Meeting

The Chairman of the Participants' Meeting shall be decided by the representative of JASDEC from among the officers and employees of JASDEC and staff at the time of each such convocation.

Article 5 Exercise of Voting Rights by Electromagnetic Means

JASDEC Participants not attending the Participants' Meeting may exercise their voting rights electronically (limited only to means provided for by a competent ministerial order).

Article 6 Deemed Approval

When a JASDEC Participant fails to attend the Participants' Meeting and fails to exercise its voting rights, the said JASDEC Participant shall be deemed to have approved of the resolutions submitted to such Participants' Meeting.

Chapter 3 Participant Protection Trust

Article 7 Execution, etc. of Participant Protection Trust Agreement

1. JASDEC, as trustor, shall execute a Participant Protection Trust Agreement (which means the agreement provided for in Article 56 of the Act. The same shall apply hereinafter) with financial institutions provided for in Article 52 of the Act (hereinafter the “Trustees”).
2. JASDEC shall delegate to the Trustees with respect to the Assessment the determination of its method of payment, notices and receipt and other related operations pursuant to the provisions of this chapter based on the Order Regarding Participant Protection Trust (Cabinet / Ministry of Justice / Ministry of Finance Order No. 4 of 2002, hereinafter the “Participant Protection Trust Order”) and the Participant Protection Trust Agreement.

Article 8 Payment Obligation for the Assessment Assumed by the Account Management Institution

1. Account Management Institutions (excluding those cited in Article 44, Paragraph 1, Item 13 of the Act. The same shall apply hereinafter) shall bear the obligation to pay the Assessment in the amount provided for in the next article at the time of opening of a JASDEC Participant Account pursuant to the provisions of Article 16, Paragraph 2 of the Corporate Bonds, etc. Business Regulations or Article 18, Paragraph 3 of the Stocks, etc. Business Regulations (limited only to the Customer Account provided for in Article 2, Paragraph 26 of the Corporate Bonds, etc. Business Regulations or Article 2, Item 33 of the Stocks, etc. Business Regulations) or at the time of approval by an Indirect Account Management Institution pursuant to the provisions of Article 27, Paragraph 3 of the Corporate Bonds, etc. Business Regulations or to the provisions of Article 26, Paragraph 2 of the Stocks, etc. Business Regulations.
2. Notwithstanding the provisions of the preceding paragraph, when the opening of the JASDEC Participant Account provided for in the said paragraph or the approval of the Indirect Account Management Institution corresponds to any of the items cited in the items below, the Account Management Institution who is a person provided for in each of the said items shall not assume the obligation to pay the Assessment as provided for in the same paragraph.
 - (1) When it [the opening of the JASDEC Participant Account or the approval of the Indirect Account Management Institution] is based on an application for the opening of the JASDEC Participant Account or an application for an approval by the Indirect Account Management Institution by the other person at the time the Account Management Institution is causing the said person to succeed in entirety or assigning in entirety the book-entry transfer business in which such Account Management Institution is engaged (which means the book-entry transfer business provided for in Article 45, Paragraph 1 of the Act but excludes the operation relating to the book-entry transfer of national bonds) : the said other person
 - (2) When it [the opening of the JASDEC Participant Account or the approval of the Indirect Account Management Institution] is based on an application for an opening

of another JASDEC Participant Account or an application for an approval of another Indirect Account Management Institution by a person that has already opened his/her own JASDEC Participant Account or has received the approval of an Indirect Account Management Institution: the said person

Article 9 The Amount of the Assessment

The amount for each Account Management Institution shall be ¥750,000.

Article 10 Method of Payment of the Assessment

1. JASDEC, when opening a JASDEC Participant Account based on an application provided for in Article 16, Paragraph 1 of the Corporate Bonds, etc. Business Regulations or Article 18, Paragraph 1 of the Stocks, etc. Business Regulations, or when it is approving the Indirect Account Management Institution based on applications provided for in Article 27, Paragraph 1 of the Corporate Bonds, etc. Business Regulations or Article 26, Paragraph 1 of the Stocks, etc. Business Regulations, shall, in addition to notifying in advance, the person making the said applications (excluding persons that do not assume the obligation to pay the Assessment as provided for in Article 8, Paragraph 1 hereof pursuant to Article 8, Paragraph 2 hereof. Hereinafter the “Applicant” in this article) of the need to pay the Trustees the Assessment provided for in the preceding article, upon setting forth a payment deadline of 2 weeks, notify the Trustees to the effect that the said notice has been given and the name, address and the contact department name of the said Applicant to the Trustees.
2. The Trustee, when in receipt of the notice provided for in the preceding paragraph from JASDEC, shall notify the Applicant of the amount of the Assessment provided for in the preceding paragraph, the time for payment and the method of payment prescribed by the Trustees.
3. The Applicant, in accordance with the notice provided for in the preceding 2 paragraphs, shall make the payment of the Assessment.
4. The Trustees, when in receipt of a payment of the Assessment provided for in the preceding paragraph from the Applicant, shall promptly notify JASDEC of its receipt.
5. JASDEC shall not undertake the procedure for opening of the JASDEC Participant Account provided for in Paragraph 1 or the approval of the Indirect Account Management Institution until after the receipt of notice provided for in the preceding paragraph.

Article 11 Reports to JASDEC

The Trustees shall submit to JASDEC documents cited in each of the items in Article 15 of the Participant Protection Trust Order by the day on which 3 months have elapsed from the day of completion of each Trust Operation Year.

Chapter 4 Miscellaneous Provisions

Article 12 Indemnity

1. JASDEC shall not be held liable for compensation even in the event that a JASDEC Participant or an Indirect Account Management Institution suffers losses except in cases where intent or gross negligence is found on the part of JASDEC.
2. JASDEC, in addition to the provisions contained in the preceding paragraph, shall not be responsible with respect to any losses arising from events to which no intent or gross negligence can be attributed to JASDEC.

Article 13 Decisions on Requisite Matters

JASDEC, with respect to the Participants' Meeting and the Participant Protection Trust, may, in addition to what are provided for in these regulations, provide for rules with respect to necessary matters or take necessary measures.

Article 14 Amendment to the Regulations

1. JASDEC, when it deems it necessary for the smooth operation of Book-Entry Transfer System for Corporate Bonds, etc. (which means the Book-Entry Transfer System for Corporate Bonds, etc. provided for in Article 2, Item 1 of the Corporate Bonds, etc. Business Regulations. The same shall apply hereinafter) and Book Entry Transfer System for Stocks, etc. (which means the Book Entry Transfer System for Stocks, etc. prescribed in Article 2, Paragraph 1, of the Stocks, etc. Business Regulations. The same shall apply hereinafter), may amend these regulations (except for provisions relating to the Participant Protection Trust) upon receipt of approval of the Minister for Financial Services and the Minister of Justice.
2. JASDEC, when it deems it necessary for the smooth operation of Book-Entry Transfer System for Corporate Bonds, etc. and Book Entry System for Stocks, etc., may amend these regulations (limited only to provisions relating to the Participant Protection Trust) upon receipt of approval of the Minister for Financial Services, the Minister of Justice and the Minister of Finance.

Article 15 Governing Law and Agreed Upon Jurisdiction

1. The governing law with respect to the rights and obligations among JASDEC, JASDEC Participants and Indirect Account Management Institutions with respect to the Participants' Meeting and the Participant Protection Trust shall be the Laws of Japan.
2. With respect to any legal action in the event of disputes arising with respect to the rights and obligations among JASDEC, JASDEC Participants and Indirect Account Management Institutions relating to the Participants' Meeting and the Participant Protection Trust, the Tokyo District Court shall have the exclusive jurisdiction. However, JASDEC shall not prevent JASDEC Participants and Indirect Account Management

Institutions from bringing any legal action in a foreign court that is deemed to have jurisdiction.

Supplementary Rules

These regulations shall be implemented from the day of implementation of the Act for Partial Amendments of the Act Concerning Book-Entry Transfer of Company Bonds and Other Securities for the Purpose of Streamlining the Settlement of Trades of Stocks and Other Securities, etc. (The Act No. 88, 2004) prescribed in the main text of Article 1 of the Supplementary Provisions of such Act (hereinafter the “Implementation Day”). However, when, on the Implementation Day, JASDEC is opening a JASDEC Participant Account as provided for in Article 8, Paragraph 1 hereof pursuant to an application provided for in Article 18, Paragraph 1 of the Stocks, etc. Business Regulations or is approving the Indirect Account Management Institution as provided for in Article 8, Paragraph 1 hereof based on applications provided for in Article 26, Paragraph 1 of the same Business Regulations, the provisions of Article 10 hereof shall be implemented on the day of promulgation of the Governmental Order provided for in the main text of Article 1 of the Supplementary Provisions of the same Act.