

**OPERATIONAL RULES REGARDING
PARTICIPANTS' MEETINGS AND
PARTICIPANT PROTECTION TRUSTS**

(August 15, 2008)

[TRANSLATION]

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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JAPAN SECURITIES DEPOSITORY CENTER, INC.

Chapter 1 General Provisions

Article 1 Purpose

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

Article 2 Defined Terms

In these Operational Rules, the terms set forth in each of the following items shall have the meanings ascribed to them in each such item.

- (1) JASDEC Participant means a JASDEC Participant prescribed in Article 2, Item 11 of the Operational Rules Regarding Corporate Bonds, etc. (hereinafter referred to as the “Operational Rules regarding Corporate Bonds, etc.”) and a JASDEC Participant prescribed in Article 2, Item 17 of the Operational Rules Regarding Book-Entry Transfer of Shares, etc. (hereinafter referred to as the “Operational Rules regarding Shares, etc.”)
- (2) Account Management Institution means an account management institution prescribed in Article 2, Item 6 of the Operational Rules regarding Corporate Bonds, etc. and an account management institution prescribed in Article 2, Item 12 of the Operational Rules regarding Shares, etc.
- (3) Direct Account Management Institution means a direct account management institution prescribed in Article 2, Item 7 of the Operational Rules regarding Corporate Bonds, etc. and a direct management institution prescribed in Article 2, Item 13 of the Operational Rules regarding Shares, etc.
- (4) Indirect Account Management Institution means an indirect account management institution prescribed in Article 2, Item 8 of the Operational Rules regarding Corporate Bonds, etc. and an indirect account management institution prescribed in Article 2, Item 14 of the Operational Rules regarding

Shares, etc.

- (5) JASDEC Participant Account means the JASDEC Participant Account prescribed in Article 2, Item 12 of the Operational Rules regarding Corporate Bonds, etc. and the JASDEC Participant Account prescribed in Article 2, Item 31 of the Operational Rules regarding Shares, etc.
- (6) Assessment [*futankin*] means the share of the amount to be borne referred to 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 prescribed in Article 25 of the Act, when engaging in an incorporation-type company split prescribed in Article 27 of the same Act, when engaging in an absorption-type company split prescribed in Article 29 of the same Act or when engaging in business transfer prescribed in Article 31 of the same Act, shall 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 prescribed 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 (meaning the agreement prescribed in Article 56 of the Act. The same shall apply hereinafter) with financial institutions prescribed in Article 52 of the Act (hereinafter referred to as 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 referred to as 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 set forth 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 prescribed in the following article at the time of opening of a JASDEC Participant Account pursuant to the provisions of Article 16, Paragraph 2 of the Operational Rules regarding Corporate Bonds, etc. or Article 18, Paragraph 3 of the Operational Rules regarding Shares, etc. (limited

only to the Customer Account prescribed in Article 2, Paragraph 26 of the Operational Rules regarding Corporate Bonds, etc. or Article 2, Item 33 of the Operational Rules regarding Shares, etc.) or at the time of approval by an Indirect Account Management Institution pursuant to the provisions of Article 27, Paragraph 3 of the Operational Rules regarding Corporate Bonds, etc. or to the provisions of Article 26, Paragraph 2 of the Operational Rules regarding Shares, etc.

2. Notwithstanding the provisions of the preceding paragraph, when the opening of the JASDEC Participant Account referred to in the same paragraph or the approval of the Indirect Account Management Institution corresponds to the cases set forth in the following items, the Account Management Institution who is a person prescribed in each of the following items shall not assume the obligation to pay the Assessment referred to 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 Services in which such Account Management Institution is engaged (meaning the Book-Entry Transfer Services prescribed 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. When JASDEC intends to open a JASDEC Participant Account based on an application referred to in Article 16, Paragraph 1 of the Operational Rules regarding Corporate Bonds, etc. or Article 18, Paragraph 1 of the Operational Rules regarding Shares, etc., or intends to approve the Indirect Account Management Institution based on applications referred to in Article 27, Paragraph 1 of the Operational Rules regarding Corporate Bonds, etc. or Article 26, Paragraph 1 of the Operational Rules regarding Shares, etc., JASDEC shall notify the person filing the applications (excluding persons that do not assume the obligation to pay the Assessment referred to in Article 8, Paragraph 1 hereof pursuant to the provisions of Article 8, Paragraph 2 hereof. Hereinafter the “Applicant” in this article) in advance of the need to pay the Trustees the Assessment referred to in the preceding article, upon setting forth a payment deadline of 2 weeks, and notify the Trustees to the effect that the notice to the Applicant has been given and the name, address and the contact department name of the Applicant.
2. When the Trustee receives the notice referred to in the preceding paragraph from JASDEC, the Trustee must notify the Applicant of the amount of the Assessment referred to in the preceding paragraph, the payment deadline and the method of payment prescribed by the Trustees.
3. The Applicant, in accordance with the notice referred to in the preceding 2 paragraphs, must make the payment of the Assessment.
4. When the Trustee receives a payment of the Assessment referred to in the preceding paragraph from the Applicant, the Trustee must promptly notify JASDEC of its receipt.
5. JASDEC shall not undertake the procedure for opening of the JASDEC Participant Account referred to in Paragraph 1 or the approval of the Indirect Account Management Institution until after the receipt of notice referred to in the preceding paragraph.

Article 11 Reports to JASDEC

The Trustees must submit to JASDEC documents set forth 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, in addition to what are prescribed in these Operational Rules, may prescribe rules relating 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. (meaning the Book-Entry Transfer System for Corporate Bonds, etc. prescribed in Article 2, Item 1 of the Operational Rules regarding Corporate Bonds, etc. The same shall apply hereinafter) and Book-Entry Transfer System for Shares, etc. (meaning the Book-Entry Transfer System for Shares, etc. prescribed in Article 2, Paragraph 1, of the Operational Rules regarding Shares, etc. The same shall apply hereinafter), may amend these Operational Rules (except for provisions relating to the Participant Protection Trust) upon receipt of approval of the Commissioner of Financial Services Agency 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 Shares, etc., may amend these Operational Rules (limited only to provisions relating to the Participant Protection Trust) upon receipt of approval of the Commissioner of Financial Services Agency, 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 Operational Rules shall come into effect as of the implementation day of the Act for Partial Amendments of the Act on Book-Entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement of Trades of Shares and Other Securities, etc. (Act No. 88 of 2004) prescribed in the main text of Article 1 of the Supplementary Provisions of such Act (hereinafter referred to as the "Implementation Day"). However, when, on the Implementation Day, JASDEC intends to open a JASDEC Participant Account referred to in Article 8, Paragraph 1 hereof pursuant to an application referred to in Article 18, Paragraph 1 of the Operational Rules regarding Shares, etc. or intends to approve the Indirect Account Management Institution referred to in Article 8, Paragraph 1 hereof based on applications referred to in Article 26, Paragraph 1 of the same Operational Rules, the provisions of Article 10 hereof shall come into effect as of the day of promulgation of the Governmental Order prescribed in the main text of Article 1 of the Supplementary Provisions of the same Act.