

REGULATIONS CONCERNING SOLICITATION FOR INVESTMENTS AND MANAGEMENT OF CUSTOMERS, ETC.

(Purpose)

Article 1 The purpose of the Regulations Concerning Solicitation for Investments and Management of Customers, etc. (hereinafter referred to as the “Regulations”) is to ensure appropriate solicitation for investments and management of customers by Regular Members for Self-Offering and Other Transactions (The Self-Offering and Other Transactions set forth in Article 3, Item (9) of the Articles of Association; excluding electronic application type electronic transaction operations, etc. prescribed in the “Regulations Concerning Electronic Application Type Electronic Transaction Operations, etc.,” the same shall apply hereinafter), thus contributing to the protection of investors.

(Standards for Investment Solicitation)

Article 2 When carrying out Self-Offering and Other Transactions (excluding electronic application type transactions), a Regular Member shall always put the best interests of the investors before everything else in business activities, by giving top priority to securing the confidence of the investors and complying with the Financial Instruments and Exchange Act (hereinafter referred to as the “FIEA”), other laws and regulations, the Articles of Association, and various rules (including detailed rules, guidance, and resolutions based on the above; hereinafter referred to as the “Laws and Regulations”).

2. A Regular Member shall make efforts to solicit investments that meet customers' intentions and actual situations, by fully understanding the customers' knowledge, investment experience, purpose of investment, investment motivation, financial condition, etc.

(General Regulations)

Article 3 A Regular Member shall make efforts to sufficiently explain and have the customer understand the essential matters of Self-Offering and Other Transactions (excluding electronic application type transactions).

(Standards of Beginning of Transactions)

Article 4 A Regular Member shall set the standards of beginning of transactions to carry out Self-Offering and Other Transactions (excluding electronic application type transactions), and shall conclude a contract with a client who meets the standards.

(Ensuring Principle of Self-Responsibility)

Article 5 When soliciting Self-Offering and Other Transactions (excluding electronic application type transactions), a Regular Member shall make customers understand that a transaction of financial instruments should be made under their own judgment and responsibility.

(Prohibited Actions)

Article 6 When making an investment solicitation, a Regular Member must not take the following actions:

- (1) Notifying a customer of a false matter when executing or soliciting execution of a contract;
- (2) Promising a customer to give a special benefit to the customer;
- (3) Promising a customer to assume a whole or part of losses incurred by the customer, or to give a whole or part of additional profits to the customer;
- (4) Providing a customer with a definitive judgment on uncertain matters, or giving the customer information that may mislead the customer to believe that such a matter is certain;
- (5) Making solicitation that is deemed inappropriate in light of knowledge, investment experience, investment purpose/motivation, or asset condition of the customer, thus actually or possibly failing to provide investor protection;
- (6) Using fraudulent means, violence, or threats in relation to customers;
- (7) Making a false representation or a representation that may mislead a customer regarding important matters on a contract or solicitation of a contract.

(Thorough Segregated Management)

Article 7 When making Self-Offering and Other Transactions (excluding electronic application type transactions) of rights set forth in Article 2, Paragraph 2 Item (5) to (7) of the FIEA, a Regular Member shall ensure that the money invested or contributed by a customer for such Self-Offering and Other Transactions of the rights is segregated from the assets that are proprietary for the operator of the business using such invested/contributed money and managed, and that there is no possibility of failing to manage the invested/contributed assets on a segregated basis.

(Prohibition of Solicitation for Investments in the Case Where Money Is Misappropriated)

Article 8 When making Self-Offering and Other Transactions (excluding electronic application type transactions) of rights set forth in Article 2, Paragraph 2 Item (5) to (7) of the FIEA, a Regular Member shall not conduct solicitation for investment to its client if the Regular Member knows that the money its client invests or releases for such Self-Offering and Other Transactions related to a specific business will not be appropriated to the business.

(Prohibition of Name-Lending)

Article 9 A Regular Member shall not make any third party conduct Self-Offering and Other Transactions with its own name.

(Customer Management Record, Identification Record, etc.)

Article 10 Concerning customers to which A Regular Member makes Self-Offering and Other Transactions (excluding electronic application type transactions), the Regular Member shall prepare and retain a customer management record that includes matters that are

necessary for customer management—such as the trade name, name, domicile or address, date of birth (only in the case that the customer is a natural person), occupation (only in the case that the customer is a natural person), investment experience, investment purpose/motivation, and asset condition.

2. A Regular Member shall appoint a person in charge of reporting a suspicious transaction under the provision of Article 8, Paragraph 1 of the “Act on Prevention of Transfer of Criminal Proceeds,” and shall make efforts to establish an internal control system to prevent the transfer of criminal proceeds and funding to a terrorist.

3. A Regular Member shall properly manage information that is collected for the purpose of preparing the customer management record, the identification record, and the transaction record, and shall not leak such information to any third party without the consent of the customer.

(Exemptions)

Article 11 The provision of Article 2, Paragraph 2 (Standards for Investment Solicitation) shall not apply in the case where the other party of the contract for Self-Offering and Other Transactions (excluding electronic application type transactions) is a Professional Investor (including Professional Investors prescribed in Article 2, Paragraph 31 of the FIEA) (excluding customers who are regarded as non-Professional Investors prescribed in Article 34-2, Paragraph 5 of the FIEA, and including customers who are deemed as Professional Investors pursuant to Article 34-3, Paragraph 4 of the FIEA (including cases where the same provisions apply mutatis mutandis to Article 34-4, Paragraph 6 of the FIEA)).

SUPPLEMENTARY PROVISION 【Omitted】

(Note 1) This rule is based on the May 29, 2015 edition of the original Japanese text.

(Note 2) This translation is solely for the convenience of those interested therein, and accordingly all questions that may arise with regard to the meaning of the words or expressions herein shall be dealt with in accordance with the original Japanese text.