

# **Rules on Entrustment of Operations for Resolution of Complaints and Disputes**

March 28, 2012  
Resolution of the Board  
of Directors

Partially amended on January 27,  
2021

## **(Purpose)**

Article 1 The purpose of these Rules is to set forth necessary matters on the handling of consultations, complaints, and requests for dispute resolution from customers of members, and to promote speedy and highly transparent handling of them from a fair and neutral standpoint, thereby deepening the public's understanding and trust in investment management business and investment advisory and agency business, and contributing to the protection of legitimate interests of customers.

## **(Definitions of Complaints and Disputes)**

Article 2 (1) A complaint means the manifestation of dissatisfaction to a member relating to business conducted by a member, such as demanding that the member take responsibility or act based on its responsibility, or demanding compensation or improvement based on damage allegedly incurred.

(2) A dispute means, of complaints set forth in the preceding paragraph, those that are unresolvable between a member and a customer.

## **(Complaints Desk)**

Article 3 The Association establishes a complaints desk at its Secretariat as a unit in charge of operations concerning consultations, complaints, and disputes.

## **(Entrustment of Operations)**

Article 4 (1) The Association conducts the following operations by way of entrusting them to the Financial Instruments Mediation Assistance Center (hereinafter referred to as the "FINMAC"):

- (i) conveying complaints from customers on members' business to members subject to the complaints and work to resolve them; and
- (ii) mediation by a mediator for resolution of disputes between a member and a customer.

- (2) Notwithstanding the provisions of the preceding paragraph, the Association may be involved in the operation set forth in item (i) of the preceding paragraph if the Association deems it to be necessary.
- (3) In relation to entrusting the operations provided in paragraph (1), the scope of complaint resolution and mediation operations to be entrusted, the method of sharing costs, and other necessary matters are to be set forth by an agreement with the FINMAC.
- (4) In addition to what is provided for in these Rules, the necessary matters relating to complaint resolution and mediation operations entrusted to the FINMAC are governed by the rules of the FINMAC.

(Promoting Resolution of Complaints and Disputes)

- Article 5 (1) Each member must cooperate with the operations of the FINMAC and the Association in good faith to promote the resolution of complaints and disputes from customers about the member's business.
- (2) Each member shall notify the Association and the FINMAC of its contact point for complaint handling.
  - (3) A form to use to notify the contact point referred to in the preceding paragraph is Appended Form 1, and a form to use to notify change of the contact point is Appended Form 2.

(Cooperation with Complaint Resolution)

- Article 6 If a member is requested by the FINMAC regarding a complaint to explain circumstances, express its views, respond to a customer, negotiate bilaterally with a customer, report results of the handling, and the like, the member must cooperate with these requests pursuant to the provisions of the FINMAC rules.

(Participation in Mediation Procedures)

- Article 7 (1) If a customer of a member requests the FINMAC to mediate under the agreement, the member that is the other party to the dispute has the obligation to accept that the FINMAC is mediating the dispute and to participate in the mediation proceedings, and also has the following obligations:
- (i) the obligation to submit a written answer to the FINMAC pursuant to the provisions of the FINMAC rules;
  - (ii) the obligation to appear or explain in writing or submit documents at the FINMAC's request, pursuant to the provisions of the FINMAC rules (excluding cases in which the member has legitimate grounds); and
  - (iii) the obligation to pay the user fee per mediation holding day pursuant to the provisions of the FINMAC rules.
- (2) If a member requests the FINMAC to mediate a dispute against a customer concerning business conducted by the member, that member has the obligation to pay the mediation motion fee pursuant to the provisions of the FINMAC rules.

(Obligation to Perform under Recommended Mediation Plans)

Article 8 If a customer accepts a mediation plan by the FINMAC's mediator, the relevant member must accept the mediation plan and promptly perform its obligations thereunder pursuant to the provisions of the FINMAC rules;

provided, however, that if the member finds it difficult to accept the mediation plan, the member must file an action such as for confirmation of the absence of obligation to pay, pursuant to the provisions of the FINMAC rules.

(Dissemination)

Article 9 (1) The Association and members shall strive to disseminate the operations of the FINMAC.

(2) If the Association receives a report from the FINMAC on the status of consultations, complaint resolution, and mediations handled by the FINMAC, the Association notifies these to its members to help prevent recurrence of similar cases, except for matters that concern secrets of the relevant parties.

(Reporting on the Status of Compliance with Rules by Members)

Article 10 The Association may receive reports from the FINMAC on the status of compliance with the FINMAC rules by members concerning the operations of resolving complaints and disputes conducted by the FINMAC.

(Recommendation of Measures)

Article 11 (1) If the FINMAC requests the Association to take necessary measures upon finding any noncompliance with the FINMAC rules by a member relating to the operations of resolving complaints and disputes that the FINMAC conducts, the Association shall conduct an investigation such as by interviewing that member.

(2) If any noncompliance with the FINMAC rules by the member is found as a result of the investigation referred to in the preceding paragraph, the Association shall recommend necessary measures to that member. The outline of this recommendation will be publicized.

(3) If the Chairman finds it necessary in recommending measures referred to in the preceding paragraph, the Chairman shall submit the matter to the Discipline Committee and seek its opinions.

(Submission to the Discipline Committee)

Article 12 If the Chairman finds it necessary, the Chairman may submit a matter concerning the operation of complaint resolution conducted by the FINMAC to the Discipline

Committee and seek its opinions.

(Complaints, Consultations on Nonmember Business Operators)

Article 13 If the Association receives a complaint or a request for consultation on investment management business or investment advisory and agency business conducted by a person that is not a member, the Association shall accept this and, if necessary, introduce a financial bureau or other appropriate organizations.

(Confidentiality)

Article 14 In relation to the operation of handling complaints and consultations, the officers and employees of the Association must not divulge any secret that has come to their knowledge in the course of their duties. The same applies after they have left from their position.

#### Supplementary Provisions (March 28, 2012)

These Rules come into effect as of the registration date of incorporation of the general incorporated association (July 2, 2012) provided in Article 106, paragraph (1) of the Act on Arrangement of Relevant Acts Incidental to Enforcement of the Act on General Incorporated Associations and General Incorporated Foundations and the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations, as applied mutatis mutandis pursuant to Article 121, paragraph (1) of that Act following the deemed replacement of terms.

#### Supplementary Provisions (January 27, 2021)

This amendment comes into effect as of January 27, 2021.

Note:

Amended provisions are as follows:

- (1) Revise Appended Form 1 and 2.

(Appended Form 1)

## Notification of Contact Point for Complaint Handling

Date:

To: Japan Investment Advisers Association

We hereby notify the contact point for complaint handling as follows:

Contact division:

or

Name and title of the contact person

Location of contact: Postal code:

Phone no.:

Trade name or name:

Name:

(Name of the registered representative in  
the case of a corporation)

Membership no.:

(Appended Form 2)

## Notification of Change to Contact Point for Complaint Handling

Date:

To: Japan Investment Advisers Association

We hereby notify change to the contact point for complaint handling as follows:

	After Change	Before Change
Contact division:  or ()  Name and title of the contact person		
Location of contact	Postal code:	Postal code:
Phone no.:	( )	( )

(Date of change: )

Trade name or name:

Name:

(Name of the registered representative in  
the case of a corporation)

Membership no.: