

Guidelines on Prevention of Insider Trading

September 28, 1988

Resolution of the Board of Directors

Partially amended on December 27, 1993
Partially amended on June 16, 2000
Partially amended on April 25, 2001
Partially amended on December 18, 2002
Partially amended on March 26, 2003
Partially amended on September 15, 2004
Partially amended on May 31, 2006
Partially amended on November 28, 2007
Partially amended June 15, 2012
Partially amended on February 27, 2013

Members must establish internal rules that incorporate matters provided in these Guidelines in order to prevent insider trading.

1. Compliance with Laws and Regulations

- (i) Members shall comply with the Financial Instruments and Exchange Act (hereinafter referred to as the “FIEA”) and other laws and regulations, etc., and strive to prevent insider trading.
- (ii) When a member engages in activities such as collecting information and concluding a contract pertaining to investment management business or investment advisory and agency business, the member shall strive to ensure that its customers and other relevant parties sufficiently understand the significance and details of the regulation on insider trading.
- (iii) Members must not make any approach to a person who may have access to the corporate information defined in Article 1, paragraph (4), item (xiv) of the Cabinet Office Ordinance on Financial Instruments Business, etc. (hereinafter referred to as “Corporate Information”) or other information that is likely to fall under the category of Corporate Information in an attempt to ask the person to provide the information.
- (iv) When a member evaluates and selects the other party with whom the member is to place orders pertaining to transactions in securities or other products, the member must not consider whether the other party has provided Corporate Information or other information that is likely to fall under the category of Corporate Information, or the details of such information.
- (v) Officers and employees of members must not receive any entertainment, money, or goods which are beyond reasonable bounds in light of socially accepted conventions from officers or employees of the other party with whom the members place orders pertaining to transactions in securities or other products.

2. Management of Corporate Information

- (i) Each member must designate an information management officer from among its officers and employees (in principle, a person in the position of director or equivalent).

- (ii) An officer or an employee who comes to possess Corporate Information or information that is likely to fall under the category of Corporate Information shall immediately report the information to the information management officer or a person designated by the officer (hereinafter referred to as the “IMO, etc.”).
- (iii) Upon receiving a report under the preceding item, the IMO, etc. shall review as to whether the information falls under the category of Corporate Information and, if falls under that category, give necessary instructions such as on the management of the Corporate Information to the officer or the employee.
- (iv) An officer or an employee who comes to possess or receives a report on Corporate Information or information that may fall under the category of Corporate Information must not convey the Corporate Information to another person, whether internal or external, except for cases approved by the IMO, etc.

3. Approach to Business

When conducting investment management business or investment advisory and agency business, members must not act based on any Corporation Information;

provided, however, that this excludes cases that fall under the items of Article 166, paragraph (6) or the items of Article 167, paragraph (5) of the FIEA.

4. Approach to Proprietary Trading

Members and their officers and employees must not execute transactions on their own account based on any Corporate Information;

provided, however, that this excludes cases that fall under the items of Article 166, paragraph (6) or the items of Article 167, paragraph (5) of the FIEA.

Supplementary Provisions

These Standards come into effect as of September 28, 1988.

Supplementary Provisions (December 18, 2002)

This amendment comes into effect as of December 18, 2002.

Note:

Amendments made are as follows:

- (1) the preamble is amended;
- (2) 1 and 2 are amended; and
- (3) remarks are deleted.

Supplementary Provisions (March 26, 2003)

This amendment comes into effect as of March 26, 2003.

Supplementary Provisions (September 15, 2004)

This amendment comes into effect as of September 15, 2004.

Note:

Amendments made are as follows:

- (1) 1 (ii) is amended;
- (2) 2 is amended ((i) (b) A.c.; and (iii) through (v) are amended);
- (3) 3 is amended (the main clause is amended and a proviso is added); and
- (4) 4 is amended (the main clause is amended and a proviso is added).

Supplementary Provisions (May 31, 2006)

This amendment comes into effect as of May 31, 2006.

Note:

Amendment made is as follows:

- (1) 2 is amended ((i) (a) A. and B., and (i) (c) A. are amended).

Supplementary Provisions (November 28, 2007)

This amendment comes into effect as of November 28, 2007.

Note:

Amendments made are as follows:

- (1) 1 (ii) is amended;
- (2) 3 is amended; and
- (3) laws referenced and terms are amended in association with the enactment and enforcement of the Financial Instruments and Exchange Act.

Supplementary Provisions (June 15, 2012)

This amendment comes into effect as of June 15, 2012.

Note:

Amendment made is as follows:

- (1) 2 is amended ((i) (a) A. e. is amended).

Supplementary Provisions (February 27, 2013)

This amendment comes into effect as of February 27, 2013.

Note:

Amendments made are as follows:

- (1) 1 (iii) through (v) are newly established;
- (2) 2 (i) is deleted and 2 (ii) and the items that follow are each moved down by one item;
- (3) old items (iii) through (v) of 2 are amended;
- (4) 3 is amended; and
- (5) 4 is amended.