

Procedural Guidelines on the Protection of Individual Numbers and Specific Personal Information

December 4, 2015

Agreement of the Operations

Sub-Committee 3 (Funds)

1. Purpose

Based on the “Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures” (hereinafter referred to as the “Number Act”), “Guidelines for Proper Handling of Specific Personal Information (for Business Operators)”, “(Supplement) Guidelines for Proper Handling of Specific Personal Information in Financial Operations”, etc., these Procedural Guidelines provide for specific measures that must be taken by members to ensure the proper handling of individual numbers and specific personal information in their fund management business.

All matters which are not covered by these Procedural Guidelines shall be as set forth in the “Procedural Guidelines on the Protection of Personal Information”.

2. Definitions

The terms used in these Procedural Guidelines shall have the same meanings as such terms used in the Number Act.

3. Restrictions on Use

A member must not use individual numbers and specific personal information for any purpose exceeding the range of purposes specified in Article 9 of the Number Act.

4. Restrictions on Provision, etc.

(1) Restrictions on the request of provision

A member must not request the provision of an individual number unless it is permitted to do so by falling under one of the categories specified in Article 19 of the Number Act.

(2) Restrictions on provision

A member must not provide specific personal information unless it falls under

one of the categories specified in Article 19 of the Number Act.

(3) Restriction on collection and keeping

A member must not collect or keep specific personal information unless it falls under one of the categories specified in Article 19 of the Number Act.

5. Security Control Measures, etc.

(1) Security control measures

Based on Article 12 of the Number Act, a members must take necessary and appropriate security control measures to ensure the management of individual numbers and specific personal information, such as preventing the leakage, loss, or damage of individual numbers and specific personal information.

(2) Supervision of entrusted persons and re-entrusted persons

When entrusting all or part of processes related to individual numbers, a member must exercise necessary and appropriate supervision to ensure that actions equivalent to the security control measures required for the member itself are taken under Article 11 of the Number Act. In case of entrustment in two or more levels, the supervision set forth in Article 10 of the Number Act shall also be exercised over re-entrusted persons.

Supplementary Provisions

These Procedural Guidelines come into effect as of January 1, 2016.

<Reference> Provisions Referred

3. Texts Concerning Restrictions on Use

◆ Article 9 of the Number Act (Range of Use)

- (1) Administrative Organs, local governments, Incorporated Administrative Agencies, etc. and other persons handling administrative processes as listed in the left-hand column in Appended Table 1 (If, pursuant to laws and regulations, there is a person who implements all or part of the processes listed in the right-hand column of said table, it includes this person; the same applies in paragraph (3)) may use individual numbers to the extent necessary to search and manage Personal Information efficiently in the Specific Personal Information File held by the person with regard to the handling of processes listed in the right-hand column of said table. The same applies to a person to whom all or part of said processes is entrusted.
- (2) The chief of a local governments and other executive agencies may use Individual Numbers to the extent necessary to search and manage Personal Information efficiently in the Specific Personal Information File held by them with regard to the handling of processes related welfare, health or medical care and other social security matters; local taxes (meaning the local taxes set forth in Article 1, paragraph (1), item (iv) of the Local Tax Act (Act No. 226 of 1950); the same applies hereinafter); or disaster prevention and other processes similar thereto and that are provided for by Prefectural Ordinance. The same applies to a person to whom all or part of said processes is entrusted.
- (3) Pursuant to Article 48 or Article 197, paragraph (1) of the Health Insurance Act (Act No. 70 of 1922); Articles 59, paragraphs (1), (3) or (4) of the Inheritance Tax Act (Act No. 73 of 1950); Article 27, Article 29, paragraph (3), or Article 98, paragraph (1) of the Employees' Pension Insurance Act (Act No. 115 of 1954); Article 9-4-2, paragraph (2), Article 29-2, paragraph (5) or (6), Article 29-3, paragraph (4) or (5), Article 37-11-3, paragraph (7), Article 37-14, paragraph (9), paragraph (13) or (26), Article 70-2-2, paragraph (13), or Article 70-2-3, paragraph (14) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957); Article 57, paragraph (2) or Articles 225 through 228-3-2 of the Income Tax Act (Act No. 33 of 1965); Article 7 of the Employment Insurance Act (Act No. 116 of 1974); or Article 4, paragraph (1), or Article 4-3, paragraph (1) of the Act on Submission of Statement of Overseas Wire Transfers for Purpose of Securing Proper Domestic Taxation (Act No. 110 of 1997) and other provisions of laws and regulations or Prefectural Ordinances, a person who is put in charge of handling processes that require the use of another person's Individual Number, such as the submission of documents containing another person's Individual Number, and that are necessary for handling the processes set forth in paragraph (1) or the preceding paragraph, handled by Administrative Organs, local governments, Incorporated Administrative Agencies, etc. and other persons implementing administrative processes listed in the left-hand column of Appended Table 1 or by the chiefs of local governments and other executive agencies, may use Individual Numbers to the extent necessary to implement said processes. The same applies to a person to whom all or part of said processes is entrusted.

- (4) If a disaster of extreme severity specified under Article 2, paragraph (1) of the Act on Special Financial Support to Deal with Designated Disasters of Extreme Severity (Act No. 150 of 1962) occurs in other cases specified by Cabinet Order equivalent thereto, among the persons who are allowed to use Individual Numbers pursuant to the preceding paragraph, the persons who are specified in Article 225, paragraph (1), items (i), (ii), and items (iv) through (vi) of the Income Tax Act may, pursuant to Cabinet Office Ordinances, use Individual Numbers to the extent necessary for making the payment of money based on a contract that has been concluded in advance.
- (5) In addition to what is provided for in the preceding paragraphs, a person who is provided with Specific Personal Information by falling under any of the items from item (xi) through item (xiv) of Article 19 of this Act and may use Individual Numbers to the extent necessary to accomplish the purpose of said provision.

◆Article 28 of the Number Act (Restrictions on the Creation of Specific Personal Information Files)

A Person in Charge of Processes Using Individual Numbers, etc. and a person engaged in Processes Using Individual Numbers, etc. must not create a Specific Personal Information File beyond the extent necessary for handling Processes Using Individual Numbers, etc. except in cases falling under any of Article 19, items (xi) through (xiv) of this Act where said persons can provide or be provided with Specific Personal Information.

4. Texts Concerning Restrictions on Provision, etc.

◆Article 15 of the Number Act (Restriction on Request of Provision)

No person, except if the person falls under any of the items of Article 19 of this Act and can be provided with Specific Personal Information, may request other persons (meaning persons other than those belonging to the same household as the person; the same applies in Article 20 of this Act) to provide Individual Numbers.

◆Article 19 of the Number Act (Restrictions on Provision of Specific Personal Information)

It is prohibited for any person to provide Specific Personal Information except in cases that fall under any of the following items:

- (i) when a Person in Charge of Processes Using Individual Numbers provides Specific Personal Information to the Person or the agent of the Person, or a Person in Charge of Processes Related to Individual Numbers to the extent necessary to handle Processes Using Individual Numbers;
- (ii) when a Person in Charge of Processes Related to Individual Numbers provides Specific Personal Information to the extent necessary to handle Processes Related to Individual Numbers (excluding cases set forth in item (x));
- (iii) when the Person or the agent of the person provides Specific Personal Information, including the Individual Number of said Person, to a Person in Charge of Processes Using Individual Numbers, etc.;

- (iv) when an Agency provides identity verification information held by the Agency to a Person in Charge of Processes Using Individual Numbers pursuant to the provisions of Article 14, paragraph (2) of this Act;
- (v) when providing Special Personal Information along with business succession due to entrustment of all or part of the handling of Specific Personal Information, mergers and other circumstances;
- (vi) when providing Specific Personal Information pursuant to the provisions of Article 30-6, paragraph (1) of the Residential Basic Book Act and other provisions of said Act provided for by Cabinet Order;
- (vii) if a person listed in the first column of Appended Table 2 (if there is a person who is specified to implement all or part of processes listed in the second column of said table pursuant to the provisions of laws and regulations, including the person; hereinafter the person is referred to as the "Person Referring Information") requests a person listed in the third column of said table (if there is a person who is specified to implement all or part of processes pertaining to the use or provision of Specific Personal Information listed in the fourth column of said table pursuant to the provisions of laws and regulations, including the person; hereinafter the person is referred to as the "Person Providing Information") to provide Specific Information (limited to Specific Personal Information that is recorded in the Specific Personal Information File held by a Person Providing Information) listed in the fourth column of said table that is necessary for handling processes listed in the second column of said table, when said Person Providing Information provides said Specific Personal Information using the Information Providing Network System;
- (viii) when the Commissioner of the National Tax Agency provides to the prefectural governor or mayor of municipality, or where the prefectural governor or mayor of municipality provides to the Commissioner of the National Tax Agency or another prefectural governor or mayor of municipality Specific Personal Information pertaining to national tax or local tax pursuant to the provisions of Article 46, paragraph (4) or (5); Article 48, paragraph (7); Article 72-58; Article 317; or Article 325 of the Local Tax Act and provisions of said Act specified by Cabinet Order, or provisions of Acts on national taxes (meaning national taxes as set forth in Article 2, item (i) of the Act on General Rules for National Taxes (Act No. 66 of 1962); the same applies hereinafter), and when taking measures provided for by Cabinet Order as measures necessary for ensuring the safety of said Specific Personal Information;
- (ix) when a local government agency provides to another agency of said local government Specific Personal Information to the extent necessary for handling the processes pursuant to the provisions of Prefectural Ordinances;
- (x) when a Book-entry Transfer Institution, etc. (hereinafter the institution, etc. is referred to simply as "Book-entry Transfer Institution, etc." in this item) as set forth in Article 2, paragraph (5) of the Act on Book-Entry of Company Bonds, Shares, etc. (Act No. 75 of 2001) provides to an issuer (the issuer includes persons who are provided for by Cabinet Order as persons equivalent thereto) of company bonds (hereinafter the bonds, etc. are referred to simply as "Company Bond, etc." in this item), etc. as set forth in paragraph (1)

of said Article or to other Book-entry Transfer Institution, etc. Specific Personal Information including the Individual Number that is notified by the person who intends to open an account for book-entry transfer of Company Bonds, etc. to a Book-entry Transfer Institution, etc. where the person who intends to open said account, as the Individual Number to be stated in the documents set forth in Article 9, paragraph (3) of this Act (limited to documents submitted to the district director of the tax office pursuant to the provisions of Article 225, paragraph (1) of the Income Tax Act (limited to the part pertaining to items (i), (ii), (viii) or items (x) through (xii))) using an electronic data processing system that connects computers used by said persons to one another via telecommunications line where an account for book-entry transfer of Company Bonds, etc. is recorded, pursuant to the provisions of said Act or orders based on said Act, and when taking measures provided for by Cabinet Order as measures necessary for ensuring the safety of said Specific Personal Information;

- (xi) when providing Specific Personal Information requested pursuant to the provisions of Article 38, paragraph (1) of this Act to the Specific Personal Information Protection Commission;
- (xii) when implementing an examination or investigation by the House or Commission of each House or Committee of House of Councilors pursuant to the provisions of Article 104, paragraph (1) of the Diet Act (Act No. 79 of 1947) or Article 1 of the Act on Witnesses' Oath, Testimony, etc. Before Both Houses of the Diet (Act No. 225 of 1947), examination or investigation, court proceedings and other procedures in court, an execution of judicial decisions, an investigation of criminal cases, an investigation into criminal cases pursuant to the provisions of the Act on taxation, or the audit of the accounting of the Public Corporation by the Board of Audit (hereinafter collectively referred to as "House Examination, etc." in Article 39), or in any other case where it is necessary for the public interest as specified by Cabinet Order;
- (xiii) if it is necessary for protecting the life, body or property of humans and there is the consent of the Person or it is difficult to obtain the consent of the Person; and
- (xiv) if it is a case provided for by rules of Specific Personal Information Protection Commission as equivalent thereto.

◆Article 20 of the Number Act (Restrictions on Collection)

It is prohibited for any person to, except in cases falling under any of the items of the preceding Article, collect or keep Specific Personal Information (limited to information including another person's Individual Number).

5. Texts Concerning Security Control Measures, etc.

◆Article 10 of the Number Act (Re-entrustment)

- (1) A person who is entrusted with all or part of Processes Using Individual Numbers or

Processes Related to Individual Numbers (hereinafter collectively referred to as "Process Using an Individual Number, etc.") may re-entrust all or part thereof, only if the person obtains the permission of the person who made the original entrustment of said Processes Using Individual Numbers, etc.

- (2) A person to whom all or part of Processes Using Individual Numbers, etc. is re-entrusted pursuant to the provisions of the preceding paragraph is be deemed to be a person who is entrusted with all or part of Processes Using Individual Numbers, etc. and the provisions of Article 2, paragraphs (12) and (13), paragraphs (1) through (3) of the preceding Article, and provisions of the preceding paragraph applies.

◆Article 11 of the Number Act (Supervision of Entrusted Persons)

A person who entrusts all or part of Processes Using Individual Numbers, etc., in order to ensure the secure management of Specific Personal Information handled in the Processes Using Individual Numbers, etc. pertaining to said entrustment, must exercise the necessary and appropriate supervision over a person who receives said entrustment.

◆Article 12 (Responsibilities of Persons in Charge of Processes Using Individual Numbers, etc.)

A Person in Charge of Processes Using Individual Numbers and a Person in Charge of Processes Related to Individual Numbers (hereinafter collectively referred to as "Person in Charge of a Process Using an Individual Number, etc.") must take necessary measures to ensure the appropriate management of Individual Numbers, such as prevent the leakage, loss, or damage of Individual Numbers.