

Rules on Membership and Notification

March 28, 2012

Resolution of the Board of Directors

[Partially amended on January 27, 2021]

Chapter I General Provisions

(Purpose)

Article 1 These Rules set forth the necessary matters concerning the application of Articles 7, 10, 12, and 13 of the Articles of Incorporation.

(Definitions)

- Article 2
- (1) The term “Admission” as used in these Rules means acquiring membership to the Association with approval of the Board of Directors referred to in Article 7, paragraph (1) of the Articles of Incorporation.
 - (2) The term “Withdrawal” as used in these Rules means voluntary weaver by a member of its membership to the Association.
 - (3) The term “Member Representative” as used in these Rules means a person who exercises rights, and perform obligations, of a member as its representative to the Association.
 - (4) The term “Deputy” as used in these Rules means a person who, as a deputy of the Member Representative, exercises rights, and perform obligations, of the member.
 - (5) The term “Contact Person” as used in these Rules means a person charged with the affairs of liaising with the Association.

Chapter II Acquisition of Membership

(Application for and Approval of Admission)

- Article 3
- (1) A person seeking Admission (hereinafter referred to as the “Applicant”) must submit to the Chairman the Application for Admission stating the following information, using Appended Form 1, and obtain approval of the Board of Directors for Admission:
 - (i) Its registration number, type of business, trade name or name (the name of a registered representative in the case of a corporation), amount of capital, address, and phone number;
 - (ii) The names, titles, and status of concurrent business of officers, the names and titles of

employees specified by Article 15-4 of the Order for Enforcement of the Financial Instruments and Exchange Act (hereinafter referred to as the “Cabinet Order”), and the name and title of the compliance officer;

- (iii) Major shareholders, numbers of shares held by them;
- (iv) Latest financial status;
- (v) Whether there is any fact that falls under one of the items of Article 4 and details thereof if there is such a fact; and
- (vi) Systems for complying with laws and regulations, etc. as well as the Articles of Incorporation and other rules, etc. established by the Association.

(2) The following documents shall be attached to the Application for Admission referred to in the preceding paragraph:

- (i) a copy of the articles of incorporation;
- (ii) a copy of a certificate of registered information;
- (iii) copies of an application for registration and a certificate of registration;
- (iv) a document stating the contents and methods of business;
- (v) a document stating the systems for business execution, such as the personnel structure and the organizational structure pertaining to the business;
- (vi) resumes of officers and of employees specified by Article 15-4 of the Cabinet Order; and
- (vii) other documents that the Association finds to be necessary.

(Disapproval of Admission)

Article 4 The Board of Directors must not approve Admission if the Applicant (including its officers in the case of a corporation) falls under one of the following items or the Board of Directors finds the Applicant to be unsuitable as a member due to similar grounds:

- (i) the Applicant has been arrested as a suspect, or prosecuted as a defendant, in a criminal case (excluding minor offences);
- (ii) the Applicant has been investigated and accused in a criminal case relating to tax payment;
- (iii) the Applicant has violated administrative laws and regulations, etc. to be complied with in the course of business or has not followed a disposition of a relevant government agency;
- (iv) the Applicant has lost its business credibility upon receiving a disposition such as suspension of banking transactions;
- (v) the Application has a risk of causing a loss of confidence in investment management business or investment advisory and agency business on the grounds of having any officer or employee with qualities unfit for the operation of the business in light of that officer's or employee's career, relationship with an organized crime group prescribed in Ar-

ticle 2, item (ii) of the Act on Prevention of Unjust Acts by Organized Crime Group Members or relationship with an organized crime group member prescribed in item (vi) of that Article, or any other circumstances; or

- (vi) the Applicant has not completed the processing of a complaint on a material matter filed by a customer or any other person concerned with respect to investment management business or investment advisory and agency business.

(Acquisition of Membership)

Article 5 (1) If Admission is approved, the Chairman shall notify the Applicant of that effect without delay.

- (2) Upon arrival of the notice referred to in the preceding paragraph, the Applicant shall pay an admission fee without delay; if the admission fee has not been paid within one month from the arrival date of that notice, the effect of admission approval referred to in the preceding paragraph will cease to be effective.
- (3) The Applicant that has obtained approval for Admission acquires membership on the date of paying the admission fee referred to in the preceding paragraph.
- (4) The Board of Directors shall, if it finds a fact that falls under any of the grounds set forth in the preceding Article with respect to the Applicant, rescind the Board of Directors' approval referred to in paragraph (1).
- (5) If the approval for Admission ceases to be effective, or is rescinded by the Board of Directors under the preceding paragraph, a notice to that effect in writing will be given to that Applicant.

Chapter III Notification by Members

(Notification at the Time of Admission)

Article 6 (1) At the time of Admission, members must, using Appended Form 2, immediately notify the Secretariat of the following information:

- (i) the name and title of the Member Representative;
 - (ii) the names, titles, company names, addresses, etc. of Deputies; and
 - (iii) the name, etc. of the Contact Person.
- (2) Deputies, the number of which is not more than three, satisfy the following conditions:
- (i) if the member is a resident (a domestic corporation or a foreign corporation having a business office in Japan), a Deputy is:
 - a. the chairman, the president, or an equivalent corporate officer;
 - b. a corporate officer in charge of affairs relating to the Association;
 - c. well-versed in the company's business and is found by the Association to be suitable to exercise rights, or perform obligations, of a member to the Association; or

- d. the chief executive or a person with equivalent authority of its business office (limited to the case of a foreign corporation);
- (ii) if the member is a non-resident:
 - (a) not more than two Deputies from persons who fall under a. through c. of the preceding item; and
 - (b) not more than one Deputy who resides in Japan and is:
 - a. a corporate officer or an employee in a managerial position; or
 - b. if there is no person who falls under a. above, a corporate officer, or an employee in a managerial position, of a parent company; or
 - c. if there is no person who falls under a. and b. above, a person who is comprehensively entrusted with matters concerning the Association by that corporation, such as a lawyer or an accountant, or a person appointed by the Member Representative and is found to be appropriate by the Association.

(Notification of Changes)

Article 7 If there has been a change to the information stated in the Application for Admission or the notification referred to in the preceding Article, the member must notify the Secretariat of its details within two weeks (or four weeks in the case of a non-resident) from the day on which the fact of change has occurred, using relevant prescribed forms, with respect to the following information:

- (i) type of business (Appended Form 3);
- (ii) trade name or name (Appended Form 3);
- (iii) name (name of a registered representative in the case of a corporation) Appended Form 3);
- (iv) address, phone number (Appended Form 3);
- (v) the name and title of the Member Representative (Appended Form 4);
- (vi) names, titles, company names, addresses, etc. of Deputies (Appended Form 5);
- (vii) name, etc. of the Contact Person (Appended Form 6); and
- (viii) location of the main business office of contact (Appended Form 7).

Chapter IV Loss of Membership

Section 1 Loss of Membership Due to Withdrawal (Notice of Withdrawal)

Article 8 (1) A member seeking Withdrawal must submit the Notification of Withdrawal using Appended Form 8.

(2) Upon receiving the Notification of Withdrawal from a member, the Chairman shall accept it

without delay.

(Action upon Non-submission of the Notice of Withdrawal)

Article 9 (1) If a member that has expressed its intention of Withdrawal does not submit the Notification of Withdrawal, the Chairman shall order Secretariat personnel to confirm whether the member truly has the intention of Withdrawal and to record the result thereof in the Record of Withdrawal Report (Appended Form 9).

(2) Upon confirming the member's intention of Withdrawal with the information recorded in the Record of Withdrawal Report, the Chairman shall approve the Record of Withdrawal Report.

(Loss of Membership Due to Withdrawal)

Article 10(1) A member loses its membership on the day on which the Chairman accepts the Notification of Withdrawal or approves the Record of Withdrawal Report.

(2) Upon accepting the Notification of Withdrawal or approving the Record of Withdrawal Report, the Chairman shall notify the date of Withdrawal to the member who has expressed the intention of Withdrawal.

Section 2 Loss of Membership Due to Other Grounds

(Loss of Membership Due to Deletion of Registration)

Article 11 If the registration of a member is deleted pursuant to Article 55, paragraph (1) of the Financial Instruments and Exchange Act (hereinafter referred to as the "FIEA"), the member will lose its membership on the day on which the registration is deleted.

(Loss of Membership Due to Death or Dissolution)

Article 12 If a member dies or dissolves, the member will lose its membership on the date of death or the registration date of the completion of liquidation.

(Loss of Membership Due to Failure to Pay Membership Fees or Special Membership Fees)

Article 13 If a member fails to pay a membership fee or a special membership fee referred to in Article 9 of the Articles of Incorporation for two years from the due date of its payment, the member will lose its membership on the second anniversary date corresponding to the payment due date.

(Loss of Membership Due to Expulsion)

Article 14 The loss of membership due to expulsion becomes effective on the day on which the

notice of expulsion arrives, after being resolved by the General Assembly.

(Notice of Loss of Membership)

Article 15 The Chairman shall notify the member that it has lost its membership under Articles 11 through 13 of the effect and the date of losing its membership.

Chapter V Miscellaneous Provisions

(Reporting to the Board of Directors)

Article 16 If a member loses its membership pursuant to the provisions of Articles 10 through 14, the Chairman shall notify the Board of Directors of that fact without delay.

(Publication)

Article 17 The Chairman shall release the fact of a member losing its membership through public relations magazines, website, and the like.

(Arrival of Notice)

Article 18 Notices under the provisions of Article 5, paragraphs (1) and (5), Article 10, paragraph (2), and Article 15 are given by simple registered mail; and if these notices are returned due to grounds such as unknown residence and refusal to receive, that notice will be deemed to have arrived on the date of return.

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 through 9.

Application for Admission

Date:

To: Chairman of Japan Investment Advisers Association

Trade name or name:

Title:

Name:

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

In agreement with the purpose of the Association set forth in the Article 3 of the Association's Articles of Incorporation, we hereby apply for admission.

We pledge to comply with laws and regulations, etc. as well as the Articles of Incorporation and other rules, etc. established by the Association and will strive to protect investors and promote the sound development of investment management business and investment advisory and agency business.

The information we have provided is true and correct with respect to "1. Company Overview," "2. Whether facts, etc. that fall under the items of Article 4 of the Rules on Membership and Notification (Resolution of the Board of Directors on March 28, 2012) established by the Association (hereinafter referred to as the "Rules") exist," and "3. Systems for complying with laws and regulations, etc. as well as the Articles of Incorporation and other rules, etc. established by the Association."

<<Reference>> (Provide if there is a reference; multiple references are acceptable.)

Trade name or name:

Name:

Address:

(A4: vertically long)

1. Company overview

Registration No.		Director-General of Local Finance (Branch) Bureau (Financial Instruments Business) No.			
Type of business	(For qualified investors)	1. Business pertaining to Article 2, paragraph (8), item (xii), (a) of FIEA		2. Business pertaining to Article 2, paragraph (8), item (xii), (b) of FIEA	
	Investment management business	3. Business pertaining to Article 2, paragraph (8), item (xiv) of FIEA		4. Business pertaining to Article 2, paragraph (8), item (xv) of FIEA	
	Investment advisory and agency business	1. Business pertaining to Article 2, paragraph (8), item (xi) of FIEA		2. Business pertaining to Article 2, paragraph (8), item (xiii) of FIEA	
	* Circle the number of the business engaged. In the case of investment management business for qualified investors, circle the words in the brackets as well.				
Corporations	Trade name or name:				
Individuals					
Name: (Name of the registered representative in the case of a corporation)					Amount of Capital
					thousand yen
Address:		Postal code:			Phone no.:
					()
Officer(s)					
Name:		Title:		Trade name and type of business of any other company where the officer is engaged in ordinary business, or type of any other business operated by the officer	
Employees specified by Article 15-4 of the Cabinet Order					
Type	Name	Title	Name	Title	
Type I					
Type II					
Compliance officer		Name		Title	
Major shareholder(s)		Number of shares held		Percentage of shareholding	

Note: A compliance officer means the compliance officer as specified in 1. (2) of the Self-Regulation Standards on Systems for Business Execution (Resolution of the Board of Directors on June 16, 2000) established by the Association.

(Unit: Thousand yen)

Corporations	Fiscal period	Operating income	*1	*2	*3	*4	Ordinary profit and loss	Net profit	Net assets
Individuals	Fiscal period	Income	*1	*2	*3	*4	Income - expenses		

* Most recent fiscal period *1 Entrusted investment management fees for discretionary investment contracts *2 Entrusted investment management fees for acts set forth in Article 2, paragraph (8), item (xv) of the FIEA *3 Investment advisory service fees *4 Agency or intermediary service fees

2. Whether facts, etc. that fall under each item of Article 4 of these Rules exist

(1) The fact that fall under the following items

Check either of the boxes. If the answer is yes, circle the number(s) of the applicable item(s).

☐

No

☐

Yes

(a) Facts that fall under the each item of Article 4 of these Rules

- a. A fact of being arrested as a suspect of a criminal case (excluding minor offences) or prosecuted as a defendant
- b. A fact of being investigated and accused in a criminal case relating to tax payment
- c. A fact of violating administrative laws and regulations, etc. to be complied with in the course of business or not following a disposition of a relevant government agency
- d. A fact of losing its business credibility upon receiving a disposition such as suspension of banking transactions
- e. A fact of having any officer or employee with qualities unfit for the operation of the business in light of that officer's or employee's career, relationship with an organized crime group or an organized crime group member
- f. A fact of not completing the processing of a complaint concerning a material matter filed by a customer or any other person concerned with respect to investment management business or investment advisory and agency business

(b) Other

- a. A fact that five years has not passed since becoming a subject of a measure under Article 51 of the FIEA
- b. A fact that five years has not passed since being ordered to suspend all or a part of business under Article 52, paragraph (1) of the FIEA
- c. A fact that five years has not passed since being ordered dismissal of an officer under Article 52, paragraph (2) of the FIEA.

(2) If you checked “Yes,” explain the details of it specifically and concisely.

3. Systems for complying with laws and regulations, etc. as well as the Articles of Incorporation and other rules, etc. established by the Association. (Specifically describe measures implemented, or measures to be implemented going forward and the timing thereof, to comply with laws and regulations, etc.)

Member Notification

To: Japan Investment Advisers Association

1. We designate the following person as the Member Representative.

(In principle, this position is to be served by the president or the chairman.)

Name:
Title:

2. We designate the following persons as Deputies referred to in Article 7, paragraph (2) of the Articles of Incorporation.

Deputy	Title: Name: (Company name) (Address)
Deputy	Title: Name: (Company name) (Address)
Deputy	Title: Name: (Company name) (Address)

Note 1: The company name and the address may be omitted for a Deputy who belongs to the same corporation as the Member Representative does.

3. We designate the following person as the Contact Person.

(Please designate a person who can act as the point of contact with the Association for administrative communication.)

Name:
Title:
Place of work:
Work address: Postal code:
Phone no.:
Fax number or e-mail address:

4. The main place of business for contact is as follows.

Location of contact: Postal code:
Phone no.:
Name of contact:

Note: Entries for 4. are not mandatory for a resident but are mandatory for a non-resident.

Membership no.:	
(To be filled in by the Association)	

Date:

Trade name or name:

Title:

Name of Member Representative:

Notification of Changes to Information Stated in the Application for Admission

Date:

To: Japan Investment Advisers Association
We hereby notify changes to information stated in the Application for Admission.

1. Changes to Company Overview

Information previously notified	Type of business			
	Investment management business	1. Business pertaining to Article 2, paragraph (8), item (xii), (a) of FIEA	2. Business pertaining to Article 2, paragraph (8), item (xii), (b) of FIEA	
		3. Business pertaining to Article 2, paragraph (8), item (xiv) of FIEA	4. Business pertaining to Article 2, paragraph (8), item (xv) of FIEA	
		5. Investment management business for qualified investors (Circle the applicable number(s) of 1 through 4 above.)		
		Investment advisory and agency business	1. Business pertaining to Article 2, paragraph (8), item (xi) of FIEA	2. Business pertaining to Article 2, paragraph (8), item (xiii) of FIEA
	Trade name or name:			
	Name:			
	(Title)			
	Address: Postal code:			
Phone no.:				
Fax number or e-mail address:				

(Date of change:)

Changes to the type of Business	Type of business			
	Investment management business	1. Business pertaining to Article 2, paragraph (8), item (xii), (a) of FIEA	2. Business pertaining to Article 2, paragraph (8), item (xii), (b) of FIEA	
		3. Business pertaining to Article 2, paragraph (8), item (xiv) of FIEA	4. Business pertaining to Article 2, paragraph (8), item (xv) of FIEA	
		5. Investment management business for qualified investors (Circle the applicable number(s) of 1 through 4 above.)		
		Investment advisory and agency business	1. Business pertaining to Article 2, paragraph (8), item (xi) of FIEA	2. Business pertaining to Article 2, paragraph (8), item (xiii) of FIEA
	Trade name or name:			
	Name:			
	(Title)			
	Address: Postal code:			
Phone no.:				
Fax number or e-mail address:				

Note: Any of the entries above must be the same as those provided in the application for registration/notification of change submitted to the Local Finance Bureau.

Trade name or name:

Name:

Membership no.:

Notification of Change of the Member Representative

Date:

To: Japan Investment Advisers Association

We hereby notify the change of the Member Representative as follows, attaching a relevant resume.

Former Representative	Name: Title:
New Representative	Name: Title:

(Date of change:)

Trade name or name:

Name:

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

Address:

Postal code:

Phone no.: ()

FAX

Fax number ()

or e-mail address:

Membership no.:

Notification of Change of Deputies

To: Japan Investment Advisers Association

We hereby notify that Deputies previously notified as described below have been changed to Deputies as described in the columns on the right side.

Former Deputy	Title: Name: (Company name) (Address)
Former Deputy	Title: Name: (Company name) (Address)
Former Deputy	Title: Name: (Company name) (Address)



All Deputies after change are as follows.

Deputy	Title: Name: (Company name) (Address)
Deputy	Title: Name: (Company name) (Address)
Deputy	Title: Name: (Company name) (Address)

- Note 1: In the columns above for former Deputies, enter information only for the person(s) subject to replacement.
- Note 2: In the columns on the right side, enter information of all Deputies after change. However, for a person who has not been replaced, enter only the name and title of that person.
- Note 3: For a person who newly becomes a Deputy, provide that person's name, title, company name, and company address on the right side. However, the company name and the company address may be omitted for a Deputy who belongs to the same corporation as the Member Representative does.



Date:

Membership no.:

Trade name or name:

Title:

Name of Member Representative:

Notification of Contact Person Replacement

Date:

To: Japan Investment Advisers Association

We hereby notify that the Contact Person to correspond with the Association has been replaced by the following person.

New Contact Person	<p>Name:</p> <p>Title:</p> <p>Place of work:</p> <p>Address: Postal code:</p> <p>Phone no.:</p> <p>Fax number or e-mail address:</p>
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Trade name or name:

Name:

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

Address:

Postal code:

Phone no.:

()

Membership no.:

Change of Location of the Main Business Office of Contact

Date:

To: Japan Investment Advisers Association

We hereby notify that the location of the main office of contact has been changed as follows.

Old	Postal code:
New	Postal code:

(Date of change:)

Trade name or name:

Name:

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

Address:

Postal code:

Phone no.: ()

FAX

Fax number or e-mail address: ()

Membership no.:

(Appended Form 8)

(A4: vertically long)

Date:

To: Chairman of Japan Investment Advisers Association

Membership no.:

Address:

Trade name or name:

Name of Member Representative:

Notification of Withdrawal

We hereby notify that we seek to withdraw from the Association due to the reason stated below.

Details

Record of Withdrawal Report

Members to be withdrawn	Membership no			
	Address			
	Trade name or name			
	Name (Name of the registered representative in the case of a corporation)			
Contents of withdrawal request	Date and time of withdrawal request			
	The person who offered to resign the membership	Name	Relationship to member	
	Means of requesting withdrawal	Phone	Interview	Other ()
	Details of the withdrawal			
	Reason for not submitting the withdrawal			
Confirmation of withdrawal	Date and time of confirmation			
	Confirmation person	Name	Relationship to member	
	Means of Confirmation	Phone	Interview	Other ()
	Reference matters			
	Confirmer	Name		