Securities Listing Regulations
[Rule 901 through Rule 1606]
(as of July 16, 2019)

Tokyo Stock Exchange, Inc.

Contents
Part 1 General Provisions (Rule 1 to Rule 8)
Part 2 Stocks, etc.
  Chapter 1 General Provisions (Rules 101 and 103)
  Chapter 2 Initial Listing
    Section 1 General Provisions (Rule 201 to Rule 203)
    Section 2 Initial Listing on Main Markets (Rule 204 to Rule 210)
    Section 3 Initial Listing on Mothers (Rule 211 to Rule 216)
    Section 3-2 Initial Listing on JASDAQ (Rule 216-2 to Rule 216-10)
    Section 4 Public Offering or Secondary Distribution, etc. Before Listing (Rule 217)
    Section 5 Miscellaneous Provisions (Rules 218 to Rule 220)
  Chapter 3 Listing of New Stocks, etc. and Changes of Market Divisions, etc.
    Section 1 Listing of New Stocks, etc. (Rule 301 to Rule 306)
    Section 2 Assignment to the First Section Market (Rule 307 to Rule 310)
    Section 3 Reassignment (Rule 311)
    Section 4 Alteration of Markets (Rule 312 to Rule 315-7)
    Section 5 Choice of Markets (Rules 316 and 317)
    Section 6 Miscellaneous Provisions (Rule 318 to Rule 320)
  Chapter 4 Listing Supervision
    Section 1 General Provisions (Rule 401)
    Section 2 Timely Disclosure of Corporate Information, etc. (Rule 402 to Rule 420)
    Section 3 Procedures after Listing
      Sub-section 1 Submission of Documents, etc. (Rule 421 to Rule 422)
      Sub-section 2 Shareholder Services, etc. (Rule 423 to Rule 431)
    Section 4 Code of Corporate Conduct
      Sub-section 1 Matters to be Observed (Rule 432 to Rule 444)
      Sub-section 2 Matters Desired to be Observed (Rule 445 to Rule 452)
  Chapter 5 Ensuring Effectiveness
    Section 1 Securities on Alert (Rule 501)
    Section 2 Improvement Report (Rule 502 to Rule 505)
    Section 3, Section 4 Deleted
    Section 5 Public Announcement (Rule 508)
    Section 6 Listing Agreement Violation Penalty (Rule 509)
    Section 7 Miscellaneous Provisions (Rule 510)
  Chapter 6 Delisting
    Section 1 Delisting Criteria for the Main Markets (Rules 601 and 602)
    Section 2 Delisting Criteria for Mothers (Rules 603 and 604)
    Section 2-2 Delisting Criteria for JASDAQ (Rule 604-2 to Rule 604-5)
    Section 3 Procedures, etc. Pertaining to Delisting (Rule 605 to Rule 612)
  Chapter 7 Miscellaneous Provisions
    Section 1 Listing Fees, etc. (Rule 701)
    Section 2 Miscellaneous Provisions (Rule 702 to Rule 715)
Part 3 Preferred Stocks, etc.
   Chapter 1 Preferred Stocks, etc. (Rule 801 to Rule 812)
   Chapter 2 Senior Securities (Rule 813 to Rule 825)
   Chapter 3 Miscellaneous Provisions (Rule 826)
Part 4 Bonds, etc.
   Chapter 1 Bonds (Rule 901 to Rule 916)
   Chapter 2 Convertible Bonds (Rule 917 to Rule 925)
   Chapter 3 Exchangeable Corporate Bonds (Rule 926 to Rule 940)
   Chapter 4 ETNs (Rule 941 to Rule 956)
   Chapter 5 Miscellaneous Provisions (Rule 957)
Part 5 ETFs
   Chapter 1 General Provisions (Rule 1001)
   Chapter 2 ETFs (Rule 1101 to Rule 1119)
Part 6 Funds
   Chapter 1 General Provisions (Rule 1201)
   Chapter 2 Real Estate Investment Trust Securities (Rule 1201-2 to Rule 1225)
   Chapter 3 Venture Funds (Rule 1301 to Rule 1325)
   Chapter 4 Country Funds (Rule 1401 to Rule 1421)
   Chapter 5 Infrastructure Funds (Rule 1501 to Rule 1528)
Part 7 Securities Issued by Japan Exchange Group (Rule 1601 to Rule 1606)
Attachment

Part 4
Bonds, etc.

Chapter 1
Bonds

Rule 901.  Initial Listing Application
1. Initial listing of a bond shall be carried out upon application by an issuer of such bond.
2. Where a security for which an initial listing application is made falls under Item (1) (limited
to the part pertaining to a merger for creating a new company) or Item (2) (limited to the part
pertaining to a demerger for creating a new company) Rule 904, Paragraph 3, an initial listing
application may also be made prior to the establishment of an issuer, limited to after a
resolution of a general shareholders meeting of an issuer which carries out a merger for
creating a new company or demerger for creating a new company prescribed in Item (1) or
Item (2) of the same paragraph. In this case, an initial listing application shall be made by
such issuer.
3. The provisions of the preceding two (2) paragraphs shall not apply to government bonds.
4. Examination of a bond pertaining to an initial listing application shall be made pursuant to
   the provisions of Rules 904 through 906.

Rule 902.  Listing Agreements, etc.
1. Where the Exchange lists a bond pertaining to an initial listing application, an issuer of the
   bond pertaining to such initial listing application shall submit a "Listing Agreement for a
Rule 903. Documents to be Submitted Pertaining to Initial Listing Application, etc.

1. An entity who intends to apply for initial listing of a bond shall submit a "Security Initial Listing Application Form" pursuant to the provisions of the Exchange.

2. Trust deeds pertaining to an issue of a bond and any other documents specified by the Enforcement Rules shall be attached to the "Security Initial Listing Application Form" prescribed in the preceding paragraph.

3. An issuer of a bond pertaining to an initial listing application shall agree that the Exchange makes documents specified by the Enforcement Rules available for public inspection before and after the listing, out of the documents submitted pursuant to the provisions of the preceding paragraph.

4. Where an initial listing application is made before the establishment on the basis of the provisions of Rule 901, Paragraph 2, documents which cannot be submitted at the time of the initial listing application (limited to those deemed inevitable by the Exchange on a case by case basis, out of the documents specified by the Enforcement Rules), out of the attached documents specified by Paragraph 2, will suffice, if they are submitted immediately after submission becomes possible.

5. Notwithstanding the provisions of each of the preceding paragraphs, where an initial listing application is made with respect to a bond specified by the Enforcement Rules out of the bonds issued by an issuer of a listed bond whose content is the same as that of a listed security, the "Security Initial Listing Application Form" predetermined by the Exchange shall be submitted.

6. The Exchange may, if it deems necessary for listing examination, request an issuer of a bond pertaining to an initial listing application to submit an informational report or materials in addition to the documents prescribed in each of the preceding paragraphs and/or to provide cooperation in listing examination.

Rule 904. Criteria for Listing Examination of Corporate Bonds

1. Listing examination of a corporate bond (meaning a security referred to in Article 2, Paragraph 1, Item (5) of the Act or a security having the same characteristics as those of a security referred to in Item (5) of the same paragraph out of the securities referred to in Item (17) of the same paragraph, but excluding a bond with subscription warrant and an exchangeable corporate bond; the same shall apply hereinafter in this chapter) shall be made pursuant to the criteria referred to in each of the following items:

   (1) An issuer of a security for which an initial listing application is made is a listed company; and

   (2) A security for which an initial listing application is made satisfies the following a. through d.:

      a. The total nominal amount of outstanding bonds is 1 billion yen or more;
      b. The number of subscription is equivalent to 1,000 or more;
      c. The face value is any of 100,000 yen, 1 million yen or 10 million yen; and
d. A security is subject to the book-entry transfer operation of a designated book-entry transfer institution, or is expected to become so by the time of listing.

2. Where a security for which an initial listing application is made is a foreign corporate bond (meaning a security having the same characteristics as those of a security referred to in Article 2, Paragraph 1, Item (5) of the Act out of the securities referred to in Item (17) of the same paragraph, but excluding a bond with subscription warrant and an exchangeable corporate bond; the same shall apply hereinafter in this chapter.), regarding the criterion referred to in Item (1) of the preceding paragraph, listing examination shall, notwithstanding the provisions of the same item, be conducted pursuant to the criteria specified by each such item in accordance with the classification of a foreign corporate bond referred to in each of the following items:

(1) A foreign corporate bond other than a guaranteed foreign corporate bond as prescribed by each of the following items:

The following a. or b. shall be satisfied:

a. An issuer of a security for which an initial listing application is made is a listed company; or

b. A stock, etc. issued complies with Rule 205, Item (2), Sub-item a., Items (3) through (7) of the same rule, and Rule 206, Paragraph 1, Item (3) (where an issuer of a foreign corporate bond is a privatized foreign company, Rule 205, Item (2), Sub-item a., Item (3) and Item (5), Rule 206, Paragraph 1, Item (3) and Paragraph 3, Items (1) through (3) of the same rule), and it is a company of which the Exchange deems listing such stock, etc. is appropriate by carrying out examination in compliance with listing examination prescribed by Rule 207; and

(2) A guaranteed foreign stock, etc. (meaning a foreign stock, etc. with guarantee; the same shall apply hereinafter):

A bond certificate shows that it is guaranteed together with the details and, in addition, the following a. through c. is satisfied:

a. An issuer of a security for which an initial listing application is made shall be an entity specified by the Enforcement Rules, out of the entities which carry out the business of issuing bonds and lending money, etc. for an entity which guarantees such corporate bond (hereinafter referred to as a "guarantor") on the basis of his/her instruction or decision;

b. Guarantee of such corporate bond shall be guarantee prescribed by the Enforcement Rules such as payment guarantee of the principal, interest, etc.; and

c. A guarantor of such corporate bond complies with Sub-item a. or b. of the preceding item.

3. The provisions of Paragraph 1, Item (2), and Paragraph 2, Item (1), Sub-item b. and Item (2), Sub-item c. shall not apply to listing examination in cases falling under any of the following items; provided, however, that it is required that the criteria referred to in Paragraph 1, Item (2), Sub-item b., Sub-item c., (b) of the same item and each item of Rule 912, Paragraph 2 is not satisfied:

(1) Where a security for which an initial listing application is made is a security to be delisted from the Exchange by an issuer being merged by another company by means of an absorption-type merger or an issuer carrying out a merger for creating a new company; or

(2) Where a security for which an initial listing application is made is a security to be delisted from the Exchange by an issuer making another company assume obligations pertaining to such security for which an initial listing application is made by means of a demerger for creating a new company or an absorption-type demerger.
Rule 905. Listing of Bonds Other Than Corporate Bonds
1. Concerning a bond other than a corporate bond, the Exchange shall make a decision on listing of a security which the Exchange deems necessary in consideration of the criteria referred to in Paragraph 1, Item (2) of the preceding rule.
2. Concerning a foreign government bond, etc. (meaning a security having the same characteristics as those of a security referred to in Article 2, Paragraph 1, Items (1) through (3) of the Act out of the securities referred to in Item (17) of the same paragraph, but excluding a bond specified in Article 2-11 of the Enforcement Ordinance), out of the bonds in the preceding paragraph, the Exchange shall consider the general conditions of an issuer of such bond, in addition to the provisions stipulated in the same paragraph.

Rule 906. Listing of Bonds of the Same Substance
Notwithstanding the provisions of the preceding two (2) rules, the listing of a bond for which an initial listing application is made pursuant to the provisions of Rule 903, Paragraph 5 shall, as a general rule, be approved.

Rule 907. Disclosure of Corporate Information
1. An issuer (excluding a listed company; the same shall apply hereinafter in this rule) of a listed bond shall make efforts to carry out such faithful execution of business as strengthening prompt, accurate and fair disclosure of corporate information at all times from the viewpoint of investors with full recognition that timely and appropriate disclosure of corporate information to investors is the basis of a sound securities market.
2. An issuer of a listed bond shall carry out disclosure in compliance with the provisions of Rules 402 through 408, Rule 411, and Rule 411-2 in consideration of the characteristics of the listed bond.
3. The provisions of Rules 413 through 417 shall be applied mutatis mutandis to disclosure by an issuer of a listed bond on the basis of the provisions of the preceding paragraph.

Rule 908. Deleted.

Rule 909. Submission of Documents, etc.
1. An issuer (excluding a listed company) of a listed bond shall submit documents prescribed by the Enforcement Rules pursuant to the provisions of the Enforcement Rules.
2. In addition to the preceding paragraph, an issuer (excluding a listed company) of a listed bond shall submit documents, etc. to the Exchange in compliance with the provisions of Rule 421, Paragraph 1, in consideration of the characteristics of a listed bond and shall additionally submit documents requested by the Exchange on the basis of an adequate cause without delay.
3. The Exchange may make documents deemed appropriate by the Exchange available for public inspection out of the documents submitted by an issuer (excluding a listed company) of a listed bond pursuant to the provisions of the preceding two (2) paragraphs.

Rule 910. Written Confirmation Regarding the Appropriateness and Accuracy of Securities Reports, etc.
Where an issuer (excluding a listed company) of a listed bond (excluding a security prescribed by Article 3 of the Act) submits a securities report, an interim report or a quarterly report to the Prime Minister, etc., it shall submit to the Exchange without delay written documents stating to the effect that the representative of such issuer or an entity deemed equivalent thereto recognizes that there is no false statement in such securities report, interim report, or quarterly
Rule 911. Selection of Agents, etc. of Issuers of Listed Foreign Corporate Bonds
An issuer (excluding a listed foreign company) of a listed foreign corporate bond shall, pursuant to the provisions of the Enforcement Rules, select an entity that has an address or residence in Japan with the authority to act a proxy of or represent such issuer with respect to all acts in relation to the Exchange.

Rule 912. Delisting Criteria
1. Where an issuer of a listed bond falls under any of the following items, all securities of the bonds issued by such issuer shall be delisted. In this case, details of each such item shall be provided by the Enforcement Rules:

   (1) In cases prescribed by the Enforcement Rules that an issuer commits a material breach concerning a listing agreement pertaining to a bond or where an issuer ceases to be a party to such listing agreement or where an issuer commits a material breach concerning a matter as specified by the Enforcement Rules; or
   (2) In cases prescribed in the following a. through d. in accordance with the classification of bonds referred to in such a. through d.:

   a. A corporate bond other than a foreign corporate bond:

      In cases as prescribed in the following (a) through (d) in accordance with the classification of a bond referred to in such (a) through (d):

      (a) Where an issuer of a listed bond (meaning a corporate bond listed on the Exchange; the same shall apply hereinafter) is a listed company:

         Where a stock, etc. issued by an issuer of a listed corporate bond falls under any of Items (6) through (12) (excluding cases where the provisions of the second sentence of Rule 601, Item (7) applies in the case of Item (7) of the same rule), Item (19), or Item (20) (including cases in accordance with Rule 603, Paragraph 1, Item (6); Rule 604-2, Item (3); or Rule 604-4, Paragraph 1, Item (2)) of Rule 601, Paragraph 1; and

      (b) Where an issuer of a listed corporate bond is not a listed company and, in addition, it is a company established under a special law:

         When the Exchange deems that a listed company falls into any of the states prescribed in the following i to iii:

         i. Where a listed company falls under any of Items (6) through (9) of Rule 601, Paragraph 1, (excluding cases where the second sentence of Item (7) applies, in cases of Item (7) of the same paragraph) or Paragraph 1, Item (11) (excluding cases falling under Rule 501, Paragraph 1, Item (2), Sub-item b.) of the same rule;
         ii. Where a listed company has not submitted to the Prime Minister, etc. a Securities Report or an interim report to which an audit report or an interim audit report (including an audit report or an interim audit report pertaining to certification corresponding to audit certification by entities corresponding to certified public accountants or an audit firm) in Article 3, Paragraph 1 of the Cabinet Office
Ordinance on Audit Certification by two (2) or more certified public accountants or an audit firm is attached within one (1) month (in cases specified by the Enforcement Rules, within a period specified by the Enforcement Rules) after a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act passes (where such issuer is a quarterly financial statements submitting company or a consolidated quarterly financial statements submitting company, it shall be cases prescribed in Rule 601, Paragraph 1, Item (10)); and

iii. Regarding an audit report to which financial statements, etc. of an issuer are attached or an interim audit report to which interim financial statements, etc. are attached, where the audit report contains an "adverse opinion" or a fact that "opinions are not expressed", and an interim audit report contains an "opinion that interim financial statements, etc. do not provide useful information" or a fact that "opinions are not expressed", and the Exchange deems that it is clearly difficult to maintain order in the market if the listed company is not delisted immediately (where such issuer is a quarterly financial statements submitting company or a consolidated quarterly financial statements submitting company, it shall be cases prescribed in Rule 601, Paragraph 1, Item 11 (excluding cases falling under Rule 501, Paragraph 1, Item 2, Sub-item a)); however, excluding cases where the fact that "opinions are not expressed" is stated, and such statement is made due to reasons not attributable to the issuer, such as act of providence;

b. A foreign corporate bond other than a guaranteed foreign corporate bond:

In cases prescribed in the following (a) through (c) in accordance with the classification of bonds referred to in such (a) through (c):

(a) Where an issuer of a listed bond is a listed company (excluding cases of multiple listing):

Where a stock, etc. issued by an issuer of a listed corporate bond falls under any of Items (6) through (12) of Rule 601, Paragraph 1 (excluding cases where the provisions of the second sentence of Item (7) of the same paragraph applies in the case of said Item (7)), Item (19), or Item (20) of the same rule pursuant to the provisions of Rule 602, Paragraph 1, Item (1), Rule 604, Paragraph 1, Item 2, Rule 604-3, Item (2), and Rule 604-5, Item (2);

(b) Where an issuer of a listed corporate bond is a listed company (limited to cases of multiple listing):

Where a stock, etc. issued by an issuer of a listed corporate bond falls under any of Items (6) through (12) (excluding cases where the provisions of the second sentence of Item (7) of the same paragraph applies in the case of said Item (7)), Item (19), or Item (20) of Rule 601, Paragraph 1, pursuant to the provisions of Rule 602, Paragraph 2, Item (3), Rule 604, Paragraph 2, Item (1), Rule 604-3, Item (2), or Rule 604-5, Item (2) or the main clause of Rule 602, Paragraph 2, Item (1) (including cases in accordance with Rule 604, Paragraph 2, Item (3), Rule 604-3, Item (3), or Rule 604-5, Item (3)); provided, however, that cases where an issuer falls under the main clause of Rule 602, Paragraph 2, Item (1) (including cases in accordance with Rule 604, Paragraph 2, Item (3), Rule 604-3, Item (3), or Rule 604-5, Item (3)) and the Exchange deems that it is necessary to continue the listing pursuant to the provisions of the Enforcement Rules shall be excluded; and

(c) Where an issuer of a listed corporate bond is not a listed company:

Where the Exchange deems that an issuer of a listed corporate bond falls into any of the states specified in Rule 601, Paragraph 1, Items (6) through (9)
(excluding cases where the second sentence of Item (7) applies in the case of said Item (7)), Item (11) (excluding cases falling under Rule 501, Paragraph 1, Item (2), Sub-item b.), Item (19), or Item (20) of the same paragraph, the main clause of Rule 602, Paragraph 2, Item (1) (including cases in accordance with Rule 604, Paragraph 2, Item (3), Rule 604-3, Item (3), or Rule 604-5, Item (3)), or (b) ii or iii of the preceding Sub-item a.; provided, however, that cases where the Exchange deems that a situation falls under the main clause of Rule 602, Paragraph 2, Item (1) (including cases in accordance with Rule 604, Paragraph 2, Item (3), Rule 604-3, Item (3), or Rule 604-5, Item (3)) and that it is necessary to continue the listing pursuant to the provisions of the Enforcement Rules shall be excluded;

c. A guaranteed foreign corporate bond:
Where the following (a) or (b) is met:
(a) Where the preceding b. is met; or
(b) Where a guarantor of such corporate bond falls under the preceding b.; and

d. A bond other than a corporate bond (except government bond):
Where the following (a) or (b) is met:
(a) Where Rule 601, Item (11) (excluding cases falling under Rule 501, Paragraph 1, Item (2), Sub-item b.), or ii or iii of the preceding Sub-item a. is met; or
(b) Where the Exchange deems that the situation is the same as that of suspension of business activities, dissolution or a status equivalent to these.

2. Where a listed bond falls under any of the following items, it shall be delisted. In this case, details of each such item shall be provided by the Enforcement Rules:
(1) Where the total nominal amount of outstanding bonds becomes less than 300 million yen by the day a month before the day on which the final redemption date arrives;
(2) Where the final redemption date arrives or where advanced redemption is carried out for the total amount of bonds;
(3) Where an issuer of a listed bond loses the right of benefit of term with respect to such security;
(4) Where obligations pertaining to a listed security are assumed by another company because of an absorption-type demerger or a demerger for creating a new company;
(5) Where a bond ceases to be subject to handling of the book-entry transfer business of a designated book-entry transfer institution; or
(6) In addition to each of the preceding items, where the Exchange deems that delisting is appropriate for public interest or the protection of investors.

Rule 913. Delisting Day
Details of a delisting day in cases where delisting of a listed bond is decided shall be provided by the Enforcement Rules

Rule 914. Designation of Securities Under Supervision
Where a listed bond is likely to be delisted, the Exchange may designate such listed bond as a security under supervision to make investors aware of that fact pursuant to the provisions of the Enforcement Rules.

Rule 915. Designation of Securities to be Delisted
Where a listed bond is decided to be delisted, the Exchange may designate such listed bond as a security to be delisted for a period until the day before the delisting day pursuant to the provisions of Enforcement Rules to make investors aware of that fact.
Rule 916. Fees Relating to Listing
An issuer who makes an application for initial listing of a bond and an issuer of a listed bond shall pay a listing examination fee, initial listing fee, annual listing fee and any other fees relating to listing pursuant to the provisions of the Enforcement Rules.

Chapter 2
Convertible Bonds

Rule 917. Initial Listing Application
1. Initial listing of a convertible bond shall be carried out upon application by an issuer of such convertible bond.
2. Where a security for which an initial listing application is made falls under Rule 920, Paragraph 3, Item (3) (limited to the part pertaining to a merger for creating a new company by a listed company) or Item (6) (limited to the part pertaining to a demerger for creating a new company by a listed company), or Paragraph 4 of the same rule (limited to the part pertaining to a stock transfer by a listed company), an initial listing application may also be made prior to the establishment of an issuer, limited to after a resolution of a general shareholders meeting of a listed company which carries out a merger for creating a new company, demerger for creating a new company or stock transfer prescribed in Paragraph 3, Item (3) or Item (6), or Paragraph 4 of the same rule. In this case, an initial listing application shall be made by such listed company.
3. Examination of a convertible bond pertaining to an initial listing application shall be carried out pursuant to the provisions of Rule 920.

Rule 918. Listing Agreements, etc.
1. Where the Exchange lists a convertible bond pertaining to an initial listing application, an issuer of the convertible bond pertaining to such initial listing application shall submit a "Listing Agreement for a Convertible Bond" predetermined by the Exchange as specified by the Enforcement Rules; provided, however, that submission shall not be required, where an issuer of a convertible bond listed on the Exchange makes an application for initial listing of another convertible bond.
2. A listing agreement as in the preceding paragraph shall take effect as of the listing day of a convertible bond pertaining to an initial listing application.
3. The Exchange shall record a security in the listed securities ledger on the listing day of a convertible bond pertaining to an initial listing application.

Rule 919. Documents to be Submitted Pertaining to Initial Listing Application, etc.
1. An entity who intends to apply for initial listing of a convertible bond shall submit a "Security Initial Listing Application Form" predetermined by the Exchange.
2. Trust deeds pertaining to an issue of a convertible bond and any other documents specified by the Enforcement Rules shall be attached to the "Security Initial Listing Application Form" prescribed in the preceding paragraph.
3. Where an initial listing application is made before the establishment on the basis of the provisions of Rule 917, Paragraph 2, documents which cannot be submitted at the time of the initial listing application (limited to those deemed inevitable by the Exchange on a case by case basis), out of the documents specified by the preceding paragraph, will suffice, if they are submitted immediately after submission becomes possible.
4. The Exchange may, if it deems necessary for listing examination, request an issuer of a convertible bond pertaining to an initial listing application to submit an informational report or materials in addition to the documents prescribed in the preceding three (3) paragraphs and/or to provide cooperation in listing examination.

Rule 920. Criteria for Listing Examination
1. Listing examination of a convertible bond shall be made pursuant to the criteria referred to in each of the following items. In this case, details of each such item shall be provided by the Enforcement Rules:
   (1) An issuer of a security for which an initial listing application is made is a listed company; and
   (2) A security for which an initial listing application is made satisfies the following a. through f.:
   a. The total nominal amount of a convertible bond is 2 billion yen or more;
   b. The conditions of exercise of subscription warrants are not deemed inappropriate pursuant to the provisions of the Enforcement Rules;
   c. Where such security is a convertible bond which is not handled in the book-entry transfer operation of the designated book-entry transfer institution, the form of the actual certificate of a convertible bond complies with the requirements specified by the Enforcement Rules or a resolution has been adopted at the board of directors such that the actual certificate of a convertible bond will be prepared in the form in conformity with such requirements;
   d. Where such security is a convertible bond that can be handled in the book-entry transfer operation of a designated book-entry transfer institution, such security is subject to the book-entry transfer operation of the designated book-entry transfer institution, or is likely to be so by the time of listing;
   e. Where such security is a convertible bond that can be handled in the book-entry transfer operation of a designated book-entry transfer institution, the amount of face value shall be any of five (5) million yen, four (4) million yen, three (3) million yen, two (2) million yen, a hundred (1) million yen, 500,000 yen, or 100,000 yen; and
   f. The listing of a security is not deemed inappropriate from the viewpoint of the public interest or the protection of investors.
2. Notwithstanding the provisions of the preceding paragraph, where a security for which an initial listing application is made is listed on another financial instruments exchange in Japan, listing examination shall be carried out in accordance with the criteria referred to in each of the following items. In this case, details of each such item shall be provided by the Enforcement Rules:
   (1) A stock issued by an issuer of a security for which an initial listing application is made is simultaneously listed together with such security; and
   (2) A security for which an initial listing application is made complies with the following a. through d.:
   a. The remaining total nominal amount as of the time of initial listing application is 300 million yen or more;
   b. Where such security is a convertible bond which is not handled in the book-entry transfer operation of the designated book-entry transfer institution, the form of the actual certificate of a convertible bond complies with the requirements specified by the Enforcement Rules or a resolution has been adopted at the board of directors such that the actual certificate of a convertible bond will be prepared in the form in conformity with such requirements;
c. Where such security is a convertible bond that can be handled in the book-entry transfer operation of a designated book-entry transfer institution, the amount of face value shall be any of five (5) million yen, four (4) million yen, three (3) million yen, two (2) million yen, a hundred (1) million yen, 500,000 yen, or 100,000 yen.

d. A security does not do not under the criteria for delisting prescribed by any other financial instruments exchange in Japan on which such security is listed; and

e. A security complies with Item 2, Sub-items b., d. and f. of the preceding paragraph.

3. Notwithstanding the provisions of the preceding two (2) paragraphs, listing examination of cases where any of the following items is met shall be subject to the criteria prescribed in each such item. In this case, details of each such item shall be provided by the Enforcement Rules:

   (1) Where a listed company or a subsidiary of a listed company carries out an absorption-type merger, and a security for which an initial listing application is made is a convertible bond (limited to a convertible bond issued by a listed company which is a surviving company pertaining to such absorption-type merger or a listed company which is a parent company of a surviving company) issued in exchange for a convertible bond issued by a predecessor company, and, in addition, where the convertible bond issued by such predecessor company by such absorption-type merger is to be delisted from the Exchange:

      Each item of Paragraph 2 of the following rule shall not be satisfied;

   (2) Where a listed company or a subsidiary of a listed company carries out an absorption-type merger on an unlisted company whose stock is listed on another financial instruments exchange in Japan, and a security for which an initial listing application is made is a convertible bond (limited to a convertible bond issued by a listed company which is a surviving company pertaining to such absorption-type merger or a listed company which is a parent company of a surviving company) issued in exchange for a convertible bond issued by a predecessor company and, in addition, where the convertible bond issued by such predecessor company by such absorption-type merger is to be delisted from another financial instruments exchange in Japan:

      Item (2) of the preceding paragraph shall be satisfied;

   (3) Where a listed company is merged by another company by means of an absorption-type merger (excluding cases falling under Item (1)) or carries out a merger for creating a new company, and a security for which an initial listing application is made is a convertible bond (limited to a convertible bond issued by a newly created company or a surviving company to which the provisions of Rule 208, Item (1), Rule 215, Item (1), or Rule 216-9, Item (1) apply, or a parent company of a surviving company) issued in exchange for a convertible bond issued by such listed company and, in addition, where a convertible bond issued by such listed company is to be delisted from the Exchange because of a dissolution caused by such absorption-type merger or merger for creating a new company:

      The following a. and b. shall be satisfied:

      a. A stock, etc. issued by such newly created company or surviving company or a parent company of a surviving company is simultaneously listed together with such security for which an initial listing application is made; and

      b. A security for which an initial listing application is made does not fall under the criteria referred to in each item of Paragraph 2 of the following rule;

   (4) Where a listed company carries out an absorption-type demerger with another listed company and a security for which an initial listing application is made is a convertible bond (limited to a convertible bond issued by another listed company which is a
succeeding company pertaining to such absorption-type demerger) issued in exchange for a convertible bond issued by a listed company which carries out an absorption-type demerger and, in addition, where the convertible bond issued by a listed company which carries out such absorption-type demerger because of such absorption-type demerger is to be delisted from the Exchange:

Each item of Paragraph 2 of the following rule shall not be satisfied;

(5) Where an unlisted company whose stock is listed on another financial instruments exchange in Japan carries out an absorption-type demerger with a listed company and a security for which an initial listing application is made is a convertible bond (limited to a convertible bond issued by a listed company which is a succeeding company pertaining to such absorption-type demerger) issued in exchange for a convertible bond issued by such unlisted company and, in addition, where a convertible bond issued by such unlisted company because of such absorption-type demerger is to be delisted from another financial instruments exchange in Japan:

Item (2) of the preceding rule shall be satisfied; and

(6) Where a listed company carries out an absorption-type demerger or a demerger for creating a new company with an unlisted company and a security for which an initial listing application is made is a convertible bond (limited to a convertible bond issued by a newly created company or a succeeding company to which the provisions of Rule 208, Item (5), Rule 215, Item (5), or Rule 216-9, Item (5) apply) issued in exchange for a convertible bond issued by such listed company and, in addition, where the convertible bond issued by such listed company because of such absorption-type demerger or demerger for creating a new company is to be delisted from the Exchange:

The following a. and b. shall be satisfied:

a. A stock, etc. issued by such unlisted company or newly created company is simultaneously listed together with such security for which an initial listing application is made; and

b. A security for which initial listing application is made does not fall under each item of Paragraph 2 of the following rule.

4. Notwithstanding the provisions of the preceding three (3) paragraphs, where a listed company or an unlisted company whose stock, etc. is listed on another financial instruments exchange in Japan becomes a wholly-owned subsidiary of another company by a stock swap or stock transfer, and a convertible bond issued by a company which becomes such wholly-owned subsidiary is to be delisted from a financial instruments exchange in Japan and, in addition, where a convertible bond issued by such other company (limited to cases where it is a listed company or it is expected to be promptly listed pursuant to the provisions of Rule 208, Item (3), Rule 215, Item (3), or Rule 216-9, Item (3)) or a parent company (limited to cases where it is a listed company or it is expected to be promptly listed pursuant to the provisions of Rule 208, Item (3), Rule 215, Item (3), or Rule 216-9, Item (3)) of such other company is delivered in exchange for such convertible bond, listing examination of a convertible bond issued by such other company or a parent company of such other company shall be carried out pursuant to the criteria referred to in each of the following items:

(1) All entities who desire to receive a delivery of a security for which an initial listing application is made in exchange for a convertible bond issued by a company which becomes such wholly-owned subsidiary can receive such delivery; and

(2) Paragraph 1, Item (2), Sub-items b. through d. shall be satisfied and, in addition, Paragraph 2, Item (1) of the following rule shall not be satisfied.

Rule 921. Delisting Criteria
1. Where an issuer of a listed convertible bond falls under any of the following items, all securities of convertible bonds issued by such issuer shall be delisted. In this case, details of each such item shall be provided by the Enforcement Rules:
   (1) Where an issuer carries out a material breach concerning a listing agreement pertaining to a convertible bond or where an issuer ceases to become a party to such listing agreement;
   (2) Where a stock, etc. issued falls under any of the criteria referred to in Rules 601 through 604-5 (excluding cases falling under the following item); or
   (3) Where an issuer becomes a wholly-owned subsidiary of another company by a stock swap or a stock transfer, and where such other company or a parent company of such other company is a listed company, or where a stock, etc. issued by such other company or a parent company of such other company is expected to be promptly listed pursuant to the provisions for technical listing; provided, however, that the same shall not apply to a security whose listing is deemed particularly necessary to be continued by the Exchange.

2. Where a listed convertible bond falls under any of the following items, it shall be delisted. In this case, details of each such item shall be provided by the Enforcement Rules:
   (1) Where the total listed nominal amount becomes less than 300 million yen by the day a month before the day on which the final redemption date arrives;
   (2) Where the exercise period for a subscription warrant arrives at maturity;
   (3) Where an issuer of a listed convertible bond loses the right of benefit of term with respect to such security;
   (4) Where obligations pertaining to a corporate bond related to a listed security are assumed by another company because of an absorption-type demerger or a demerger for creating a new company;
   (5) Where such issue is a convertible bond that can be handled in the book-entry transfer operation of a designated book-entry transfer institution, when such issue ceases to be subject to the book-entry transfer operation of the designated book-entry transfer institution; or
   (6) In addition to each of the preceding items, where the Exchange deems that delisting is appropriate for public interest or the protection of investors.

Rule 922. Delisting Day
Details of a delisting day in cases where delisting of a listed convertible bond is decided shall be provided by the Enforcement Rules

Rule 923. Designation of Securities Under Supervision
Where a listed convertible bond is likely to be delisted, the Exchange may designate such listed convertible bond as a security under supervision to make investors aware of that fact pursuant to the provisions of the Enforcement Rules.

Rule 924. Designation of Securities to be Delisted
Where a listed convertible bond is decided to be delisted, the Exchange may designate such listed convertible bond as a security to be delisted for a period until the day before the delisting day pursuant to the provisions of the Enforcement Rules to make investors aware of that fact.

Rule 925. Fees Relating to Listing
An issuer who makes an application for initial listing of a convertible bond and an issuer of a listed convertible bond shall pay an initial listing fee, annual listing fee and any other fees
relating to listing pursuant to the provisions of the Enforcement Rules.

Chapter 3
Exchangeable Corporate Bonds

Rule 926. Initial Listing Application
1. Initial listing of an exchangeable corporate bond shall be carried out upon application by an issuer of such exchangeable corporate bond.
2. Where a security for which an initial listing application is made falls under Rule 929, Paragraph 2, Item (1) (limited to the part pertaining to a merger for creating a new company) or Item (2) (limited to the part pertaining to a demerger for creating a new company), an initial listing application may also be made prior to the establishment of an issuer, limited to after a resolution of a general shareholders meeting of an issuer which carries out a merger for creating a new company or a demerger for creating a new company prescribed in Item (1) or Item (2) of the same paragraph. In this case, an initial listing application shall be made by such issuer.
3. Examination of an exchangeable corporate bond pertaining to an initial listing application shall be made pursuant to the provisions of Rule 929.

Rule 927. Listing Agreements, etc.
1. Where the Exchange lists an exchangeable corporate bond pertaining to an initial listing application, an issuer of the exchangeable corporate bond pertaining to such initial listing application shall submit a "Listing Agreement for an Exchangeable Corporate Bond" predetermined by the Exchange as specified by the Enforcement Rules; provided, however, that submission shall not be required, where an issuer of an exchangeable corporate bond listed on the Exchange makes an application for initial listing of another exchangeable corporate bond.
2. A listing agreement as in the preceding paragraph shall take effect as of the listing day of an exchangeable corporate bond pertaining to an initial listing application.
3. The Exchange shall record a security in the listed securities ledger on the listing day of an exchangeable corporate bond pertaining to an initial listing application.

Rule 928. Documents to be Submitted Pertaining to Initial Listing Application, etc.
1. An entity who intends to apply for initial listing of an exchangeable corporate bond shall submit a "Security Initial Listing Application Form" predetermined by the Exchange.
2. Trust deeds pertaining to an issue of an exchangeable corporate bond and any other documents specified by the Enforcement Rules shall be attached to the "Security Initial Listing Application Form" prescribed in the preceding paragraph.
3. Where an entity who applied for initial listing of an exchangeable corporate bond carries out notification concerning public offering or secondary offering to the Prime Minister, etc. with respect to a security for which an initial listing application is made or falls under any of the cases specified by the Enforcement Rules, the entity shall submit documents specified by the Enforcement Rules.
4. An issuer of an exchangeable corporate bond pertaining to an initial listing application shall agree that the Exchange makes documents specified by the Enforcement Rules available for public inspection before and after the listing, out of the documents submitted pursuant to the provisions of the preceding two (2) paragraphs.
5. Where an initial listing application is made before the establishment pursuant to the
provisions of Rule 929, Paragraph 2, documents which cannot be submitted at the time of an initial listing application (limited to those deemed inevitable by the Exchange on a case by case basis, out of the documents specified by the Enforcement Rules), out of the documents specified by Paragraph 2, will suffice, if they are submitted immediately after submission becomes possible.

6. The Exchange may, if it deems necessary for the listing examination, request an issuer of an exchangeable corporate bond pertaining to an initial listing application to submit an informational report or materials in addition to the documents prescribed in each of the preceding paragraphs and/or to provide cooperation in listing examination.

**Rule 929. Criteria for Listing Examination**

1. Listing examination of an exchangeable corporate bond shall be pursuant to the criteria referred to in each of the following items. In this case, details of each such item shall be provided by the Enforcement Rules:

   (1) A security for which an initial listing application is made or an issuer of a security for which an initial listing application is made complies with any of the following a. through c.:
      a. An issuer of a security for which an initial listing application is made is a listed company;
      b. An issuer of a security for which an initial listing application is made is a special purpose company that the Exchange deems appropriate pursuant to the provisions of the Enforcement Rules; or
      c. A security for which initial listing application is made has a credit rating of BBB- (minus) or higher (including a rating deemed equivalent to BBB- (minus)) by a credit rating agency (meaning a credit rating agency prescribed in Article 2, Paragraph 36 of the Act; the same shall apply hereinafter in this Part) or a specified related corporation (meaning a specified related corporation prescribed in Article 116-3, Paragraph 2 of the Cabinet Office Ordinance on Financial Instruments Business (Cabinet Office Ordinance No.52 of 2007); the same shall apply hereinafter in this Part) concerning the effectiveness of payment of the principal and interest or is a security which the Exchange deems appropriate pursuant to the provisions of the Enforcement Rules;

   (2) A security for which an initial listing application is made satisfies following a. through f.:
      a. The total nominal amount of an exchangeable corporate bond is 2 billion yen or more;
      b. The redemption conditions pertaining to redemption of a domestic stock or a foreign stock are not deemed inappropriate pursuant to the provisions of the Enforcement Rules;
      c. Such issue shall be subject to the book-entry transfer operation of a designated book-entry transfer institution, or is likely to be so by the time of listing;
      d. Face value shall be 5 million yen, 4 million yen, 3 million yen, 2 million yen, 1 million yen, 500,000 yen, or 100,000 yen;
      e. A domestic stock or a foreign stock (hereinafter referred to as an "exchange subject stock") pertaining to redemption of an exchangeable corporate bond with respect to a security for which an initial listing application is made is a single security; and
      f. The listing of a security is not deemed inappropriate from the viewpoint of public
interest or the protection of investors; and

(3) The following a. or b. is satisfied:
   a. An exchange subject stock, etc. (meaning a stock, etc. or a foreign stock depositary receipt which represents a right pertaining to an exchange subject stock, etc.; the same shall apply hereinafter) is a listed stock, etc. on the Exchange; or
   b. The following (a) through (c) is satisfied:
      (a) An issuer of a security for which an initial listing application is made is a wholly-owned subsidiary of an issuer of an exchange subject stock or a company deemed to be a company equivalent thereto in accordance with the Enforcement Rules and, in addition, an issuer assures the matters referred to in the following (i) through (iii) in writing:
         (i) An issuer of a security for which an initial listing application is made is in circumstances to be able to appropriately understand corporate information of an issuer of an exchange subject stock;
         (ii) An issuer of a security for which an initial listing application is made discloses corporate information of an issuer of an exchange subject stock in compliance with the provisions of Part 2, Chapter 4, Section 2; and
         (iii) An issuer of such exchange subject stock agrees to the matters referred to in the preceding (ii) and those specified by the Enforcement Rules;
      (b) An exchange subject stock, etc. is a stock, etc. listed on another financial instruments exchange in Japan or a stock listed or continuously traded on a foreign financial instruments exchange, etc. and deemed to be traded from Japan without any difficulty; and
      (c) Prices of an exchange subject stock, etc. are deemed immediately available in Japan.

2. The provisions of Item (2) of the preceding paragraph shall not apply to listing examination in cases falling under any of the following items; provided, however, that it is required that they do not fall under each item of Rule 936, Paragraph 2:
   (1) Where a security for which an initial listing application is made is a security to be delisted from the Exchange by an issuer being merged by another company by means of an absorption-type merger or an issuer carrying out a merger for creating a new company; or
   (2) Where a security for which an initial listing application is made is a security to be delisted from the Exchange by an issuer making another company assume obligations pertaining to such security for which an initial listing application is made by means of a demerger for creating a new company or an absorption-type demerger.

3. Notwithstanding the provisions of the preceding two (2) paragraphs, where a listed company or an unlisted company whose stock, etc. is listed on another financial instruments exchange becomes a wholly-owned subsidiary of another company by a stock swap or a stock transfer, and a bond with subscription warrant issued by a company which becomes such wholly-owned subsidiary is to be delisted from a financial instruments exchange in Japan and, in addition, where payment pertaining to an exchangeable corporate bond (limited to cases where an exchange subject stock is a stock, etc. issued by such other company) issued by a company which becomes such wholly-owned subsidiary may be made for such bond with subscription warrant, listing examination of such exchangeable corporate bond shall be made pursuant to the criteria referred to in each of the following items; provided, however, that the same shall not apply to cases where a company which becomes such wholly-owned subsidiary is an unlisted company whose stock, etc. is listed on another financial instrument exchange in Japan and additionally where such other company is not a listed company:
(1) All entities who desire payment for an issue of a security for which an initial listing application is made may carry out such payment in exchange for such bond with subscription warrant; and

(2) Paragraph 1, Item (1), Sub-item c., Item (2), Sub-items b. through f., and Item (3) shall be satisfied and, in addition, Rule 936, Paragraph 2, Item (1) shall not be satisfied.

Rule 930. Disclosure of Corporate Information

1. An issuer (excluding a listed company) of a listed exchangeable corporate bond shall make efforts to carry out such faithful execution of business as strengthening prompt, accurate and fair disclosure of corporate information at all times from the viewpoint of investors with full recognition that timely and appropriate disclosure of corporate information to investors is the basis of a sound securities market.

2. An issuer (excluding a listed company) of a listed exchangeable corporate bond shall carry out disclosure in compliance with the provisions of Rules 402 through 408, Rule 411, and Rule 411-2 in consideration of the characteristics of the listed exchangeable corporate bond.

3. The provisions of Rules 413 through 417 shall be applied mutatis mutandis to disclosure by an issuer (excluding a listed company) of a listed exchangeable corporate bond pursuant to the provisions of the preceding paragraph.

Rule 931. Deleted.

Rule 932. Submission of Documents, etc.

1. An issuer (excluding a listed company) of a listed exchangeable corporate bond shall submit documents pursuant to the provisions of the Enforcement Rules, where the Enforcement Rules so specify.

2. In addition to the preceding paragraph, an issuer (excluding a listed company) of a listed exchangeable corporate bond shall submit documents, etc. to the Exchange in compliance with the provisions of Rule 421, Paragraph 1, in consideration of the characteristics of a listed exchangeable corporate bond and shall additionally submit documents requested by the Exchange on the basis of an adequate cause without delay.

3. The Exchange may make documents deemed appropriate by the Exchange, available for public inspection, out of the documents submitted by an issuer of a listed exchangeable corporate bond pursuant to the provisions of the preceding two (2) paragraphs.

Rule 933. Written Confirmation Regarding the Appropriateness and Accuracy of Securities Reports, etc.

Where an issuer (excluding a listed company) of a listed exchangeable corporate bond submits a securities report, an interim report or a quarterly report to the Prime Minister, etc., it shall submit to the Exchange without delay written documents in which said issuer states the fact that the representative of such issuer acknowledges that there is no false statement in such securities report, interim report, or quarterly report as of the time of their submission as well as reasons for such fact pursuant to the provisions of the Enforcement Rules (where pursuant to the provisions of Article 24-4-2, Paragraph 2 of the Act (including cases of applying mutatis mutandis in the Act), a written confirmation specified in Paragraph 1 of the same article is submitted (in cases of a foreign entity that submits a document as a substitute for such written confirmation pursuant to Paragraph 6 of the same article (including cases of applying mutatis mutandis in the Act), such document), a copy of such written confirmation). In this case, the issuer of such listed exchangeable corporate bond shall agree that the Exchange makes such documents available for public inspection.
Rule 934. Setting Up Transfer Handling Offices, etc.
1. With respect to a listed exchangeable corporate bond which can be exchangeable with stocks that are not handled in the book-entry transfer operation of a designated book-entry transfer institution, the issuer of said listed exchangeable corporate bond shall set up a stock delivery administrative work handling office or agency office pertaining to a listed exchangeable corporate bond in Chuo-ku, Chiyoda-ku or Minato-ku in Tokyo or any of the places specified by the Exchange.
2. Where an issuer of a listed exchangeable corporate bond changes the handling office or agency office set up in accordance with the preceding paragraph, it shall submit its prior written notice to the Exchange.

Rule 935. Selection of Agents, etc. of Issuers of Listed Foreign Exchangeable Corporate Bonds
An issuer (excluding a listed company) of a listed foreign exchangeable corporate bond (meaning a security referred to in Article 2, Paragraph 1, Item (17) of the Act, out of the listed exchangeable corporate bonds) shall select an entity that has an address or residence in Japan with the authority to act a proxy of or represent such issuer with respect to all acts in relation to the Exchange.

Rule 936. Delisting Criteria
1. Where an issuer of a listed exchangeable corporate bond falls under any of the following items in accordance with the classification of the cases referred to in each of the following items, all securities of exchangeable corporate bonds issued by such issuer shall be delisted. In this case, details of each such item shall be provided by the Enforcement Rules:
   (1) Where an issuer is a listed company:
      a. Where an issuer commits a material breach concerning a listing agreement pertaining to an exchangeable corporate bond as specified by the Enforcement Rules or where an issuer ceases to be a party to such listing agreement; or
      b. Where a stock, etc. issued falls under any of Rule 601, Paragraph 1, Items (6) through (12), Item (19), or Item (20) (including cases in accordance with Rule 602, Paragraph 1, Item (1), Paragraph 2, Item (3) of the same rule, Rule 603, Paragraph 1, Item (6), Rule 604, Paragraph 1, Item (2), Paragraph 2, Item (1) of the same rule, Rule 604-2, Item (3), Rule 604-3, Item (2), Rule 604-4, Paragraph 1, Item (2), or Rule 604-5, Item (2)), or the main clause in Rule 602, Paragraph 2, Item (1) (including cases in accordance with Rule 604, Paragraph 2, Item (3), Rule 604-3, Item (3), or Rule 604-5, Item (3)); or
   (2) Where an issuer is not a listed company:
      a. Where an issuer commits a material breach concerning a listing agreement pertaining to an exchangeable corporate bond as specified by the Enforcement Rules or where an issuer ceases to be a party to such listed agreement or where an issuer commits a material breach in a matter specified by the Enforcement Rules; or
      b. Where Rule 601, Paragraph 1, Item (11) (excluding cases falling under Rule 501, Paragraph 1, Item (2), Sub-item b.), or Rule 912, Paragraph 1, Item (2), Sub-item a. (b), ii or iii is met or where the Exchange deems that the situation is in the same as that of suspension of business activities, dissolution or in a status equivalent to these.
2. Where a listed exchangeable corporate bond falls under any of the following items, it shall
be delisted. In this case, details of each such item shall be provided by the Enforcement Rules:

(1) Where the total listed nominal amount becomes less than 300 million yen by the day a month before the day on which the final redemption date arrives;
(2) Where redemption is no longer made in the form of an exchange subject stock;
(3) Where an issuer of a listed exchangeable corporate bond loses the right of benefit of term with respect to such security;
(3)-2 Where such issue ceases to be subject to the book-entry transfer operation of the designated book-entry transfer institution;
(4) Where the exchange subject stock ceases to be a single security;
(5) Where obligations pertaining to a listed security are assumed by another company because of an absorption-type demerger or a demerger for creating a new company; or
(6) In addition to each of the preceding items, where the Exchange deems that delisting is appropriate for the public interest or the protection of investors.

3. Where an exchange subject stock, etc. pertaining to a listed exchangeable corporate bond falls under any of the following items in accordance with the classification of the cases referred to in each of the following items, it shall be delisted; provided, however, that the same shall not apply to cases where Item (1) or Item (2), Sub-item a. is met because of a dissolution caused by a merger of an issuer of an exchange subject stock, etc. or an issuer being made a wholly-owned subsidiary because of a stock swap or stock transfer and where the exchange subject stock, etc. after such merger, stock swap or stock transfer falls under Rule 929, Paragraph 1, Item (3), Sub-item a. or b. (including cases where the Exchange has approved of its listing with respect to Sub-item a. of the same item):

(1) Where an exchange subject stock, etc. is a listed stock, etc. on the Exchange:
   Where an exchange subject stock falls under any of the criteria referred to in Rules 601 through 604-5; or
(2) In cases other than a case referred to in the preceding item:
   Where any of the following a. or b. is met:
   a. Where it is deemed impossible or extremely difficult to trade an exchange subject stock, etc. from Japan, because the stock, etc. has been delisted from or ceases to be continuously traded on another financial instrument exchange in Japan or a foreign financial instruments exchange, etc.; or
   b. Where it is deemed to have fallen in a situation that the prices of an exchange subject stock, etc. are not immediately available in Japan.

Rule 937. Delisting Day
Details of a delisting day in cases where delisting of a listed exchangeable corporate bond is decided shall be provided by the Enforcement Rules

Rule 938. Designation of Securities Under Supervision
Where a listed exchangeable corporate bond is likely to be delisted, the Exchange may designate such listed exchangeable corporate bond as a security under supervision to make investors aware of that fact pursuant to the provisions of the Enforcement Rules.

Rule 939. Designation of Securities to be Delisted
Where a listed exchangeable corporate bond is decided to be delisted, the Exchange may designate such listed exchangeable corporate bond as a security to be delisted for a period until the day before the delisting day pursuant to the provisions of the Enforcement Rules to make investors aware of that fact.
Rule 940. Fees Relating to Listing
An issuer who makes an application for initial listing of a listed exchangeable corporate bond and an issuer of a listed exchangeable corporate bond shall pay an initial listing fee, annual listing fee and any other fees relating to listing pursuant to the provisions of the Enforcement Rules.

Chapter 4
ETNs

Rule 941. ETN Initial Listing Application
1. Initial listing of an ETN trust beneficiary certificate shall be made upon an application by the issuer of an ETN which is the entrusted security pertaining to such ETN trust beneficiary certificate (hereinafter referred to as "issuer of an ETN trust beneficiary certificate pertaining to an initial listing application" in this Chapter).
2. In the case where the initial listing application issue falls under Rule 945, Paragraph 2, Item (1) (limited to the portion pertaining to a merger to create a new company), or Item (2) (limited to the portion pertaining to a demerger to create a new company), even before the establishment of such issuer (where a guarantor (meaning a guarantor specified in Rule 944, Paragraph 3; the same shall apply hereinafter in this paragraph) is present, and the guarantor conducts a merger to create a new company or a demerger to create a new company prescribed in Rule 945, Paragraph 2, Item (1) or Item (2), such guarantor), such issuer may file an initial listing application provided that it is done after a resolution of a general shareholders meeting of the issuer which conduct a merger to create a new company or a demerger to create a new company. In this case, an initial listing application shall be conducted by such issuer (where a guarantor is present and the guarantor conducts a merger to create a new company or a demerger to create a new company, the issuer of such initial listing application issue).
3. Examination of an ETN trust beneficiary certificate, for which an initial listing application is made by the issuer of the ETN trust beneficiary certificate pertaining to an initial listing application, shall be conducted pursuant to the provisions of Rule 945.

Rule 942. Listing Agreement, etc.
1. Where the Exchange lists an ETN trust beneficiary certificate pertaining to an initial listing application, the issuer of the ETN trust beneficiary certificate pertaining to such initial listing application shall submit a "Listing Agreement for an ETN Trust Beneficiary Certificate" predetermined by the Exchange as specified by the Enforcement Rules. However, in cases where the issuer of the ETN, which is the entrusted security pertaining to the listed ETN trust beneficiary certificate (hereinafter referred to as "listed ETN trust beneficiary certificate issuer" in this Chapter) makes an application for initial listing of another ETN trust beneficiary certificate, such submission is not required.
2. The Listing Agreement in the preceding paragraph shall become effective as of the listing day of the ETN trust beneficiary certificate pertaining to the initial listing application.
3. The Exchange shall enroll the security in the listed securities ledger on the listing day of the ETN trust beneficiary certificate pertaining to the initial listing application.

Rule 943. Designation of Qualified Indicators
When the Exchange approves the listing of an ETN trust beneficiary certificate pertaining to an initial listing application, the Exchange shall designate the indicator pertaining to such ETN trust beneficiary certificate as an indicator meeting the requirements prescribed in Rule 945, Paragraph 1, Item (3), Sub-item b.

**Rule 944. Documents to be Submitted Pertaining to Initial Listing Application, etc.**

1. An entity who intends to make an application for initial listing of an ETN trust beneficiary certificate shall submit a "Security Initial Listing Application Form" predetermined by the Exchange which contains the matters specified by the Enforcement Rules and a "Written Oath Pertaining to Initial Listing Application" predetermined by the Exchange pursuant to the provisions of the Enforcement Rules.

2. A "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" predetermined by the Exchange and other documents specified by the Enforcement Rules shall be attached to the "Security Initial Listing Application Form" prescribed in the preceding paragraph.

3. Where, an entity other than the issuer of the ETN trust beneficiary certificate pertaining to the initial listing application provides an appropriate guarantee as specified by the Enforcement Rules (hereinafter referred to as "guarantor" in this Chapter) on the ETN which is an entrusted security pertaining to the initial listing application, such issuer shall submit the documents specified by the Enforcement Rules.

4. Where an initial listing application is made before establishment pursuant to the provisions of Rule 941, Paragraph 2 it shall be deemed sufficient if, out of the documents specified in Paragraph 2, documents which could not be submitted at the time of the initial listing application (out of documents specified in the Enforcement Rules, limited to those deemed to be unavoidable by the Exchange on a case-by-case basis) were submitted immediately after such submission was possible.

5. Where the issuer of the ETN trust beneficiary certificate pertaining to an initial listing application gives notification or submits notice concerning an offering or secondary offering of the initial listing application issue to the Prime Minister, etc. during the period after the corresponding date from a year before the end of the business year immediately prior to the initial listing application day and before the day on which the listing is made, or where it falls under any other cases specified by the Enforcement Rules, it shall submit documents specified by the Enforcement Rules pursuant to the provisions of the Enforcement Rules.

6. The Exchange may, if it deems necessary for listing examination, request the issuer of an initial listing application pertaining to an ETN trust beneficiary certificate to submit an informational report or materials in addition to the documents prescribed in each of the preceding paragraphs and/or to provide cooperation in listing examination.

7. Where the Exchange approves the listing of an issue for which an initial listing application has been made, the issuer of the ETN trust beneficiary certificate pertaining to the initial listing application shall agree that, out of the documents submitted pursuant to the provisions of Paragraphs 2 and 5, the Exchange will make documents specified by the Enforcement Rules available for public inspection before and after the listing.

**Rule 945. Criteria for Listing Examination**

1. Listing examination of an ETN trust beneficiary certificate shall be carried out pursuant to the criteria referred to in each of the following items. In this case, the handling of such criteria shall be specified in the Enforcement Rules (the necessary matters related to Item (3), Sub-item b. shall be provided in the Guidelines Concerning Listing...
Examination, etc.).

(1) The issuer of the ETN trust beneficiary certificate pertaining to an initial listing application shall satisfy the following Sub-items a. through e. (where a guarantor is present, such guarantor shall satisfy a. through e., and such issuer shall satisfy Sub-items c. through e. In this case, "issuer of an ETN trust beneficiary certificate pertaining to an initial listing application" in Sub-item b. shall read "issuer or guarantor of an ETN trust beneficiary certificate pertaining to an initial listing application".)

a. A registered financial institution (meaning a registered financial institution prescribed in Article 2, Paragraph 11 of the Act; the same shall apply hereinafter in this Chapter), a financial instruments business operator, such equivalent, or an entity specified in the Enforcement Rules;

b. Business activities have been carried out continuously since a day before the day that is three (3) years prior to the end of the business year immediately prior to the business year containing the initial listing application day. Where the issuer of an ETN trust beneficiary certificate pertaining to an initial listing application is a company that is established through a merger to create a new company, stock transfer, or demerger to create a new company, business activities have been carried out continuously since such establishment, and three (3) years have elapsed before the end of the business year prior to the business year containing the initial listing application day.

c. No false statement is made in the securities reports, etc. which contain or make reference to financial statements, etc. for each business year or each consolidated accounting year which ended in the last two (2) years (last years are calculated based on counting from the end of the business year immediately prior to the business year containing the initial listing application day; the same shall apply hereinafter in this Chapter.) or interim financial statements, etc. for an interim accounting period in each business year or for an interim consolidated accounting period in each consolidated accounting year (in the case of a company which submits quarterly financial statements or quarterly consolidated financial statements, quarterly financial statements, etc.; the same shall apply hereinafter in this Chapter.);

d. The audit report attached to financial statements, etc. for each business year or each consolidated accounting year which ended in the last two (2) years (excluding an audit report attached to financial statements, etc. for a business year and a consolidated accounting year which ended in the last year) contains an "unqualified opinion" or a "qualified opinion with exceptions" of certified public accountants, etc.; provided, however, that the same shall not apply to cases where the Enforcement Rules so specify; and

e. The audit report attached to financial statements, etc. for the business year and consolidated accounting year which ended in the last year as well as the interim audit report attached to interim financial statements, etc. for the interim accounting period for the business year which ended in the last year and the interim consolidated accounting period for the consolidated accounting year which ended in the last year (in the case of a company which submits quarterly financial statements or a company which submits quarterly consolidated financial statements, a quarterly review report; the same shall apply hereinafter in this Chapter.) contain an "unqualified opinion" or "opinion that the interim financial statements, etc. provide useful information" (in the case of a company which submits quarterly financial statements or a company which submits quarterly consolidated financial statements, an "unqualified conclusion"; the
same shall apply hereinafter in this Chapter.) of certified public accountants, etc.; provided, however, that the same shall not apply to the cases specified by the Enforcement Rules.

(2) The issuer of the ETN trust beneficiary certificate (where a guarantor is present, such guarantor) shall satisfy the following a. through c. at the end of the business year immediately prior to the business year containing the initial listing application day.

a. The amount of net assets (in the case of a financial instruments business operator, amount of net worth; the same shall apply hereinafter.) is at least 500 billion yen.
b. In accordance with the classification of the following (a) through (e), such (a) through (e) must be satisfied.

(a) An Internationally active bank, etc.: An Internationally Active Bank shall satisfy the following (i) through (iii).
   (i) Common equity Tier 1 Ratio (in cases of the Norinchukin Bank and an Internationally Active Shinkin Bank, common equity contribution Tier 1 Ratio) shall be above 4.5%.
   (ii) Tier 1 Capital Ratio shall be above 6%.
   (iii) Total Capital Ratio shall be above 8%.
(b) A registered financial institution excluding Internationally Active Banks and other than Insurance company:
   Capital adequacy ratio shall be above 8%.
(c) An insurance company:
   The solvency margin ratio shall be above 400%.
(d) A financial instruments business operator:
   The capital-to-risk ratio shall be above 200%.
(e) An entity other than those referred to in the above (a) through to the preceding (d):
   The level indicating soundness of finances equivalent to the criteria specified in (a) through the preceding (d) is above a level deemed to be appropriate by the Exchange.

c. An entity who has been granted a rating of A- (minus) (including a rating deemed to be equivalent to A- (minus)) by a credit rating agency or a specified related corporation.

(3) The initial listing application issue shall satisfy the following a. through k.

a. The content of the following (a) through (c) is described in the issuance agreement, issuance program of the ETN which is the entrusted security pertaining to the initial listing application issue or any document similar thereto, or the trust agreement pertaining to the initial listing application issue.

(a) The fact that a request for redeeming a certain amount or value or more from an entity who is a holder of the ETN which is the entrusted security pertaining to the initial listing application issue shall be responded to within a period no greater than five (5) business days from the prior redemption date.
(b) The fact that a request for purchasing a certain amount or value or more from an entity who is a holder of the initial listing application issue shall be responded to within a period no greater than five (5) business days from the prior purchase date.
(c) The fact that the redemption value or purchase value shall be calculated based on a specific indicator.

b. In accordance with the classifications of the indicators pertaining to the initial listing application issue referred to in the following (a) and (b), such (a) or (b) must
be satisfied.

(a) Indicators other than leveraged/inverse indicators (meaning an indicator which amplifies or inverts the rate of change or rate of fluctuation of another indicator (hereinafter referred to as "underlying indicator") by methods including multiplying the fluctuations of the underlying indicator by a certain numerical value; the same shall apply hereinafter.)

The matters referred to in Rule 1104, Paragraph 1, Item (2), Sub-item d-(a), i. through v. shall be satisfied.

(b) Leveraged/inverse indicators

The matters referred to in Rule 1104, Paragraph 1, Item (2), Sub-item d-(a), i. and iv., and Sub-item d-(b) ii. through iv. shall be satisfied.

c. At the time of initial listing, the period until the end of the final redemption date as well as the period until the termination of the trust agreement of the ETN which is the entrusted security of the initial listing application issue shall be more than five (5) years.

d. The sum of the total remaining redemption value (including amounts which guarantee the redemption of foreign indicator-tracking securities issued by other companies (limited to those listed on domestic financial instruments exchanges or foreign financial instruments exchanges, etc.)) of the issuer of the ETN trust beneficiary certificate (limited to those listed on domestic financial instruments exchanges or foreign financial instruments exchanges, etc.) pertaining to the initial listing application (where a guarantor is present, such guarantor; the same shall apply hereinafter in this d.) and the scheduled issuance value of the ETN to be issued upon the initial listing shall not exceed 25% of the amount of net assets of the issuer.

e. The initial listing application issue shall satisfy the following (a) and (b).

(a) A trading participant designated by the Exchange as prescribed in Rule 68 of the Business Regulations is expected to be designated by the time of listing of the initial listing application issue with a view to ensure circulation of the initial listing application issue in the Exchange market.

(b) No factor which hinders smooth trading and fair price formation of the initial listing application issue is recognized.

f. An initial listing application issue is subject to handling of the book-entry transfer operation, etc. of the designated book-entry transfer institution, or is expected to be handled by the time of listing.

g. An ETN which is the entrusted security pertaining to an initial listing application issue is listed or continuously traded on a foreign financial instruments exchange, etc., or is expected to be so (excluding cases where the guarantor is other than a foreign entity).

h. Laws have been developed for the issuance of an ETN which is the entrusted security pertaining to the initial listing application issue, and administrative agencies are supervising the issuer of the ETN trust beneficiary certificate (where a guarantor is present, such guarantor (excluding cases where the guarantor is other than a foreign entity)).

i. The issuance agreement or issuance program of the ETN which is the entrusted security pertaining to the initial listing application issue, or any document similar thereto, contains content describing that an appropriate guarantee is provided (limited to cases where a guarantor is present).

j. A trust agreement and other documents pertaining to the initial listing application issue are concluded pursuant to the provisions of the Enforcement Rules.
k. The listing of a security is not deemed inappropriate from the viewpoint of the public interest or the protection of investors.

2. The provisions of the preceding Item (1), Item (2), or Item (3), Sub-item c. shall not apply to the listing examination in cases falling under any of the following items; provided, however, that it is required that they do not fall under each criteria referred to in Rule 951, Paragraph 1, Item (1) and Item (2).

(1) Where an initial listing application issue is a security to be delisted from the Exchange due to such issuer (where a guarantor is present, such guarantor) being merged by another company by means of an absorption-type merger or an issuer carrying out a merger for creating a new company;

(2) Where an initial listing application issue is a security to be delisted from the Exchange by an issuer (where a guarantor is present, such guarantor) making another company assume obligations pertaining to such initial listing application issue due to a demerger for creating a new company or an absorption-type demerger.

Rule 946. Alteration Listing Application

1. Where an issuer of a listed ETN trust beneficiary certificate intends to change matters referred to in each of the following items, it shall submit a "Security Alteration Listing Application Form" predetermined by the Exchange.

   (1) The ceiling of the issuance amount of the listed ETN trust beneficiary certificate or the total number of such beneficiary right units available for issuance, or the ceiling of the issuance amount of the ETN which is the entrusted security pertaining to the listed ETN trust beneficiary certificate or the total number of such securities available for issuance; and

   (2) The name of a listed ETN trust beneficiary certificate or the name of an ETN which is the entrusted security of the listed ETN trust beneficiary certificate.

2. Where the Exchange makes an alteration listing pursuant to the provisions of the preceding paragraph, it shall make changes to descriptions in the listed securities ledger on the day of such alteration listing.

Rule 947. Disclosure of Information

1. An issuer of a listed ETN trust beneficiary certificate shall fully acknowledge that timely and appropriate disclosure of information to investors is the basis of a sound securities market and make efforts to carry out such faithful execution of business as strengthening prompt, accurate and fair disclosure of information at all times from the viewpoint of investors.

2. An issuer of a listed ETN trust beneficiary certificate shall disclose daily, the matters related to such listed ETN trust beneficiary certificate referred to in the following items pursuant to the provisions of the Enforcement Rules.

   (1) The number of listed beneficiary right units of a listed ETN trust beneficiary certificate and the total remaining redemption value and redemption value per security of the ETN which is the entrusted security pertaining to a listed ETN trust beneficiary certificate; and

   (2) The daily deviation rate between (a) the redemption value per security of the ETN which is the entrusted security pertaining to a listed ETN trust beneficiary certificate and (b) the specified indicator.

(3) Other matters deemed necessary by the Exchange.

3. Where a security falls under any of the following items, an issuer of a listed ETN trust beneficiary certificate shall disclose such content immediately pursuant to the
provisions of the Enforcement Rules.

(1) Where an issuer or guarantor of a listed ETN trust beneficiary certificate decides to perform any matter referred to in the following a. to q. (including where a decision was made not to perform the matter pertaining to such decision).

a. Secondary offering of a listed ETN trust beneficiary certificate;
b. Reverse split or split of a listed ETN trust beneficiary certificate;
c. Merger;
d. Demerger (limited to cases where the whole business is inherited.);
e. Transfer of whole business;
f. Dissolution (excluding dissolution due to merger);
g. Application pertaining to the delisting of an ETN trust beneficiary certificate to a domestic financial instruments exchange or application pertaining to the delisting of an ETN to a foreign financial instruments exchange (limited to a listed foreign ETN trust beneficiary certificate or an ETN pertaining to a listed ETN trust beneficiary certificate);
h. Petition for commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or commencement of reorganization proceedings;
i. Change in a trade name or a corporate name;
j. Change in the name of a listed ETN trust beneficiary certificate or an ETN pertaining to a listed ETN trust beneficiary certificate;
k. Change in the end date of the business year;
l. Change in certified public accountants, etc. who prepare audit certification, etc. of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report (where it is a company which submits quarterly financial statements or a company which submits quarterly consolidated financial statements, a quarterly report; the same shall apply hereinafter in this Chapter);
m. Putting notes on matters relating to the going concern assumption in financial statements, etc. or interim financial statements, etc.;
m-2. Submission of application for approval prescribed in Article 15-2, Paragraph 1, Article 15-2-2, Paragraph 1, Article 17-4, Paragraph 1, or Article 17-15-2, Paragraph 1 of the Cabinet Office Ordinance on Disclosure pursuant to the provisions of such paragraphs (excluding submission due to laws and regulations or practices in their home country);
n. Discontinuation of financial instruments business or registered financial institution business, or any business similar thereto; or business specified in the Enforcement Rules;
o. Additional issuance of a listed ETN trust beneficiary certificate or purchase of a listed ETN trust beneficiary certificate, or temporary suspension of requests pertaining to additional issuance or redemption of an ETN which is the entrusted security of a listed ETN trust beneficiary certificate;
p. Early redemption of all or part of an ETN which is the entrusted security pertaining to a listed ETN trust beneficiary certificate, change in the final redemption date, suspension of applications for requests pertaining to redemption in connection with the arrival of the final redemption date or determination of the final redemption value, an important change in the issuance agreement or issuance program of the ETN which is the entrusted security of a listed ETN trust beneficiary certificate or any document similar thereto, or convocation of a bondholders meeting and any other important matters relating to rights concerning an ETN which is the entrusted security of such listed ETN trust beneficiary certificate;
q. In addition to matters referred to in a. through the preceding p., important matters related to administration, business, or financial assets of the issuer or guarantor of such listed ETN trust beneficiary certificate, or such listed ETN trust beneficiary certificate or an ETN which is the entrusted security pertaining to such listed ETN trust beneficiary certificate which have a remarkable effect on investors' investment decisions.

(2) Where a fact referred to in any of the following a. through k. occurs at an issuer or guarantor of a listed ETN trust beneficiary certificate.

a. A fact pertaining to a listed ETN trust beneficiary certificate causing delisting;

b. Ceasing to be an entity who conducts financial instruments business or registered financial institution business, or any business similar thereto, or business specified in the Enforcement Rules;

c. Suspension of operations pertaining to financial instruments business, registered financial institution business, or any business similar thereto, or any other disciplinary action equivalent to these on the basis of laws and regulations by an administrative agency, and any other fact specified in the Enforcement Rules;

d. Petition or notification for commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or commencement of reorganization proceedings, or execution of enterprise mortgage by a creditor or any entity other than such listed company;

e. Dishonor of a bill or a check, etc.;

f. Acceleration of obligations pertaining to an ETN which is the entrusted security of a listed ETN trust beneficiary certificate;

g. Early redemption of all or part of an ETN which is the entrusted security pertaining to a listed ETN trust beneficiary certificate, change in the final redemption date, an important change in the issuance agreement or issuance program of the ETN which is the entrusted security of a listed ETN trust beneficiary certificate or any document similar thereto, or convocation of a bondholders meeting and any other important matters relating to rights concerning an ETN which is the entrusted security of such listed ETN trust beneficiary certificate;

h. Change in certified public accountants, etc. who prepare audit certification of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report (in cases where the decision to change in certified public accountant, etc. was made by an institution which makes business execution decisions (including cases where a decision is made not to conduct a matter pertaining to such decision), excluding cases where such content is disclosed pursuant to the provisions of the preceding item.)

i. A securities report or an interim report to which audit reports or interim reports of Article 3, Paragraph 1 in the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or audit firms are attached is not expected to be submitted to the Prime Minister, etc. within a period specified in Article 24, Paragraph 1 of the Act or Article 24-5, Paragraph 1 of the Act (where it is a company which submits quarterly financial statements or a company which submits quarterly consolidated financial statements, within a period specified in Article 24-4-7, Paragraph 1 of the Act) (excluding cases of conducting disclosure on the matter referred to in Sub-item m-2 of the preceding item pursuant to the provision of such item) or has not been submitted within such period (except cases where the company has disclosed that such report is not expected to be submitted within such period), or was submitted after such disclosure had been made, or has
received approval of the Prime Minister, etc. related to extension of such period;
i-2. Obtaining or failure to obtain approval prescribed in Article 15-2, Paragraph 3, Article 15-2-2, Paragraph 4, Article 17-4, Paragraph 4, or Article 17-15-2, Paragraph 4 of the Cabinet Office Ordinance on Disclosure
j. Where the total remaining redemption value (including the amount which guarantees redemption of an ETN issued by another company) of an ETN to be issued (limited to a security listed on a domestic financial instruments exchange or a foreign financial instruments exchange, etc.; the same shall apply hereinafter to this j.) exceeds or is expected to exceed 25% of the amount of net assets of the issuer (where a guarantor is present, such guarantor);
k. In addition to facts referred to in a. through to the preceding j., important matters related to administration, business, or financial assets of the issuer or guarantor of such listed ETN trust beneficiary certificate, or such listed ETN trust beneficiary certificate or an ETN which is the entrusted security of such listed ETN trust beneficiary certificate which have a remarkable effect on investors' investment decisions.

(3) Where details of the account settlement pertaining to the business year or interim accounting period, or consolidated accounting year or interim consolidated accounting period of the issuer or guarantor of a listed ETN trust beneficiary certificate (excluding cases where the issuer or guarantor of a listed ETN trust beneficiary certificate is a listed company).

(4) Where an issuer of a listed ETN trust beneficiary certificate conducts disclosure pursuant to the preceding item or Rule 404, or a guarantor of a listed ETN trust beneficiary certificate conducts disclosure pursuant to Rule 404, the issuer or guarantor must disclose its credit standing, etc. as specified in the Enforcement Rules.

(5) Where any of the facts referred to in the following a. through c. occurs at an issuer of a listed ETN trust beneficiary certificate (where a guarantor is present, such guarantor):
a. Change in credit rating or change in credit rating pertaining to an ETN which is the entrusted security pertaining to a listed ETN trust beneficiary certificate (limited to cases where a credit rating pertaining to an ETN which is the entrusted security pertaining to a listed ETN trust beneficiary certificate is obtained);
b. The amount of net assets has fallen or is expected to fall below 250 billion yen;
c. In accordance with the divisions of the following (a) through (e), facts referred to in such (a) through (e) occurred.
   (a) Internationally Active Banks:
      Any of the facts referred to in the following (i) through (iii) has occurred.
      (i) Common equity Tier 1 Ratio has fallen or is expected to fall to or below 4.5%.
      (ii) Tier 1 Capital Ratio has fallen or is expected to fall to or below 6%.
      (iii) Total Capital Ratio has fallen or is expected to fall to or below 8%.
   (b) Registered financial institution excluding Internationally Active Banks and other than an insurance company:
      The capital adequacy ratio has fallen or is expected to fall to or below 8%.
   (c) Insurance company:
      The solvency margin ratio has fallen or is expected to fall to or below 400%.
   (d) Financial instruments business operator:
      The net capital regulation ratio has fallen or is expected to fall to or below 200%.  

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.
(e) An entity other than those referred to in (a) through the preceding (d):
The level indicating soundness of finances equivalent to the criteria specified in
(a) through the preceding (d) has fallen or is expected to fall below a level deemed
to be appropriate by the Exchange.

(6) Where a fact in a listed ETN trust beneficiary certificate that will have a material
effect on the circulation of such listed ETN trust beneficiary certificate or an ETN
which is the entrusted security of such listed ETN trust beneficiary certificate has
occurred in a region other than Japan.

(7) Where an issuer or guarantor of a listed ETN trust beneficiary certificate, or a trustee
pertaining to a listed ETN trust beneficiary certificate changes or terminates the trust
agreement or any other agreement specified in Rule 951, Paragraph 1, Item (3), Sub-
item i, or makes any other decision on a matter which will have a remarkable effect
on rights, etc. related to a listed ETN trust beneficiary certificate, or where a fact that
has a remarkable effect on such rights, etc. has occurred.

4. The provisions of Rule 411-2, Rule 413 through Rule 417 shall be applied mutatis
mutandis to disclosure by an issuer of a listed ETN trust beneficiary certificate pursuant
to the provisions of the preceding paragraph

Rule 948. Submission of Documents, etc.
1. An issuer of a listed ETN trust beneficiary certificate shall, in cases where specified in
the Enforcement Rules, pursuant to the provisions of the Enforcement Rules, submit
documents specified by the Enforcement Rules.

2. An issuer of an ETN trust beneficiary certificate shall agree to submit documents, other
than those in the preceding paragraph, requested based on justifiable reasons by the
Exchange without delay and that, out of such documents submitted, the Exchange will
make documents deemed necessary available for public inspection.

Rule 949. Written Confirmation Regarding the Appropriateness and Accuracy of
Securities Reports, etc.
Where an issuer of an ETN trust beneficiary certificate (excluding a listed company)
submits a securities report or an interim report to the Prime Minister, etc., it shall submit
to the Exchange without delay written documents in which said issuer states the fact that
the representative of the issuer of such ETN trust beneficiary certificate or person
equivalent thereto acknowledges that there is no false statement in such securities report
or interim report as of the time of submission as well as reasons for such fact pursuant
to the provisions of the Enforcement Rules (where pursuant to the provisions of Article 24-
4-2, Paragraph 2 of the Act (including cases of applying mutatis mutandis in the Act), a written
confirmation specified in Paragraph 2 of the same article is submitted (in cases of a foreign
tility that submits a document as a substitute for such written confirmation pursuant to
Paragraph 6 of the same article (including cases of applying mutatis mutandis in the Act), such
document), a copy of such written confirmation). In this case, the issuer of an ETN trust
beneficiary certificate shall agree that the Exchange will make such documents available
for public inspection.

Rule 950. Selection of Agents of Issuers, etc.
An issuer (excluding a listed foreign company) of a listed ETN trust beneficiary certificate
shall, pursuant to the provisions of the Enforcement Rules, select an entity that has an
address or residence in Japan with the authority to act as a proxy of or represent such
issuer with respect to all acts in relation to the Exchange.

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original
Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version
shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange
Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error,
inaccuracy, misunderstanding, or changes with regard to this translation.
Rule 950-2. Code of Conduct
An issuer of a listed foreign indicator-tracking securities trust beneficiary certificate shall not conduct a reverse split or split of the listed foreign indicator-tracking securities trust beneficiary certificate which is likely to disrupt the secondary market or infringe upon unit-holder interests.

Rule 951. Delisting Criteria
1. Where a listed ETN trust beneficiary certificate falls under any of the following items, the Exchange shall delist it. In this case, details of each such item shall be provided by the Enforcement Rules.
(1) Where an issuer of a listed ETN trust beneficiary certificate falls under any of the following a. through g. (where a guarantor is present, such guarantor falls under any of the following a. through g. or such issuer falls under such e. through g. In this case, "issuer of a listed ETN trust beneficiary certificate" in f. shall read "issuer or guarantor of a listed ETN trust beneficiary certificate").
   a. Where an issuer ceases to be a registered financial institution, financial instruments business operator, such equivalent, or an entity specified in the Enforcement Rules;
   b. Where the Exchange deems that an issuer suspends its business activities, dissolves, or falls into a situation corresponding to this;
   c. Where a bill, etc. issued by an issuer is dishonored and bank transactions are suspended or their suspension becomes certain;
   d. Where it becomes necessary for an issuer to enter bankruptcy proceedings, rehabilitation proceedings or reorganization proceedings on the basis of the provisions of laws, or falls into a situation equivalent to these;
   e. Where an issuer makes a false statement in a securities report, etc. and the Exchange deems that it is clearly difficult to maintain order in the market if the ETN is not delisted immediately;
   f. Concerning an audit report attached to financial statements, etc. or an interim audit report attached to interim financial statements, etc., where certified public accountants state an "adverse opinion" or a fact that "opinions are not expressed" in an audit report, or a "opinion that the interim financial statements, etc. do not provide useful information" or a fact that "opinions are not expressed" in an interim audit report, and the Exchange deems that it is clearly difficult to maintain order in the market if the ETN is not delisted immediately; however, excluding cases where the fact that "opinions are not expressed" is stated, and such statement is made due to reasons not attributable to the issuer of the listed ETN trust beneficiary certificate, such as act of providence;
   g. A securities report or an interim report to which an audit report or an interim audit report as in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or an audit firm is attached is not submitted to the Prime Minister, etc. within a month (in cases specified by the Enforcement Rules, within a period specified by the Enforcement Rules) after a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act passes (in the case of a company which submits quarterly financial statements or quarterly consolidated financial statements, the period specified in Article 24-4-7, Paragraph 1 of the Act) (within three (3) months in the event that such submission delay is due to reasons not attributable to the issuer of a listed ETN trust beneficiary certificate such as an act of providence).;
(2) Where an issuer of a listed ETN trust beneficiary certificate (where a guarantor is present, such guarantor) falls under any of the following a. through c. as of the end of the business year.

a. The amount of net assets has fallen below 250 billion yen and does not reach at least 250 billion yen within three (3) years;

b. In accordance with the divisions of the following (a) through (e), where falling under such (a) through (e).

(a) Internationally Active Bank:

(i) Common equity Tier 1 Ratio has fallen to or below 4.5% and does not become above 4.5% within three (3) years.

(ii) Tier 1 Capital Ratio has fallen to or below 6% and does not become above 6% within three (3) years.

(iii) Total Capital Ratio has fallen to or below 8% and does not become above 8% within three (3) years.

(b) Registered financial institution excluding Internationally Active Banks and other than an insurance company:

The capital adequacy ratio has fallen to or below 8% and does not become above 8% within three (3) years.

(c) Insurance company:

The solvency margin ratio has fallen to or below 400% and does not reach at least 400% within three (3) years.

(d) Financial instruments business operator:

The net capital regulation ratio has fallen to or below 200% and does not reach at least 200% within three (3) years.

(e) An entity other than those enumerated in (a) through the preceding (d):

The level indicating soundness of finances equivalent to the criteria specified in (a) through the preceding (d) has fallen below a level deemed to be appropriate by the Exchange and does not reach such level within three (3) years.

c. Where an issuer has been given a credit rating below BBB- (minus) (including a rate deemed equivalent to BBB- (minus)) by a credit rating agency or a specified related corporation, and is not given a credit rating of BBB- (minus) or higher (including a rate deemed equivalent to BBB- (minus)) within three (3) years or is not given a credit rating deemed equivalent or higher by the Exchange.

(3) Where a listed ETN trust beneficiary certificate falls under any of the following a. through j.

a. Where there is a change in any of the following (a) through (c) in the issuance agreement or issuance program of the ETN which is the entrusted security of a listed ETN trust beneficiary certificate or any document similar thereto, or trust agreement pertaining to the listed ETN trust beneficiary certificate.

(a) Where the provision in which a request to redeem at least a certain amount or value from an entity who is a holder of an ETN which is the entrusted security pertaining to a listed ETN trust beneficiary certificate shall be responded to within a period no greater than five (5) business days from the prior redemption date upon request ceases to exist;

(b) Where the provision in which a request to purchase at least a certain amount or value from an entity who is a holder a listed ETN trust beneficial certificate shall be responded to within a period no greater than five (5) business days from the prior purchase date upon request ceases to exist; or

(c) Where the provision to calculate redemption value or purchase value based on a
specified indicator ceases to exist.
b. The correlation coefficient between the redemption value per security of an ETN which is the entrusted security of a listed ETN trust beneficiary certificate and a specified indicator is less than 0.9 and does not reach 0.9 or more within one (1) year.
c. The total remaining redemption value (including the amount which guarantees redemption of foreign indicator-tracking securities issued by another company) of an ETN (limited to those listed on a domestic financial instruments exchange or foreign financial instruments exchange, etc.; the same shall apply hereinafter in this c.) issued by an issuer of a listed ETN trust beneficiary certificate (where a guarantor is present, such guarantor; the same shall apply hereinafter in this c.) exceeds 25% of the amount of net assets of the issuer and does not fall to or below 25% within three (3) years.
d. Where falling under any of the following (a) through (c).
   (a) Where the final redemption date of the ETN which is the entrusted security of a listed ETN trust beneficiary certificate arrives;
   (b) Where there is acceleration of obligations pertaining to an ETN which is the entrusted security of a listed ETN trust beneficiary certificate; or
   (c) Where obligations pertaining to an ETN which is the entrusted security of a listed ETN trust beneficiary certificate are assumed by another company due to an absorption-type demerger or a demerger for creating a new company.
e. Where an entity who has concluded a listing agreement pertaining to a listed ETN trust beneficiary certificate has committed a material breach of the listing agreement, where such entity has committed a material breach as to matters taken on oath in the Written Oath submitted pursuant to the provisions of Rule 944, Paragraph 1, or where an entity who should conclude a listing agreement ceases to be a party to the listing agreement;
f. Where such listed ETN trust beneficiary certificate ceases to be subject to the book-entry transfer operations of a designated book-entry transfer institution;
g. Where delisting of an ETN trust beneficiary certificate from all foreign financial instruments exchanges, etc. on which an ETN, which is the entrusted security pertaining to such listed ETN trust beneficiary certificate, is listed or continuously traded is decided, or where the Exchange deems that circumstances have changed to a degree where market prices of such listed ETN trust beneficiary certificate, etc. on a foreign financial instruments exchange, etc. cannot be obtained immediately (except cases where the guarantor is other than a foreign entity); provided, however, that the same shall not apply to cases where delisting is deemed to be inappropriate in consideration of reasons for delisting an ETN which is the entrusted security pertaining to a listed ETN trust beneficiary certificate from a foreign financial instruments exchange, etc. or in consideration of the trading status at the Exchange and any other event;
h. Where there ceases to be description on providing appropriate guarantee in the issuance agreement or issuance program of the ETN which is the entrusted security of a listed ETN trust beneficiary certificate or any document similar thereto (limited to cases where a guarantor is present);
i. Where the trust agreement specified in Rule 945, Paragraph 1, Item (3), Sub-item j. and any other contract terminates; provided, however that, this shall not apply to cases where such trust agreement or any other contract terminates due to a change in the trustee pertaining to a listed ETN trust beneficiary certificate;
j. In addition to matters referred to in a. to the preceding i., where the Exchange deems it appropriate to delist such listed ETN trust beneficiary certificate from the viewpoint of the public interest or the protection of investors.

2. In the case of Item (3), Sub-item d (c) of the preceding paragraph, provided that this shall not apply to cases where the obligations pertaining to an ETN specified in the same (c) issued by an issuer of a listed ETN trust beneficiary certificate are assumed by another company, and, in addition, such other company submits a "Listing Agreement for an ETN trust beneficiary certificate".

Rule 952. Duty to Cooperate with the Exchange
1. Where the Exchange deems it necessary to decide the appropriateness pertaining to delisting of a listed ETN trust beneficiary certificate and requests certified public accountants, etc. (including entities who were such certified public accountants, etc.; the same shall apply in the following paragraph) who carry out audit certification of financial statements, etc. or interim financial statements, etc. to give explanation, etc. on the circumstances, etc., an issuer of a listed ETN trust beneficiary certificate shall cooperate in this process.

2. Where the Exchange requests parties prescribed in the preceding paragraph for the purpose of requiring such certified public accountants, etc. to provide an explanation, etc. on the circumstances, etc., such parties shall promptly submit a document stating that such certified public accountants, etc. shall agree to give explanation on the circumstances, etc.

Rule 953. Delisting Day
Where the delisting of a listed ETN trust beneficiary certificate is decided, handling of the delisting day shall be provided by the Enforcement Rules.

Rule 954. Designation of Securities Under Supervision
Where a listed ETN trust beneficiary certificate is likely to be delisted, the Exchange may designate, pursuant to the provisions of the Enforcement Rules, such listed ETN trust beneficiary certificate as securities under supervision in order to make investors aware of that fact.

Rule 955. Designation of Securities to Be Delisted
Where a decision is made to delist a listed ETN trust beneficiary certificate, the Exchange may designate, pursuant to the provisions of the Enforcement Rules, such listed ETN trust beneficiary certificate as Securities to Be Delisted for a period until the day before the delisting day in order to make investors aware of that fact.

Rule 956. Fees Relating to Listing
An issuer of an ETN trust beneficiary certificate pertaining to an initial listing application or an issuer of a listed ETN trust beneficiary certificate shall pay a listing examination fee, an initial listing fee, an additional listing fee at the time of an additional issue, an annual listing fee and other fees relating to listing pursuant to the provisions of the Enforcement Rules.

Chapter 5
Miscellaneous Provisions

151
Rule 957. Application Mutatis Mutandis, etc.
1. The provisions of Rule 429, Rule 608 and Rule 612 shall be applied mutatis mutandis to bonds, convertible bonds, exchangeable corporate bonds and ETN trust beneficiary certificates. Details in this case shall be as provided by the Enforcement Rules.
2. The provisions of Rule 301, Paragraphs 1, 2 and 7, Rule 306 and Rule 606 shall be applied mutatis mutandis to bonds, convertible bonds and exchangeable corporate bonds. Details in this case shall be as provided by the Enforcement Rules.
3. The provisions of Rule 412 shall be applied mutatis mutandis to examination, etc. concerning disclosure of information on issues pertaining to listed bonds, listed exchangeable corporate bonds, and listed ETN trust beneficiary certificates.
4. The provisions of Rule 425 shall be applied mutatis mutandis to listed ETN trust beneficiary certificates.
5. The provisions of Rules 501 through 504 and Rules 508 through 510 shall be applied mutatis mutandis to ensuring effectiveness with respect to issues pertaining to listed bonds, listed exchangeable corporate bonds and listed ETN trust beneficiary certificates.
6. The provisions of Rule 607 shall be applied mutatis mutandis to examination concerning delisting of listed bonds, listed convertible bonds, listed exchangeable corporate bonds and listed ETN trust beneficiary certificates.

Part 5
ETFs

Chapter 1
General Provisions

Rule 1001. Definitions in Part 5
The definitions of the terms referred to in each of the following items in Part 5 shall be as defined in each of such items:
(1) An ETF means a domestic ETF, a foreign ETF, a foreign ETF trust beneficiary certificate, a domestic spot commodity ETF, a foreign spot commodity ETF, or a foreign spot commodity ETF trust beneficiary certificate;
(2) A foreign ETF means a beneficiary certificate of a foreign investment trust prescribed in Article 2, Paragraph 1, Item (10) of the Act which is managed such that the fluctuation rate of the net asset value per unit of investment trust assets, etc. tracks the fluctuation rate of a specified indicator and a foreign investment security prescribed in Item (11) of the same paragraph which is managed such that the fluctuation rate of the net asset value per unit of investment trust assets, etc. tracks the fluctuation rate of a specified indicator;
(3) A foreign ETF trust beneficiary certificate means, out of securities trust beneficiary certificates prescribed in Article 2-3, Item (3) of the Enforcement Ordinance, a security trust beneficiary certificate whose entrusted security is a foreign ET;
(4) A foreign spot commodity ETF means a security which has the characteristics of a beneficiary certificate of a beneficiary certificate issuing trust, out of the securities referred to in Article 2, Paragraph 1, Item (17) of the Act, which aims to track prices of a specified commodity, and whose main trust assets are such specified commodities (limited to a security where a beneficiary owns equal rights corresponding to the number of units of the beneficiary rights pertaining to such beneficiary certificate);
(5) A foreign spot commodity ETF trust beneficiary certificate means a beneficiary certificate...
where the entrusted security is a foreign spot commodity ETF, out of the securities trust beneficiary certificates prescribed in Article 2-3, Item (3) of the Enforcement Ordinance;

(6) A foreign commodities market means a foreign commodities market prescribed in Article 2, Paragraph 12 of the Commodity Derivatives Act (Act No. 239 of 1950).

(7) A counterparty means an issuer of incorporated securities and the party to the contract pertaining to incorporated claims (in the case where a guarantor exists for such incorporated securities or such incorporated claims, such guarantor);

(8) A management company means a company referred to in the following a. through f.:

a. In cases of a domestic ETF, an investment trust management company (In cases of a domestic ETF which carries out management of investment trust assets as investment in commodities or rights pertaining to commodities investment, etc. trading (including its instructions; the same shall apply hereinafter), limited to an entity who has received the approval of Article 35, Paragraph 4 of the Act which applies by replacing the terms in Article 223-3, Paragraph 1 of Investment Trust Act concerning business pertaining to such management);

b. In cases of a foreign ETF falling under a beneficiary certificate of a foreign investment trust, a corporation which has been established in accordance with foreign laws and regulations in a foreign country and carries out by profession any acts equivalent to the acts referred to in Article 2, Paragraph 8, Item (14) of the Act with respect to the trust assets pertaining to the foreign ETF in accordance with foreign laws and regulations in a foreign country;

b-2. In cases of a foreign ETF falling under foreign investment securities, a corporation which is established in accordance with foreign laws and regulations in a foreign country and, in addition, carries out acts corresponding to acts referred to in Article 2, Paragraph 8, Item (12) of the Act as its business with respect to assets pertaining to such foreign ETF pursuant to foreign laws and regulations in a foreign country;

c. In cases of a foreign ETF trust beneficiary certificate whose entrusted securities are foreign ETFs falling under foreign investment trust beneficiary certificates, a corporation which has been established in accordance with foreign laws and regulations and carries out, in accordance with foreign laws and regulations in a foreign country, by profession any acts equivalent to the acts referred to in Article 2, Paragraph 8, Item (14) of the Act with respect to the trust assets pertaining to a foreign ETF that is an entrusted security pertaining to a foreign ETF trust beneficiary certificate;

c-2. In cases of a foreign ETF trust beneficiary certificate whose entrusted securities are foreign ETFs falling under foreign investment securities, a corporation which is established in compliance with foreign laws and regulations in a foreign country and, in addition, carries out acts corresponding to acts referred to in Article 2, Paragraph 8, Item (12) of the Act as its business with respect to assets pertaining to such foreign ETF pursuant to foreign laws and regulations in a foreign country;

d. In cases of a domestic spot commodity ETF, an entity referred to in the following (a) or (b).

(a) A financial instruments firm which is an entrustor of a trust pertaining to said domestic spot commodity ETF (limited to a firm which conducts investment management business prescribed in Article 28, Paragraph 4 of the Act and also which carries out instructions of management or disposition (including supervision of management or disposition; the same shall apply hereinafter) of trust assets of such domestic spot commodity ETF, but excluding trust companies) or an entity entrusted by said financial instruments firm with all or part of the authority pertaining to instruction of management or disposition of trust assets pertaining to
such domestic spot commodity ETF; or

(b) A registered financial institution which is a trustee pertaining to said domestic spot commodity ETF (limited to an institution, out of those which received the registration as prescribed in Article 33-2 of the Act, which conducts investment management business prescribed in Article 28, Paragraph 4 of the Act and also which carries out instructions of management or disposition of trust assets of such domestic spot commodity ETF; the same shall apply hereinafter) or an entity entrusted by said registered financial institution with all or part of the authority pertaining to instruction of management or disposition of trust assets pertaining to such domestic spot commodity ETF.

e. In cases of a foreign spot commodity ETF, a corporation which has been established under foreign laws and regulations in a foreign country and carries out in a foreign country an act corresponding to an act referred to in Article 2, Paragraph 8, Item (14) of the Act as its business with respect to trust assets pertaining to such foreign spot commodity ETF pursuant to foreign laws and regulations and also which carries out all or part of instruction of management or disposition of trust assets of such foreign spot commodity ETF; and

f. In cases of a foreign spot commodity ETF trust beneficiary certificate, a corporation which has been established in accordance with foreign laws and regulations in a foreign country and carries out, under foreign laws and regulations in a foreign country, an act corresponding to an act referred to in Article 2, Paragraph 8, Item (14) of the Act as its business with respect to trust assets pertaining to a foreign spot commodity ETF which is a an entrusted security pertaining to such foreign spot commodity ETF trust beneficiary certificate and also which carries out all or part of instruction of management or disposition of trust assets of such foreign spot commodity ETF.

(9) Incorporated claims means rights pertaining to a contract concluded with a specific entity for the purpose of achieving the investment performance of tracking a specific indicator and are incorporated into investment trust assets, etc. (limited to rights pertaining to over-the-counter derivatives transactions prescribed in Article 2, Paragraph 22 of the Act, rights pertaining to commodities investments, etc. transactions, and monetary claims referred to in Article 3, Item (7) of the Enforcement Ordinance of the Investment Trust Act; hereinafter the same shall apply in this rule.)

(10) Incorporated securities means securities which are issued for the purpose of achieving the investment performance of tracking a specific indicator and are incorporated into investment trust assets, etc.

(11) A public and corporate bond investment trust means a public and corporate investment trust as prescribed in Rule 13, Item (2), Sub-item (a) of the Enforcement Ordinance of the Investment Trust Act.

(12) A designated participant means an entity described in the security registration statement, etc. for a domestic ETF or a domestic spot commodity ETF as an entity who handles offering of said domestic ETF or domestic spot commodity ETF;

(13) An indicator-tracking securities incorporated ETF means an ETF whose purpose is to track a specific indicator via incorporating into investment trust assets, securities issued or rights pertaining to a contract concluded with a specific entity for the purpose of achieving the investment performance of tracking the specific indicator;

(14) A securities investment trust means a securities investment trust prescribed in Article 2, Paragraph 4 of the Investment Trust Act;

(15) A listed ETF means an ETF listed on the Exchange;
(16) A listed foreign ETF means a foreign ETF listed on the Exchange;
(17) A listed foreign ETF trust beneficiary certificate means a foreign ETF trust beneficiary certificate listed on the Exchange;
(18) A listed foreign spot commodity ETF means a foreign spot commodity ETF listed on the Exchange;
(19) A listed foreign spot commodity ETF trust beneficiary certificate means a foreign spot commodity ETF trust beneficiary certificate listed on the Exchange;
(20) A listed indicator-tracking securities, etc. incorporated ETF means an indicator-tracking security, etc. incorporated ETF listed on the Exchange;
(21) A listed domestic ETF means a domestic ETF listed on the Exchange;
(22) A listed domestic spot commodity ETF means a domestic spot commodity ETF listed on the Exchange;
(23) A commodity means a commodity as prescribed in Article 2, Paragraph 1 of the Commodity Derivatives Act;
(24) Commodity Derivatives Act means the Commodity Derivatives Act (Act No. 239 of 1950);
(25) A commodities market means a commodities market as prescribed in Article 2, Paragraph 9 of the Commodity Derivatives Act.
(26) A commodities investment, etc. trading means commodities investment, etc. trading as prescribed in Article 3, Item (10) of the Enforcement Order of the Investment Trust Act.
(27) A trustee means an entity referred to in the following a. through c.:
a  In cases of a domestic ETF and a domestic spot commodity ETF, a trust company, etc.;
b  In cases of foreign ETFs (limited to those falling under beneficiary certificates of foreign investment trusts) and foreign spot commodity ETFs, a corporation which has been established in accordance with foreign laws and regulations in a foreign country and which is similar to a trust company, etc.; and
c  In cases of foreign ETF trust beneficiary certificates (limited to such ETFs whose entrusted securities are foreign ETFs falling under beneficiary certificates of foreign investment trusts) and foreign spot commodity ETF trust beneficiary certificates, a corporation which is established in accordance with foreign laws and regulations in a foreign country and which is similar to a trust company, etc. pertaining to foreign ETFs or foreign spot commodity ETFs which are entrusted securities pertaining to such beneficiary certificates;
(28) A qualified institutional investor means a qualified institutional investor prescribed in Article 2, Paragraph 3, Item (1) of the Act;
(29) An investment trust asset, etc. means, (i) in cases where ETFs pertaining to an initial listing application or listed ETFs are beneficiary certificates of an investment trust, an investment trust asset of said investment trust; (ii) in cases of beneficiary certificates of a foreign investment trust or foreign ETF trust beneficiary certificates whose entrusted securities are beneficiary certificates of a foreign investment trust, investment trust assets of such foreign investment trust; and (iii) in cases of foreign investment securities or foreign ETF trust beneficiary certificates whose entrusted securities are foreign investment securities a, assets pertaining to such foreign investment securities;
(30) A domestic ETF means a beneficiary certificate of investment trust prescribed in Article 2, Paragraph 1, Item (10) of the Act which is managed such that the fluctuation rate of the net asset value per unit of investment trust assets, etc. tracks the fluctuation rate of a specified indicator;
(31) A domestic spot commodity ETF means a beneficiary certificate of a beneficiary certificate issuing trust as prescribed in Article 2, Paragraph 1, Item (14) of the Act which aims to track prices of a specified commodity and whose main trust assets are said specified commodities (limited to a beneficiary certificate with which a beneficiary owns equal rights
corresponding to the number of units of the beneficiary rights pertaining to such beneficiary certificate);

Chapter 2
ETFs

Rule 1101. ETF Initial Listing Application
1. Initial listing of an ETF shall, in accordance with the classification of ETFs referred to in each of the following items, be made upon an application file by an entity prescribed in each of such items:
   (1) ETFs other than those referred to in the following item;
   The management company and the trustee pertaining to such ETF
   (2) Foreign ETFs falling under foreign investment securities and foreign ETF trust beneficiary certificates whose entrusted securities are such foreign ETFs;
   The foreign investment corporation and the management company pertaining to such ETF.
2. Examination of an ETF pertaining to an initial listing application shall be made pursuant to the provisions of Rule 1104.

Rule 1102. Listing Agreements, etc.
1. Where the Exchange lists an ETF pertaining to an initial listing application, an entity specified in the preceding rule shall submit a "Listing Agreement for an ETF" predetermined by the Exchange as specified by the Enforcement Rules.
2. The Listing Agreement as in the preceding paragraph shall become effective as of the listing day of an ETF pertaining to an initial listing application.
3. The Exchange shall enroll the security in the listed securities ledger on the listing day of an ETF pertaining to an initial listing application.

Rule 1102-2. Designation of Eligible Indicators
When the Exchange approves listing of an ETF pertaining to initial listing application, the Exchange shall designate the indicator pertaining to such ETF as an indicator meeting the requirements prescribed in Rule 1104, Paragraph 1, Item (2), Sub-item d. (including cases according the provisions of Paragraph 2, Item (1) of the same rule, Paragraph 3, Item (1) of the same rule, Paragraph 4, Item (1) of the same rule, Paragraph 5, Item (1) of the same rule, or Paragraph 6 of the same rule).

Rule 1103. Documents to be Submitted Pertaining to Initial Listing Application, etc.
1. An entity who intends to make an application for initial listing of an ETF shall submit a "Security Initial Listing Application Form" predetermined by the Exchange which contains the matters specified by the Enforcement Rules and a "Written Oath Pertaining to Initial Listing Application" predetermined the Exchange, pursuant to the provisions of the Enforcement Rules.
2. A "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" predetermined by the Exchange and other documents specified by the Enforcement Rules shall be attached to the "Security Initial Listing Application Form" prescribed in the preceding paragraph.
3. Where a management company pertaining to a security for which an initial listing application is made (meaning a foreign investment corporation if an initial listing
application issue is an ETF referred to in Rule 1101, Paragraph 1, Item (2)), out of entities who have made an application for initial listing of an ETF, gives notification or submits notice concerning subscription or secondary offering of a security to the Prime Minister, etc. during the period after the corresponding date from a year before the end of the computation period or the business period immediately prior to the initial listing application day and before the day on which listing is made, or where it falls under any other cases specified by the Enforcement Rules, it shall, pursuant to the provisions of the Enforcement Rules, submit documents specified by the Enforcement Rules.

4. The Exchange may, if it deems necessary for listing examination, request an initial listing applicant of an ETF to submit an in formational report or materials in addition to the documents prescribed in the three preceding paragraphs and/or to provide cooperation in listing examination.

5. Where the Exchange approves listing of an ETF pertaining to an initial listing application, an entity who has made an application for initial listing of an ETF shall agree that the Exchange makes documents specified by the Enforcement Rules available for public inspection, out of the documents submitted pursuant to the provisions of Paragraph 2 or 3, before and after the listing.

6. Out of the entities which have applied for initial listing of an ETF (limited to entities that have applied for the initial listing of an indicator-tracking securities, etc. incorporated ETF), in the case where the Exchange approves the listing of the ETF pertaining to the initial listing application, the entity that is the management company pertaining to the initial listing application issue (in the case of an initial listing application issue that is an ETF referred to in Rule 1101, Paragraph 1, Item (2), a foreign investment corporation and a management company) shall, as specified by the Enforcement Rules, submit a report describing the management system, etc. concerning the credit standing of the counterparty (meaning a management system concerning the credit standing of the issuer of incorporated securities or the counterparty to the contract pertaining to incorporated claims, or the guarantor pertaining to such incorporated securities or such incorporated claims (limited to cases where a guarantor exists.) to ensure management continuity and reduce the risks of impairment of investment trust assets, etc. and other systems specified by the Enforcement Rules; the same shall apply hereinafter.), and agree to the Exchange making such report available for public inspection before and after the listing; provided, however, that this shall not apply to cases where such report has been submitted pursuant to the provisions of this paragraph or the provisions of Article 1107, Paragraph 4.

Rule 1104. Criteria for Listing Examination

1. Listing examination of a domestic ETF shall be carried out pursuant to the criteria referred to in each of the following items. In this case, necessary matters concerning examination in Item (2), Sub-item c-2, d, or d-4 shall be provided by the Guidelines Concerning Listing Examination, etc.:

   (1) A management company pertaining to a security for which an initial listing application is made is a member of the Investment Trusts Association, Japan (General Incorporated Association);

   (2) A security for which an initial listing application is made satisfies the following a. through g. (excluding b. (c) and c-2 in cases of a security for which an initial listing application is made falling under the beneficiary certificate of a securities investment trust of other than a public or corporate investment trust (excluding issues falling under investment trusts referred to in each item of Article 12 of the Enforcement Order of the Investment Trust Act or investment trusts specified in the Enforcement Rules; the same

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.
shall apply to this item, Rule 1107, Paragraph 2, Item (1), and Rule 1112, Paragraph 1, Item (3); excluding b.(h) and c-3. in cases of a security for which an initial listing application is made falling under the beneficiary certificate of an investment trust referred to in Article 12, Item (1) or (2) of the Enforcement Order of the Investment Trust Act:

a. A security for which an initial listing application is made falls under the following (a) or (b):

(a) A beneficiary certificate of a securities investment trust other than a public or corporate investment trust; or

(b) A beneficiary certificate of an investment trust referred to in Article 12, Item (1) or (2) of the Enforcement Order of the Investment Trust Act;

b. A trust deed of a security for which an initial listing application is made contains the descriptions of the following (a) through (h):

(a) The fluctuation rate of the net asset value per unit of investment trust assets, etc. is managed such that it tracks the fluctuation rate of a specified indicator;

(b) No investment trust agreement period is established;

(c) A beneficiary may not request a partial cancellation of the investment trust agreement during the trust agreement period (excluding cases where there is a significant change to the general conditions, etc., the ETF is purchased based on requests by beneficiaries who oppose such significant change to the general conditions, etc., and a request is made for partial termination of the investment trust agreement concerning such ETF.); and

(d) The calculation period is one (1) month or more;

(e) The solicitation of applications for acquisition of the beneficiary certificates shall be conducted by means of a public offering (notwithstanding the provisions of Rule 2, Item (35), meaning a public offering prescribed in Rule 2, Paragraph 8 of the Investment Trust Act; the same shall apply in this rule and Rule 1112);

(f) The beneficiary certificates shall be listed on a financial instruments exchange;

(g) Where the beneficiary certificates are delisted from all financial instruments exchanges, procedures to terminate the investment trust shall commence on the day of the delisting; and

(h) Where there is a partial cancellation of the investment trust agreement during the trust agreement period due to a request by a beneficiary (except cases where such partial cancellation may be resolved by the delivery of money pertaining to an additional trust; the same shall apply to Rule 1112, Paragraph 1, Item (3), Sub-item b.(h)), the management company shall provide an instruction to the trustee to perform conversion of, out of securities and other assets belonging to investment trust assets, etc., those equivalent to interest held by such beneficiary in such investment trust assets, etc. of beneficiary certificates pertaining to such partial cancellation.

c. All the designated participants are qualified institutional investors, and the number thereof is two (2) or more;

c-2. Where an initial listing application security is exchanged with securities or commodities belonging to the investment trust assets, etc., such securities or commodities are deemed to be assets readily convertible;

c-3. Investment trust assets, etc. of a security for which an initial listing application is made shall be invested in rights pertaining to derivatives transactions prescribed
in Article 2, Paragraph 20 of the Act, rights pertaining to commodities investment, etc. trading, or instruments referred to in Article 19, Paragraph 3, Item (1) of the Enforcement Ordinance of the Investment Trust Act, and managed;

d. The indicator pertaining to a security for which initial listing application is made shall, according to the classification referred to in the following (a) and (b), satisfy such (a) or (b):

(a) Indicators other than leveraged/inverse indicators

The indicator shall satisfy the following i. through vii.

i. The computation method of the indicator is objective and does not lack in fairness.

ii. In the case of an indicator pertaining to securities prices (limited to specified securities, etc. prescribed in Article 163, Paragraph 1 of the Act), such indicator shall be a composite representation of the price levels of a large number of issues.

iii. In cases where an indicator pertains to prices of securities or other assets, and its component issues (meaning issues or types of such securities or other assets; the same shall apply hereinafter) may change, the criteria and method of such changes do not lack in fairness.

iv. The indicator and its computation method are published.

v. In the case of an indicator pertaining to prices of securities or other assets, its component issues (including the criteria and methods of changes in components in cases where they may change) are published.

vi. In the case of an indicator pertaining to prices of securities or commodities, it is composed of issues or types of securities or commodities which can be expected to be traded smoothly in order to make the fluctuation rate of the net asset per unit of the investment trust asset of the initial listing application issue correspond to fluctuation rate of such indicator (limited to cases where the investment is made in component securities or commodities).

vii. In the case of a financial indicator (including commodity prices) prescribed in Article 2, Paragraph 25 of the Act or a commodities index prescribed in Article 2, Paragraph 2 of the Commodity Derivatives Act, derivatives transactions prescribed in Article 2, Paragraph 20 of the Act or commodities investment, etc. transactions are expected to be smooth in order to make the fluctuation rate of the net asset value per unit of investment trust asset of the initial listing application issue correspond to the fluctuation rate of such indicator (limited to cases where investment is made in rights pertaining to such derivatives transactions or rights pertaining to such commodities investment, etc. transactions).

(b) Leveraged/inverse indicators

The indicator shall satisfy the following i. through iv.

i. The indicator shall satisfy the matters referred to in the preceding (a) i., iv. and vii.

ii. The underlying indicator satisfies the matters referred to in i. through v. in the preceding (a) and is not a leveraged/inverse indicator.

iii. Where the underlying indicator is a financial indicator calculated based on securities prices or derivatives prices pertaining to securities (meaning a financial indicator prescribed in Article 2, Paragraph 25 of the Act; the same shall apply hereinafter in this (b)), market derivatives transactions prescribed in Article 2, Paragraph 21 of the Act, or foreign market
derivatives transactions prescribed in Paragraph 23 of the same article is or is expected to be conducted for such financial indicator or derivatives transactions pertaining to such financial indicator.

iv. Where the underlying indicator is a financial indicator calculated based on commodity prices or derivatives prices pertaining to commodities or the commodity indices prescribed in Article 2, Paragraph 2 of the Commodity Derivatives Act, its component assets or commodity derivatives prescribed in Paragraph 15 of the same article pertaining to such assets are or are expected to be traded in a commodity market prescribed in Paragraph 9 of the same article (including a foreign commodities market prescribed in Paragraph 12 of the same article) and other markets which are organized and operated continuously, and its prices are publicized.

d-2. An initial listing application issue shall meet any of the following (a) to (c):

(a) Where a specified indicator is an indicator pertaining to prices of securities or other assets, issues and types (meaning, if such indicator is a simple average type, all securities comprising such indicator, in principle) of securities and other assets (excluding those deemed inappropriate by the Exchange from the viewpoint of the public interest and the protection of investors in consideration of trustworthiness and other matters; the same shall apply hereinafter under "securities" in Sub-item d-2) comprising 95% or more of the component ratio based on the market capitalization, out of component securities of such indicator, or securities issued to achieve investment performance tracking prices of each issue are expected to be embedded into investment trust assets, etc.;

(b) Securities issued to achieve investment performance linked to specific indicators are estimated to be embedded into investment trust assets, etc.; and

(c) A high correlation exists between the amount of net assets per unit of an initial listing application security and a specified indicator, and fluctuation of such indicator is expected to be fairly reflected in the amount of net assets per such unit.

d-3. The following (a) to (c) shall be met:

(a) It is deemed that an adequate quantity of beneficiary certificates is available for loans for margin transactions;

(b) A trading participant who is a designated participant assures that it will make efforts to secure smooth trading of an initial listing application security in the market of the Exchange; and

(c) No factor which hinders smooth trading and fair price formation of an initial listing application security is recognized.

d-4. In the case of an initial listing application issue which falls under an indicator-tracking security incorporated ETF, there is the expectation of continual asset management after the listing, and, in addition, the management company has appropriately developed a management system, etc. regarding the credit standing of the counterparty;

e. The following (a) and (b) are satisfied:

(a) No false statements are made in securities reports, etc. (notwithstanding the provisions of Rule 2, Item (89), the securities reports, etc. shall mean securities registration statements (including documents deemed to be securities registration statements or amended registration statements pursuant to the provisions of the Act), securities reports (including alternative written documents; the same shall
apply hereinafter) and documents attached thereto, interim reports (including semiannual alternative reports; the same shall apply hereinafter) and prospectuses;) containing financial statements, etc. for each specified period (limited to the period after the commencement date of the trust agreement; the same shall apply hereinafter in this e) ending in the last two (2) years (the computation for "last" shall be counted retroactively from the end of the specified period (the specified period prescribed in Article 24, Paragraph 5 of the Act; the same shall apply hereinafter) immediately preceding the initial listing application date; the same shall apply hereinafter in this chapter) in relation to the security for which the initial listing application has been made, or in securities reports, etc. containing interim financial statements for each specified period (notwithstanding the provisions of Rule 2, Item (30), the inclusion of any false statements relates to cases where the Prime Minister, etc. has issued any correction order (including, as a general rule, orders for the correction financial statements, etc. by the Prime Minister, etc. in accordance with Article 10 of the Act (including cases where it is applied mutatis mutandis in Article 24-2 and Article 24-5 of the Act), or correction orders prescribed by Article 23-10, or any complaints have been made by the prime minister, etc. or the Securities and Exchange Surveillance Commission in accordance with Article 197 or Article 207 of the Act, or the amended contents are acknowledged to be material where any amended registration statement (including documents deemed to be securities registration statements or amended registration statements pursuant to the provisions of the Act), or amended report has been submitted; the same shall apply hereinafter in this chapter); and

(b) An audit report attached to financial statements, etc. for each specified period ending within the last two (2) years or an interim audit report attached to interim financial statements, etc. for a specified period ending within the last year for the issue for which the initial listing application has been made contain an "unqualified opinion" or "qualified opinion with exceptions", an "opinion that the interim financial statements, etc. provide useful information", or a "qualified opinion with exceptions"; provided, however, that the same shall not apply to cases where the Enforcement Rules specify otherwise;

f. An initial listing application security is handled in the book-entry transfer operation by a designated book-entry transfer institution or is expected to be handled in such operation by the time of listing; and

g. The listing is not deemed inappropriate from the viewpoint of the public interest or the protection of investors; and

(3) A management company pertaining to a security for which an initial listing application is made assures the matters referred to in the following a. through c. in writing:

a. A management company pertaining to a security for which an initial listing application is made is in a situation to be able to appropriately understand information of a trustee for a security for which an initial listing application is made;

b. A management company pertaining to a security for which an initial listing application is made discloses information of a trustee for a security for which an initial listing application is made pursuant to the provisions of Rule 1107; and

c. A trustee has agreed that a management company pertaining to a security for which which
an initial listing application is made will disclose information of such trustee
pursuant to the provisions of Rule 1107.

2. Listing examination of a foreign ETF shall be conducted pursuant to the criteria referred to
in each of the following items (excluding Item (7) in cases of a foreign ETF similar to a
beneficiary certificate of an investment trust referred to in Article 12, Item (1) or Item (2)
of the Enforcement Order of the Investment Trust Act):

(1) Item (2), Sub-items c-2, d, d-2, d-4, e, g, and Item (3) of the preceding paragraph
(excluding Item (2), Sub-item c-2 of the preceding paragraph in cases of a foreign
ETF similar to a beneficiary certificate of a securities investment trust (excluding
those falling under an investment trust referred to in each item of Article 12 of the
Enforcement Order of the Investment Trust Act) other than a public or corporate bond
investment trust; excluding Item (3) of the same paragraph in cases of foreign ETFs
falling under foreign investment securities) of the preceding paragraph are satisfied.
In this case, as for foreign ETFs falling under foreign investment securities, the term
"the amount of net assets per unit of the investment trust assets of an initial listing
application security" in Item (2), Sub-item d. of the preceding paragraph shall be
deemed to be replaced with "the amount of net assets per unit pertaining to such
foreign ETFs (meaning the amount obtained by dividing the amount of investment
trust assets by the quantity of such foreign ETFs, in case where such foreign ETFs
are foreign investment securities similar to investment corporate bonds)". The terms
"the specified period (the specified period as prescribed in Article 24, Paragraph 5 of
the Act; the same shall apply hereinafter)" and "the specified period" in Item (2), Sub-
item e. of the same paragraph shall be deemed to be replaced with "the business
period", the term "the commencement date of the trust agreement period" with "the
establishment date of the foreign investment corporation", respectively.;

(2) A trust deed of an issue for which an initial listing application is made or documents
similar thereto or terms and conditions or documents similar thereto contain the
descriptions of the following a. through c. (excluding Sub-item b. in cases of foreign
ETFs falling under foreign investment securities) (for descriptions referred to in a.,
including descriptions similar thereto):

a. The fluctuation rate of the net asset value per unit of investment trust assets, etc. is
managed to track the fluctuation rate of a specified indicator;

b. No trust agreement period is established; provided, however, that where a trust
agreement period is set forth in accordance with the laws and regulations of the
country where the foreign ETF was created (limited to the period prescribed by
Article 2-3, Paragraph 2 of the Enforcement Ordinance of the Special Taxation
Measures Act (Ministry of Finance Ordinance No. 15 of 1957), such trust
agreement period; and

c. The computation period or the business period is one (1) month or more;

(3) A security for which an initial listing application is subject to handling of the book-
entry transfer operation for foreign stocks, etc. of the designated book-entry transfer
institution, or is expected to be handled by the time of listing;

(4) A security for which an initial listing application is made is listed or continuously
traded on a foreign financial instruments exchange, etc., or is expected to be so;

(5) Laws similar to the Investment Trust Act have been developed for the issuance of an
issue for which an initial listing application is made, and administrative agencies are
supervising entity prescribed in each item of Rule 1101, Paragraph 1 pertaining to
such issue; and

(6) The following Sub-items a. through c. shall be met:
a. An adequate quantity of beneficiary certificates or foreign investment securities is deemed to be available for loans for margin transactions;

b. A trading participant designated by the Exchange as prescribed in Rule 68 of the Business Regulations is expected to be designated by the time of listing of the initial listing application issue with a view to ensure circulation of foreign ETFs in the Exchange market.

c. No factor which hinders smooth trading and fair price formation of an issue for which the initial listing application is made is recognized.

(7) Investment trust assets, etc. of a security for which an initial listing application is made shall be invested in rights pertaining to derivatives transactions prescribed in Article 2, Paragraph 20 of the Act, rights pertaining to commodities investment, etc. transactions, monetary claims referred to in Article 3, Item (7) of the Enforcement Order of the Investment Trust Act, or instruments referred to in Article 19, Paragraph 3, Item (1) of the Enforcement Ordinance of the Investment Trust Act and managed.

3. Listing examination of a foreign ETF trust beneficiary certificate shall be conducted pursuant to the criteria referred to in each of the following items. Details of each of such items in this case shall be prescribed by the Enforcement Rules:

(1) Paragraph 1, Item (2), Sub-items d, d-2, d-4, e, and g, Item (3) of the same paragraph, and Item (2) and Item (4) through (6) of the preceding paragraph (excluding Paragraph 1, Item (3) in cases where a foreign ETF whose entrusted security pertaining to the initial listing application issue falls under a foreign investment security) are met. In this case, the term "initial listing application issue" in Paragraph 1, Item (2), Sub-items d, d-2, and e and Items (2) and (4) of the preceding paragraph shall be deemed to be replaced with "foreign ETF which is an entrusted security pertaining to an initial listing application security", the term "foreign ETF" in Item (2), Sub-item b. of the preceding paragraph with "a foreign ETF which is an entrusted security pertaining to an initial listing application issue", the term "issuance of an initial listing application issue" in Item (5) of the preceding paragraph with "issuance of a foreign ETF which is an entrusted security pertaining to an initial listing application issue", and the term "a foreign ETF" with "a foreign ETF trust beneficiary certificate", respectively. In addition, where a foreign ETF which is an entrusted security pertaining to an issue for which an initial listing application is made falls under foreign investment securities, the term "the amount of net assets per unit of the investment trust assets of an issue for which an initial listing application is made" in Paragraph 1, Item (2), Sub-item d. of shall be deemed to be replaced with "the amount of net assets per unit pertaining to such foreign ETF (meaning the amount obtained by dividing the amount of investment trust assets by the quantity of such foreign ETFs, in the case where such foreign ETFs are foreign investment securities similar to investment corporate bonds)"", the terms "the specified period (the specified period as prescribed in Article 24, Paragraph 5 of the Act; the same shall apply hereinafter)" and "the specified period" in Item (2), Sub-item e. of the same paragraph with "the business period", the term "the commencement date of the trust agreement period" with "the establishment date of the foreign investment corporation", and the term "a foreign ETF falling under foreign investment securities" in Item (2) of the preceding paragraph with "cases where a foreign ETF which is an entrusted security pertaining to an issue for which an initial listing application is made falls under foreign investment securities", respectively;

(2) A security for which an initial listing application is subject to the book-entry transfer operation conducted by the designated book-entry transfer institution, or is expected to be handled in said operation by the time of listing; and
(3) The deposit agreement, etc. and any other agreements for a security for which an initial listing application is made is entered into pursuant to the provisions of the Enforcement Rules.

4. Listing examination of a domestic spot commodity ETF shall be made pursuant to the criteria referred to in each of the following items:

   (1) Paragraph 1, Item (1), Item (2), Sub-items c., c-2, d, d-3, e and g of the same paragraph, as well as Item (3) of the same paragraph (excluding cases where the management company is the trustee) are satisfied. In this case, the following terms shall be deemed to be replaced as follows:

   The term "A management company … is a member of the Investment Trusts Association, Japan (General Incorporated Association)" in Paragraph 1, Item (1) with "A management company … is a member of the Investment Trusts Association, Japan (General Incorporated Association) (excluding cases where the management company is a registered financial institution)";

   The term "investment trust assets, etc." in Item (2), Sub-item c-2 of the same paragraph with "trust assets"; and

   The term "investment trust asset" in Item (2), Sub-item d. of the same paragraph with "trust asset".

   (1)-2 The trustor satisfies the following a. and b. (limited to cases where the management company is the trustee):

   a. A listed company or subsidiary of such company; and

   b. A member or trading participant of a commodities market or foreign commodities market (limited to a commodities market or foreign commodities market that is able to conduct trading in which contract is make with regard to delivery and receipt of such product and the consideration; the same shall apply hereinafter) on which a product which is the same as the trust assets is listed, or a party equivalent to such member of trading participant as specified in the Enforcement Rules (limited to parties which perform trading, intermediation, brokerage or agency of trading, production, processing or use of such products as business; the same shall apply hereinafter).

   (1)-3 Where the Exchange deems it necessary and verifies the contribution status, etc. of commodities, the trustor shall assure in writing to appropriately report matters for verification immediately (limited to cases where the management company is the trustee).

   (2) A trust agreement pertaining to an initial listing application security shall contain information as referred to in the following a. through e.:

   a. The structure of tracking prices of a specific commodity;

   b. The fact that the period of a trust agreement is not set up;

   c. The fact that beneficiaries may not request partial cancellation of a trust agreement during the period of a trust agreement (excluding cases of an important change in the trust, etc., where ETFs are purchased based on requests by beneficiaries opposing such important change in the trust, etc. and a request is made for partial cancellation of the trust agreement of such ETF);

   d. A period specified as a computation period (excluding a computation period specified by the Enforcement Rules) is one (1) month or more, but within one (1) year;

   d-2. The solicitation of applications for acquisition of the beneficiary certificates shall be conducted by means of a public offering;

   d-3. The beneficiary certificates shall be listed on a financial instruments exchange;

   d-4. Where the beneficiary certificates are delisted from all financial instruments
exchanges, procedures to terminate the trust shall begin on the day of the delisting.

d-5. The conditions for commodities pertaining to trust assets;

d-6. For the commodity that the trustor contributes, such trustor guarantees to satisfy the condition provided in the preceding d-5; and

e. Other matters specified by the Enforcement Rules;

(3) A trust contract pertaining to an initial listing application security shall be entered into between a single management company and a single trustee (excluding cases where the management company is the trustee);

(4) A management company has assured that ninety-five (95) % or more of the total of the trust assets of an initial listing application security shall be comprised of specified commodities;

(5) An initial listing application security shall not be a limited liability trust prescribed in Article 2, Paragraph 12 of the Trust Act;

(6) A management company has assured that it shall carry out instruction of management or disposition of a commodity or other asset contributed by an entity who owns rights represented in a beneficiary certificate pertaining to an initial listing application security in an appropriate manner without failing in the protection of investors or harming fair transactions, or losing the trust in transactions of the commodity pertaining to such initial listing application security; and

(7) An initial listing application security is handled in the book-entry transfer operation conducted by a designated book-entry transfer institution or is expected to be handled in said operation by the time of listing.

5. Examinations of a foreign spot commodity ETF shall be made pursuant to the criteria referred to in each of the following items:

(1) Paragraph1, Item (2), Sub-items c-2, d, e and g, Item (3) of the same paragraph, Paragraph 2, Items (3), (4), and (6), and Item (4) of the preceding paragraph are satisfied. In this case, the term "investment trust assets, etc." in Paragraph 1, Item (2), Sub-item c-2 shall be deemed to be replaced with "trust assets"; the term "investment trust assets" in Item (2), Sub-item d. of the same paragraph with "trust assets"; and the term "foreign ETF" in Item (6) of Paragraph 2 with "foreign spot commodity ETF";

(2) A trust agreement pertaining to an initial listing application security contains information as referred to in the following a. through d.:

a. The structure of tracking prices of a specified commodity;

b. The fact that no period of a trust agreement is set up; provided, however, that if a trust contract period (limited to a period prescribed in Article 2-3, Paragraph 2 of the Enforcement Regulations of the Special Taxation Measures Act) is set forth, such trust contract period;

c. A period specified as a computation period (excluding a computation period specified by the Enforcement Rules) is one (1) month or more, but within one (1) year; and

d. Other matters specified by the Enforcement Rules.

(3) The following a. or b. is satisfied:

a. A management company has assured that it shall carry out instruction of management or disposition of a commodity or any other assets contributed by an entity who holds rights represented on a beneficiary certificate pertaining to an initial listing application security in an appropriate manner without failing in the protection of investors, harming fair transactions, or losing the trust in transactions of the commodity pertaining to such initial listing application security; and

b. In laws and regulations concerning an issuance of an initial listing application security or a trust agreement of an initial listing application security, appropriate
measures have been taken for making appropriate instructions of management or disposition of a commodity or any other assets contributed by an entity who holds rights represented in a beneficiary certificate pertaining to an initial listing application security without failing in the protection of investors, harming fair transactions or losing the trust in transactions of the commodity pertaining to such initial listing application security;

(4) Laws concerning the issuance of an initial listing application security have been developed, and an administrative agency supervising the management company and the trustee of a trust pertaining to such initial listing application security exists.

6. Listing examination of a foreign spot commodity ETF trust beneficiary certificate shall be made in accordance with the criteria referred to in Paragraph 1, Item (2), Sub-items d., e., and g., Item (3) of the same paragraph, Paragraph 2, Items (4) and (6), Paragraph 3, Items (2) and (3), Paragraph 4, Item (4), and Items (2) through (4) of the preceding paragraph. In this case, the term "initial listing application security" in Paragraph 1, Item (2), Sub-items d. and e., Paragraph 2, Item (4), Paragraph 4, Item (4), and Items (2) and (3) of the preceding paragraph shall be deemed to be replaced with "foreign spot commodity ETF which is an entrusted security pertaining to an initial listing application security"; the term "foreign ETF" in Paragraph 2, Item (6) with "foreign spot commodity ETF trust beneficiary certificate"; the term "foreign spot commodity ETF" in Item (2) of the preceding paragraph with "foreign spot commodity ETF which is an entrusted security pertaining to an initial listing application security"; and the term "issuance of an initial listing application security" in Item (4) of the preceding paragraph with "issuance of a foreign spot commodity ETF which is an entrusted security pertaining to an initial listing application security"; respectively.

Rule 1105. Alteration Listing Application

1. Where the management company and the trustee pertaining to a listed ETF (meaning the foreign investment corporation and the management company in cases of foreign ETFs falling under foreign investment securities and foreign ETF trust beneficiary certificates whose entrusted securities are said foreign ETFs) intend to change matters referred to in each of the following items, the management company or the trustee (meaning a foreign investment corporation or a management company in cases of foreign ETFs falling under foreign investment securities or foreign ETF trust beneficiary certificates whose entrusted securities are said foreign ETFs) shall submit a "Security Alteration Listing Application Form" predetermined by the Exchange.

(1) The ceiling of the amount of the trust money or the total number of investment units that can be issued (meaning the quantity of foreign investment securities that can be issued, in cases of foreign ETFs falling under foreign investment securities similar to investment corporate bonds) which is stipulated in the investment trust deed, the trust deed, or any document similar thereto or the terms and conditions or a document similar thereto; and

(2) The name of the listed ETF.

2. Where the Exchange makes alteration listing pursuant to the provisions of the preceding paragraph, it shall make changes to descriptions in the listed securities ledger on the day of such alteration listing.

Rule 1106. Technical Listing

1. Where a listed domestic ETF conducts a consolidation (limited to cases where two or more listed domestic ETFs conduct a consolidation pursuant to the provisions of Article 16, Item
(2) of the Investment Trust Act; the same shall apply hereinafter in this rule) and is delisted, and an initial application of a domestic ETF after the consolidation is made without delay, listing examination on such application is conducted in accordance with the criteria referred to each item of Rule 1104, Paragraph 1.

2. A listing day of a domestic ETF listed pursuant to the provisions of the preceding paragraph shall be the day on which the consolidation will become effective; provided, however, that this shall not apply in cases where it is impossible or difficult to list on such day because of the timing of initial listing application, etc.

**Rule 1107. Disclosure of Information Concerning Listed ETFs**

1. A management company pertaining to a listed ETF (meaning the foreign investment corporation and the management company in cases of foreign ETFs falling under foreign investment securities and foreign ETF trust beneficiary certificates whose entrusted securities are said foreign ETFs) shall carry out timely disclosure of information concerning such listed ETF.

2. Timely disclosure of information prescribed in the preceding paragraph shall be carried out pursuant to each of the following items. Handling of each such item in this case shall be provided by the Enforcement Rules:

   (1) An entity prescribed in the preceding paragraph shall disclose the matters referred to in the following a. through d. related to such listed ETF (excluding Sub-item a. in cases of a domestic ETF falling under a beneficiary certificate of a securities investment trust other than a public or corporate bond investment trust, a domestic ETF falling under a beneficiary certificate of an investment trust referred to in Article 12, Item (1) of the Enforcement Order of the Investment Trust Act, a foreign ETF, a foreign ETF trust beneficiary certificate, a domestic spot commodity ETF, a foreign spot commodity ETF, and a foreign spot commodity ETF trust beneficiary certificate) on a daily basis (excluding days where no details are newly determined for matters referred to in Sub-item a.):

   a. Details determined on the securities portfolio necessary to acquire beneficiary certificates for future additional trusts;

   b. The number of listed beneficiary right units, or the number of listed investment units (meaning the amount of such listed foreign ETFs, in cases of foreign ETFs falling under foreign investment securities similar to investment corporate bonds), total net assets (meaning the total amount of investment trust assets, etc. of such listed foreign ETFs, in cases of foreign ETFs falling under foreign investment securities similar to investment corporate bonds), and total net assets per unit of a listed ETF (meaning the amount obtained by dividing the amount of investment trust assets, etc. by the quantity of such foreign ETFs, in cases where such foreign ETFs are foreign investment securities similar to investment corporate bonds; the same shall apply hereinafter) ; and

   c. Deviation rate pertaining to the total net assets per unit of a listed ETF and the fluctuation rate of the closing price of the specified indicator.

   d. Other matters deemed necessary by the Exchange.

   (2) Where any of the following a. through h. is applied (excluding matters which fall under those which the Exchange deems as matters whose effect on investors’ investment decisions is of minor significance, such as cases the criteria specified by the Enforcement Rules, in the case of matters referred to in a. and b.), a management company pertaining to a listed ETF (excluding foreign ETFs falling under foreign investment securities and foreign ETF trust beneficiary certificates whose entrusted securities are said foreign
ETFs) shall disclose details thereof immediately pursuant to the provisions of the Enforcement Rules:

a. Where a management company pertaining to a listed ETF has decided to carry out any of the matters referred to in the following (a) through (t) (excluding (r) through (s) in cases of a domestic ETF; excluding (n) and (o) in cases of a domestic ETF falling under a beneficiary certificate of an investment trust referred to in Article 12, Item (1) of the Enforcement Regulations of the Investment Trust Act; excluding (i), (n), (o), (q), and (r)-2 through (r)-4 in cases of a foreign ETF and a foreign ETF trust beneficiary certificate; excluding (q) and (s) in cases of a domestic spot commodity ETF (except issues whose management company is the trustee); excluding (q), (r)-3, and (s) in cases of a foreign spot commodity ETF and a foreign spot commodity ETF trust beneficiary certificate):
   (a) Secondary offering;
   (a)-2 Reverse split or split of beneficiary certificates pertaining to the listed ETF
   (b) Borrowing of funds necessary for an investment trust, foreign investment trust, or trust;
   (c) Revision of a trust deed of investment trust, trust deed, or any similar written document, or cancellation of an investment trust agreement or trust agreement;
   (c)-2 Change in the name of the listed ETF;
   (d) Application pertaining to delisting of the ETF to a financial instruments exchange in Japan or foreign financial instruments exchange, etc.;
   (e) Merger of such management company;
   (f) Petition for commencement of bankruptcy proceedings of such management company;
   (g) Dissolution of such management company (excluding a dissolution by a merger);
   (h) Discontinuance of financial instruments business, registered financial institution business, or any similar business of such management company;
   (i) Ceasing to be an entity who carries out an investment management business by completing an alteration registration specified in Article 31, Paragraph 4 of the Act;
   (j) Demerger of such management company (limited to cases where the whole business is inherited);
   (k) Transfer of the whole business of such management company;
   (l) Application for an authorization or approval, or notification, that such asset management company makes to the Prime Minister, etc. pursuant to the provisions of the Act or foreign laws and regulations;
   (m) Change in certified public accountants, etc. who prepare audit certification, etc. of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report;
   (n) Designation of any entity other than a qualified institutional investor as a designated participant, or exclusion of any entity other than a qualified institutional investor from being a designated participant;
   (o) Decrease in the number of designated participants to less than two (2) or an increase more than two (2);
   (p) Temporary suspension of additional trusts, partial cancellation or exchange, or purchase of listed ETFs;
(q) The fact that such security has been decided not to be handled in the book-entry transfer operation conducted by a designated book-entry transfer institution;

(r) The fact that such security is not handled in the custody and book-entry transfer operation for listed foreign stocks, etc. or the book-entry transfer operation of a designated book-entry transfer institution;

(r)-2 Split of a trust;

(r)-3 A trust agreement pertaining to a listed ETF ceases to be such agreement as entered into by and between a single management company and a single trustee of a trust;

(r)-4 A listed ETF becomes a limited liability trust;

(s) Where such management company has ceased to carry out the business as management company with the license expired, the approval revoked, or registration, etc. altered by the Prime Minister, etc.; or

(t) In addition to the matters referred to in (a) through the preceding (s), important matters related to a listed ETF or the operation, business or assets of such management company which have a remarkable effect on investors’ investment decisions;

b. Where any of the facts referred to in the following (a) through (h) occurs to a management company pertaining to a listed ETF (excluding (g)-2 through (g)-4 in cases of a domestic ETF; excluding (g)-2 and (g)-3 in cases of a domestic spot commodity ETF (excluding issues whose management company is the trustee); and excluding (f), (g), and (g)-2 through (g)-4 in cases of, a foreign ETF, a foreign ETF trust beneficiary certificate, a foreign spot commodity ETF, and a foreign spot commodity ETF trust beneficiary certificate):

(a) Business improvement order pursuant to the provisions of Article 51 or Article 51-2 of the Act or similar disciplinary actions;

(b) Facts causing delisting (limited to a fact pertaining to a reason referred to in Rule 1112, Paragraph 1, Item (1));

(c) In addition to the facts referred to in (a) and the preceding (b), license, approval or disposition by the Prime Minister, etc. in accordance with the Act or foreign laws and regulations;

(d) Change in certified public accountants, etc. who prepare audit certification, etc. of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report (excluding a case of disclosing the details on the basis of the provisions of the preceding a., where a body of a listed company which decides its business execution makes a decision on changing such certified public accountants, etc. (including where the body makes a decision that it will not carry out matters pertaining to such decision));

(e) A securities report or an interim report to which an audit report or an interim audit report in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or audit firms are attached is not expected to be submitted to the Prime Minister, etc. within a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act or has not been submitted within such period (except cases where the management company discloses that such reports are unlikely to be submitted within said period), was submitted after such disclosure had been made, or has received the approval of the Prime Minister, etc. related to the extension of such period;
(f) Designation of any entity other than a qualified institutional investor as a designated participant, or exclusion of any entity other than a qualified institutional investor from being a designated participant;

(g) Change in the number of designated participants to less than two (2);

(g)-2 The trustor ceases to be a listed company or subsidiary of such company;

(g)-3 The trustor ceases to be a member or trading participant of a commodities market or foreign commodities market or such equivalent party as specified by the Enforcement Rules;

(g)-4 A commodity that does not satisfy the conditions prescribed in the trust deed for commodities pertaining to trust assets is trusted; or

(h) In addition to the facts referred to in (a) through the preceding (g)-4, important matters related to a listed ETF or the operation, business or assets of such management company which have a remarkable effect on investors’ investment decisions;

c. Where a trustee related to a listed ETF makes a decision on carrying out any of the matters referred to in the following (a) or (b) (including cases where it makes a decision that it will not carry out matters pertaining to such decision):

(a) Application pertaining to delisting of ETFs to a financial instruments exchange in Japan or a foreign financial instruments exchange, etc.; or

(b) In addition to the matter referred to in the preceding (a), important matters related to a listed ETF or the operation, business or assets of such trustee which have a remarkable effect on investors’ investment decisions.

d. Where any of the facts referred to in the following (a) or (b) occurs to a trustee pertaining to a listed ETF:

(a) Facts causing delisting (limited to a fact pertaining to a reason referred to in Rule 1112, Paragraph 1, Item (2));

(b) In addition to the facts referred to in the preceding (a), important matters related to a listed ETF or the operation, business or assets of such trustee which have a remarkable effect on investors’ investment decisions.

e. Where the details of the account settlement of a fund for a specified period (meaning a specified period prescribed in Article 24, Paragraph 5 of the Act, the same shall apply hereinafter) or an interim specified period (meaning the six (6) months after the commencement date of a specified period if said specified period exceeds six (6) months) pertaining to a listed ETF;

e-2. With regard to a listed indicator-tracking securities incorporated ETF, where any of the facts referred to in the following (a) through (i) occurs in the counterparty (in the case of such counterparty being the guarantor, when a fact referred to in the following (a) through (g) or (i) occurs at such guarantor) and the management company gains knowledge of such fact occurring in the counterparty:

(a) A change in the credit rating or change in the rating pertaining to the incorporated securities (limited to cases of acquisition);

(b) Notes on matters relating to the going concern assumption are stated in financial statements, etc. or interim financial statements, etc. (in the case of a counterparty that submits quarterly financial statements or quarterly consolidated financial statements, quarterly financial statements, etc.);

(c) Falling into a state of liabilities in excess of assets or a situation equivalent to this at the end of the business year or interim accounting period (in the case of a counterparty that submits quarterly financial statements or quarterly financial statements, etc.).
consolidated financial statements, quarterly accounting period or quarterly consolidated accounting period);

(d) Concerning an audit report attached to financial statements, etc. or an interim audit report attached to interim financial statements, etc. (in the case of a counterparty that submits quarterly financial statements or quarterly consolidated financial statements, quarterly review reports attached to quarterly financial statements, etc.) a certified public accountant, etc. expresses an "adverse opinion" or the fact that "opinions are not expressed" in an audit report, or an "opinion that interim financial statements, etc. do not provide useful information" or the fact that "opinions are not expressed" in an interim audit report (in the case of a counterparty that submits quarterly financial statements or quarterly consolidated financial statements, a "negative conclusion" is expressed or the fact that "conclusion is not expressed" in a quarterly review report);

(e) Suspension of business activities, dissolution or a situation equivalent to these;

(f) A bill, etc. issued is dishonored and its bank transactions are suspended or their suspension becomes certain;

(g) Cases where it becomes necessary to enter bankruptcy proceedings, rehabilitation proceedings, or reorganization proceedings based on the provisions of laws or where falling under a situation equivalent to these;

(h) Acceleration of obligations pertaining to incorporated securities or incorporated claims

(i) Other than the matters referred to in (a) through the preceding (h), material facts related to the financial situation of the counterparty

f. Where a fact that has a material impact on the circulation of listed ETFs has arisen in a region outside Japan with respect to a listed foreign ETF, a foreign ETF which is an entrusted security pertaining to a listed foreign ETF trust beneficiary certificate, a listed foreign spot commodity ETF, or a listed foreign spot commodity ETF which is an entrusted security pertaining to a listed foreign spot commodity ETF trust beneficiary certificate;

g. Where a management company or a trustee pertaining to a listed foreign ETF trust beneficiary certificate or a listed foreign spot commodity ETF trust beneficiary certificate has decided (i) an alteration or termination of the deposit agreement, etc. prescribed in Rule 1104, Paragraph 3, Item (3) or any other contract, or (ii) other matters that materially affect rights, etc. of a listed foreign ETF trust beneficiary certificate or a listed foreign spot commodity ETF trust beneficiary certificate, or where a fact that materially affect such rights, etc. has arisen; and

h. Where a management company pertaining to a listed domestic ETF has carried out transactions referred to in each items of Article 13, Paragraph 1 of the Investment Trust Act (limited to cases where the same article requires the delivery of documents to a beneficiary of an investment trust).

(3) The investment trust corporation and the management company pertaining to a listed ETF (limited to a foreign ETF falling under foreign investment securities and foreign ETF trust beneficiary certificates whose entrusted securities are said foreign ETFs) shall disclose the details immediately pursuant to the provisions of the Enforcement Rules, if they fall under any of the following a through g (excluding those which fall under the criteria prescribed in the Enforcement Rules as matters with minor influence over an investor’s decision, in the case of matters referred to in a and c).

a. A foreign investment corporation pertaining to a listed ETF makes decision on
whether or not it will carry out matters referred to in the following (a) to (m) (including cases where decision is made on not to carry out matters pertaining to such decision but excluding (a) and (b) in cases where the listed ETF is a foreign investment security similar to an investment corporate bond):

(a) Secondary offering of investment units or beneficiary rights pertaining to the listed ETF;
(b) Reverse split or split of investment units or beneficiary rights pertaining to the listed ETF;
(c) Offering of foreign investment securities similar to investment corporation bonds or borrowing of funds;
(d) Merger;
(e) Change to the terms and conditions or any document similar thereto or dissolution;
(e)-2 Change in the name of the listed ETF;
(f) Application for delisting of said ETF to a domestic financial instruments exchange or a foreign financial instruments exchange, etc.;
(g) Petition of commencement of bankruptcy proceedings or commencement of rehabilitation proceedings;
(h) Application for authorization or approval, or notification, made to the Prime Minister, etc. under the Act or foreign laws and regulations;
(i) Change to certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. included in securities reports or interim reports;
(j) A fact that additional issuance or a purchase of a listed ETF is temporarily suspended;
(k) Such issue shall not be subject to the custody and book-entry transfer operation of foreign stocks, etc. or the book-entry transfer operation of a designated book-entry transfer institution;
(l) A license, approval, or registration, etc. necessary for the business for a foreign investment corporation expires, is canceled, or changed, etc. under the Act or foreign laws and regulations, and, as a result, the foreign investment corporation ceases its business.;
(m) In addition to the matters referred to in (a) through the preceding (l), important matters which pertains to management, operations, or assets of a listed ETF or said foreign investment corporation, and which will have a significant effect on investment decisions of investors;

b. Where any of the statuses referred to in the following (a) through (e) occurs to a foreign investment corporation pertaining to a listed ETF.

(a) Permission, approval or disposition by the Prime Minister, etc. in accordance with the Act or foreign laws and regulations;
(b) A fact which causes delisting (limited to facts pertaining to the causes referred to in Rule 1112, Paragraph 3, Item (1) or Item (2))
(c) Change to certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. included in securities reports or interim reports (excluding cases where a body which decides business execution has decided to change such certified public accountants, etc. (including cases that the body decides not to carry out such change) and, then, the details are disclosed pursuant to the preceding a)
(d) A fact that a securities report or an interim report including an audit report or an interim audit report referred to in Article 3, Paragraph 1 of the Cabinet Office
Ordinance on Audit Certification made by two (2) or more certified public accountants or an audit firm is not expected to be submitted to the Prime Minister, etc. within a period specified in Article 24, Paragraph 1, or Article 24-5, Paragraph 1 of the Act, a fact that such report was actually not submitted within such period (except cases where such investment trust corporation and management company disclose that such reports are unlikely to be submitted within said period), a fact that such report was submitted after disclosure of such report was made, or the fact that approval has been given for extension of said period by the Prime Minister, etc.

(e) In addition to the facts referred to in (a) to the preceding (d), important matters which pertain to management, operations, or assets of a listed ETF or said foreign investment corporation, and which will have a significant effect on investment decisions of investors;

c. Where a management company pertaining to a listed ETF has made decision to carry out any of the matters referred to in the following (a) to (i) (including cases where decision is made not to carry out matters pertaining to such decision).

(a) Application for delisting of an ETF to a domestic financial instruments exchange or a foreign financial instruments exchange, etc.;
(b) Merger of said management company;
(c) Petition for the commencement of bankruptcy proceedings of said management company;
(d) Dissolution of such management company (excluding dissolution by a merger);
(e) Demerger of such management company (limited to cases where all the business is to be inherited);
(f) Transfer of all the business of such management company;
(g) Application for permission or approval, or notification, to be made to the Prime Minister, etc. in accordance with the Act or foreign laws and regulations;
(h) A license, permission, registration, etc. necessary for business of a management company expires, is canceled, or changes pursuant to the Act or foreign laws and regulations, and, thus, said management company has come to cease it business as a management company;
(i) In addition to the matters referred to in (a) to the preceding (h), important matters which pertain to administration, operation or assets of a listed ETF or such management company, and which will have a significant effect on investment decisions of investors;

d. Where any of the facts referred to in the following (a) to (c) occurs to a management company pertaining to a listed ETF:

(a) Permission, approval, or disposition by the Prime Minister, etc. in accordance with the Act or foreign laws and regulations;
(b) A fact which causes delisting (limited to facts pertaining to causes referred to in Rule 1112, Paragraph 3, Item (3));
(c) In addition to facts referred to in (a) and the preceding (b), important matters which pertain to administration, operation or assets of a listed ETF or such management company, and which will have a significant effect on investment decisions of investors;

e. Where details of the account settlement of funds for a business period or an interim business period of a foreign investment corporation pertaining to a listed ETF are fixed;

e-2. Where any of the facts referred to in (a) through (i) in Sub-item e-2. of the
preceding item occurs in the counterparty of a listed indicator-tracking security incorporated ETF, when it gains knowledge that such fact had occurred at the counterparty;
f. Where any fact which will have a material effect on trading of a listed ETF occur in a region other than Japan with respect to a listed foreign ETF or a foreign ETF which is a trusted security pertaining to a listed foreign ETF trust beneficiary certificates;
g. A foreign investment corporation or a management company pertaining to a listed foreign ETF trust beneficiary certificates has decided a change or termination of a deposit agreement, etc. as prescribed in Rule 1104, Paragraph 3, Item (3) or any other agreement or other matters which will have a material impact on rights, etc. concerning the listed foreign ETF trust beneficiary certificates or a fact which will have a material effect on such rights, etc. has occurred.

3. The provisions of Rule 412 shall be applied mutatis mutandis to the examination of disclosure of corporate information of a management company pertaining to a listed ETF.

4. In the case of a change in the contents of the report prescribed in Rule 1103, Paragraph 6 (in the case of submitting a report after a change pursuant to the provisions of this paragraph, such report after the change), excluding cases where the changed content is deemed to be of minor significance by the Exchange, the entity prescribed in Paragraph 1 pertaining to the listed indicator-tracking securities incorporated ETF shall submit the report after the change without delay. In this case, such entity shall agree to the Exchange making such report after the change available for public inspection.

5. Where the Exchange deems it necessary to perform an inquiry relating to the management system, etc. of the credit standing of the counterparty, the entity prescribed in Paragraph 1 pertaining to a listed indicator-tracking security incorporated ETF shall immediately report matters of inquiry.

6. The provisions of Rule 401, Rule 411-2, Rules 413 to 414, and Rule 416 shall be applied mutatis mutandis to the disclosure pursuant to the provisions of Paragraphs 2 and 3, and the provisions of Rule 415 and Rule 417 shall be applied mutatis mutandis to a management company pertaining to a listed ETF as prescribed in Paragraph 1.

Rule 1108. Submission of Documents, etc.
1. Submission of documents, etc. made by the entity as prescribed in Paragraph 1 of the preceding rule shall be carried out pursuant to the provisions of the Enforcement Rules.
2. In addition to the preceding paragraph, a management company of a listed ETF and trustee (meaning a foreign investment corporation and a management company in cases of a foreign ETF falling under foreign investment securities and a foreign ETF trust beneficiary certificate whose entrusted security is said foreign ETF,) shall without delay submit documents which the Exchange requests for a good reason, and shall agree that the Exchange makes documents deemed necessary by it available for public inspection, out of such documents.

Rule 1109. Written Confirmation Regarding the Appropriateness and Accuracy of Securities Reports, etc.
Where a management company pertaining to a listed ETF (meaning a foreign investment corporation in cases of a foreign ETF falling under foreign investment securities and a foreign ETF trust beneficiary certificate whose entrusted security is said foreign ETF; the same shall apply hereinafter in this rule) has submitted a securities report or an interim report to the Prime Minister, etc., it shall submit to the Exchange without delay written documents stating that the
representative of such management company recognizes that there is no false statement in such securities report or interim report as of the time of their submission together with the reason therefor pursuant to the provisions of the Enforcement Rules. In this case, a management company pertaining to such listed ETF shall agree that the Exchange makes such written documents available for public inspection.

**Rule 1110. Selection of Agents, etc.**

An entity referred to in each of the following items shall, pursuant to the provisions of the Enforcement Rules, select an entity that has an address or residence in Japan and has the authority to deputize or represent an entity referred to in each of such items with respect to all acts in relation to the Exchange:

(1) A management company pertaining to a listed foreign ETF (excluding a listed foreign ETF falling under a foreign investment security), a listed foreign ETF trust beneficiary certificate (excluding the certificate whose entrusted security is a foreign ETF falling under a foreign investment security), a listed foreign spot commodity ETF, or a listed foreign spot commodity ETF trust beneficiary certificate;

(2) A foreign investment corporation pertaining to a listed foreign ETF (limited to those falling under foreign investment securities) or a listed foreign ETF trust beneficiary certificate (limited to those whose entrusted securities are foreign ETFs that fall under foreign investment securities).

**Rule 1110-2. Effective Date, etc. of Split of Beneficiary Rights**

1. In the case of conducting a split of beneficiary rights pertaining to a listed domestic ETF, the management company pertaining to the listed domestic ETF shall specify the day following the record date for fixing the entities eligible for rights pertaining to such split as the effective date of such split.

2. In the case prescribed in the preceding paragraph, when it is necessary to satisfy the requirement of obtaining a resolution, etc. in writing from beneficiaries, the management company pertaining to the listed domestic ETF shall set a day that falls on or after the third day (excluding non-business days) counting from the day on which the split prescribed in the same paragraph is determined to be conducted as the record date, etc. for fixing the entities eligible for rights pertaining to such split.

**Rule 1110-3. Code of Conduct Regarding Listing ETF**

1. A management company pertaining to a listed ETF (in the case of a foreign ETF falling under foreign investment securities or foreign ETF trust beneficiary certificates whose entrusted securities is such foreign ETF, the foreign investment corporation and the management company) shall not conduct a reverse split or split of beneficiary rights or investment units pertaining to the listed ETF which is likely to disrupt the secondary market or undermine the interests of beneficiaries or investors.

2. A management company pertaining to a listed indicator-tracking securities incorporated ETF (in the case of a foreign ETF falling under foreign investment securities or foreign ETF trust beneficiary certificates whose entrusted securities is such foreign ETF, the foreign investment corporation and the management company) shall endeavor to appropriately develop management systems, etc. concerning the credit standing of the counterparty of such ETF.

**Rule 1111. Ensuring Effectiveness**

The provisions of Rules 501 through 504 and Rules 508 through 510 shall be applied mutatis mutandis to ensuring effectiveness of a listed ETF.
Rule 1112. Delisting Criteria

1. Where a listed domestic ETF and a listed domestic spot commodity ETF fall under any of the following items, the Exchange shall delist them. In this case, details of each such item shall be provided by the Enforcement Rules:

   (1) Where a management company pertaining to a listed ETF falls under any of the following a. through d.; provided, however, that the same shall not apply to cases where the business which has been carried out by a management company pertaining to such listed ETF is taken over by another management company and such other management company submits an "ETF Listing Agreement" and a document assuring the matters prescribed in Rule 1104, Paragraph 1, Item (3):
      a. Where registration of financial instruments business or registered financial institution business expires pursuant to the provisions of Article 50-2, Paragraph 2 of the Act;
      b. Where registration of financial instruments business or registered financial institution business is cancelled pursuant to the provisions of Article 52, Paragraph 1, Article 52-2, Paragraph 1, or Article 54 of the Act;
      c. Where a management company ceases to be an entity which carries out investment management business by receiving an alteration registration prescribed in Article 31, Paragraph 4 of the Act;
      c-2. With respect to a listed domestic ETF which manages investment trust assets by investing in commodities or rights relating to commodities investment, etc. trading, the management company ceases to be an entity who carries out business pertaining to such management;
      c-3. Where the management company ceases to carry out investment management business due to a change in the method or details of business pertaining to registered financial institution business; or
      d. Where a management company ceases to be a member of the Investment Trusts Association, Japan (General Incorporated Association) (excluding cases where the management company is a registered financial institution);

   (2) Where a business license or authorization concerning the operation of a trust business is revoked from a trustee pertaining to a listed ETF; provided, however, that the same shall not apply to cases where the business which has been carried out by a trustee pertaining to such listed ETF is taken over by another trustee and such other trustee submits a "ETF Listing Agreement";

   (2)-2 Where the trustor pertaining to a domestic spot commodity ETF ceases to be a listed company or a subsidiary of such company (limited to cases where the management company is the trustee); however, this shall not apply to the cases referred to in the following a. or b.
      a. Where the trustor pertaining to such listed domestic spot commodity ETF ceases to be a listed company or a subsidiary of such company, but assures in writing to appropriately report matters for verification immediately (excluding cases specified in the Enforcement Rules) where the Exchange deems it necessary and verifies the contribution status, etc. of commodities; or
      b. Where the status of being the trustor pertaining to such listed domestic spot commodity ETF is succeeded by any other listed company or a subsidiary of such company, and such other listed company or subsidiary of such company assures in writing to appropriately report matters for verification immediately where the Exchange deems it necessary and verifies the contribution status, etc. of commodities; or
commodities;
(2)-3 Where the trustor pertaining to the listed domestic spot commodity ETF ceases to be a member or trading participant of a commodities market or foreign commodities market or such equivalent party as specified by the Enforcement Rules (limited to cases where the management company is the trustee); however, this shall not apply to cases where the status of being the trustor pertaining to such listed domestic spot commodity ETF is succeeded by other member, trading participant, or such equivalent party as specified by the Enforcement Rules;
(3) Where an issue of a listed ETF falls under any of the following a. through k. (excluding b (c), b-2 through b-5, and i-2 in cases of a listed domestic ETF falling under a beneficiary certificate of a securities investment trust of other than a public or corporate bond investment trust; excluding b (h), b-2 through b-5, and i-2 in cases of a listed domestic ETF falling under a beneficiary certificate of an investment trust referred to in Article 12, Item (1) or (2) of the Enforcement Order of the Investment Trust Act; and excluding a, b, and b-6 in cases of a listed domestic spot commodity ETF):
a. A listed ETF falls under the following (a) or (b) (excluding, where a beneficiary certificate prescribed in (a) is changed to a beneficiary certificate prescribed in (b) or where a beneficiary certificate prescribed in (b) is changed to a beneficiary certificate prescribed in (a), cases the Exchange deems, in consideration of matters specified by the Enforcement Rules, not lacking the public interest or investor protection):
   (a) Where it ceases to be a beneficiary certificate of a securities investment trust other than a public and corporate investment trust
   (b) Where it ceases to be a beneficiary certificate of an investment trust referred to in Article 12, Item (1) or (2) of the Enforcement Order of the Investment Trust Act;
b. Any alteration to general conditions for investment trust which meets any of the following (a) through (h) is made:
   (a) Where the provisions to pursue, as a basic policy, investment performance tracking a specified indicator cease to exist;
   (b) Where an investment trust agreement period is established;
   (c) Where beneficiaries become able to request the partial cancellation of the investment trust agreement during the trust agreement period (excluding cases where there is a significant change to the general conditions, etc., the ETF is purchased based on requests by beneficiaries who oppose such significant change to the general conditions, etc., and a request is made for partial termination of the investment trust agreement regarding such ETF.);
   (d) Where the computation period is changed to less than one (1) month;
   (e) Where the provision to perform solicitation of applications for acquisition of the beneficiary certificates by means of a public offering ceases to exist;
   (f) Where the provision to list the beneficiary certificates on a financial instruments exchange ceases to exist;
   (g) Where the provision to commence procedures to terminate the investment trust on the day when the beneficiary certificates are delisted from all financial instruments exchanges ceases to exist; or
   (h) Where the provision that the management company provides instructions to the trustor to perform conversion of, out of securities and other assets belonging to investment trust assets, etc., those equivalent to interest held by
a beneficiary in such investment trust assets, etc. of beneficiary certificates pertaining to such partial cancellation when there is a partial cancellation of the investment trust agreement during the trust agreement period due to a request by such beneficiary ceases to exist.

b-2 Any change to a trust agreement falling under any of the following (a) to (d) is made:

(a) Where provisions concerning a structure of tracking prices of a specified commodity are abolished;
(b) Where a period of a trust agreement is prescribed;
(c) Where beneficiaries become able to request partial cancellation of the investment trust agreement during the period of a trust agreement (excluding cases where there is an important change to the trust, etc., the ETF is purchased based on requests by beneficiaries who oppose such important change to the trust, etc., and a request is made for partial termination of the trust agreement regarding such ETF.);
(c)-2 Where the provision to perform solicitation of applications for acquisition of the beneficiary certificates by means of a public offering ceases to exist;
(c)-3 Where the provision to list the beneficiary certificates on a financial instruments exchange ceases to exist;
(c)-4 Where the provision to commence procedures to terminate the trust on the day when the beneficiary certificates are delisted from all financial instruments exchanges ceases to exist;
(c)-5 Where the provision relating to conditions for commodities pertaining to trust assets ceases to exist;
(c)-6 Where the provision to guarantee that commodities to be contributed by the trustor shall satisfy the conditions for commodities specified in the trust deed ceases to exist; or
(d) Where a computation period becomes less than one (1) month or becomes more than one (1) year;

b-3 A trust agreement of a listed ETF ceases to be such agreement as entered into by and between with a single management company and a single trustee (excluding cases where the management company is the trustee);

b-4 A listed ETF becomes a limited liability trust prescribed in Article 2, Paragraph 12 of the Trust Act;

b-5 Where a commodity which does not satisfy the conditions for commodities pertaining to trust assets specified in the trust deed and when procedures to improve such situation are not taken immediately or such situation does not improve without delay.

b-6 Where such listed ETF is an indicator-tracking securities incorporated ETF which falls under either of the following (a) or (b):

(a) In the case of the financial situation of the counterparty pertaining to such listed ETF deteriorates and falls into a situation specified by the Enforcement Rules, when such investment trust asset, etc. are not changed to assets other than securities issued or guaranteed by such counterparty, or rights pertaining to contracts guaranteed by the other party to a contract with such counterparty or such counterparty during the period from the day the Exchange deems such situation until the day one (1) year has elapsed (hereinafter referred to "grace period" in this (a)). However, when the Exchange deems it inappropriate to
wait for the grace period to elapse, it shall be handled as specified by the Exchange on a case-by-case basis.

(b) In the case where the management company is no longer able to maintain the management system concerning the credit standing of the counterparty; provided, however, this shall not apply to cases where the business of such management company is succeeded by another management company, and such other management company maintains the management system concerning the credit standing of the company.

c. The following (a) or (b) is met:
(a) Where a decision is made to select an entity other than a qualified institutional investor as a designated participant; or
(b) Where a designated participant loses its status as a qualified institutional investor and one (1) month or more passes continuously thereafter;

d. The number of designated participants has been less than two (2) for six (6) continuous months or more;

e. The correlation coefficient between the total net asset per investment unit of listed ETF and the indicator becomes less than 0.9 and does not return to 0.9 or more within one (1) year;

f. A securities report or an interim report to which an audit report or an interim audit report as in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or an audit firm is attached is not submitted to the Prime Minister, etc. within a month after a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act passes (within three (3) months in the event that such submission delay is due to reasons not attributable to the listed company such as an act of providence);

g. The following (a) or (b) is met:
(a) Where there are false statements in a securities report, etc. pertaining to a listed ETF and the Exchange deems that it is clearly difficult to maintain order in the market if the ETF is not delisted immediately; or
(b) Concerning an audit report attached to financial statements, etc. or an interim audit report attached to interim financial statements, etc. pertaining to a listed ETF, where certified public accountants state an "adverse opinion" or a fact that "opinions are not expressed" in an audit report, and an "opinion that the interim financial statements, etc. do not provide useful information" or a fact that "opinions are not expressed" in an interim audit report, and the Exchange deems that it is clearly difficult to maintain order in the market if the ETF is not delisted immediately; however, excluding cases where the fact that "opinions are not expressed" is stated, and such statement is made due to reasons not attributable to the management company of the listed ETF, such as act of providence;

h. Where an entity who had entered into a listing agreement pertaining to a listed ETF has committed a material breach of the listing agreement as prescribed by the Enforcement Rules, where an entity has committed a material breach as to matters taken on oath in the Written Oath submitted pursuant to the provisions of Rule 1103, Paragraph 1 or where an entity that should enter into a listing agreement ceases to be a party to the listing agreement;

i. Where an investment trust agreement or a trust agreement pertaining to a listed ETF terminates;

i-2. Where a trust pertaining to a listed ETF is split;
j. Where such listed ETF has ceased to be handled in the book-entry transfer operation conducted by a designated book-entry transfer institution; or
k. Where the Exchange deems that delisting of such listed ETF is appropriate for the purpose of the public interest or the protection of investors, in addition to cases of the above sub-items a. through j.

2. Where a listed foreign ETF (excluding those ETFs falling under foreign investment securities), a listed foreign ETF trust beneficiary certificate (excluding those certificates whose entrusted securities are foreign ETFs falling under foreign investment securities), a listed foreign spot commodity ETF, or a listed foreign spot commodity ETF trust beneficiary certificate falls under any of the following items, the Exchange shall delist it. In this case, details of each of such items shall be prescribed by the Enforcement Rules:

(1) Where a management company pertaining to a listed ETF has ceased to carry out the business as management company with the license expired, the approval revoked, or registration, etc. altered by the Prime Minister, etc.; provided, however, that the same shall not apply to cases where the business which has been carried out by a management company pertaining to such listed ETF is taken over by another management company and such other management company submits an "ETF Listing Agreement" and a document assuring the matters prescribed in Rule 1104, Paragraph 1, Item (3) that apply to the provisions of Paragraph 2, Item (1), Paragraph 3, Item (1), Paragraph 5, Item (1), or Paragraph 6 of the same rule;

(2) Where a trustee pertaining to a listed ETF falls under Item (2) of the preceding paragraph;

(3) Where a security pertaining to a listed ETF falls under any of the following a. through f.:

a. Where a listed company falls under any of Sub-items e. to i-2 of Item (3) of the preceding paragraph.

In this instance, the term "a listed ETF" in Item (3), Sub-item i. of the preceding paragraph shall be deemed to be replaced with "a listed ETF (in cases of a listed foreign ETF trust beneficiary certificate or a listed foreign spot commodity ETF trust beneficiary certificate, it shall be a foreign ETF or a foreign spot commodity ETF which is an entrusted security respectively)". And the term "a listed ETF" in Item (3), i-2 of the preceding paragraph shall be deemed to be replaced with "a listed ETF (in cases of a listed foreign ETF trust beneficiary certificate or a listed foreign spot commodity ETF trust beneficiary certificate, it shall include a foreign ETF or a foreign spot commodity ETF which is an entrusted security)"

b. Where a change to the general conditions for trust (the general conditions for trust pertaining to a foreign ETF or a foreign spot commodity ETF which is an entrusted security in cases of a listed foreign ETF trust beneficiary certificate and a listed foreign spot commodity ETF trust beneficiary certificate) which falls under any of the following (a) to (b) (excluding (a)-3 in cases of a listed foreign ETF and a listed foreign ETF trust beneficiary certificate; and excluding (a) and (a)-2 in cases of a listed foreign spot commodity ETF and a listed foreign spot commodity ETF trust beneficiary certificate):

(a) Where the provision to manage the fluctuation rate of the net asset value per unit of investment trust assets, etc. to track the fluctuation rate of a specified indicator (including provisions with similar content) ceases to exist;

(a)-2 Cases referred to in Item (3), Sub-item b.(d) of the preceding paragraph;

(a)-3 Cases referred to in Item (3), Sub-item b-2 (a) or (d) of the preceding paragraph; or

(b) Where a period of a trust agreement (a trust agreement pertaining to a foreign ETF or a foreign spot commodity ETF which is an entrusted security in cases of
a listed foreign ETF trust beneficiary certificate and a listed foreign spot commodity ETF trust beneficiary certificate) is set forth (excluding cases where a trust agreement period (limited to the period prescribed in Article 2-3, Paragraph 2 of the Enforcement Regulations of the Special Taxation Measures Act) is set forth pursuant to the provisions of laws and regulations of a country in which a foreign investment trust or a trust is created;

b-2. Where falling under Item (3), Sub-item b-6 of the preceding paragraph;

c. Where such listed ETF has ceased to be handled in the custody and book-entry transfer operation for the foreign stock, etc. or the book-entry transfer operation of a designated book-entry transfer institution;

d. Where such listed ETF (in cases of a listed foreign ETF and a listed foreign spot commodity ETF, this shall include a foreign ETF trust beneficiary certificate and a foreign spot commodity ETF trust beneficiary certificate whose entrusted securities are such ETFs; the same shall apply hereinafter in this d) has been decided to be delisted from all foreign financial instruments exchanges, etc. on which said ETF is listed or continuously traded, or where the Exchange deems that prices of such listed ETF at foreign financial instruments exchanges, etc. have ceased to be available immediately; provided, however, that the same shall not apply to cases where delisting is deemed inappropriate in consideration of the reason, etc. for delisting on foreign financial instruments exchanges, etc., the state of trading at the Exchange and any other circumstances;

e. In cases of a listed foreign ETF trust beneficiary certificate and a listed foreign spot commodity ETF trust beneficiary certificate, where a deposit agreement, etc. as prescribed in Rule 1104, Paragraph 3, Item (3) and any other agreement are terminated. Provided, however, this shall not apply to cases where such deposit agreement, etc. and any other agreement are terminated due to change in a custodian, etc. pertaining to a listed ETF trust beneficiary certificate or a listed foreign spot commodity ETF trust beneficiary certificate; or.

f. In addition to the preceding a. through e., where the Exchange deems that delisting of such security is appropriate for the public interest or the protection of investors.

3. When a listed foreign ETF (limited to those falling under foreign investment securities) and a listed foreign ETF trust beneficiary certificate (limited to those certificates whose entrusted securities are foreign ETFs falling under foreign investment securities) falls under any of the following items, it shall be delisted. In this instance, details of applying each of such items shall be as prescribed in Enforcement Rules.

(1) A foreign investment corporation pertaining to a listed ETF falls under a reason for dissolution as prescribed in Article 222 of the Investment Trust Act;

(2) When a foreign investment corporation pertaining to a listed ETF falls into states of being requiring to take bankruptcy proceedings or rehabilitation proceedings in accordance with the laws or when it falls into a status corresponding to this;

(3) When a fund pertaining to a listed ETF terminates in accordance with the reason as prescribed in the terms and conditions or a document similar thereto;

(4) When a management company pertaining to a listed ETF comes to cease to carry out business as a management company because any license, permission or registration, etc. required for carrying out business as a management company has terminated, been canceled or changed. However, the same shall not apply to cases where the business that has been carried out by the management company pertaining to such listed ETF is taken over by other management company and, in addition, such other management company submits an "ETF listing agreement".
(5) Where an issue of a listed ETF falls under any of the following a to f:

a. Where any of Paragraph 1, Item (3), Sub-items e. through h. is met;

b. Where a foreign investment corporation of a listed ETF is to change the terms and conditions falling under the following (a) or (b) or a document similar thereto:

(a) Cases referred to in Item (3), Sub-item b.(a) in the preceding paragraph;

(b) Where the operational period becomes less than one (1) month;

b-2. Where falling under Paragraph 1, Item (3), Sub-item b-6. In this case, "management company" in (b) of the same b-6 shall be read as "foreign investment corporation and management company";

c. Such listed ETF ceases to be subject to the custody and book-entry transfer operations for foreign stocks, etc. or the book-entry transfer operations of a designated book-entry transfer institution;

d. Where such listed ETF is decided to be delisted from all the foreign financial instruments exchanges, etc. where such listed issue is listed or continuously traded (including, in cases of a listed foreign ETF, foreign ETF trust beneficiary certificates whose entrusted securities are such ETFs, and including, in cases of a listed foreign ETF trust beneficiary certificate, a foreign ETF which is an entrusted security; the same shall apply hereinafter in this d) or where the Exchange deems that prices or quotes of such listed ETF become unavailable immediately from foreign financial instruments exchanges, etc. However, the same shall not apply when delisting is not deemed appropriate in consideration of reasons for delisting such listed ETF from foreign financial instruments exchanges, etc., the trading circumstances at the Exchange or any other matters;

e. In cases of listed foreign ETF trust beneficiary certificates, where a deposit agreement prescribed in Rule 1104, Paragraph 3, Item (3), etc. or any other agreement terminates. However, the same shall not apply when such deposit agreement, etc. or any other agreement terminates because of changes in a deposit institution, etc. pertaining to the listed foreign ETF trust beneficiary certificates;

f. In addition to the preceding a. to e., where the Exchange deems delisting of such issue is appropriate for the public interest and the protection of investors.

4. The provisions of Rule 607 shall be applied mutatis mutandis to examination pertaining to delisting pursuant to the provisions of the preceding three (3) paragraphs.

Rule 1113. Duty to Cooperate with the Exchange

1. Where the Exchange deems it necessary to decide the appropriateness pertaining to delisting of a listed ETF and requests certified public accountants, etc. (including entities who were such certified public accountants, etc.; the same shall apply in the following paragraph) who carry out audit certification of financial statements, etc. or interim financial statements, etc. to give explanation, etc. on the circumstances, etc., a management company or trustee pertaining to a listed ETF (meaning a foreign investment corporation and a management company in cases of foreign ETFs falling under foreign investment securities and foreign ETF trust beneficiary certificates whose entrusted securities are such foreign ETFs) shall cooperate in this process.

2. Where the Exchange requests parties prescribed in the preceding paragraph for the purpose of requiring such certified public accountants, etc. to provide an explanation, etc. on the circumstances, etc. pursuant to the provisions of the preceding paragraph, the issuer, etc. of a listed real estate investment trust security shall promptly submit a document stating that such certified public accountants, etc. shall agree to give explanation on the circumstances, etc.
Rule 1114. Delisting Day
Where the delisting of a listed ETF is decided, handling of the delisting day shall be provided by the Enforcement Rules.

Rule 1115. Designation of Securities Under Supervision
Where a listed ETF is likely to be delisted, the Exchange may designate, pursuant to the provisions of the Enforcement Rules, such listed ETF as a security under supervision in order to make investors aware of that fact.

Rule 1116. Designation of Securities to be Delisted
Where a listed ETF is decided to be delisted, the Exchange may designate, pursuant to the provisions of the Enforcement Rules, such listed ETF as a security to be delisted for a period until the day before the delisting day in order to make investors aware of that fact.

Rule 1117. Fees Relating to Listing
A management company that intends to make an application for initial listing of an ETF (meaning a management company or foreign investment corporation in cases of foreign ETFs falling under foreign investment securities and foreign ETF trust beneficiary certificates whose entrusted securities are such foreign ETFs) or a management company pertaining to a listed ETF (meaning a management company or foreign investment corporation in cases of foreign ETFs falling under foreign investment securities and foreign ETF trust beneficiary certificates whose entrusted securities are such foreign ETFs) shall pay a listing examination fee, an initial listing fee, an additional listing fee at the time of additional trust or at the time of an additional issue, an annual listing fee and other fees relating to listing pursuant to the provisions of the Enforcement Rules.

Rule 1118. Succession at the Time of Technical Listing
In application of the provisions stipulated by the Enforcement Rules to a management company and a trustee pertaining to a listed domestic ETF upon the application of the provisions of Rule 1106, the management company and the trustee of such domestic ETF shall be deemed same as the management company and the trustee of such domestic ETF which was delisted due to consolidation prescribed in Paragraph 1 of the same rule; provided, however, that this shall not apply if the Exchange deems it inappropriate.

Rule 1119. Provisions Applied Mutatis Mutandis
The provisions of Rule 425, Rule 429, Rule 608, and Rule 612 shall be applied mutatis mutandis to ETFs.

Part 6
Funds

Chapter 1
General Provisions

Rule 1201. Definitions in Part 6
The definitions of the terms referred to in each of the following items in Part 6 shall be defined as follows:

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.
(1) Infrastructure-related securities means assets (excluding infrastructure securities) referred to in the following Sub-items a. through g.

a. Stocks (limited to cases where more than 50% of the value of the assets held by the issuer of said stock consists of infrastructure assets, etc.)
b. Equity interest under an agreement in which one party contributes equity in order for the other party to manage more than 50% of the value of contributed assets by investing in infrastructure assets, etc., in which the other party manages more than 50% of the value of contributed assets by investing in infrastructure assets, etc. and in which such party distributes the profits arising from such management;
c. Preferred equity contribution securities prescribed in the Act on Securitization of Assets (limited to those in cases where more than 50% of the value of the assets acquired by the specific purpose company in the course of business pertaining to asset securitization are managed by investing in infrastructure assets, etc.);
d. Beneficiary certificates (limited to those in cases where more than 50% of the value of the investment trust assets of the investment trust are managed by investing in infrastructure assets, etc.);
e. Investment securities (limited to those in cases where more than 50% of the value of the assets held for management by the investment corporation are managed by investing in infrastructure assets, etc.);
f. Beneficiary certificates from special purpose trusts prescribed in the Act on Securitization of Assets (limited to those in cases where more than 50% of the value of the trust assets of the specific purpose trust are managed by investing in infrastructure assets, etc.); and
g. Rights based on foreign laws and regulations or securities issued by a foreign entity, which have the nature of the rights or securities referred to in Sub-items a. through the preceding f.

(1)-2 Infrastructure assets means assets referred to in the following Sub-items a. through i.

a. Renewable power generation facility;
b. Concession of public facilities (limited to rights to manage public facilities, etc. pertaining to assets referred to in Sub-item, a. or c.);
c. Other assets specified in the Enforcement Rules;
d. Land and buildings, as well as leasehold rights, superficies, and servitude of said land and buildings for the purpose of managing the assets referred to in Sub-items a. through the preceding c.;
e. Assets (excluding assets referred to in the preceding Sub-item d.) necessary to manage the assets referred to in Sub-items a. through c. that are prescribed in the Enforcement Rules;
f. Assets prescribed in Rule 16-3, Paragraphs 1 and 2 of the Financial Statements, etc. Ordinance, for which leased properties are the assets referred to in Sub-items a. and c. through the preceding e.;
g. Leasehold rights pertaining to the assets referred to in Sub-items, a., c., and e. (limited to tangible fixed assets in the case of assets referred to in Sub-item e.);
h. Trust beneficiary rights where assets referred to in Sub-items a. through the preceding g. are entrusted; and
i. Assets in foreign countries equivalent to the assets referred to in Sub-items a. through the preceding h.

(1)-3 Infrastructure assets, etc. means infrastructure assets and infrastructure securities.

(1)-4 Infrastructure investment assets means, in accordance with the types of management assets, etc. referred to in the following Sub-items a. through c., assets under management, etc. (including assets under management, etc. that are expected to be acquired; the same shall apply in this item) specified in such Sub-items a. through c.
a. Assets under management, etc. that are infrastructure assets;
   Said infrastructure assets,

b. Assets under management, etc. that are infrastructure securities;
   Infrastructure assets in which the issuer of the infrastructure securities invests, and

c. Assets under management, etc. that are infrastructure-related securities;
   Infrastructure assets in which the issuer of the infrastructure-related securities invests, or
   those infrastructure securities in which said issuers invests.

(1)-5 An infrastructure fund means a domestic infrastructure fund, a foreign infrastructure
fund, or a foreign infrastructure fund trust beneficiary certificate.

(1)-6 Infrastructure securities means the following assets referred to in Sub-items a. through
g.

a. Stock (limited to cases where assets of companies issuing said stock are restricted to
   infrastructure assets, current assets, etc. and assets specified in the Enforcement Rules
   (hereinafter referred to as "eligible infrastructural assets")

b. Equity interest under an agreement in which one party contributes equity in order for the
   other party to manage the entire amount of contributed assets by investing in eligible
   infrastructural assets, in which the other party manages contributed assets by investing
   only in said assets, and in which said other party distributes profits arising from said
   management;

c. Preferred equity contribution securities prescribed in the Act on Securitization of Assets
   (limited to those for which the assets acquired by specific purpose companies in the
   course of business pertaining to asset securitization are restricted to eligible
   infrastructural assets);

d. Beneficiary certificates (limited to those for which investment trust assets of the
   investment trust are restricted to eligible infrastructural assets);

e. Investment securities (limited to those for which assets held by the investment
   corporation for the purpose of management are restricted to eligible infrastructural
   assets);

f. Beneficiary certificates of specific purpose trusts prescribed in the Act on Securitization
   of Assets (limited to those for which trust assets of the specific purpose trusts are
   restricted to eligible infrastructural assets); and

g. Rights based on foreign laws and regulations or securities issued by a foreign entity that
   have the nature of rights or securities referred to in Sub-items a. through the preceding
   f.

(1)-7 Assets under management, etc. means investment trust assets of the relevant investment
   trusts or foreign investment trusts in cases where the real estate investment trust securities
   pertaining to an initial listing application, listed real estate investment trust securities,
   infrastructure funds (excluding foreign infrastructure fund trust beneficiary certificates; the
   same shall apply in this item) pertaining to an initial listing application, or a listed
   infrastructure fund (excluding listed foreign infrastructure fund trust beneficiary
   certificates: the same shall apply in this item), or alternatively, a foreign infrastructure fund
   trust beneficiary certificate pertaining to an initial listing application or a foreign
   infrastructure fund that are beneficiary securities of listed foreign infrastructure fund trust
   beneficiary certificates are investment trusts or beneficiary certificates of foreign
   investment trust; otherwise, assets of the investment corporation that issues the relevant
   investment securities or foreign investment securities in cases where the real estate
   investment trust securities pertaining to an initial listing application, listed real estate
   investment trust securities, a venture fund pertaining to an initial listing application, a listed
   venture fund, a country fund pertaining to an initial listing application, a listed country fund,
an infrastructure fund pertaining to an initial listing application, a listed infrastructure fund, or foreign infrastructure fund trust beneficiary certificates pertaining to an initial listing application, or alternatively, a foreign infrastructure fund that consists of entrusted securities of listed foreign infrastructure fund trust beneficiary certificates are investment securities or foreign investment securities;

(2) The LPS Act means the Limited Partnership Act for Investment (Act No. 90 of 1998);

(2)-2 Operators means the entity specified in the Enforcement Rules who plays a leading role in making decisions on matters regarding management of infrastructure investment assets;

(2)-3 Foreign infrastructure funds means beneficiary certificates of foreign investment trust referred to in Article 2, Paragraph 1, Item (10) of the Act, or foreign investment securities referred to in Item (11) of the same Paragraph that are managed for the purpose of primarily investing funds of investors in infrastructure assets, etc.;

(2)-4 Foreign infrastructure fund trust beneficiary certificate means, of securities trust beneficiary certificates prescribed in Article 2-3, Item (3) of the Enforcement Ordinance, those whose entrusted securities are foreign infrastructure funds;

(3) Country funds means foreign investment securities as referred to in Article 2, Paragraph 1, Item (11) of the Act (excluding those falling under foreign ETFs) which are managed for the purpose of investing in securities for a specific country or region;

(3)-2 Management company means any type of company referred to in the following Sub-items from a. through d.;

a. In case a domestic infrastructure fund falls under an investment security, an asset management company that has been entrusted with management of the assets from an investment corporation that is an issuer of the domestic infrastructure fund

b. In case a domestic infrastructure fund falls under a beneficiary certificate of investment trust, the investment trust management company that is an entrustor pertaining to the beneficiary certificate;

c. In cases where a foreign infrastructure fund falls under a foreign investment security and a foreign infrastructure fund trust beneficiary certificate whose entrusted securities are foreign infrastructure funds fall under a foreign investment security, a corporation that has been established in accordance with foreign laws and regulations in a foreign country and carries out by profession any acts equivalent to the acts referred to in Article 2, Paragraph 8, Item (12) of the Act with respect to the foreign infrastructure funds that are entrusted securities of said foreign infrastructure fund trust beneficiary certificates in accordance with foreign laws and regulations in a foreign country;

d. In cases where a foreign infrastructure fund falls under a beneficiary certificate of foreign investment trust and a foreign infrastructure fund trust beneficiary certificate whose entrusted securities are foreign infrastructure funds that fall under entrusted securities of a foreign investment trust, a corporation that has been established in accordance with foreign laws and regulations in a foreign country and carries out by profession any acts equivalent to the acts referred to in Article 2, Paragraph 8, Item (14) of the Act with respect to the foreign infrastructure funds whose entrusted securities of said foreign infrastructure funds or said foreign infrastructure trust beneficiary certificates in accordance with foreign laws and regulations in a foreign country;

(3)-3 Own investment units means investment securities owned by an investment corporation that is an issuer of such investment securities;

(4) The Asset Securitization Act means the Act on Securitization of Assets (Act No. 105 of 1998);
(4)-2 Listed infrastructure funds means the infrastructure funds listed on the Exchange;
(4)-3 Listed foreign infrastructure funds means the foreign infrastructure funds listed on the Exchange;
(4)-4 Listed foreign infrastructure fund trust beneficiary certificates means the foreign infrastructure fund trust beneficiary certificates listed on the Exchange;
(5) Listed country funds means country funds listed on the Exchange;
(6) Stocks, etc. within five (5) years of listing means those referred to in the following a. and b.
   a. A domestic stock for which five (5) years have not passed since becoming a stock listed on a domestic financial instruments exchange or a stock listed or continuously traded on a foreign financial instruments exchange, etc.;
   b. Preferred stock, etc., subscription warrant securities, or bonds with warrants (convertible bonds) issued by the issuer of the stock referred to in the above a.
(6)-2 Listed domestic infrastructure funds means the domestic infrastructure funds listed on the Exchange;
(7) Listed Real Estate Investment Trust Securities means real estate investment trust securities listed on the Exchange.
(8) Listed Venture Funds means venture funds listed on the Exchange.
(9) Trust Company, etc. means a trust company, etc. specified in Article 3 of the Investment Trust Act (including, in cases of a trust company, etc. which is a trustee of an investment trust pertaining to beneficiary certificates of an investment trust managed without instructions from the settlor, an entity who has been entrusted by such trust company, etc. with part of the authorities in relation to investment trust asset management of an investment trust managed without instructions from the settlor);
(9)-2 Trustees means entities referred to in the following Sub-items a. through c.
   a. In cases where domestic infrastructure funds fall under beneficiary certificates of an investment trust, a trust company, etc.;
   b. In cases where foreign infrastructure funds fall under beneficiary certificates of a foreign investment trust, a corporation that has been established in accordance with foreign laws and regulations in a foreign country and that is similar to a trust company, etc.; and
   c. In cases where foreign infrastructure trust beneficiary certificates whose entrusted securities are foreign infrastructure funds that fall under beneficiary certificates of foreign investment trusts, a corporation that has been established in accordance with foreign laws and regulations in a foreign country and that is similar to a trust company, etc., pertaining to foreign infrastructure funds that comprise entrusted securities pertaining to said beneficiary certificates.
(9)-3 New investment unit subscription warrant securities means new investment unit subscription warrant securities prescribed in Article 2, Paragraph 18 of the Investment Trust Act;
(9)-4 Valid infrastructure investment assets means infrastructure investment assets that comply with the requirements specified by the Enforcement Rules;
(9)-5 Domestic infrastructure funds means beneficiary certificates of the investment trust referred to in Article 2, Paragraph 1, Item (10) of the Act or investment securities referred to in Item (11) of the same paragraph that are for managing funds of investors as investments primarily in infrastructure assets, etc.;
(10) Real estate means assets prescribed in Article 37, Paragraph 3, Item (2), Sub-items (i), (ii), and (v) of the Investment Corporation Accounting Ordinance, or those which are prescribed in Rule 16-3, Paragraph 1 and Paragraph 2 of the Financial Statements, etc. Ordinance as leasing these assets;
(11) Real estate-related assets means assets referred to in the following a. through g.
   a. Equity interest in investment pertaining to an agreement in which the funds invested by
      one of the parties to the agreement and managed by the other party exceed half of the
      overall value of real estate investment assets, in which the other party manages an
      amount exceeding half of the value of real estate investment assets, and in which the
      profit arising from such management is distributed;
   b. Preferred equity contribution securities prescribed in the Asset Securitization Act
      (limited to those for which an amount exceeding a half of the value of assets acquired
      by such special purpose company during the course of business pertaining to
      securitization of assets is managed as investment in real estates, etc.);
   c. Beneficiary certificates (limited to those for which an amount exceeding a half of the
      investment trust assets of such investment trust is managed as investment in real estates,
      etc.);
   d. Investment securities (limited to those for which an amount exceeding a half of the assets
      held for management by such investment corporation is managed for investment in real
      estates, etc.);
   e. Beneficiary certificates of a special purpose trust prescribed in the Asset Securitization
      Act (limited to those for which an amount exceeding a half of the trust assets of such
      special purpose trust is managed as investment in real estates, etc.); and
   f. Rights based on foreign laws and regulations or securities issued by a foreign entity
      which have the nature of rights or securities referred to in the above a. through e.
   g. Out of stocks issued by a corporation that aims to carry out trading referred to in Article
      193, Paragraph 1, Items (3) through (5) of the Investment Trust Act and are obtained by
      an investment corporation pursuant to the provisions of Article 194, Paragraph 2 of the
      same Act, those specified by the Enforcement Rules (excluding those referred to in Sub-
      item h. of the following item.);

(12) Real estate, etc. means assets referred to in the following a. through h.
   a. Real estate;
   b. Leasehold rights of real estate;
   c. Superficies;
   d. Easement;
   e. Assets prescribed in Article 37, Paragraph 3, Item (2), Sub-item (vi) of the Investment
      Corporate Accounting Regulations;
   f. Beneficiary right to a trust to which the assets referred to in the preceding a. through e.
      are trusted (excluding those falling under real estate-related assets); and
   g. Rights against a foreign entity which have the nature of the rights referred to in the
      preceding f.
   h. Out of stocks issued by a corporation that aims to carry out trading referred to in Article
      193, Paragraph 1, Items (3) through (5) of the Investment Trust Act and are obtained by
      an investment corporation pursuant to the provisions of Article 194, Paragraph 2 of the
      same Act, those specified by the Enforcement Rules;

(13) Real estate investment trust securities means beneficiary certificates of the investment
      trust referred to in Article 2, Paragraph 1, Item (10) of the Act, or investment securities
      referred to in Item (11) of the same paragraph, whose purpose is to manage funds of
      investors as investment primarily in real estates, etc.;

(14) Venture funds means investment securities referred to in Article 2, Paragraph 1, Item (11)
      of the Act, whose purpose is to manage funds of investors as investment primarily in
      unlisted stocks, etc.;

(15) Unlisted stocks means domestic stocks other than stocks listed on a domestic financial
instruments exchange, or stocks listed or continuously traded on a foreign financial instruments exchange, etc.;

(16) Unlisted stocks, etc. means unlisted stocks, or preferred stocks, etc., subscription warrant securities, or bonds with warrants issued by an issuer of unlisted stocks;

(17) Unlisted stocks, etc.-related assets means assets referred to in the following a. through e.

a. Equity interest in investment pertaining to an agreement in which one of the parties to the agreement contributes funds to be managed by the other party for investment primarily in unlisted stocks, etc., in which the other party manages the funds invested for investment primarily in unlisted stocks, etc., and in which the profit arising from such management is distributed;

b. Equity interest in contribution related to a limited partnership agreement for investment prescribed in Article 3 of the LPS Act (limited to those where contributors jointly invest for the purpose of acquiring and holding unlisted stocks, etc., and such contributed assets are managed for investment primarily in unlisted stocks, etc.);

c. Beneficiary certificates (limited to those for which investment trust assets of an investment trust are managed for investment primarily in unlisted stocks, etc.)

d. Investment securities (limited to those for which assets held by an investment corporation for the purpose of management are managed for investment primarily in unlisted stocks, etc.);

e. Rights based on foreign laws and regulations or securities issued by a foreign entity which have the nature of rights or securities referred to in the above a. through d.

(18) Unlisted stocks, etc. rating institution means an entity which issues ratings of unlisted stocks, etc. and unlisted stocks, etc.-related assets as its business;

(19) Current assets, etc. means assets prescribed in Article 37, Paragraph 3, Item (1), Sub-items (i) through (iii) and Sub-items (v) through (viii) and Item (4), Sub-item (iv) of the same paragraph of the Investment Corporation Accounting Rules and beneficiary rights of a trust in which such assets are trusted (excluding those falling under securities).

Chapter 2
Real Estate Investment Trust Securities

Rule 1201-2. Real Estate Investment Trust Security Initial Listing Application

1. Initial listing of a real estate investment trust security shall, in accordance with the classification of a security referred to in each of the following items, be made upon application of an entity specified in each of such items:

(1) Investment security:

An investment corporation, which is an issuer of such investment security, and an asset management company which is entrusted with the business pertaining to management of its assets;

(2) Beneficiary certificate of a trustor-instructed investment trust:

An investment trust management company which is a trustor of an investment trust pertaining to such beneficiary certificate, and a trust company which is its trustee, etc.; and

(3) Beneficiary certificate of a non-trustor-instructed investment trust:

A trust company, etc. which is a trustee of an investment trust pertaining to such beneficiary certificate, etc.

2. Where a security for which an initial listing application is made falls under Rule 1207, Paragraph 1, Item (2) or Item (3), its initial listing application may be made before the
establishment of an issuer, limited to after the resolution of a general investors meeting pertaining to a merger for creating a new company. In this case an initial listing application shall be made by an investment corporation which is an issuer of a listed real estate investment trust security that carries out such merger for creating a new company and an asset management company which is expected to be entrusted with the business pertaining to the management of the assets of an investment corporation which becomes an issuer of a real estate investment trust security pertaining to the initial listing application.

3. Examination of a real estate investment trust security pertaining to an initial listing application shall be made pursuant to the provisions of Rules 1205 through 1207.

**Rule 1202. Preliminary Application**

1. An entity (excluding an entity to whom the provisions of Rule 1207 apply) who intends to make an application for initial listing of a real estate investment trust security may make a preliminary application by submitting an "Securities Initial Listing Preliminary Application" that contains such matters as the planned day for making an initial listing application and other matters, and documents prepared in a manner equivalent to documents necessary for an initial listing application on or after a day which is three (3) months prior to the day on which such initial listing application is made.

2. Where a preliminary application is made pursuant to the provisions of the preceding paragraph, the Exchange shall make examination as to whether it has the likelihood of meeting the provisions of Rule 1205 and Rule 1206.

3. The provisions of Rule 1204, Paragraph 5 shall be applied mutatis mutandis to the examination defined in the preceding paragraph.

**Rule 1203. Listing Agreements, etc.**

1. Where the Exchange lists a real estate investment trust security pertaining to an initial listing application, an entity specified in each item of Rule 1201-2, Paragraph 1 shall submit a "Listing Agreement for a Real Estate Investment Trust Security" predetermined by the Exchange as prescribed by the Enforcement Rules.

2. The listing agreement as in the preceding paragraph shall become effective as of the listing day of a real estate investment trust security pertaining to an initial listing application.

3. The Exchange shall enroll the security in the listed securities ledger on the listing day of a real estate investment trust security pertaining to an initial listing application.

**Rule 1204. Documents to be Submitted Pertaining to Initial Listing Application, etc.**

1. An entity who intends to make an application for initial listing of a real estate investment trust security shall submit a "Security Initial Listing Application Form" predetermined by the Exchange and a "Written Oath Pertaining to Initial Listing Application" predetermined by the Exchange pursuant to the provisions of the Enforcement Rules.

2. A "Report Concerning the Management System of an Issuer, etc. of a Real Estate Investment Trust Security" and other documents specified by the Enforcement Rules shall be attached to the "Security Initial Listing Application Form" prescribed in the preceding paragraph.

3. Where an initial listing application is made before the establishment pursuant to the provisions of Rule 1201-2, Paragraph 2, documents which cannot be submitted at the time of the initial listing application (limited to those deemed inevitable by the Exchange on a case by case basis), out of the attached documents specified by the preceding paragraph, will suffice, if they are submitted immediately after submission becomes possible.

4. Where an issuer of a security for which an initial listing application is made, out of the entities who have made an application for initial listing of a real estate investment trust security, gives
notification or submits notice concerning subscription or secondary offering of a security to
the Prime Minister, etc. during the period after the corresponding date from a year before to
the end of the business period or the computation period immediately prior to the initial
listing application day and before the day on which listing is made, or where it falls under
any other cases specified by the Enforcement Rules, it shall, pursuant to the provisions of the
Enforcement Rules, submit documents specified by the Enforcement Rules.
5. The Exchange may, if it deems necessary for listing examination, request an initial listing
applicant of a real estate investment trust security to submit an informational report or
materials in addition to the documents prescribed in each of the preceding paragraphs and/or
to provide cooperation in listing examination.
6. Where the Exchange approves listing of a real estate investment trust security pertaining to
an initial listing application, an entity who has made an application for initial listing of a real
estate investment trust security shall agree that the Exchange makes documents specified by
the Enforcement Rules available for public inspection, out of the documents submitted
pursuant to the provisions of each of the preceding paragraphs, before and after the listing
(including after such entity who has made an initial listing application becomes an issuer of
a listed real estate investment trust security).
7. Where the Exchange approves listing of a real estate investment trust security pertaining to
an initial listing, an entity who has made an application for initial listing of such real estate
investment trust security shall submit the "Written Confirmation Regarding Compliance with
Exchange Rules and Regulations" predetermind by the Exchange.

Rule 1205. Formal Requirements of Listing Examination
Listing examination of a real estate investment trust security shall be carried out on a real estate
investment trust security that meets each of the following items. In this case, details of each
such item shall be provided by the Enforcement Rules:
(1) In accordance with the classification of a security for which an initial listing application is
made referred to in the following a. through c., an entity specified in such a. through c. shall
be a member of the Investment Trusts Association, Japan (General Incorporated
Association):
  a. Investment security:
     An asset management company entrusted with business pertaining to management of the
        assets of an investment corporation;
  b. Beneficiary certificate of a trustor-instructed investment trust:
     An investment trust management company which is a trustor of an investment trust; and
  c. Beneficiary certificate of a non-trustor-instructed investment trust:
     A trust company, etc. which is a trustee of an investment trust.
(2) A security for which an initial listing application is made shall meet the following a. through
o.:
  a. The ratio of the amount of real estate, etc. to the total amount of assets under
     management, etc. is expected to reach 70% or more;
  b. The ratio of the total amount of real estate, etc., real estate-related assets and current
     assets to the total amount of assets under management, etc. is expected to reach 95% or
     more by the time of listing;
  c. An entity who has made an application for initial listing of a real estate investment trust
     security has assured the Exchange in writing that it will enter into an advisory agreement
     pertaining to timely disclosure of information concerning such real estate investment
     trust security with a financial instruments firm during the period until two (2) years have
     passed after listing; provided, however, that the same shall not apply to cases where a
managing trading participant recommends an entity who has made an application for initial listing of such real estate investment trust security, using a written recommendation predetermined by the Exchange;

d. The number of listed investment units or the number of listed beneficiary rights is expected to reach 4,000 or more by the time of listing;

e. The total net assets are expected to reach 1 billion yen or more by the time of listing;

f. The total assets are expected to reach 5 billion yen or more by the time of listing;

g. The number of investment units calculated by adding the number of own investment units (excluding the number of own investment units to be disposed in cases where a resolution to dispose own investment units has been made (meaning a resolution pursuant to the provisions of Article 80, Paragraph 4 of the Investment Trust Act pertaining to disposal of own investment units; the same shall apply hereinafter.) to the total number of the investment units held by major investors (meaning the top ten (10) investors in descending order of investment units held; the same shall apply hereinafter) or the total number of units of beneficiary rights held by major beneficiaries (meaning the top ten (10) beneficiaries in descending order of beneficiary rights held; the same shall apply hereinafter) is expected to fall below 75% of the number of listed investment units or the number of listed beneficiary rights by the time of listing;

h. The number of investors excluding the major investors and an issuer of such initial listing application security in cases where such issuer owns investment units (excluding cases where a resolution to dispose own investment units with respect to all own investment units has been made) or the number of beneficiaries excluding the major beneficiaries is expected to reach at least 1,000 by the time of listing;

i. The following (a) and (b) are satisfied:

(a) No false statement is made in the securities reports, etc. which contain or make reference to financial statements, etc. for each business period (limited to the period after an issuer of such investment security was established; the same shall apply in this j.) or each computation period (limited to the period after the commencement day of a trust agreement period; the same shall apply hereinafter in this j.) or interim financial statements, etc. for each business period or each computation period which ended in the last two (2) years (the "last" computation starts back from the end of a business period or a computation period immediately prior to an initial listing application day; the same shall apply hereinafter) pertaining to a security for which an initial listing application is made; and

(b) An audit report attached to financial statements, etc. for each business period or each computation period ending within the last two (2) years or an interim audit report attached to interim financial statements, etc. for a business period or a computation period which ended in the last year contain an "unqualified opinion" or a "qualified opinion with exceptions", or an "opinion that the interim financial statements, etc. provide useful information" or a "qualified opinion with exceptions" by certified public accountants, etc.; provided, however, that the same shall not apply to cases where the Enforcement Rules specify otherwise;

j. Rules of an investment corporation or a trust deed of an investment trust states that no refund of investment units shall be made upon demand from investors or no cancellation shall be made during a trust agreement period upon demand of beneficiaries;

k. The period prescribed as a business period or a computation period in the rules of an investment corporation or a trust deed of an investment trust is six (6) months or longer;

l. Where an issue for which an initial listing application is made is, or is expected to be, handled in the book-entry transfer operations of a designated transfer institution;
m. Where a security for which an initial listing application is made is an investment security, an administrator of the investor register as prescribed in Article 166, Paragraph 2, Item (8) of the Investment Trust Act is approved by the Exchange as an organization as specified by the Enforcement Rules;

n. Where a security for which an initial listing application is made is a beneficiary certificate, a trust deed of an investment trust states that additional trust shall not be made to such investment trust except where subscription is made by submitting a security registration statement pursuant to the provisions of laws; and

o. Where a security for which an initial listing application is made is a beneficiary certificate of a trustor-instructed investment trust, a trust deed of an investment trust does not state that it is a securities investment trust.

**Rule 1206. Listing Examination**

1. Listing examination of a real estate investment trust security for which an initial listing application is made shall be carried out as to whether or not it complies with each of the following items:

   (1) An entity who has applied for initial listing of a real estate investment trust security is in a status where disclosure of information concerning such real estate investment trust security may be carried out in appropriate manner;

   (2) An entity who has applied for initial listing of a real estate investment trust security is in a status to be able to carry out asset management, etc. in a sound manner;

   (3) Distribution of money or profit pertaining to a security for which an initial listing application is made is expected to continue after listing; and

   (4) In addition to the above, the listing is not deemed inappropriate from the viewpoint of the public interest or the protection of investors.

2. Examination concerning whether or not matters referred to in each item of the preceding paragraph are satisfied shall be carried out on the basis of initial listing application documents concerning a listed real estate investment trust security (meaning documents submitted by an entity who has applied for initial listing of a real estate investment trust security pursuant to the provisions of Rule 1204) and inquiries, etc.

3. Necessary matters concerning examination defined in the preceding paragraph shall be prescribed by the guidelines for listing examination, etc.

**Rule 1207. Technical Listing**

1. Notwithstanding the provisions of the preceding two (2) rules, in the cases referred to in each of the following items, where an application is made without delay for initial listing of a real estate investment trust security issued by an investment corporation surviving after such merger or an investment corporation created by such merger, listing examination shall be carried out pursuant to the criteria specified in each of such items:

   (1) Where an investment corporation which is an issuer of a listed real estate investment trust security is merged through an absorption-type merger by an investment corporation which is an issuer of an unlisted real estate investment trust security, and such listed real estate investment trust security is to be delisted as a result of a dissolution caused by such absorption-type merger:

      a. Rule 1205, Item (1), and Item (2), Sub-items a., b. and d. and Sub-items i. through m. of the same rule and each item of Paragraph 1 of the preceding rule shall be satisfied. In this case, with respect to application of the provisions of Rule 1205, Item (2), Sub-item i., "a security for which an initial listing application is made" in the same Sub-item i. shall be "such unlisted real estate investment trust security";
b. Where an investment corporation which is an issuer of such listed real estate investment trust security falls under the first sentence of Rule 1218, Paragraph 2, Item (4), an investment corporation which is an issuer of such security for which such initial listing application is made is unlikely to fall under the first sentence of the same item by the time of the initial listing; and

c. Where an investment corporation which is an issuer of such listed real estate investment trust security falls under the first part of Rule 1218, Paragraph 2, Item (5), an investment corporation which is an issuer of a security for which such initial listing application is made is unlikely to fall under the first sentence of the same item by the time of the initial listing;

(2) Where an investment corporation which is an issuer of a listed real estate investment trust security carries out a merger for creating a new company with an investment corporation which is an issuer of another listed real estate investment trust security, and such listed real estate investment trust security is to be delisted as a result of a dissolution caused by such merger for creating a new company:

a. Rule 1205, Item (1), and Item (2), Sub-item d. and Sub-items j. through m. of the same rule and each item of Paragraph 1 of the preceding rule shall be satisfied;

b. Where an investment corporation which is an issuer of such listed real estate investment trust security falls under the first sentence of Rule 1218, Paragraph 2, Item (1), an investment corporation which is an issuer of a security for which such initial listing application is made is unlikely to fall under the first sentence of the same item by the time of the initial listing;

c. Where an investment corporation which is an issuer of such listed real estate investment trust security falls under the first sentence of Rule 1218, Paragraph 2, Item (2), an investment corporation which is an issuer of a security for which such initial listing application is made is unlikely to fall under the first sentence of the same item by the time of the initial listing; and

d. Sub-items b. and c. of the preceding item shall be satisfied; and

(3) Where an investment corporation which is an issuer of a listed real estate investment trust security carries out a merger for creating a new company with an investment corporation which is an issuer of an unlisted real estate investment trust security, and such listed real estate investment trust security is to be delisted as a result of a dissolution caused by such merger for creating a new company:

Item (1), Sub-items a. through c. shall be satisfied.

2. A listing day of an investment security which is to be listed pursuant to the provisions of the preceding paragraph shall be the day on which an absorption-type merger or a merger for creating a new company becomes effective; provided, however, that the same shall not apply to cases where listing is impossible or difficult on such day because of the timing of initial listing application, etc.

Rule 1208. Public Offering, Secondary Offering, etc. Before Listing

Necessary matters concerning a public offering (meaning a new issue of a real estate investment trust security by general subscription; the same shall apply hereinafter in this chapter) or secondary offering (excluding a public offering or secondary offering of a security to which the provisions of the preceding rule apply concerning listing examination and a public offering or secondary offering of a real estate investment trust security listed on another financial instruments exchange in Japan) carried out during the period from the day on which an application for initial listing of a real estate investment trust security is made to the day preceding the listing day and public offering at the time of the establishment of an investment...
corporation (limited to cases where an application for initial listing of a real estate investment trust security to be issued by such investment corporation is promptly made after the establishment) and an issuance of a real estate investment trust security carried out before listing (excluding an issuance pertaining to a security to which the provisions of the preceding rule apply concerning listing examination and an issuance pertaining to a real estate investment trust security listed on another financial instruments exchange in Japan) shall be as specified by the Enforcement Rules.

Rule 1209. Listing Application for New Real Estate Investment Trust Securities
1. Where an application is made for listing of a real estate investment trust security pertaining to investment units or beneficiary rights newly issued by an investment corporation or an investment trust pertaining to a listed real estate investment trust security, or new investment unit subscription warrant securities newly issued by an investment corporation pertaining to a listed real estate investment trust security that is not listed on the Exchange, any of entities specified in items of Rule 1201-2, Paragraph 1 (hereinafter referred to as an "issuer, etc. of a listed real estate investment trust security") shall submit a "Security Listing Application Form" predetermined by the Exchange.
2. Where any of an issuer, etc. of a listed real estate investment trust security newly issues a real estate investment trust security, it shall, as a general rule, on a case-by-case basis, take procedures for listing application as in the preceding paragraph prior to issue.
3. Where the Exchange lists such real estate investment trust security or new investment unit subscription warrant securities upon listing application as in Paragraph 1, it shall amend or add descriptions contained in the listed securities ledger on the listing day.

Rule 1210. Listing of New Real Estate Investment Trust Securities
Where a listing application is made pursuant to the provisions of the preceding rule, the Exchange shall, as a general rule, approve listing as referred to in each of the following items. In this case, the handling shall be as specified by the Enforcement Rules.

(1) A real estate investment trust security specified by the Enforcement Rules, out of the real estate investment trust securities pertaining to investment units or beneficial rights newly issued by an investment corporation or an investment trust pertaining to a listed real estate investment trust security, shall be listed by when issued transactions;

(2) Where the relation of rights of a real estate investment trust security pertaining to investment units or beneficial rights to be newly issued by an investment corporation or an investment trust pertaining a listed real estate investment trust security is different from that of a listed real estate investment trust security and it falls under the criteria specified by the Enforcement Rules, such real estate investment trust security shall be listed when it is issued; and

(3) In addition to cases where the preceding two (2) items are satisfied, where a real estate investment trust security pertaining to investment units or beneficial rights to be newly issued shall be listed as an addition to a listed real estate investment trust security, when it is issued (in the case where the relation of rights of a real estate investment trust security is different from that of a listed real estate investment trust security, when both have the same relation of rights).

Rule 1211. Listing of New Investment Unit Subscription Warrant Securities
1. Where new investment unit subscription warrant securities for which a listing application has been made pursuant to the provisions of Rule 1209 are aimed at a listed real estate investment trust security, and criteria referred to in the following items are met, the Exchange shall
approve such listing.

1. New investment unit subscription warrant securities for which a listing application is made meet criteria specified by the Enforcement Rules.

2. A listed investment corporation that is an issuer of new investment unit subscription warrant securities (meaning an investment corporation that is an issuer of listed real estate investment trust securities; the same shall apply here in this chapter) has performed either of the procedures in the following a. or b. (excluding cases where such listed investment corporation has concluded an agreement prescribed in Article 2, Paragraph 6, Item (3) of the Act on such new investment unit subscription warrant securities (referred to as "the commitment-type case" in this rule)).

   a. Examination by a trading participant on rationality of issuance of investment units;
   b. Confirmation of investors' intent by means of a resolution at a general investors meeting

3. Where management performance and financial conditions of a listed investment corporation that is an issuer of new investment unit subscription warrant securities do not fall under any of the followings a. and b. (excluding cases of commitment type)

   a. The amount of net income is zero or negative in the business period immediately prior to a day of initial listing application.
   b. The total amount of net assets are less than JPY 500 million on the last day of the business period immediately prior to a day of initial listing application.

4. The listing is not deemed inappropriate from the viewpoint of the public interest or investor protection.

2. Where a new investment unit subscription warrant security is to be listed pursuant to the provisions of the preceding paragraph, an entity who has made such listing application shall submit a "Written Statement of Assurance" predetermined by the Exchange as specified by the Enforcement Rules.

3. Necessary matters concerning examination defined in Paragraph 1 shall be prescribed by the Guidelines Concerning Listing Examination, etc.

4. Other necessary matters concerning listing of new investment unit subscription warrant securities shall be prescribed by the Enforcement Rules.

**Rule 1212. Alteration Listing Application**

1. Where an issuer, etc. of a listed real estate investment trust security intends to alter an name, quantity, etc. of such listed real estate investment trust security, any of issuers, etc. of a listed real estate investment trust security shall submit a "Security Alteration Listing Application Form" predetermined by the Exchange.

2. Where the Exchange makes alteration listing pursuant to the provisions of the preceding paragraph, it shall make changes to descriptions in the listed securities ledger on the listing day.

**Rule 1213. Disclosure of Information Concerning Listed Real Estate Investment Trust Securities**

1. An issuer, etc. of a listed real estate investment trust security shall carry out timely disclosure of information concerning such listed real estate investment trust security, an issuer, etc. of a listed real estate investment trust security, and assets under management, etc. of a listed real estate investment trust security.

2. Timely disclosure of information concerning a listed real estate investment trust security or an issuer, etc. of a listed real estate investment trust security shall be carried out pursuant to the provisions of each such item in accordance with the classification of a listed real estate investment trust security referred to in each of the following items:
(1) An investment security:

Where an issuer, etc. of a listed real estate investment trust security falls under any of the following a. through d. (excluding those for which the Exchange deems as matters whose effect on investors’ investment decisions is of minor significance, such as cases which fall under the criteria specified by the Enforcement Rules), it shall disclose the details immediately pursuant to the provisions of the Enforcement Rules:

a. Where an investment corporation which is an issuer of a listed real estate investment trust security decides to carry out any of the matters referred to in the following (a) through (p) (including cases where it decides not to carry out a matter pertaining such decision):

   (a) Reverse splits or splits of investment units;
   (b) Additional issue or secondary offering of investment units;
   (c) Subscription to investment corporation bonds or borrowing of funds;
   (d) Merger;
   (e) Alteration of a rule or dissolution;
   (f) Application pertaining to delisting of a real estate investment trust security to a financial instruments exchange in Japan;
   (g) Petition for commencement of bankruptcy proceedings and commencement of rehabilitation proceedings;
   (h) Change in certified public accountants, etc. who prepare audit certification of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report;
   (i) Administrative works relating to the investor register will not be entrusted to an agent approved by the Exchange;
   (j) Conclusion of an entrustment contract pertaining to asset management, or cancellation of such contract;
   (k) Distribution of money;
   (l) Request prescribed in Article 166, Paragraph 6, Item (4) of the Act, or Article 167, Paragraph 5, Item (5) of the Act;
   (m) Acquisition of own investment unit pursuant to Article 80-2, Paragraph 1 of the Investment Trust Act (including cases where the provisions apply by rewording terms pursuant to the provisions of Article 80-5, Paragraph 2 of the same Act)
   (n) A gratis allotment of new investment unit subscription warrants
   (o) Deducting all or part of loss from the total amount of capital contribution, etc. pursuant to the provisions of Article 136, Paragraph 2 of the Investment Trust Act
   (p) In addition to the matters referred to in the preceding (a) through (o), important matters related to a listed real estate investment trust security, or the operation, business or assets of such investment corporation which have a remarkable effect on investors’ investment decisions;

b. Where any of the facts referred to in the following (a) through (i) occurs to an investment corporation which is an issuer of a listed real estate investment trust security:

   (a) Business improvement order pursuant to Article 214 of the Investment Trust Act;
   (b) Fact causing delisting of a specified security (meaning a specified security prescribed in Article 163, Paragraph 1 of the Act; the same shall apply hereinafter in this (b)) or options pertaining to a specified security;
   (c) The amount of net assets is likely to fall below the base net asset value specified in Article 124, Paragraph 1 of the Investment Trust Act;
(d) Notice of cancellation of registration pursuant to the provisions of Article 215, Paragraph 2 of the Investment Trust Act;
(e) Change in certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report (excluding a case of disclosing the details on the basis of the provisions of the preceding a., where a body which decides business execution has made a decision on changing such certified public accountants, etc. (including cases where it has made a decision that it will not carry out matters pertaining to such decision));
(f) A securities report or an interim report to which audit report or interim audit reports of Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or audit firms are attached is not expected to be submitted to the Prime Minister, etc. within a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act or has not been submitted within such period (except cases where the issuer discloses that such reports are unlikely to be submitted within said period), was submitted after such disclosure had been made, or has received the approval of the Prime Minister, etc. related to the extension of such period;
(g) Where a notice of canceling an entrustment agreement of administrative works relating to the investor register is received, or an issuer is unlikely to entrust works relating to the investor register to an agent approved by the Exchange, or an issuer has decided that it will not entrust administrative works relating to the investor register to an agent approved by the Exchange;
(h) Damage attributable to disaster or damage that has occurred in the course of execution of business;
(i) Where a lawsuit pertaining to property claim has been filed, a court has issued a ruling on such lawsuit, or such lawsuit was completed in whole or part;
(j) Where a petition for order of provisional disposition that seeks injunction of asset management and other dispositions similar thereto, such petition has been put to the court, or procedures pertaining to such petition has been completed in whole or part outside the court;
(k) Cancellation of the registration referred to in Article 187 of the Investment Trust Act pursuant to the provision of Article 216, Paragraph 1 of the Act, or other dispositions equivalent thereto by an administrative agency based on laws and regulations;
(l) Petition for commencement of bankruptcy proceedings or rehabilitation proceedings by a creditor or an entity other than such investment corporation;
(m) Dishonor, etc.;
(n) Where, as a result of occurrence of a dishonor, etc., a petition for commencement of bankruptcy procedures, etc., or a fact equivalent thereto was filed with respect to a debtor or a main debtor concerning guaranteed obligations, and default on right for indemnification against such main debtor is likely to occur in cases that accounts receivable, loans, or other receivables or such guaranteed obligations against such debtors;
(o) Suspension of trade with a main business partner (meaning a business partner specified in Article 29-2-3, Item (7) of the Enforcement Ordinance) or suspension of trade with two or more business partners for the same reason or in the same period;
(p) Exemption of obligations or extension of a repayment deadline (limited to an
extension that the Exchange deems equivalent to exemption of obligations) by a 
creditor, or assumption or fulfillment of obligations by a third party;
(q) Discovery of resources;
(r) The ratio of the sum of the values of assets including real estate prescribed in Article 
105, Item (1), Sub-item (vi) of the Enforcement Rules of the Investment Trust Act 
(the same shall apply in this (r)) to the total amount of assets has exceeded 50% 
(except the case where the terms and conditions stipulate that more than 50% of the 
total amount of assets will be invested in assets including real estate;
(s) Demand by investors for ceasing issuance of investment securities
(t) In addition to the facts referred to in (a) through the preceding (s), important facts 
concerning a listed real investment trust security or the operation, business or assets 
of such investment corporation which have a remarkable effect on investors’ 
investment decisions;
c. Where an asset management company entrusted with business pertaining to 
management of assets of an investment corporation which is an issuer of a listed real 
investment trust security has made a decision that it will carry out any of the matters 
referred to in the following (a) through (n) (including cases where it has decided that 
it will not carry out a matter pertaining to such decision):
(a) Application pertaining to delisting of a real estate investment trust security to a 
financial instruments exchange in Japan;
(b) Merger of such asset management company;
(c) Petition for commencement of bankruptcy proceedings, rehabilitation proceedings, 
or reorganization proceedings of such asset management company;
(d) Dissolution of such asset management company (excluding a dissolution by a 
merger);
(e) Discontinuation or abolishment of business pertaining to asset management 
entrusted by such investment corporation;
(f) Discontinuation or abolishment of whole or part of asset management entrusted by 
such investment corporation;;
(g) Demerger of such asset management company;
(h) Transfer or receipt of business in whole or part of such asset management company;
(i) Cancellation of the entrustment contract pertaining to asset management that has 
been concluded with such investment corporation;
(j) Stock swap of such asset management company;
(k) Stock transfer of such asset management company;
(l) Commencement of new asset management based on entrustment from such 
investment corporation;
(m) Application for an authorization or approval, or notification, that such asset 
management company makes to the Prime Minister, etc. pursuant to the Act; or
(n) In addition to the matters referred to in (a) through the preceding (m), important 
matters concerning a listed real investment trust security or the operation, business 
or assets of such asset management company which have a remarkable effect on 
investors’ investment decisions; or
d. Where any of the facts referred to in the following (a) through (l) occurs to an asset 
management company entrusted with business pertaining to management of assets of 
an investment corporation which is an issuer of a listed real estate investment trust 
security:
(a) Business improvement order pursuant to the provisions of Article 51 of the Act;
(b) Fact causing delisting (limited to a fact pertaining to a reason referred to in Rule
1218, Paragraph 1, Item (1), Sub-item b.);
(c) In addition to the facts referred to in (a) and the preceding (b), authorization, approval or disciplinary actions by an administrative agency in accordance with laws and regulations;
(d) Change in a specific related corporation (meaning the specific related corporation prescribed in Article 166, Paragraph 5 of the Act;
(e) Change in major shareholder;
(f) Where a lawsuit of a claim relating to property rights management of assets entrusted by such investment corporation is raised or a judgment is made as to such lawsuit or whole or part of the action pertaining to such lawsuit is completed without a judicial decision;
(g) Where a petition for order of provisional disposition that seeks injunction of asset management entrusted by such investment corporation has been filed and other dispositions similar thereto has been imposed, such petition has been put to the court, or procedures pertaining to such petition have been completed in whole or part outside the court;
(h) Petition for commencement of bankruptcy proceedings by a creditor or an entity other than such asset management company, etc.;
(i) Dishonor, etc.;
(j) Petition for commencement of bankruptcy proceedings pertaining to specific related corporation;
(k) Where a special controlling shareholder (meaning an organ that decides business execution if said special controlling shareholder is a corporation) has decided to make a demand for share, etc. cash-out pertaining to said investment corporation, or such special controlling shareholder has decided not to make a demand for share, etc. cash-out pertaining to said decision (limited to cases where such decision was publicized as prescribed in Article 166, Paragraph 4 of the Act);
(l) In addition to facts referred to in (a) through the preceding (k), important facts concerning a listed real investment trust security or the operation, business or assets of such asset management company which have a remarkable effect on investors’ investment decisions;
(2) A beneficiary certificate of a trustor-instructed investment trust:
An issuer, etc. of a listed real estate investment trust security shall disclose the details immediately pursuant to the provisions of the Enforcement Rules if it falls under any of the following a. through d. (excluding, in cases of matters referred to in a., those which the Exchange deems as matters whose effect on investors’ investment decisions is of minor significance, such as cases which fall under the criteria specified by the Enforcement Rules):
(a) Where an investment trust management company which is a trustor of an investment trust pertaining to a listed real estate investment trust security has made a decision that it will carry out any of the matters referred to in the following (a) through (p) (including cases where it has decided that it will not carry out a matter pertaining to such decision):
(b) Reverse splits or splits of beneficiary certificates;
(c) Additional trust or secondary offering;
(d) Alteration of a trust deed or cancellation of an investment trust agreement;
(e) Application pertaining to delisting of a real estate investment trust security to a financial instruments exchange in Japan;

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.
(f) Merger of such investment trust management company;
(g) Petition for commencement of bankruptcy proceedings of such investment trust
management company;
(h) Dissolution of such investment trust management company (excluding a
dissolution caused by a merger);
(i) Discontinuation of financial instruments business of such investment trust
management company;
(j) Ceasing to be an entity who carries out an investment management business by
completing an alteration registration specified in Article 31, Paragraph 4 of the Act;
(k) Demerger (limited to cases where the whole business is inherited) of such
investment trust management company;
(l) Transfer of the whole business of such investment trust management company;
(m) Application for an authorization or approval, or notification, that such investment
trust management company makes to an administrative agency in accordance with
laws and regulations;
(n) Matters referred to in (h) under Sub-item a. of the preceding item;
(o) Such security has been decided not to be handled in the book-entry transfer
operation conducted by a designated book-entry transfer institution; or
(p) In addition to the matters referred to in (a) through the preceding (o), important
matters related to a listed real estate investment trust security, or the operation,
business or assets of such investment trust management company which have a
remarkable effect on investors’ investment decisions;

b. Where any of the facts referred to in the following (a) through (e) occurs to an
investment trust management company which is a trustor of an investment trust
pertaining to a listed real estate investment trust security:
(a) Business improvement order pursuant to the provisions of Article 51 of the Act;
(b) Fact causing delisting (limited to a fact pertaining to a reason referred to in Rule
1218, Paragraph 1, Item (2), Sub-item a.);
(c) In addition to the facts referred to in (a) and the preceding (b), authorization,
approval or disciplinary actions by an administrative agency in accordance with
laws and regulations;
(d) Matters referred to in Sub-item b., (e) or (f) of the preceding item; or
(k) In addition to the facts referred to in (a) through the preceding (d), important facts
concerning a listed real estate investment trust security or the operation, business or assets
of such investment management company which have a remarkable effect on
investors’ investment decisions;

c. Where a trust company, etc. which is a trustee of an investment trust pertaining to a
listed real estate investment trust security has made a decision that it will carry out a
matter referred to in the following (a) or (b) (including cases where it has decided that
it will not carry out a matter pertaining to such decision):
(a) Application pertaining to delisting of a real estate investment trust security to a
financial instruments exchange in Japan; or
(b) In addition to the matters referred to in (a), important matters concerning a listed
real estate investment trust security or the operation, business or assets of such trust
company, etc. which have a remarkable effect on investors’ investment decisions;

or

d. Where a fact referred to in the following (a) or (b) occurs to a trust company, etc. which
is a trustee of an investment trust pertaining to a listed real estate investment trust security:

201
(a) Fact causing delisting (limited to a fact pertaining to a reason referred to in Rule 1218, Paragraph 1, Item (2), Sub-item b.); or

(b) In addition to the facts referred to in the preceding (a), important facts concerning a listed real investment trust security or the operation, business or assets of such trust company, etc. which have a remarkable effect on investors’ investment decisions; and

(3) A beneficial certificate of a non-trustor-instructed investment trust:

An issuer, etc. of a listed real estate investment trust security shall disclose the details immediately pursuant to the provisions of the Enforcement Rules, where it falls under the following a. or b.:

a. Where a trust company, etc. which is a trustee of an investment trust pertaining to a listed real estate investment trust security has made a decision that it will carry out a matter referred to in the following (a) or (b) (including cases where it has decided that it will not carry out a matter pertaining to such decision):

   (a) Matters referred to in (a) through (e) or (n) through (o) of the preceding a.; or

   (b) In addition to the matters referred to in the preceding (a), important matters concerning a listed real investment trust security or the operation, business or assets of such trust company, etc. which have a remarkable effect on investors’ investment decisions; or

b. Where any of the facts referred to in the following (a) through (c) occurs to a trust company, etc. which is a trustee of an investment trust pertaining to a listed beneficiary trust security:

   (a) Fact causing delisting (limited to a fact pertaining to a reason referred to in Rule 1218, Paragraph 1, Item (3));

   (b) Matters referred to in Item (1), Sub-item b., (e) or (f); or

   (c) In addition to the facts referred to in (a) or the preceding (b), important facts concerning a listed real investment trust security or the operation, business or assets of such trust company, etc. which have a remarkable effect on investors’ investment decisions.

3. Regarding timely disclosure of information of assets under management, etc. of a listed real estate investment trust security, where an issuer, etc. of a listed real estate investment trust security falls under any of the following items (regarding matters referred to in Item (1) and facts referred to in Item (2), excluding cases falling under those which the Exchange deems as matters whose effect on investors’ investment decisions is of minor significance, such as cases which fall under the criteria specified by the Enforcement Rules), it shall disclose the details immediately pursuant to the provisions of the Enforcement Rules:

   (1) Where an asset management company, etc. (meaning an asset management company entrusted with business pertaining to management of assets of an investment corporation which is an issuer of such investment security, where a listed real estate investment trust security is an investment security, an investment trust management company which is a trustor of an investment trust pertaining to such beneficial certificate, where it is a beneficial certificate of a trustor-instructed investment trust, or a trust company, etc. which is a trustee of an investment trust pertaining to such beneficial certificate, where it is a beneficial certificate of a non-trustor-instructed investment trust; the same shall apply in Item (3)) has made a decision that it will carry out any matter referred to in the following a. through c. (including cases where it has decided that it will not carry out a matter pertaining to such decision):

      a. Transfer or acquisition of an asset pertaining to assets under management, etc.;

      b. Lease of assets under management, etc. (including real estate that is the object of...
leasehold rights, superficies, or easement, real estate included in trust assets of the trust prescribed in Rule 1201, Item (12), Sub-item f, and real estate that underlies real estate-related assets) or cancellation of such lease;

c. In addition to the matters referred to in the preceding a. and b., important matters concerning assets under management, etc. which have a remarkable effect on investors’ investment decisions;

(2) Where any fact referred to in the following a. though c. occurs:

a. Damage arising from disaster or damage caused in the course of execution of business that pertains to assets under management, etc.;

b. Cancellation of lease of assets under management, etc. (excluding cases where an asset management company, etc. have decided to cancel such lease of assets under management, etc., and disclosed details of such cancellation pursuant to the provision of Sub-item b. of the preceding item)

c. In addition to the facts referred to in the preceding a. and b., important facts concerning assets under management, etc. which have a remarkable effect on investors’ investment decisions;

(3) Where an asset management company, etc. carries out a trade referred to in each item of Article 13, Paragraph 1 of the Investment Trust Act (including cases where it is applied mutatis mutandis to Article 54 of the same Act) or a trade referred to in Article 203, Paragraph 2 of the same Act (limited to cases where it is necessary to issue a document to a beneficiary of an investment trust pursuant to these provisions);

(4) Where details (including information specified by the Enforcement Rules) of accounts of a fund for a business period or a computation period or an interim business period or an interim computation period with respect to a listed real estate investment trust security are settled; or

(5) Where there occurs a difference (limited those falling under the criteria specified by the Enforcement Rules as matters which have a material impact on investors' investment decisions) in the estimated value newly calculated by an issuer of such listed real estate investment trust security or accounts for such business period or such computation period compared to the last published estimated value (where there is not such value, the published actual value for the previous business period or the previous computation period) with respect to operating income, ordinary income, net income, distribution of money, or distribution of revenue of a fund pertaining to a listed real estate investment trust security.

4. The provisions of Rule 412 shall be applied mutatis mutandis to examination, etc. pertaining to disclosure of corporate information of an issuer, etc. of a listed real estate investment trust security.

5. An issuer, etc. of a listed real estate investment trust security shall submit a "Report Concerning Management System, etc. of an Issuer, etc. of a Listed Real Estate Investment Trust Security" predetermined by the Exchange within three (3) months after a business period or a computation period pertaining to such listed real estate investment trust security. In this case, such issuer, etc. shall agree that the Exchange makes such report available for public inspection.

6. The provisions of Rule 401, Rule 411-2, Rules 413 to 414, and Rule 416 shall be applied mutatis mutandis to disclosure pursuant to the provisions of each of the preceding paragraphs and the provisions of Rule 415 and Rule 417 shall be applied mutatis mutandis to an issuer, etc. of a listed real estate investment trust security, respectively.

Rule 1214. Submission of Documents, etc.

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.
1. Submission of documents, etc. made by an issuer, etc. of a listed real estate investment trust security shall be carried out pursuant to the provisions of the Enforcement Rules.

2. In addition to the preceding paragraph, an issuer, etc. of a listed real estate investment trust security shall without delay submit documents which the Exchange requests for a good reason, and shall agree that the Exchange makes documents deemed necessary by it available for public inspection, out of such documents.

**Rule 1215. Written Confirmation Regarding the Appropriateness and Accuracy of Securities Reports, etc.**

Where an issuer of a listed real estate investment trust security has submitted a securities report or an interim report to the Prime Minister, etc. or delivered a management report to an investor or a beneficiary, it shall submit to the Exchange without delay written documents stating that the representative of such issuer recognizes that there is no false statement in such securities report or interim report or management report as of the time of their submission or delivery together with the reason therefor pursuant to the provisions of the Enforcement Rules. In this case, an issuer of such listed real estate investment trust security shall agree that the Exchange makes such written documents available for public inspection.

**Rule 1216. Effective Date, etc. of Splits of Investment Units or Beneficiary Rights**

1. Where an investment corporation which is an issuer of a listed real estate investment trust security or an investment trust management company which is a trustor of an investment trust (limited to beneficiary certificates of a trustor-instructed investment trust) or a trust company, etc. which is a trustee (limited to beneficiary certificates of a non-trustor-instructed investment trust) pertaining to a listed real estate investment trust security carries out a split of an investment unit or beneficiary right pertaining to a listed real estate investment trust security, it shall designate the day following the record date for determining an entity who receives a right pertaining to such split as an effective date of such split.

2. In cases prescribed in the preceding paragraph, where an investment corporation which is an issuer of a listed real estate investment trust security or an investment trust management company which is a trustor of an investment trust (limited to beneficiary certificates of a trustor-instructed investment trust) or a trust company, etc. which is a trustee (limited to beneficiary certificates of a non-trustor-instructed investment trust) pertaining to a listed real estate investment trust security is required to satisfy certain requirements such as in a case where a resolution of a general investors meeting or a resolution in writing by beneficiaries is necessary, it shall set a day that falls on or after the third day (excluding non-business days) counting from the day on which such split is determined to be conducted as a record date for fixing the entities eligible for rights pertaining to such split.

**Rule 1216-2. Code of Conduct Concerning Listed Real Estate Investment Trust Securities**

1. An issuer, etc. of a listed real estate investment trust security shall not conduct a gratis allotment of new investment unit subscription, or a split or reverse split of investment units or beneficiary rights pertaining to the listed real estate investment trust security which is likely to disrupt the secondary market or infringe upon the interests of unit-holders or beneficiaries.

2. The provisions of Rule 442 and Rule 449 shall be applied mutatis mutandis to the entity specified in Rule 1201-2, Paragraph 1, Item (1), and the provisions of Rule 443 and Rule 450 shall be applied mutatis mutandis to the issuer of a listed real estate investment trust security, etc.
Rule 1217. Ensuring Effectiveness
The provisions of Rules 501 through 504 and Rules 508 through 510 shall be applied mutatis mutandis to ensuring effectiveness of a listed real estate investment trust security.

Rule 1218. Delisting Criteria
1. The delisting criteria pertaining to an issuer of a listed real estate investment trust security shall be set forth pursuant to the provisions of each of the following items in accordance with the classification of a listed real estate investment trust security referred to in each such item. In this case, details of each such item shall be provided by the Enforcement Rules:

(1) Investment security:
The delisting criteria shall be set forth pursuant to the provisions of the following a. or b.:
  a. Where an investment corporation which is an issuer of a listed real estate investment trust security falls under the following (a) or (b), the Exchange shall delist such listed real estate investment trust security:
     (a) Where an issuer of a listed real estate investment trust security falls under any of reasons for dissolution referred to in Article 143 of the Investment Trust Act; or
     (b) Where an issuer of a listed real estate investment trust security has fallen into a status where it requires bankruptcy proceedings or rehabilitation proceedings pursuant to laws and regulations or a situation equivalent thereto; or
  b. Where an investment management company entrusted with business pertaining to management of assets of an investment corporation which is an issuer of a listed real estate investment trust security falls under any of the following (a) through (e), such listed real estate investment trust security shall be delisted; provided, however, that the same shall not apply to cases where the business which has been carried out by an asset management company entrusted with the business pertaining to management of such assets is taken over by another asset management company and such other investment management company submits a "Listing Agreement for a Real Estate Investment Trust Security" and a "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1204, Paragraph 7, and where such real estate investment trust security complies with each item of Rule 1206, Paragraph 1:
     (a) Where registration of financial instruments business expires pursuant to the provisions of Article 50-2, Paragraph 2 of the Act;
     (b) Where registration of financial instruments business is cancelled pursuant to the provisions of Article 52, Paragraph 1 or Article 54 of the Act;
     (c) Where an asset management company ceases to be a member of the Investment Trusts Association, Japan (General Incorporated Association);
     (d) Where an asset management company ceases to be an asset management company entrusted with business pertaining to management of assets of such investment corporation; or
     (e) Where an asset management company ceases to be an entity which carries out investment management business by receiving an alteration registration prescribed in Article 31, Paragraph 4 of the Act;

(2) Beneficial certificate of a trustor-instructed investment trust:
The delisting criteria shall be set forth pursuant to the provisions of the following a. or b.:
  a. Where an investment trust management company which is a trustor of an investment trust pertaining to a listed real estate investment trust security falls under any of the following (a) through (d), such listed real estate investment trust security shall be
delisted; provided, however, that the same shall not apply to cases where the business which has been carried out by an investment trust management company, which is a trustor of an investment trust pertaining to such real estate investment trust security, is taken over by another investment trust management company and, in addition, such other investment trust management company submits a "Listing Agreement for a Real Estate Investment Trust Security" and a "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1204, Paragraph 7, and where such real estate investment trust security complies with each item of Rule 1206, Paragraph 1:

(a) Where registration of financial instruments business expires pursuant to the provisions of Article 50-2, Paragraph 2 of the Act;
(b) Where registration of financial instruments business is cancelled pursuant to the provisions of Article 52, Paragraph 1 or Article 54 of the Act;
(c) Where an investment trust management company ceases to be a member of the Investment Trusts Association, Japan (General Incorporated Association); or
(d) Where an investment trust management company ceases to be an entity which carries out investment management business by receiving an alteration registration pursuant to the provisions of Article 31, Paragraph 4 of the Act; or

b. Where a business license or authorization concerning the operation of a trust business is revoked from a trust company, etc. which is a trustee of an investment trust pertaining to a listed real estate investment trust security, such listed real estate investment trust security shall be delisted; provided, however, that the same shall not apply to cases where the business which has been carried out by a trust company, etc. which is a trustee of an investment trust pertaining to such listed real estate investment trust security is taken over by another trust company, etc. and such other trust company, etc. submits a "Listing Agreement for a Real Estate Investment Trust Security" and a "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1204, Paragraph 7, and where such real estate investment trust security complies with each item of Rule 1206, Paragraph 1; and

(3) Beneficiary certificate of a non-trustor-instructed type investment trust:
Where a trust company, etc. which is a trustee of an investment trust pertaining to a listed real estate investment trust security falls under any of the following a. through c., such listed real estate investment trust security shall be delisted; provided, however, that the same shall not apply to cases where the business which has been carried out by a trust company, etc. which is a trustee of an investment trust pertaining to such listed real estate investment trust security is taken over by another trust company, etc. and such other trust company, etc. submits a "Listing Agreement for a Real Estate Investment Trust Security" and a "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1204, Paragraph 7, and where such real estate investment trust security complies with each item of Rule 1206, Paragraph 1:

a. Where a business license or authorization concerning the operation of a trust business is revoked from a trust company, etc.;

b. Where a trust company, etc. ceases to be a member of the Investment Trusts Association, Japan (General Incorporated Association); or

c. Where a trust company, etc. ceases to be a trustee of such investment trust.

2. Where a security pertaining to a listed real estate investment trust security falls under any of the following items, the security shall be delisted. In this case, details of each such item shall be provided by the Enforcement Rules:

(1) Where the ratio of the amount of real estate, etc. to the total amount of assets under
management, etc. has become less than 70% as of the end of every business period or every computation period pertaining to a listed real estate investment trust security, and does not reach 70% or more within a year;

(2) Where the ratio of the total amount of real estate, etc., real estate-related assets and current assets to the total amount of assets under management, etc. has become less than 95% as of the end of every business period or every computation period pertaining to a listed real estate investment trust security, and does not reach 95% or more within a year;

(3) Where distribution of money or distribution of revenue pertaining to a business period or a computation period has not been made, and distribution of money or distribution of revenue is not made within a year (excluding cases specified by the Enforcement Rules);

(4) Where the total net assets has become less than 500 million yen as of the end of every business period or every computation period pertaining to a listed real estate investment trust security, and does not reach 500 million yen or more within a year;

(5) Where the total assets have become less than 2.5 billion yen as of the end of every business period or every computation period pertaining to a listed real estate investment trust security, and do not reach 2.5 billion yen or more within a year;

(6) Where the number of listed investment units (excluding the number of own investment units (excluding investment units to be disposed in cases where a resolution to dispose own investment units has been made)) or the number of units of listed beneficiary rights is less than 4,000;

(7) Where trading volume during a year before the end of December of every year is less than 20 units;

(8) Delay in submission of a securities report or an interim report:
Where a securities report or an interim report to which an audit report or an interim audit report as in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or an audit firm is attached is not submitted to the Prime Minister, etc. within a month after a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act passes (within three (3) months in the event that such submission delay is due to reasons not attributable to an issuer of a listed real estate investment trust security such as an act of providence);

(9) Where the following a. or b. is met:
   a. Where there is a false statement in a securities report, etc. pertaining to a listed real estate investment trust security and the Exchange deems that it is clearly difficult to maintain order in the market if the REIT is not delisted immediately; or
   b. Regarding an audit report attached to financial statements, etc. or an interim audit report attached to interim financial statements, etc. pertaining to a listed real estate investment trust security, where certified public accountants or audit firms or those corresponding to these (excluding cases specified by the Enforcement Rules; the same shall apply hereinafter) state an "adverse opinion" or a fact that "opinions are not expressed" in an audit report and an "opinion that the interim financial statements, etc. do not provide useful information" or a fact that "opinions are not expressed" in an interim audit report and, in addition, the Exchange deems that it is clearly difficult to maintain order in the market if the REIT is not delisted immediately;

(10) Where an entity who had entered into a listing agreement pertaining to a listed real estate investment trust security has committed a material breach of the listing agreement as prescribed by the Enforcement Rules where an entity has committed a material breach as to matters taken on oath in the Written Oath submitted pursuant to the provisions of Rule 1204, Paragraph 1, or where an entity that should enter into a listing agreement ceases to be a party to the listing agreement; provided, however, that the same shall not apply to
cases where such entity (excluding an investment corporation) falls under any of the proviso of Paragraph 1, Item (1), Sub-item b., the proviso of Item (2), Sub-item a. of the same paragraph, the proviso of Sub-item b. of the same item or the proviso of Item (3) of the same paragraph;
(11) Concerning to a listed real estate investment trust security, where a refund of investment units requested by an investor or cancellation during a trust agreement period requested by a beneficiary becomes possible due to a change in a rule of an investment corporation or a trust deed of an investment trust;
(12) Where a business period or a computation period becomes less than six (6) months due to a change in a rule of an investment corporation or a trust deed of an investment trust;
(13) Where such issue ceases to be handled in the book-entry transfer operation of the designated book-entry transfer institution;
(14) Where a listed real estate investment trust security is an investment security, and where administrative works relating to the investor register have come not to be entrusted to an agent approved by the Exchange as specified by Rule 1205, Item (2), Sub-item m. or it has become certain that it will not be so entrusted;
(15) Where a listed real estate investment trust security is a beneficiary certificate, and where it becomes possible to carry out an additional trust pertaining to such investment trust due to a change in a trust deed of an investment trust in addition to cases where subscription is made by submitting a security registration statement pursuant to the provisions of the Act;
(16) Where a listed real estate investment trust security is a beneficiary certificate, and where an investment trust agreement pertaining to such beneficiary certificate terminates;
(17) Where a listed real estate investment trust security is a beneficiary certificate of a trustor-instructed investment trust, and where a change is made in a trust deed of an investment trust which will contain a statement that it is a securities investment trust; or
(18) Where it is found that the issuer of a listed real estate investment trust security has relationships prescribed in the Enforcement Rules as those in which the listed company is involved with anti-social forces, and when the Exchange deems such situation to have considerably damaged investors’ or beneficiaries’ trust in the market;
(19) In addition to each of the preceding items, where the Exchange deems that the delisting of such security is appropriate for the public interest or the protection of investors.

3. The provisions of Rule 607 shall be applied mutatis mutandis to examination pertaining to delisting pursuant to the provisions of the preceding two (2) paragraphs.

Rule 1219. Duty to Cooperate with the Exchange
1. Where the Exchange deems necessary to decide the appropriateness pertaining to delisting of a listed real estate investment trust security and requests certified public accountants, etc. (including entities who were such certified public accountants, etc.; the same shall apply in the following paragraph) who carry out audit certification of financial statements, etc. or interim financial statements, etc. to give explanation, etc. on the circumstances, etc., an issuer, etc. of a listed real estate investment trust security shall cooperate in this process.
2. Where the Exchange requests an issuer, etc. of a listed real estate investment trust security for the purpose of requiring such certified public accountants, etc. to provide an explanation, etc. on the circumstances, etc. pursuant to the provisions of the preceding paragraph, the issuer, etc. of a listed real estate investment trust security shall promptly submit a document stating that such certified public accountants, etc. shall agree to give explanation on the circumstances, etc.
Rule 1220. Delisting Day
Details of a delisting day in cases where delisting of a listed real estate investment trust security is decided shall be provided by the Enforcement Rules.

Rule 1221. Designation of Securities Under Supervision
Where a listed real estate investment trust security is likely to be delisted, the Exchange may designate such listed real estate investment trust security as a security under supervision to make investors aware of that fact pursuant to the provisions of the Enforcement Rules.

Rule 1222. Designation of Securities to be Delisted
Where a listed real estate investment trust security is decided to be delisted, the Exchange may designate such listed real estate investment trust security as a security to be delisted for a period until the day before the delisting day pursuant to the provisions of the Enforcement Rules to make investors aware of that fact.

Rule 1223. Fees Relating to Listing, etc.
An issuer of a real estate investment trust security and new investment unit subscription warrant securities pertaining to an initial listing application, and an issuer of a listed real estate investment trust security shall pay a listing examination fee, a preliminary examination fee, an initial listing fee, an additional listing fee at the time of additional issuance or additional trust, an annual listing fee and other fees relating to listing pursuant to the provisions of the Enforcement Rules.

Rule 1224. Succession at the Time of Technical Listing
In application of the provisions prescribed by the Enforcement Rules to an investment corporation which is an issuer of a listed real estate investment trust security in cases where an investment corporation which is an issuer of such listed real estate investment trust security is an investment corporation listed upon the application of the provisions of Rule 1207 (including a listed real estate trust security issued by said investment corporation and an asset management company which was entrusted with operations of asset management for said investment corporation; hereinafter the same in this rule), the investment corporation which is an issuer of said listed real estate investment trust security shall be treated by deeming that it is the same investment corporation as that the corporation delisted in accompaniment of the application of the provisions of the same rule; provided, however, the same shall not apply if the Exchange deems it inappropriate.

Rule 1225. Application Mutatis Mutandis
The provisions of Rule 424, Rule 429, Rule 608 and Rule 612 shall be applied mutatis mutandis to a real estate investment trust security.

Chapter 3
Venture Funds

Rule 1301. Initial Listing Application of Venture Fund
1. An initial listing of a venture fund shall be based on application of an investment corporation that is the issuer of such venture fund (hereinafter referred to as a "venture fund-issuing investment corporation") and an asset management company that has been entrusted with operations pertaining to management of such assets by such investment corporation.
Rule 1302. Preliminary Application
1. An venture fund-issuing investment corporation and a venture fund asset management company which intend to make an application for initial listing (excluding an entity to whom the provisions of Rule 1307 are applied) may make a preliminary application by submitting an "Securities Initial Listing Preliminary Application" that contains such matters as the planned day for making an initial listing application and other matters, and documents prepared in a manner equivalent to documents required for an initial listing application on or after a day which is three (3) months prior to the day on which such initial listing application will be made.
2. Where a preliminary application is made pursuant to the provisions of the preceding paragraph, the Exchange shall conduct examination as to whether it has the likelihood of satisfying the provisions of Rule 1305 and Rule 1306.
3. The provisions of Rule 1304, Paragraph 5 shall be applied mutatis mutandis to the examination referred to in the preceding paragraph.

Rule 1303. Listing Agreements, etc.
1. Where the Exchange lists a venture fund pertaining to an initial listing application, a venture fund-issuing investment corporation and a venture fund asset management company pertaining to an initial listing application (hereinafter referred to as a "venture fund initial listing applicant") shall submit a "Listing Agreement for a Venture Fund" predetermined by the Exchange as prescribed by the Enforcement Rules.
2. The listing agreement referred to in the preceding paragraph shall become effective as of the listing day of a venture fund pertaining to an initial listing application.
3. The Exchange shall enroll the issue in the listed securities ledger on the listing day of a venture fund pertaining to an initial listing application.

Rule 1304. Documents to be Submitted Pertaining to Initial Listing Application, etc.
1. A venture fund initial listing applicant that intends to make an application for initial listing of a venture fund shall submit a "Security Initial Listing Application Form" predetermined by the Exchange and a "Written Oath Pertaining to Initial Listing Application" predetermined by the Exchange pursuant to the provisions of the Enforcement Rules.
2. Documents specified by the Enforcement Rules shall be attached to the "Security Initial Listing Application Form" prescribed in the preceding paragraph.
3. Where an initial listing application is made before establishment pursuant to the provisions of Rule 1301, Paragraph 2, documents which cannot be submitted at the time of the initial listing application (limited to those deemed inevitable by the Exchange on a case-by-case basis), out of the attached documents specified by the preceding paragraph, will suffice, if they are submitted immediately after submission becomes possible.
4. Where a venture fund initial listing applicant gives notification or submits notice concerning offering or secondary offering regarding an initial listing issue to the Prime Minister, etc. during the period after the day one (1) year prior to the end of the business period immediately prior to the initial listing application day and before the day on which listing is made, or where it falls under any other cases specified by the Enforcement Rules, such applicant shall submit documents specified by the Enforcement Rules pursuant to the provisions of the Enforcement Rules.

5. The Exchange may, if it deems necessary for listing examination, request a venture fund initial listing applicant to submit informational reports or materials in addition to the documents prescribed in each of the preceding paragraphs and/or to provide cooperation in listing examination.

6. Where the Exchange approves listing of a venture fund, the venture fund initial listing applicant shall agree that the Exchange makes documents specified by the Enforcement Rules available for public inspection, out of the documents submitted pursuant to the provisions of each of the preceding paragraphs, before and after the listing (including after the venture fund initial listing applicant become a venture fund-issuing investment corporation and a venture fund asset management company pertaining to the listed venture fund).

7. Where the Exchange approves listing of a venture fund, the venture fund initial listing applicant shall submit the "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" predetermined by the Exchange.

**Rule 1305. Formal Requirements of Listing Examination**

Listing examination of a venture fund shall be carried out on a venture fund that meets each of the following items. In this case, details of each such item shall be provided by the Enforcement Rules:

1. A venture fund asset management company shall be a member of the Investment Trusts Association, Japan (General Incorporated Association).

2. An initial listing application issue shall meet the following a. through h.:
   a. Ratio of assets under management, etc.:
      The ratio of the amount specified by the Enforcement Rules out of the sum of investment in unlisted stocks, etc., unlisted stocks, etc.-related assets, and stocks, etc. within five (5) years of listing to the total amount of assets under management, etc. (hereinafter referred to as "unlisted stocks, etc. investment amount") is expected to reach at least 70%, and the ratio of the amount of investment in unlisted stocks, etc. to unlisted stocks, etc. investment amount is expected to reach at least 50%.
   b. Number of listed investment units:
      The number of listed investment units is expected to reach at least 2,000 units by the time of listing;
   c. Total net assets:
      The total net assets are expected to reach at least JPY 3 billion by the time of listing;
   d. Distribution of investment units:
      The following (a) and (b) are satisfied:
      (a) The total number of investment units held by major investors is expected to reach at most 80% by the time of listing;
      (b) The number of investors holding at least one (1) investment unit, excluding major investors, is expected to reach at least 300 by the time of listing;
   e. False statement or adverse opinion, etc.:
      The following (a) and (b) are satisfied:
(a) No false statement is made in the securities reports, etc. which contain or make reference to financial statements, etc. for each business period ended in the last two (2) years (limited to the period after the venture fund-issuing investment corporation pertaining to such initial listing application was established; the same shall apply in this e.) or interim financial statements, etc. for each such business period;
(b) An audit report attached to financial statements, etc. for each business period ended within the last two (2) years or an interim audit report attached to interim financial statements, etc. for a business period ended in the last year contain an "unqualified opinion" or a "qualified opinion with exceptions," or an "opinion that the interim financial statements, etc. provide useful information" or a "qualified opinion with exceptions" by certified public accountants, etc.; provided, however, that the same shall not apply to cases specified by the Enforcement Rules;

f. Matters contained in the certificate of incorporation:
The certificate of incorporation of a venture fund-issuing investment corporation pertaining to initial listing application shall contain the matters referred to in the follow (a) through (g):
(a) The ratio of the unlisted stocks, etc. investment amount to total assets under management, etc. shall be at least 70%, and the ratio of the amount of investment in unlisted stocks, etc. to the unlisted stocks, etc. investment amount shall be at least 50%, as a general rule;
(b) Assets other than unlisted stocks, etc., unlisted stocks, etc.-related assets, and stocks, etc. within five (5) years of listing shall be for the purpose of reducing risks, such as losses due to price fluctuations pertaining to current assets, etc. and assets under management, etc., and those assets are limited to rights and other assets pertaining to transactions for which such reduction in such losses and other risks is objectively recognized; provided, however, that this shall not apply to cases specified by the Enforcement Rules;
(c) Investments in a specific investment destination shall not exceed 10% of total net assets at the time of acquisition;
(d) Money shall not be distributed in excess of income available for dividends;
(e) Borrowing of funds shall not be conducted and investment corporation bonds shall not be offered;
(f) No refund of investment units shall be made upon demand from investors;
(g) The period defined as a business period shall be at least six (6) months;

g. Handling by the designated book-entry transfer institution:
The relevant venture fund is subject to the book-entry transfer operation of the designated book-entry transfer institution, or is likely to be so by the time of listing;
h. Establishment of an administrator of the investor register:
The administrator of the investor register prescribed in Article 166, Paragraph 2, Item (8) of the Investment Trust Act is approved by the Exchange as an organization as specified by the Enforcement Rules.

Rule 1306. Listing Examination
1. Listing examination of a venture fund shall be carried out as to whether or not it satisfies each of the following items:
(1) Rating of unlisted stocks, etc. and unlisted stocks, etc.-related assets which are assets under management, etc. can be carried out in an appropriate manner;
(2) A venture fund initial listing applicant is in a state where disclosure of information concerning such venture fund can be carried out in an appropriate manner; and
(3) In addition to the above, the listing is not deemed inappropriate from the viewpoint of the public interest or investor protection.

2. Examination concerning whether or not matters enumerated in each item of the preceding paragraph are satisfied shall be carried out on the basis of initial listing application documents concerning a venture fund (meaning documents submitted by the venture fund initial listing applicant pursuant to the provisions of Rule 1304) and inquires.

3. Necessary matters concerning examination referred to in Paragraph 1 shall be prescribed by the Guidelines Concerning Listing Examination, etc.

**Rule 1307. Technical Listing**

1. Notwithstanding the provisions of the preceding two (2) rules, in the cases referred to in each of the following items, where an application is made without delay for initial listing of a venture fund issued by an investment corporation surviving after a merger or an investment corporation created by a merger, listing examination shall be carried out pursuant to the criteria specified in each of such items:

   (1) Where a venture fund-issuing investment corporation pertaining to a listed venture fund is merged through an absorption-type merger by a venture fund-issuing investment corporation pertaining to an unlisted venture fund, and such listed venture fund is to be delisted as a result of a dissolution due to such absorption-type merger:

       Rule 1305, Item (1) and Item (2), Sub-items a., b., and Sub-items e. through h. shall be satisfied;

   (2) Where a venture fund-issuing investment corporation pertaining to a listed venture fund carries out a merger to create a new company with a venture fund-issuing investment corporation pertaining to another listed venture fund, and such listed venture fund is to be delisted as a result of a dissolution due to such merger to create a new company:

       a. Rule 1305, Item (1), and Item (2), Sub-item b. and Sub-items f. through h. shall be satisfied; and

       b. Where a venture fund-issuing investment corporation pertaining to such listed venture fund falls under the first sentence of Rule 1318, Paragraph 2, Item (1), the venture fund-issuing investment corporation pertaining to initial listing application is unlikely to fall under the first sentence of the same item by the time of the initial listing.

   (3) Where a venture fund-issuing investment corporation pertaining to a listed venture fund carries out a merger to create a new company with a venture fund-issuing investment corporation pertaining to an unlisted venture fund, and such listed venture fund is to be delisted as a result of a dissolution due to such merger to create a new company:

       a. Rule 1305, Item (1), and Item (2), Sub-items a. and b. and Sub-items f. through h. shall be satisfied; and

       b. Such unlisted venture fund shall satisfy Rule 1305, Item (2), Sub-item e. In this case "venture fund-issuing investment corporation pertaining to an initial listing application" in Sub-item e (a) shall be read "venture fund-issuing investment corporation pertaining to an unlisted venture fund" when applying the provisions of Sub-item e (a).

2. The listing day of a venture fund which is to be listed pursuant to the provisions of the preceding paragraph shall be the day on which an absorption-type merger or a merger for creating a new company becomes effective; provided, however, that the same shall not apply to cases where listing is impossible or difficult on such day because of the timing of initial listing application, etc.

**Rule 1308. Public Offering or Secondary Offering, etc. Before Listing**

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.
Necessary matters concerning (i) a public offering (meaning a new issuance of a venture fund by general offering; the same shall apply hereinafter in this chapter) or secondary offering (excluding a public offering or secondary offering of an issue to which the provisions of the preceding rule apply concerning listing examination and a public offering or secondary offering of a venture fund listed on another financial instruments exchange in Japan) carried out during the period from the day on which an application for initial listing of a venture fund is made to the day preceding the listing day, public offering at the time of the establishment of an investment corporation (limited to cases where an application for initial listing of a venture fund to be issued by such investment corporation is promptly made after the establishment) and an issuance of a venture fund carried out before listing (excluding an issuance pertaining to an issue to which the provisions of the preceding rule apply concerning listing examination and an issuance pertaining to a venture fund listed on another financial instruments exchange in Japan) shall be as specified by the Enforcement Rules.

Rule 1309. Listing Application for New Securities
1. Where an application is made for listing a new venture fund that is not listed on the Exchange by a venture fund-issuing investment corporation pertaining to a listed venture fund, the venture fund-issuing investment corporation or the venture fund asset management company pertaining to such listed venture fund shall submit a "Security Listing Application Form" predetermined by the Exchange.
2. Where a venture fund-issuing investment corporation or a venture fund asset management company pertaining to a listed venture fund, it shall, as a general rule, take procedures for listing application referred to in the preceding paragraph prior to such issuance each time.
3. Where the Exchange lists the new venture fund specified in Paragraph 1 based on listing application referred to in the same paragraph, it shall amend descriptions contained in the listed securities ledger on the listing day.

Rule 1310. Listing of New Securities
Where a listing application is made pursuant to the provisions of the preceding rule, the Exchange shall, as a general rule, approve listing as referred to in each of the following items. In this case, the handling shall be as specified by the Enforcement Rules.
(1) Where a venture fund to be newly issued by a venture fund-issuing investment corporation pertaining to a listed venture fund has rights different from those of a listed venture fund, and meets criteria specified by the Enforcement rules, such venture fund shall be listed when it is issued.
(2) Other than the case in the preceding item, a venture fund to be newly issued shall be listed in addition to a listed venture fund when it is issued (in cases of a venture fund having rights different from those of a listed venture fund, when such rights become the same).

Rule 1311. Alteration Listing Application
1. Where a venture fund-issuing investment corporation and a venture fund asset management company pertaining to a listed venture fund (hereinafter referred to as "a listed venture fund issuer, etc.") intend to alter the name, quantity, etc. of such venture fund, either entity of the listed venture fund issuer, etc. shall submit a "Security Alteration Listing Application Form" predetermined by the Exchange.
2. Where the Exchange makes alteration listing pursuant to the provisions of the preceding paragraph, it shall make changes to descriptions in the listed securities ledger on the listing day.
Rule 1312. Disclosure of Information Concerning Listed Venture Funds

1. A listed venture fund issuer, etc. shall carry out timely disclosure of information concerning such listed venture fund, listed venture fund issuer, etc., and assets under management, etc. of a listed venture fund.

2. Where a listed venture fund issuer, etc. fall under any of the following items (excluding, in cases of matters referred to in Item (1) and Item (3), those which the Exchange deems as matters whose impact on investors’ investment decisions is of minor significance, such as cases which fall under the criteria specified by the Enforcement Rules), it shall disclose details immediately pursuant to the provisions of the Enforcement Rules:

   (1) Where a venture fund-issuing investment corporation pertaining to a listed venture fund has decided to carry out any of the matters referred to in the following a. through n. (including cases where it has decided not to carry out a matter pertaining such decision):
      a. Split or reverse split of investment units;
      b. Additional issuance or secondary offering of investment units;
      c. Merger;
      d. Alteration of the certificate of incorporation or dissolution;
      e. Application pertaining to delisting of a venture fund to a financial instruments exchange in Japan;
      f. Petition for commencement of bankruptcy proceedings or commencement of rehabilitation proceedings;
      g. Change in certified public accountants, etc. who prepare audit certification of financial statements, etc. or interim financial statements, etc. that are contained in a securities report or a semi-annual report;
      h. Change in the unlisted stocks, etc. rating institution;
      i. Change in officers;
      j. Money distribution;
      k. Change in the number of units per investment unit;
      l. No entrustment of administrative works regarding investor register to an institution approved by the Exchange;
      m. Deducting all or part of loss from the total amount of capital contribution, etc. pursuant to the provisions of Article 136, Paragraph 2 of the Investment Trust Act; or
      n. Other than the matters referred to in the preceding a. through m., important matters related to administration, operation, or assets of a listed venture fund or a venture fund-issuing investment corporation pertaining to a listed venture fund, which have a remarkable impact on investors’ investment decisions;

   (2) Where any of the facts referred to in the following a. through k. has occurred to a venture fund-issuing investment corporation pertaining to a listed venture fund:
      a. Business improvement order, cancellation of registration, or other dispositions equivalent thereto imposed by an administrative agency based on laws and regulations or accusation pertaining to violation of laws and regulations by an administrative agency;
      b. Falling under reasons for dissolution in accordance with laws and regulations;
      c. Falling into a state where commencement of bankruptcy proceedings or commencement of rehabilitation proceedings pursuant to the provisions of laws and regulations is required, or a state equivalent thereto;
      d. The amount of net assets is likely to fall below the base net asset value specified in Article 124, Paragraph 1 of the Investment Trust Act;
      e. Change in certified public accountants, etc. who carry out audit certification of financial
statements, etc. or interim financial statements, etc. contained in a securities report or a semi-annual report (excluding cases where a body which decides business execution has made a decision to change such certified public accountants, etc. (including cases where it has made a decision that it will not carry out matters pertaining to such decision) and details have been disclosed pursuant to the provisions of Sub-item g. of the preceding item);

f. Change in the unlisted stocks, etc. rating institution (excluding cases where a body which decides business execution has made a decision to change such unlisted stocks, etc. rating institution (including cases where it has made a decision that it will not carry out matters pertaining to such decision) and disclosure of the details has been conducted pursuant to the provisions of Sub-item h. of the preceding item)

g. A securities report or a semi-annual report to which an audit report or an interim audit report specified in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or an audit firm is attached is not expected to be submitted to the Prime Minister, etc. within a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act or has not been submitted within such period (except cases where disclosure that such reports are unlikely to be submitted within said period was conducted), was submitted after such disclosure had been made, or has received the approval of the Prime Minister, etc. related to the extension of such period;

h. Request of investors for convocation of general investors meeting

i. Where a notice of canceling an entrustment agreement of administrative works related to the investor register has been received, or administrative works related to the investor register are unlikely to be entrusted to an institution approved by the Exchange, or it has been decided that administrative works related to the investor register would not be entrusted to an institution approved by the Exchange;

j. Demand by investors for ceasing issuance of investment securities by investors; or

k. Other than the facts referred to in the preceding a. through j., important facts concerning administration, operations, or assets of a listed venture fund or a venture fund-issuing investment corporation pertaining to a listed venture fund, which have a remarkable impact on investors’ investment decisions;

(3) Where a venture fund asset management company pertaining to a listed venture fund has made a decision that it will carry out any of the matters referred to in the following a. through i. (including cases where it has decided that it will not carry out matters pertaining to such decision):

a. Application pertaining to delisting of a venture fund to a financial instruments exchange in Japan;

b. Merger;

c. Petition for commencement of bankruptcy proceedings, rehabilitation proceedings, or reorganization proceedings;

d. Dissolution (excluding dissolution by a merger);

e. Cessation of operations pertaining to asset management;

f. Demerger (limited to cases where the whole business is inherited);

g. Transfer of the whole business;

h. Application for an authorization or approval by, or notification made to the Prime Minister, etc. in accordance with laws; or

i. Other than the matters referred to in the preceding a. through h., important matters concerning administration, operations, or assets of a listed venture fund or a venture fund asset management company pertaining to a listed venture fund, which have a
remarkable impact on investors’ investment decisions.

4. Where any of the facts referred to in the following a. through e. has occurred to a venture fund asset management company pertaining to a listed venture fund:
   a. Business improvement order, cancellation of registration, or other dispositions equivalent thereto imposed by an administrative agency in accordance with laws and regulations or accusation pertaining to violation of laws and regulations by an administrative agency;
   b. Where it ceases to be a member of the Investment Trusts Association, Japan (General Incorporated Association);
   c. Where it ceases to be a venture fund asset management company pertaining to such listed venture fund;
   d. Petition for commencement of bankruptcy proceedings or rehabilitation proceedings filed by an entity, such as creditor, that is other than a venture fund asset management company pertaining to such listed venture fund;
   e. Other than the facts referred to in the preceding a. through d., important facts concerning administration, operations, or assets of a listed venture fund or a venture fund asset management company pertaining to a listed venture fund, which have a remarkable impact on investors’ investment decisions.

3. With regard to timely disclosure of information of assets under management, etc. of a listed venture fund, where a listed venture fund issuer, etc. falls under any of the following items (excluding, with regard to matters referred to in Item (1), cases of falling under those which the Exchange deems as matters whose impact on investors’ investment decisions is of minor significance, such as a case of falling under the criteria specified by the Enforcement Rules), such listed venture fund issuer, etc. shall disclose the details immediately pursuant to the provisions of the Enforcement Rules:
   (1) Where a venture fund asset management company pertaining to a listed venture fund has decided that it will carry out matters referred to in the following a. or b. (including cases where it has decided that it will not carry out matters pertaining to such decision).
      a. Transfer or acquisition of assets pertaining to assets under management, etc.; or
      b. Other than matters referred to in the preceding a., important matters concerning assets under management, etc. which have a remarkable impact on investors’ investment decision.
   (2) Where any of the facts referred to in the following a. through d. has occurred to assets under management, etc.
      a. Where an unlisted stock, etc. is listed on a financial instruments exchange (including cases where such listing is postponed or cancelled);
      b. Where a stock, etc. listed on a financial instruments exchange in Japan or a stock, etc. listed or continuously traded on a financial instruments exchange in a foreign country is delisted, or their registration is cancelled;
      c. Where an issuer of unlisted stocks, etc. or unlisted stocks, etc.-related assets or an entity other than such issuer has filed a petition for commencement of bankruptcy proceedings, rehabilitation proceedings, or reorganization proceedings for an issuer of an unlisted stock, etc. or unlisted stocks, etc.-related assets, or where the Enforcement Rules specifies as a state equivalent thereto; or
      d. Other than matters referred to in the preceding a. though c., facts concerning important assets under management, etc. which have a material impact on investors' investment decisions.

4. Where details of account settlement of a listed venture fund pertaining to a business period or interim business period pertaining to a listed venture fund (including information
specified by the Enforcement Rules) are fixed, a listed venture fund issuer, etc. shall disclose such details immediately.

5. A listed venture fund issuer, etc. shall disclose net asset value per unit of such listed venture fund on a weekly basis.

6. A listed venture fund issuer, etc. shall disclose matters referred to in each of the following items concerning assets under management, etc. on a monthly basis.
   (1) Issues of stocks, etc. within five (5) years of listing;
   (2) An overview of an issuer of an unlisted stock, etc. and unlisted stocks, etc.-related assets; and
   (3) The most recent state of management and a short term-management policy.

7. The provisions of Rule 412 shall be applied mutatis mutandis to examination, etc. on disclosure of corporate information of a listed venture fund issuer, etc.

8. The provisions of Rule 401, Rule 411-2, Rules 413 to 414, and Rule 416 shall be applied mutatis mutandis to disclosure pursuant to the provisions of each of the preceding items. In addition, the provisions of Rule 415, Rule 417, and Rule 443 shall be applied mutatis mutandis to a listed venture fund issuer, etc.

Rule 1313. Submission of Documents, etc.
1. Submission of documents, etc. to the Exchange by a venture fund-issuing investment corporation pertaining to a listed venture fund shall be conducted as specified by the Enforcement Rules.
2. A listed venture fund issuer, etc. shall agree that it shall submit documents, other than those in the preceding paragraph, which are requested based on justifiable reasons by the Exchange without delay and that, out of such documents submitted, the Exchange will make documents deemed necessary available for public inspection.

Rule 1314. Written Confirmation Regarding the Appropriateness and Accuracy of Securities Reports, etc.
Where a venture fund-issuing investment corporation pertaining to a listed venture fund has submitted a securities report or an semi-annual report to the Prime Minister, etc. or where it has delivered a management report to investors, it shall submit to the Exchange without delay a written document which states that the representative of such venture fund-issuing investment corporation pertaining to a listed venture fund acknowledges that there is no false statement in such securities report, semi-annual report, or management report as of the time of submission or delivery, as well as reasons for such fact pursuant to the provisions of the Enforcement Rules. In this case, such venture fund-issuing investment corporation pertaining to a listed venture fund shall agree that the Exchange will make such documents available for public inspection.

Rule 1315. Effective Day of Investment Unit Split, etc.
1. Where a listed venture fund issuer, etc. conducts an investment unit split pertaining to a listed venture fund, they shall set the day following the record date to fix entities receiving rights to such split as an effective day of such split.
2. Where certain requirements such as necessity of resolution by general investors meeting need to be satisfied in the case prescribed in the preceding paragraph, a listed venture fund issuer, etc. shall set a day that falls on or after the third day (excluding non-business days) counting from a day on which the split in the preceding paragraph is determined to be conducted as a record date for fixing the entities eligible for rights to such split.

Rule 1316. Code of Conduct concerning Listed Venture Fund
A listed venture fund issuer, etc. shall not conduct a split or reverse split of the investment unit pertaining to a listed venture fund which is likely to disrupt the secondary market or infringe upon investor interests.

**Rule 1317. Ensuring Effectiveness**
The provisions of Rules 501 through 504 and Rules 508 through 510 shall be applied mutatis mutandis to ensuring of effectiveness for listed venture funds.

**Rule 1318. Delisting Criteria**
1. Where a listed venture fund falls under any of the following items, such venture fund shall be delisted. In these cases, handling of each such item shall be specified by the Enforcement rules.
   (1) Where a venture fund-issuing investment corporation pertaining to a listed venture fund falls under any of the following sub-items, such listed venture fund shall be delisted.
   a. Where such investment corporation falls under reasons for dissolution in accordance with laws and regulations;
   b. Where such investment corporation falls into a state where it requires bankruptcy proceedings or rehabilitation proceedings pursuant to the provisions of laws or a status equivalent thereto; or
   c. Where such investment corporation ceases entrustment to an unlisted stocks, etc. rating institution.
   (2) Where a venture fund asset management company pertaining to a listed venture fund falls under any of the following a. through c., such listed venture fund shall be delisted; provided, however, that the same shall not apply to cases where the business which has been carried out by an asset management company entrusted with the business pertaining to management of such assets is taken over by another asset management company and such other asset management company submits a "Listing Agreement for Venture Fund" and a "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1304, Paragraph 7, and such listed venture fund satisfies each item of Rule 1306, Paragraph 1.
   a. Where license, approval, or registration, etc. required for operations pertaining to asset management of an investment corporation has expired, been cancelled, or changed, and has ceased operations as an asset management company;
   b. Where an asset management company ceases to be a member of the Investment Trusts Association, Japan (General Incorporated Association);
   c. Where an asset management company ceases to be a venture fund asset management company pertaining to such listed venture fund;
2. Where an issue of a listed venture fund falls under any of the following items, such issue shall be delisted. Handling of each such item in these cases shall be specified by the Enforcement Rules.
   (1) Ratio of assets under management, etc.
   Where, on the last day of the business period of a venture fund-issuing investment corporation pertaining to a listed venture fund, the ratio of the unlisted stocks, etc. investment amount to the total amount of assets under management, etc. has fallen below 70%, or the ratio of the amount of investment in unlisted stocks, etc. to the unlisted stocks, etc. investment amount has fallen below 50%, and then the ratio of the unlisted stocks, etc. investment amount to the total amount of assets under management, etc. does not reach at least 70%, and the ratio of the amount of investment in unlisted stocks, etc. to the unlisted stocks, etc. investment amount does not reach at least 50%; provided, however,
that the same shall not apply to cases specified by the Enforcement Rules.

(2) The number of listed investment units

The number of listed investment units is less than 2,000 units.

(3) Trading volume

Trading volume for one (1) year prior to the end of every December is less than 60 units.

(4) Delayed submission of securities report, etc.

A securities report or a semi-annual report to which an audit report or an interim audit report specified in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or an audit firm is attached is not submitted to the Prime Minister, etc. within a month since a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act has passed (within three (3) months in the case where such delayed submission is due to reasons not attributable to a venture fund-issuing investment corporation pertaining to a listed venture fund, such as an act of providence);

(5) False statement or adverse opinion, etc.

Where falling under the following a. or b.

a. False statement is contained in a securities report, etc. pertaining to a listed venture fund, and the Exchange deems that it is clearly difficult to maintain order in the market if the venture fund is not delisted immediately;

b. Concerning an audit report attached to financial statements, etc. or an interim audit report attached to interim financial statements, etc. pertaining to a listed venture fund, a certified public accountant, etc. state an "adverse opinion" or a fact that "opinions are not expressed" in an audit report (excluding cases specified by the Enforcement Rules; hereinafter the same in this b.), or a "opinion that the interim financial statements, etc. do not provide useful information" or a fact that "opinions are not expressed" in an interim audit report, and the Exchange deems that it is clearly difficult to maintain order in the market if the venture fund is not delisted immediately;

(6) Breach of listing agreement, etc.:

Where a listed venture fund issuer, etc. has committed a material breach of the listing agreement as specified by the Enforcement Rules, where they have committed a material breach as to matters taken on oath in the Written Oath submitted pursuant to the provisions of Rule 1304, Paragraph 1, or where an entity that should conclude a listing agreement ceases to be a party to the listing agreement; provided, however, that the same shall not apply to cases where a venture fund asset management company pertaining to a listed venture fund falls under the proviso of Item (2) of the preceding paragraph;

(7) Matters contained in the certificate of incorporation:

With respect to the certificate of incorporation of a venture fund-issuing investment corporation pertaining to a listed venture fund, any of the changes referred to in the following a. through g. shall be made:

a. The provisions that the ratio of the unlisted stocks, etc. investment amount to total assets under management, etc. shall be at least 70%, and that the ratio of amount of investment in unlisted stocks, etc. to the unlisted stocks, etc. investment amount shall, as a general rule, be at least 50% are deleted;

b. The provisions that assets other than unlisted stocks, etc., unlisted stocks, etc.-related assets, and stocks, etc. within five (5) years of listing shall be for the purpose of reducing risks, such as losses due to price fluctuations pertaining to current assets, etc. and assets under management, etc., and that those assets are limited to rights and other assets pertaining to transactions for which such reduction in such losses and other risks is objectively recognized are deleted; provided, however, that this shall not apply to...
cases specified by the Enforcement Rules;

c. The provisions that investments in a specific investment destination shall not exceed 10% of total net assets at the time of acquisition are deleted;

d. The provisions that money shall not be distributed in excess of income available for dividends are deleted;

e. The provisions that borrowing of funds shall not be conducted and that investment corporation bonds shall not be offered are deleted;

f. Refund of investment units shall be possible upon demand from investors; or

g. A business period shall be less than six (6) months;

(8) Handling by the designated book-entry transfer institution:
The relevant venture fund ceases to be subject to the book-entry transfer operation of the designated book-entry transfer institution;

(9) Establishment of an administrator of the investor register:
Administrative works concerning the investor register has ceased to be entrusted to the institution approved by the Exchange as prescribed in Rule 1305, Item (2), Sub-item h, or has become sure to not be entrusted;

(10) Influence of anti-social forces
Where it is revealed that a listed venture fund issuer, etc. has relationship specified by the Enforcement Rules as being subject to influence of anti-social forces, the Exchange recognizes that such fact remarkably undermines investors' confidence in market of the Exchange; or

(11) Other
Other than the preceding items, the Exchange deems that delisting of such issue is appropriate from the viewpoints of the public interest or investor protection.

3. The examination referred to in Item (1) of the preceding paragraph may be conducted based on current documents which are not as of the end of each business period for a venture fund-issuing investment corporation pertaining to a listed venture fund, as specified by the Exchange.

4. The provisions of Rule 607 shall be applied mutatis mutandis to examination pertaining to delisting pursuant to the provisions of the preceding three (3) paragraphs.

Rule 1319. Duty to Cooperate with the Exchange

1. Where the Exchange deems it necessary to determine whether a listed venture fund falls under circumstances pertaining to delisting and requests certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. (including entities who were such certified public accountants, etc.; the same shall apply in the following paragraph) to give explanation, etc. on the circumstances, etc., listed venture fund issuers, etc. shall cooperate in this process.

2. Where the Exchange makes a request a listed venture fund issuer, etc. for the purpose of requesting such certified public accountants, etc. to provide an explanation, etc. on the circumstances, etc., pursuant to the provisions of the preceding paragraph, such listed venture fund issuer, etc. shall promptly submit a document stating that such certified public accountants, etc. shall agree to give explanation, etc. on the circumstances, etc.

Rule 1320. Delisting Day
Where the delisting of a listed venture fund is determined, the delisting day shall be handled pursuant to the provisions of the Enforcement Rules.

Rule 1321. Designation of Securities Under Supervision

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.
Where a listed venture fund is likely to be delisted, the Exchange may designate, pursuant to the provisions of the Enforcement Rules, such listed venture fund as a Security Under Supervision in order to make investors aware of that fact.

**Rule 1322. Designation of Securities to Be Delisted**
Where a listed venture fund is determined to be delisted, the Exchange may designate, pursuant to the provisions of the Enforcement Rules, such listed venture fund as a Security to Be Delisted for a period until the day before the delisting day in order to make investors aware of that fact.

**Rule 1323. Fees Relating to Listing**
A venture fund-issuing investment corporation pertaining to an initial listing application and a venture fund-issuing investment corporation pertaining to a listed venture fund shall pay a listing examination fee, preliminary examination fee, initial listing fee, additional listing fee at the time of additional issuance, annual listing fee and other fees relating to listing pursuant to the provisions of the Enforcement Rules.

**Rule 1324. Succession at the Time of Technical Listing**
In application of the provisions prescribed by the Enforcement Rules to a venture fund-issuing investment corporation pertaining to a listed venture fund in cases where such venture fund-issuing investment corporation pertaining to a listed venture fund is listed upon the application of the provisions of Rule 1307 (including a venture fund issued by such investment corporation and a venture fund asset management company; the same shall apply in this rule), a venture fund-issuing investment corporation pertaining to such listed venture fund shall be treated by deeming that it is the same as a venture fund investment corporation that is delisted due to the application of the provisions of the same rule; provided, however, the same shall not apply if the Exchange deems it inappropriate.

**Rule 1325. Provisions Applying Mutatis Mutandis**
The provisions of Rule 424, Rule 429, Rule 608, and Rule 612 shall be applied mutatis mutandis to venture funds.

**Chapter 4**
**Country Funds**

**Rule 1401. Initial Listing Application of Country Fund**
1. An initial listing of a country fund shall be based on application of a foreign investment corporation that is the issuer of such country fund (hereinafter referred to as a "country fund-issuing investment corporation") and an asset management company that has been entrusted with operations pertaining to management of such assets by such foreign investment corporation (hereinafter referred to as a "country fund asset management company").
2. Examination on a country fund pertaining to an initial listing application shall be conducted pursuant to the provisions of Rules 1405 and 1406.

**Rule 1402. Preliminary Application**
1. A country fund-issuing investment corporation and a country fund asset management company which intend to make an application for initial listing may make a preliminary application by submitting an "Securities Initial Listing Preliminary Application" that contains such matters as the planned day for making an initial listing application and other matters,
and documents prepared in a manner equivalent to documents required for an initial listing application on or after a day which is three (3) months prior to the day on which such initial listing application will be made.

2. Where a preliminary application is made pursuant to the provisions of the preceding paragraph, the Exchange shall conduct examination as to whether it has the likelihood of satisfying the provisions of Rule 1405 and Rule 1406.

3. The provisions of Rule 1404, Paragraph 5 shall be applied mutatis mutandis to the examination referred to in the preceding paragraph.

Rule 1403. Listing Agreements, etc.
1. Where the Exchange lists a country fund pertaining to an initial listing application, a country fund-issuing investment corporation pertaining to the initial listing application shall submit a "Listing Agreement for Country Fund" predetermined by the Exchange as prescribed by the Enforcement Rules.

2. The listing agreement referred to in the preceding paragraph shall become effective as of the listing day of the country fund pertaining to the initial listing application.

3. The Exchange shall enroll the issue in the listed securities ledger on the listing day of a country fund pertaining to an initial listing application.

Rule 1404. Documents to be Submitted Pertaining to Initial Listing Application, etc.
1. A country fund-issuing investment corporation and a country fund asset management company pertaining to an initial listing applicant (hereinafter referred to as a "country fund initial listing applicant) submit, when making an initial listing application, a "Security Initial Listing Application Form" predetermined by the Exchange and a "Written Oath Pertaining to Initial Listing Application" predetermined by the Exchange pursuant to the provisions of the Enforcement Rules.

2. Documents specified by the Enforcement Rules shall be attached to the "Security Initial Listing Application Form" prescribed in the preceding paragraph.

3. Where a country fund initial listing applicant gives notification or submits notice concerning offering or secondary offering regarding an initial listing issue to the Prime Minister, etc. during the period after the day one (1) year prior to the end of the business period immediately prior to the initial listing application day and before the day on which listing is made, or where it falls under any other cases specified by the Enforcement Rules, such applicant shall submit documents specified by the Enforcement Rules pursuant to the provisions of the Enforcement Rules.

4. Notwithstanding the provisions of the preceding three (3) paragraphs, where a country fund initial listing applicant is an issuer of a country fund listed on another financial instruments exchange in Japan, some of documents that should be submitted by such country fund initial listing applicant may be omitted.

5. The Exchange may, if it deems necessary for listing examination, request a country fund initial listing applicant to submit informational reports or materials in addition to the documents prescribed in each of the preceding paragraphs and/or to provide cooperation in listing examination.

6. Where the Exchange approves listing of a country fund, a country fund initial listing applicant shall agree that the Exchange makes documents specified by the Enforcement Rules available for public inspection, out of the documents referred to in to the provisions of Paragraph 2 to the preceding paragraph, before and after the listing (including after a country fund initial listing applicant become a country fund-issuing investment corporation pertaining to a listed country fund).
7. Where the Exchange approves listing of a country fund, a country fund-issuing investment corporation pertaining to an initial listing application shall submit the "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" predetermined by the Exchange.

Rule 1405. Formal Requirements of Listing Examination
Listing examination of a country fund shall be carried out on a country fund that meets each of the following items. In this case, details of each such item shall be provided by the Enforcement Rules:

(1) A country fund asset management company pertaining to an initial listing application shall have license, approval, or registration, etc. required for operations pertaining to asset management of a country fund-issuing investment corporation pursuant to foreign laws and regulations;

(2) An initial listing application issue shall meet the following a. through j.
   a. Number of listed investment units:
      The number of listed investment units specified by the Enforcement Rules is expected to reach at least four (4) million by the time of listing;
   b. Total net assets:
      The total net assets are expected to reach at least JPY 5 billion by the time of listing;
   c. Amount of income
      The amount of income shall be recorded in the business period immediately prior to a day of initial listing application (limited to a period after establishment of a country fund-issuing investment corporation pertaining to such initial listing application), or retained earnings are recorded on the last day of such business period.
   d. The number of investors in Japan
      The number of investors in Japan is expected to reach at least 600 by the time of listing
   e. False statement or adverse opinion, etc.:
      The following (a) to (c) are satisfied:
      (a) No false statement is made in the securities reports, etc. which contain or make reference to financial statements, etc. or interim financial statements, etc. for each business period ended in the most recent two (2) years (limited to the period after the country fund-issuing investment corporation pertaining to such initial listing application was established; the same shall apply in this e.);
      (b) An audit report attached to financial statements, etc. for each business period ended within the most recent two (2) years shall contain an "unqualified opinion" or a "qualified opinion with exceptions," by certified public accountants, etc.; provided, however, that the same shall not apply to cases specified the Enforcement Rules;
      (c) An audit report attached to financial statements, etc. for a business period ended within the most recent year or an interim audit report attached to interim financial statements, etc. for an interim business period ended in a business period ended in the most recent year contain an "unqualified opinion" or an "opinion that the interim financial statements, etc. provide useful information" by certified public accountants, etc.; provided, however, that the same shall not apply to cases specified the Enforcement Rules;
   f. Request of investors for refund of investment units;
      The certificate of incorporation of a country fund-issuing investment corporation pertaining to an initial listing application shall contain matters referred to in the following (a) and (b):
      (a) Money shall be distributed to investors.
(b) No refund of investment units shall be made due to request of investors

g. Restriction of transfer of investment units;
   No restriction shall be imposed on transfer of investment units, or no such restriction is
   expected to be imposed by the time of listing.

h. Handling by the designated book-entry transfer institution;
   The relevant country fund is subject to foreign stock, etc. book-entry transfer operation
   of the designated book-entry transfer institution, or is expected to be so by the time of
   listing;

h. Establishment of an administrator of the investor register:
   The administrator of the investor register prescribed in Article 166, Paragraph 2, Item
   (8) of the Investment Trust Act is approved by the Exchange as an organization as
   specified by the Enforcement Rules.

i. Circulation on foreign financial instruments exchange, etc.
   Circulation on a foreign financial instruments exchange, etc. is deemed to be smooth.

Rule 1406. Listing Examination
1. Listing examination of a country fund shall be carried out as to whether or not it satisfies
   each of the following items:
   (1) A country fund-issuing investment corporation is in a state where disclosure of
       information concerning such country can be carried out in an appropriate manner; and
   (2) In addition to the above, the listing is not deemed inappropriate from the viewpoint of
       the public interest or investor protection.

2. Examination concerning whether or not matters enumerated in each item of the preceding
   paragraph are satisfied shall be carried out on the basis of initial listing application
   documents concerning a country fund (meaning documents submitted by the country fund
   initial listing applicant pursuant to the provisions of Rule 1404) and inquiries.

3. Necessary matters concerning examination referred to in Paragraph 1 shall be prescribed by
   the Guidelines Concerning Listing Examination, etc.

Rule 1407. Listing Application for New Securities
1. Where an application is made for listing a new country fund that is not listed on the Exchange
   by a country fund-issuing investment corporation pertaining to a listed country fund, the
   country fund-issuing investment corporation or the country fund asset management company
   pertaining to such listed country fund shall submit a "Security Listing Application Form"
   predetermined by the Exchange.

2. Where a country fund-issuing investment corporation or a country fund asset management
   company pertaining to a listed country fund newly issues a country fund, it shall, as a general
   rule, take procedures for listing application referred to in the preceding paragraph prior to
   such issuance each time.

3. Where the Exchange lists the new country fund specified in Paragraph 1 based on the listing
   application referred to in the same paragraph, it shall amend descriptions contained in the
   listed securities ledger on the listing day.

Rule 1408. Listing of New Securities
Where a listing application is made pursuant to the provisions of the preceding rule, the
Exchange shall, as a general rule, approve listing as referred to in each of the following items.
   (1) Where a country fund pertaining to investment units to be newly issued, such country
       fund shall be listed when it is issued in addition to a listed country fund (in cases of a
       country fund having rights different from those of a listed venture fund, when such rights
become the same).

(2) In cases of a country fund which is additionally issued due to dividend reinvestment, etc. by a country fund-issuing investment corporation pertaining to a listed country fund and for which it is difficult to make a listing application each time, such country fund shall be listed in addition to the listed country fund even before confirming the number of investment units to be issued.

Rule 1409. Alteration Listing Application
1. Where a country fund-issuing investment corporation and a country fund asset management company pertaining to a listed country fund (hereinafter referred to as "listed country fund issuer, etc.") intend to alter the name, quantity, etc. of such listed country fund, either entity of the listed country fund issuer, etc. shall submit a "Security Alteration Listing Application Form" predetermined by the Exchange.

2. Where the Exchange makes alteration listing pursuant to the provisions of the preceding paragraph, it shall make changes to descriptions in the listed securities ledger on the listing day.

Rule 1410. Disclosure of Information Concerning Listed Country Funds
1. A country fund-issuing investment corporation pertaining to a listed country fund shall carry out timely disclosure of information concerning such listed venture fund and listed country fund issuer, etc.

2. Where a country fund-issuing investment corporation pertaining to a listed country fund falls under any of the following items (excluding, in cases of matters referred to in Item (1) and Item (3), those that the Exchange deems as matters whose impact on investors’ investment decisions is of minor significance, such as cases which fall under the criteria specified by the Enforcement Rules), it shall disclose details immediately pursuant to the provisions of the Enforcement Rules:

(1) Where a country fund-issuing investment corporation pertaining to a listed country fund has decided to carry out any of the matters referred to in the following a. through m. (including cases where it has decided not to carry out matters pertaining such decision):
   a. Split or reverse split of investment units;
   b. Additional issuance or secondary offering of investment units;
   c. Offering of investment corporation bonds or borrowing of funds;
   d. Acquisition of own investment units;
   e. Money distribution;
   f. Merger;
   g. Change in the certificate of incorporation or dissolution;
   h. Change in name;
   i. Change of the end of a business period;
   j. Application pertaining to delisting or cancellation of registration of a country fund to a financial instruments exchange in Japan or a foreign financial instruments exchange, etc.;
   k. Change in an entity that conducts works, on the basis of entrustment of a country fund-issuing investment corporation pertaining to a listed country fund, which pertain to business such as management and custody of assets of such corporation;
   l. Petition for commencement of bankruptcy proceedings or commencement of rehabilitation proceedings; or
   m. Change in certified public accountants, etc. who prepare audit certification of financial statements, etc. or interim financial statements, etc. that are contained in a securities
(2) Where any of the facts referred to in the following a. through f. have occurred to a country fund-issuing investment corporation pertaining to a listed country fund:

a. Business improvement order, cancellation of registration, or other dispositions equivalent thereto imposed by an administrative agency based on laws and regulations or accusation pertaining to violation of laws and regulations by an administrative agency;

b. Falling under reasons for dissolution in accordance with laws and regulations

c. Falling into a state where commencement of bankruptcy proceedings or commencement of rehabilitation proceedings pursuant to the provisions of laws and regulations is required, or a state equivalent thereto;

d. Request of investors for convocation of general investors meeting;

e. Change in certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. contained in a securities report or a semi-annual report (excluding cases where a body which decides business execution has made a decision to change such certified public accountants, etc. (including cases where it has made a decision that it will not carry out matters pertaining to such decision) and details have been disclosed pursuant to the provisions of Sub-item m. of the preceding item); or

f. A securities report or a semi-annual report to which an audit report or an interim audit report specified in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or an audit firm (including an audit report or an interim report pertaining to certification by an entity equivalent to a certified public accountant or an audit firm) is attached is not expected to be submitted to the Prime Minister, etc. within a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act or has not been submitted within such period (except cases where disclosure that such reports are unlikely to be submitted within said period was conducted), was submitted after such disclosure had been made, or has received the approval of the Prime Minister, etc. related to the extension of such period.

(3) Where a country fund asset management company pertaining to a listed country fund has made a decision that it will carry out any of the matters referred to in the following a. through g. (including cases where it has decided that it will not carry out matters pertaining to such decision):

a. Application pertaining to delisting or cancellation of registration of a venture fund to a financial instruments exchange in Japan or a foreign financial instruments exchange;

b. Merger;

c. Petition for commencement of bankruptcy proceedings, rehabilitation proceedings, or reorganization proceedings;

d. Dissolution (excluding dissolution by merger);

e. Cessation of operations pertaining to asset management;

f. Demerger (limited to cases where the whole business is inherited); or

g. Transfer of the whole business;

(4) Where any of the facts referred to in the following a. through c. has occurred to a country fund asset management company pertaining to a listed country fund:

a. Business improvement order, cancellation of registration, or other dispositions equivalent thereto imposed by an administrative agency in accordance with laws and regulations or accusation pertaining to violation of laws and regulations by an administrative agency;
b. Where it ceases to be a country fund asset management company pertaining to such listed country fund; or
c. Petition for commencement of bankruptcy proceedings or rehabilitation proceedings filed by an entity, such as creditor, that is other than a country fund asset management company pertaining to such listed venture fund;

(5) In cases referred to in each item of Article 29, Paragraph 2, of the Cabinet Ordinance on Disclosure of Specified Securities (excluding the cases referred to in each of the preceding items)

(6) Where details of the account settlement pertaining to the business year or interim business period pertaining to a listed country fund are fixed, or where, in cases of quarterly account settlements being required pursuant to laws and regulations, etc. of a home country, etc. details of quarterly account settlement are fixed; or

(7) Change in socioeconomic circumstances in home country, etc. or a specific country or region that is an investment target of a country fund issuing investment corporation, which have material impact on performance of such country fund issuing investment corporation pertaining to a listed country fund, or change in laws and regulations regarding rules or systems for the capital market in the home country.

3. The provisions of Rule 412 shall be applied mutatis mutandis to examination, etc. on disclosure of corporate information of a listed country fund issuer, etc.

4. The provisions of Rule 401, Rule 411-2, Rules 413 to Rule 414, and Rule 416 shall be applied mutatis mutandis to disclosure pursuant to the provisions of the preceding three (3) paragraphs. In addition, the provisions of Rule 415 and Rule 443 shall be applied mutatis mutandis to a country fund issuer, etc. pertaining to a listed country fund.

Rule 1411. Submission of Documents, etc.
1. Submission of documents, etc. to the Exchange by a country fund-issuing investment corporation pertaining to a listed country fund shall be conducted as specified by the Enforcement Rules.

2. A country fund-issuing investment corporation pertaining to a listed country fund shall agree that they shall submit documents, other than those in the preceding paragraph, which are requested based on justifiable reasons by the Exchange without delay and that, out of such documents submitted, the Exchange will make documents deemed necessary available for public inspection.

Rule 1412. Written Confirmation Regarding the Appropriateness and Accuracy of Securities Reports, etc.
Where a country fund-issuing investment corporation pertaining to a listed country fund has submitted a securities report or an semi-annual report to the Prime Minister, etc., it shall submit to the Exchange without delay a written document which states that the representative of such fund-issuing investment corporation pertaining to a listed country fund acknowledges that there is no false statement in such securities report or semi-annual report as of the time of submission, as well as reasons for such fact pursuant to the provisions of the Enforcement Rules. In this case, such country fund-issuing investment corporation pertaining to a listed venture fund shall agree that the Exchange will make such documents available for public inspection.

Rule 1413. Code of Conduct Concerning Listed Country Funds
A country fund-issuing investment corporation pertaining to a listed country fund shall not conduct a split or reverse split of the investment unit pertaining to a listed country fund which is likely to disrupt the secondary market or infringe upon investors.
Rule 1414. Ensuring Effectiveness
The provisions of Rules 501 through 504 and Rules 508 through 510 shall be applied mutatis
mutandis to ensuring of effectiveness for listed country funds.

Rule 1415. Delisting Criteria
1. Where a listed country fund falls under any of the following items, such country fund shall
be delisted. In these cases, handling of each such item shall be specified by the Enforcement
rules.
   (1) Where a country fund-issuing investment corporation pertaining to a listed country fund
       falls under the following a. or b., such country fund shall be delisted.
       a. Where such investment corporation falls under reasons for dissolution pursuant to the
          provisions of laws; or
       b. Where such investment corporation falls into a state where it requires bankruptcy
          proceedings or rehabilitation proceedings pursuant to the provisions of laws or a
          status equivalent thereto.
   (2) Where a country fund asset management company pertaining to a listed country fund
       falls under any of the following a. or b., such listed country fund shall be delisted; provided,
       however, that the same shall not apply to cases where business which has been carried
       out by such country fund asset management company pertaining to a listed country fund
       is taken over by another asset management company and such listed country fund
       satisfies each item of Rule 1406, Paragraph 1.
       a. Where license, approval, or registration, etc. required for operations pertaining to asset
          management of a country fund-issuing investment corporation has expired, been
          cancelled, or changed pursuant to laws and regulation of a foreign country, and has
          ceased operations as asset management company; or
       b. Where the asset management company has ceased to be a country fund asset
          management company pertaining to such listed country fund;

2. Where an issue of a listed country fund falls under any of the following items, such issue
shall be delisted. Handling of each such item in such cases shall be specified by the Enforcement
Rules.
   (1) Delayed submission of securities report, etc.
       A securities report or a semi-annual report to which an audit report or an interim audit
       report specified in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit
       Certification prepared by two (2) or more certified public accountants or an audit firm is
       attached (including an audit report or an interim report pertaining to certification
       equivalent to an audit certification by an entity equivalent to a certified public accountants
       or an audit firm) is not submitted to the Prime Minister, etc. within a month since a period
       specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act has passed
       (within three (3) months in the case where such delayed submission is due to reasons not
       attributable to a country fund-issuing investment corporation pertaining to a listed country
       fund, such as an act of providence);
   (2) False statement or adverse opinion, etc.
       Where falling under the following a. or b.
       a. False statement is contained in a securities report, etc. pertaining to a listed country
          fund, and the Exchange deems that it is clearly difficult to maintain order in the
          market if the country fund is not delisted immediately; or
       b. Concerning an audit report attached to financial statements, etc. or an interim audit
          report attached to interim financial statements, etc. pertaining to a listed country fund,
a certified public accountant, etc. state an "adverse opinion" or a fact that "opinions are not expressed" in an audit report (excluding cases specified by the Enforcement Rules; hereinafter the same in this b.), or a "opinion that the interim financial statements, etc. do not provide useful information" or a fact that "opinions are not expressed" in an interim audit report, and the Exchange deems that it is clearly difficult to maintain order in the market if the country fund is not delisted immediately.

(3) Breach of listing agreement, etc.
Where a country fund-issuing investment corporation pertaining to a listed country fund has committed a material breach of the listing agreement as specified by the Enforcement Rules, where it has committed a material breach as to matters taken on oath in the Written Oath submitted pursuant to the provisions of Rule 1404, Paragraph 1, or where a country fund-issuing investment corporation has ceased to be a party to the listing agreement.

(4) Matters contained in the certificate of incorporation
With respect to the certificate of incorporation of a country fund-issuing investment corporation pertaining to a listed country fund, any of the changes referred to in the following a. or g. shall be made:
   a. The provisions that money distribution shall be conducted are deleted; or
   b. Refund of investment units shall be possible upon demand from investors;

(5) Restriction on transfer of investment units.
Restriction is imposed on transfer of investment units

(6) Handling by the designated book-entry transfer institution:
The relevant issue ceases to be subject to the foreign stock, etc. book-entry transfer operation of the designated book-entry transfer institution;

(7) Delisting, etc. in a foreign country
Where the delisting of such issue from a foreign financial instruments exchange, etc. has been determined or where the Exchange deems that it is difficult to immediately obtain quotations of such issue at a foreign financial instruments exchange, etc.; provided, however, that the same shall not apply to cases where it is deemed that delisting is inappropriate in consideration of reasons for delisting, etc. of such issue at the foreign financial instruments exchange, etc., and other grounds such as the state of circulation at the Exchange.

(8) State of circulation in a foreign country
Where it is deemed that the state of circulation of such issue at a foreign financial instruments exchange at the end the business period of a country fund-issuing investment corporation pertaining to a listed country fund has deteriorated remarkably; provided, however, that the same shall not apply to cases where it is deemed that delisting is inappropriate in consideration of reasons such as the state of circulation at the Exchange.

(9) Influence of anti-social forces
Where it is revealed that a listed country fund issuer, etc. has relationship specified by the Enforcement Rules as being subject to the influence of anti-social forces, the Exchange recognizes that such fact remarkably undermines investors' confidence in the market of the Exchange; or

(10) Other
Other than the preceding items, where the Exchange deems that delisting of such issue is appropriate from the viewpoints of the public interest or investor protection.

3. The provisions of Rule 607 shall be applied mutatis mutandis to examination pertaining to delisting pursuant to the provisions of the preceding two (2) paragraphs.
Rule 1416.  Duty to Cooperate with the Exchange
1. Where the Exchange deems it necessary to determine whether a listed country fund falls under circumstances pertaining to delisting and requests certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. (including entities who were such certified public accountants, etc.; the same shall apply in the following paragraph) to give explanation, etc. on the circumstances, etc., a listed country fund issuer, etc. shall cooperate in this process.
2. Where the Exchange makes a request to a listed country fund issuer, etc. for the purpose of requesting certified public accountants, etc. prescribed in the preceding paragraph to provide an explanation, etc. on the circumstances, etc. pursuant to the provisions of the preceding paragraph, such listed country fund issuer, etc. shall promptly submit a document stating that such certified public accountants, etc. shall agree to give explanation, etc. on the circumstances, etc.

Rule 1417.  Delisting Day
Where the delisting of a listed country fund is determined, the delisting day shall be handled pursuant to the provisions of the Enforcement Rules.

Rule 1418.  Designation of Securities Under Supervision
Where a listed country fund is likely to be delisted, the Exchange may designate, pursuant to the provisions of the Enforcement Rules, such listed country fund as a Security Under Supervision in order to make investors aware of that fact.

Rule 1419.  Designation of Securities to be Delisted
Where a listed country fund is determined to be delisted, the Exchange may designate, pursuant to the provisions of the Enforcement Rules, such listed country fund as a Security to Be Delisted for a period until the day before the delisting day in order to make investors aware of that fact.

Rule 1420.  Fees Relating to Listing
A country fund-issuing investment corporation pertaining to an initial listing application and a country fund-issuing investment corporation pertaining to a listed country fund shall pay a listing examination fee, preliminary examination fee, initial listing fee, additional listing fee at the time of additional issuance, annual listing fee and other fees relating to listing pursuant to the provisions of the Enforcement Rules.

Rule 1421.  Application Mutatis Mutandis
The provisions of Rule 425, Rule 426, Rule 430, Rule 608, and Rule 612 shall be applied mutatis mutandis to country funds

Chapter 5
Infrastructure Funds

Rule 1501.  Initial Listing Application of Infrastructure Fund
1. An initial listing of an infrastructure fund shall be based on the application made by the entity set forth in the following Sub-items in accordance with the classifications referred to in said items.
   (1) Domestic infrastructure funds falling under investment securities
       The investment corporation that issued said infrastructure fund, and the management
company entrusted to conduct operations pertaining to asset management;
(2) Domestic infrastructure funds falling under beneficiary certificates (limited to beneficiary certificates of trustor-instructed investment trust; the same shall apply in this chapter)
The management company that entrusted the investment trust pertaining to said infrastructure fund and the entrustee of the trust;
(3) Foreign infrastructure funds falling under foreign investment securities and foreign infrastructure trust beneficiary certificates for which entrusted securities are said foreign infrastructure funds
The foreign investment corporation that issues said infrastructure fund and the management company entrusted with business pertaining to management of said assets;
(4) Foreign infrastructure funds of foreign investment trusts falling under beneficiary certificates and foreign infrastructure fund trust beneficiary certificates for which entrusted securities are said foreign infrastructure funds;
The management company that entrusted the foreign investment trust pertaining to said infrastructure fund (meaning, in cases of foreign infrastructure trust beneficiary certificates, foreign infrastructure funds that are entrusted securities) and the entrustee.

2. An initial listing application can be made in cases where an initial listing application issue falls under Rule 1507, Paragraph 1, Item (2) or (3), even before the establishment of the issuer, provided that the application is made after the resolution of a general investors meeting pertaining to a merger to a create a new company. In this case, the initial listing application shall be made by the management company that is scheduled to be entrusted with operations pertaining to management of assets of the investment corporation that issues the listed infrastructure fund for which said merger for creating a new company is conducted and the investment corporation that will issue the infrastructure funds pertaining to said initial listing application.

3. Examination of an infrastructure fund pertaining to an initial listing application shall be made pursuant to the provisions in Rules 1505 through 1507.

Rule 1502. Preliminary Application
1. An entity (excluding one to which the provisions of Rule 1507 apply) that intends to make an application for initial listing of an infrastructure fund can make a preliminary application by submitting a "Securities Initial Listing Preliminary Application." The preliminary application must stipulate the planned day for making the initial listing application, as well as other related matters. The preliminary application and any documents prepared in a manner equivalent to the documents necessary for an initial listing application are to be submitted on a day that is no earlier than three (3) months prior to the planned day on which the initial listing application is to be made.

2. Where a preliminary application is made pursuant to the provisions of the preceding paragraph, the Exchange will proceed to examine said application as to whether it has the likelihood of meeting Rule 1505 and Rule 1506.

3. The provisions of Rule 1504, Paragraph 5 shall be applied mutatis mutandis to the examination defined in the preceding paragraph.

Rule 1503. Listing Agreements, etc.
1. In cases where the Exchange lists an infrastructure fund pertaining to an initial listing application, the entity specified in the Sub-items of Rule 1501, Paragraph 1 shall submit a "Listing Agreement for an Infrastructure Fund" predetermined by the Exchange as prescribed by the Enforcement Rules.

2. The listing agreement referred to in the preceding paragraph shall become effective as of the
listing day of the infrastructure fund pertaining to the initial listing application.
3. The Exchange shall enroll the security in the listed securities ledger on the listing day of the
infrastructure fund pertaining to the initial listing application.

Rule 1504. Documents to be Submitted Pertaining to Initial Listing Application, etc.
1. An entity that intends to make an application for initial listing of an infrastructure fund shall
submit a "Security Initial Listing Application Form" predetermined by the Exchange and a
"Written Oath Pertaining to Initial Listing Application" predetermined by the Exchange as
specified by the Enforcement Rules.
2. The "Report Concerning the Management System, etc. of an Issuer, etc. of an Infrastructure
Fund" and other documents specified by the Enforcement Rules shall be attached to the
"Security Initial Listing Application Form" prescribed in the preceding paragraph.
3. Where an initial listing application is made before the establishment of the issuer pursuant to
the provisions of Rule 1501, Paragraph 2, any documents the entity was not able to submit
at the time of the initial listing application (limited to those in cases where it was deemed
inevitable by the Exchange on a case-by-case basis), out of the attached documents specified
by the preceding paragraph, will suffice, if the entity submits said documents immediately
after submission becomes possible.
4. The issuer that has made an initial listing application for a certain security (from among those
entities who have made applications for initial listing of infrastructure funds) must submit
documents specified by the Enforcements Rules, pursuant to the provisions of the
Enforcement Rules, in the event that the issuer has given notification or submitted notice
concerning subscription or secondary distribution of the security to the Prime Minister, etc.
during the period after the corresponding date from a year before to the end of the business
period or the computation period immediately prior to the initial listing application day and
before the day on which the listing is to be made, or in the event that any other cases specified
by the Enforcement Rules apply.
5. The Exchange may, if it deems it necessary in a listing examination, request that the initial
listing applicant for an infrastructure fund submit an informational report or materials, in
addition to the documents prescribed in the preceding paragraphs and/or that the initial
listing applicant demonstrate cooperation during a listing examination.
6. Where the Exchange approves listing of an infrastructure fund pertaining to an initial listing,
the entity who has made the application for initial listing of said infrastructure fund agrees
that, from the documents submitted pursuant to the provisions of each of the preceding
paragraphs, before and after the listing (including after the entity who has made said
application for initial listing has become the issuer of a listed infrastructure fund), the
Exchange makes the documents specified by the Enforcement Rules available for public
inspection.
7. Where the Exchange approves listing of an infrastructure fund pertaining to an initial listing,
the entity who has made the application for initial listing of said infrastructure fund shall
submit a "Written Confirmation Regarding Compliance with Exchange Rules and
Regulations" predetermined by the Exchange.

Rule 1505. Formal Requirements in Listing Examination
1. Listing examination of a domestic infrastructure fund shall be carried out on an infrastructure
fund that meets each of the following criteria. In this case, each criterion will be interpreted
as per the Enforcement Rules:
(Provisional Reference Translation)

(1) The management company pertaining to a security for which an initial listing application has been made must be member of the Investment Trusts Association, Japan (General Incorporated Association);

(2) The security for which an initial listing application has been made falls under the following a. through l.

a. The ratio of the value of infrastructure fund assets, etc. to the total value of working assets, etc. is expected to reach 70% or more;

b. The ratio of the total value of infrastructure assets, etc., infrastructure-related securities, and current assets to the total value of the working assets, etc. is expected to reach at least 95% by the time of listing;

c. The entity who has made the application for initial listing of an infrastructure fund has assured the Exchange in writing that it will enter into an advisory agreement pertaining to timely disclosure of information concerning said infrastructure fund with a financial business operating firm during the period from the time of initial listing until two (2) years have passed after listing; provided, however, that the same shall not apply to cases where a managing trading participant has recommended the entity that made the application for initial listing of said infrastructure fund by using a written recommendation format predetermined by the Exchange;

d. The number of listed investment units or the number of listed beneficiary rights is expected to reach at least 4,000 by the time of listing;

e. Total net assets are expected to reach at least JPY 1 billion by the time of listing;

f. Total assets are expected to reach at least JPY 5 billion by the time of listing;

g. The number of investment units calculated by adding the number of own investment units (excluding the number of own investment units that are to be disposed in cases where a resolution to dispose own investment units has been made) to the total number of the investment units held by major investors or the total number of units of beneficiary rights held by major beneficiaries is expected to reach or fall under 75% of the number of listed investment units or the number of listed beneficiary rights by the time of listing;

h. The number of investors, excluding the issuer of said initial listing application security, in cases where there is possession of units held by major investors and the management company (excluding cases where a resolution to dispose own investment units has been made for all investment units) or where the number of beneficiaries, excluding the number of beneficiaries that does not include the major beneficiaries, is expected to reach at least 1,000 by the time of listing;

i. The security satisfies the following (a) and (b):

(a) No false statements have been made in the securities reports, etc. that include or make reference to financial statements, etc. for each business period (limited to the period after the issuer of said investment security was established; the same shall apply hereinafter in this Sub-item i.) or for each computation period (limited to the period after the commencement day of the trust agreement period; the same shall apply hereinafter in this Sub-item i.), or that include or makes reference to interim financial statements, etc. for each business period or each computation period that ended in the last two (2) years pertaining to a security for which an initial listing application has been made; and

(b) The audit reports attached to financial statements, etc. for each business period or each computation period ending within the last two (2) years or the interim audit reports attached to interim financial statements, etc. for a business period or a computation period that ended in the last year must contain "unqualified opinion" or a "qualified
opinion with exceptions" of a certified public accountant, etc., or alternatively, an "opinion stating that the interim financial statements, etc. provide useful information" or a "qualified opinion with exceptions" of a certified public accountant, etc.; provided, however, that the same shall not apply to cases where the Enforcement Rules specify otherwise;

j. The certificate of incorporation of the investment corporation or the basic terms and conditions of an investment trust must state the matters referred to in the following (a) through (d):
(a) The basic policy for selecting operators
(b) No refund of investment units shall be made upon demand from an investor and that no cancellation during a trust agreement period shall be made upon demand from a beneficiary;
(c) The period prescribed as a business period or a computation period is to be six (6) months or longer;
(d) No additional trust shall be made for the investment trust, except where subscription is made by submitting a security registration statement pursuant to the provisions of the Act (limited to cases where the initial listing application issues consist of beneficiary certificates); and

k. The initial listing application issue will be subject to the book-entry transfer operation of the designated book-entry transfer institution, or will be likely to be so by the time of listing; and

l. Where the initial listing application issue is an investment security, the administrator of the investor register prescribed in Article 166, Paragraph 2, Item (8) of the Investment Trust Act must be specified in the Enforcement Rules as an institution approved by the Exchange;

2. Listing examination of a foreign infrastructure fund shall be carried out on foreign infrastructure funds that meet each of the following criteria. In this case, each criterion will be interpreted as per the Enforcement Rules.
(1) The management company pertaining to the initial listing application issue is to have license, approval, or registration, etc. required for asset management of a foreign infrastructure fund based on laws and regulations (including laws and regulations of foreign countries; the same shall apply hereinafter in this chapter.)
(2) The initial listing application issue must satisfy the requirements in the preceding paragraph, Item (2), Sub-items a. through f. and h. through j. In this case, the following terms are to be reworded as follows: "the investment corporation" as "the foreign investment corporation", "an investment trust" as "a foreign investment trust", and "beneficiary certificates" as "beneficiary certificates for a foreign investment trust", respectively in the same Sub-item j.
(3) A considerably large number of foreign investment securities or beneficiary certificates for a foreign investment trust are deemed as not being held by specific shareholders or beneficiaries;
(4) Said issue is subject to custody and book-entry transfer operation for foreign stocks, etc. or is expected to become so by the time of listing;
(5) The initial listing application issue is listed or continuously traded on a foreign financial instruments exchange, etc., or is expected to be so;
(6) Laws similar to the Investment Trust Act have been developed for the issuance of an initial listing application, and the administrative agencies are supervising management companies and trustees pertaining to said issue;
3. Listing examination of a foreign infrastructure fund shall be carried out on a foreign infrastructure fund that meets each of the following criteria. In this case, each criterion will be interpreted as per the Enforcement Rules:

(1) The initial listing application issue must satisfy the requirements in Paragraph 1, Item (2), Sub-items a. through c. and k.

(2) The foreign infrastructure fund that is an entrusted security pertaining to the initial listing application issue must satisfy the requirements in Paragraph 1, Item (2), Sub-items e, f, I, and j. In this case, the following terms are to be reworded as follows: "an investment corporation" as "a foreign investment corporation", "an investment trust" as "a foreign investment trust", and "a beneficiary certificate" as "a beneficiary certificate of a foreign investment trust", respectively in the same Sub-item j.

(3) Four thousand or more units of the foreign infrastructure fund that is the entrusted security pertaining to an initial listing application issue are listed on a financial instruments exchange or are under a status that is equivalent to that of being listed at the time, and the number of units of trust beneficiary certificates for the foreign infrastructure funds listed on the Exchange is not considerably below such level.

(4) The number of investors or beneficiaries of foreign infrastructure funds that are entrusted securities pertaining to initial listing application issues is no less than 1,000 and a considerably large number of foreign infrastructure trust beneficiary certificates is deemed not to be held by specific shareholders or beneficiaries;

(5) That foreign infrastructure fund that consists of entrusted securities pertaining to an initial listing application issue is listed or continuously traded on a foreign financial instruments exchange, etc., or is expected to be so;

(6) Laws similar to the Investment Trust Act have been developed for the issuance of the foreign infrastructure fund that is the entrusted security pertaining to an initial listing application issue, and administrative agencies are supervising management companies and trustees pertaining to such issue; and

(7) The management company has entered into a deposit agreement, etc. and any other agreements for the security for which the company has made the initial listing application.

Rule 1506. Listing Examination

1. Listing examination of an infrastructure fund shall be carried out as to whether or not the infrastructure fund satisfies each of the following criteria:

(1) The entity that has applied for the initial listing of an infrastructure fund is in a state that allows the entity to carry out disclosure of information concerning said infrastructure fund in an appropriate manner;

(2) The entity that has applied for the initial listing of an infrastructure fund is in a state that allows the entity to carry out asset management, etc. in a sound manner;

(3) Distribution of money or profit pertaining to a security for which the initial listing application has been made is expected to continue after listing; and

(4) In addition to the above, the listing is not deemed inappropriate from the viewpoint of the public interest or the protection of investors.

2. Examination concerning whether or not all criteria in the preceding paragraph are satisfied shall be carried out on the basis of the initial listing application documents concerning the infrastructure fund (meaning documents submitted by the entity who has applied for the initial listing of an infrastructure fund pursuant to the provisions of Rule 1504) and inquires, etc.

3. Necessary matters concerning the examination defined in the preceding paragraph shall be prescribed under the Guidelines Concerning Listing Examination, etc.
Rule 1507. Technical Listing

1. Notwithstanding the provisions of the preceding two (2) rules, if the cases referred to in each item below apply, where an application is made without delay for initial listing of an infrastructure fund issued by the investment corporation surviving after a merger or the investment corporation created by said merger, listing examination shall be carried out pursuant to the criteria specified in each of the following items:

(1) Where the investment corporation that is the issuer of a listed domestic infrastructure fund is merged through an absorption-type merger by the investment corporation that is the issuer of an unlisted infrastructure fund, and said listed domestic infrastructure fund is to be delisted as a result of the dissolution caused by said absorption-type merger;

a. The criteria in Rule 1505, Item (1), and Item (2), Sub-items a., b. and d. and Sub-items i. through l. (excluding (d) of j.) and in each item of Paragraph 1 of the preceding rule shall be satisfied. In this case, with respect to application of the provisions in Rule 1505, Paragraph 1, Item (2), Sub-item i., "a security for which an initial listing application has been made" in the same Sub-item i. is to be reworded as "said unlisted infrastructure";

b. Where the first sentence of Rule 1520, Paragraph 2, Item (1), Sub-item d. applies to the investment corporation that is the issuer of the listed domestic infrastructure, the first sentence of the same item is unlikely to apply by the time of the initial listing to the investment corporation that is the issuer of the security for which the initial listing application has been made; and

c. Where the first sentence of Rule 1520, Paragraph 2, Item (1), Sub-item e. applies to the investment corporation that is the issuer of said listed domestic infrastructure fund, the first sentence of the same item is unlikely to apply by the time of the initial listing to the investment corporation that is the issuer of the security for which said initial listing application has been made;

(2) Where the investment corporation that is the issuer of a listed domestic infrastructure fund carries out a merger for creating a new company with the investment corporation that is the issuer of a listed domestic infrastructure fund, and said listed domestic infrastructure fund is to be delisted as a result of the dissolution caused by said merger for creating a new company;

a. The criteria in Rule 1505, Paragraph 1, Item (1), and Item (2), Sub-items d. and j. (a) through (c), Sub-items k. and l., and each item of Paragraph 1 of the preceding rule shall be satisfied;

b. If the first sentence of Rule 1520, Paragraph 2, Item (1), Sub-item a. or the first sentence of the same item, Sub-item b. applies to the investment corporation that is the issuer of said listed domestic infrastructure fund, the first sentence of the same item, Sub-item a. or the first sentence of Sub-item b. of the same item is unlikely to apply by the time of the initial listing to the investment corporation that is the issuer of a security for which said initial listing application has been made;

c. The criteria in Sub-items b. and c. of the preceding item shall be satisfied; and

(3) Where the investment corporation that is the issuer of a listed domestic infrastructure fund carries out a merger for creating a new company with the investment corporation that is the issuer of an unlisted infrastructure fund, and said listed domestic infrastructure fund is to be delisted as a result of the dissolution caused by said merger for creating a new company:

The criteria in Item (1), Sub-items a. through c. shall be satisfied.

2. The listing day for the investment security that is to be listed pursuant to the provisions of the preceding paragraph shall be the day on which the absorption-type merger or merger for creating a new company becomes effective; provided, however, that the same shall not apply
to cases where listing is impossible or difficult on said day because of the timing of the initial listing application, etc.

**Rule 1508. Public Offering, Secondary Distribution, etc. Before Listing**

Necessary matters concerning a public offering (meaning a new issuance of a domestic infrastructure fund by general offering; the same shall apply hereinafter in this chapter) or a secondary distribution (see Note 1 below) carried out during the period from the day on which the application for initial listing of a domestic infrastructure fund is made to the day preceding the listing day and public offering at the time of the establishment of the investment corporation (see Note 2 below) and the issuance of a domestic infrastructure fund carried out before listing (see Note 3 below) shall be as specified by the Enforcement Rules.

(Note 1) This excludes a public offering or the secondary distribution for a security to which the provisions of the preceding rule apply concerning listing examination and a public offering or a secondary distribution for a domestic infrastructure fund listed on another financial instruments exchange in Japan.

(Note 2) This is limited to cases where the application for initial listing of a domestic infrastructure fund to be issued by the investment corporation is promptly made after the establishment of said investment corporation.

(Note 3) This excludes an issuance pertaining to a security to which the provisions of the preceding rule apply concerning listing examination and an issuance pertaining to a domestic infrastructure fund listed on another financial instruments exchange in Japan.

**Rule 1509. Listing Application for New Infrastructure Funds**

1. Where an application is made for listing an infrastructure fund pertaining to investment units or beneficiary rights that are to be newly issued by the investment corporation or the investment corporation pertaining to the listed domestic infrastructure fund that consists of newly issued investment unit subscription warrant securities are not listed on the Exchange, the entities specified under each item in Rule 1501, Paragraph 1 (hereinafter referred to as the "issuer, etc. of a listed infrastructure fund") is to submit the "Security Listing Application Form" predetermined by the Exchange.

2. Where any issuer, etc. of a listed infrastructure fund newly issues an infrastructure fund, such party shall, as a general rule, follow the listing application procedures as in the preceding paragraph prior to said issuance on a case-by-case basis.

3. Where the Exchange lists the infrastructure fund or a new investment unit subscription warrant security as per listing application in Paragraph 1, the Exchange shall amend the descriptions that appear in the listed securities ledger on the listing day.

**Rule 1510. Listing of New Infrastructure Fund**

Where a listing application is made pursuant to the provisions of the preceding rule, the Exchange shall, as a general rule, approve listing as referred to in each of the following items. In this case, the handling shall be as specified by the Enforcement Rules.

(1) Out of an infrastructure fund pertaining to investment units or beneficial rights newly issued by an investment corporation or an investment trust pertaining to a listed domestic infrastructure fund, those specified by the Enforcement Rules shall be listed by when-issued transactions;

(2) Where the relation of rights of an infrastructure fund pertaining to investment units or beneficial rights newly issued by an investment corporation or an investment trust pertaining to a listed domestic infrastructure fund is different from that of a listed domestic
infrastructure fund and the criteria specified by the Enforcement Rules apply, said domestic infrastructure fund shall be listed when it is issued; and

(3) In addition to cases where the criteria in the preceding two (2) items are satisfied, the newly listed infrastructure fund shall be listed as an addition to a listed infrastructure fund when the new fund is issued (in the case where the relation of rights of the infrastructure fund is different from that of the listed infrastructure fund, when both have the same relation of rights).

Rule 1511. Listing of New Investment Unit Subscription Warrant Securities

1. Where a new investment unit subscription warrant security, for which a listing application has been made pursuant to the provisions of Rule 1509, has a listed domestic infrastructure fund as its objective, the Exchange shall approve listing if the new investment unit subscription warrant security meets the criteria referred to in each of the following items.

(1) The new investment unit subscription warrant security for which a listing application has been made meets the criteria prescribed by the Enforcement Rules;

(2) The listed investment corporation (meaning the investment corporation that is the issuer of a listed infrastructure fund; the same shall apply in this chapter) that is the issuer of the new investment unit subscription warrant security has implemented the following procedure, which is either a. or b. (excluding cases where said listed investment corporation has entered into the agreement prescribed in Article 2, Paragraph 6, Item (3) of the Act pertaining to the new investment unit subscription warrant security (meaning "the commitment-type case" in this rule))
   a. Examination pertaining to reasonableness of issuance of investment units by a trading participant;
   b. Confirmation of the intent of investors by means such as a resolution at a general investors meeting, etc.

(3) Management performance or financial condition of the listed investment corporation that is the issuer of the new investment unit subscription warrant security do not fall under either of the following Sub-item a. or b. (excluding the commitment-type case.)
   a. Net income is not positive in the business period immediately prior to the initial listing application day;
   b. Total net assets did not reach at least JPY 500 million at the end of the business period immediately prior to the initial listing application day;

(4) The listing is not deemed inappropriate in terms of public interest or investor protection.

2. Where the new investment unit subscription warrant security is to be listed pursuant to the provisions of the preceding paragraph, the entity who has made said listing application shall submit a "Written Statement of Assurance" predetermined by the Exchange as specified by the Enforcement Rules.

3. Necessary matters concerning listing examination described in Paragraph 1 shall be prescribed by the Guidelines Concerning Listing Examination, etc.

4. Other necessary matters concerning listing of new investment unit subscription warrant securities shall be specified by the Enforcement Rules.

Rule 1512. Application for Alterations to Listing

1. Where a listed infrastructure fund issuer, etc. intend to alter the name, quantity, etc. of the listed infrastructure fund, any such issuer, etc. shall submit the "Security Alteration Listing Application Form" predetermined by the Exchange.
2. Where the Exchange makes alterations to a listing pursuant to the provisions of the preceding paragraph, the Exchange will make changes to descriptions in the listed securities ledger on the listing day.

Rule 1513. Disclosure of Information Concerning Listed Infrastructure Funds

1. The listed infrastructure fund issuer, etc. must carry out timely disclosure of information concerning the listed infrastructure fund (in cases said listed infrastructure fund security is a listed foreign infrastructure trust beneficiary certificate, this refers to the foreign infrastructure fund that is an entrusted security), the issuer, etc. of the listed infrastructure fund, the operator, and assets under management, etc. of the listed infrastructure fund.

2. Timely disclosure of information concerning the listed infrastructure fund (in cases said listed infrastructure fund security is a listed foreign infrastructure fund trust beneficiary certificate, this refers to the foreign infrastructure fund that is an entrusted security) or the issuer, etc. of the listed infrastructure fund shall be carried out pursuant to the provisions of each of the following items in accordance with the classification of the listed infrastructure fund as referred to in each such item;

(1) A domestic infrastructure fund in the form of an investment security, a foreign infrastructure in the form of a foreign investment security, and the foreign infrastructure fund trust beneficiary certificate for which the entrusted security is said foreign infrastructure fund:

In cases where any of the following Sub-item a. through d. (excluding matters falling under criteria specified by the Enforcement Rules and those which the Exchange deems as matters whose impact on investors' investment decisions is of minor significance) apply to the listed infrastructure fund issuer, etc., the entity must immediately disclose all pertinent details pursuant to the provisions of the Enforcement Rules.

(a) Splits or reverse splits of investment units;
(b) Additional issuance or secondary distribution of investment units;
(c) Offering of investment corporation bonds or borrowing of funds;
(d) A merger;
(e) An alteration of the certificate of incorporation or dissolution;
(f) An application to a financial instruments exchange in Japan or in a foreign country that pertains to the delisting or cancellation of the registration of an infrastructure fund (in the case of a foreign infrastructure fund trust beneficiary certificate, said fund refers to the foreign infrastructure fund that is an entrusted security);
(g) A petition for commencement of bankruptcy proceedings and commencement of rehabilitation proceedings;
(h) Personnel changes of certified public accountants, etc. who prepare audit certification of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report;
(i) Refusal of entrustment of administrative work relating to the investor register to an agent approved by the Exchange;
(j) Signing of entrustment contracts pertaining to asset management, or cancellation of such contracts;
(k) Distribution of money;
(l) Requests prescribed in Article 166, Paragraph 6, Item (4) of the Act, or Article 167, Paragraph 5, Item (5) of the Act;
(m) An acquisition of own investment units pursuant to the provisions of Article 80-2, Paragraph 1 of the Investment Trust Act (including cases where the provisions apply by replacing terms pursuant to the provisions of Article 80-5, Paragraph 2 of the same Act) or to the provisions of laws and regulations corresponding thereto;
(n) A gratis allotment of new investment unit subscription warrants;
(o) Deduction of all or part of the losses from the total amount of investment, etc. pursuant to the provisions in Article 136, Paragraph 2 of the Investment Trust Act;
(p) In addition to the matters referred to in the items from (a) through the preceding (o), important matters concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in cases where said infrastructure fund is in the form of a listed foreign infrastructure fund trust beneficiary certificate) or important matters pertaining to operation, business, or assets of the investment corporation, etc. that have a considerable effect on investment decisions;
b. Those where the investment corporation or the foreign investment corporation that is the listed infrastructure fund issuer fall under any of the circumstances referred to in the following (a) through (t);
(a) A business improvement order pursuant to the provisions of Article 214 of the Investment Trust Act or similar disciplinary action pursuant to laws and regulations;
(b) A fact that causes the delisting of a specified security (meaning the specified security prescribed in Article 163, Paragraph 1 of the Act; the same shall apply in this (b)) or options pertaining to a specified security;
(c) The amount of net assets is likely to fall below the base net asset value specified in Article 124, Paragraph 1 of the Investment Trust Act;
(d) A notice of cancellation of registration pursuant to the provisions of Article 215, Paragraph 2 of the Investment Trust Act;
(e) Personnel changes of certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report (excluding cases in which the listed infrastructure fund issuer discloses details on the basis of the provisions of the preceding a., where the body that makes decisions on conducting business has decided to conduct personnel changes of said certified public accountants, etc. (including cases where the listed infrastructure fund issuer has decided to not carry out matters pertaining to said decision));
(f) A securities report or an interim report that has an attached audit report or interim audit report referred to in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or an audit firm is not expected to be or has not been submitted to the Prime Minister, etc. within a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act (excluding cases where the issuer has disclosed that such reports are unlikely to be submitted within said period), or otherwise was submitted after said disclosure had been made or has received approval from the Prime Minister, etc. in regard to an extension of said period;
(g) A notice of canceling an entrustment agreement of administrative work relating to the investor register is received, or an issuer is unlikely to entrust work relating to the investor register to an agent approved by the Exchange, or an issuer has ceased to entrust administrative work relating to the investor register to an agent approved by the Exchange;
(h) Damage attributable to disaster or damage that has occurred in the course of execution of business;
(i) A lawsuit of a claim pertaining to property rights has been filed, a court has issued a ruling on said lawsuit, or all or part of the action pertaining to the lawsuit has been completed without a judicial decision;

(j) A petition for order of provisional disposition that seeks suspension of asset management or any other disposition corresponding thereto is made, or there is a judicial decision on such petition, or alternatively, all or part of the procedures pertaining to said petition have been completed without a judicial decision;

(k) A cancellation of the registration referred to in Article 187 of the Investment Trust Act pursuant to the provision of Article 216, Paragraph 1 of said Act or other dispositions equivalent thereto has been made by an administrative agency based on laws and regulations;

(l) A petition for commencement of bankruptcy proceedings or rehabilitation proceedings by a creditor or an entity other than such investment corporation, etc.;

(m) Dishonor, etc.;

(n) As a result of dishonor, etc., a petition for commencement of bankruptcy procedures, etc., or a fact equivalent thereto was filed with respect to a debtor or a main debtor concerning guaranteed obligations, and default on right for indemnification against the main debtor is likely to occur in cases that accounts receivable, loans, or other receivables, or alternatively, any such guaranteed obligations against said debtors;

(o) Suspension of trade with a major business partner (meaning a business partner specified in Article 29-2-3, Item (7) of the Enforcement Ordinance) or suspension of trade with two or more business partners for the same reason or during the same period;

(p) An exemption of obligations or extension of a repayment deadline (limited to an extension that the Exchange deems equivalent to exemption of obligations) by a creditor, or otherwise, assumption or fulfillment of obligations by a third party;

(q) The discovery of resources;

(r) The ratio of the sum of the values of assets including real estate prescribed in Article 105, Item (1), Sub-item 6 of the Enforcement Rules of the Investment Trust Act (the same shall apply in this (r)) to the total amount of assets has exceeded 50% (excluding cases where the certificate of incorporation stipulates that more than 50% of the total amount of assets will be invested in assets including real estate);

(s) A demand from investors for ceasing issuance of investment securities

(t) In addition to the facts referred to in (a) through the preceding (s), important facts concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in cases of a listed foreign infrastructure trust beneficiary certificate) or the operation business, or assets of the investment corporation, etc. that have a considerable effect on investment decisions;

(c. Those where the asset management company of the listed infrastructure fund has decided to carry out any of the matters referred to in the following (a) through (n) (including cases where said asset management company has decided not to carry out a matter pertaining to said decision);

(a) An application to a financial instruments exchange in Japan or a foreign financial instruments exchange, etc. that pertains to the delisting or cancellation of the registration of an infrastructure fund;

(b) A merger by said asset management company;

(c) A petition for commencement of bankruptcy proceedings, commencement of rehabilitation proceedings, or commencement of reorganization proceedings by said asset management company;

(d) The dissolution of said asset management company (excluding dissolutions through
mergers);
(e) Suspension or abolition of the business pertaining to asset management entrusted by the investment corporation, etc.;
(f) Suspension or abolition of all or part of the business pertaining to asset management entrusted by the investment corporation, etc.;
(g) Demerger of said asset management company;
(h) A transfer or acquisition of the whole or part of the business of said asset management company;
(i) A cancellation of the entrustment contract pertaining to asset management that was concluded with said asset management company;
(j) A stock swap for said asset management company;
(k) A stock transfer for said asset management company;
(l) Commencement of new asset management based on entrustment from the investment corporation;
(m) An application for authorization or approval, or for notification, from said asset management company to an administrative agency pursuant to laws and regulations; or
(n) In addition to the matters referred to in (a) through the preceding (m), important matters concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in the case of a listed foreign infrastructure fund trust beneficiary certificate) or important matters pertaining to operation, business, or assets of the asset management company that have a considerable effect on investment decisions;

d. Those where the asset management company of the listed infrastructure fund falls under any of the circumstances referred to in the following (a) through (l);
(a) A business improvement order pursuant to the provisions of Article 51 of the Act or similar disciplinary action pursuant to laws and regulations;
(b) A fact that causes delisting (limited to a fact pertaining to a reason referred to in Rule 1520, Paragraph 1, Item (1), Sub-item b.);
(c) In addition to the facts referred to in (a) and the preceding (b), license, approval, or disposition by an administrative agency pursuant to laws and regulations;
(d) A change to a specified related corporation (meaning a specified related corporation prescribed in Article 166, Paragraph 5 of the Act; the same shall apply in this item);
(e) A change to major shareholders;
(f) A lawsuit of a claim pertaining to property rights pertaining to management of asset entrusted by the investment corporation, etc. is filed or a judgment is made as to said lawsuit, or otherwise whole or part of the action pertaining to such lawsuit has come to completion without a judicial decision;
(g) A petition for a provisional disposition order seeking for suspension of a business pertaining to management of asset entrusted by the investment corporation, etc. or any other disposition equivalent thereto is made, or alternatively, there is a judicial decision on the petition or the whole or part of the procedures for said petition are brought to completion without a judicial decision;
(h) A petition, etc. for commencement of bankruptcy proceedings by a creditor or any entity other than the management company;
(i) Dishonor, etc.;
(j) A petition, etc. for commencement of bankruptcy proceedings pertaining to a specified related corporation;
(k) A special controlling shareholder (meaning the body that determines the course of business execution in cases where the special controlling shareholder is a corporation) has decided to demand sale of stock, etc. pertaining to the management company of said
investment corporation, etc. or the special controlling shareholder has decided not to
demand sale of stock, etc. pertaining to said decision (limited to those decisions that are
made public).

(l) In addition to the matters referred to in (a) through the preceding (k), important matters
concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is
an entrusted security in the case of a listed foreign infrastructure trust beneficiary
security) or the operation, business, or assets of the investment corporation, etc. that
have a considerable effect on investment decisions;

(2) The domestic infrastructure fund that is in the form of a beneficiary certificate, the foreign
infrastructure fund that is in the form of a foreign investment trust beneficiary certificate
and the foreign infrastructure fund trust beneficiary certificate for which the foreign
infrastructure fund is an entrusted security:

In cases where the listed infrastructure fund management company falls under any of
the following Sub-items a. through d. (excluding, with regard to matters referred to in Sub-
item a., cases where said company falls under those which the Exchange deems as matters
whose impact on investment decisions is of minor significance, such as a cases where said
company falls under the criteria specified by the Enforcement Rules), they must
immediately disclose all pertinent details pursuant to the provisions in the Enforcement
Rules.

a. Those where the management company of the listed infrastructure fund has decided to
carry out any of matters referred to in the following (a) through (p) (including cases where
it has decided not to carry out a matter pertaining to said decision);

(a) Splits or reverse splits of beneficiary certificates;
(b) An additional trust or secondary distribution;
(c) Borrowing of funds necessary for the investment trust;
(d) An alteration to the general conditions for the investment trust or a cancellation of an
investment trust agreement;
(e) An application to a financial instruments exchange in Japan or a foreign financial
instruments exchange, etc. that pertains to the delisting or cancellation of the registration
of an infrastructure fund;
(f) A merger of said management company;
(g) A petition for commencement of bankruptcy proceedings by said management
company;
(h) The dissolution of said management company (excluding dissolutions through
mergers);
(i) Discontinuance of financial instruments business or operations pertaining to asset
management by said management company;
(j) Completion of an alteration registration specified in Article 31, Paragraph 4 of the Act
that results in the management company’s ceasing to be an entity that carries out
investment management business;
(k) A company split of the management company;
(l) Transfer or acquisition of the whole or part of the business of said management
company;
(m) An application for authorization or approval, or for notification, that said asset
management company makes to an administrative agency pursuant to laws and
regulations;
(n) Personnel changes of certified public accountants, etc. who prepare audit certification,
etc. of financial statements, etc. or interim financial statements, etc. contained in a
securities report or an interim report;
(o) A decision to leaves the handling of said security outside of the scope of book-entry transfer operations conducted by the designated book-entry transfer institution;

(p) In addition to the matters referred to in (a) through the preceding (o), important matters concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in the case of a listed foreign infrastructure fund trust beneficiary certificate) or important matters pertaining to operation, business, or assets of the investment corporation, etc. that have a considerable effect on investment decisions;

(b) Those where the management company of the listed infrastructure fund falls under any of the circumstances referred to in the following (a) through (f);

(a) A business improvement order pursuant to the provisions of Article 51 of the Act or similar disciplinary actions pursuant to laws and regulations;

(b) A fact that causes delisting (limited to a fact pertaining to a reason referred to in Rule 1520, Paragraph 1, Item (2), Sub-item a.);

(c) In addition to the facts referred to in (a) and the preceding (b), license, approval or disposition by the Prime Minister, etc. in accordance with the laws and regulations;

(d) Personnel changes of certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. contained in a securities report or an interim report (excluding cases in which the management company discloses details pursuant to the provisions of the preceding a., where the body that makes decisions on conducting business has decided to conduct personnel changes of said certified public accountants, etc. (including cases where said body has decided to not carry out matters pertaining to said decision);

(e) A securities report or an interim report that has an attached audit report or interim audit report stipulated in Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification prepared by two (2) or more certified public accountants or an audit firm is not expected to be or has not been submitted to the Prime Minister, etc. within a period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act (excluding cases where said management company discloses that such reports are unlikely to be submitted within said period), or otherwise was submitted after said disclosure had been made or has received approval from the Prime Minister, etc. in regard to an extension of said period;

(f) In addition to the matters referred to in (a) through the preceding (e), important matters concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in cases where said foreign infrastructure fund is in the form of a listed foreign infrastructure trust beneficiary security) or the operation, business or assets of the investment corporation, etc. that have a considerable effect on investment decisions;

(c) Those where the trust company, etc. that is the entrustee of the investment trust pertaining to the listed infrastructure fund determines to conduct any matter referred to in the following (a) or (b) (including cases where the trust company has decided to not carry out a matter pertaining to said decision);

(a) An application to a financial instruments exchange in Japan or in a foreign financial instruments exchange, etc. that pertains to the delisting or cancellation of the registration of an infrastructure fund;

(b) In addition to the matters referred to in the preceding item (a), important matters concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in cases where said foreign infrastructure fund is in the form of a listed foreign infrastructure trust beneficiary security) or the operation, business or...
assets of the investment corporation, etc. that have a considerable effect on investment decisions;
d. Those where the trust company, etc. that is the entrustee of the investment trust pertaining to the listed infrastructure fund falls under any of the circumstances referred to in the following (a) or (b);
(a) A fact that causes delisting (limited to a fact pertaining to a reason referred to in Rule 1520, Paragraph 1, Item (2), Sub-item b.);
(b) In addition to the matters referred to in the preceding item (a), important matters concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in cases where said foreign infrastructure fund is in the form of a listed foreign infrastructure trust beneficiary security) or the operation, business or assets of the investment corporation, etc. that have a considerable effect on investment decisions;

3. With regard to timely disclosure of information by the operator of the listed infrastructure fund, if any of the following items applies to the listed infrastructure fund issuer, etc., said operator, etc. must immediately disclose all pertinent details pursuant to the provisions in the Enforcement Rules:

(1) Those where the operator of the listed infrastructure fund determines to conduct any matter referred to in the following Sub-item a. through h. (including cases where the operator has decided not to carry out a matter pertaining to said decision);
   a. A merger
   b. A petition for commencement of bankruptcy proceedings or commencement of rehabilitation proceedings;
   c. A dissolution (excluding dissolutions through mergers);
   d. Discontinuance of operations pertaining to management of infrastructure investment assets (including cases where the operator has made the decision to no longer be an operator);
   e. A demerger
   f. Transfers or acquisition of the whole or part of the business;
   g. An application for authorization, approval, or notification pertaining to management of infrastructure investment assets to an administrative agency pursuant to laws and regulation, or others similar procedures;
   h. In addition to the matters referred to in the Sub-items a. through the preceding g., important matters concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in cases where said foreign infrastructure fund is in the form of a listed foreign infrastructure trust beneficiary security) or the operation, business, or assets of said operator that have a considerable effect on investment decisions;

(2) Those where the operator of the listed infrastructure fund falls under any of the circumstances referred to in the following Sub-items a. through d.:
   a. Is subject to a business improvement order, cancellation of registration, or other dispositions equivalent thereto by an administrative agency based on laws and regulations, or is accused of violation of laws and regulations;
   b. Ceases to be the operator of said listed infrastructure fund;
   c. Receives a petition, etc. for commencement of bankruptcy proceedings by a creditor or any entity other than the operator;
   d. In addition to the matters referred to in the preceding Sub-items from a. through c., important matters concerning the listed infrastructure fund (meaning the foreign infrastructure fund that is an entrusted security in cases where said foreign infrastructure
fund is in the form of a listed foreign infrastructure trust beneficiary security) or the
operation, business, or assets of the investment corporation, etc. that have a considerable
effect on investment decisions;
4. With regard to timely disclosure of information by the listed infrastructure fund issuer, etc.
on assets under management, etc. of the listed infrastructure fund, where the listed
infrastructure fund issuer, etc. falls under any of the circumstances in the following items
(with regard to matters referred to in Items (1) and (2), excluding cases where said listed
infrastructure fund issuer, etc. falls under circumstances that the Exchange deems as matters
whose impact on investment decisions is of minor significance, such as cases where the
criteria specified in the Enforcement Rules applies to the infrastructure fund issuer, etc.),
said listed infrastructure fund issuer, etc. must immediately disclose all pertinent details
pursuant to the provisions in the Enforcement Rules:
(1) Those where the management company determines to conduct any of the matters referred
to in the following a. through g. (including cases where the management company has
decided not to carry out a matter pertaining to said decision);
a. Transfer or acquisition of assets pertaining to assets under management, etc.;
b. Leasing or cancellation of leasing of assets under management, etc.
c. Conclusion or termination of an agreement pertaining to the management of infrastructure
investment assets;
d. An change to operator selection criteria (meaning the operation selection criteria specified
by the management company pursuant to the operator selection basic policy; the same
shall apply hereinafter.);
e. A change, etc. of the operator;
f. A change to risk management policies;
g. In addition to the matters referred to in Sub-items a. through the preceding f., important
matters concerning assets under management, etc. that have a considerable effect on
investment decisions;
(2) Those where facts referred to in the following Sub-items a. through g. have arisen;
a. Damage attributable to disaster or damage that has occurred in the course of business
pertainning to assets under management, etc. (where the assets under management, etc. are
infrastructure securities or infrastructure-related securities, including infrastructure
investment assets of said infrastructure securities or infrastructure-related securities; the
same shall apply in the following b.);
b. The cancellation of a lease for assets under management, etc. (excluding cases where the
pertinent details are disclosed pursuant to the provisions of the Sub-item b. of the
preceding item)
c. The suspension of operations for infrastructure investment assets;
d. A change to or termination of an agreement pertaining to management of infrastructure
investment assets;
e. Important authorization, approval, or disposition pertaining to infrastructure investment
assets by an administrative agency;
f. A change, etc. of the operator;
g. In addition to the matters referred to in Sub-items a. through the preceding f., important
matters concerning assets under management, etc. that have a considerable effect on
investment decisions;
(3) Those where a management company carries out transactions referred to in any of the
items in Article 13, Paragraph 1 of the Investment Trust Act (including cases where said
item is applied mutatis mutandis in Article 54 of the same Act) or transactions referred to
in Article 203, Paragraph 2 of the same Act (limited to cases where it is necessary to issue
(Provisional Reference Translation)

a document to a beneficiary of an investment trust pursuant to these provisions);

(4) Those where details (including information specified by the Enforcement Rules) of accounts for a business period or a computation period, or alternatively, an interim business period or an interim computation period pertaining to a listed infrastructure fund are settled; or

(5) Those where there is an inconsistency (limited to those meeting the criteria specified by the Enforcement Regulations as matters that have a material impact on investment decisions) between the estimated value that was newly calculated by the issuer of the listed infrastructure fund or accounts for the business period or for said computation period and the last published estimated value (where there is no such value, the published actual value for the previous business period or the previous computation period) with respect to operating income, ordinary income, or net income, or with respect to distribution of money or profits of the fund pertaining to the listed infrastructure fund.

5. In addition to the preceding three (3) paragraphs, if the listed foreign infrastructure fund issuer, etc., (meaning the entity specified in Rule 1501, Paragraph 1, Item (3) in cases where the listed foreign infrastructure fund is in the form of a foreign investment security, and the entity specified in Paragraph 1, Item (4) of the same rule in cases where the listed foreign infrastructure fund is in the form of an entrusted security of the foreign investment trust beneficiary certificate; the same shall apply hereinafter) or the listed foreign infrastructure fund beneficiary certificate issuer, etc. (meaning the entity specified in Rule 1501, Paragraph 1, Item (3) in cases where the listed foreign infrastructure fund is in the form of a foreign investment security, and the entity specified in Paragraph 1, Item (4) of the same rule in cases where the listed foreign infrastructure fund trust beneficiary certificate whose entrusted security is a foreign infrastructure fund is in the form of a beneficiary certificate of the foreign investment trust; the same shall apply hereinafter) falls under any of the following circumstances referred to in the following items, said listed foreign infrastructure, etc. or said foreign infrastructure fund beneficiary issuer must immediately disclose the pertinent details pursuant to the provisions of the Enforcement Rules:

(1) Changes in socioeconomic circumstances in the country, etc. where the issuer’s headquarters are located that have material impact on the performance of the listed foreign infrastructure fund or the listed foreign infrastructure fund beneficiary certificate (hereinafter referred to as the "listed foreign infrastructure fund, etc." in this paragraph), or in the specific country or region where the issuer conducts investment activity for said listed foreign infrastructure fund, etc.; or otherwise, changes in laws and regulations, etc. regarding rules or systems for the capital market in the country where the issuer’s headquarters are located.

(2) Any event that has occurred in the pertinent foreign country that has material impact on the circulation of the listed foreign infrastructure fund, etc.

6. In addition to Paragraph 2 through the preceding paragraph, where an issuer, etc. of the listed foreign infrastructure fund trust beneficiary certificate has made a decision to change or terminate a deposit agreement, etc., or any other agreement, or other matters that have a material impact on a right, etc. related to the listed foreign infrastructure fund beneficiary certificate, or where a fact that has a material impact on said right, etc. has arisen, the issuer must immediately disclose the pertinent details pursuant to the provisions in the Enforcement Rules.

7. The provisions in Rule 412 shall be applied mutatis mutandis to examination, etc. on disclosure of information by the listed infrastructure fund issuer, etc.

8. The issuer, etc. of the listed infrastructure fund shall submit a "Report on Management Systems of Infrastructure Fund Issuer, etc." predetermined by the Exchange within three (3)
months after the business period or computation period pertaining to said infrastructure fund has passed. In this case, said issuer, etc. shall agree to the Exchange’s making said report available for public inspection.

9. The provisions of Rule 401, Rule 411-2, Rules 413 to 414, and Rule 416 shall be applied mutatis mutandis to disclosures pursuant to the provisions of the preceding paragraphs, and the provisions of Rule 415 and Rule 417 shall be applied mutatis mutandis to the issuer, etc. of the listed infrastructure fund, respectively.

Rule 1514. Submitting Documents, etc.
1. The issuer, etc. of the listed infrastructure fund must submit all documents, etc. to the Exchange as specified by the Enforcement Rules.
2. In addition to the preceding paragraph, the listed infrastructure fund issuer, etc. must submit any documents that the Exchange requests for a good reason without delay, and agree to the Exchange’s making some documents available for public inspection, if deemed necessary.

Rule 1515. Written Confirmation Regarding the Appropriateness of Securities Reports, etc.
Where the issuer of the listed infrastructure fund has submitted a securities report or an interim report to the Prime Minister, etc. or delivered a management report to an investor or a beneficiary, the issuer must submit to the Exchange, without delay, written documents stating that the representative of said issuer recognizes that there are no false statements in the securities report, interim report, or management report as of the time of when the documents were submitted or delivered together with the reason therefor pursuant to the provisions of the Enforcement Rules. In this case, the issuer of said listed infrastructure fund agrees to the Exchange’s making said written documents available for public inspection.

Rule 1516. Selection of Agents of Issuers, etc.
The issuer, etc. of a listed foreign infrastructure fund or a listed foreign infrastructure fund trust beneficiary certificate must, pursuant to the provisions of the Enforcement Rules, select an entity that has an address or residence in Japan with the authority to act as a proxy or representative of the issuer, etc. of the listed foreign infrastructure fund or the listed foreign infrastructure fund trust beneficiary certificate with respect to all acts in relation to the Exchange.

Rule 1517. Effective Date, etc. of Splits of Investment Units or Beneficiary Rights
1. Where the investment corporation that is the issuer of a listed domestic infrastructure fund in the form of investment securities or the management company of a listed domestic infrastructure fund in the form of entrusted securities splits an investment unit or beneficiary right pertaining to the listed domestic infrastructure fund, said investments corporation or management company shall set the split to go into effect on the day following the record date for determining the entities that are to receive the rights pertaining to said split.
2. Where certain requirements, such as the need for resolutions through general investors meeting or resolutions in writing from beneficiaries, need to be satisfied in the case prescribed in the preceding paragraph, the investment corporation that is the listed domestic infrastructure fund issuer in the form of an investment security or the management company of the listed infrastructure fund in the form of a beneficiary certificate shall set a day that falls on or after the third day (excluding non-business days) counting from the day on which the split is determined to be conducted as the record date for fixing the entities eligible for rights pertaining to said split.
Rule 1518.  Code of Conduct Regarding Listing Infrastructure Funds
1. The issuer, etc. of a listed infrastructure fund must not conduct a gratis allotment of new investment unit subscription warrant securities, or reverse split or split of investment units or beneficiary rights pertaining to the listed infrastructure fund that are likely to disrupt the secondary market or undermine the interests of investors or beneficiaries.
2. The provisions of Rule 442 and Rule 449 shall be applied mutatis mutandis to the entities specified in Rule 1501, Paragraph 1, Items (1) and (3), and the provisions of Rule 443 and Rule 450 shall be applied mutatis mutandis to the issuer, etc. of a listed infrastructure fund.
3. The issuer, etc. of a listed infrastructure fund shall make efforts to record information pertaining to assets under management, etc. prescribed by laws and regulations deemed necessary by the Exchange in the statutory disclosure documents (meaning documents to be prepared or disclosed in accordance with laws and regulations), and documents (limited to those the Exchange makes available for public inspection) whose information is disclosed pursuant to the provisions in Rule 1513 or documents submitted to the Exchange.

Rule 1519.  Ensuring Effectiveness
The provisions of Rules 501 to 504, and Rules 508 to 510 shall be applied mutatis mutandis to ensuring the effectiveness of listed infrastructure funds.

Rule 1520.  Delisting Criteria
1. The delisting criteria pertaining to the issuer, etc. of the listed infrastructure fund shall be set forth pursuant to the provisions of the following items in accordance with the classification of the listed infrastructure fund referred to in said items. In this case, each such item is interpreted as per the Enforcement Rules:
   (1) Investment securities:
      a. If the following (a) or (b) applies to the investment corporation that is the issuer of the listed infrastructure, the Exchange delists said listed infrastructure fund:
         (a) Any of the reasons for dissolution referred to in Article 143 of the Investment Trust Act applies to the issuer of the listed infrastructure fund; or
         (b) The issuer of the listed infrastructure fund has fallen into a situation that requires bankruptcy proceedings or rehabilitation proceedings pursuant to laws and regulations or a situation equivalent thereto;
      b. If the following (a) or (b) applies to the management company pertaining to the listed infrastructure fund, said listed infrastructure fund will be delisted; provided, however, that the same shall not apply to cases where the business that has been carried out by the management company is taken over by another management company and that said other management company submits the "Listing Agreement for an Infrastructure Fund" and "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1504, Paragraph 7, and where said listed infrastructure fund complies with each item in Rule 1506, Paragraph 1:
         (a) The registration of a financial instruments business expires pursuant to the provisions of Article 50-2, Paragraph 2 of the Act;
         (b) The registration of a financial instruments business is cancelled pursuant to the provisions of Article 52, Paragraph 1 or Article 54 of the Act;
         (c) The management company ceases to be a member of the Investment Trusts Association, Japan (General Incorporated Association);
(d) The management company ceases to be the management company pertaining to said listed infrastructure fund; or
(e) The management company ceases to be the entity that carries out investment management business upon receiving the alteration registration prescribed in Article 31, Paragraph 4 of the Act;

(2) Beneficiary certificates

The delisting criteria shall be set forth pursuant to the provisions in the following a. or b.:
a. Where the management company pertaining to a listed infrastructure fund falls under either (a) through (c) or (e) of the preceding Sub-item b., the listed infrastructure fund will be delisted; provided, however, that the same shall not apply to cases where another management company has taken over the business that the management company pertaining to said infrastructure fund has carried out and that said other management company submits the "Listing Agreement for an Infrastructure Fund" and "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1504, Paragraph 7, and where the listed infrastructure fund complies with the items in Rule 1506, Paragraph 1

b. Where the business license or authorization concerning the operation of a trust business is revoked from a trustee pertaining to a listed infrastructure fund, the listed infrastructure fund will be delisted; provided, however, that the same shall not apply to cases where another trustee has taken over the business that the trustee pertaining to the listed infrastructure fund has carried out and that said other trustee submits the "Listing Agreement for an Infrastructure Fund" and "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1504, Paragraph 7, and where the listed infrastructure fund complies with the items in Rule 1506, Paragraph 1

(3) Foreign investment securities, etc.

The delisting criteria for a foreign investment security or a foreign investment security that is the entrusted security of a foreign infrastructure fund trust beneficiary certificate shall be set forth pursuant to the provisions of the following a. or b.:
a. If the following (a) or (b) applies to the foreign investment corporation that is the issuer of the listed infrastructure fund, said listed infrastructure fund will be delisted.
   (a) Any of the reasons for dissolution, in accordance with laws and regulations, apply to the foreign investment corporation; or
   (b) The issuer of the listed infrastructure fund has fallen into a state where bankruptcy proceedings or rehabilitation proceedings pursuant to laws and regulations are inevitable or into a situation equivalent thereto

b. If the following (a) or (b) applies to the management company pertaining to a listed infrastructure fund, the listed infrastructure fund will be delisted; provided, however, that the same shall not apply to cases where another management company has taken over the business that the management company had carried out and said other management company submits the "Listing Agreement for an Infrastructure Fund" and "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1504, Paragraph 7, and where the listed infrastructure fund complies with the items in Rule 1506, Paragraph 1:
   (a) The licenses, permissions, or registrations, etc. required for operations pertaining to asset management have expired, have been cancelled, or have changed pursuant to laws and regulations, and the management company has ceased operations as a management company; or
(b) The management company has ceased to be the management company pertaining to the listed infrastructure fund;

(4) Beneficiary certificates, etc. of a foreign investment trust

A beneficiary certificate of a foreign investment trust or a beneficiary certificate that is an entrusted security of a foreign infrastructure fund trust beneficiary certificate falls under the following a. or b.:

a. If licenses, permissions, or registrations, etc. required for operations pertaining to asset management of the management company pertaining to the listed infrastructure fund have expired, have been cancelled, or have changed pursuant to laws and regulations, and the management company has ceased operations as a management company, the listed infrastructure fund will be delisted; provided, however, that the same shall not apply to cases where another management company has taken over the business that the management company had carried out and said other management company submits the "Listing Agreement for an Infrastructure Fund" and "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1504, Paragraph 7, and where the listed infrastructure fund complies with the items in Rule 1506, Paragraph 1:

b. If business licenses or authorizations concerning the operation of the trust business are revoked from the trustee pertaining to a listed infrastructure fund, the listed infrastructure fund will be delisted; provided, however, that the same shall not apply to cases where another trustee has taken over the business that the trustee pertaining to said listed infrastructure fund had carried out and said other trustee submits the "Listing Agreement for an Infrastructure Fund" and "Written Confirmation Regarding Compliance with Exchange Rules and Regulations" prescribed in Rule 1504, Paragraph 7, and where the listed infrastructure fund complies with the items in Rule 1506, Paragraph 1:

2. The delisting criteria for an issue of the listed infrastructure fund shall be set forth pursuant to the provisions in the following items in accordance with the classification of the listed infrastructure fund referred to in each item. In this case, each provision will be interpreted as per the Enforcement Rules:

(1) Domestic infrastructure funds

Where any of the following Sub-items a. through t. applies to the domestic infrastructure fund:

a. The ratio of the amount of infrastructure assets, etc. to the total amount of assets under management, etc. has fallen below 70% as of the end of every business period or every computation period pertaining to the listed infrastructure fund, and does not reach or surpass 70% within one (1) year;

b. The ratio of the total amount of infrastructure assets, etc., infrastructure-related securities and current assets to the total amount of assets under management, etc. has fallen below 95% as of the end of every business period or every computation period pertaining to the listed infrastructure fund, and does not reach or surpass 95% within one (1) year;

c. The distribution of money or distribution of revenue pertaining to a given business period or a given computation period has not been made, and distribution of money or distribution of revenue is not made within one (1) year (excluding cases specified by the Enforcement Rules);

d. Total net assets have fallen below JPY 500 million as of the end of every business period or every computation period pertaining to the listed infrastructure fund, and do not reach or surpass JPY 500 million within one (1) year;
e. Total assets have fallen below JPY 2.5 billion as of the end of every business period or every computation period pertaining to the listed infrastructure fund, and do not reach or surpass JPY 2.5 billion within one (1) year;
f. The number of listed investment units (excluding the number of own investment units that are own investment units scheduled for disposal as per a resolution for the disposal of said own investment units) or the number of units of listed beneficiary rights is less than 4,000;
g. Trading volume for the year-long term before the end of December of every year falls under 20 units;
h. There are delays in submission of a securities report or an interim report:
   For cases where the issuer fails to submit to the Prime Minister, etc. a securities report or an interim report to which an audit report or an interim audit report that has been prepared by two (2) or more certified public accountants or an audit firm in accordance with Article 3, Paragraph 1 of the Cabinet Office Ordinance on Audit Certification within a month after the period specified in Article 24, Paragraph 1 or Article 24-5, Paragraph 1 of the Act passes (within three (3) months in the event that said delay in submission is due to reasons, such as an act of providence, that are not attributable to the issuer of the listed infrastructure fund);
i. The following (a) or (b) applies:
   (a) There is a false statement in a securities report, etc. pertaining to the listed infrastructure fund and, in addition, the Exchange deems that its effect is material; or
   (b) Concerning audit reports attached to financial statements, etc. or interim audit reports attached to interim financial statements, etc. pertaining to the listed infrastructure fund, a certified public accountant, an audit firm, or an entity equivalent thereto states an adverse opinion or withholds an opinion in the audit report (excluding cases specified by the Enforcement Rule; hereinafter the same in this (b)), or either of the aforementioned entities states an opinion to the effect that the interim financial statements, etc. do not provide useful information or withhold an opinion in the interim audit report, and the Exchange deems it clear that it is difficult to maintain the order of the market unless said listed infrastructure fund is immediately delisted;
j. Where the Enforcement Rules identifies them as cases where the entity who had entered into a listing agreement pertaining to the listed infrastructure fund has committed a material breach of the listing agreement; said entity has committed a material breach as to matters taken on oath in the Written Oath submitted pursuant to the provisions of Rule 1504, Paragraph 1; or, the entity who must enter into a listing agreement ceases to be a party to the listing agreement; provided, however, that the same shall not apply to cases where the proviso in Item (1), Sub-item b. of Paragraph 1, the proviso in Item (2), Sub-item a of the same paragraph, the proviso in Item (3), Sub-item b. of the same paragraph, or the proviso in Item (4), Sub-item a. of the same paragraph apply to said entity (excluding the investment corporation in cases where said listed infrastructure fund is in the form of investment securities, and the management company in cases where said listed infrastructure fund is in the form of beneficiary certificates);
k. It is possible to refund investment units upon an investor’s request or to cancel a trust agreement that is still valid upon a beneficiary’s request due to changes in the certificate of incorporation of an investment corporation in cases where said listed infrastructure fund is in the form of investment securities, and the management company in cases where said listed infrastructure fund is in the form of beneficiary certificates;
l. The business period or computation period is less than six (6) months due to changes in the certificate of incorporation of the investment corporation or the basic terms and conditions for an investment trust;
m. No clause pertaining to operator selection policy is included due to changes in the certificate of incorporation of the investment corporation or the basic terms and conditions for the investment trust;

n. One of the operators does not satisfy the operator selection criteria as of the end of a business period or computation period pertaining to the listed infrastructure fund, and said operator does not meet the operator selection criteria even after one (1) year;

o. The issue ceases to qualify for handling in the book-entry transfer operations by the designated book-entry transfer institution;

p. The listed infrastructure fund is an investment security, and the administrative work relating to the investor register has not been entrusted to an agent approved by the Exchange as specified in Rule 1505, Paragraph 1, Item (2), Sub-item l. or it has become certain that said administrative work will not be entrusted in the future;

q. The listed infrastructure fund is in the form of a beneficiary certificate, and it is possible to carry out an additional trust pertaining to said investment trust due to changes in the basic terms and conditions for an investment trust even in cases where subscription is made by submitting a security registration statement pursuant to the provisions of the Act;

r. The listed infrastructure fund is in the form of a beneficiary certificate, and the investment trust agreement pertaining to said beneficiary certificate has expired;

s. It is revealed that the issuer, etc. of the listed infrastructure fund has involvement with antisocial forces as specified in the Enforcement Rules, and the Exchange deems such situation to have considerably undermined confidence of investors or beneficiaries in the market of the Exchange;

t. Other than the preceding Sub-items a. to s., cases that the Exchange deems delisting appropriate in consideration of public interest or investor protection.

(2) Foreign infrastructure funds
Where the following Sub-items a. through d. apply to the foreign infrastructure fund;

a. Sub-items a. through f, h. through n., and q. through t of the preceding item apply to the foreign infrastructure fund. In this case, "investment corporation" in Sub-items j., k., l., and m. of the preceding item, "investment trust" in Sub-items j., k., and q. of the same item, and "beneficiary certificate" in Sub-items j., q., and r. of the same item are to be reworded as "foreign investment corporation", "foreign investment trust", and "foreign investment trust beneficiary certificate", respectively;

b. The issue ceases to qualify for handling in the book-entry transfer operations for foreign stocks, etc. by the designated book-entry transfer institution;

c. It has been determined that said listed foreign infrastructure fund will be delisted from the foreign financial instruments exchange, etc., or the Exchange deems that it is difficult to immediately obtain quotations for said fund at the foreign financial instruments exchange, etc.; provided, however, that the same shall not apply to cases where the Exchange deems that delisting is inappropriate in consideration of reasons for delisting, etc. of said fund from said foreign financial instruments exchange, etc. and on other grounds such as the state of trading at the Exchange.

d. The state of trading for said listed foreign infrastructure fund is deemed to have considerably deteriorated as of the end of a business period or computation period;

(3) Foreign infrastructure fund trust beneficiary certificates
Where any of the following Sub-items a. or b. apply to the foreign infrastructure fund trust beneficiary certificate;

a. Any of the following (a) through (c) apply to the foreign infrastructure fund trust beneficiary certificate;

(a) Sub-items a. through c, h. through j., o., s., and t. of Item (1) apply to the foreign infrastructure fund trust beneficiary certificate;
infrastructure fund trust beneficiary certificate. In this case, "investment corporation" in Sub-item j. of Item (1) is to be reworded as "foreign investment corporation that is the issuer of the foreign investment security that is an entrusted security of the listed foreign infrastructure fund trust beneficiary certificate";

(b) The state of trading for the listed foreign infrastructure fund trust beneficiary certificate is deemed to have considerably deteriorated as of the end of a business period or computation period;

(c) The deposit agreement, etc. or other agreements prescribed in Rule 1505, Paragraph 3, Item (7) terminate; provided however, that the same shall not apply to cases where said deposit agreement, etc. or any other agreement is terminated as a result of changes in the depository, etc. pertaining to the foreign infrastructure fund trust beneficiary certificate.

b. Either of the following (a) or (b) applies to the foreign investment corporation or foreign investment trust that is the issuer of the foreign infrastructure fund that is an entrusted security of the listed foreign infrastructure fund trust beneficiary certificate;

(a) Sub-items d., e., k. through n., q., and r. of Item (1) apply to the foreign infrastructure fund trust beneficiary certificate. In this case, "investment corporation" in Sub-items k., l., and m. of Item (1), "investment trust" in Sub-items k., and q. of the same item, and "beneficiary certificate" in Sub-items q., and r. of the same item are to be reworded as "foreign investment corporation", "foreign investment trust", and "foreign investment trust beneficiary certificate", respectively;

(b) It has been determined that the foreign infrastructure fund that is in the form of a entrusted security of the listed foreign infrastructure fund trust beneficiary certificate will be delisted from the foreign financial instruments exchange, etc., or the Exchange deems that it is difficult to immediately obtain quotations for said fund at the foreign financial instruments exchange, etc.; provided, however, that the same shall not apply to cases where the Exchange deems that delisting is inappropriate in consideration of reasons for delisting, etc. of said fund at the foreign financial instruments exchange, etc., and on other grounds such as the state of trading at the Exchange.

3. The provisions of Rule 607 shall be applied mutatis mutandis to examinations pertaining to delisting pursuant to the provisions of the preceding two (2) paragraphs.

Rule 1521. Special Provisions on Delisting Criteria

For listed domestic infrastructure funds managed with the aim of having said listed domestic infrastructure funds satisfy the requirement prescribed in Article 39-32-3 (hereinafter referred to as "conduit requirements" in this item) of the Order for Enforcement of the Act on Special Measures Concerning Taxation (Cabinet Order No. 43 of 1957), the provisions of the preceding Rule, Paragraph 2, Item (1), Sub-items a., b., d., and e, shall not apply to those listed domestic infrastructure funds (hereinafter referred to as "special provision infrastructure funds" in this item) that satisfy the requirements prescribed in the following items. In this case, each item will be interpreted as per the Enforcement Rules.

(1) Documents specified by the Enforcement Rules as documents to be submitted for initial listing application have been submitted;

(2) Documents specified by the Enforcement Rules as documents to be submitted for initial listing application cover matters specified by the Enforcement Rules;

(3) Only assets under management, etc. (meaning "assets under management, etc. for special provision infrastructure fund" in Items (5) and (6)) specified in the Enforcement Rules have been put forth as assets under management, etc. that qualify for listing examination pursuant to the provisions of Rule 1505, Paragraph 1, Item (2), Sub-items a. and b.;
(4) Documents specified in the Enforcement Rules have been disclosed within three (3) months after each business period in a manner specified in Rule 414;

(5) Assets other than assets under management, etc. for special provision infrastructure fund have not been acquired; provided, however, that the same shall not apply to cases where assets other than assets under management, etc. of special provision infrastructure fund must be acquired to meet the conduit requirements and where procedures referred to in the following a. and b. have been conducted;
   a. Prior to acquiring assets other than assets under management for special provision infrastructure fund, approval from the board of officers at the investment corporation has to be obtained;
   b. If it has been determined that assets other than assets under management, etc. for special provision infrastructure fund will be acquired, the details shall be disclosed immediately in a manner prescribed in Rule 414;

(6) The certificate of incorporation covers matters referred to in the following Sub-items a. and b.
   a. In principle, assets other than assets under management, etc. for special provision infrastructure fund shall not be acquired;
   b. Where assets other than asset under management, etc. of special provision infrastructure fund must be acquired to meet the conduit requirements, the procedures referred to in Sub-items a. and b. of the preceding item shall be conducted;

2. If the Exchange has confirmed that the special provision infrastructure fund does not satisfy the criteria prescribed in the provisions of Items (4) through (6) of the preceding paragraph, the Exchange shall immediately make a public announcement of said information;

3. Any examination (that is conducted after the aforementioned announcement) for the purpose of confirming whether or not the listed domestic infrastructure fund satisfies the delisting criteria pursuant to the preceding paragraph shall be carried out pursuant to the provisions of Paragraph 2, Item (1) of the preceding rule notwithstanding the provisions of Paragraph 1.

Rule 1522. Duty to Cooperate with the Exchange

1. If the Exchange deems it necessary to determine whether a listed infrastructure fund falls under circumstances pertaining to delisting and requests certified public accountants, etc. who carry out audit certification of financial statements, etc. or interim financial statements, etc. (including entities who were such certified public accountants, etc.; the same shall apply in the following paragraph) to give explanation, etc. on the circumstances, etc., the listed infrastructure fund issuer, etc. must cooperate in this process.

2. If the Exchange makes a request to a listed infrastructure fund issuer, etc. for the purpose of requesting certified public accountants, etc. prescribed in the preceding paragraph to provide an explanation, etc. on the circumstances, etc. pursuant to the provisions of the preceding paragraph, the listed infrastructure fund issuer, etc. must promptly submit a document stating that said certified public accountants, etc. will agree to give explanation, etc. on the circumstances, etc.

Rule 1523. Delisting Day

If the Exchange has determined to delist a listed infrastructure fund, the delisting day shall be determined pursuant to the provisions of the Enforcement Rules.

Rule 1524. Designation of Securities Under Supervision

DISCLAIMER: This translation may be used for reference purposes only. This English version is not an official translation of the original Japanese version. In cases where any differences occur between the English version and the original Japanese version, the Japanese version shall prevail. This translation is subject to change without notice. Tokyo Stock Exchange, Inc., Japan Exchange Regulation, Japan Exchange Group, Inc., and/or their affiliates shall individually or jointly accept no responsibility or liability for damage or loss caused by any error, inaccuracy, misunderstanding, or changes with regard to this translation.
If a listed infrastructure fund is likely to be delisted, the Exchange can designate, pursuant to the provisions of the Enforcement Rules, the listed infrastructure fund as a Security Under Supervision in order to make investors aware of that fact.

**Rule 1525. Designation of Securities to be Delisted**
If the Exchange has determined to delist a listed infrastructure fund, the Exchange can designate, pursuant to the provisions of the Enforcement Rules, the listed infrastructure fund as a Security to Be Delisted for a period until the day before the delisting day in order to make investors aware of that fact.

**Rule 1526. Fees Relating to Listing, etc.**
The issuer of an infrastructure fund or new investment unit subscription warrant securities and the issuer of a listed infrastructure fund pertaining to an initial listing application must pay the listing examination fee, preliminary examination fee, initial listing fee, additional listing fee at the time of additional issuance or entrustment, annual listing fee, and other fees relating to listing, etc. pursuant to the provisions of the Enforcement Rules.

**Rule 1527. Succession at the Time of Technical Listing**
When applying the provisions prescribed by the Enforcement Rules to a listed domestic infrastructure fund-issuing investment corporation in cases where the infrastructure fund-issuing investment corporation is listed as per the provisions in Rule 1507 (including a listed infrastructure fund issued by the investment corporation and a management company pertaining to the listed infrastructure fund; the same shall apply in this rule), said listed infrastructure fund-issuing investment corporation is handled the same way as an infrastructure fund investment corporation that was delisted as per the provisions in the same rule (including an infrastructure fund issued by the investment corporation and the management company pertaining to said infrastructure fund), with both investment corporations being deemed the same; provided, however, the same shall not apply if the Exchange deems it inappropriate.

**Rule 1528. Mutatis Mutandis Application of Rules**
The provisions of Rules 424, 425, 429, 430, 608, and 612 shall be applied mutatis mutandis to infrastructure funds.

---

**Part 7**

**Securities Issued by Japan Exchange Group**

**Rule 1601. Basic Principles**
The Exchange shall carry out business for listing securities issued by Japan Exchange Group, Inc. (hereinafter referred to as "JPX"), a subsidiary of which is the Exchange, as a market operator fairly and faithfully similarly for cases to securities pertaining to other listing application and other listed securities, and shall make efforts to ensure trustworthiness for investors.

**Rule 1602. Listing by Application for Approval**
Where the Exchange intends to list a security issued by JPX on the financial instruments exchange market operated by the Exchange and as specified in Article 2, Paragraph 17 of the Act (hereinafter referred to as the "Exchange Market"), the Exchange shall file a listing approval application with the Prime Minister, etc. pursuant to the provisions of Article 124, Paragraph 1
of the Act, where it complies with the criteria pertaining to initial listing specified by these Regulations.

Rule 1603. Documents to be Submitted Pertaining to Initial Listing Application
The Exchange shall submit a copy of documents submitted to the Exchange by JPX pursuant to the provisions of Rule 204, Paragraph 11, Item (2) to the Commissioner of the Financial Services Agency without delay after submission.

Rule 1604. Listing Supervision, etc.
1. Where JPX discloses corporate information pursuant to the provisions of Rules 402 through 405, Rules 408 through 411, Rules 415, and Rule 806, the Exchange shall report the details to the Commissioner of the Financial Services Agency without delay:
2. Where any of the following items is met, the Exchange shall promptly report to the Commissioner of the Financial Services Agency:
   (1) Where the Exchange designates a listed domestic stock whose issuer is JPX as a security on alert pursuant to the provisions of Rule 501, Paragraph 1;
   (2) Where the Exchange cancels the designation as a security on alert concerning JPX pursuant to the provisions of Rule 501, Paragraph 3;
   (3) Where JPX submits the Improvement Report pursuant to the provisions of Rule 502, Paragraph 3 (including cases where applied mutatis mutandis in Rule 503, Paragraph 7 or Rule 504, Paragraph 2) and Rule 505, Paragraph 1;
   (4) Where JPX submits the Improvement Status Report pursuant to the provisions of Rule 503, Paragraph 3; or
   (5) Where the Exchange makes a public announcement concerning JPX pursuant to the provisions of Rule 508, Paragraph 1.

Rule 1605. Assignment to the First Section Market or Reassignment to the Second Section Market
1. Where the Exchange designates a domestic stock issued by JPX as a First Section Market stock or reassigns it to the Second Section Market pursuant to the provisions of Part 2, Chapter 3, Section 2 or Section 3, it shall report this fact to the Commissioner of the Financial Services Agency without delay.
2. Where a domestic stock issued by JPX is a First Section Market issue, the Exchange shall report the results of an examination pertaining to reassignment from the First Section Market to the Second Section Market every six (6) months.

Rule 1606. Application for Delisting Approval
1. Where the Exchange intends to delist a listed security issued by JPX pursuant to the provisions of these Regulations, the Exchange shall file an application for delisting approval with the Prime Minister, etc. pursuant to the provisions of Article 126, Paragraph 2 the Act.
2. The Exchange shall report the results of an examination pertaining to delisting of a security issued by JPX to the Commissioner of the Financial Services Agency every six (6) months; provided, however, that where the result of such examination is likely to fall under the delisting criteria specified by these Regulations, the Exchange shall immediately report to the Commissioner of the Financial Services Agency.
Corporate Governance Code

Section 1: Securing the Rights and Equal Treatment of Shareholders

**General Principle 1**
Companies should take appropriate measures to fully secure shareholder rights and develop an environment in which shareholders can exercise their rights appropriately and effectively.

In addition, companies should secure effective equal treatment of shareholders.

Given their particular sensitivities, adequate consideration should be given to the issues and concerns of minority shareholders and foreign shareholders for the effective exercise of shareholder rights and effective equal treatment of shareholders.

**Notes**
Companies have various stakeholders, including shareholders. Without appropriate cooperation with these stakeholders, it would be difficult for companies to achieve sustainable growth. Suppliers of capital are an important cornerstone, and shareholders are the primary starting point for corporate governance discipline. Companies should secure appropriate cooperation with shareholders and strive toward the achievement of sustainable growth by fully securing shareholder rights and providing for the smooth exercise thereof.

In addition, the Companies Act requires companies to equally treat shareholders based on the class and number of shares they hold. Gaining broad confidence of shareholders that they receive equal treatment will also contribute to strengthening support from the suppliers of capital.

**Principle 1.1 Securing the Rights of Shareholders**
Companies should take appropriate measures to fully secure shareholder rights, including voting rights at the general shareholder meeting.

**Supplementary Principles**
1.1.1 When the board recognizes that a considerable number of votes have been cast against a proposal by the company and the proposal was approved, it should analyze the reasons behind opposing votes and why many shareholders opposed, and should consider the need for shareholder dialogue and other measures.

1.1.2 When proposing to shareholders that certain powers of the general shareholder meeting be delegated to the board, companies should consider whether the board is adequately constituted to fulfill its corporate governance roles and responsibilities. If a company determines that the board is indeed adequately constituted, then it should recognize that such delegation may be desirable from the perspectives of agile decision-making and expertise in business judgment.

1.1.3 Given the importance of shareholder rights, companies should ensure that the exercise of shareholder rights is not impeded. In particular, adequate consideration should be given to the special rights that are recognized for minority shareholders with respect to companies and their officers, including the right to seek an injunction against illegal activities or the right to file a shareholder lawsuit, since the exercise of these rights tend to be prone to issues and concerns.

**Principle 1.2 Exercise of Shareholder Rights at General Shareholder Meetings**
Companies should recognize that general shareholder meetings are an opportunity for constructive dialogue with shareholders, and should therefore take appropriate measures to ensure the exercise of shareholder rights at such meetings.

Supplementary Principles

1.2.1 Companies should provide accurate information to shareholders as necessary in order to facilitate appropriate decision-making at general shareholder meetings.

1.2.2 While ensuring the accuracy of content, companies should strive to send convening notices for general shareholder meetings early enough to give shareholders sufficient time to consider the agenda. During the period between the board approval of convening the general shareholder meeting and sending the convening notice, information included in the convening notice should be disclosed by electronic means such as through TDnet\(^1\) or on the company’s website.

1.2.3 The determination of the date of the general shareholder meeting and any associated dates should be made in consideration of facilitating sufficient constructive dialogue with shareholders and ensuring the accuracy of information necessary for such dialogue.

1.2.4 Bearing in mind the number of institutional and foreign shareholders, companies should take steps for the creation of an infrastructure allowing electronic voting, including the use of the Electronic Voting Platform, and the provision of English translations of the convening notices of general shareholder meeting.

1.2.5 In order to prepare for cases where institutional investors who hold shares in street name express an interest in advance of the general shareholder meeting in attending the general shareholder meeting or exercising voting rights, companies should work with the trust bank (shintaku ginko) and/or custodial institutions to consider such possibility.

Principle 1.3 Basic Strategy for Capital Policy

Because capital policy may have a significant effect on shareholder returns, companies should explain their basic strategy with respect to their capital policy.

Principle 1.4 Cross-Shareholdings

When companies hold shares of other listed companies as cross-shareholdings\(^2\), they should disclose their policy with respect to doing so, including their policies regarding the reduction of cross-shareholdings. In addition, the board should annually assess whether or not to hold each individual cross-shareholding, specifically examining whether the purpose is appropriate and whether the benefits and risks from each holding cover the company’s cost of capital. The results of this assessment should be disclosed.

Companies should establish and disclose specific standards with respect to the voting rights as to their cross-shareholdings, and vote in accordance with the standards.

Supplementary Principles

1.4.1 When cross-shareholders (i.e., shareholders who hold a company’s shares for the purpose of cross-shareholding) indicate their intention to sell their shares, companies should not hinder the sale of the

---

\(^1\) TDnet: The Tokyo Stock Exchange operates a real-time internet service (Timely Disclosure network) which distributes the information provided by listed companies on a timely basis in accordance with its listing rules.

\(^2\) Cross-shareholding: There are cases where listed companies hold the shares of other listed companies for reasons other than pure investment purposes, for example, to strengthen business relationships. Cross-shareholdings here include not only mutual shareholdings but also unilateral ones.
cross-held shares by, for instance, implying a possible reduction of business transactions.

1.4.2 Companies should not engage in transactions with cross-shareholders which may harm the interests of the companies or the common interests of their shareholders by, for instance, continuing the transactions without carefully examining the underlying economic rationale.

**Principle 1.5 Anti-Takeover Measures**

Anti-takeover measures must not have any objective associated with entrenchment of the management or the board. With respect to the adoption or implementation of anti-takeover measures, the board and kansayaku should carefully examine their necessity and rationale in light of their fiduciary responsibility to shareholders, ensure appropriate procedures, and provide sufficient explanation to shareholders.

**Supplementary Principle**

1.5.1 In case of a tender offer, companies should clearly explain the position of the board, including any counteroffers, and should not take measures that would frustrate shareholder rights to sell their shares in response to the tender offer.

**Principle 1.6 Capital Policy that May Harm Shareholder Interests**

With respect to a company's capital policy that results in the change of control or in significant dilution, including share offerings and management buyouts, the board and kansayaku should, in order not to unfairly harm the existing shareholders’ interests, carefully examine the necessity and rationale from the perspective of their fiduciary responsibility to shareholders, should ensure appropriate procedures, and provide sufficient explanation to shareholders.

**Principle 1.7 Related Party Transactions**

When a company engages in transactions with its directors or major shareholders (i.e., related party transactions), in order to ensure that such transactions do not harm the interests of the company or the common interests of its shareholders and prevent any concerns with respect to such harm, the board should establish appropriate procedures beforehand in proportion to the importance and characteristics of the transaction. In addition to their use by the board in approving and monitoring such transactions, these procedures should be disclosed.

**Section 2: Appropriate Cooperation with Stakeholders Other Than Shareholders**

**General Principle 2**

Companies should fully recognize that their sustainable growth and the creation of mid- to long-term corporate value are brought about as a result of the provision of resources and contributions made by a range of stakeholders, including employees, customers, business partners, creditors and local communities. As such, companies should endeavor to appropriately cooperate with these stakeholders.

The board and the management should exercise their leadership in establishing a corporate culture where the rights and positions of stakeholders are respected and sound business ethics are ensured.

---

3 **Kansayaku**: See Notes to the General Principle 4.
Notes

Companies have a variety of important stakeholders besides shareholders. These stakeholders include internal parties such as employees and external parties such as customers, business partners and creditors. In addition, local communities form the foundation for the on-going business activities of companies. Companies should fully recognize that appropriate cooperation with these stakeholders is indispensable in achieving sustainable growth and increasing corporate value over the mid- to long-term. Given the recent and growing interest in social and environmental problems worldwide, taking positive and proactive measures toward ESG (environmental, social and governance) matters may also be included as part of this cooperation.

The appropriate actions of companies based on the recognition of their stakeholder responsibilities will benefit the entire economy and society, which will in turn contribute to producing further benefits to companies, thereby creating a virtuous cycle.

**Principle 2.1 Business Principles as the Foundation of Corporate Value Creation Over the Mid-to Long-Term**

Guided by their position concerning social responsibility, companies should undertake their businesses in order to create value for all stakeholders while increasing corporate value over the mid- to long-term. To this end, companies should draft and maintain business principles that will become the basis for such activities.

**Principle 2.2 Code of Conduct**

Companies should draft and implement a code of conduct for employees in order to express their values with respect to appropriate cooperation with and serving the interests of stakeholders and carrying out sound and ethical business activities. The board should be responsible for drafting and revising the code of conduct, and should ensure its compliance broadly across the organization, including the front line of domestic and global operations.

**Supplementary Principle**

2.2.1 The board should review regularly (or where appropriate) whether or not the code of conduct is being widely implemented. The review should focus on the substantive assessment of whether the company’s corporate culture truly embraces the intent and spirit of the code of conduct, and not solely on the form of implementation and compliance.

**Principle 2.3 Sustainability Issues, Including Social and Environmental Matters**

Companies should take appropriate measures to address sustainability issues, including social and environmental matters.

**Supplementary Principle**

2.3.1 With the recognition that dealing with sustainability issues is an important element of risk management, the board should take appropriate actions to this end. Given the increasing demand and interest with respect to sustainability issues in recent years, the board should consider addressing these matters positively and proactively.

**Principle 2.4 Ensuring Diversity, Including Active Participation of Women**

Companies should recognize that the existence of diverse perspectives and values reflecting a variety of experiences, skills and characteristics is a strength that supports their sustainable growth. As such, companies should promote diversity of personnel, including the active participation of women.
**Principle 2.5 Whistleblowing**

Companies should establish an appropriate framework for whistleblowing such that employees can report illegal or inappropriate behavior, disclosures, or any other serious concerns without fear of suffering from disadvantageous treatment. Also, the framework should allow for an objective assessment and appropriate response to the reported issues, and the board should be responsible for both establishing this framework, and ensuring and monitoring its enforcement.

Supplementary Principle

2.5.1 As a part of establishing a framework for whistleblowing, companies should establish a point of contact that is independent of the management (for example, a panel consisting of outside directors and outside kansayaku). In addition, rules should be established to secure the confidentiality of the information provider and prohibit any disadvantageous treatment.

**Principle 2.6 Roles of Corporate Pension Funds as Asset Owners**

Because the management of corporate pension funds impacts stable asset formation for employees and companies’ own financial standing, companies should take and disclose measures to improve human resources and operational practices, such as the recruitment or assignment of qualified persons, in order to increase the investment management expertise of corporate pension funds (including stewardship activities such as monitoring the asset managers of corporate pension funds), thus making sure that corporate pension funds perform their roles as asset owners. Companies should ensure that conflicts of interest which could arise between pension fund beneficiaries and companies are appropriately managed.

**Section 3: Ensuring Appropriate Information Disclosure and Transparency**

**General Principle 3**

Companies should appropriately make information disclosure in compliance with the relevant laws and regulations, but should also strive to actively provide information beyond that required by law. This includes both financial information, such as financial standing and operating results, and non-financial information, such as business strategies and business issues, risk and governance.

The board should recognize that disclosed information will serve as the basis for constructive dialogue with shareholders, and therefore ensure that such information, particularly non-financial information, is accurate, clear and useful.

**Notes**

Companies are legally required to disclose a wide range of information. The timely and appropriate

---

4 Outside director: A director who satisfies certain requirements such as not holding specific positions, including the position of executive director, in the company or its subsidiaries (Article 2, Paragraph 15 of the Companies Act). Furthermore, matters such as not holding a specific position in the parent company or other subsidiaries and not having specific kinship ties with controlling shareholders will be also required for outside directors after the 2014 amendments to the Companies Act.

5 Outside kansayaku: A kansayaku who satisfies certain requirements such as not holding specific positions, including the position of director, in the company or its subsidiaries (Article 2, Paragraph 16 of the Companies Act). Furthermore, matters such as not holding a specific position in the parent company or other subsidiaries and not having specific kinship ties with controlling shareholders will be also required for outside kansayaku after the 2014 amendments to the Companies Act.
Disclosure of information in accordance with the relevant laws and regulations is essential for investor protection and securing market confidence. The board, kansayaku, the kansayaku board\(^6\) and external auditors all bear an important responsibility in this regard, starting with the establishment of an appropriate internal control system as to financial information.

Companies should actively strive to provide information other than what is required by laws and regulations.

It has been noted that while the quantitative part of financial statements of Japanese companies conform to a standard format and therefore excel with respect to comparability, non-financial information, such as financial standing, business strategies, risks and ESG (environmental, social and governance) matters, is often boiler-plate and lacking in detail, therefore less valuable. The board should actively commit to ensure that disclosed information, including non-financial information, is as valuable and useful as possible.

Irrespective of whether the disclosed information is required by law, the appropriate provision of information is an effective means to develop a shared awareness and understanding with shareholders and other stakeholders, in particular given that as outsiders they suffer from information asymmetry. Appropriate information disclosure will also contribute to constructive dialogue based on Japan’s Stewardship Code.

### Principle 3.1 Full Disclosure

In addition to making information disclosure in compliance with relevant laws and regulations, companies should disclose and proactively provide the information listed below (along with the disclosures specified by the principles of the Code) in order to enhance transparency and fairness in decision-making and ensure effective corporate governance:

i) Company objectives (e.g., business principles), business strategies and business plans;

ii) Basic views and guidelines on corporate governance based on each of the principles of the Code;

iii) Board policies and procedures in determining the remuneration of the senior management and directors;

iv) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of directors and kansayaku candidates; and

v) Explanations with respect to the individual appointments/dismissals and nominations based on iv).

#### Supplementary Principles

3.1.1 These disclosures, including disclosures in compliance with relevant laws and regulations, should add value for investors, and the board should ensure that information is not boiler-plate or lacking in detail.

3.1.2 Bearing in mind the number of foreign shareholders, companies should, to the extent reasonable, take steps for providing English language disclosures.

### Principle 3.2 External Auditors

External auditors and companies should recognize the responsibility that external auditors owe toward shareholders and investors, and take appropriate steps to secure the proper execution of audits.

#### Supplementary Principles

3.2.1 The kansayaku board should, at minimum, ensure the following:

i) Establish standards for the appropriate selection of external auditor candidates and proper evaluation of external auditors; and

\(^6\) Kansayaku board: See Notes to the General Principle 4.
ii) Verify whether external auditors possess necessary independence and expertise to fulfill their responsibilities.

### 3.2.2 The board and the kansayaku board should, at minimum, ensure the following:

i) Give adequate time to ensure high quality audits;

ii) Ensure that external auditors have access, such as via interviews, to the senior management including the CEO and the CFO;

iii) Ensure adequate coordination between external auditors and each of the kansayaku (including attendance at the kansayaku board meetings), the internal audit department and outside directors; and

iv) Ensure that the company is constituted in the way that it can adequately respond to any misconduct, inadequacies or concerns identified by the external auditors.

### Section 4: Responsibilities of the Board

#### General Principle 4

Given its fiduciary responsibility and accountability to shareholders, in order to promote sustainable corporate growth and the increase of corporate value over the mid- to long-term and enhance earnings power and capital efficiency, the board should appropriately fulfill its roles and responsibilities, including:

1. Setting the broad direction of corporate strategy;
2. Establishing an environment where appropriate risk-taking by the senior management is supported; and
3. Carrying out effective oversight of directors and the management (including shikkyoaku and so-called shikkyoakuin) from an independent and objective standpoint.

Such roles and responsibilities should be equally and appropriately fulfilled regardless of the form of corporate organization – i.e., Company with Kansayaku Board (where a part of these roles and responsibilities are performed by kansayaku and the kansayaku board), Company with Three Committees (Nomination, Audit and Remuneration) or Company with Supervisory Committee.

**Notes**

Companies may choose one of three main forms of organizational structure under the Companies Act (Revised in 2014): Company with Kansayaku Board, Company with Three Committees (Nomination, Audit and Remuneration), or Company with Supervisory Committee. A Company with Kansayaku Board is a system unique to Japan in which certain governance functions are assumed by the board, kansayaku and the

---

7 Shikkyoaku: According to the Companies Act, Companies with Three Committees (Nomination, Audit and Remuneration) must appoint one or more shikkyoaku from directors or non-directors by a resolution of the board and delegate business administration to shikkoayaku. Also, authority to make certain kinds of business decisions may be delegated to shikkyoaku.

8 Shikkyoakuin: There are cases where a Company with Kansayaku Board or a Company with Supervisory Committee creates positions with the title of "shikkyoakuin" for persons who are delegated by the board a certain range of discretion regarding business administration. Unlike shikkyoaku in Companies with Three Committees (Nomination, Audit and Remuneration), shikkyoakuin is not a statutory position.
kansayaku board. Under this system, kansayaku audit the performance of duties by directors and the management and have investigation power by law. Also, to secure both independence and high-level information gathering power, not less than half of kansayaku, as appointed at the general shareholder meeting, must be outside kansayaku, and at least one full-time kansayaku must also be appointed. The latter two forms of organizational structure are similar to companies in other countries where committees are established under the board and assigned certain responsibilities with the aim of strengthening monitoring functions. Irrespective of which form of organizational structure is adopted, what is important is that the various institutions within the company effectively and fully execute their responsibilities through creativity and ingenuity.

One of the major objectives of establishing the Code is to promote transparent, fair, timely and decisive decision-making by Japanese companies. The possibility cannot be ruled out that, due to changes in the external environment or other factors, a decision made by a company ultimately results in losses for the company. In such a circumstance, the reasonableness of the decision-making process at the time of the decision is generally considered an important factor in determining whether or not the management and directors should owe personal liability for damages. The Code includes principles and practices that are expected to contribute to such a reasonable decision-making process, and promote transparency, fairness, timeliness and decisiveness as well.

Principle 4.1 Roles and Responsibilities of the Board (1)

The board should view the establishment of corporate goals (business principles, etc.) and the setting of strategic direction as one major aspect of its roles and responsibilities. It should engage in constructive discussion with respect to specific business strategies and business plans, and ensure that major operational decisions are based on the company’s strategic direction.

Supplementary Principles

4.1.1 The board should clearly specify its own decisions as well as both the scope and content of the matters delegated to the management, and disclose a brief summary thereof.

4.1.2 Recognizing that a mid-term business plan (chuuki keiei keikaku) is a commitment to shareholders, the board and the senior management should do their best to achieve the plan. Should the company fail to deliver on its mid-term business plan, the reasons underlying the failure of achievement as well as the company’s actions should be fully analyzed, an appropriate explanation should be given to shareholders, and analytic findings should be reflected in a plan for the ensuing years.

4.1.3 Based on the company objectives (business principles, etc.) and specific business strategies, the board should proactively engage in the establishment and implementation of a succession plan for the CEO and other top executives and appropriately oversee the systematic development of succession candidates, deploying sufficient time and resources.

Principle 4.2 Roles and Responsibilities of the Board (2)

The board should view the establishment of an environment that supports appropriate risk-taking by the senior management as a major aspect of its roles and responsibilities. It should welcome proposals from the management based on healthy entrepreneurship, fully examine such proposals from an independent and objective standpoint with the aim of securing accountability, and support timely and decisive decision-making by the senior management when approved plans are implemented.

Also, the remuneration of the management should include incentives such that it reflects mid- to long-term business results and potential risks, as well as promotes healthy entrepreneurship.

Supplementary Principle

4.2.1 The board should design management remuneration systems such that they operate as a healthy incentive to generate sustainable growth, and determine actual remuneration amounts appropriately.
through objective and transparent procedures. The proportion of management remuneration linked to mid- to long-term results and the balance of cash and stock should be set appropriately.

**Principle 4.3 Roles and Responsibilities of the Board (3)**

The board should view the effective oversight of the management and directors from an independent and objective standpoint as a major aspect of its roles and responsibilities. It should appropriately evaluate company performance and reflect the evaluation in its assessment of the senior management.

In addition, the board should engage in oversight activities in order to ensure timely and accurate information disclosure, and should establish appropriate internal control and risk management systems.

Also, the board should appropriately deal with any conflict of interests that may arise between the company and its related parties, including the management and controlling shareholders.

**Supplementary Principles**

4.3.1 The board should ensure that the appointment and dismissal of the senior management are based on highly transparent and fair procedures via an appropriate evaluation of the company’s business results.

4.3.2 Because the appointment/dismissal of the CEO is the most important strategic decision for a company, the board should appoint a qualified CEO through objective, timely, and transparent procedures, deploying sufficient time and resources.

4.3.3 The board should establish objective, timely, and transparent procedures such that a CEO is dismissed when it is determined, via an appropriate evaluation of the company’s business results, that the CEO is not adequately fulfilling the CEO’s responsibilities.

4.3.4 The establishment of effective internal control and proactive risk management systems for compliance and financial reporting has the potential of supporting sound risk-taking. The board should place priority on the appropriate establishment of such systems and the oversight of whether they effectively operate, and should not limit itself to the examination of compliance with respect to specific business operations.

**Principle 4.4 Roles and Responsibilities of Kansayaku and the Kansayaku Board**

*Kansayaku* and the *kansayaku* board should bear in mind their fiduciary responsibilities to shareholders and make decisions from an independent and objective standpoint when executing their roles and responsibilities including the audit of the performance of directors’ duties, appointment and dismissal of external auditors and the determination of auditor remuneration.

Although so-called "defensive functions," such as business and accounting audits, are part of the roles and responsibilities expected of *kansayaku* and the *kansayaku* board, in order to fully perform their duties, it would not be appropriate for *kansayaku* and the *kansayaku* board to interpret the scope of their function too narrowly, and they should positively and proactively exercise their rights and express their views at board meetings and to the management.

**Supplementary Principle**

4.4.1 Given that not less than half of the *kansayaku* board must be composed of outside *kansayaku* and that at least one full-time *kansayaku* must be appointed in accordance with the Companies Act, the *kansayaku* board should, from the perspective of fully executing its roles and responsibilities, increase its effectiveness through an organizational combination of the independence of the former and the information gathering power of the latter. In addition, *kansayaku* or the *kansayaku* board should secure cooperation with outside directors so that such directors can strengthen their capacity to collect information without having their independence jeopardized.
Principle 4.5 Fiduciary Responsibilities of Directors and Kansayaku

With due attention to their fiduciary responsibilities to shareholders, the directors, kansayaku and the management of companies should secure the appropriate cooperation with stakeholders and act in the interest of the company and the common interests of its shareholders.

Principle 4.6 Business Execution and Oversight of the Management

In order to ensure effective, independent and objective oversight of the management by the board, companies should consider utilizing directors who are neither involved in business execution nor have close ties with the management.

Principle 4.7 Roles and Responsibilities of Independent Directors

Companies should make effective use of independent directors⁹, taking into consideration the expectations listed below with respect to their roles and responsibilities:

i) Provision of advice on business policies and business improvement based on their knowledge and experience with the aim to promote sustainable corporate growth and increase corporate value over the mid- to long-term;

ii) Monitoring of the management through important decision-making at the board including the appointment and dismissal of the senior management;

iii) Monitoring of conflicts of interest between the company and the management or controlling shareholders; and

iv) Appropriately representing the views of minority shareholders and other stakeholders in the boardroom from a standpoint independent of the management and controlling shareholders.

Principle 4.8 Effective Use of Independent Directors

Independent directors should fulfill their roles and responsibilities with the aim of contributing to sustainable growth of companies and increasing corporate value over the mid- to long-term. Companies should therefore appoint at least two independent directors that sufficiently have such qualities.

Irrespective of the above, if a company believes it needs to appoint at least one-third of directors as independent directors based on a broad consideration of factors such as the industry, company size, business characteristics, organizational structure and circumstances surrounding the company, it should appoint a sufficient number of independent directors.

Supplementary Principles

4.8.1 In order to actively contribute to discussions at the board, independent directors should endeavor to exchange information and develop a shared awareness among themselves from an independent and objective standpoint. Regular meetings consisting solely of independent directors (executive sessions) would be one way of achieving this.

4.8.2 Independent directors should endeavor to establish a framework for communicating with the management and for cooperating with kansayaku or the kansayaku board by, for example, appointing

⁹ Independent director: The listing rules of securities exchanges provide that the outside directors, as defined in the Companies Act, are independent directors where they satisfy independence criteria of securities exchanges and the company determines that they do not have the possibility of conflicts of interest with its shareholders.
the lead independent director from among themselves.

**Principle 4.9 Independence Standards and Qualification for Independent Directors**

Boards should establish and disclose independence standards aimed at securing effective independence of independent directors, taking into consideration the independence criteria set by securities exchanges. The board should endeavor to select independent director candidates who are expected to contribute to frank, active and constructive discussions at board meetings.

**Principle 4.10 Use of Optional Approach**

In adopting the most appropriate organizational structure (as stipulated by the Companies Act) that is suitable for a company’s specific characteristics, companies should employ optional approaches, as necessary, to further enhance governance functions.

**Supplementary Principle**

4.10.1 If the organizational structure of a company is either Company with Kansayaku Board or Company with Supervisory Committee and independent directors do not compose a majority of the board, in order to strengthen the independence, objectivity and accountability of board functions on the matters of nomination and remuneration of the senior management and directors, the company should seek appropriate involvement and advice from independent directors in the examination of such important matters as nominations and remuneration by establishing independent advisory committees under the board, such as an optional nomination committee and an optional remuneration committee, to which independent directors make significant contributions.

**Principle 4.11 Preconditions for Board and Kansayaku Board Effectiveness**

The board should be well balanced in knowledge, experience and skills in order to fulfill its roles and responsibilities, and it should be constituted in a manner to achieve both diversity, including gender and international experience, and appropriate size. In addition, persons with appropriate experience and skills as well as necessary knowledge on finance, accounting, and the law should be appointed as kansayaku. In particular, at least one person who has sufficient expertise on finance and accounting should be appointed as kansayaku.

The board should endeavor to improve its function by analyzing and evaluating effectiveness of the board as a whole.

**Supplementary Principles**

4.11.1 The board should have a view on the appropriate balance between knowledge, experience and skills of the board as a whole, and also on diversity and appropriate board size. Consistent with its view, the board should establish policies and procedures for nominating directors and disclose them along with its view.

4.11.2 Outside directors, outside kansayaku, and other directors and kansayaku should devote sufficient time and effort required to appropriately fulfill their respective roles and responsibilities. Therefore, where directors and kansayaku also serve as directors, kansayaku or the management at other companies, such positions should be limited to a reasonable number and disclosed each year.

4.11.3 Each year the board should analyze and evaluate its effectiveness as a whole, taking into consideration the relevant matters, including the self-evaluations of each director. A summary of the

---

10 If a company is either a Company with Kansayaku Board or Company with Supervisory Committee, the company is not required to establish a nomination committee or a remuneration committee by the Companies Act. However, the company may establish such committees on its own initiative.
results should be disclosed.

**Principle 4.12 Active Board Deliberations**

The board should endeavor to foster a climate where free, open and constructive discussions and exchanges of views take place, including the raising of concerns by outside directors.

Supplementary Principle

4.12.1 The board should ensure the following in relation to the operation of board meetings and should attempt to make deliberations active:

i) Materials for board meetings are distributed sufficiently in advance of the meeting date;

ii) In addition to board materials and as necessary, sufficient information is provided to directors by the company (where appropriate, the information should be organized and/or analyzed to promote easy understanding);

iii) The schedule of board meetings for the current year and anticipated agenda items are determined in advance;

iv) The number of agenda items and the frequency of board meetings are set appropriately; and

v) Sufficient time for deliberations.

**Principle 4.13 Information Gathering and Support Structure**

In order to fulfill their roles and responsibilities, directors and kansayaku should proactively collect information, and as necessary, request the company to provide them with additional information.

Also, companies should establish a support structure for directors and kansayaku, including providing sufficient staff.

The board and the kansayaku board should verify whether information requested by directors and kansayaku is provided smoothly.

Supplementary Principles

4.13.1 Directors, including outside directors, should request the company to provide them with additional information, where deemed necessary from the perspective of contributing to transparent, fair, timely and decisive decision-making. In addition, kansayaku, including outside kansayaku, should collect information appropriately, including the use of their statutory investigation power.

4.13.2 Directors and kansayaku should consider consulting with external specialists at company expense, where they deem it necessary.

4.13.3 Companies should ensure coordination between the internal audit department, directors and kansayaku. In addition, companies should take measures to adequately provide necessary information to outside directors and outside kansayaku. One example would be the appointment of an individual who is responsible for communicating and handling requests within the company such that the requests for information about the company by outside directors and outside kansayaku are appropriately processed.

**Principle 4.14 Director and Kansayaku Training**

New and incumbent directors and kansayaku should deepen their understanding of their roles and responsibilities as a critical governance body at a company, and should endeavor to acquire and update
necessary knowledge and skills. Accordingly, companies should provide and arrange training opportunities suitable to each director and kansayaku along with financial support for associated expenses. The board should verify whether such opportunities and support are appropriately provided.

Supplementary Principles

4.14.1 Directors and kansayaku, including outside directors and outside kansayaku, should be given the opportunity when assuming their position to acquire necessary knowledge on the company’s business, finances, organization and other matters, and fully understand the roles and responsibilities, including legal liabilities, expected of them. Incumbent directors should also be given a continuing opportunity to renew and update such knowledge as necessary.

4.14.2 Companies should disclose their training policy for directors and kansayaku.

Section 5: Dialogue with Shareholders

**General Principle 5**

In order to contribute to sustainable growth and the increase of corporate value over the mid- to long-term, companies should engage in constructive dialogue with shareholders even outside the general shareholder meeting.

During such dialogue, senior management and directors, including outside directors, should listen to the views of shareholders and pay due attention to their interests and concerns, clearly explain business policies to shareholders in an understandable manner so as to gain their support, and work for developing a balanced understanding of the positions of shareholders and other stakeholders and acting accordingly.

**Notes**

With the establishment of Japan’s Stewardship Code, institutional investors are encouraged to engage in purposeful dialogue (engagement) based on the in-depth knowledge of investee companies and their business environment.

Regularly engaging in dialogue with shareholders to gain their understanding of specific business strategies and business plans and taking appropriate action when there are concerns are extraordinarily useful for companies to strengthen the foundations of management legitimacy and support their efforts to generate sustainable growth. Although the management and directors have opportunities to interact and exchange views with employees, business partners and financial institutions on a daily basis, these stakeholders are all creditors. In contrast, the management and directors typically have limited interactions with shareholders. If the senior management and directors give due attention to the views of shareholders through dialogue, they can absorb views and analyses of business management from the perspective of capital providers. Dialogue with shareholders should also inspire healthy entrepreneurship in the management and directors and thereby contribute to sustainable corporate growth.

**Principle 5.1 Policy for Constructive Dialogue with Shareholders**

Companies should, positively and to the extent reasonable, respond to the requests from shareholders to engage in dialogue (management meetings) so as to support sustainable growth and increase corporate value over the mid- to long-term. The board should establish, approve and disclose policies concerning the measures and organizational structures aimed at promoting constructive dialogue with shareholders.

Supplementary Principles

5.1.1 Taking the requests and interests of shareholders into consideration, to the extent reasonable, the
senior management and directors, including outside directors, should have a basic position to engage in dialogue (management meetings) with shareholders.

5.1.2 At minimum, policies for promoting constructive dialogue with shareholders should include the following:

i) Appointing a member of the management or a director who is responsible for overseeing and ensuring that constructive dialogue takes place, including the matters stated in items ii) to v) below;

ii) Measures to ensure positive cooperation between internal departments such as investor relations, corporate planning, general affairs, corporate finance, accounting and legal affairs with the aim of supporting dialogue;

iii) Measures to promote opportunities for dialogue aside from individual meetings (e.g., general investor meetings and other IR activities);

iv) Measures to appropriately and effectively relay shareholder views and concerns learned through dialogue to the senior management and the board; and

v) Measures to control insider information when engaging in dialogue.

5.1.3 Companies should endeavor to identify their shareholder ownership structure as necessary, and it is desirable for shareholders to cooperate as much as possible in this process.

Principle 5.2 Establishing and Disclosing Business Strategies and Business Plans

When establishing and disclosing business strategies and business plans, companies should articulate their earnings plans and capital policies, and present targets for profitability and capital efficiency after accurately identifying the company’s cost of capital. Also, companies should provide explanations that are clear and logical to shareholders with respect to the allocation of management resources, such as reviewing their business portfolio and investments in fixed assets, R&D, and human resources, and specific measures that will be taken in order to achieve their plans and targets.