

Revisions to Rules and Regulations: Tracked Changes

Revisions to Securities Listing Regulations and Other Related Rules in Relation to Merger of Investment Trusts Association, Japan and Japan Investment Advisers Association

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Securities Listing Regulations
(as of ~~December 8, 2025~~ April 1, 2026)

Rule 1104. Criteria for Listing Examination of Indicator-Tracking ETFs

1. Listing examination of a domestic indicator-tracking 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), c-2, d, and 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 shall be a member of the ~~Investment Trusts Association, Japan~~Investment Management Association of Japan (General Incorporated Association);
 - (2) A security for which an initial listing application is made shall satisfy 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 Investment Trust Act Enforcement Order; the same shall apply to this item, Item (2) of the following rule, Rule 1107-3., Paragraph 1, Rule 1112, Paragraph 1, Item (3) , and Rule 1112-2, 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 Investment Trust Act Enforcement Order):
 - a. A security for which an initial listing application is made shall satisfy the following (a) or (b):
 - (a) It shall be a beneficiary certificate of a securities investment trust other than a public or corporate investment trust; or
 - (b) It shall be a beneficiary certificate of an investment trust referred to in Article 12, Item (1) or (2) of the Investment Trust Act Enforcement Order;
 - b. The basic terms and conditions of an investment trust applied to a security for which an initial listing application is made shall contain the contents 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, the following rule, Rule 1112, and Rule 1112-2);
 - (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 Item (2), b. (f) of the following Rule, Rule 1112, Paragraph 1, Item (3), b.(h) , and Rule 1112-2, Item (3), b.(g)), 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.
- b-2. The Basic terms and conditions of an investment trust applied to a security for which an initial listing application is made shall contain no description to the effect that investment trust agreement will be cancelled if the value of a specific indicator, the redemption value or the purchase value falls to or below zero (0), or other descriptions deemed appropriate by the Exchange;
- c. Designated participants shall satisfy the following (a) and (b):
- (a) That they are all qualified institutional investors, and the number thereof is two or more;
 - (b) That at least one is a trading participant of the Exchange.
- 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 Investment Trust Act Enforcement Regulation, 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 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. 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 annual securities reports, etc. 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. and Item (2), h. of the following rule) ending in the last two years ("last" years are counted from the end of the base specified period (meaning the most recent specified period ("specified period" means that prescribed in Article 24, Paragraph 5 of the Act; the same shall apply hereinafter) for which financial statements, etc. are presented in the section containing the fund's financial information in annual securities reports, etc. (meaning, notwithstanding the provision of Rule 2, Item (89), securities registration statements (including documents deemed to be securities registration statements or amended registration statements pursuant to the provisions of the Act), annual securities reports (including alternative written documents; the same shall apply hereinafter) and documents attached thereto, semiannual securities reports (including semiannual alternative reports; the same shall apply hereinafter) and prospectuses; the same shall apply hereinafter in this chapter)) in relation to the security for which the initial listing application has been made, or in annual 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 demand for the payment of a penalty or fine (Article 172-2, Paragraph 1 of the Act (including cases where it is applied mutatis mutandis in Paragraph 4 of the same article) or orders by Article 172-4, Paragraph 1 or Paragraph 2), 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 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 the 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.
- (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 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 Investment Trust Act Enforcement Order):
- (1) Item (2), c-2, d, d-2, d-4, e, g, and Item (3) of the preceding paragraph (excluding Item (2), 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 Investment Trust Act Enforcement Order) 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), 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), 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) Basic terms and conditions of a trust or documents similar thereto or terms and conditions or documents similar thereto applied to an issue for which an initial listing application is made shall contain the descriptions of the following a. through c. (excluding 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 Order of the Special Taxation Measures Act (Ministry of Finance Order No. 15 of 1957), such trust agreement period; and
 - c. The computation period or the business period is one (1) month or more;
- (2)-2 Basic terms and conditions of a trust or documents similar thereto, or terms and conditions or documents similar thereto applied to an issues for which an initial listing application is made shall contains no descriptions to the effect that cancellation of a trust agreement or closure of a fund will be made subject to fluctuation in the value of a specific indicator or the base value (excluding a description to the effect that cancellation of a trust agreement or closure of a fund will be made if the value of a specific indicator or the base value falls to or below zero (0), or other descriptions deemed appropriate by the Exchange).
- (3) It shall be required that 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) It shall be required that 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) It shall be required that 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;
- (6) The following a. and b. shall be met:
- 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 foreign ETFs in the Exchange market.
 - b. No factor which hinders smooth trading and fair price formation of an issue for which the initial listing application is made is recognized; and
- (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 Investment Trust Act Enforcement Regulation, or instruments referred to in Article 19, Paragraph 3, Item (1) of the Investment Trust Act Enforcement Order 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), d, d-2, d-4, e, and g, Item (3) of the same paragraph, and Item (2), Item (2)-2 and Items (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), d, d-2, and e and Items (2), (2)-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), 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), 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), 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) It shall be required that 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) It shall be required that 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), 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~~Investment Management Association of Japan (General Incorporated Association)" in Paragraph 1, Item (1) with "A management company ... is a member of the ~~Investment Trusts Association, Japan~~Investment Management Association of Japan (General Incorporated Association) (excluding cases where the management company is a registered financial institution)";

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

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

- (1)-2 The trustor shall satisfy the following a. and b. (limited to cases where the management company is the trustee):
 - a. It shall be a listed company or subsidiary of such company; and
 - b. It shall be 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 made 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) Basic terms and conditions of a trust applied 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;
- (2)-2 Basic terms and conditions of a trust applied to an initial listing application security shall contain no description to the effect that a trust agreement will be cancelled subject to fluctuation in the value of a specific indicator or the base value (excluding descriptions to the effect that a trust agreement will be cancelled if the value of a specific indicator or the base value falls to or below zero (0), or other descriptions deemed appropriate by the Exchange).
- (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) Paragraph 1, Item (2), 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), c-2 shall be deemed to be replaced with "trust assets"; the term "investment trust assets" in Item (2), 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) Basic terms and conditions of a trust applied 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.
- (2)-2 Basic terms and conditions of a trust applied to an initial listing application security shall contain no description to the effect that a trust agreement will be cancelled subject to fluctuation in the value of a specific indicator or the base value (excluding descriptions to the effect that a trust agreement will be cancelled if the value of a specific indicator or the base value falls to or below zero (0), or other descriptions deemed appropriate by the Exchange).
- (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 basic terms and conditions of a trust applied to 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), 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), d. and e., Paragraph

2, Item (4), Paragraph 4, Item (4), and Items (2), (2)-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 1104-2. Criteria for Listing Examination of Domestic Actively Managed ETFs

1. Listing examination of a domestic actively managed 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), g., and Items (4) and (5) shall be prescribed by the Guidelines Concerning Listing Examination, etc.:
 - (1) The management company pertaining to the security for which an initial listing application is made is a member of the ~~Investment Trusts Association, Japan~~Investment Management Association of Japan (General Incorporated Association);
 - (2) The security for which an initial listing application is made shall satisfy the following a. through j.:
 - a. It is a beneficiary certificate of a securities investment trust other than a public or corporate investment trust;
 - b. The following statements (a) through (g) are included in the investment trust's basic terms and conditions:
 - (a) That the period of the investment trust agreement is not fixed;
 - (b) That the period designated as the computation period is one (1) month or more;
 - (c) That the solicitation of applications for acquisition of the beneficiary certificate shall be conducted by public offering;
 - (d) That the beneficiary certificate shall be listed on a financial instruments exchange;
 - (e) That if the beneficiary certificate is delisted from all financial instruments exchanges, procedures to terminate the investment trust shall commence on the day of delisting;
 - (f) That, when a beneficiary requests a partial cancellation of the investment trust agreement during the trust agreement period, the management company shall instruct the trustee to convert the securities and other assets within the investment trust assets that are equivalent to the interest held by said beneficiary in the investment trust assets of the beneficiary certificate pertaining to said partial cancellation;
 - (g) Matters referred to in the following (i) or (ii):
 - i. That investment restrictions as defined in the provisions of Article 17-2 of the Rules on Management of Investment Trusts, etc. set by the ~~Investment Trusts Association, Japan~~Investment Management Association of Japan (General Incorporated Association) have been established; or
 - ii. That investment restrictions as defined in the provisions of Article 17-3, Paragraph 1, Item (3) of the Rules on Management of Investment Trusts, etc. set by the ~~Investment Trusts Association, Japan~~Investment Management Association of Japan (General Incorporated Association)

have been established and the beneficial investment ratio in any particular single issue and investment security (in beneficiary certificates of investment trusts and investment corporations, the ratio of the total amount obtained by adding the value of any particular security belonging to the trust assets and the value of the same security invested in through other beneficiary certificates of investment trusts and investment corporations, to the total NAV of the trust assets; the same shall apply hereinafter) will not exceed 20% of the total NAV of the trust assets.

- b-2. That the security for which an initial listing application is made does not fall under any of the following (a) through (d):
- (a) Beneficiary certificates of investment trusts that are managed such that the fluctuation rate of NAV per unit tracks the fluctuation rate of a specific indicator multiplied by a predetermined factor;
 - (b) Beneficiary certificates of complex investment trusts similar to OTC derivative transactions as defined in Article 2 of the Rules on Complex Investment Trusts Similar to Over-the-Counter Derivatives Transactions established by the [Investment Trusts Association, Japan Investment Management Association of Japan \(General Incorporated Association\)](#);
 - (c) Beneficiary certificates of currency selection-type investment trusts and similar as defined in Article 3, Paragraph 2 of the Rules for Preparation of Delivery Prospectus established by the [Investment Trusts Association, Japan Investment Management Association of Japan \(General Incorporated Association\)](#); or
 - (d) Other beneficiary certificates of investment trusts that TSE deems inappropriate from the perspectives of risks and complexity related to fluctuations in the base value.
- c. The following statements (a) and (b) are not included in the investment trust's basic terms and conditions:
- (a) That the fluctuation rate of the NAV per unit of investment trust assets, etc. is managed to track the fluctuation rate of a specific indicator; and
 - (b) That the investment trust agreement is subject to cancellation based on base price fluctuations (excluding statements that the investment trust agreement is subject to cancellation when the base price falls to or below zero or other statements that the Exchange deems appropriate);
- d. Designated participants shall satisfy the following (a) and (b):
- (a) That they are all qualified institutional investors, and the number thereof is two or more; and
 - (b) That at least one is a trading participant of the Exchange.
- e. The investment trust assets will be invested in (i) rights connected to derivative transactions as prescribed in Article 2, Paragraph 20 of the Act, (ii) rights pertaining to transactions related to commodities investment, etc., or (iii) the items listed in Article 19, Paragraph 3, Item 1 of the Investment Trust Act Enforcement Regulation (excluding the items listed in (a) to (c) below):
- (a) Beneficiary certificates (meaning beneficiary certificates, investment securities, and foreign investment securities collectively, and including securities trust beneficiary certificates, as prescribed in Article 2-3, Item (3) of the Enforcement Order, for which these are the entrusted securities as well as securities referred to in Article 2, Paragraph 1, Item 17 of the Act that have the characteristics of beneficiary certificates of beneficiary certificate-issuing trusts as prescribed in Item 14 of the same paragraph; the same shall apply hereinafter in this chapter)

- of investment trusts and investment corporations (meaning investment trusts, foreign investment trusts, investment corporations, and foreign investment corporations collectively; the same shall apply hereinafter in this chapter) that are managed so that the fluctuation rate in NAV per unit of investment trust assets, etc. tracks the fluctuation rate of a leveraged or inverse indicator;
- (b) Beneficiary certificates of investment trusts and investment corporations listed in b-2, (a) through (d) or other similar beneficiary certificates of investment trusts and investment corporations; or
 - (c) Securities other than beneficiary certificates of investment trusts and investment corporations which incorporate rights pertaining to derivative transactions as prescribed in Article 2, Paragraph 20 of the Act or rights pertaining to transactions related to commodities investment, etc., which are issued for the purpose of investment results other than being linked to a specific indicator (excluding leveraged and inverse indicators);
- f. No factor which hinders smooth trading and fair price formation of the security is recognized.
 - g. If it is an indicator-tracking security incorporated ETF, it can be expected to be managed continuously after listing, and the management company has appropriately developed a management system and other structures regarding the credit standing of the counterparty;
 - h. The following (a) and (b) are satisfied:
 - (a) No false statement has been made in the annual securities reports, etc. containing financial statements, etc. for each specified period or interim financial statements, etc. pertaining to the security for each specified period which ended in the last two years; and
 - (b) Audit reports attached to financial statements, etc. for each specified period which ended in the last two years and the interim audit report attached to interim financial statements, etc. for the specified period which ended in the last year contained "unqualified opinions" or "qualified opinions with exceptions", or "opinions that the interim financial statements, etc. provide useful information" or "qualified opinions with exceptions"; provided, however, that the same shall not apply to cases where the Enforcement Rules specify otherwise;
 - i. The security is handled for book-entry transfer operations by a designated book-entry transfer institution or is expected to be such by the time of listing; and
 - j. The listing is not deemed inappropriate for any other reason from the viewpoint of the public interest or the protection of investors;
- (3) The portfolio information prescribed in Rule 1107-4, Paragraph 1, Item (2) is expected to be provided to investors on an ongoing basis in accordance with the provisions of the same paragraph;
 - (4) The management company is in a position to suitably disclose information regarding domestic actively managed ETFs;
 - (5) The management company is in a position to implement, among other things, sound management of investment trust assets;
 - (6) The management company gives assurance of the matters listed in the following a. through c. in writing:
 - a. That it is in a position to appropriately keep track of information regarding the trustee of the security;
 - b. That it will disclose information regarding the trustee of the security pursuant to the provisions of Rule 1107-2; and
 - c. The trustee of the security has agreed that the management company can disclose

information regarding said trustee in accordance with the provisions of Rule 1107-2.

Rule 1112. Delisting Criteria for Listed Indicator-Tracking ETFs

1. Where a listed domestic indicator-tracking 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 indicator-tracking 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 indicator-tracking 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 indicator-tracking 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~~[Investment Management Association of 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 indicator-tracking 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 indicator-tracking ETF is taken over by another trustee and such other trustee submits an "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;

- (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 indicator-tracking 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 indicator-tracking 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 indicator-tracking ETF falling under a beneficiary certificate of an investment trust referred to in Article 12, Item (1) or (2) of the Investment Trust Act Enforcement Order; and excluding a, b, and b-6 in cases of a listed domestic spot commodity ETF):
- a. A listed indicator-tracking 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 Investment Trust Act Enforcement Order;
 - b. Any changes in basic terms and conditions of an investment trust which falls under any of the following (a) through (i) 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 indicator-tracking 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 indicator-tracking 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;

- (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; or
 - (i) Where the provision is established to the effect that an investment trust agreement shall be cancelled subject to fluctuation in the value of a specific indicator or the base value (excluding the provision to the effect that an investment trust agreement shall be cancelled if the value of a specific indicator or the base value falls to or below zero (0), or other provisions deemed appropriate by the Exchange).
- b-2 Any change to basic terms and conditions of a trust falling under any of the following (a) to (e) 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;
 - (a) 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 indicator-tracking 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 indicator-tracking 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 basic terms and conditions of a trust ceases to exist;
 - (b) Where a computation period becomes less than one (1) month or becomes more than one (1) year; or
 - (c) Where the provision is established to the effect that a trust agreement shall be cancelled subject to fluctuation in the value of a specific indicator or the base value (excluding the provision to the effect that a trust agreement shall be cancelled if the value of a specific indicator or the base value falls to or below zero (0), or other provisions deemed appropriate by the Exchange).
- b-3 A trust agreement of a listed indicator-tracking 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 indicator-tracking 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 basic terms and conditions of a trust and when procedures to improve such situation are not taken immediately or such situation does not improve without delay.

- b-6 Where such listed indicator-tracking 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 indicator-tracking 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 for six continuous months or more;
- d-2. The number of designated participants who are trading participants of the Exchange has continuously been zero for six months or more;
- e. The correlation coefficient between the total net asset per investment unit of listed indicator-tracking ETF and the indicator becomes less than 0.9 and does not return to 0.9 or more within one (1) year;
- f. An annual securities report or a semiannual securities report to which an audit report or an interim audit report as in Article 3, Paragraph 1 of the Cabinet Office Order on Audit Certification prepared by two 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 months in the event that such submission delay is due to reasons not attributable to a management company pertaining to listed indicator-tracking ETF such as an act of providence).;
- g. The following (a) or (b) is met:
 - (a) Where there are false statements in an annual securities report, etc. pertaining to a listed indicator-tracking 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 indicator-tracking ETF, where certified public accountants state an "adverse opinion" or "disclaimer of opinion" in an audit report, and an "opinion that the

- interim financial statements, etc. do not provide useful information" or "disclaimer of opinion" 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 "disclaimer of opinion" is stated, and such statement is made due to reasons not attributable to the management company of the listed indicator-tracking ETF, such as act of providence
- h. Where an entity who had entered into a listing agreement pertaining to a listed indicator-tracking 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 indicator-tracking ETF terminates;
 - i-2. Where a trust pertaining to a listed indicator-tracking ETF is split;
 - i-3. Where there ceases to be a specific indicator pertaining to a listed indicator-tracking ETF
 - i-4. Where an indicator pertaining to a listed indicator-tracking ETF is changed to a new indicator or other similar cases are occurred, and when the Exchange deems that the indicator after the change does not meet Rule 1104, Paragraph 1, Item (2), d.(including cases pursuant to 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), or when the Exchange deems that changes in such indicator have a significant impact on characteristics associated with a listed indicator-tracking ETF;
 - j. Where such listed indicator-tracking 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 indicator-tracking ETF is appropriate for the purpose of the public interest or the protection of investors, in addition to cases of the above 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 indicator-tracking 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 indicator-tracking 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 indicator-tracking ETF falls under Item (2) of the preceding paragraph;

- (3) Where a security pertaining to a listed indicator-tracking ETF falls under any of the following a. through f.:
- a. Where a listed company falls under any of e. to i-4 of Item (3) of the preceding paragraph. In this instance, the term "a listed indicator-tracking ETF" in Item (3), i., i-3. and i-4. of the preceding paragraph shall be deemed to be replaced with "a listed indicator-tracking 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 indicator-tracking ETF" in Item (3), i-2 of the preceding paragraph shall be deemed to be replaced with "a listed indicator-tracking 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 basic terms and conditions of a trust (the basic terms and conditions of a 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), b.(d) of the preceding paragraph;
 - (a)-3 Cases referred to in Item (3), b-2 (a) or (d) of the preceding paragraph;
 - (a)-4 Where the provision is established to the effect that a trust agreement shall be cancelled subject to fluctuation in the value of a specific indicator or the base value (excluding the provision to the effect that a trust agreement shall be cancelled if the value of a specific indicator or the base value falls to or below zero (0), or other provisions deemed appropriate by the Exchange).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), b-6 of the preceding paragraph;
 - c. Where such listed indicator-tracking 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 indicator-tracking 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 indicator-tracking ETF is listed or

- continuously traded, or where the Exchange deems that prices of such listed indicator-tracking 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 indicator-tracking 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 indicator-tracking 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 indicator-tracking 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 indicator-tracking 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 indicator-tracking 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 indicator-tracking ETF falls under any of the following a to f:
 - a. Where any of Paragraph 1, Item (3), e. through h., i-3. and i-4. is met;
 - b. Where a foreign investment corporation of a listed indicator-tracking ETF is to change the terms and conditions falling under any of the following (a) through (c) or a document similar thereto:
 - (a) Cases referred to in Item (3), b.(a) in the preceding paragraph;
 - (b) Where the operational period becomes less than one (1) month;
 - (c) Where the provision is established to the effect that a fund shall be closed subject to fluctuation in the value of a specific indicator or the base value (excluding the provision to the effect that a fund shall be closed if the value of a specific indicator or the base value falls to or below zero (0), or other provisions deemed appropriate by the Exchange).
 - b-2. Where falling under Paragraph 1, Item (3), 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 indicator-tracking 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 indicator-tracking ETF is decided to be delisted from all the foreign financial instruments exchanges, etc. where such listed indicator-tracking 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 indicator-tracking 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 indicator-tracking ETF from foreign financial instruments exchanges, etc., the state of trading 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 605 shall be applied mutatis mutandis to examination pertaining to delisting pursuant to the provisions of the preceding three paragraphs.

Rule 1112-2. Delisting Criteria for Listed Domestic Actively Managed ETFs

1. Where a listed domestic actively managed ETF falls under any of the following items, the Exchange shall delist it. Details of the application of each of these items shall be specified in the Enforcement Rules.
- (1) Where the management company pertaining to the ETF falls under any of the following a. through f.;
 - a. Registration as a financial instruments business or registered financial institution business expires pursuant to the provisions of Article 50-2, Paragraph 2 of the Act;
 - b. Registration as a 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. It ceases to carry out an investment management business because of receiving an alteration registration as prescribed in Article 31, Paragraph 4 of the Act;
 - d. For an ETF which manages investment trust assets by investing in rights pertaining to transactions related to commodities investment, etc., the management company ceases to carry out business pertaining to such management;
 - e. It ceases to carry out an investment management business due to a change in the method or details of its business pertaining to the registered financial institution business; or
 - f. It ceases to be a member of the ~~Investment Trusts Association, Japan~~[Investment Management Association of Japan](#) (General Incorporated Association) (unless it is a registered financial institution);
 - (2) Where the business license or authorization concerning the operation of the trust business is revoked from the trustee pertaining to the ETF; provided, however, that the same shall not apply to cases where the business which has been carried out by said trustee is taken over by another trustee and said other trustee submits an "ETF Listing Agreement";

- (3) Where the ETF falls under any of the following a. through h.:
- a. It ceases to be a beneficiary certificate of a securities investment trust other than a public or corporate investment trust;
 - b. Changes are made to the basic terms and conditions of the investment trust which fall under any of the following (a) through (j):
 - (a) A provision is established that specifies management so that the fluctuation rate of the net asset value per unit matches the fluctuation rate of a specific indicator;
 - (b) The period of the investment trust agreement is fixed;
 - (c) The computation period is changed to less than one month;
 - (d) The provision that solicitation of applications for acquisition of the beneficiary certificate shall be conducted by public offering ceases to exist;
 - (e) The provision that the beneficiary certificate shall be listed on a financial instruments exchange ceases to exist;
 - (f) The provision stating that if the beneficiary certificate is delisted from all financial instruments exchanges, procedures for terminating the investment trust will be commenced on the day the beneficiary certificate is delisted ceases to exist;
 - (g) The provision stating that if a beneficiary requests a partial cancellation of the investment trust agreement during the trust agreement period, the management company shall instruct the trustee to convert the securities and other assets within the investment trust assets that are equivalent to the interest held by said beneficiary in the investment trust assets of the beneficiary certificates that are being partially canceled ceases to exist;
 - (h) A provision that would cancel the investment trust agreement based on base price fluctuations (excluding statements that the investment trust agreement is subject to cancellation when the base price falls to or below zero or other statements that TSE deems appropriate) is established;
 - (i) Investment restrictions that meet the requirements of Article 17-2 of the Rules on Management of Investment Trusts, etc. established by ~~the Investment Trusts Association, Japan~~[Investment Management Association of Japan \(General Incorporated Association\)](#) are removed (except when investment restrictions that meet the requirements of Article 17-3, Paragraph 1, Item (3) of the Rules on Management of Investment Trusts, etc. are established as well as a provision prescribing that the beneficial investment ratio in any particular single issue or investment security shall not exceed 20% of the total NAV of the trust assets); or
 - (j) Investment restrictions that meet the requirements of Article 17-3, Paragraph 1, Item (3) of the Rules on Management of Investment Trusts, etc. established by ~~the Investment Trusts Association, Japan~~[Investment Management Association of Japan \(General Incorporated Association\)](#) are removed, or the provision prescribing that the beneficial investment ratio in any particular single issue or investment security shall not exceed 20% of the total NAV of the trust assets is removed (except when investment restrictions that meet the requirements of Article 17-2 of the Rules on Management of Investment Trusts, etc. are established);
 - b-2. The ETF falls under any of the following (a) through (d):
 - (a) Beneficiary certificates of investment trusts that are managed such that the fluctuation rate of the NAV per unit tracks the fluctuation rate of a specific indicator multiplied by a predetermined factor;
 - (b) Beneficiary certificates of complex investment trusts similar to OTC derivative transactions as defined in Article 2 of the Rules on Complex Investment Trusts Similar to Over-the-Counter Derivatives Transactions established by the ~~Investment Trusts Association, Japan~~[Investment Management Association of Japan](#)

- (General Incorporated Association);
- (c) Beneficiary certificates of currency selection-type investment trusts or similar as defined in Article 3, Paragraph 2 of the Rules for Preparation of Delivery Prospectus established by the Investment Trusts Association, Japan Investment Management Association of Japan (General Incorporated Association); or
 - (d) Other beneficiary certificates of investment trusts that the Exchange deems inappropriate from the perspectives of risks and complexity related to fluctuations in the base value.
- c. The ETF is an indicator-tracking securities incorporated ETF that falls under Paragraph 1, Item (3), b-6. of the preceding rule (in this case, "listed indicator-tracking ETF" in b-6. of the same item shall be "listed domestic actively managed ETF");
 - d. It falls under Paragraph 1, Item (3) c. of the preceding rule;
 - e. It falls under Paragraph 1, Item (3) d. or d-2. of the preceding rule;
 - f. Where the annual average of the total net asset value has fallen below JPY 1 billion and does not reach at least JPY 1 billion within one year. However, if the Exchange deems it inappropriate to apply this criterion due to a sudden deterioration of market conditions overall, it shall specify the criterion on a case-by-case basis;
 - g. It falls under any of Paragraph 1, Item (3), f. through i. of the preceding paragraph (in this case, "listed indicator-tracking ETF" in f. through i. of the same item and j. through k. of the same item shall be "listed domestic actively managed ETF"); or
 - h. The portfolio information has continuously not been provided to investors for a period of one month, except when the Exchange deems that this is for reasons beyond the control of the management company such as natural disasters.

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:

- (1) Infrastructure-related securities mean assets (excluding infrastructure securities) referred to in the following 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 investment 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 a. through the preceding f.
- (1)-2 Infrastructure assets mean assets referred to in the following 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, 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 a. through the preceding c.;
 - e. Assets (excluding assets referred to in the preceding d.) necessary to manage the assets referred to in a. through c. that are prescribed in the Enforcement Rules;
 - f. Assets prescribed in Rule 16-2, Paragraphs 1 and 2 of the Financial Statements Regulation, for which leased properties are the assets referred to in a. and c. through the preceding e.;
 - g. Leasehold rights pertaining to the assets referred to in, a., c., and e. (limited to tangible fixed assets in the case of assets referred to in e.);
 - h. Trust beneficiary rights where assets referred to in a. through the preceding g. are entrusted; and
 - i. Assets in foreign countries equivalent to the assets referred to in a. through the preceding h.
- (1)-3 Infrastructure assets, etc. mean infrastructure assets and infrastructure securities.
- (1)-4 Infrastructure investment assets mean, in accordance with the types of management assets, etc. referred to in the following 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 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 mean the following assets referred to in 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 investment 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 a. through the preceding f.
- (1)-7 Assets under management, etc. mean 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 Order, 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 A Management company means any type of company referred to in the following 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 fund falls 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 assets pertaining 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 trust assets pertaining 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 mean 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 mean the infrastructure funds listed on the Exchange;
- (4)-3 Listed foreign infrastructure funds mean the foreign infrastructure funds listed on the Exchange;
- (4)-4 Listed foreign infrastructure fund trust beneficiary certificates mean the foreign infrastructure fund trust beneficiary certificates listed on the Exchange;
- (5) Listed country funds mean country funds listed on the Exchange;
- (6) Continuously held stocks, etc. mean those referred to in the following a. and b.
- a. Domestic stocks or foreign stocks which have been continuously held since before they became stocks listed on a domestic financial instruments exchange (excluding those issued by a company listed on the specified financial instruments exchange markets; the same shall apply hereinafter in this rule) or stocks listed or continuously traded on a foreign financial instruments exchange, etc., and that are currently listed or continuously traded;
- b. Preferred stocks, etc., subscription warrant securities, or corporate bonds with subscription warrants issued by the issuer of the stock referred to in the above a., as well as stocks listed on a domestic financial instruments exchange or listed or continuously traded on a foreign financial instruments exchange, etc. that are acquired by exercising subscription warrants pertaining to said subscription warrant securities or subscription warrants attached to said corporate bonds.
- (6)-2 Listed domestic infrastructure funds mean the domestic infrastructure funds listed on the Exchange;
- (7) Listed Real Estate Investment Trust Securities mean real estate investment trust securities listed on the Exchange.
- (8) Listed Venture Funds mean 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 mean entities referred to in the following 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 mean new investment unit subscription warrant securities prescribed in Article 2, Paragraph 18 of the Investment Trust Act;
- (9)-4 Valid infrastructure investment asset means infrastructure investment assets that comply with the requirements specified by the Enforcement Rules;
- (9)-5 Domestic infrastructure fund 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 referred to in Article 37, Paragraph 3, Item (2), (i), (ii), and (v) of the Investment Corporation Accounting Order or real estate other than these which falls under the provisions of Article 3, [ParagraphItem \(3\)](#) of the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (limited to equipment installed with the expectation of being used together with a building specifically designed for installing and operating computers and data communications devices for the purpose of data processing, or equipment installed with the expectation of being used together with another building), or those which are prescribed in Article 16-2, Paragraph 1 and Paragraph 2 of the Financial Statements Regulation as leasing these assets;
- (11) Real estate-related assets mean 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 investment securities prescribed in the Act on Securitization of Assets (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 shares 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 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 shares 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 mean 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 mean 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. or continuously held stocks, etc. (including the portion of assets related to unlisted stocks, etc. that corresponds to unlisted stocks, etc. and continuously held stocks, etc.; the same shall apply hereinafter in this rule);
- (15) Unlisted stocks mean domestic stocks or foreign 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. mean unlisted stocks, or preferred stocks, etc., subscription warrant securities, or bonds with warrants issued by an issuer of unlisted stocks;
- (17) Assets related to unlisted stocks, etc. mean 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. and continuously held stocks, etc., in which the other party manages the funds invested for investment primarily in unlisted stocks, etc. and continuously held 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 continuously held stocks, etc., and such contributed assets are managed for investment primarily in unlisted stocks, etc. and continuously held 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. and continuously held 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. and continuously held 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 mean an entity which issues ratings of unlisted stocks, etc. and assets related to unlisted stocks, etc. as its business;
- (19) Current assets, etc. mean assets prescribed in Article 37, Paragraph 3, Item (1), Sub-items (i) through (iii) and Sub-items (vii) through (viii) and Item (4), Sub-item (iv) of the same paragraph of the Investment Corporation Accounting Rules (limited to consumption tax receivables in the case of assets prescribed in Item (1), (viii) of the same paragraph) and beneficiary rights of a trust in which such assets are trusted (excluding those falling under securities).

Rule 1205. Initial 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~~[Investment Management Association of 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. shall be 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. shall be expected to reach 95% or more by the time of listing;
 - c. Deleted.;
 - d. The number of listed investment units or the number of listed beneficiary rights shall be expected to reach 4,000 or more by the time of listing;
 - e. The total net assets shall be expected to reach JPY 1 billion or more by the time of listing;
 - f. The total assets shall be expected to reach JPY 5 billion 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 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 beneficiaries in descending order of beneficiary rights held; the same shall apply hereinafter) shall be 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 shall be expected to reach 1,000 or more by the time of listing;
 - i. The following (a) and (b) are satisfied:
 - (a) No false statement shall be made in the annual 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 i.) or each computation period (limited to the period after the commencement day of a trust agreement period; the same shall apply hereinafter in this i.) or interim financial statements, etc. for each business period or each computation period which ended in the last two years ("last" years are counted from the end of the base business period or the base computation period (meaning the most recent business period or computation period for which financial statements, etc. are presented in the financial information section of the annual securities report, etc.; 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 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 shall 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 the cases where the Enforcement Rules specify otherwise;
 - j. A certificate of incorporation of an investment corporation or basic terms and conditions of a trust applied to 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 certificate of incorporation of an investment corporation or basic terms and conditions of an investment trust shall be six months or longer;
 - l. Where an issue for which an initial listing application is made shall, or shall be 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 (limited to that conducts administrative works relating to the investor register) shall be 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, basic terms and conditions of an investment trust states that additional trust shall not be made to such investment trust except where offering 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, basic terms and conditions of an investment trust shall not state that it is a securities investment trust.

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 (g), such listed real estate investment trust security shall be delisted; provided, however, that the same shall not apply to the cases where the Enforcement Rules specify otherwise:

(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~~[Investment Management Association of 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 (excluding cases due to the merger, etc.);

(e) Where the merger, etc. is conducted (excluding the cases where such merger, etc. is conducted within such asset management company only or only between such asset management company and an asset management company which is currently entrusted with business pertaining to asset management of other listed investment corporation), and the Exchange deems that the business operating system pertaining to management of assets of such investment corporation before conducting such merger, etc. is not substantially survived after conducting such merger, etc.

(f) Where a change occurs in a parent company of said asset management company and the Exchange deems that the business operating system pertaining to management of assets of such investment corporation before occurrence of such a change is not substantially survived after occurrence of such a change; or

(g) 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 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~~Investment Management Association of 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 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 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~~Investment Management Association of 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 fails to reach 70% or higher 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 fails to reach 95% or higher 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 have become less than JPY 500 million as of the end of every business period or every computation period pertaining to a listed real estate investment trust security, and fails to reach JPY 500 million or more within a year;
- (5) Where the total assets have become less than JPY 2.5 billion as of the end of every business period or every computation period pertaining to a listed real estate investment trust security, and fails to reach JPY 2.5 billion 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 for one (1) year prior to the end of December of every year is less than 20 units;
- (8) Delay in submission of an annual securities report or a semiannual securities report:
Where an annual securities report or a semiannual securities report to which an audit report or an interim audit report as in Article 3, Paragraph 1 of the Cabinet Office Order on Audit Certification prepared by two 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 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 an annual 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 state an "adverse opinion" or a "disclaimer of opinion" (excluding cases specified by the Enforcement Rules; the same shall apply in this b.) in an audit report and an "opinion that the interim financial statements, etc. do not provide useful information" or a "disclaimer of opinion" 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), b. , the proviso of Item (2), a. of the same paragraph, the proviso of 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 certificate of incorporation of an investment corporation or basic terms and conditions of an investment trust;
 - (12) Where a business period or a computation period becomes less than six months due to a change in a certificate of incorporation of an investment corporation or basic terms and conditions 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 institution approved by the Exchange as specified by Rule 1205, Item (2), 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 basic terms and conditions of an investment trust in addition to cases where offering 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 basic terms and conditions 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 605 shall be applied mutatis mutandis to examination pertaining to delisting pursuant to the provisions of the preceding two paragraphs.

Rule 1305. Initial 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](#)~~Investment Management Association of 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 monetary amount specified by the Enforcement Rules as the amount of investment in unlisted stocks, etc. and continuously held stocks, etc. to the total amount of assets under management, etc. (hereinafter referred to as the "unlisted stocks

- investment ratio") is expected to exceed 50%;
- b. Number of listed investment units:
The number of listed investment units shall be expected to reach 2,000 units or more by the time of listing;
- c. Total net assets:
The total net assets shall be expected to reach JPY 3 billion or more by the time of listing;
- d. Distribution of investment units:
The following (a) and (b) are satisfied:
(a) 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) to the total number of investment units held by major investors shall be expected to reach 80% or less of the number of listed investment units by the time of listing;
(b) The number of investors holding one (1) or more investment unit, excluding major investors and the venture fund-issuing investment corporation pertaining to the initial listing application in the case where said corporation owns investment units (excluding cases where a resolution has been made to dispose of all the own investment units held), shall be expected to reach 300 or more by the time of listing;
- e. False statement or adverse opinion, etc.:
The following (a) and (b) are satisfied:
(a) No false statement shall be made in the annual securities reports, etc. which contain or make reference to financial statements, etc. for each business period ended in the last two 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 years or an interim audit report attached to interim financial statements, etc. for a business period ended in the last year shall 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 the cases where the Enforcement Rules specify otherwise;
- f. Matters contained in the certificate of incorporation, etc.:
The certificate of incorporation of a venture fund-issuing investment corporation pertaining to initial listing application (including a document similar thereto in case of (d) (ii)) shall contain the matters referred to in the follow (a) through (f):
(a) That the unlisted stocks investment ratio shall be higher than 50% as a general rule;
(b) That assets other than unlisted stocks, etc., assets related to unlisted stocks, etc., and continuously held stocks, etc. are limited to those listed in each item of Article 19, Paragraph 3 of the the Investment Trust Act Enforcement Regulation, current assets, etc., and rights and other assets that are aimed at reducing risks such as risk of losses due to price fluctuations of the assets under management, etc. and pertain to transactions that are objectively recognized to reduce the risk of such losses or other risks; provided, however, that the same shall not apply to the cases where the Enforcement Rules specify otherwise;
(c) Matters referred to in the following (i) or (ii)
(i) Investments in a specific investment destination shall not exceed 10% of total net assets as of the time of acquisition; or
(ii) For unlisted stocks, etc. or assets related to unlisted stocks, etc., investments in a specific investment destination shall not exceed 15% of total net assets as of the time

of acquisition, and for other assets, investments in a specific investment destination shall not exceed 10% of total net assets as of the time of acquisition;

(d) Matters referred to in the following (i) or (ii)

(i) Borrowing of funds shall not be conducted and investment corporation bonds shall not be offered; or

(ii) The certificate of incorporation or documents similar thereto of investment corporation shall specify a management policy of ratio of interest-bearing liabilities to total assets be, in principle, 20% or less, a risk management policy for borrowing funds or issuing investment corporation bonds, and matters concerning purposes of borrowing funds or issuing investment corporation bonds, their maximum amounts and the usage of them;

(e) No refund of investment units shall be made upon demand from investors;

(f) The period defined as a business period shall be at least six months;

g. Handling by the designated book-entry transfer institution:

It shall be required that 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:

It shall be required that 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 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 a. through c., 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 does not value the unlisted stocks, etc. and assets related to unlisted stocks, etc. which are the fund's assets under management, etc. in the manner prescribed in Article 14 of the Rules on the Valuation and Accounting of Investment Trust Properties specified by the ~~Investment Trust Association, Japan~~Investment Management Association of Japan (General Incorporated Association), in order to disclose matters prescribed in Rule 1312, Paragraph 6, Item (5), and has also not entrusted the valuation 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 e., such listed venture fund shall be delisted; provided, however, that the same shall not apply to cases where the Enforcement Rules specify otherwise:

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~~Investment Management Association of 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 (excluding cases attributable to a merger, etc.);
 - d. Where a merger, etc. is conducted (excluding cases where such a merger, etc. is conducted within a venture fund asset management company pertaining to said listed venture fund only or only between a venture fund asset management company pertaining to said listed venture fund and a venture fund asset management company pertaining to other listed venture fund), and the Exchange deems that the business operating system pertaining to management of assets of a venture fund-issuing investment corporation pertaining to said listed venture fund before conducting such a merger, etc. is not substantially survived after such a merger, etc. is conducted; or
 - e. Where there is a change in the parent company of a venture fund asset management company pertaining to said listed venture fund and the Exchange deems that the business operating system pertaining to management of assets of a venture fund-issuing investment corporation pertaining to said listed venture fund before such a change is not substantially survived after such a change;
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 the unlisted stocks investment ratio has fallen to or below 50% on the last day of the business period of a venture fund-issuing investment corporation pertaining to a listed venture fund, and then fails to exceed 50% within one (1) year; provided, however, that the same shall not apply to the cases where the Enforcement Rules specify otherwise.
 - (2) The number of listed investment units (excluding the number of own investment units (except the number of own investment units to be disposed of, if such a resolution has been made)) is less than 2,000 units.
 - (3) Trading volume

Trading volume for one (1) year prior to the end of December of every year is less than 60 units.
 - (4) Delayed submission of annual securities report, etc.

An annual securities report or a semiannual securities report to which an audit report or an interim audit report specified in Article 3, Paragraph 1 of the Cabinet Office Order on Audit Certification prepared by two 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 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 an annual 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 "disclaimer of opinion" (excluding cases specified by the Enforcement Rules; hereinafter the same in this b.) in an audit report, or a "opinion that the interim financial statements, etc. do not provide

useful information" or "disclaimer of opinion" 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 and manager have 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, etc.:

With respect to the certificate of incorporation of a venture fund-issuing investment corporation pertaining to a listed venture fund (including a document similar thereto in case of d. (b)), if any of the changes referred to in the following a. through f. are made:

- a. The provision that the unlisted stocks investment ratio shall, as a general rule, exceed 50% is deleted;
- b. The provision that assets other than unlisted stocks, etc., assets related to unlisted stocks, etc., or continuously held stocks, etc. are limited to those listed to in each item of Article 19, Paragraph 3 of the Investment Trust Act Enforcement Regulation, current assets, etc., and rights and other assets that are aimed at reducing risks such as risk of losses due to price fluctuations of the assets under management, etc. and pertain to transactions that are objectively recognized to reduce the risk of such losses or other risks is deleted; provided, however, that this shall not apply to cases specified by the Enforcement Rules;
- c. Both of following provisions (a) and (b) are deleted.
 - (a) Investments in a specific investment destination shall not exceed 10% of total net assets as of the time of acquisition; and
 - (b) For unlisted stocks, etc. or assets related to unlisted stocks, etc., investments in a specific investment destination shall not exceed 15% of total net assets as of the time of acquisition, and for other assets, investments in a specific investment destination shall not exceed 10% of total net assets as of the time of acquisition;
- d. Both of following provisions (a) and (b) are deleted.
 - (a) The provisions that borrowing of funds shall not be conducted and that investment corporation bonds shall not be offered; and
 - (b) The provisions in the certificate of incorporation or documents similar thereto of investment corporation regarding a management policy of ratio of interest-bearing liabilities to total assets be, in principle, 20% or less, a risk management policy for borrowing funds or issuing investment corporation bonds, and matters concerning purposes of borrowing funds or issuing investment corporation bonds, their maximum amounts and the usage of them;
- e. Refund of investment units shall be possible upon demand from investors; or
- f. A business period shall be less than six months;

(8) Handling of borrowing of funds or offering of investment corporation bonds

In a situation where ratio of interest-bearing liabilities to total assets exceeds 20% as of the end of the business period pertaining to a venture fund-issuing investment corporation pertaining to a listed venture fund, if the ratio of interest-bearing liabilities to total assets fails to fall to or below 20% less within one (1) year;

(9) 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;
- (10) Establishment of an administrator of the investor register, etc.;
- 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), h, or has become sure to not be entrusted;
- (11) Influence of anti-social forces
- Where it is revealed that a listed venture fund issuer and manager 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
- (12) 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 605 shall be applied mutatis mutandis to examination pertaining to delisting pursuant to the provisions of the preceding three paragraphs.

Rule 1505. Initial 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:
- (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](#)[Investment Management Association of Japan](#) (General Incorporated Association);
- (2) The security for which an initial listing application has been made meets the following a. through l.
- a. The ratio of the value of infrastructure fund assets, etc. to the total value of working assets, etc. shall be expected to reach 70% or higher;
 - 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. shall be expected to reach 95% or higher by the time of listing;
 - c. Deleted;
 - d. The number of listed investment units or the number of listed beneficiary rights shall be expected to reach 4,000 or more by the time of listing;
 - e. Total net assets shall be expected to reach JPY 1 billion or more by the time of listing;
 - f. Total assets shall be expected to reach JPY 5 billion 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 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 shall be expected to fall to or 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 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, shall be expected to reach 1,000 or more by the time of listing;
- i. The security satisfies the following (a) and (b):
 - (a) No false statements shall be made in the annual 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 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 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 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 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 shall 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 the 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 months or longer;
 - (d) No additional trust shall be made for the investment trust, except where offering 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. It shall be required that 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, etc. prescribed in Article 166, Paragraph 2, Item (8) of the Investment Trust Act shall 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) It shall be required that 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), 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 j.

- (3) It shall be required that 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) It shall be required that 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) It shall be required that the initial listing application issue is listed or continuously traded on a foreign financial instruments exchange, etc., or is expected to be so;
 - (6) It shall be required that 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 shall satisfy the requirements in Paragraph 1, Item (2), a. through c. and k.
 - (2) The foreign infrastructure fund that is an entrusted security pertaining to the initial listing application issue shall satisfy the requirements in Paragraph 1, Item (2), 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 j.
 - (3) It shall be required that 4000 units or more 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) It shall be required that the number of investors or beneficiaries of foreign infrastructure funds that are entrusted securities pertaining to initial listing application issues is 1,000 or more and a considerably large number of foreign infrastructure trust beneficiary certificates is deemed not to be held by specific shareholders or beneficiaries;
 - (5) It shall be required that the 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) It shall be required that 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) It shall be required that 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 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:

The delisting criteria shall be set forth pursuant to the provisions of the following a. or b.:

- 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 any of the following (a) through (g) 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 the cases where the Enforcement Rules specify otherwise.:
 - (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 Investment Management Association of Japan](#) (General Incorporated Association);
 - (d) The management company ceases to be the management company pertaining to said listed infrastructure fund (excluding cases due to the merger, etc.);
 - (e) Where the merger, etc. is conducted (excluding the cases where such merger, etc. is conducted within such asset management company only or only between such asset management company and an asset management company which is currently entrusted with business pertaining to asset management of other listed investment corporation), and the Exchange deems that the business operating system pertaining to management of assets of such investment corporation before conducting such merger, etc. is not substantially survived after conducting such merger, etc.
 - (f) Where a change occurs in a parent company of said management company and the Exchange deems that the business operating system pertaining to management of assets of such investment corporation before occurrence of such a change is not substantially survived after occurrence of such a change; or
 - (g) 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 (g) of the preceding 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 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 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 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 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 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 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 fails to reach 70% or higher 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 fails to reach 95% or higher 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 fails to reach JPY 500 million or more 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 fails to reach JPY 2.5 billion or more 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 one (1) year prior to the end of December of every year falls under 20 units;
- h. There are delays in submission of an annual securities report or a semiannual securities report:
For cases where the issuer fails to submit to the Prime Minister, etc. an annual securities report or a semiannual securities report to which an audit report or an interim audit report that has been prepared by two or more certified public accountants or an audit firm in accordance with Article 3, Paragraph 1 of the Cabinet Office Order 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 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 an annual 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 "disclaimer of opinion" (excluding cases specified by the Enforcement Rules; hereinafter the same in this (b)) in the audit report, or an "opinion that the interim financial statements, etc. do not provide useful information" or "disclaimer of 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), b. of Paragraph 1, the proviso in Item (2), a. of the same paragraph, the proviso in Item (3), b. of the same paragraph, or the proviso in Item (4), 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 or in the basic terms and conditions of an investment trust;
- l. The business period or computation period is less than six months due to changes in the certificate of incorporation of the investment corporation or the basic terms and conditions of the 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 of 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 institution approved by the Exchange as specified in Rule 1505, Paragraph 1, Item (2), 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 of an investment trust even in cases where offering 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 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 a. through d. apply to the foreign infrastructure fund;

- a. 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 j., k., l., and m. of the preceding item, "investment trust" in j., k., and q. of the same item, and "beneficiary certificate" in 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 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 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) a. through c, h. through j., o., s., and t. of Item (1) apply to the foreign infrastructure fund trust beneficiary certificate. In this case, "investment corporation" in 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) 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 k., l., and m. of Item (1), "investment trust" in k., and q. of the same item, and "beneficiary certificate" in 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 605 shall be applied mutatis mutandis to examinations pertaining to delisting pursuant to the provisions of the preceding two paragraphs.

Supplementary Provisions

These revisions shall take effect on April 1, 2026.

Brokerage Agreement Standards

(as of April 1, ~~2025~~2026)

Rule 40. Substitution of Security Deposit Pertaining to Margin Transactions by Securities

1. Security deposit pertaining to margin transactions may be substituted by securities.
2. The types of the securities in the preceding paragraph shall be those referred to in each of the following items, and the substitute price at the time of the submission shall not exceed an amount obtained by multiplying the market price on the previous day (meaning the market price as prescribed in each such item with respect to the securities referred to in each item of the next paragraph; the same shall apply hereinafter in this rule and in Rule 45, Paragraph 2) by the ratio specified in each such item:
 - (1) Stocks (meaning stocks issued by domestic corporations, preferred equity investment securities, foreign stocks, etc., and beneficiary certificates of beneficiary certificate-issuing trusts; hereinafter the same) listed on the financial instruments exchanges in Japan 80/100
 - (2) Government bonds 95/100
 - (3) Municipal bonds (limited to cases where a principal underwriting agreement has been entered into at the time of their issuance) 85/100
 - (4) Bonds issued by a corporation under a special law:
 - Bonds with redemption of the principal and interest payment guaranteed by the government 90/100
 - Other bonds 85/100
 - (5) Corporate bonds listed on a financial instruments exchange in Japan (excluding convertible bonds and exchangeable corporate bonds; the same shall apply hereinafter in this rule) or corporate bonds issued by a company whose stock is listed on a financial instruments exchange in Japan which are issued by a company that is not a foreign company (limited to cases where a principal underwriting agreement has been entered into by a financial instruments firm at the time of their issuance) 85/100
 - (6) Convertible bonds listed on a financial instruments exchange in Japan or corporate bonds with subscription warrants which are issued by a company whose stock is listed on a financial instruments exchange in Japan and, furthermore, which are issued by a company other than a foreign company (limited to cases where a principal underwriting agreement has been entered into by a financial instruments firm at the time of their issuance) 80/100
 - (7) Exchangeable corporate bonds listed on a financial instruments exchange in Japan (limited to cases where a principal underwriting agreement has been entered into by a financial instruments firm at the time of their issuance) 80/100
 - (8) Foreign government bonds listed on a financial instruments exchange in Japan 85/100
 - (9) Foreign municipal bonds listed on a financial instruments exchange in Japan 85/100
 - (10) Yen denominated bonds of International Bank for Reconstruction and Development 90/100
 - (11) Yen denominated bonds of Asian Development Bank 90/100
 - (12) Yen denominated foreign bonds issued by a foreign corporation other than issuers of the bonds referred to in the preceding four (4) items (limited to those listed on a foreign instruments exchange in Japan) 85/100
 - (13) Investment trust beneficiary certificates and investment securities (those listed on a financial instruments exchange in Japan and those whose market price on the previous day is announced by the ~~Investment Trusts Association, Japan~~[Investment Management Association of Japan](#) (General Incorporated Association)):

Beneficiary certificates of a public and corporate bond investment trust 85/100
Others 80/100

- (14) Foreign stocks, etc. (excluding securities similar to new investment unit subscription warrant securities and investment corporation bonds; hereinafter the same in this rule) listed on a financial instruments exchange that is registered with the U.S. Securities and Exchange Commission pursuant to the provisions of Section 6 of the U.S. Securities Exchange Act of 1934:

60/100 (or 70/100 in the case that the market value prescribed in Item (5) of the following paragraph is the last market value at the time of submission)

3. Market price of securities shall be as prescribed in each of the following items in accordance with the types of securities referred to in each of the following items:

- (1) Out of stocks prescribed in Item (1) of the preceding paragraph, convertible bonds prescribed in Item (6) of the same paragraph, exchangeable corporate bonds prescribed in Item (7) of the same paragraph, and investment trust beneficiary certificates and investment securities prescribed in Item (13) of the same paragraph, those listed on a financial instruments exchange in Japan:

Last price on a financial instruments exchange in Japan

(In cases where a quote is displayed on a financial instruments exchange in Japan, such last quote price);

- (2) Out of investment trust beneficiary certificates and investment securities prescribed in Item (13) of the preceding paragraph, those whose market price of the previous day is published by the ~~Investment Trusts Association, Japan~~[Investment Management Association of Japan](#) (General Incorporated Association):

Market price published by the ~~Investment Trusts Association, Japan~~[Investment Management Association of Japan](#) (General Incorporated Association);

- (3) Out of securities other than the securities referred to in the preceding two (2) items, those whose statistical values for trading reference are published by the Japan Securities Dealers Association:

The average value, out of the statistical values for trading reference published by the Japan Securities Dealers Association (in the case of inflation-linked government bonds (meaning inflation-linked government bonds prescribed in Article 1 of the Ministerial Order on Handling of Inflation-linked Government Bonds (Ministry of Finance Order No. 7 of 2004), the value obtained by multiplying said average value by an interlocking coefficient published by the Ministry of Finance);

- (4) Out of securities other than the securities referred to in each of the preceding items, those listed on a financial instruments exchange in Japan:

Last price on a financial instruments exchange in Japan

(In cases where a quote is displayed on a financial instruments exchange in Japan, such last quote price); or

- (5) Foreign stocks, etc. prescribed in Item (14) of the preceding paragraph:

Closing price or quote price at the financial instruments exchange prescribed in said item (the price shall be converted into Japanese yen based on the foreign exchange rate designated by the trading participant)

Supplementary Provisions

These revisions shall take effect on April 1, 2026.

**Rules concerning Securities in lieu of Security Deposit as Participant Bonds,
Trading Participant Security Money, and Trading Margin for When-issued
Transactions**

(as of ~~May 1, 2018~~ April 1, 2026)

Appendix

Table for Types and Substitute Prices, etc. of Securities in lieu of Money

1. The substitute prices of the securities specified in Rule 2 shall be obtained by the following calculation; [the market price on the day (if it falls on a holiday of the Exchange, it shall be moved up in order) two days before the day when said securities are deposited] x [a ratio set forth by the Exchange]. However, the Exchange may change substitute prices in the event that the Exchange deems it particularly necessary in cases where market prices drastically fluctuate, etc.
2. The securities' types, market prices, and ratios set forth by the Exchange as specified in the preceding paragraph shall be as follows.

Types of Securities		Market Prices	Ratios multiplied by market prices
Government bonds (in the case of inflation-linked government bonds (meaning inflation-linked government bonds prescribed in Article 1 of the Ministerial Order on Handling of Inflation-linked Government Bonds (Ministry of Finance Order No. 7 of 2004); hereinafter the same), limited to those eligible for clearing by Japan Securities Clearing Corporation)	Government bonds whose statistical values for trading references are publicized by Japan Securities Dealers Association (hereinafter referred to as "JSDA")	Average value out of said statistical values for trading references (in the case of inflation-linked government bonds, the value obtained by multiplying said average value by an interlocking coefficient published by the Ministry of Finance)	95/100
	Out of government bonds whose statistical values for trading references are not publicized, those which are listed on any financial instruments exchange in Japan	The final price (Note 2) at the financial instruments exchange (Note 1)	

Government guaranteed bonds	Government guaranteed bonds whose statistical values for trading references are publicized by JSDA	Average value out of said statistical values for trading references	90/100
Yen-denominated bonds specified in Rule 2-11 of the Enforcement Ordinance for the Financial Instruments and Exchange Act (Note 3)	Out of yen-denominated bonds whose statistical values for trading references are not publicized, those which are listed on any financial instruments exchange in Japan	The final price (Note 2) at the financial instruments exchange (Note 1)	
Municipal bonds (Note 3)	Municipal bonds whose statistical values for trading references are publicized by JSDA	Average value out of said statistical values for trading references values	85/100

<p>Special bonds (excluding government guaranteed bonds) Corporate bonds (excluding corporate bonds with subscription warrants and exchangeable corporate bonds) (Notes 3 and 4)</p> <p>Yen-denominated foreign bonds (excluding yen-denominated bonds, convertible bonds, and exchangeable corporate bonds specified in Rule 2-11 of the Enforcement Ordinance for the Financial Instruments and Exchange Act) (Notes 3 and 5)</p>	<p>Out of yen-denominated foreign bonds whose statistical values for trading references are not publicized by JSDA, those which are listed on financial instruments markets in Japan</p>	<p>The final price (Note 2) at financial instruments exchanges (Note 1)</p>	
<p>Beneficiary certificates of public and corporate bond investment trusts</p>	<p>Beneficiary certificates of public and corporate bond investment trusts whose market prices on the previous day are publicized by the <u>Investment Trusts Association, Japan Investment Management Association of Japan</u> (General Incorporated Association)</p>	<p>Said market price</p>	

Convertible bonds (Notes 3 and 4) Exchangeable corporate bonds (Notes 3 and 6)	Convertible bonds which are listed on any financial instruments exchange in Japan	The final price (Note 2) at the financial instruments exchange (Note 1)	80/100
Stocks Preferred equity contribution securities (Note 7) Beneficiary certificates of foreign investment trusts Foreign investment securities Foreign stock depositary receipts Beneficiary certificates of beneficiary certificate-issuing trusts Beneficiary certificates of foreign beneficiary certificate-issuing trusts	Stocks and preferred equity contribution securities which are listed on any financial instruments exchange in Japan	The final price (Note 2) at the financial instruments exchange (Note 1)	70/100
Investment trust beneficiary certificates (excluding beneficiary certificates of public and corporate bond investment trusts)	Investment trust beneficiary certificates which are listed on any financial instruments exchange in Japan	The final price (Note 2) at the financial instruments exchange (Note 1)	

Investment securities	Investment securities whose market prices on the previous day are publicized by the <u>Investment Trusts Association, Japan Investment Management Association of Japan</u> (General Incorporated Association)	Said market price	
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(Notes)

- (1) With respect to issues listed on two or more financial instruments exchanges, this shall be the exchange which is selected in accordance with the order set forth by the Exchange.
 - (2) When a quote is displayed at said financial instruments exchange, the final price shall be said final quote price.
 - (3) They shall be limited to securities for which an underwriting agreement has been entered into by a financial instruments firm at the time of issuance.
 - (4) Corporate bonds (excluding corporate bonds with subscription warrants and exchangeable corporate bonds) and convertible bonds shall be limited to those issued by a company whose stocks are listed on a financial instruments exchange in Japan.
 - (5) Convertible bonds mean, out of corporate bonds with subscription warrants, corporate bonds in cases where the object of the investment made at the time of exercising the subscription warrant is a corporate bonds pertaining to such corporate bonds with subscription warrants.
 - (6) Exchangeable corporate bonds mean corporate bonds (including corporate bonds issued by foreign corporations) to be reimbursed by the stocks a specified company other than the issuer upon request of said exchangeable corporate bond holders.
 - (7) Preferred equity contribution securities mean those issued by cooperative structured financial institutions.
3. The order specified by the Exchange as prescribed in the provisions of the preceding paragraph shall be as follows:
The first is a financial instruments exchange which has the largest trading volume (limited to the volume pertaining to regular transactions (meaning those set forth by each financial instruments exchange) effected during auction trading) of said issue among financial instruments exchanges from July to December every year if the day two days before said deposit date belongs to a period between February and July, or from January to June if said date belongs to a period between August and January of the following year. The order after the first shall be decided according to the order of the codes of exchanges / industry groups,

etc. (meaning those specified by Securities Identification Code Committee).

4. A fraction of substitute prices shall be adjusted as follows:
 - (1) For stocks, preferred equity contribution securities, investment trust beneficiary certificates, beneficiary certificates of foreign investment trusts, investment securities, foreign investment securities, foreign stock depositary receipts, beneficiary certificates of beneficiary certificate issuing trusts, and beneficiary certificates of foreign beneficiary certificate issuing trusts, a fraction less than JPY 1 (one) shall be rounded down; and
 - (2) For securities other than those prescribed in the preceding item, a fraction less than JPY 1/100 (one hundredth) shall be rounded down.
5. Where trading participants deposit government bonds as prescribed in Paragraph 2 to the Exchange in lieu of money as participant bonds or trading participant security money, Japan Securities Clearing Corporation (hereinafter referred to as "JSCC") shall receive said government bonds on behalf of the Exchange. The trading participants shall make said deposits by transferring them to the account opened in the name of JSCC with the Bank of Japan.
6. Where trading participants deposit securities enumerated in each of the following items in lieu of money as participant bonds or trading participant security money to the Exchange, JSCC shall receive said securities on behalf of the Exchange. The trading participants shall make said deposits by transferring them to the account opened in the name of JSCC with Japan Securities Depository Center, Inc. (hereinafter referred to as "JASDEC").
 - (1) Bonds (excluding government bonds and corporate bonds with subscription warrants), convertible bonds, stocks, preferred equity contribution securities, investment trust beneficiary certificates, beneficiary certificates of foreign investment trusts, foreign investment securities, foreign stock depositary receipts, beneficiary certificates of beneficiary certificate issuing trusts, and beneficiary certificates of foreign beneficiary certificate issuing trusts
 - (2) Out of investment securities, those which are listed on any financial instruments exchange in Japan
7. The Exchange shall entrust reports to JASDEC pertaining to deposited securities enumerated in each of the following items to a trading participant which deposits such securities, and the entrusted trading participant shall make said reports to JASDEC. In this case, the entrusted trading participant may consign such reporting to other parties.
 - (1) Reporting on the entrustment state of administrating clerical work for special shareholders pertaining to stocks issued by domestic corporations
 - (2) Reporting on the entrustment state of administrating clerical work for special preferred equity contributors pertaining to preferred equity contribution securities
 - (3) Reporting on the entrustment state of administrating clerical work for special beneficiaries pertaining to investment trust beneficiary certificates
 - (4) Reporting on the entrustment state of administrating clerical work for special investors pertaining to investment securities
 - (5) Reporting on the entrustment state of administrating clerical work for special beneficiaries pertaining to beneficiary issuing trusts

8. Notwithstanding Paragraph 2, where a Japanese financial instruments exchange-listed stock (including preferred equity contribution securities, investment trust beneficiary certificates, beneficiary certificates of foreign investment trusts, investment securities, foreign investment securities, foreign stock depositary receipts, beneficiary certificates of beneficiary certificate issuing trusts, and beneficiary certificates of foreign beneficiary certificate issuing trusts; the same shall apply hereinafter) falls under the delisting criteria set forth by all the financial instruments exchanges in Japan where said stocks is listed (excluding cases enumerated in each of the following items), said stock and corporate bonds issued by the issuer of said stock (excluding said investment trust beneficiary certificates, beneficiary certificates of foreign investment trusts, foreign stock depositary receipts, beneficiary receipts of beneficiary certificate issuing trusts, and beneficiary certificates of foreign beneficiary certificate issuing trusts) shall be excluded from securities in lieu of money from the day (if it falls on a holiday, it shall be moved down in order) following the day when said stock falls under the delisting criteria.
 - (1) When the issuer of said stock becomes a wholly owned subsidiary of a company which is listed on any financial instruments exchange in Japan through share exchange or share transfer
 - (2) When the issuer of said stock is merged into a company which is listed on any financial instruments exchange in Japan
 - (3) When said stock is delisted and stocks to be issued in exchange for said delisted stock are expected to be listed immediately on any financial instruments exchange in Japan
9. The provisions of the preceding paragraph shall apply mutatis mutandis to a bond if the bond issuer loses the benefit of the term.

Supplementary Provisions

These revisions shall take effect on April 1, 2026.

Enforcement Rules for Securities Listing Regulations

(as of ~~December 8, 2025~~ April 1, 2026)

Rule 1201. Definitions in Part 6

1. In this part, "infrastructure-related securities," "infrastructure assets," "infrastructure assets, etc.," "infrastructure investment assets," "infrastructure funds," "assets under management, etc.," "operators," "foreign infrastructure funds," "foreign infrastructure fund trust beneficiary certificates," "country funds," "management companies", "own investment unit," "listed infrastructure funds," "listed foreign infrastructure funds," "listed foreign infrastructure fund trust beneficiary certificates," "listed country funds," "continuously held stocks, etc.," "listed domestic infrastructure funds," "listed real estate investment trust securities," "listed venture funds," "trust company, etc.," "trust trustees," "new investment unit subscription warrant securities," "appropriate infrastructure investment assets," "domestic infrastructure funds," "real estate-related assets," "real estate, etc.," "real estate trust securities," "venture funds," "unlisted stocks, etc.," "assets related to unlisted stocks, etc.," "unlisted stocks, etc. rating institution," and "current assets, etc." mean infrastructure-related securities, infrastructure assets, infrastructure assets, etc., infrastructure investment assets, infrastructure funds, under management, etc., operators, foreign infrastructure funds, foreign infrastructure fund trust beneficiary certificates, country funds, management companies, own investment unit, listed infrastructure funds, listed foreign infrastructure funds, listed foreign infrastructure fund trust beneficiary certificates, listed country funds, continuously held stocks, etc., listed domestic infrastructure funds, listed real estate investment trust securities, listed venture funds, trust company, etc., trust trustees, new investment unit subscription warrant securities, appropriate infrastructure investment assets, domestic infrastructure funds, real estate-related assets, real estate, etc., real estate trust securities, venture funds, unlisted stocks, etc., assets related to unlisted stocks, etc., unlisted stocks, etc. rating institution, and current assets, etc. as defined in Rule 1201 of the Regulations.
2. Notwithstanding the provisions of Rule 2, the definitions of the terms referred to in each of the following items in this part mean as specified in each such item.
 - (1) An annual securities report means an annual securities report prescribed in Rule 1104, Paragraph 1, Item (2), e. (a).
 - (2) A semiannual report means a semiannual report prescribed in Rule 1104, Paragraph 1, Item (2), e. (a).
 - (3) A public offering means a public offering prescribed in Rule 1208, Rule 1308, or Rule 1508 of the Regulations.
3. Notwithstanding the provisions of Rule 2, the definitions of the terms referred to in each of the following items in this part mean as specified in each such item.
 - (1) A public offering, etc. before listing means a public offering or secondary distribution of a real estate investment trust security, venture fund, or

domestic infrastructure fund that is conducted during a period from an initial listing application day to a day before the listing date (Note 1), and a public offering that is conducted at the time of establishment of an investment corporation (Note 2)

(Note 1) Excluding a public offering or secondary distribution of an issue to which the provisions of Rule 1207, Rule 1307, or Rule 1507 of the Regulations are applied with regard to listing examination, and a public offering or secondary distribution of a real estate investment trust security, venture fund, or domestic infrastructure fund listed on another financial instruments exchange in Japan

(Note 2) Limited to cases where an initial listing application is made promptly after the establishment of a real estate investment trust security, and venture fund, and domestic infrastructure fund that are issued by such investment corporation

- (2) A book-building means investigation into investor demand for a public offering, etc. before listing, which is conducted pursuant to the provisions of Chapter 2, Chapter 3, and Chapter 5 of this part
 - (3) Offering prices means prices for public offering, etc. before listing.
 - (4) A principal underwriting trading participant means a trading participant of the Exchange that is a financial instruments business operator, etc. that concludes a principal underwriting agreement with regard to a public offering, etc. before listing.
 - (5) "Number of deposited units" means the amount of foreign infrastructure funds that are deposited with the designated book-entry transfer institution.
 - (6) "Written opinion pertaining to earnings continuity of infrastructure investment assets" means a written opinion prepared by an entity who has professional knowledge pertaining to infrastructure investment assets that contains descriptions that future earnings of infrastructure investment assets are expected to be stable.
 - (7) "Written opinion pertaining to profitability of infrastructure investment assets" means a written opinion prepared by an entity who has professional knowledge pertaining to infrastructure investment assets that contains the matters referred to in the following a. and b.
 - a. Earnings of infrastructure investment assets are expected to be recorded within six months from the day of initial listing application or acquiring assets pertaining to assets under management, etc.
 - b. Future profit of infrastructure investment assets is expected to be recorded.
4. Assets specified by the Enforcement Rules as prescribed in Rule 1201, Item (1)-2, c. of the Regulations means, out of assets referred to in the following items, those with public nature.
- (1) Vessels to transport or store energy resources by water
 - (2) Gas facilities
 - (3) Airports
 - (4) Sewage systems

- (5) Harbor facilities
 - (6) Water utility
 - (7) Oil refinery facilities
 - (8) Oil storage facilities
 - (9) Oil pipelines
 - (10) Railway facilities
 - (11) Railroad vehicles
 - (12) Electric facilities
 - (13) Telecommunications facilities
 - (14) Roads and motoring roads
 - (15) Heat supply facilities
 - (16) Radio equipment
5. Assets specified by the Enforcement Rules as prescribed in Rule 1201, Item (1)-2, e. of the Regulations means tangible fixed assets prescribed in Article 37, Paragraph 3, Item (2) of the Ordinance on Accountings of Investment Corporations, intangible fixed assets prescribed in Item (3) of the same paragraph, investments and other assets prescribed in Item (4) of the same paragraph, and assets deemed appropriate by the Exchange as those similar thereto.
 6. Assets specified by the Enforcement Rules as prescribed in Rule 1201, Item (1)-6, a. of the Regulations means assets prescribed in Article 37, Paragraph 3, Item (1), ~~viii~~. of the Ordinance on Accountings of Investment Corporations, and assets deemed appropriate by the Exchange as those similar thereto.
 7. An entity specified by the Enforcement Rules as prescribed in Rule 1201, Item (2)-2 of the Regulations means an entity as specified in each of the following items in accordance with the categories referred to in such items.
 - (1) Where a holder of infrastructure investment assets manages said assets;
A holder of said infrastructure investment assets
 - (2) Where a holder of infrastructure investment assets entrusts other entity with management of said infrastructure investment assets;
An trustee of management of said infrastructure investment assets
 - (3) Where a holder of infrastructure investment assets lends said infrastructure investment assets, and where an entity who has borrowed such infrastructure investment assets manages said infrastructure assets;
An entity who has borrowed such infrastructure investment assets
 - (4) Where a holder of infrastructure investment assets lends said infrastructure investment assets, and where an entity who has borrowed such infrastructure investment assets entrusts management of said infrastructure assets to other entity
An trustee of management of such infrastructure investment assets
 8. Requirements specified by the Enforcement Rules as prescribed in Rule 1201, Item (9)-4 of the Regulations mean that as of an initial listing application day or the end of the preceding month to which the initial listing application day belongs, or an asset acquisition day pertaining to assets under management, etc. or the end of the preceding month of the month to which said acquisition day belongs, infrastructure investment assets of assets pertaining to assets under management, etc. or assets under management, etc. to be obtained

satisfy the conditions of each of the following items.

- (1) At least one (1) year has elapsed since profit was posted;
 - (2) Profits have been posted in the base business period (meaning the most recent business period for which financial statements, etc. are presented in the financial information section of annual securities reports, etc. ; the same shall apply hereinafter) or base computation period (meaning the most recent computation period for which financial statements, etc. are presented in the financial information section of annual securities reports, etc.; the same shall apply hereinafter) or the most recent one (1) year.
9. Those specified by the Enforcement Rules as prescribed in Rule 1201, Item (11), g. of the Regulations means shares issued by a corporation whose majority of assets is real estate.
10. Those specified by the Enforcement Rules as prescribed in Rule 1201, Item (12), h. of the Regulations means shares issued by a corporation whose all assets are real estate and current assets, etc.

Rule 1302. Documents Attached to Security Initial Listing Application

1. A "Written Oath Concerning Initial Listing Application" predetermined by the Exchange as specified by the Enforcement Rules as prescribed in Rule 1304, Paragraph 1 of the Regulations shall be prepared using appended Form 5-4.
2. Documents specified by the Enforcement Rules as prescribed in Rule 1304, Paragraph 2 of the Regulations shall be the documents referred to in each of the following items.
 - (1) "Venture Funds Distribution Chart" predetermined by the Exchange;
 - (2) A "Written Confirmation Certifying that the Applicant Has No Ties to Anti-Social Forces" predetermined by the Exchange;
 - (3) A "Report on Listing Eligibility Investigation" predetermined by the Exchange that is prepared by the managing trading participant;
 - (3)-2 A "report on the management system, product characteristics, and assessment methods, etc. of unlisted stocks, etc. pertaining to venture funds" predetermined by the Exchange;
 - (4) A copy of the certificate of incorporation of an investment corporation that is the issuer of a venture fund pertaining to initial listing application (hereinafter referred to as a "venture fund-issuing investment corporation");
 - (5) A copy of a written document certifying registration of the venture fund-issuing investment corporation pertaining to initial listing application under Article 187 of the Investment Trust Act;
 - (6) A written document certifying the conclusion of an entrustment agreement of administrative works relating to an investor register with an investor register, etc. administrator prescribed in Rule 1305, Item (2), h. of the Regulations;
 - (7) A copy of a written document describing the state of assets under management, etc.;
 - (8) Documents referred to in the following a. and b. when operations pertaining to valuation of unlisted stocks, etc. and assets related to unlisted stocks, etc. are entrusted to an unlisted stocks, etc. rating institution:
 - a. A document certifying entrustment of operations pertaining to valuation

of unlisted stocks, etc. and assets related to unlisted stocks, etc. to the unlisted stocks, etc. rating institution

b. A written overview of the unlisted stocks, etc. rating institution predetermined by the Exchange

- (9) Where a valuation of unlisted stocks, etc. and assets related to unlisted stocks, etc. that are assets under management is conducted in order to disclose matters prescribed in Rule 1312, Paragraph 6, Item (5) of the Regulations in the manner prescribed in Article 14 of the Rules on the Valuation and Accounting of Investment Trust Properties specified by the [Investment Trust Association, Japan Investment Management Association of Japan](#), a written statement in which the initial listing applicant for a venture fund confirms that fact
- (10) A copy of the minutes of the board meeting where a resolution to acquire own investment units, a resolution to dispose own investment units, or a resolution to cancel own investment units was adopted in cases where the venture fund-issuing investment corporation pertaining to the initial listing application adopted such a resolution on or after the beginning of the business year in which the initial listing application day falls.
3. The documents specified in the Enforcement Rules as prescribed in the proviso of Rule 1304, Paragraph 2 of the Regulations shall be the documents referred to in Item (3) of the preceding paragraph.
4. The "written document describing the state of assets under management, etc." prescribed in Item (7) of the preceding paragraph shall be prepared in accordance with the "Instructions for Preparing Written Document pertaining to Assets under Management, etc."
5. Notwithstanding the provisions of Paragraph 2, in the case of a venture fund to which the provisions of Rule 1307, Paragraph 1 of the Regulations is applied, documents specified by the Enforcement Rules as prescribed by Rule 1304, Paragraph 2 of the Regulations shall be those referred to in each of the following items in accordance with the classifications of cases referred to in each such item:
- (1) Where the provisions of Rule 1307, Paragraph 1, Item (1) or Item (3) of the Regulations are applied:
- Documents referred to in the following a. and b.:
- a. Documents referred to in Paragraph 2, Items (2) to (9); and
- b. An "Expected Distribution of Investment Units after Initial Listing Application Day" predetermined by the Exchange that describes the expected distribution of investment units until the end of the first business period after listing
- (2) Where the provisions of Rule 1307, Paragraph 1, Item (2) of the Regulations are applied:
- Documents referred to in the following a. and b.:
- a. Documents referred to in Paragraph 2, Items (2) through (6) as well as Items (8) and (9); and
- b. The documents referred to in b of the preceding item.

Rule 1327. Handling of Submission of Documents, etc.

1. The submission of documents, etc. prescribed in Rule 1313, Paragraph 1 of the

Regulations shall be as specified in this rule.

2. A venture fund-issuing investment corporation pertaining to a listed venture fund shall, in the cases referred to in each of the following items, submit documents to the Exchange in accordance with the provisions of each such item. However, where the Exchange deems it appropriate in cases where the details that should be described in documents that should be submitted to the Exchange are deemed to have been sufficiently disclosed by disclosure of information pursuant to the provisions of Rule 1312 of the Regulations, submission of such documents shall not be required. In this case, the venture fund-issuing investment corporation pertaining to a listed venture fund shall agree that the documents prescribed in Item (1), a. and b., documents prescribed in Item (2), a. (excluding those prepared pursuant to the provisions of the first sentence of Article 13, Paragraph 1, and Paragraph 3 of the Act), and documents prescribed in Item (3), a. through c. and Item (4), b. (limited to a certificate of incorporation) as well as Item (10), a. shall be made by the Exchange available for public inspection.

(1) Where the listed venture fund issuer and manager have determined on the matters referred to in Rule 1312, Paragraph 2, Item (1), a. of the Regulations;

In cases where the reverse split of the investment units (limited to that prescribed in Article 182-2, Paragraph 1 of the Companies Act as applied mutatis mutandis to Article 81-2, Paragraph 2 of the Investment Trust Act) is conducted, it shall be conducted as referred to in a. and b. below;

a. With respect to a copy of the documents prescribed in Article 182-2, Paragraph 1 of the Companies Act as applied mutatis mutandis to Article 81-2, Paragraph 2 of the Investment Trust Act (statutory before-the-fact disclosure documents), by the day of the starting date of the period during which the listed company is required by the provisions of the same paragraph to keep such documents at its head office;

b. With respect to a copy of documents prescribed in Article 182-6, Paragraph 1 of the Companies Act as applied mutatis mutandis to Article 81-2, Paragraph 2 of the Investment Trust Act (statutory after-the-fact disclosure documents), promptly after the effective date of the reverse split.

(2) Where the listed venture fund issuer and manager have determined on matters referred to in Rule 1312, Paragraph 2, Item (1), b. of the Regulations;

They shall be conducted as specified in a. to c. below; provided, however, the submission of documents referred to in a. shall not be required if the securities registration statement has been submitted to the Prime Minister, etc. through the electronic disclosure.

- a. The prospectus and registered preliminary prospectus; immediately after they are created,
- b. A copy of the securities notice (including the amendment thereto); without delay after it is submitted to the Prime Minister, etc., and
- c. A written document equivalent to the written document referred to in Rule 417, Item (1), e.; immediately after it is created.

- (3) Where the listed venture fund issuer and manager have decided on matters referred to in Rule 1312, Paragraph 2, Item (1), c. of the Regulations:
- They shall be conducted as specified in the following a. through c.:
- a. With respect to a copy of the merger agreement; immediately after the agreement is concluded;
 - b. A copy of the written documents prescribed in Article 149, Paragraph 1, Article 149-6, Paragraph 1, and Article 149-11, Paragraph 1 of the Investment Trust Act (meaning statutory ex ante disclosure documents); by the day on which the listed venture fund issuer and manager are required to keep such documents at the head office; and
 - c. With respect to a copy of documents prescribed in Article 149-10, Paragraph 1 of the Investment Trust Act (meaning statutory post hoc disclosure documents); immediately after the effective date of the merger.
- (4) Where the listed venture fund issuer and manager have decided on matters referred to in Rule 1312, Paragraph 2, Item (1), d. or Item (3) h-2 of the Regulations:
- They shall be conducted as referred to in the following a. and b.:
- a. A notice pertaining to the decision; immediately after the decision
 - b. An amended certificate of incorporation or documents describing an investment policy or risk management policy; immediately after the amendment
- (5) Where the listed venture fund issuer and manager have determined on the matters referred to in Rule 1312, Paragraph 2, Item (1), p. of the Regulations:
- A copy of the securities notice and its amendment notice; without delay after it is submitted to the Prime Minister, etc.
- (6) Where the listed venture fund issuer and manager have decided on setting of a record date,
- With respect to a notice pertaining to the decision; immediately after the decision.
- (7) Where the listed venture fund issuer and manager have decided on matters such as change in the representative, change in the investor register, etc. administrator, and other important matters pertaining to rights, etc. concerning the listed venture fund;
- With respect to a notice pertaining to the decision; immediately after the decision
- (8) Where the listed venture fund issuer and manager have decided on the appointment of an entity that conducts entrustment, etc. of stabilizing transactions prescribed in Article 20, Paragraph 3, Item (5) of the Enforcement Ordinance:
- Documents shall be submitted as prescribed in the following a. and b.:
- a. With respect to a notice pertaining to the decision, immediately after the decision
 - b. With respect to the "Notice of Entrustor of Stabilizing Transaction" stating the name, address, and the relationship with the issuer, by the day immediately prior to the first day of the period during which

stabilizing transactions are permitted pursuant to the provisions of Article 22, Paragraphs 2 through 4 of the Enforcement Ordinance

- (9) Where a decision is made on a financial instruments business operator that concludes a principal underwriting contract pertaining to a public offering or secondary distribution, as well as the issue price or secondary distribution price pertaining to offering or secondary distribution:

Documents shall be submitted as prescribed in a. and b. below:

- a. With respect to a notice pertaining to the decision; immediately after such decision,
- b. Documents shall be submitted in accordance with the classifications of cases referred to in the following (a) to (c) as prescribed in such :
 - (a) In cases of a public offering or secondary distribution not requiring the submission of the registration statement referred to in Article 5, Paragraph 1 of the Act;

With respect to the "Notice of Financial Instruments Business Operator that Concludes a Principal Underwriting Contract" including the trade name of the financial instruments business operator that concludes a principal underwriting contract prescribed in Article 21, Paragraph 4 of the Act with the issuer or the holders of securities pertaining to the secondary distribution; by the day immediately prior to the first day of the period during which stabilizing transactions are permitted pursuant to the provisions of Article 22, Paragraphs 2 through 4 of the Enforcement Ordinance;

- (b) Where the issue price or secondary distribution price is determined:

With respect to the "Issue Price (Secondary Distribution Price) Notice" stating the issue price or secondary distribution price and the total issue amount or total secondary distribution amount; immediately after the determination of the issue price or secondary distribution price.

- (c) Notwithstanding the provisions of the preceding (b), where the issue price or secondary distribution price is not determined based on the last price, in such cases as a value obtained by multiplying the last price of a certain day on a certain financial instruments exchange market by a certain ratio:

Documents shall be submitted as specified in the following (i)

or (ii);

- (i) With respect to the "Issue Price (Secondary Distribution Price) Notice Indicated by Calculation Formula" containing an expected issue price or secondary distribution price and an expected total issue amount or total secondary distribution amount indicated by a calculation formula; Immediately after an issue price or secondary distribution price indicated by a calculation formula is determined;
- (ii) With respect to the "Finalized Issue Price (Secondary Distribution Price) Notice" stating the finalized issue price or secondary distribution price and the finalized total issue amount or total secondary distribution amount; immediately after the finalized issue price or finalized secondary distribution price is determined.

- (10) Where the investment corporation was listed due to application of the provisions of Rule 1307 of the Regulations:
- Documents shall be submitted as prescribed in a. and b. below;
- a. With respect to copies of written documents prescribed in Article 149-10, Paragraph 1 or Article 149-16, Paragraph 1 of the Investment Trust Act (statutory ex-post disclosure documents); promptly after listing
 - b. With respect to certificate of registered matters; promptly after listing
- (11) Where an approval of the Prime Minister, etc. prescribed in Rule 1312, Paragraph 2, Item (2), g.;
- A copy of notice pertaining to the approval of such Prime Minister, etc.;
- Without delay after reception
- (12) Where the listed venture fund issuer and manager have determined on a change in details of new investment unit subscription warrants or other terms:
- For the notice explaining the change, immediately after the change is finalized.
- (13) Where it has been decided that the valuation of the unlisted stocks, etc. and assets related to unlisted stocks, etc. which are assets under management will be carried out in the manner prescribed in Article 14 of the Rules on the Valuation and Accounting of Investment Trust Properties specified by the ~~Investment Trust Association,~~ [Japan Investment Management Association of Japan](#) in order to disclose matters prescribed in Rule 1312, Paragraph 6, Item (5).
- With regard to the document assuring that the valuation of unlisted stocks, etc. and assets related to unlisted stocks, etc. will be conducted in said manner, immediately after the decision is made.
3. A venture fund-issuing investment corporation pertaining to a listed venture fund shall submit to the Exchange documents referred to in each of the following items as specified by each such item. In this case, the venture fund-issuing investment corporation pertaining to a listed venture fund shall agree that the Exchange will make documents referred to in Item (2) available for public inspection.
 - (1) "Asset Management Status Chart" predetermined by the Exchange;

Without delay after asset management status being confirmed within three months after the end of the business period
 - (2) Asset management report

Before sending to investors
 - (3) "Listed Venture Funds Distribution Chart" as of the end of every business period in the form predetermined by the Exchange;

Without delay after distribution status being confirmed within three months after the end of the business period
 4. A venture fund-issuing investment corporation pertaining to a listed venture fund shall, in cases where the rights of new investment unit subscription warrant securities are exercised, submit documents to the Exchange in accordance with the provisions of each of the following items. However, in cases where the details that would be included in documents to be submitted to the Exchange are deemed to have been sufficiently disclosed through

disclosure of information pursuant to the provisions of Rule 1312 of the Regulations, and if the Exchange deems it appropriate, submission of such documents is not required.

(1) Report on the number of listed investment units

Monthly by the first day of the following month

(2) Notice of exercise of new investment unit subscription warrants in cases where the number of listed new investment unit subscription warrant securities has fallen below 1,000 units or one (1) unit;

Immediately whenever such cases occur

Rule 1329. Handling of Delisting Criteria pertaining to Listed Venture Fund Issuer and Manager

1. Rule 1318, Paragraph 1, Item (1), a. of the Regulations shall be handled as falling under such a. on the day referred to in each of the following items.

(1) Where a venture fund-issuing investment corporation pertaining to a listed venture fund is dissolved due to a merger and the following a or b is satisfied, as a general rule, the day that is two (2) days (excluding non-business days) prior to the day on which the merger becomes effective.

a. Where it is subject to an absorption-type merger into a venture fund-issuing investment corporation pertaining to another listed venture fund.

b. Where, with application of the provisions of Rule 1307, Paragraph 1, a venture fund whose issuer is a surviving investment corporation or a newly created investment corporation is expected to be listed promptly.

(2) Where a venture fund-issuing investment corporation pertaining to a listed venture fund will be dissolved due to merger other than the merger prescribed in the preceding item, it shall be the day when it received a report on a resolution regarding such merger adopted in the general investors meeting from such venture fund-issuing investment corporation pertaining to such listed venture fund.

(3) Where a venture fund-issuing investment corporation pertaining to a listed venture fund will be dissolved due to reasons other than the reasons prescribed in the preceding two items, it shall be the day when a written report to the effect that the occurrence of an event causing such dissolution has been received from the venture fund-issuing corporation pertaining to such listed venture fund.

2. The case where it requires bankruptcy proceedings or rehabilitation proceedings pursuant to the provisions of laws as prescribed in Rule 1318, Paragraph 1, Item (1), b. of the Regulations means the case where a venture fund-issuing investment corporation pertaining to a listed venture fund determines that bankruptcy proceedings or rehabilitation proceedings are necessary due to causes prescribed in laws for bankruptcy proceedings or rehabilitation proceedings.

3. Criteria prescribed in Rule 1318, Paragraph 1, Item (1), c. of the Regulations shall be handled as prescribed in each of the following items.

(1) If the cases referred to in the following a. or b. fall under the provisions of said a. or b., they shall be deemed to meet the criteria.

a. Where the valuation of unlisted stocks, etc. and assets related to unlisted

stocks, etc. that are assets under management, etc. has ceased to be carried out in the manner prescribed in Article 14 of the Rules on the Valuation and Accounting of Investment Trust Properties specified by the Investment Trust Association, JapanInvestment Management Association of Japan

- Where immediate entrustment of such valuation to an unlisted stocks, etc. rating institution deemed appropriate by the Exchange has failed.
- b. Where entrustment of the valuation of unlisted stocks, etc. and assets related to unlisted stocks, etc. that are assets under management, etc. to an unlisted stocks, etc. rating institution has ceased

Where immediate valuation in the manner prescribed in Article 14 of the Rules on the Valuation and Accounting of Investment Trust Properties specified by the Investment Trust Association, JapanInvestment Management Association of Japan is not carried out and entrustment of the valuation to another unlisted stocks, etc. rating institution deemed appropriate by the Exchange has failed.

- (2) "An unlisted stocks, etc. rating institution deemed appropriate by the Exchange" prescribed in a. of the preceding item and "another unlisted stocks, etc. rating institution deemed appropriate by the Exchange" prescribed in b. of the same item shall mean an unlisted stocks, etc. rating institution that satisfies the Guidelines Concerning Listing Examination, etc.
4. Cases specified by the Enforcement Rules prescribed in the proviso of Rule 1318, Paragraph 1, Item (2) of the Regulations shall be the cases where any of the following items is applicable.
- (1) Cases where all of the following a. through c. are applicable:
- a. Businesses conducted by an asset management company which is entrusted with the business pertaining to asset management of a venture fund-issuing investment corporation pertaining to a listed venture fund (hereinafter referred to as a "venture fund asset management company") are succeeded by other asset management company (in cases where a venture fund asset management company conducts the merger, etc. (means a merger or the act referred to in the Rule 1326, Paragraph 9; the same shall apply hereinafter in this Item), or there is a change in the parent company of a venture fund asset management company, businesses pertaining to the asset management of a venture fund-issuing investment corporation pertaining to said listed venture fund continue to be conducted by an asset management company which is engaged in said merger, etc. or a venture fund asset management company where there is a change in said parent company);
- b. A venture fund-issuing investment corporation pertaining to a listed venture fund and other asset management company specified in the preceding a. (in cases where a venture fund asset management company conducts the merger, etc. or there is a change in the parent company of a venture fund asset management company, it means an asset management company which is engaged in such a merger, etc., or a venture fund asset management company where there is a change in said parent company) submits the "Listing Agreement for a Venture Fund" immediately after the succession of the business (or immediately after falling under Rule 1318, Paragraph 1, Item (2),

- d. or e. in cases where a venture fund asset management company conducts the merger, etc. or there is a change in its parent company); and
- c. The Exchange deems that a listed venture fund satisfies each item of Rule 1306, Paragraph 1 of the Regulations within the period from the end of the first business period of a venture fund-issuing investment corporation pertaining to said listed venture fund ending after the day when a venture fund asset management company pertaining to said listed venture fund falls under any of a. through e. of Rule 1318, Paragraph 1, Item (2) of the Regulations until the day when one (1) year has elapsed (in cases where said day when one (1) year has elapsed does not fall on the end of the business period of said listed investment corporation, it means the end of the business period immediately before said day when one (1) year has elapsed).
- (2) Cases where both of the following a. and b. are applicable:
- a. Businesses conducted by a venture fund asset management company pertaining to a listed venture fund are succeeded by a venture fund asset management company pertaining other listed venture fund; and
- b. A venture fund-issuing investment corporation pertaining to a listed venture fund and a venture fund asset management company pertaining to other listed venture fund specified in the preceding a. submit the "Listing Agreement for a Venture Fund" immediately after succeeding the business.
5. Examination for determining whether satisfying each item of Rule 1306, Paragraph 1 of the Regulations specified in Item (1), c. of the preceding paragraph, shall be conducted based on an application from a listed venture fund issuer and manager.
6. Where a listed venture fund issuer and manager files an application specified in the preceding paragraph, said issuer, etc. shall submit a "Report on Listing Eligibility Investigation" predetermined by the Exchange prepared by a managing trading participant.
7. Where it deems necessary for examination pursuant to Paragraph 5, the Exchange may request a listed venture fund issuer and manager to file a report or materials, which should serve as useful references, or to cooperate on such an examination and other matters.
8. The deadline for a listed venture fund issuer and manager to make an application specified in Paragraph 5 shall be the eighth day (excluding non-business day) counting from the day when the first annual securities report is submitted after the period specified in Paragraph 4, Item (1), c. ends.
9. Where a venture fund asset management company pertaining to a listed venture fund falls under any of a. to e. of Rule 1318, Paragraph 1, Item (2) of the Regulations, and when such a company received a written report stating a venture fund-issuing investment corporation pertaining to a listed venture fund is unable to succeed to or continue business prescribed in Paragraph 4, Item (1), a., succeed business prescribed in Item (2), a. of the same paragraph, or submit a written document prescribed in Item (1), b. or Item (2), b. of the same paragraph, when an application has not been filed within the period specified in the preceding paragraph (including cases where it is clear that such an application will not be made), or when the Exchange deems that said listed venture fund does not satisfy each of the items of Rule 1306, Paragraph 1 of the Regulations, it shall be handled as falling under the same item.

10. The examination based on the criteria referred to in Rule 1318, Paragraph 2, Item (1) shall be handled as referred to in each of the following items.
- (1) Where the unlisted stocks investment ratio fails to exceed 50% within one year as prescribed in Rule 1318, Paragraph 2, Item (1) of the Regulations means "where the unlisted stocks investment ratio fails to exceed 50% with a grace period."
 - (2) The cases specified by the Enforcement Rules as prescribed in Rule 1318, Paragraph 2, Item (1) of the Regulations shall be those specified by the following a. or b.
 - a. Where a venture fund-issuing investment corporation pertaining to a listed venture fund is an investment corporation listed with application of the provisions of Rule 1305, Paragraph 3, Item (2) and six (6) months have not yet elapsed.
 - b. Where the unlisted stocks investment ratio falls to 50% or less at the end of the business period of a venture fund-issuing investment corporation pertaining to a listed venture fund, and a written document stating such fact is submitted and such fact is deemed unavoidable by the Exchange. In this case, such venture fund-issuing investment corporation pertaining to a listed venture fund shall agree that the Exchange makes such document available for public inspection.
 - (3) In the examination whether or not Rule 1318, Paragraph 2, Item (1) of the Regulations will be applied, a venture fund-issuing investment corporation pertaining to a listed venture fund whose last day of a business period does not fall on the end of a grace period due to a change of the end of a business period shall submit to the Exchange, the "Table Asset Management Status" predetermined by the Exchange without delay after assets management status become clear within three (3) months after such grace period.
 - (4) The examination according to the criteria prescribed in Rule 1318, Paragraph 2, Item (1) of the Regulations shall be conducted based on assets under management stated in "Table of Asset Management Status" submitted pursuant to the provisions of Rule 1327, Paragraph 3, Item (1), or the preceding item.
 - (5) Notwithstanding the provisions of the preceding item, where the end of the interim business period of the venture fund-issuing investment corporation pertaining to a listed venture fund to which the provision of Item (2) was applied before the end of the first business period after the day on which six (6) months elapse after listing, such investment corporation shall submit an asset management status chart predetermined by the Exchange pertaining to such interim business period, and the Exchange shall conduct examination according to the criteria prescribed in Rule 1318, Paragraph 2, Item (1) of the Regulations based on asset management status as described in such asset management status chart. In this case, where the unlisted stocks investment ratio fails to exceed 50% within one (1) year as prescribed in Rule 1318, Paragraph 2, Item (1) of the Regulations means where the unlisted stocks, etc. investment fails to exceed 50% by the end of the first business period after the end of the interim business period.
11. Where the number of listed investment units prescribed in Rule 1318, Paragraph 2, Item (2) of the Regulations is less than 2,000 and the Exchange

- receives a written document regarding a reduction in the number of listed investment units from a venture fund-issuing investment corporation pertaining to a listed venture fund, it shall be handled as falling under Rule 1318, Paragraph 2, Item (2) of the Regulations.
12. The criteria referred to in Rule 1318, Paragraph 2, Item (3) of the Regulations shall be handled as referred to in the following items.
 - (1) The provisions of Rule 1318, Paragraph 2, Item (3) shall not apply to a listed venture fund for which one (1) year has not elapsed from the day of listing.
 - (2) Trading volume for one (1) year prior to the end of every December as prescribed in Rule 1318, Paragraph 2, Item (3) shall be a total auction trading volume of the issue in one (1) year prior to the end of every December.
 13. The cases specified by the Enforcement Rules as prescribed in Rule 1318, Paragraph 2, Item (5), b. of the Regulations mean those where it was due to reasons not attributable to a venture fund-issuing investment corporation pertaining to a listed venture fund, such as act of providence.
 14. The provisions of Rule 601, Paragraph 8 shall be applied mutatis mutandis to the cases specified by the Enforcement Rules as prescribed in Rule 1318, Paragraph 2, Item (6) of the Regulations.
 15. Where the certificates of incorporation of a venture fund-issuing investment corporation pertaining to a listed venture fund prescribed in Rule 1318, Paragraph 2, Item (7) of the Regulations or documents similar thereto are revised, when a written report on the resolution at the general investors meeting concerning the revision to such certificates of incorporation is received or a written report on the resolution at the board of offices concerning the revisions to such documents is received from the venture fund-issuing investment corporation pertaining to a listed venture fund, it shall be handled as falling under such item.
 16. Cases specified by the Enforcement Rule as prescribed in Rule 1318, Paragraph 2, Item (7), b. shall be those where assets other than unlisted stocks, etc., assets related to unlisted stocks, etc., or continuously held stocks, etc. are no longer limited to those listed in each item of Article 19, Paragraph 3 of the Investment Trust Act Enforcement Regulation, current assets, etc., and rights and other assets that are aimed at reducing risks such as risk of losses due to price fluctuations of the assets under management, etc., and pertain to transactions that are objectively recognized to reduce the risk of such losses or other risks, but a written document containing the reasons for this is submitted, and the Exchange deems that said reasons are unavoidable. In this case, such venture fund-issuing investment corporation pertaining to the listed venture fund shall agree that the Exchange makes such document available for public inspection.
 17. The examination based on the criteria referred to in Rule 1318, Paragraph 2, Item (8) shall be handled as referred to in each of the following items.
 - (1) If the ratio of interest-bearing liabilities to total assets fails to fall to 20% or less within (1) year as prescribed in Rule 1318, Paragraph 2, Item (8) of the Regulations means if the ratio of interest-bearing liabilities to total assets fails to fall to 20% or less within the grace period.
 - (2) In the examination whether or not Rule 1318, Paragraph 2, Item (8) of the

Regulations will be applied, an issuer of venture fund whose last day of a business period does not fall on the end of a grace period due to a change of the end of a business period shall submit to the Exchange, the "Table of Asset Management Status" predetermined by the Exchange without delay after assets management status become clear within three (3) months after such grace period.

(3) The examination whether or not Rule 1318, Paragraph 2, Item (8) of the Regulations will be applied shall be conducted based on the asset management status described in the "Table of Asset Management Status" submitted pursuant to the provisions of Rule 1327, Paragraph 3, Item (1) or the preceding item.

18. The provisions of Rule 436-5 shall be applied mutatis mutandis to the relationships specified by the Enforcement Rules as if the listed venture fund issuer and manager prescribed in Rule 1318, Paragraph 2, Item (1) of the Regulations are involved with anti-social forces.

19. The provisions of Rule 1305, Paragraph 1 shall be applied mutatis mutandis to the amount of each asset used to calculate the unlisted stocks investment ratio and the ratio of interest-bearing liabilities to total assets as prescribed in Rule 1318, Paragraph 2 of the Regulations. In this case, "the amounts reported on the balance sheet as of the end of the base business period (excluding comparison information) or other amounts deemed appropriate by the Exchange" in Rule 1305, Paragraph 1 shall be "the amounts reported on the balance sheet as of the end of the base business period (excluding comparison information)".

Supplementary Provisions

These revisions shall take effect on April 1, 2026.

Appendix 8

Instructions for Preparing Written Documents pertaining to Assets Under Management

Matters to be included in written documents pertaining to assets under management are set forth as below.

I Status of assets under management

1. Continuously held stocks, etc.

A name of issue, listing date, acquisition date, acquisition value, quantity owned, and market value as of the end of the previous month of the day the documents are written on shall be included. In addition, where a fact referred to in Rule 1312, Paragraph 3, Item (2), b. has occurred, the

fact shall be included.

2. Unlisted stocks, etc. and assets related to unlisted stocks, etc.

(1) Matters regarding unlisted stocks, etc. and assets related to unlisted stocks, etc.

A name of issue, acquisition date, quantity owned, acquisition value, and value recorded in the balance sheet as of the end of the business period prior to the day the documents are written on shall be included. In addition, if a fact referred to in Rule 1312, Paragraph 3, Item (2), a. or c. has occurred, the fact shall be included.

(2) Matters regarding issuer of unlisted stocks, etc. and issuers of assets related to unlisted stocks, etc. (hereinafter referred to as "unlisted companies")

a. The trade name of an unlisted company as of the end of the previous month of the day the documents are written, the date of foundation, the location of the head office, the name and title of a representative, details of business, amount of capital and the number of issued stocks shall be included.

b. Year on year comparison of sales, operating income, or net income attributable to the parent company shareholder, and total amount of dividends for the immediately prior consolidated accounting year as well as amount of total assets, amount of total liabilities and amount of net assets as of the end of the immediately prior consolidated accounting year (in the case where interim consolidated accounting period (in the case where the unlisted company announces financial results on a quarterly basis, such period shall mean the consolidated quarterly accounting period or the first or third quarter immediately prior to the day of submission; the same shall apply hereinafter) ends in the period between the end of the immediately prior consolidated accounting year and the day of submission, the interim consolidated accounting period shall be included.) shall be included, and notes on whether audit has been conducted by a certified public accountant, etc. shall be included. In this case, if an unlisted company is not a company that should prepare consolidated financial statements, "consolidated accounting year" shall be reworded as "business year," "interim consolidated accounting period" as "interim accounting period," "consolidated quarterly accounting period" as "quarterly accounting period" and "net income attributable to the parent company shareholder" as "net income."

(Note) In the case where the unlisted company announces financial results on a quarterly basis, such period shall mean the consolidated quarterly accounting period or the first or third quarter immediately prior to the day of submission; the same shall apply hereinafter.

c. With regard to the application of the provisions of the preceding b. if an unlisted company is not a company that should prepare consolidated financial statements, "consolidated accounting year" shall be read as "business year," "interim consolidated accounting period" as

"interim accounting period," "consolidated quarterly accounting period" as "quarterly accounting period," and "net income attributable to the parent company shareholder" as "net income." However, the same shall not apply to cases where such an unlisted company prepares consolidated financial statements and a listed venture fund issuer and manager deems that including information regarding said consolidated financial statements is appropriate.

- d. Notwithstanding the provisions of the preceding b., sales, ordinary profit, net income attributable to the parent company shareholder (net income in cases where the provisions apply by replacing the term pursuant to the same c.), and total amount of dividends for the immediately prior consolidated accounting year (the immediately prior business year in cases where the provisions apply by replacing the term pursuant to the preceding c.) and the same period of the year before that may not be included if the reasons for not including them are indicated.
 - e. Regarding matters referred to in the preceding a. through d., if the unlisted company is a foreign corporation, the local legal systems, business practices, and other relevant factors in the home country of the foreign corporation shall be taken into account.
1. Other assets (stocks, etc.)

The name of the issue, acquisition date, acquisition value, quantity owned, and market value as of the end of the previous month of the day the documents are written on shall be included. In addition, where a fact referred to in Rule 1312, Paragraph 3, Item (2), b. has occurred, the fact shall be included.
 2. Other assets apart from those referred to in the preceding 3.

Name, securities code, or other information that enables identification of securities, listed products, rights or currency pertaining to derivatives transactions or transactions related to commodities investment, etc., acquisition date, acquisition value, quantity owned, and market value as of the end of the month before the day the documents are written on shall be included.
 5. The most recent status of asset management and short-term management policy

The status of transfer or acquisition of assets under management in the last three months (or the previous month in cases where these information are required to be disclosed on a monthly basis pursuant to the provisions of Rule 1312, Paragraph 7 of the Regulations) (including progress of a plan for incorporating assets and the market conditions in the case where said plan prescribed in Rule 1305, Paragraph 3, Item (2), a. has been submitted) and short-term management policy shall be included for unlisted stocks, etc., assets related to unlisted stocks, etc., and continuously held stocks, etc., and other assets respectively.

6. Reasons and management policy behind holding continuously held stocks, etc.

The reason and management policy behind continued holding of continuously held stocks, etc. shall be included.

II Net asset value per unit

For net asset value per unit, figures referred to in the following (1) to (8) with the last figures disclosed shall be included. Figures referred to in the following (7) and (8) are the valuation carried out in the manner prescribed in Article 14 of the Rules on the Valuation and Accounting of Investment Trust Properties specified by the ~~Investment Trust Association Japan~~ [Investment Management Association of Japan](#) or figures calculated by an unlisted stocks, etc. rating institution (hereinafter referred to as "valuation") to which operations pertaining to ratings of unlisted stocks, etc. and assets related to unlisted stocks, etc. are entrusted by a venture fund-issuing investment corporation pertaining to a listed venture fund, and a note that indicates such information is to be disclosed as a reference shall be added.

- (1) Amount invested in unlisted stocks, etc. and assets related to unlisted stocks, etc. (the amount recorded on the balance sheet)
- (2) Amount invested in continuously held stocks, etc.
- (3) Total of other assets
- (4) Total amount of liabilities
- (5) The number of listed investment units
- (6) Net asset value per unit (amount calculated by deducting (4) from the total of (1) through (3) and then dividing it by (5))
- (7) Amount invested (valuation) of unlisted stocks, etc. and assets related to unlisted stocks, etc.
- (8) Net asset value per unit (amount calculated by deducting (4) from the total of (2), (3), and (7) and then dividing it by (5))

Guidelines concerning Listing Examination, etc.

(as of ~~December 8, 2025~~ April 1, 2026)

XV. Initial Listing Examinations of Venture Funds

(Appropriateness of Valuation of Unlisted Stocks, etc.)

2. Listing examination on matters specified in Rule 1306, Paragraph 1, Item (1) of the Regulations shall be conducted from viewpoints including those referred to in the following (1) through (3):
 - (1) In order to disclose matters prescribed in Rule 1312, Paragraph 6, Item (5) of the regulations, the valuation of unlisted stocks, etc. and assets related to unlisted stocks, etc. which are assets under management is conducted in accordance with the method prescribed in Article 14 of the Investment Trust Accounting Rules established by the Investment Management Association of Japan. However, this does not apply to unlisted stocks, etc. and assets related to unlisted stocks, etc. that are not valued using said method, but for which the valuation is entrusted to an unlisted stocks, etc. rating institution.
 - (2) In the case of the proviso in the preceding Item, the rating agency for unlisted stocks, etc. prescribed in the preceding item is deemed to be in a state where its independence is ensured from the applicant for initial listing of the venture fund, in comprehensive consideration of capital, human, transactional and other relationships.
 - (3) In the case of the proviso of Item (1), the rating agency for unlisted stocks, etc. prescribed in Item (1) is deemed to be in a state where its internal structure allows it to appropriately conduct valuation in light of the matters referred to in the following a. through c.:
 - a. As a general rule, it has been established as a rating agency for at least three (3) years by the end of the base business period (meaning the most recent business period for which financial statements, etc. are presented in the financial information section of an annual securities report, etc. for a venture fund-issuing investment corporation);
 - b. The rating agency has secured the necessary staff to conduct work pertaining to issuing ratings; and
 - c. The rating agency has a record of issuing ratings.

Supplementary Provisions

These revisions shall take effect on April 1, 2026.