

# **Complaints Processing Rules**

## **(Purpose)**

### **Article 1.**

The purpose of these Rules is to contribute to sound development of Type II Financial Instruments Business, etc. by securing investors' trust through prescribing matters necessary for handling Complaint or application for Dispute resolution filed by investors in relation to Self-Offering and Other Transactions, etc. conducted by Regular Members and Electronic Public Offering Members (referring to the Self-Offering and Other Transactions, etc. set forth in Item (9) of Article 3 of the Articles of Incorporation; the same shall apply hereinafter) and realizing swift and highly transparent response to the issues from a fair and neutral stance.

## **(Definitions)**

### **Article 2.**

In these Rules, the term set forth in each of the following Items shall have the definition ascribed to it in the relevant Item.

(1) Complaint:

Referring to investors' expression of dissatisfaction with Regular Member or Electronic Public Offering Member in relation to Self-Offering and Other Transactions, etc. conducted by Regular Member or Electronic Public Offering Member, in such forms as demanding Regular Member or Electronic Public Offering Member to act based on responsibility or duty, or to make compensation or improvement by alleging that damages would arise.

(2) Dispute:

Referring to the Complaint defined in the preceding Item which cannot be resolved between the parties concerned.

## **(Entrustment of Operation)**

### **Article 3.**

1. The Association shall perform the operations set forth in the following Items by means of entrusting such operations to Non-profit Organization, Financial Instruments Mediation Assistance Center (hereinafter referred to as the "Center"):
  - (1) To convey investor's Complaint concerning the business of Regular Member or Electronic Public Offering Member to the relevant Regular Member or Electronic Public Offering Member, and seek to resolve the issue; and

- (2) To have mediation officers mediate between Regular Member or Electronic Public Offering Member and investor in order to resolve Dispute between the parties.
2. Notwithstanding the provision of the preceding Paragraph, the Association may involve itself in the operation set forth in Item (1) of the said Paragraph if the Association deems it necessary to do so.
3. Ancillary to the execution of the operations set forth in Paragraph 1, the Association may have the Center perform the work of providing consultation to investor concerning Self-Offering and Other Transactions, etc.
4. With regard to the entrustment of operations provided for in Paragraph 1, the scope of the entrustment of operation to resolve Complaint or mediate, the method of cost allocation and any other necessary matters shall be prescribed by agreement between the Association and the Center.
5. In addition to the provisions of these Rules, matters that are necessary for the operation of resolving Complaint or mediation which is entrusted to the Center shall be governed by the Center's rules.

#### **(Facilitation of Resolution of Complaint and Dispute)**

##### **Article 4.**

In order to facilitate resolution of Complaint brought by investor or Dispute in relation to the business of Regular Member or Electronic Public Offering Member, the relevant Regular Member or Electronic Public Offering Member must cooperate with the operation of the Center and the Association in good faith.

#### **(Cooperation Toward Resolving Complaint)**

##### **Article 5.**

When Regular Member or Electronic Public Offering Member was requested by the Center, in accordance with the rules of the Center in order to resolve Complaint brought by investor, to explain the circumstances, to express its own view, to provide answer to the investor, to discuss or negotiate with the investor, or to report the result of its response, among other things, it must cooperate with such request.

#### **(Participation in Mediation Proceeding and Observance of the Center's Rules)**

##### **Article 6.**

1. When application for mediation based on agreement between the Center and the Association was filed with the Center by investor, the Regular Member or Electronic Public Offering Member which is the respondent to the Dispute pertaining to such application must agree to the Center's conducting mediation in respect of the Dispute and participate in the mediation proceeding. In such case, the relevant Regular

Member or Electronic Public Offering Member must comply with the Center's rules in relation to the mediation proceeding.

2. When Regular Member or Electronic Public Offering Member filed with the Center application for mediation against its investor based on agreement between the Center and the Association, it must comply with the Center's rules in relation to the mediation proceeding.

### **(Making the Center's Operations Widely Known)**

#### **Article 7.**

1. The Association, Regular Members and Electronic Public Offering Members shall strive to make the Center's operations widely known.
2. In order to contribute to prevention of recurrence of the same type of issues, the Association and the Center shall make the gist of the consultations, resolutions of Complaints and situations of mediations handled by the Center (excluding confidential matters pertaining to the parties to such cases) widely known to Regular Members and Electronic Public Offering Members.

### **(Request for Taking Necessary Measures)**

#### **Article 8.**

In relation to the operation of resolving Complaint or Dispute conducted by the Center, if the Association was requested by the Center to take necessary measures in consideration of the situation of compliance with laws and regulations, etc. by any Regular Member or Electronic Public Offering Member, the Association shall conduct investigation by such means as questioning the relevant Regular Member or Electronic Public Offering Member.

### **(Report on Status of Compliance with Rules by Regular Member and Electronic Public Offering Member)**

#### **Article 9.**

In relation to the operation of resolving Complaint or Dispute conducted by the Center, the Association may receive report from the Center on the status of compliance with laws and regulations, etc. and the Center's rules by Regular Members and Electronic Public Offering Members.

### **(Preparation of Environment for Resolving Investor's Complaint and Dispute)**

**Article 10.**

With regard to Complaint brought by investor and Dispute with investor, each Regular Member and Electronic Public Offering Member must prepare its internal control environment through such means as designating a section in charge of such matters, and strive to resolve such matters appropriately.

**Supplementary Provisions (May 20, 2011)**

These Rules shall become effective from the date on which the Association is certified by the Prime Minister as Financial Instruments Firms Association provided for in Article 78, Paragraph 1 of FIEA (June 30, 2011).

**Supplementary Provisions (May 26, 2015)**

This amendment shall become effective from the date (May 29, 2015) provided for in the main text of Article 1 of the Supplementary Provisions of the Act for Amendment of the Financial Instruments and Exchange Act (2014, Act No. 44).

(Note) Amended provisions are as follows:

- (1) Amended Article 1, Item (1) of Article 2, Items (1) and (2) of Paragraph 1 of Article 3, Article 4, Article 5, Paragraphs 1 and 2 of Article 6, Paragraphs 1 and 2 of Article 7, Article 8 and Article 10; and
- (2) Amended the headword and the main text of Article 9.

<p>This translation is solely for the convenience of those interested therein, and accordingly all questions that may arise with regard to the meaning of the words or expressions herein shall be dealt with in accordance with the original Japanese text.</p>
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