

# **RULES CONCERNING QUALIFICATION EXAMINATION FOR SALES REPRESENTATIVES, ETC.**

**(September 30, 2007)**

## **CHAPTER I GENERAL PROVISIONS**

### **(Purpose)**

**Article 1** The purpose of the Rules Concerning Qualification Examination for Sales Representatives, Etc. (hereinafter referred to as the “Rules”) is to define necessary matters concerning the Qualification Examination for Sales Representatives, etc. (hereinafter referred to as “Examination”) pursuant to the provision of Article 77, Paragraph 3 of the Articles of Association.

### **(Detailed Rules for Administration)**

**Article 2** The Committee of Qualification Examination of Sales Representative, etc. (hereinafter referred to as “Committee”) may separately define necessary matters apart from those prescribed in these Rules if it deems necessary for the implementation of the Examination.

## **CHAPTER II CONDUCT OF EXAMINATION**

### **(Type of Examination)**

**Article 3** The Examination shall have the following six types:

- (1) Qualification Examination for the Class-1 Sales Representative
- (2) Qualification Examination for the Class-2 Sales Representative
- (3) Qualification Examination for the Regular Member’s Internal Administrator
- (4) Qualification Examination for the Special Member’s Class-1 Sales Representative
- (5) Qualification Examination for the Special Member’s Class-2 Sales Representative
- (6) Qualification Examination for the Special Member’s Internal Administrator

### **(Qualification to Take Examination)**

**Article 4** A person who intends to take the Examination must fulfill all the requirements prescribed in each of the following Items depending on the categories of Examination set forth in each of the following Items:

- (1) Qualification Examination for the Class-1 and Class-2 Sales Representative
  - (a) As of the Examination day, a person is not one who is treated as a Class-1 perpetrator of an inappropriate act by the Association pursuant to the provision of Article 12, Paragraph 1 of the “Rules Concerning Employees of Association Members” (hereinafter referred to as the

“Employee Rules”), and not one who is treated as a Class-2 perpetrator of an inappropriate act by the Association pursuant to the same Article, the same Paragraph, and at the same time, five years have not been passed since the Association determined to treat such person as a Class-2 perpetrator of an inappropriate act.

- (b) As of the Examination day, a person is not one who is prohibited from taking the Examination pursuant to the provision of Article 7, Paragraph 4 or Article 9.
- (2) Qualification Examination for the Regular Member’s Internal Administrator
- (a) A person who can meet the requirements in the preceding Items (a) and (b);
  - (b) An officer of an Association Member (for a foreign corporation, including a person who has a controlling power that is equivalent to or stronger than that of an officer of such corporation regardless of title; the same shall apply hereinafter), or a person who, the Association Member believes, should take the Examination (excluding an officer of an Association Member) and also has the Qualification of Class-1 Sales Representative prescribed in Article 4, Item 1 of the “Rules Concerning Qualification and Registration, etc. of Sales Representatives of Association Members” (hereinafter referred to as the “Sales Representative Rules”).
- (3) Qualification Examination for the Special Member’s Class-1 and Class-2 Sales Representative
- (a) A person who can meet the requirements in Items 1 (a) and (b);
  - (b) A person who, a Special Member or a Specified Business Member (limited to those conducting the business set forth in Article 5, Item 2(a) of the Articles of Association) (hereinafter collectively referred to as “Special Member, etc.”) believes, should take the Examination.
- (4) Qualification Examination for the Special Member’s Internal Administrator
- (a) A person who can meet the requirements in Items 1 (a) and (b);
  - (b) An officer of a Special Member, etc. or a person who, a Special Member, etc. believes, should take the Examination (excluding an officer of a Special Member, etc.) and also has the Special Member’s Class-1 Sales Representative Qualification prescribed in Article 4, Item 4 of the Sales Representative Rules.

**(Prohibition of Taking Examination)**

**Article 4-2** An Association Member must not make a person who has not fulfilled the requirements in the preceding Article take the Examination.

- 2. If the Committee finds that a person who has not fulfilled the requirements in the preceding Article has taken the Examination, it shall regard that such person did not take the Examination.

**(Details and Method of Examination)**

**Article 5** Knowledge required for each type of Examination shall be checked by a written test or a test using a computer.

- 2. The subjects, the range of the Examination, the form and number of questions, testing time, criteria for pass-fall, etc. shall be determined by the Committee for each type of Examination.

**(Procedure to Take the Examination)**

**Article 6** When an Association Member applies for the Examination, the procedures shall be as prescribed in each of the following Items:

- (1) An Association Member shall directly apply to the Association in a designated manner;
  - (2) An Association Member shall directly pay a designated Examination fee to the Association;
  - (3) Matters that are not prescribed in the preceding two Items shall be separately prescribed by the Committee.
2. The Examination procedures not prescribed in the preceding Paragraph shall be separately determined by the Committee.
  3. The Examination fee paid by an Association Member may not be returned for any reason.

**(Taking the Examination by Unfair Means and Other Matters)**

**Article 7** The Committee may suspend the Examination against a person who took or intends to take the Examination by unfair means (hereinafter referred to as “Unfair Examinee”), or regard such person as a rejected person.

2. When the Examination is taken or possibly taken by unfair means (hereinafter referred to as the “Unfair Examination Taking”), the Committee may investigate the facts and background of such Unfair Examination Taking.
3. A person who is investigated pursuant to the preceding Paragraph must cooperate with the investigation.
4. The Committee may prohibit the Unfair Examinee from taking the Examination again within a certain period of time that should be less than one year.
5. An Association Member must instruct examinees not to commit the Unfair Examination Taking, and must make an effort to prevent the Unfair Examination Taking.

**(Preparation of List of Successful Examinees)**

**Article 8** The Association shall prepare a list of successful examinees.

**(Treatment of Rejected Person)**

**Article 9** A person who took the Examination but failed may not take any of the Examinations prescribed in each Item of Article 3 within 30 days from the date such person took the Examination the last time.

**(Exception of Taking the Examination)**

**Article 10** The Association may regard one who intends to participate in the Association as an Association Member under Article 4, Article 6, Paragraph 1, and Article 7, Paragraph 5 only if it requests for taking the Examination in a designated manner and the Association accepts it.

**(Procedures, Etc. Relating to Examination Taken by Expected Registrant of Financial Instruments)**

## **Intermediary Service Provider, Etc.)**

**Article 11** When an Association Member intends to have one who is an expected registrant of Financial Instruments Intermediary Service Provider (a person who intends to have the registration of Financial Instruments Intermediary Service Provider prescribed in Article 66 of the Financial Instruments and Exchange Act (hereinafter referred to as the “FIEA”) (hereinafter referred to as the “Registration”); the same shall apply hereinafter) or an officer or an employee of such, or to whom the expected registrant of Financial Instruments Intermediary Service Provider plans to appoint as its officer or to employ as its employee take the Examination, the Association Member shall notify the Association of the trade name or the name of the expected registrant of Financial Instruments Intermediary Service Provider and other information in a pre-defined manner, and follow the Examination taking procedures pursuant to Article 6, Paragraph 1, after obtaining confirmation of the Association.

2. If an expected registrant of Financial Instruments Intermediary Service Provider who is subject to the notification prescribed in the preceding Paragraph cancels the application for the Registration, or receives a notification of Registration rejection pursuant to the provision of Article 64-2, Paragraph 3 of the FIEA that applies *mutatis mutandis* to Article 66-25 of the FIEA, an Association Member must immediately notify the Association in a pre-defined manner.
3. If an Association Member terminates an entrustment agreement on the financial instruments intermediary service with an expected registrant of Financial Instruments Intermediary Service Provider who is subject to the notification prescribed in Paragraph 1 before the expected registrant of Financial Instruments Intermediary Service Provider completes the Registration, and if such expected registrant of Financial Instruments Intermediary Service Provider has not concluded an commission agreement on financial instruments intermediary service with other Association Members, the Association Member must immediately notify the Association in a pre-defined manner.
4. In the case where several Association Members are expected to entrust the financial instruments intermediary service to one expected registrant of Financial Instruments Intermediary Service Provider, such several Association Members shall consult with each other and appoint one Association Member who represents all of such several Association Members (hereinafter referred to as the “Representative Association Member”). Then, such Representative Association Member shall immediately notify such appointment to the Association with the attachment of consent form of the expected registrant of Financial Instruments Intermediary Service Provider in a pre-defined manner. The same procedures shall be taken in the case that the Representative Association Member is changed.
5. In cases where the preceding Paragraph is applicable, the procedures prescribed from Paragraphs 1 to 3 shall be taken by the Representative Association Member.

## **CHAPTER III OTHERS**

### **(Dealing of Examination Conducted by an Association Other than the Association)**

**Article 12** The Qualification Examination of completing the Class-1 Securities Sales Representative Training Course or the Qualification Examination of completing the Class-2 Securities Sales Representative Training Course conducted by the Japanese Bankers’ Association, the Regional Banks Association of Japan, the Second Association of Regional Banks, and the National Association of Shinkin Banks from March 1, 1994 to March 31, 1996 shall be regarded as the Qualification Examination of Special Member’s Class-1 Sales Representative set forth in the provision of Article 3, Item 4, or the Qualification Examination of Special Member’s Class-2 Sales Representative set forth in the provision of Article 3, Item 5.

2. The Qualification Examination for the Class-1 Sales Representative conducted by the Life Insurance Association of Japan and the General Insurance Association of Japan from March 1, 1994 to March 31, 1996 shall be regarded as the Qualification Examination for the Special Member's Class-1 Sales Representative set forth in the provision of Article 3, Item 4.

**SUPPLEMENTARY PROVISIONS [Omitted]**

(Note) These Rules are based on the version in effect as of January 1, 2016.

<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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