

Deadline under the Specified Investors' System

With respect to our Company's "Deadline" in relation to the Specified Investors' System under the Financial Instruments and Exchange Act (hereinafter "FIEA"), pursuant to the provisions of Article 34-3, Paragraph 2 and Article 34-4, Paragraph 6 of FIEA, we would like to announce as follows:

1. Specified Investors and General Investors

Under FIEA, customers are categorized into "Specified Investors" who are deemed to hold expertise regarding financial instruments transactions and "General Investors" who are investors other than Specified Investors.

Furthermore, the FIEA sets forth the scope of customers who may request to be transferred between the "Specified Investor" and "General Investor" categories depending on each type of contract.

【Specified Investors and General Investors】

Investor Categories	Description of Transfer	Specific Examples
Specified Investors	Not allowed to switch to General Investors	States
		Bank of Japan
		Qualified Institutional Investors
	Allowed to switch to General Investors	Special public corporations such as Independent Administrative Institutions etc.
		Deposit Insurance Corporation
		Foreign entities
		<i>Tokutei Mokutei Kaisha (TMKs)</i>
		Listed companies
General Investors	Allowed to switch to Specified Investors	Financial Instruments Business Operators etc.
		Joint stock companies (<i>kabushiki kaisha</i>) whose share capital is JPY500 million or more.
	Not allowed to switch to Specified Investors	Legal entities other than those listed above.
Individuals who meet certain conditions (determined rationally by taking into account the status of transactions etc.) (1) Net assets of JPY 300 million or more (2) Holds investment-type financial assets of JPY 300 million or more (3) At least one year has passed since beginning of trading		
		Individuals who do not fall under any of the above items.

If a customer is either (1) a "Specified Investor", or (2) has been transferred to a "Specified Investor", some rules etc. which our Company is required to abide to as a financial instruments business operator will be exempt from application to such customer.

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2. Transfer Procedures (Article 34, Article 34-2, Article 34-3 of FIEA)

Transferring between the "Specified Investor" and "General Investor" categories will be approved as described below, individually for each type of contract, if certain prescribed procedures are taken and our Company approves such transfer.

- (1) Transfers from the "Specified Investors" to the "General Investors" category will be effective until such time the customer notifies us.
- (2) Transfers from the "General Investors" to the "Specified Investors" category will be effective up to the "Deadline Date", and the investor classification will become "General Investor" from the day following the "Deadline Date". If the customer desires to continue to be treated as a "Specified Investor", separate renewal procedures are necessary.

Furthermore, transfers from Specified Investor to General Investor, and from General Investor to Specified Investor may be made for the following three types of contracts.

- (1) Trading of Securities
- (2) Transactions related to Investment Advisory Contracts
- (3) Transactions related to Discretionary Investment Contracts

Transferring back to "General Investor" from "Specified Investor" is allowed at any time even prior to the Deadline Date by giving notice. For those customers who wish to transfer back to "Specified Investor" from "General Investor", please consult with your contact person at our Company.

3. Deadline Date

Our Company has decided that the "Deadline Date" provided for under the Specified Investors' System as set forth in the FIEA shall be June 30th of each year.

With respect to customers who have transferred from "General Investors" to the "Specified Investors" category, renewal procedures are separately required if you desire to continue to be treated as a "Specified Investor". Renewal procedures may be taken from one month prior to the "Deadline Date".

4. Regarding Exemption of Certain Conduct Rules Etc.

Conduct Rules Etc. to be exempt from application to "Specified Investors" are as follows.

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- Regulation of Advertising (Article 37 of FIEA)
- Act of solicitation by visiting or making a telephone call customer who has not requested solicitation (Article 38 (iv) of FIEA)
- Act of soliciting a customer without obtaining confirmation from the customer, prior to solicitation, regarding whether he/she has the intention to receive solicitation. (Article 38 (v) of FIEA)
- Act of continuing to solicit a customer to conclude a Contract for Financial Instruments Transaction despite the fact that the customer has, after receiving solicitation, manifested the intention not to conclude the said Contract (including the intention to refuse to continue receiving solicitation). (Article 38 (vi))
- Principle of Suitability (Article 40 (i) of FIEA)
- Obligation to Clarify Conditions of Transactions in Advance (Article 37-2 of FIEA)
- Delivery of Document Prior to Conclusion of Contract (Article 37-3 of FIEA)
- Delivery of Document Upon Conclusion of Contract Etc. (Article 37-4 of FIEA)
- Delivery of Document Pertaining to Receipt of Security Deposit (Article 37-5 of FIEA)
- Cancellation by Means of Document (Article 37-6 of FIEA)
- Delivery of Document Stating the Best Execution Policy Etc. (Article 40-2 Paragraph 4 of FIEA)
- Restriction of Act of Furnishing Customer's Securities as Security (Article 43-4 of FIEA)
- Prohibition of Receiving of Deposit of Money or Securities Etc. (Articles 41-4, 42-5 of FIEA)
- Prohibition of Lending of Money or Securities Etc. (Articles 41-5, 42-6 of FIEA)
- Delivery of Investment Report (Article 42-7 of FIEA)

(End)