

FOREIGN EXCHANGE CONTROL ORDER
(Cabinet Order No. 260 of October 11, 1980)

The Cabinet, based on the provisions of Article 6, Article 9, Article 11-2, Articles 15 through 18, Articles 20 through 25, Article 66, Article 67, Article 69, Article 69-2 and Article 69-4 of the Foreign Exchange & Foreign Trade Control Law (Law No. 228 of 1949) and in order to put into force the provisions of the same Law, hereby enacts this Cabinet Order.

CHAPTER I GENERAL PROVISIONS

Article 1 (Objective)

This Cabinet Order shall determine matters with respect to the control and regulation of foreign exchange positions, etc., of authorized foreign exchange banks, payments, etc., capital transactions, and necessary other transactions or activities as provided for in the provisions of Chapters I through IV of the Foreign Exchange & Foreign Trade Control Law (hereinafter referred to as "the Law").

Article 2 (Definitions)

The instruments of payment which are to be determined by Cabinet Order as provided for in Article 6, Paragraph 1, Item 7 of the Law shall be the instruments of payment listed below. Provided, however, that for the matters noted in Item 3 and Item 6, instruments of payment classifiable as securities or certificates under the provisions of the next paragraph are excluded:

- (1) Bank certificates, government paper currency, paper currency of small denominations and coins,
- (2) Cheques (including traveler's cheques);
- (3) Bills of exchange and promissory notes;
- (4) Postal money orders;
- (5) Letters of credit;
- (6) Instruments of payment similar to the matters listed in any of the preceding items.

The securities or certificates to be provided for in Cabinet Order as provided for in Article 6, Paragraph 1, Item 12 of the Law shall be deposit certificates of negotiable deposits, and other securities or certificates, as determined by Ministry of Finance Ordinance.

Securities options transactions which are to be determined by Cabinet Order as per the provisions of Article 6, Paragraph 1, Item 14 of the Law, shall be the securities options transactions provided for in Article 2, Paragraph 15 of the Securities Exchange Law (Law No. 25 of 1948) that are related to those transactions listed in Item 2 of the same Paragraph (excluding the securities index, etc. futures transactions in Paragraph 14 of the same Article) and the financial futures which are to be determined by Cabinet Order as per the provisions of Article 6, Paragraph 1, Item 14 of the Law, shall be the financial option transactions provided for in Article 2, Paragraph 4, Item 3 of the Financial Futures Transaction Law (Law No. 77 of 1988) that is related to the transactions listed in subitem b of the same item.

Article 3 (Suspension of Transactions in Cases of Emergency)

1. When the Minister of Finance based on the provisions of Article 9, Paragraph 1 of the Law, deems it urgently necessary in order to facilitate the stability of the currency

and orders the parties listed in the Items hereunder, to suspend the transactions related to the capital transactions determined in each of the Items listed hereunder, and shall designate the scope of the said transaction.

(1) Authorized foreign exchange banks in Japan. Transactions (hereinafter called "transactions related to the creation, etc. of claims," excluding financial futures transactions (meaning the financial futures transactions provided for in Article 2, Paragraph 4 of the Financial Futures Law. The same in the following Item) related to the creation, change or reduction of claims based on trading contracts of foreign means of payment or foreign currency denominated claims (meaning claims which can be paid by payments denominated in foreign currencies. In this Paragraph and the following Article, the same) which are made by the said authorized foreign exchange bank with another authorized foreign exchange bank in Japan, or with a bank or other financial institution in another country.

(2) Members of financial futures exchanges (meaning the financial futures exchanges provided for in Article 2, Paragraph 5 of the Financial Futures Exchange Law. Capital transactions listed hereunder.

(A) Financial futures transactions (from among the transactions listed in Article 2, Paragraph 4, Item of the Financial Futures Law, those classifiable as trading transactions for currencies, and from among the transactions listed in Item 3 (excluding subitem b) of the same Article) limited to those involving foreign currency. Hereinafter in this Item the same.) from among the transactions related to the creation, etc. of claims based on trading contracts of foreign means of payment or foreign currency denominated claims, that are made in financial futures markets (meaning the financial futures markets provided for in Paragraph 6 of the same Article. Hereinafter in this Item, the same)

(B) From among the transactions related to the creation, etc. of claims based on financial indexes, etc. futures trading contract (limited to those related to financial indicators of currencies (meaning the financial futures provided for in Article 3, Paragraph 3 of the Financial Futures Exchange Law). Hereinafter in the following Item, the same.) those made in financial futures markets,

(3). Financial futures brokers (meaning the financial futures brokers provided for in Article 2, Paragraph 9 of the Financial Futures Law. Hereinafter in Paragraph 3, the same.) and other parties as provided by the Minister of Finance Ordinance. Capital transactions listed hereunder:

(a). From among the transactions related to the creation, etc. of claims based on trading contracts of foreign means of payment or foreign currency denominated claims, those classifiable as financial futures contracts or transactions similar thereto, and are made in overseas financial futures markets (meaning the financial futures markets provided for in Article 2, Paragraph 7 of the Financial Futures Exchange Law. Hereinafter in this Item the same).

(b). Transactions related to the creation, etc. of claims based on financial indexes, etc. futures contracts and those similar thereto, carried out in overseas financial futures markets.

2. The period to be designated by Cabinet Order as provided for in Article 9, Paragraph 1 of the Law, concerning the suspension of the preceding Paragraph shall be a term within a scope not exceeding one (1) month as determined by the Minister of Finance.

3. Authorized foreign exchange banks, ordered to suspend the capital transactions pursuant to the provisions of Paragraph 1 hereof, shall not carry out the capital

transactions within the period of the preceding paragraph as determined by the Minister of Finance.

CHAPTER II FOREIGN EXCHANGE POSITION, ETC. OF AUTHORIZED FOREIGN EXCHANGE BANKS

Article 4 (Instructions, etc. on Limitations on Foreign Exchange Positions)

1. When the Minister of Finance, based on the provisions of Article 11-2, of the Law, gives instructions on the limits of foreign exchange positions to the authorized foreign exchange banks, he shall do so, specifying classification of foreign exchange positions which are to be the subject thereof, the time or term as to which to calculate the foreign exchange reserves, and other matters deemed necessary.

2. The classifications of foreign exchange positions of the preceding paragraph shall be the foreign exchange positions listed in each of the following items, and the said foreign exchange positions shall be the amount listed in each of the following items corresponding to the said classifications.

(1) Spot foreign exchange positions:

The sum of money equivalent to the difference between the balance of spot foreign currency assets (meaning the total sum of means of payment indicated via foreign currencies and deposits, lendings, foreign currency denominated securities and others as designated by Minister of Finance where payment can be received via foreign currency; in Item 3, the same) and spot foreign currency liabilities (meaning the total of liabilities such deposits received and borrowings and others as determined by the Minister of Finance as spot foreign currency liabilities which are to be repaid via means indicated by foreign currency; in Item 3, the same).

(2) Future foreign exchange positions:

The sum of money equivalent to the difference between the balance of future foreign currency assets (meaning the sum of foreign currency claimable assets, means of payment and others as determined by the Minister of Finance as futures foreign currency assets, which are shown via foreign currency which authorized foreign exchange banks acquire based on future foreign exchange transactions (meaning transactions related to creation, etc. of claims based on trading contracts for foreign currency claimable assets or means of payment which are shown via foreign currency which are executed after the date of the said trading contract at a specified date and in a set foreign exchange market; in the next item, the same) and the balance of future foreign currency liabilities (meaning the sum of foreign currency claimable assets and means of payment which are shown via foreign currency and others as designated by the Minister of Finance as futures foreign currency liabilities, which authorized foreign exchange banks are to deliver based on the future foreign exchange transactions; in the next item, the same.)

(3) Total spot-future foreign currency positions:

The total sum of money equivalent to the difference between the total balance of spot foreign currency assets together with the balance of future foreign currency assets and the total of the balance of spot currency liabilities together with the balance of future foreign currency liabilities.

3. The requisites to be determined by Cabinet Order as provided for in Article 11-2, Item 1 of the Law shall be the requisites as determined by the Minister of Finance in relation to matters listed in the following:

(1) Matters relating to the ratio of balances of long term lendings (meaning loans terms of which are longer than terms determined by the Minister of Finance) from

among lendings of money in foreign currency to exchange residents or non-residents, to the balances of funds determined by the Minister of Finance as foreign currency funds which should become the source of the said long term loans, and other matters relating to the management and procurement of funds in relation to the foreign exchange business.

(2) Matters related to the accounting classifications concerning deposits and other assets received from exchange non-residents.

4. When the Minister of Finance, based on the provisions of Article 11-2 of the Law, orders authorized foreign exchange banks to meet the requisites determined by the provisions of the preceding paragraph, he shall do so, specifying the time when those requisites should be fulfilled and other matters deemed necessary.

5. The accounts to be determined by Cabinet Order as provided for in Article 11-2, Item 2 of the Law shall be deposit accounts and accounts determined by the Minister of Finance as similar to those (hereinafter referred to in this article as "deposit accounts, etc.").

6. When the Minister of Finance, based on the provisions of Article 11-2 of the Law, prohibits authorized foreign exchange banks from paying interest on deposit accounts, etc., he shall do so, designating the type of deposit accounts, etc., which will become the subject thereof, their terms (time period) and other matters deemed necessary.

7. The provisions of the preceding Paragraph shall be applied only to deposits and other liabilities newly credited to the deposit accounts, etc., subject to the said prohibitions after the day that the prohibitions based on the preceding paragraph are made.

Article 5 (Reports of Authorized Foreign Exchange Banks and Money Changers)

1. Authorized foreign exchange banks and money changers must report to the Ministry of Finance concerning their business in accordance with the provisions of Ministry of Finance Ordinance.

2. Authorized foreign exchange banks must, in accordance with the provisions of Ministry of International Trade & Industry Ordinance, report to the Minister of International Trade & Industry concerning the business related to the activities and transactions listed in Article 1, Item 1 of the Cabinet Order Determining the Competent Minister under the Foreign Exchange and Foreign Trade Control Law (Cabinet Order No. 259 of 1980; referred to as "Competent Minister Cabinet Order" in Article 19).

CHAPTER III PAYMENTS, ETC.

Article 6 (Licensing of Payments, etc.)

1. Where the Minister of Finance or the Minister of International Trade & Industry, based on the provisions of Article 16, Paragraph 1 or Paragraph 2 of the Law, imposes an obligation to obtain a license concerning payments to a foreign country from Japan by an exchange resident or non-resident or the payment or receipt of payment (hereinafter referred to as "payments, etc.") by an exchange resident in dealings with an exchange non-resident, such Minister shall do so, designating in advance by notification the payments, etc., which are subject to such license.

2. When an exchange resident or non-resident is going to make a payment, etc., which has been designated by the provisions of the preceding paragraph, he must receive the license of the Minister of Finance or the Minister of International Trade & Industry based on procedures as determined by Ministry of Finance Ordinance or Ministry of International Trade & Industry Ordinance.

3. When the Minister of Finance or the Minister of International Trade & Industry, for those situations where an obligation has been imposed to obtain a license concerning payments, etc., based on the provisions of Paragraph 1, deems that the imposition of the said obligation is no longer necessary, such Minister must immediately remove the said obligation by notification.

Article 7 (Payments, etc., Based on Special Settlement Methods)

1. The special methods to be designated by Cabinet Order as provided for in Article 17 of the Law shall be the methods listed in the following (hereinafter referred to as "special settlement methods" in this article, Article 20 and Article 24):

(1) Settlement methods based on credit or debit entries in accounts;

(2) Settlement methods with terms(time periods) which are classified as periods designated by the Minister of Finance as special settlement periods;

(3) In addition to the methods listed in the preceding 2 items methods as designated by the Minister of Finance as special methods for settling claimable assets and claimable liabilities between exchange residents and non-residents.

2. In those situations where an exchange resident makes payments, etc., in accordance with the license received under Paragraph 2 of the preceding Article, Article 11, Paragraph 3 or Article 15, Paragraph 2,

in those situations where an exchange resident is to make payments, etc., in accordance with the license or approval received based on the provisions of law or regulations set forth in Item 1 or Item 2, or in those situations where an exchange resident is to make payments, etc., as permitted or approved under the orders listed in Item 3 or Item 4, the exchange resident may make payments, etc., based on special settlement methods, without receiving the license of the Minister of Finance or the Minister of International Trade & Industry based on the provisions of Article 17 of the Law. The same shall apply concerning also those situations where the Minister of Finance or the Minister of International Trade & Industry designates method of payments, etc. that, viewed from the amount of money or parties involved in the payments, etc., or the substance of the transaction or activity which would become the cause of the payments, etc., or other matters, are of no particular obstacle to the achievement of the objectives of the Law.

(1) Article 21, Paragraph 1 of the Law or Article 25, Paragraph 1 or 3 of the Law.

(2) Article 3, Paragraph 1 of the the Cabinet Order Relating to Acquisition of Rights of Foreign Governments Related to Real Property (Cabinet Order No. 311 of 1949). Article 3, Paragraph 1.

(3) Article 2, Paragraph 1 or Paragraph 8, Article 4 or Article 12, Paragraph 1 of the Export Trade Control Order (Cabinet Order No. 378 of 1949).

(4) Article 4, Paragraph 1 or Paragraph 2, Article 5, Article 14, or Article 20, Paragraph 1 of the Import Trade Control Order (Cabinet Order No. 414 of 1949).

3. When an exchange resident seeks to receive the license of the Minister of Finance or the Minister of International Trade & Industry based on the provisions of Article 17 of the Law, he must make application for the said license based on the procedures as determined by Ministry of Finance Ordinance or Ministry of International Trade & Industry Ordinance.

Article 8 (Export and Import of Means of Payment, etc.)

1. When the Minister of Finance imposes an obligation to obtain a license concerning the export or import of means of payment, securities or precious metals (hereinafter in this article and Article 24 referred to as "means of payment, etc.") by an exchange

resident or non-resident, based on the provisions of Article 18, Paragraph 1 or Paragraph 2 of the Law, he shall do so, designating in advance by notification such export or import of means of payment, etc., for which license must be obtained.

2. When an exchange resident or non-resident is going to export or import means of payment, etc., which have been designated under the provisions of the preceding paragraph, he must obtain the license of the Minister of Finance based on the procedures as provided for by Ministry of Finance Ordinance

3. When the Minister of Finance, based on the provisions of Paragraph 1, for those situations where an obligation has been imposed to obtain a license concerning the export or import means of payment, etc., deems that the imposition of the said obligation is no longer necessary, he must immediately remove the said obligation by notification.

4. The provisions of the previous 3 paragraphs shall not apply in those situations where an exchange resident or non-resident exports or imports means of payment, etc., in accordance with the license received under Article 6, Paragraph 2, Article 11, Paragraph 3 or Article 15, Paragraph 2, in those situations where the export or import of means of payment, etc., is made in accordance with the license received based on the provisions of the Law listed in Item 1, or in those situations where the export or import of means of payment is authorized under, or is made in accordance with, the licenses received based on, the provisions of the Orders listed Item 1 or Item 3.

(1) Article 17, Article 21, Paragraph 1, Article 25, Paragraph 1 or Paragraph 3, or Article 48, Paragraph 1 of the Law.

(2) Article 2, Paragraph 1, Article 4 or Article 12, Paragraph 1 of the Export Trade Control Order.

(3) Article 4, Paragraph 1 or Paragraph 2, Article 14 or Article 20, Paragraph 1 of the Import Trade Control Order.

CHAPTER IV CAPITAL TRANSACTIONS, ETC.

Article 9 (Current Operating Expenses, etc.)

The transfer of funds to be designated by Cabinet Order as provided for in Article 20, Item 11 of the Law shall be the transfer of funds listed in the following:

(1) Transfers of funds relating to personnel expenses, light, heating, water and other general administration expenses necessary for the operation of an office (excluding those related to the establishment or expansion of a branch, factory or other place of business);

(2) Concerning transactions listed in the following (a) through (c) which are made by offices in Japan of corporations, the transfers of funds as designated in the said (a) through (c), which are made between the said offices in Japan of corporations and offices in foreign countries:

(a) On export and import of goods

Transfers of funds, such as for the prices of the export or import of the said goods, or the transport charges, insurance fees or other funds directly related to the export or import of the said goods;

(b) Transactions related to the trading of goods requiring the movement of goods between foreign countries.

Transfers of funds, such as prices in trading transactions of the said goods related to the said transactions, or the transport charges, insurance fees or other funds directly related to the said transactions;

(c) Service transactions

Transfers of compensation for the said service transactions or funds directly related to the said service transactions.

2. The "service transactions" of Item (c) of the preceding paragraph means transactions with the objective of providing labor or conveniences.

Article 9-2. Designation of Capital Transfers

Transactions which are to be determined by Cabinet, as set out in Article 20, Item of the Law, shall be transactions related to creation of claims based on gold precious metals trading contracts between residents and nonresidents.

Article 10 (Capital Transactions Requiring License of Minister of Finance)

When an exchange resident or non-resident seeks to obtain the license of the Minister of Finance under Article 21, Paragraph 1 of the Law, he must make application for the said license based on the procedures as determined by Ministry of Finance Ordinance.

2. Concerning transactions listed in Article 20, Item 4, or Item 9 of the Law, when one of the parties to the said transactions obtains a license under Article 21, Paragraph 1 of the Law, the other parties to the transactions need not obtain the license under the same paragraph.

3. Those situations to be determined by Cabinet Order as provided for in Article 21, Paragraph 1 of the Law shall be those situations where an exchange resident or non-resident conducts transactions or activities listed in the following as well as situations provided for in the preceding paragraph:

(1) Transactions related to the creation, alteration or extinction of claims based on trading contracts for foreign currency or traveler's cheques as counter payment for domestic means of payment (meaning means of payment other than foreign means of payment) between a money changer and an exchange resident (other than authorized foreign exchange banks in Japan) or an exchange non-resident (limited to transactions satisfying the requirements stipulated by the Minister of Finance).

(2) Other than transactions listed in the preceding item, transactions or activities which the Minister of Finance designates as having been deemed not particularly an obstacle to the achievement of the objectives of the Law in light of the parties to the transaction or activity, the particulars thereof and other matters.

Article 11

1. When the Minister of Finance imposes an obligation on any exchange resident or non-resident who is to carry out a capital transaction to obtain a license, based on the provisions of Article 21, Paragraph 2 of the Law, he shall, in advance, based on notification, designate the capital transactions which must obtain such license.

Provided, however, that when the Minister of Finance deems that the objectives of the Law will become difficult to achieve where the designation of such capital transactions is made in advance based on notification, the designation of the said capital transaction can be made by notice to authorized foreign exchange banks or by other appropriate methods as provided for by Ministry of Finance Ordinance.

2. The Minister of Finance, when he has designated a capital transaction based on the provisions of the proviso of the preceding paragraph, shall immediately make notification of the particulars thereof and the designated capital transaction.

3. Exchange residents or non-residents who desire to make capital transactions which have been designated based on the provisions of Paragraph 1, must obtain a license

from the Minister of Finance, based on the procedures as provided for by Ministry of Finance Ordinance.

4. For those situations where an obligation has been imposed to obtain a license concerning the making of capital transactions based on the provisions of Paragraph 1, when the Minister of Finance deems that there is no longer any danger of the occurrence of any of the situations listed in any of the items of Article 21, Paragraph 2 of the Law the said obligation must be removed immediately based on notification.

Article 12 (Reporting, etc., of Capital Transactions)

1. The registration based on the provisions of Article 22, Paragraph 1 of the Law, must be made based on the procedures as provided for by Ministry of Finance Ordinance within a period as determined by the Minister of Finance that is within 3 months prior to the day that the capital transactions listed in any of the items of the same paragraph is to be made.

2. In those situations where the party who must make the registration based on the provisions of Article 22, Paragraph 1 of the Law is an exchange non-resident, the said non-resident must make the said registration through an exchange resident representative (limited to a party who has the authority to receive documents sent based on the provisions of Paragraph 1 of the following Article, excluding situations where the capital transactions related to the registration are classifiable as acquisition of securities listed in Item 3 of Article 22, Paragraph 1 of the Law).

3. These matters which shall be determined by Cabinet Order as provided for in Article 22, Paragraph 1 shall be the matters listed in the following:

- (1) The names and addresses or residences of the parties who will make the capital transaction (for corporations, their names, the location of their main offices and the names of their representatives);
- (2) The particulars of the capital transaction;
- (3) The timing of execution of the capital transactions;
- (4) The reasons for making the capital transaction;
- (5) Other matters as determined by Ministry of Finance Ordinance.

4. Those situations which will be determined by Cabinet Order as provided for in Article 22, Paragraph 1 of the Law shall be those situations where the Minister of Finance has designated capital transactions as having been deemed not particularly an obstacle to the achievement of the objectives of the Law, even if the registration provided for in the provisions of the same article is not made.

5. The corporations which will be determined by Cabinet Order as provided for in Article 22, Paragraph 1, Item 1 of the Law, shall be those corporations listed below which were established under foreign legislation:

- (1) Corporations where the ratio of the shares or equity interest possessed by exchange residents to the total number of shares issued or the total amount of equity interest in the said corporation is above the rate set by the Minister of Finance but not below 25%;
- (2) Corporations which have all of their issued shares or all of their total equity interest held by corporations or exchange residents listed in the preceding Item, and corporations listed in the same Item;
- (3) Other than the corporations listed in the preceding 2 items, corporations which issue securities in foreign countries for the benefit of corporations listed in the preceding 2 Items or exchange residents.

6. The acquisition of securities or the lending of money to be designated by Cabinet Order as provided for in Article 22, Paragraph 2 of the Law, shall be the acquisition

by exchange residents of foreign currency denominated securities or the lending of money (limited to those where the loan term exceeds one year) listed in the following:

(1) The acquisition of foreign currency denominated securities in relation to issuance by the corporation which was established under the legislation of foreign countries (hereinafter in this paragraph referred to as "foreign corporation") in situations where the number of shares or the amount of equity interest possessed by such exchange residents becomes 10% or more of the total issued shares or the total equity interest of the said foreign corporation, or in situations which fall under situations as designated by Ministry of Finance Ordinance as situations similar to the foregoing;

(2) The acquisition of foreign currency denominated securities issued by foreign corporations in which the number of shares or the amount of equity interest possessed by such exchange resident is 10% or more of the total shares issued or the total equity interest of the corporation, or the acquisition of foreign currency denominated securities issued by those foreign corporations designated by Ministry of Finance Ordinance as similar to these; or the lending of money to these foreign corporations;

(3) Other than those matters listed in the preceding 2 items, the acquisition of foreign currency denominated securities issued by foreign corporations which are in a permanent relationship with such exchange resident, such as dispatching of executives, long term provisions on raw materials or other matters as determined by Ministry of Finance Ordinance; or the lendings of money to said foreign corporations.

6. Parties who are to be determined by Cabinet Order, as per the provisions of Article 22, Paragraph 2, of the Law, shall mean the corporations which have their main office in a foreign country (excluding corporations established based on the laws and regulations of a foreign country (meaning "foreign corporations" in Paragraph 9) and, from among the business offices of authorized foreign exchange banks that are Japanese corporations, those that are non-residents.)

7. The deposit contracts which are to be determined by Cabinet Order, as per the provisions of Article 22, Paragraph 2, Item 1, of the Law, shall be those deposit contracts (excluding those related to negotiable certificates) satisfying the requirements listed in the Items below, corresponding to the classifications of deposit contracts listed below:

(A) Deposit contracts among, from among the non-residents which are provided for in Article 22, Paragraph 2, Item 1 of the Law, parties who are financial institutions and such other parties as determined by Ministry of Finance Ordinance.

For deposit contracts for which there are no provisions for the time period concerning repayment, those where repayment is made after or on the day the said deposit contract is dissolved, and for deposit contracts for which the time period is set, those where repayment arrives after the day after the date of conclusion of the said deposit contract.

(B) Deposit contracts among parties, from among the non-residents which are provided for in Article 22, Paragraph 2, of the Law, who are parties other than those of the previous Item:

A deposit contract which is a contract which has provisions for the time period of repayment and that time period for repayment shall arrive after two days have passed from the date of conclusion of the said deposit contract, and the amount of deposit received based on the said deposit contract is equal to or greater than an amount determined by the Minister of Finance.

8. The transactions or actions which are to be determined by Cabinet Order, as provided in Article 22, Paragraph 2, Item 3 of the Law shall be deposit contracts (excluding those related to negotiable deposits) or transactions related to the creation,

etc of claims based on monetary lending agreements with other authorized foreign exchange banks in Japan, and the accounting for the management or procurement of funds related to the said transactions with the said other authorized foreign exchange bank is adjusted in the special international financial transactions account provided for in the same Paragraph (meaning the "special international financial transactions account" in Items 10-12)

9. The acquisition of securities, or the monetary lendings which are to be determined by Cabinet Order as provided in Article 22, Paragraph 3 of the Law, shall be any of the acquisition of securities or monetary lendings (limited to those monetary lendings exceeding one year) listed hereunder by a resident:

(A) The acquisition of securities in relation to an issue by a foreign corporation in those situations where the number of shares of the foreign company to be held by the said resident or the amount of investment in capital by the said resident equals or exceeds 10% of the total issued and outstanding shares or the total investment in capital of the said foreign company or situations corresponding to that as determined by the Ministry of Finance Ordinance.

(B) The acquisition of foreign currency denominated securities related to a foreign corporation of which 10% or more of its total issued and outstanding shares or of its total investment in capital, is held by the said resident, or foreign corporations determined by Ministry of Finance as correspond to that, or the making of monetary loans to these foreign corporations.

(C) In addition to those listed in the previous 2 Items, the acquisition of foreign currency denominated securities in relation to issues by foreign corporations which are in a permanent relationship with the said resident, such as the seconding of executives, long term raw material supply relationships and others as designated by Ministry of Finance Ordinance, or monetary loans to such foreign corporations.

10. Authorized foreign exchange banks, which having received the authorization from the Ministry of Finance, concerning the establishment of special international financial transactions account, based on the provisions of Article 22, Paragraph 2 of the Law, as per the determinations of Ministry of Finance Ordinance, append bookkeeping records, and must enter the management or procurement of funds related to the transactions or actions listed in each of the Items of the same Paragraph based on methods and standards as determined by Ministry of Finance Ordinance.

11. Concerning transfers between the special international financial transactions account, and other accounts, they must be based on the determinations listed hereunder.

(1). Everyday, at the end of business, (when the said day is a holiday, the previous day. Hereinafter in this Paragraph, the same.) the amount of funds transferred from the special international financial transactions to another account shall be limited to the amount calculated by, from among the amounts which have been entered in the special international financial transactions account every day at the end of business, during the month prior to the month of the said day, the total amount during that month of those related to the management of funds for nonresidents, as provided in Article 22, Paragraph 2 of the Law, and dividing that total amount by the number of days in the month, and the amount obtained thereby (when that said amount obtained by dividing the number of days in the month is less than an amount determined by the Minister of Finance) multiplied by a rate set by the Minister of Finance. (For the period from the day that the authorized foreign exchange bank started the accounting for the special international financial transactions account until the last day of the following month, an amount determined by the Minister of Finance, considering the

monetary loans in foreign currency by the authorized foreign exchange bank, and other conditions.)

(2) The total amount of the transfers of funds during the month of the end of day transfers from the special international financial transactions account to other accounts, shall be limited to the total amount of the transfers of funds during the month of the end of day transfers from the other accounts to the special international financial transactions account.

12 Authorized foreign exchange banks must confirm that the other party to the transactions, listed in Article 22, Paragraph 2, Items 1 or 2 of the Law, entered in the special international financial transactions account is a non-resident provided for in the same Paragraph, by the method of collecting documents as provided for by Ministry of Finance Ordinance, or such other methods provided by Ministry of Finance Ordinance, in addition to making confirmations according to the provisions of Ministry of Finance Ordinance, concerning the uses of the funds related to monetary loans entered in the special international financial transactions account.

13. When a securities company is going to receive the designation of the Minister of Finance as provided for in the proviso of Article 22, Paragraph 1 of the Law, it must apply for the said designation based on procedures as determined by Ministry of Finance Ordinance.

Article 13 (Deliveries, etc., of Recommendations or Orders)

1. The recommendations or orders based on the provisions of Article 23, Paragraph 2 or Paragraph 7, of the Law, shall be delivered in documentary form with the particulars of the said recommendations or orders noted therein, to the address, residence or place of business of the party which should receive that delivery, with delivery by mail or hand delivery. Provided, however, that for those situations where an exchange non-resident has filed reports of the said capital transactions through an exchange resident representative, delivery shall be made to the address, residence or place of business of the said representative.

2. In those situations where the documents provided for in the preceding paragraph are sent by mail in normal handling, that postal parcel shall be presumed to have arrived at the time normal mail should have arrived.

3. In those situations where the Minister of Finance sends the documents provided for in Paragraph 1 by mail in normal handling, adequate records must be prepared to confirm the name (for corporations, their names), of the party who should receive the delivery of the said documents (for the situations of the proviso of the same paragraph, the representative. Hereinafter in this article, the same), destination and the date of dispatch of the said documents.

4. The hand delivery in Paragraph 1 shall be the delivery of the said documents to the party who should receive that delivery, at the place where the delivery of the documents should be made as provided for in Paragraph 1 by an employee of the government administrative organization (including the employees of the Bank of Japan engaged in the duties listed in , based on the provisions of Article 69, Paragraph 1 of the Law). Provided, however, that when the party who is to receive that delivery has no objection, delivery of the said documents can be made to other places.

5. For those situations listed in each of the following items, the hand delivery of Paragraph 1, in place of the delivery provided for in the preceding paragraph, can be made by the act designated in each of the said items:

(1) Situations where the party who should receive the delivery of the documents as provided for in Paragraph 1 is not present at the place where delivery should be made - delivery of the said documents may be made to an employee, other worker or a person at the same residence who has appropriate knowledge as to receipt of said documents (in the following item referred to as "employees, etc.");

(2) Situations where the party who should receive the delivery of the documents as provided for in Paragraph 1, and other employees, etc., are not present at the place where delivery should be made or those parties refuse to receive the said documents without justifiable reason - leave the said documents at the place where they should be delivered.

6. The notice based on the provisions of Article 23, Paragraph 4 of the Law must be made based on the procedures as established by Ministry of Finance Ordinance.

Article 14 (Capital Transactions Requiring the License of the Minister of International Trade & Industry)

1. Capital transactions for which the Minister of International Trade & Industry can impose an obligation to obtain a license based on the provisions of Article 24, Paragraph 1 of the Law, shall be the transactions related to the creation, alteration, or extinction of claimable assets (excluding transactions for the settlement of international commercial transactions where the term from the creation of the claimable assets related to the said transaction to the extinction thereof is within one year) based on the contracts listed in the following:

(1) From among those contracts in which an exchange resident who imports goods, makes monetary loans to the other party to the said import contract which is directly related to the said contract to import goods, those which have in their contents a set-off (including those which are deemed substantially set-offs. In the next Item, the same) of all of the credits based on the said lending contract for all or a part of the price of the goods of the said import contract;

(2) From among those contracts in which an exchange resident who exports goods, received monetary loans from the other party to the said export contract which is directly related to the said contract to export goods, those which have in their contents a set-off of all of the obligations based on the said borrowing contract for all or a part of the payments for the said export of goods.

(3) Guarantee contracts for claimable liabilities which an exchange resident who is to export or import goods will execute with a non-exchange resident and which are listed in the following:

(a) Guarantee contracts which are executed in accordance with the conditions for bidding in relation to the export or import of the said goods;

(b) Performance guarantee contracts of export or import contracts of the said goods, contracts to guarantee the return of advance payments or advance receipts of the price of the said goods and other guarantee contracts which are directly related to the export or import contracts of the said goods and are made in accordance with the provisions of those contracts;

(4) Among those contracts to lend money or to borrow money which are made between an exchange resident who is a party to a contract related to the transfer of mining rights, industrial property rights or other rights similar to these or establishing rights to use these rights (hereinafter in this article referred to as "transfer, etc. of mining rights, etc.") and the other party to the said contract which is based on the contract for the transfer, etc., of mining rights, etc., those which have in their contents set-offs of the total amount of the credit or debt based on the said lending contracts or

borrowing contracts, for all or a part of the compensation for the transfer, etc., of the mining rights, etc.;

(5) Guarantee contracts executed by an exchange resident who is a party to a contract relating to the transfer, etc., of mining rights, etc., with an exchange non-resident based on the said contract.

Article 15

1. When the Minister of International Trade & Industry imposes an obligation to obtain a license in respect of capital transactions to be made by an exchange resident, based on the provisions of Article 24, Paragraph 1 of the Law, he shall, in advance, by notification, designate the capital transactions which must receive such licenses.

2. When a resident is going to make a capital transaction which has been designated based on the provisions of the preceding paragraph, he must file application for the license with the Minister of International Trade & Industry, based on the procedures determined by Ministry of International Trade & Industry Ordinance.

3. For those situations where the Minister of International Trade & Industry has imposed an obligation of obtaining a license concerning the making of capital transactions based on the provisions of Paragraph 1, when it is deemed that the danger of the occurrence of the situations listed in any of the items of Article 21, Paragraph 2 of the Law have ceased, he must immediately, based on notification, remove the said obligation.

Article 16 (Report, etc. of Capital Transactions)

1. The report based on the provisions of Article 24, Paragraph 2 of the Law must be filed based on procedures determined by Ministry of International Trade & Industry Ordinance within a period as determined by the Minister of International Trade & Industry within a period of 3 months prior to the day that the capital transaction shall be made as provided for in the same article, Paragraph 1.

2. The matters which shall be determined by Cabinet Order as provided for in Article 24, Paragraph 2 of the Law shall be the following matters:

(1) The name and address or residence of the party who will make the capital transactions (for corporations, their names, the location of their main offices and the names of their representatives);

(2) The particulars of the capital transaction;

(3) The timing of execution of the capital transaction;

(4) Reasons for making the capital transaction;

(5) Other matters as determined by Ministry of International Trade & Industry Ordinance.

3. The situations which shall be determined by Cabinet Order as provided in Article 24, Paragraph 2 of the Law shall be those situations where capital transactions are to be made which the Minister of International Trade & Industry has designated as having been deemed not particularly being an obstacle to the achievement of the objectives of the Law even if the report based on the provisions of the same paragraph is not made, in light of the parties to the capital transactions based on contracts listed in each item of Article 14, the substance of the transaction and other matters.

4. The capital transactions which shall be designated by Cabinet Order as provided for in Article 24, Paragraph 3 of the Law shall be the capital transactions based on contracts listed in Article 14, Item 2 and capital transactions which are based on contracts listed in the same Article, Item 4 which are classifiable as contracts to borrow money.

5. The provisions of Article 13 will apply *mutatis mutandis* concerning the recommendations and orders based on the provisions of Article 23, Paragraph 2 or paragraph 7 of the Law which apply *mutatis mutandis* in Article 24, Paragraph 4 of the Law. In this situation, each of the readings shall be changed:
"Article 23, Paragraph 2 or Paragraph 7 of the Law" in Article 13, Paragraph 1 to "Article 23, Paragraph 2 or Paragraph 7 of the Law which applies *mutatis mutandis* in Article 24, Paragraph 4 of the Law";
"Minister of Finance" in the same article, Paragraph 3 to "Minister of International Trade & Industry";
"Article 23, Paragraph 4 of the Law" in the same Article, Paragraph 6 to "Article 23, Paragraph 4 of the Law applies *mutatis mutandis* in Article 24, Paragraph 4" and "Ministry of Finance" to "Minister of International Trade & Industry."

Article 17 (Technical Reading Changes in Article 23 of the Law)

Technical reading changes based on the provisions of Article 24, Paragraph 4 of the Law shall be as shown in the following table:

(omitted)

Article 17-2. Licensing, etc. of Service Transactions

1. The transactions which have as their objective the provision of technologies related to the planning, manufacture or usage of goods of a variety designated by Cabinet Order as provided in the provisions of Article 25, Paragraph 1 of the Law to designated regions, shall be transactions which have as their objective the provision of technologies in the middle row of Separate Table from Category 1 through 15 to regions listed in the row directly below in the same Separate Table, and transactions which have as their objective the provision of technologies in the middle row of the Separate Table from Category 16 to regions listed in the row directly below in the same Separate Table (Excluding those classifiable as transactions which have as their objective the provision of technologies in the middle row of the Separate Table from Category 5 through 15, in the regions in listed in the row directly below in the same Separate Table).
2. Transactions relating to the trade of goods in line with the movement of goods between nations, to be determined by Cabinet Order as provided in Article 25, Paragraph 1, Item 2 of the Law, shall be the transactions relating to the trade of goods in line with the movement of goods between nations, listed in the middle row of Category 1 of the Separate Table 1 of the Export Trade Control Order.
3. When a resident seeks to receive the License of the Minister of International Trade and Industry based on the provisions of Article 25, Paragraph 1 of the Law, must make an application based on procedures set out by Ministry of International Trade and Industry Ordinance.
4. From among the transactions provided for in Paragraph 1 or Paragraph 2, for those designated by the Minister of International Trade and Industry as deemed not to obstruct the achievement of the objectives of the Law, viewed from the parties to the said transaction, the particulars thereof and other factors, the said transactions can be carried out without having received the license of the Minister of International Trade based on the provisions of Article 25, Paragraph 1, of the Law.

Article 18 (Service Transactions)

1. Transactions which are to be determined by Cabinet Order as provided for in Article 25, Paragraph 3 of the Law shall be the transactions listed in the following

(Excluding, for those transactions listed in Items 1 to 3, those transactions that fall under Item 4):

- (1) Service transactions related to the processing or storage of mineral products, the breakdown or reprocessing of nuclear fuel which is radiated by rays or the disposition of radio active waste material;
 - (2) Transactions related to the transfer of mining rights and others similar to that;
 - (3) Transactions providing technology which were transferred to Japan based on Exchange of Notes concerning Cooperation between Japan and the U.S.A. in Space Activities;
 - (4) Service transactions with parties listed hereunder (excluding medical service transactions and similar transactions)
 - (a) Natural persons with an address or residence in Iraq.
 - (b) Corporations which have their main office in Iraq. (Including those corresponding to that as provided by the Minister of Finance or the Minister of International Trade and Industry.)
 - (5). Transactions which have as their objective the provision of technology in relation to Libyan aircraft (meaning aircraft which have Libyan nationality and the parts therefore. Hereinafter in this Item the same.) or the preparation or fixing up of Libyan aircraft and transactions related to insurance contracts which have as their objective the insurance of Libyan aircraft.
 - (6). Service transactions related to the manufacture, maintenance, repair or otherwise administer goods in Libya listed in the Export Trade Control Order, Table 2, 25-2(2), the maintenance, support or otherwise administer an airport in Libya, or advising, instructing or training any pilot, aircraft mechanic or other aircraft personnel, who have Libyan nationality, who contribute to the operation of aircraft or airports in Libya.
 - (7). Transactions related to the trading of goods in line with the movement of goods between countries, that are listed below:
 - (a). Transactions where the area of production, the area of shipment destination or the area of shipment from, of the goods related to the said trade, is Iraq.
 - (b). Transactions where the area of the shipment destination of the goods related to the said trade (limited to goods listed in the middle column of Export Trade Control Order Table 2-6) is Libya.
 - (c). Transactions where the area of the shipment destination of the goods related to the said trade (limited to goods listed in middle column of the Export Trade Control Order Table 2-6) is Angola.
2. When an exchange resident is going to obtain the license of the Minister of Finance or the Minister of International Trade & Industry based on the provisions of Article 25 of the Law, he must make application for the said license based on the procedures as determined by Ministry of Finance Ordinance or Ministry of International Trade & Industry Ordinance.
3. Concerning those transactions which the Minister of Finance or the Minister of International Trade & Industry has designated as deemed not being particularly an obstacle to the achievement of the objectives of the Law in light of the parties to the transactions listed in any of the items of Paragraph 1, the substance thereof and other matters, the said transaction can be made without the license of the Minister of Finance or the Minister of International Trade & Industry based on the provisions of Article 25, Paragraph 3 of the Law.

When the Minister of International Trade and Industry makes a disposition based on the provisions of Article 25, Paragraph 2 of the Law, he must give notice of the particulars thereof, without delay, to Customs and the authorized foreign exchange bank.

CHAPTER V MISCELLANEOUS PROVISIONS

Article 19 (Division of Jurisdictional Matters between the Minister of Finance and the Minister of International Trade & Industry)

The division of jurisdictional matters between the Minister of Finance and the Minister of International Trade & Industry shall be based on the designations of the Law and the Competent Minister Cabinet Order.

Article 20 (Consultation and Consent of Related Ministers)

1. In those situations where the Minister of Finance is going to determine time terms or methods based on the provisions of Article 7, Paragraph 1, when the time terms or methods which are to be decided are matters which are related to acts or transactions which are directly related to the export or import of goods by parties who are exporting or importing goods or are matters related to transactions which are concerned with the buying and selling of goods in accord with the movement of goods between foreign nations, he must consult in advance with the Minister of International Trade & Industry.

2. The Minister of International Trade & Industry, for those situations listed in the following, must receive the agreement of the Minister of Finance in advance. Provided, however, that for those situations listed in Items 2 through 4, this shall be limited to those situations where the payment, etc., in accordance with the transaction or act related to the said license or approval is based on a special settlement method:

- (1) Situations where a license is to be given based on the provisions of Article 17 of the Law;
- (2) Situations where a license is to be given based on the provisions of Article 25, Paragraph 1 or 2 of the Law;
- (3) Situations where a license is to be given based on the provisions of Article 6, Paragraph 2 or Article 15, Paragraph 2;
- (4) Situations where approval is to be given, based on the provisions of the Orders listed in Article 7, Paragraph 2, Item 3 or 4;
- (5) Situations where a designation is to be given on payments, etc., based on the provisions of the latter part of Article 7, Paragraph 2;
- (6) Situations where a confirmation is to be given, based on the provisions of Article 1, Paragraph 7 of the Export Trade Control Order or Article 4, Paragraph 4 of the Import Trade Control Order.

Article 21 (Conditions of Licenses, etc.)

1. In those situations where the Minister of Finance, or the Minister of International Trade & Industry is to give a license, authorization, approval or designation (hereinafter in this article referred to as "licenses, etc.") based on the provisions of the Law (limited to Chapters 1 through 4; in the next article, the same) and this Cabinet Order, conditions may be attached to the said licenses, etc.

2. The conditions of the preceding paragraph must be the absolute minimum necessary to achieve the precise execution of the matters related to the licenses, etc.

Article 22 (Acts of Government Institutions)

The provisions of the Law and this Cabinet Order relating to licenses or reports shall not apply concerning transactions or acts which are made by the Minister of Finance based on the provisions of the Foreign Exchange Fund Special Account Law (Law No. 56 of 1951).

Article 23 (Method of Notification)

Notifications based on the provisions of this Cabinet Order shall be via the *Kampo* (Official Gazette).

Article 24 (Reports)

The Minister of Finance or the Minister of International Trade & Industry, based on the provisions of Article 67 of the Law, within the limits necessary for the enforcement of the Law (limited to Chapters 1 through 4) and this Cabinet Order, based on procedures determined by Ministry of Finance Ordinance or Ministry of International Trade & Industry Ordinance, can collect reports from parties who will make the said transaction or act or from related parties, concerning the substance of the transactions or acts listed in the following, the date of execution thereof and other matters:

- (1) Payments to foreign countries from Japan, payments, etc., between exchange residents and non-residents, or payments, etc., by special settlement methods;
- (2) The export or import of means of payment, etc.;
- (3) Capital transactions (meaning capital transactions as provided for in Article 20 of the Law);
- (4) Service transactions (meaning service transactions provided for in Article 9, Paragraph 2, excluding those coming under the conclusion, etc. of technological induction contracts as provided for in Article 29, Paragraph 1 of the Law);
- (5) Transactions related to the buying and selling of goods requiring the movement of goods between foreign countries;
- (6) Transactions or acts which correspond to any of those listed in each of the preceding items.

Article 25 (Delegation of Powers)

1. From among the powers of the Minister of Finance concerning authorized foreign exchange banks, those listed hereunder shall be delegated to the Regional Bureau Chiefs having jurisdiction over the location of the head office of the authorized foreign exchange bank (for those having their head office in the jurisdiction of the Fukuoka Finance Bureau Branch, then the Fukuoka Finance Bureau Branch). Provided, however, for the powers listed in Item 4, the Minister of Finance shall not be barred from exercising these powers on his own authority.

- (1). The licenses based on the provisions of Article 10, Paragraph 3 of the Law.
- (2). The acceptance of registrations based on the provisions of Article 10, Paragraph 4 of the Law.
- (3). The authorizations based on the provisions of Article 11 of the Law.
- (4). The on-site inspections and questioning based on the provisions of Article 68, Paragraph 1 of the Law.

2. From among the powers of the Minister of Finance, concerning exchange money brokers, those listed hereunder shall be delegated to the Customs Chief having jurisdiction over the area of the location of the party conducting the money exchange business or the location of the money exchange brokers office:

- (1). The approvals based on the provisions of Article 14, Paragraph 2 of the Law.

- (2). The licenses provided for by Article 10, Paragraph 3 of the Law which apply *mutatis mutandis* in the provisions of Article 14, Paragraph 2, of the Law.
 - (3). The acceptance of registrations based on the provisions of Article 10, Paragraph 4 of the Law, which apply *mutatis mutandis* in the provisions of Article 14, Paragraph 2 of the Law.
 - (4). The cancellations of approvals, the suspensions of business and the restrictions on operations of Article 13 of the Law, which apply *mutatis mutandis* in the provisions of Article 14, Paragraph 2 of the Law.
 - (5). The acceptance of reports, based on the provisions of Article 15 of the Law.
 - (6). The on-site inspections and questioning based on the provisions of Article 68, Paragraph 1 of the Law.
3. The power of designation of the Minister of Finance, based on the provisions of the latter half of Paragraph 2 of Article 7; Article 10, Paragraph 3, Item 2, or Article 12, Paragraph 4 shall be delegated (limited to those set out by Ministry of Finance Ordinance) to the Chief of the Finance Bureau which has jurisdiction over the address of the party, or the location of the main office of the party who is to carry out the transaction or act (where the said location is within the jurisdictional region of the Fukuoka Finance Bureau, then the Chief of the Fukuoka Finance Bureau Branch).
 4. The powers of the Minister of Finance listed hereunder shall be delegated to the Customs Chief:
 - (A) The license based on the provisions of Article 8, Paragraph 2.
 - (B) From among the acceptances of Reports, based on the provisions of Article 24, those related to the export or import of means of payment listed in Item 2 of the same Article.
 5. From among the powers of the Competent Minister based on the provisions of Article 68, Paragraph 1 of the Law, the powers of the Minister of Finance (excluding those provided for in Paragraphs 1 and 2) shall be delegated to the Chief of the Regional Finance Bureau with jurisdiction over the location of the main office of the party who is to carry out the transaction receiving the application of the Law (where the said location is within the jurisdictional region of the Fukuoka Finance Bureau Branch, then the Chief of the Fukuoka Finance Bureau Branch)
 6. The powers of the Minister of Finance listed in Paragraph 1, Item 4 and the powers appertaining to the Minister of Finance as provided for in the previous Paragraph, concerning those related to an office of business location (hereinafter called "branch, etc.") other than the head office or main offices of the party who is to engage in the business conducting the transactions receiving the application of the Law, or an authorized foreign exchange bank can also be delegated to, in addition to the Chief of the Regional Finance Bureau provided for in Paragraph 1 or the previous Paragraph, the Chief of the Regional Finance Bureau which has jurisdiction over the said branch, etc. (where the said location is within the jurisdictional region of the Fukuoka Finance Bureau Branch, then the Chief of the Fukuoka Finance Bureau Branch).
 7. The Regional Finance Bureau Chief or the Chief of the Fukuoka Regional Finance Bureau Branch who has made an on-site inspection or conducted questioning of the authorized foreign exchange bank or the branch, etc. of the party conducting business carrying out transactions receiving the application of the Law, based on the provisions of the previous Paragraphs, when they deem it necessary to make on-site inspections or conduct questioning at the head office, or main office, or the branch, etc. of the said authorized foreign exchange bank, etc. or of the party conducting business carrying out transactions receiving the application of the law, they may conduct such on-site inspections or conduct questioning of the said head office, main office, or branch, etc.

8. From among the powers of the Competent Minister based on the provisions of Article 15 and Article 67 of the Law, those powers pertaining to the Minister of Finance, can be exercised by the Regional Finance Bureau Chief, or the Fukuoka Regional Finance Bureau Branch Chief, to the extent necessary to carry out the provisions of Paragraph 1, Paragraph 2 and Paragraph 3, concerning those related to an authorized foreign exchange bank, or a party conducting business carrying out transactions receiving the application of the Law.

9. The provisions of the previous Paragraph shall not apply concerning those designated by the Minister of Finance, from among the powers of the Minister of Finance, based on the provisions of Paragraphs 1 through 6 and the previous Paragraph.

10. When the Minister of Finance makes the designations of the previous Paragraph, he must give notice to that effect. The same shall apply when he suspends or revises it.

Article 26 (Delegation of Duties)

The matters which the Minister of Finance or the Minister of International Trade & Industry will permit The Bank of Japan or authorized foreign exchange banks to handle related to the enforcement of the Law (limited to those provisions from Chapter 1 to Chapter 4, and Article 67 and Article 69, Paragraph 2), based on the provisions of Article 69, Paragraph 1 of the Law, shall be those matters from among those listed in the following, as determined by Ministry of Finance Ordinance or Ministry of International Trade & Industry Ordinance:

- (1) Matters relating to licensing based on the provisions of Article 17 of the Law, Article 21, Paragraph 1 of the Law or Article 25 of the Law, Article 6, Paragraph 2, Article 11, Paragraph 3 or Article 15, Paragraph 2;
- (2) Matters relating to the acceptance of reports based on the provisions of Article 22, Paragraph 1 of the Law or Article 24, Paragraph 2 of the Law;
- (3) Matters relating to notices of shortening of the period based on the provisions of Article 23, Paragraph 1 of the Law or Article 24, Paragraph 3 of the Law;
- (4) Matters relating to the delivery of recommendations based on the provisions of Article 23, Paragraph 2 of the Law (including those situations which apply *mutatis mutandis* in Article 24, Paragraph 4 of the Law);
- (5) Matters relating to the acceptance of notices relating to acquiescence based on the provisions of Article 23, Paragraph 4 of the Law (including those situations which apply *mutatis mutandis* to Article 24, Paragraph 4 of the Law);
- (6) Matters relating to the delivery of documents describing the contents of orders based on the provisions of Article 23, Paragraph 7 of the Law (including those situations which apply *mutatis mutandis* to Article 24, Paragraph 4 of the Law);
- (7) Matters relating to the preparation of statistics on external claims and debts and the international balance of payments based on the provisions of Article 69-2 of the Law;
- (8) Matters relating to the acceptance of reports based on the provisions of Article 5 or the preceding article;
- (9) Other than the matters listed in each of the preceding items, such other matters necessary for the enforcement of the Law of this Cabinet Order.

Article 27 (Statistics on External Claims and Debts and the International Balance of Payments)

1. The Minister of Finance must prepare statistics on external claims and debts and the international balance of payments as are listed as follows:

- (1) Statistics on external claims and debts as of December 31 for every year;
- (2) Statistics on the international balance of payment for every month and every year.

2. The Minister of Finance must report to the Cabinet on statistics listed in each of the preceding items by May 31 of the following year (excluding the Monthly statistics on the international balance of payments).

3. The Minister of Finance, in those situations necessary for the preparation of the statistics of Paragraph 1, to the extent necessary can request the provision of data from related government institutions and parties listed hereunder.

(1). Parties carrying out transactions or acts which receive the application of the Law and related parties.

(2). Parties corresponding to those in the previous Item.

Supplementary Provisions

(Date of Enforcement)

Article 1 This Cabinet Order shall be enforced from the date of enforcement (December 1, 1980) of the Law Partially Amending the Foreign Exchange & Foreign Trade Control Law (Law No. 65 of 1979).

(Abrogation of the Foreign Exchange Control Order, etc.)

Article 2 The Cabinet Orders listed in the following are abrogated:

(1) The Cabinet Order Concerning Authorized Foreign Exchange Banks and Money Changers (Cabinet Order No. 377 of 1949);

(2) Calculation Order Relating to External Credits and Debits and Inflows and Outflows (Cabinet Order No. 181 of 1950);

(3) The Foreign Exchange Control Order (Cabinet Order No. 203 of 1950);

(4) The Cabinet Order Determining the Scope of Business to be Permitted to be Handled by The Bank of Japan Based on the Provisions of the Cabinet Order Concerning Acquisition of Properties by Foreign Nationals (Cabinet Order No. 310 of 1952);

(5) Cabinet Order Concerning Exchange Non-resident Free Yen Accounts (Cabinet Order No. 157 of 1960).

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