

**Partial Revision of Trading Participant Regulations, etc. pertaining to Approval, etc of Organizational Restructuring of Trading Participants**

TOKYO AIM is planning to amend a part of the Rules, according to Partial Revision of Trading Participant Regulations, etc. pertaining to Approval, etc of Organizational Restructuring of Trading Participants.

The outline is as follows.

Outline 「Partial Revision of Trading Participant Regulations, etc. pertaining to Approval, etc of Organizational Restructuring of Trading Participants」 (Please refer to the appendix)

If you have opinions concerning about this outline, which is introduced at TOKYO AIM website <http://www.tokyo-aim.com/> , please send your comment with your details (name, company, address, telephone number, e-mail address etc.) to TOKYO AIM by Thursday, 15 October, 2009.

1. Deadline: Thursday, 15 October, 2009 (The mail must reach us by this date.)

2. Methods to submit: By e-mail, post, facsimile

3. e-mail address : [regulation@tokyo-aim.com](mailto:regulation@tokyo-aim.com)

Address : Regulation Group, TOKYO AIM, Inc., TSE bldg 7F, 2-1 Nihombashi-kabuto-cho, Chuo-ku, Tokyo 103-0026

Fax No. : 03-5652-9847

4. How to answer to your comment

A final decision will be made upon the comments given us. After an appropriate review, TOKYO AIM will publish the comments as well as TOKYO AIM's opinion at the above-mentioned website after Friday, 16 October, 2009.

In principle a corporate or an organization will be disclosed, however, an individual will be described as "individual". TOKYO AIM will not give answers to each comment.

Personal information written in the document is collected to be used for the public comment and not for any other purpose.

## Partial Revision of Trading Participant Regulations, etc. Pertaining to Approval, etc. of Organizational Restructuring of Trading Participants

September 16, 2009  
TOKYO AIM, Inc.

### I Purpose

In accordance with the Trading Participant Regulations of the Exchange, in cases where a trading participant wishes to perform a merger, demerger, or transfer of business (hereinafter referred to as “merger, etc.”), they must receive prior approval from the Exchange. In giving approval, the Exchange conducts examination for the approval, and performs a check on whether there will be a significant effect on the sustenance of the management system, financial base, or business execution system. As a result of such examination and check, if such merger, etc. is deemed appropriate in consideration of the operation of the Exchange market, such merger, etc. will be granted approval. On the other hand, with respect to a merger, etc. due to simplified or short form organizational restructuring which do not require a resolution or approval of a general shareholders meeting, the Exchange only requires prior notification of such merger, etc.

However, with the recent increase in restructuring of trading participants, even in cases of a merger, etc. due to simplified or short form restructuring, there is an increased possibility that there may be a significant effect on the sustenance of the management system, financial basis, or business execution system, due to changes, etc. in business strategy. In light of consideration of this possibility, in order to enhance supervision of trading participants, revisions such as requiring trading participants to receive approval from the Exchange even for cases of a merger, etc. through simplified or short form restructuring, in a case where such merger, etc. exceeds a certain scale, will be made.

### II Outline of Rules and Regulations

Item	Content	Remarks
Partial Revision of the Trading Participant Regulations Pertaining to Approval of a Merger, etc. (1) Revision of Scope of “Approval Matters”	<ul style="list-style-type: none"> <li>• Out of the notification matters regarding a merger, etc. through simplified or short form organizational restructuring, acts which fall under the conditions enumerated in the following items 1. to 5. will become approval matters.</li> </ul>	* Currently, a merger, etc. due to simplified or short form organizational restructuring are notification matters while all other forms of a merger, etc. are approval matters.

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Item	Content	Remarks								
	<table border="1"> <thead> <tr> <th data-bbox="645 197 1115 240">Act</th> <th data-bbox="1117 197 1563 240">Condition</th> </tr> </thead> <tbody> <tr> <td data-bbox="645 244 1115 651">1. A merger with another corporation in which the trading participant survives</td> <td data-bbox="1117 244 1563 651">In a case where the total amount of (1) the amount obtained by multiplying the number of shares of the surviving company delivered due to such merger by the net asset value per share, and (2) the book value of other assets such as corporate bonds of the surviving company delivered due to such merger, exceeds 1/20 of the amount of net assets of the surviving company</td> </tr> <tr> <td data-bbox="645 654 1115 818">2. Transfer of part of the business to another corporation due to a demerger</td> <td data-bbox="1117 654 1563 818">In a case where the total amount of the book value of assets transferred due to the demerger exceeds 1/20 of the total amount of assets of the company undergoing demerger</td> </tr> <tr> <td data-bbox="645 821 1115 1225">3. Succession of all or part of business from another corporation due to a demerger</td> <td data-bbox="1117 821 1563 1225">In a case where the total amount of (1) the amount obtained by multiplying the number of shares of the succeeding company delivered due to the demerger by the net asset value per share, and (2) the book value of other assets such as corporate bonds of the succeeding company delivered due to the succession, exceeds 1/20 of the amount of net assets of the succeeding company</td> </tr> </tbody> </table>	Act	Condition	1. A merger with another corporation in which the trading participant survives	In a case where the total amount of (1) the amount obtained by multiplying the number of shares of the surviving company delivered due to such merger by the net asset value per share, and (2) the book value of other assets such as corporate bonds of the surviving company delivered due to such merger, exceeds 1/20 of the amount of net assets of the surviving company	2. Transfer of part of the business to another corporation due to a demerger	In a case where the total amount of the book value of assets transferred due to the demerger exceeds 1/20 of the total amount of assets of the company undergoing demerger	3. Succession of all or part of business from another corporation due to a demerger	In a case where the total amount of (1) the amount obtained by multiplying the number of shares of the succeeding company delivered due to the demerger by the net asset value per share, and (2) the book value of other assets such as corporate bonds of the succeeding company delivered due to the succession, exceeds 1/20 of the amount of net assets of the succeeding company	<p>* Simplified or short form organizational restructuring refers to such restructuring that does not require a resolution or approval of a general shareholders meeting (for an entity other than a stock company, a resolution, etc. corresponding thereto) in accordance with the Companies Act (Act No. 86 of 2005).</p>
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1. A merger with another corporation in which the trading participant survives	In a case where the total amount of (1) the amount obtained by multiplying the number of shares of the surviving company delivered due to such merger by the net asset value per share, and (2) the book value of other assets such as corporate bonds of the surviving company delivered due to such merger, exceeds 1/20 of the amount of net assets of the surviving company									
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	<table border="1"> <tr> <td data-bbox="645 199 1115 336">4. Transfer of part of business</td> <td data-bbox="1120 199 1563 336">In a case where the book value of the transferred assets exceeds 1/20 of the total amount of assets of the company performing the transfer</td> </tr> <tr> <td data-bbox="645 339 1115 539">5. Succession of all or part of business</td> <td data-bbox="1120 339 1563 539">In a case where the total amount of the book value of assets delivered equivalent to the business takeover exceeds 1/20 of the amount of net assets of such company taking over the business</td> </tr> </table>	4. Transfer of part of business	In a case where the book value of the transferred assets exceeds 1/20 of the total amount of assets of the company performing the transfer	5. Succession of all or part of business	In a case where the total amount of the book value of assets delivered equivalent to the business takeover exceeds 1/20 of the amount of net assets of such company taking over the business	
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5. Succession of all or part of business	In a case where the total amount of the book value of assets delivered equivalent to the business takeover exceeds 1/20 of the amount of net assets of such company taking over the business					
(2) Prior Notification Relating to Merger, etc.	<ul style="list-style-type: none"> <li>In order to ensure a sufficient period of time for examination of aspects pertaining to approval, such as satisfaction of examination criteria and deficiencies in procedures, as a general rule, prior notification will be given to the Exchange relating to a merger, etc. which will newly require approval, by two (2) weeks before a decision is made by a decision-making body such as a board of directors pertaining to a resolution or approval of such act.</li> </ul>					
(3) Introduction of “Written Confirmation” System	<ul style="list-style-type: none"> <li>In the course of conducting examination pertaining to approval of a merger, etc., the Exchange will require the trading participant to submit a “written confirmation” predetermined by the Exchange, stating that said participant has no connection with anti-social influences.</li> </ul>	* Currently, the Exchange receives a “written confirmation” when it conducts examination pertaining to obtainment of a trading participant qualification. This will be clearly stated in the rules in the same way as the handling of a merger, etc.				
(4) Others	<ul style="list-style-type: none"> <li>Other necessary amendments will be made.</li> </ul>					

### III Implementation Date (Planned)

These revisions will be implemented in December, 2009.

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