

General Incorporated Association Financials ISAC Japan Articles of Incorporation

Chapter 1 General Provisions

(Name)

Article 1 The name of the Association shall be the General Incorporated Association Financials ISAC Japan.

(Location of Principal Office)

Article 2 The principal and branch offices of the Association shall be located in Chiyoda-ku, Tokyo.

The Association, upon resolution by the Board of Directors, may as required establish branch offices.

(Purpose)

Article 3 The Association shall be established to share and analyze information concerning information and physical security, and through promoting improvement in the safety of financial institutions to secure ongoing trust in financial institutions from Japanese citizens.

(Business)

Article 4 The Association, in order to achieve the purposes stated in the preceding Article, shall engage in the following businesses:

- (1) Analysis and sharing of information concerning information security.
- (2) Analysis and sharing of information concerning physical security.
- (3) Consensus building concerning security measures including financial institutions' information and physical security.
- (4) Cultivation of awareness concerning information and physical security.
- (5) All other businesses required for the Association to achieve the purposes stated in Article 3 above.

Chapter 2 Members

(Association Members)

Article 5 The Association shall establish the following membership categories:

- (1) Full members: The financial institutions, that approving the purposes of the Association, have become members.
- (2) Associate members: The financial institutions, that approving the purposes of the Association, have become members.
- (3) Supporting members: The legal entities or individuals, that supporting

the purposes of the Association, have become members.

- (4) Affiliate members: The legal entities that approving the purposes of the Association have become members. (excluding financial institutions)
2. Any financial institution that desires to become either a full or associate member of the Association shall make an application under the designated membership category and the Association shall determine whether or not to accept the applicant under that designated membership category.
3. From within the membership categories stated above, full members and supporting members that have been incorporated shall be the Voting Members pursuant to the Act on General Incorporated Associations and General Incorporated Foundations (hereinafter, the “Associations and Foundations Act”), and the Association shall prepare a registry of the Voting Members that records their names and addresses.

(Membership)

Article 6 Any party that desires to become a member of the Association, as a full member, associate member, supporting member or affiliate member, may make an application for membership in the manner set forth by the Board of Directors, and upon satisfying the assessment standards set forth at a meeting of the General Committee of Members with voting rights (“Voting Members”) and approval by the Board of Directors shall become a full member, associate member, supporting member or affiliate member.

(Membership Approval)

Article 7 The Association, upon approving membership, shall list the concerned member’s name in the members’ registry, as separately designated by the Board of Directors, and notify that membership has been approved.

(Membership Fees)

Article 8 Full members, associate members and affiliate members, in order to cover the expenditures of the Association, shall pay the membership fees separately set forth at a meeting of the General Committee of Voting Members.

(Change to Membership Category)

Article 9 A full member or associate member, upon submission of an application form for change of membership category as separately designated by to the Board of Directors, may change its membership category from a full member to associate member, or vice-versa.

(Voluntary Withdrawal)

Article 10 A member, upon submission of a request to the Association on the

separately designated withdrawal request form as designated by the Board of Directors, may at any time withdraw from membership of the Association.

(Expulsion)

Article 11 Where any one(1) of the following items applies to a member, upon a resolution being passed at a meeting of the General Committee of Voting Members, that member may be expelled.

- (1) Where a member is in breach of these Articles of Incorporation, concerned regulations or any resolution passed at a meeting of the General Committee of Voting Members.
- (2) Where a member has engaged in any act that damages the reputation of the Association or that is contrary to the purposes for which the Association is to be established.
- (3) Where any other legitimate reasons exist for which the Association may expel that member.

(Forfeiture of Membership Rights)

Article 12 In addition to those stipulations stated in the preceding two Articles, where any one(1) of the following items applies to a member, that member shall forfeit its membership rights.

- (1) Where a member has failed to make payment for one(1) year or more of its membership fees.
- (2) Where unanimously agreed by all Voting Members.
- (3) Where a member is a person and that person has died, or has been officially notified as missing, or where a member with corporate status has been dissolved.
- (4) Where a member is a person and that person has been deemed to be a ward of the state or person under curatorship.
- (5) Where a member has withdrawn.
- (6) Where a member has been expelled.
- (7) Where it is deemed by the Association that membership status should be revoked.

(Rights and Responsibilities upon Membership Forfeiture)

Article 13 Where a member has forfeited its membership rights as stipulated under the preceding Article, that member at the time of forfeiting all membership rights shall be absolved from any further responsibilities arising as a member of the Association. However, the preceding sentence shall not apply to unfulfilled responsibilities.

2. The Association, despite a member having forfeited its rights, shall not reimburse any membership fees paid in or other contributions.

Chapter 3 General Committee of Voting Members

(Composition)

Article 14 The General Committee of Voting Members shall be comprised of all members of the Association with voting rights.

2. Resolutions passed at a meeting of the General Committee of Voting Members shall be determined on a 1 member 1 vote basis.

(Authorities)

Article 15 The General Committee of Voting Members shall have limited authorities to make the decisions as stated below:

- (1) Election of a Director or Auditor.
- (2) Dismissal of a Director or Auditor.
- (3) Determination of the remuneration of the Directors and Auditor(s) and associated regulations.
- (4) Changes to the Articles of Incorporation.
- (5) Approval of the annual business reports and settlement of accounts.
- (6) Determination of membership assessment standards and membership fees.
- (7) Expulsion of a member.
- (8) Reimbursement of funds, disposition of long-term borrowings and other important assets as well as acceptance of the same.
- (9) Dissolution and allocation of residual assets.
- (10) Approval of a merger, or transfer of all or any important part of the Association's businesses.
- (11) Matters determined by the Board of Directors to be discussed at a meeting of the General Committee of Voting Members.
- (12) In addition to the items stated above, items designated under concerned laws, regulations, etc. or these Articles of Incorporation to be decided at a meeting of the General Committee of Voting Members.

(Location for Holding a Meeting of the General Committee of Voting Members)

Article 16 The location for holding a meeting of the General Committee of Voting Members shall be determined by the Board of Directors.

(Timing for Holding of a Meeting of the General Committee of Voting Members)

Article 17 Meetings of the General Committee of Voting Members shall be both ordinary and extraordinary meetings.

2. Ordinary meetings of the General Committee of Voting Members shall be held within three(3) months from the annual settlement of the Association's accounts.

3. Extraordinary meetings of the General Committee of Voting Members shall be held where any one(1) of the following applies:

(1) Where to be held in accordance with a resolution of the Board of Directors.

(2) Where a member holding 10% or more of voting rights of all members demands that the Board of Directors convene a meeting of the General Committee of Voting Members upon indicating the concerned matter or another reason for convocation of a meeting of the General Committee of Voting Members.

(3) Where a Voting Member has requested a meeting of the General Committee of Voting Members in accordance with the preceding item, upon receiving approval from the court of jurisdiction, a meeting of the General Committee of Voting Members may be convened by that Voting Member.

(Convocation))

Article 18 A meeting of the General Committee of Voting Members, except where otherwise designated under concerned laws, regulations, etc. or these Articles of Incorporation, shall be convened by a notice in writing in accordance with a resolution of the Board of Directors as designated by the Chairperson Director.

(Chairperson)

Article 19 The Chairperson at a meeting of the General Committee of Voting Members shall be the Chairperson Director of the Board of Directors. Where the Chairperson Director of the Board of Directors is unable to act as Chairperson, a Director as determined in advance by the Board of Directors shall act as Chairperson.

(Resolutions of the General Committee of Voting Members)

Article 20 Resolutions at a meeting of the General Committee of Voting Members, except where designated under concerned laws, regulations, etc. or these Articles of Incorporation, shall be decided at a meeting of the General Committee of Voting Members at which a majority of Voting Members are

present, based upon a majority vote of those Voting Members present.

2. Notwithstanding the preceding paragraph, the resolution items stated below must be decided by a 2/3 majority at a meeting of the General Committee of Voting Members at which a majority of Voting Members are present.

(1) Items related to Article 15.2, 4, 7, 9 and 10 of these Articles of Incorporation.

(2) Other items designated under laws, regulations, etc.

3. The Chairperson at a meeting of the General Committee of Voting Members, even where a Voting Member, may not exercise voting rights. However, in the event that paragraph 1 of this Article applies, where the number of votes cast by Voting Members for/against is equal, the Chairperson where a Voting Member may cast the deciding vote.

(Exercise of Voting Rights in Writing)

Article 21 Where for an unavoidable reason a Voting Member is unable to attend at a meeting of the General Committee of Voting Members, in respect of agenda items notified in advance, that Voting Member may exercise its voting rights either by electronic media or in writing or may nominate another Voting Member as their proxy to exercise voting rights on its behalf.

(Minutes of Meetings)

Article 22 Minutes of the meetings shall, as designated under laws, regulations, etc., be recorded.

Chapter 4 Directors and Auditor(s)

(Directors and Auditor(s))

Article 23 The Association shall appoint the following Directors and Auditor(s).

(1) Directors: No less than 3 no more than 10.

(2) Auditors: 1 or more.

2. From within the Directors, one(1) shall be appointed as Chairperson Director, and no more than two(2) as Managing Directors.

3. The Chairperson Director as described in the preceding paragraph shall act as the Representative Director as designated under the Associations and Foundations Act, and the Managing Director shall, as designated under that Act, act as the Executive Director.

(Election of Directors and Auditor(s))

Article 24 The Directors and Auditor(s) shall be elected based upon a resolution passed at a committee meeting of members with voting rights ("Voting

Members”).

2. Directors shall be elected from representatives of full members, associate members or supporting members or those persons designated as their representatives (For supporting members, where a private person, that person).
3. The Chairperson Director and Managing Directors shall be elected upon passing of a resolution of the Board of Directors.
4. An Auditor may not be a Director or employees of the Association or any of its subsidiaries.

(Directors’ Duties and Authorities)

Article 25 The Directors form the Board of Directors which participates in decision making concerning the execution of the business of the Association.

2. The Chairperson Director, as designated under the concerned laws, regulations, etc. or these Articles of Incorporation, shall act as the representative of the Association and be responsible for the execution of the Association’s business.
3. The Managing Director(s) shall support the Chairperson Director and be responsible for the execution of the Association’s business as allocated.

(Duties and Authorities of the Auditor(s))

Article 26 The Auditor(s) shall audit the Directors’ execution of their duties and as designated under the concerned laws, regulations, etc. or these Articles of Incorporation, create audit reports.

2. The Auditor(s) may at any time demand business reports from the Directors or employees, and conduct audits into the Association’s business or financial status.

(Term of Office of the Directors)

Article 27 A Director’s term of office shall be from the time of election until the last regular meeting of the General Committee of Voting Members held within two(2) years from that date. However, there shall be no restrictions on reelection.

2. An Auditor’s term of office shall be from the time of election until the last regular meeting of the General Committee of Voting Members held within two(2) years from that date. However, there shall be no restriction on reelection.
3. The term of office of a Director or Auditor that replaces a Director or Auditor due to a vacancy shall be that of the originally elected Director or Auditor.
4. Where there is an insufficient number of Directors or Auditors as stipulated under these Articles of Incorporation, particularly under Article 24.1, a Director or Auditor that retires due to expiry of their term of office or

resignation, shall until such time as a new Director or Auditor is elected, remain under the same responsibilities and obligations.

(Dismissal of Directors)

Article 28 A Director or Auditor may be dismissed at any time upon a resolution being passed at a meeting of the General Committee of Voting Members.

(Remuneration, etc.)

Article 29 The Association, upon a resolution being passed at a meeting of the General Committee of Voting Members, may pay the approved remuneration, etc. to Directors and Auditor(s).

2. The Directors may receive reimbursement for all necessarily incurred expenses. The standards for the same shall be as separately determined by the Board of Directors.
3. The Association in accordance with the Associations and Foundations Act shall pay the invoices issued by the Auditor(s).

Chapter 5 Board of Directors

(Composition of the Board of Directors)

Article 30 The Board of Directors shall be comprised of all Directors.

(Authorities)

Article 31 The Board of Directors in addition to the duties set forth in these Articles of Incorporations shall also perform the following duties:

- (1) Determination of the date, time, location and agenda items for a meeting of the General Committee of Voting Members.
- (2) Items concerning enactment, revision and abolition of the Association's regulations.
- (3) In addition to the items stated in (1) and (2) above, determinations concerning the execution of the Association's business.
- (4) Oversight of the execution of Directors' duties.
- (5) Election and dismissal of a representative Director or Managing Director.

(Categorization and Holding)

Article 32 Meetings of the Board of Directors shall be divided into two(2) categories.

2. Ordinary meetings of the Board of Directors shall be held twice each fiscal year, and be convened by the Chairperson Director.
3. Extraordinary meetings of the Board of Directors shall be held when either of the following items applies:

(1) Where deemed necessary by a Director.

(2) Where convened by the Auditor(s).

(Chairperson)

Article 33 The Chairperson at a meeting of the Board of Directors shall be the representative Director.

(Resolutions)

Article 34 Resolutions, in addition to those separately set forth in these Articles of Incorporation, may be determined by a majority vote at a meeting of the Board of Directors at which a majority of Directors are present.

2. The Association, where a Director makes a proposal concerning items to be the subject of a resolution at a meeting of the Board of Directors, upon all Directors able to participate in voting for that proposal indicates their consent to the proposal either in writing or by electronic media, this proposal shall be deemed as a resolution passed at a meeting of the Board of Directors meeting. However, this shall not apply where the Auditor(s) has stated an objection.

(Minutes of Meetings)

Article 35 Minutes of meetings of the Board of Directors shall, as designated under the concerned laws, regulations, etc., be recorded, and signed or sealed by all the Directors and the Auditor(s) present at that meeting. Where the minutes are created by electronic media, in respect of these so recorded minutes signature or seal may be substituted as designated under a ministerial ordinance of the Ministry of Justice.

(Limitation on Members, etc. Liability)

Article 36 The Association, as designated under Article 114 of the Associations and Foundations Act, upon resolution at a meeting of the Board of Directors may exempt the Directors, the Auditor(s) or accounting Auditor(s) from liability to pay compensation for damages as stipulated under Article 111.1 of that Act except for that amount that is the minimum liability amount for compensation liability.

Chapter 6 Assets and Accounting

(Financial Year)

Article 37 The financial year of the Association shall be from April 1 until March 31 of the following year.

(Business Plan and Budget)

Article 38 The Association's business plan and corresponding budget, prior to the

commencement date for each fiscal year, shall be created by the Chairperson Director or by the Director commissioned by the Chairperson Director and following a resolution being passed at a meeting of the General Committee of Voting Members shall be approved. Where the Association's business plan and corresponding budget is to be changed, the preceding sentence shall apply mutatis mutandis.

2. Where due to unavoidable circumstances the budget has not been created, the Chairperson Director until the date upon which the budget is created may take earnings and make expenditures based upon the budget for the preceding fiscal year. However, this shall not include major disposal or acceptance of assets, or borrowings.

(Business Reports and Settlement of Accounts)

Article 39 The Chairperson Director or the Director commissioned by the Chairperson Director, upon the conclusion of each financial year in respect of the business reports and settlement of accounts, shall create the documents stated below, subsequent to being audited by the Auditor:

- (1) Business Reports
- (2) Supplementary details concerning the business reports
- (3) P/L statement
- (4) Statement of changes in net assets
- (5) Supplementary details concerning the P/S statement and statement of changes in net assets

2. As regards the documents and the Auditor(s) reports referred to in paragraph 1 above, these shall be kept at the Association's principal office from two(2) weeks prior to an ordinary meeting of the General Committee of Voting Members for five(5) years.

(Contribution of Funds)

Article 40 The Association may request that members or concerned third parties contribute funds as designated under the Associations and Foundations Act.

(Solicitation of Funds)

Article 41 In respect of the procedures for solicitation of funds, allotments and payments, etc., these shall be determined at a meeting of the Board of Directors.

(Return of Funds)

Article 42 The contributed funds, within the scope allowable under the designated laws, regulations, etc., until the date agreed upon between the Association and the concerned party shall not be reimbursed.

2. As regards reimbursement of funds, upon a resolution concerning the total amount of funds being passed by resolution at a meeting of the General Committee of Voting Members, these shall be reimbursed as determined by the Directors.

(Prohibition against Distribution of Surplus Monies)

Article 43 The Association shall not distribute surplus monies.

Chapter 7 Changes to the Articles of Incorporation, Transfer of Business or Dissolution (Changes to the Articles of Incorporation)

Article 44 Upon a resolution being passed at a meeting of the General Committee of Voting Members, these Articles of Incorporation may be changed.

(Entire Transfer of the Association's Business)

Article 45 Where the Association desires to transfer its business in its entirety, this shall be determined at a meeting of the General Committee of Voting Members.

(Dissolution)

Article 46 The Association where any one(1) of the following reasons applies may be dissolved.

Article 47 The Association where any one(1) of the following reasons applies may be dissolved.

- (1) Where a resolution for dissolution of the General Committee of Voting Members has been passed at a meeting of the General Committee of Voting Members.
- (2) Where there is an insufficient number of members.
- (3) Where the Association ceases to exist as a result of merger.
- (4) Where the Association has decided to commence bankruptcy proceedings.
- (5) Where a dissolution order has been issued or a court with jurisdiction has ruled that the Association is the subject of an order for dissolution.

(Administrative Organs for Liquidation)

Article 48 Where the Association is to be dissolved (except where bankruptcy proceedings have not been completed as designated under Article 47 (3) and (4) above) the Association shall be appointed as the liquidator. In that case as the administrative organs, in addition to the General Committee of Voting Members and liquidator, an Auditor shall also be appointed.

(Ownership of Residual Assets)

Article 49 Residual assets existing upon liquidation of the Association's accounts,

upon a resolution being passed at a meeting of the General Committee of Voting Members, shall be donated to a juridical person as designated under Article 5.17 of the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations, or the national government or local governments.

Chapter 8 Secretariat Office

(Office, etc.)

Article 50 The Association shall establish a secretariat office to execute the business of the Association.

2. The Association shall employ the personnel required for the secretariat office. Further the Association may appoint a Secretary General of the secretariat office.
3. The Secretary General of the secretariat office and employees shall be appointed or dismissed by the Chairperson Director.
4. Items required for the organization and management of the secretariat office shall be separately determined based upon a resolution passed at a meeting of the Board of Directors.

Chapter 9 Method of Public Notice

(Method of Public Notice)

Article 51 Public notices of the Association shall be published in the government gazette.

Chapter 10 Supplementary

(Detailed Regulations)

Article 52 In addition to these Articles of Incorporation, other items required for the management of the Association shall be separately by the Board of Directors.

Chapter 11 Items related to Incorporation

(Members at Incorporation)

Article 53 The Voting Member at incorporation shall be as follows:

Norihisa Doi

NRI Secure Technologies, Ltd.

Tokyo Sankei Building, 1-7-2 Otemachi, Chiyoda-ku, Tokyo

(The Directors at Incorporation)

Article 54 The Directors and Auditor of the Association at the time of incorporation shall be those stated in the registry of Directors and Auditors attached.

(Fiscal Year)

Article 55 The first fiscal year of the Association shall be from the date upon which it is established until March 31, 2015.

Supplementary (Partial changes as of October 4, 2014)

Changes to these Articles of Incorporation as noted below were passed by resolution at an extraordinary meeting of the General Committee of Voting Members held on October 2, 2014.

(Note) Changes were made to Article 16, Article 17.1, 2, 3, Article 20.3 and Article 50.2.

These Articles of Incorporation have been created for the incorporation of the General Incorporated Association Financials ISAC Japan, and have been signed and sealed by the founding member stated below.

July 1, 2014

Member at Incorporation Norihisa Doi

Member at Incorporation NRI Secure Technologies, Ltd.
President Hiroshi Masutani

(Attachment)

General Incorporated Association Financials ISAC Japan
Registry of Directors and Auditors

August 1, 2014

Title	Name
Representative Director at Incorporation	Mitsuyoshi Sugaya
Director at Incorporation	Keisuke Kamata
Director at Incorporation	Junko Hayakashi
Auditor at Incorporation	Ryuichi Inagaki

The original of these Articles of Incorporation above have been created in Japanese.
In the event that there is any discrepancy between the Japanese original and this English translation, the Japanese original shall take precedence and apply.

End