

## Committee Resolution on Full Members' Business Operations, etc.

Established on March 15, 2012  
Revised on June 13, 2013

Based on the Rules on Full Members' Business Operations, etc. (hereinafter referred to as the "Rules"), this committee resolution prescribes the following matters concerning the business operations, etc. of Full Members.

1. The internal rules provided in Article 5, Paragraph 2 of the Rules are as follows:

A Full Member (meaning a Full Member as prescribed in Article 7, Paragraph 1, Item 1 of the Articles of Incorporation; the same shall apply hereinafter) must establish internal rules including the following matters in order to prevent insider trading before it occurs:

(1) Compliance with Laws and Regulations, etc.

(i) Full Members shall comply with the Financial Instruments and Exchange Act (Act No. 25 of 1948, hereinafter referred to as the "FIEA") and other laws and regulations, etc. and shall endeavor to prevent insider trading before it occurs.

(ii) A Full Member shall not encourage any person who may have knowledge of any corporate information set forth in Article 1, Paragraph 4, Item 14 of the Cabinet Office Ordinance on Financial Instruments Business, etc. (Cabinet Office Ordinance No. 52 of 2007) (hereinafter referred to as "Corporate Information") or any information likely to fall under any of the foregoing to provide such information.

(iii) A Full Member shall not consider whether or not any Corporate Information or any information likely to fall under Corporate Information has been provided as well as the content thereof in evaluating or selecting a counterparty to whom an order pertaining to transactions of securities, etc., is to be placed.

(iv) Full Member officers and employees shall not receive entertainment or provision of money or goods beyond the scope of reasonable social conventions from officers and employees of the counterparty to whom an order pertaining to transactions of securities, etc., is to be placed.

(2) Management of Corporate Information

(i) A Full Member shall appoint an Information Control Manager (in principle, a director or any other person holding a similar position) from their officers and employees.

(ii) When any officer or employee has obtained Corporate Information or any information which is likely to fall under Corporate Information, the officer or employee shall immediately report such information to the Information Control Manager, etc. (meaning the Information Control Manager or any person designated by the Information Control Manager; the same shall apply hereinafter).

(iii) When the Information Control Manager, etc. receives a report related to the preceding item from any officer or employee, the Information Control Manager shall examine whether or not such information falls under the category of Corporate Information, and if so, shall give such officer or employee

necessary instructions regarding the administration, etc. of such Corporate Information.

- (iv) When any officer or employee has received a report pertaining to Corporate Information or has obtained Corporate Information or any information which is likely to correspond to Corporate Information, such officer or employee shall not communicate Corporate Information to any other person inside or outside the Company, except when permitted by the Information Control Manager, etc.

(3) Business operations

A Full Member shall not conduct any act based on Corporate Information in the performance of the investment management business.

However, this shall not apply to cases falling under any of the items in Article 166, Paragraph 6, or Article 167, Paragraph 5 of the FIEA.

(4) Proprietary trading

A Full Member and their officers and employees shall not conduct transactions based on Corporate Information on their own accounts.

However, this shall not apply to cases falling under any of the items in Article 166, Paragraph 6, or Article 167, Paragraph 5 of the FIEA.

2. The preparation of internal system for determining distributions as provided in Article 5, Paragraph 2 of the Rules shall be as follows:

(1) Preparation of an operation manual, etc.

The Investment Trust Management Member Company (meaning Full Members who are investment trust management companies as defined in Article 2, Paragraph 11 of Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951); the same shall apply hereinafter) shall prepare an operation manual, etc. containing the following matters:

(i) Process to determine distributions

- (a) Organization, committee, etc. for review
- (b) Organization, committee, or official who will make the final decision
- (c) Involvement of officers, etc., in determining distributions (committee chairperson, approval, report, etc.)

(ii) Matters to be considered in the review of distributions

- (a) The distribution policy provided in the basic terms and conditions and prospectus of the fund
- (b) The status of the funds for distribution (revenues for the period, funds to be carried over, etc.)
- (c) The reference base value
- (d) Forecasts that take into consideration factors such as the market outlook and portfolio conditions, in accordance with the characteristics of the fund
- (e) Other necessary matters, etc. (frequency of distribution (number of settlements), product attributes of funds such as index funds, etc., cash flow status, etc.)

(iii) Basic concept for determining distributions

In the operation manual, etc., it shall be stated that distributions are to be determined conservatively, such as considering the matters in ii. above and setting quantity standards.

(2) Rigorous implementation of operations in line with the operation manual, etc.

The Investment Trust Management Member Company shall rigorously implement operations in line with the operation manual, etc., and clarify their actions in determining distributions

#### Supplementary Provisions

1. This committee resolution shall come into effect on May 1, 2012.
2. Notwithstanding the foregoing 1., Full Members shall not be precluded from operating under the revised provisions before such effective date.

#### Supplementary Provision

This amendment shall come into effect on June 13, 2013.