

Rules on Remuneration, etc. and Expenses for Officers

This translation is solely aimed to serve as a reference, and accordingly all questions that may arise with regard to the meaning of the words or expressions herein shall be dealt with in accordance with the original Japanese text.

Article 1. Purpose

The purpose of these Rules is to prescribe matters necessary for paying remuneration, etc. for officers based on Article 30 of the Articles of Incorporation of the Japan Investment Advisers Association (hereinafter referred to as the “Association”).

Article 2. Definitions

In these Rules, the following terms shall have the following meanings.

- (1) Officers mean directors and auditors.
- (2) Full-Time Officers mean Officers who are appointed in a general assembly and whose principal place of work is the Association.
- (3) Non-Full-Time Officers mean Officers who are not Full-Time Officers.
- (4) Non-Member-Non-Full-Time Officers mean Non-Full-Time Officers who are not Officers appointed from the members of the Association.
- (5) Remuneration, Etc. means the remuneration and other property benefit in any name paid as the consideration for executing duties and the retirement allowance provided for in Article 89 and Article 105, Paragraph 1 of the Act on General Incorporated Associations and General Incorporated Foundations, which shall be clearly separated from Expenses.
- (6) Expenses mean transportation expenses, commutation expenses, travel expenses (including lodging expenses), charges and other expenses that arise in executing duties, which shall be clearly separated from Remuneration, Etc.

Article 3. Payment of Remuneration, Etc.

1. The Association may pay Full-Time Officers and Non-Member-Non-Full-Time Officers remuneration as the consideration for executing their duties. However, the Association shall not pay remuneration to Non-Member-Non-Full-Time Officers who belong to an investment management related organization or any other corporation or association that is recognized to be closely related to the Association.
2. The remuneration for Full-Time Officers shall be regular remuneration and bonus and the remuneration for Non-Member-Non-Full-Time Officers shall be regular remuneration.
3. For retiring Full-Time Officers, the retirement allowance set forth in Article 6 may be paid in accordance with their term of office.

Article 4. Regular Remuneration for Full-Time Officers

The monthly regular remuneration for Full-Time Officers shall be as stated in the table of monthly remuneration for Full-Time Officers in Table 1 and shall be decided for full-time directors by a resolution of the board of directors and for full-time auditors upon discussion by auditors.

Article 5. Payment of Bonus

1. The bonus for Full-Time Officers shall be paid in June and December in principle.
2. The bonus in the preceding paragraph shall be paid to each Full-Time Officer who is in office on June 1 or December 1 as applicable (hereinafter referred to as the "Reference Date") and each Full-Time Officer who resigned or died within one month before the Reference Date.
3. The annual bonus payment shall be up to the amount calculated by multiplying the monthly regular remuneration by 6.0 and shall be decided for full-time directors by a resolution of the board of directors and for full-time auditors upon discussion by auditors.

Article 6. Retirement Allowance

1. The retirement allowance for Full-Time Officers shall be paid to each Full-Time Officer who worked successfully as a Full-Time Officer and retired due to the expiration of his or her term of office, his or her resignation, or his or her death, and the allowance for the Full-Time Officer who retired due to his or her death shall be paid to his or her legal heir.
2. The amount of the retirement allowance set forth in the preceding paragraph shall be the amount calculated by multiplying the number of months in which the Full-Time Officer was in office (any number of days less than one month shall be rounded up) by the amount equivalent to 28/100 of the monthly regular remuneration at the time of his or her retirement. This amount may be increased or decreased in the range of 30% of this amount depending on the performance of duties and other factors for full-time directors by a resolution of the board of directors and for full-time auditors upon discussion by auditors.

Article 7. Regular Remuneration for Non-Member-Non-Full-Time Officers

The monthly regular remuneration for Non-Member-Non-Full-Time Officers shall be as stated in the table of monthly remuneration for Non-Member-Non-Full-Time Officers in Table 2 and shall be decided by a resolution of the board of directors.

Article 8. Method of Payment of Remuneration

1. The monthly remuneration for Full-Time Officers and Non-Member-Non-Full-Time Officers shall be paid in currency on the staff salary payment day after deducting the amounts that must be deducted under the applicable laws and regulations and the bonus for Full-Time Officers shall be paid in currency on the bonus payment day after deducting the amounts that must be deducted under the applicable laws and regulations. However, each of them may be transferred to the account in the name of the applicable Officer at a financial institution designated by the Officer.
2. If a person becomes a Full-Time Officer in the middle of a month or a Full-Time Officer resigns from the office or dies in the middle of a month, the payment of monthly remuneration shall be calculated on a per diem basis.

Article 9. Expenses

The Association shall reimburse each Officer Expenses that will be or has been paid by him or her for executing his or her duties without delay after the day on which the claim for the Expenses is made and shall pay beforehand Expenses that need to be paid in advance.

Article 10. Treatment of Commutation Allowance

A commutation allowance shall be paid to each Full-Time Officer in accordance with his or her actual commutation and the payment condition of commutation allowance for staff.

Article 11. Auxiliary Provision

If it is necessary for implementing these Rules, the chairman shall separately set forth one or more provisions with approval from the board of directors.

Article 12. Amendment and Abolition

These Rules may be amended or abolished by a resolution of the general assembly.

Supplementary Provision (February 20, 2012)

These Rules shall become effective on the day of registration of incorporation of a general incorporated association (July 2, 2012) provided for in Article 106, Paragraph 1 of the Act on Arrangement of Relevant Acts Incidental to Enforcement of the Act on General Incorporated Associations and General Incorporated Foundations and the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations as applied mutatis mutandis pursuant to Article 121, Paragraph 1 of the same act following the deemed replacement of terms.

Table 1. Table of Monthly Remuneration for Full-Time Officers (Unit: Yen)

(1) Directors

Pay Step	Amount
1	1,400,000
2	1,500,000
3	1,600,000
4	1,700,000
5	1,800,000
6	1,900,000
7	2,000,000

(2) Auditors

Pay Step	Amount
1	700,000
2	800,000
3	900,000

Table 2. Table of Monthly Remuneration for Non-Member-Non-Full-Time Officers (Unit: Yen)

Pay Step	Amount
1	100,000
2	110,000
3	120,000
4	130,000
5	140,000