

## Summary of comments received during the public consultation and the FSA's response

(Regarding “Public Consultation on Cabinet Office Order to Partially Amend Cabinet Office Order on Financial Instruments Business, etc. the Ordinance to Partially Amend the Ordinance on Financial Services Providers' Deposit for Operation and Regulatory Notices” launched on 6 November, 2020)

No.	Summary of Comments	FSA's Response
1	We believe that many of existing Financial Instruments Business Operators would also like to use English filings. Accordingly, we hope that Financial Instruments Business Operators that have registered in Japanese will also have the option to choose English filings after the registration.	<p>This amendment allows foreign asset management firms and other eligible financial business operators to prepare documents in English which are required to be submitted to the regulators to attract foreign financial business operators and professionals to Japan.</p> <p>If an applicant prepares an application for registration and an application for registration of change in Japanese, the applicant has to prepare other documents such as a notification and address supervision and inspection in Japanese after registration.</p>
2	Would it be possible for Financial Instruments Business Operators registered with Japanese application documents to be supervised and inspected in English after the registration or going forward by requesting the same?	<p>In regard to the requests, the FSA will look into further measures, if any, going forward by taking into account the needs of existing Financial Instruments Business Operators and other matters.</p>
3	Please confirm that Financial Instruments Business Operators registered with English application documents pursuant to the new regulations can file the subsequent notifications either in English or in Japanese? Or is there a requirement to follow the original language of registration?	<p>This amendment allows foreign asset management firms and other eligible financial business operators to prepare documents in English which are required to be submitted to the regulators, and it does not restrict preparing documents in Japanese.</p> <p>However, if an applicant prepares an application for registration and an application for registration of change in Japanese, the applicant has to prepare other documents such as a notification in Japanese after registration.</p>
4	We understand that it is acceptable to file a statement of operational procedures in English. Is it also acceptable to file internal rules attached with the statement of operational procedures in English?	<p>As you understand, it is acceptable to file internal rules attached with the statement of operational procedures in English.</p> <p>In addition, annexes of documents which are required to be submitted to</p>

		the regulators after the registration can be prepared in English.
5	Under the new regulations, in addition to documents which may be filed in English, can we submit other documents for pre-application consultation such as a business summary in English?	As you mentioned, it is allowed to submit other documents for pre-application consultation in English.
6	Can we expect that all communication including pre-application consultation with the regulators relating to the application will be available in English? Can we also expect that questions and comments from the regulators on the application documents will be provided in English?	An eligible applicant under the new regulations is able to communicate in English for pre-application consultation and registration procedure with the regulators.
7	Related to documents which can be submitted in English, can we receive/submit comments and other communications from/to the FSA, Finance (Branch) Bureaus, or Market Entry Office?	
8	According to the FSA's website, supervision and inspection of Financial Instruments Business Operators will be available in English. Does this mean that all communications with the regulators after the registration of Financial Instruments Business will be available in English and that all records of registration of a Financial Instruments Business may be maintained by the Financial Instruments Business Operator in English only?	<p>In regard to the first point, an applicant who registered by application in English is basically able to communicate in English with the regulators for supervision and inspection after the registration.</p> <p>In regard to the second point, all of the registration process including communications with the regulators can be conducted in English.</p>
9	When the regulators will send written inquires or questionnaires to Financial Instruments Business Operators after the implementation of the new regulations, will these inquiries be provided in both Japanese and English? Also, can Financial Instruments Business Operators respond to such inquiries in English only?	The FSA will make, for example, written inquiries for supervision and questionnaires for inspection in English.

10	<p>As a practical matter, will the FSA be willing to use tools such as web meetings for this prior consultation and other communications with the regulators related to the business registration? Also, will these emerging communications channels be available in connection with the supervision and inspection after the business registration?</p>	<p>The FSA intends to use web conferencing tools for pre-application consultation, registration procedure, supervision, and inspection after the registration.</p> <p>However, please note that not all of web conferencing tools are available due to cybersecurity reasons.</p>
11	<p>If an interested party of an applicant located in foreign country where there exists a significant time difference from Japan wishes to consult with the Office, how much of a time difference can the Office accept (e.g., will it be possible to have video conferences at 10:00 pm in Japan?) Also, does the Office expect that the processing time for an applications in English to be longer than for a Japanese application?</p>	<p>In regard to the first point, the FSA will appropriately address such time difference issue as far as possible with considering the significance of the time difference and an applicant's wishes.</p> <p>In regard to the second point, this amendment does not change the process or criteria of the registration review. Although the processing time for an application is different for each case, the FSA believes that the processing time for an application in English is not necessarily to be longer than for an application in Japanese.</p>