

Outline of the Standard Screening Procedure for Applications for New Registration with the FSA/Local Financial Bureau

Appendix 1

Consultation Prior to Application

- Hold over-the-counter/telephone consultation
- Check the following points through interviews based on the submitted preliminary documents of intended application ^(Note 1) ^(Note 2)
 - Summary profile of the intending applicant
 - Background and purpose of the application
 - Business outline and its administration
 - Adequate staffing that allows proper business administration, development of internal rules, etc.

(ref.) Average consultation period ^(Note 3) for financial instruments business operators and issuers of prepaid payment instruments for third-party business

→ Approximately three to four months, although the consultation period depends on the type of business and the circumstances of intending applicants

Application for Registration

- Receive applications for registration filed by applicants
- Examine the following points ^(Note 1) ^(Note 2)
 - Contents of the application
 - Contents of the appendices of the application
 - Whether or not contents of the application fall under the grounds for refusal of registration

(ref.) Average processing period ^(Note 3) for financial instruments business operators and issuers of prepaid payment instruments for third-party business

→ Approximately a month or two, although the processing period depends on the type of business and the circumstances of intending applicants

- (Note 1) Points to be checked through interviews and consultation period may vary based on the type of financial business due to differences in requirements for registration of respective financial instruments business.
e.g.) For instance, Small Amount and Short Term Insurance Providers need to be subject to verification and examination for insurance products intended for sale.
- (Note 2) As to grounds for refusal and viewpoints for registration-screening, refer to relevant statutes, the comprehensive supervisory guidelines, and guidelines for administrative processes of respective business types (see Appendix 2). Also note that preliminary checks in consultation prior to application are based on the similar viewpoints.
- (Note 3) Average consultation period and processing period roughly reflect the median value of the parent set of applications in a certain period in the past. Note that those periods vary due to the circumstances of applicants (or intending applicants). The aforementioned average period represents certain business types with a large number of registrations.