(Form 11)

Inspection Monitoring [Questionnaire]

Name of business operator (representative)	
Business type [Note 1]	
Inspecting office [Note 2]	
Name of chief inspector	

Response date: [Month] [Day], [Year]

Classification	Question	Answer
Operation of inspection	Question 1: Was the duration of the on-site inspection appropriate to verify the status of your business operations? 1. Appropriate 2. Mostly appropriate 3. Not very appropriate 4. Inappropriate Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
	Question 2: Was the timing of the on-site inspection appropriate? 1. Appropriate 2. Mostly appropriate 3. Not very appropriate 4. Inappropriate Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
	Question 3: Did the inspection team remain considerate about your company's business hours during the on-site inspection? 1. Sufficiently considerate 2. Largely considerate 3. Not very considerate 4. Inconsiderate Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	

[Note 1] Please choose the primary business of your company from below.
(i) Type I financial instruments business; (ii) registered financial institution; (iii) investment management; (iv) Type II financial instruments business; (v) investment advisory and agency business; (vi) permitted business for qualified institutional investors; (vii) financial instruments intermediary service (viii) credit rating service; (ix) other business (please indicate).

[Note 2] Please indicate whether the supervising authority was the Executive Bureau of the Securities and Exchange Surveillance Commission or indicate the name of the regional finance bureau or regional finance branch bureau.

Prior notice for inspection (no need to answer if the inspection was conducted without prior notice)	Question 4: Was the prior notice effective in reducing the workload for your company's officers and employees in connection with the inspection? 1. Effective 2. Mostly effective 3. Not very effective 4. Ineffective Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
	Question 5: Was the timeframe between the prior notice and the start date of the on-site inspection appropriate? 1. Appropriate 2. Mostly appropriate 3. Not very appropriate 4. Inappropriate Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Explanations about the inspection	Question 6: Please choose from below regarding the inspector's explanations of the parts of the inspection process: (i) authority and purpose of the inspection, (ii) request for cooperation with the inspection, (iii) opinion submission system, (iv) overview of inspection monitoring and (v) other necessary information. 1. Completely understood 2. Mostly understood 3. Some of the explanation was difficult to understand. 4. The whole explanation was difficult to understand. Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Hands-on inspection (no need to answer if there was no hands-on inspection)	Question 7: Was the hands-on inspection accompanied by relevant individuals from your company such as the person responsible for the inspection? 1. Always accompanied by relevant individuals 2. Almost always accompanied by relevant individuals 3. Some of the hands-on inspections were accompanied by relevant individuals. 4. None of the hands-on inspections were accompanied by relevant individuals. Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	

	Question 8: When employees' personal property was submitted for the hands-on inspection as being necessary and appropriate, did the inspector act appropriately without giving offense when requesting the owner's consent? 1. Always acted appropriately 2. Generally acted appropriately 3. Actions were sometimes inappropriate 4. Actions were always inappropriate Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Submission of materials	Question 9: Did inspectors request submission of materials appropriately, accepting the use of existing materials, etc.? 1. Always appropriately 2. Generally appropriately 3. Sometimes inappropriately 4. Always inappropriately Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
	Question 10: Was the deadline set for submitting materials adequate taking into account the administrative burden? 1. Adequate 2. Mostly adequate 3. Somewhat inadequate 4. Inadequate Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Implementation of the inspection	Question 11: Was the scope of materials required for inspection in line with the contents of the inspection? 1. Fully in line with the contents of the inspection 2. Mostly in line with the contents of the inspection 3. Somewhat out of line with the contents of the inspection 4. Completely out of line with the contents of the inspection Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	

Question 12: Did the inspection encourage your company to make voluntary efforts to establish a viable internal control environment? 1. Strongly encouraged 2. Mostly encouraged 3. Did not encourage much 4. Did not encourage at all Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Question 13: Were the key verification items and the scope of verification appropriate? 1. Appropriate 2. Mostly appropriate 3. Not very appropriate 4. Inappropriate Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Question 14: Was there sufficient interactive dialogue during the inspection? 1. Sufficient 2. Mostly sufficient 3. Somewhat insufficient 4. There was no interactive dialogue. Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Question 15: Did the inspection team and the management of your company have meetings (to exchange views) during the inspection? 1. Meetings were held at an appropriate frequency. 2. Meetings were held but would have been better if there had been more. 3. Meetings were held but would have been better if there had been fewer. 4. There were no meetings. Special remarks (if you chose anything other than 1, please detail the reasons for your selection)	

Question 16: When the inspector communicated the problems identified through the on-site inspection, did he/she present the basis of those problems (specific errors in applying laws/regulations and internal control system etc.) to your satisfaction? 1. Satisfactory. 2. Mostly satisfactory. 3. Some problems were described without any basis. 4. None of the problems were described with their basis. Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Question 17: Between the inspection this time and the Monitoring Priorities for Securities Businesses and the principles indicated by the FSA's supervisory department (or the finance department of the regional finance (branch) bureau), were there any unreasonable differences in the approach taken in terms of the contents/level of inspection and the criteria to determine which issues to point out? 1. The inspection took the same approach. 2. The inspection mostly took the same approach. 3. There were some unreasonable differences in the approach. 4. The inspection took a very different approach. Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Question 18: Inspectors' attitude 1. Always moderate and calm 2. Mostly moderate and calm 3. Not moderate or calm at times 4. Never moderate or calm Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Question 19: Was the knowledge of the inspection team sufficient to conduct the inspection? 1. Sufficient 2. Mostly sufficient 3. Somewhat insufficient 4. Entirely insufficient Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	

	Question 20: Was the inspection team knowledgeable about your company's characteristics such as business/risk profile? 1. Knowledgeable enough 2. Mostly knowledgeable 3. Somewhat ignorant 4. Completely ignorant Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Discussions at the end of the on-site inspection	Question 21: Were you able to confirm fully which issues identified during the on-site inspection are in agreement or disagreement with the inspection team at the discussions held at the end of the on-site inspection? 1. Confirmed all of the issues 2. Confirmed most of the issues 3. Some of the issues remain unconfirmed 4. Could not confirm any of the issues Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Inspection monitoring (Interview) (no need to answer if there was no interview)	Question 22: Was the timing of an interview for inspection monitoring appropriate? 1. Appropriate 2. Generally appropriate 3. Not very appropriate 4. Inappropriate Special remarks (if you chose 3 or 4, please detail the reasons for your selection)	
Others	Question 23: Please recommend any points that can be improved, or any other recommendations that would make inspections more efficient.	

	Question 24: Other comments (your views on the Basic Guidelines on Securities Business Monitoring, etc.)
Your thoughts on the questionnaire	Question 25: Please provide your views on this questionnaire.

<Contact information regarding answers to the questions>

Department:	Staff in charge:
Email:	Telephone:

- This questionnaire is designed to ensure that fairness is enforced in inspections conducted by the Securities and Exchange Surveillance Commission and regional finance (branch) bureaus. Your cooperation is much appreciated.
- As a benchmark, the submission period is set from the end date of the on-site inspection to 10 days (excluding holidays of administrative organs) after the issuance of the Notification of Completion of Inspection.
- You are not required to answer to all of the questions in this questionnaire.
- We give you our assurance that your company will not be treated unfairly as a result of your responses to this questionnaire.
- Please ensure that you indicate your company name and the relevant contact information for this questionnaire.
- From here, the results of this questionnaire will be collected, summarized and considered for public disclosure. In that case, specific trade names of respondents will not be disclosed.
- Please fill in the special remarks column whenever possible, including the facts and background.
- Do not address your opinions to individual inspectors; this is not acceptable since it defeats the purpose of the inspection monitoring system.