

Sharing non-public information with companies within our group company
(BofA Securities Japan Co., Ltd.)

From June 1, 2009, amendments to the so-called firewalls regulations came into force. The amendments allow non-public information about a customer to be exchanged and shared among group companies when the customer has been appropriately granted opportunities to discontinue the sharing of information among group companies. In this context, BofA Securities Japan Co., Ltd. (“BofAS Japan”) would like to exchange and share non-public information about your company among our group’s companies (including BofAS Japan; hereinafter referred to individually or in combination as “our group company”) in accordance with Article 153.2 of the Cabinet Office Ordinance regarding Financial Instruments Business (“Business Ordinance”).

Effective June 30, 2021, the Cabinet Office Ordinance concerning Financial Instruments Business has been amended. As a result, the Firewall regulation has been partially relaxed. Specifically, non-public information of foreign corporations has been excluded from the scope of Firewall regulations (information sharing restrictions between securities entity and bank within the same group within Japan). Accordingly, non-public information of clients that are foreign corporations may be shared among our group company going forward regardless of whether the client provided a consent for sharing its non-public information.

Further, due to the amendment of the Cabinet Office Ordinance concerning Financial Instruments Business and the Comprehensive Guidelines for Supervision of Financial Instruments Business Operators, etc. as of Jun 22, 2022, the new Opt out framework has been introduced. It enabled to share nonpublic information about the listed company, etc. (note 1) between its parent company and a subsidiary when providing opt-out opportunities appropriately, which means no need to obtain pre-approval from listed company, etc. In the case that the listed company etc. which leads group entities, requests to opt out representing the entire group, we will take the appropriate action such as changing the status of these group entities to opt out.

If your company wishes to discontinue the provision of non-public information to our group company, please contact to our relevant representative.

1. Scope of non-public information exchanged with our group company

Non-public information about your company that has come to our knowledge until now (indicating “non-public information” as prescribed in Article 1.4(xii) of the Business Ordinance on past transactions, the transaction schedule, and the timing of transactions, etc. (except related to foreign corporations); hereinafter “non-public information”) and non-public information about your company that could come to our knowledge in the future.

2. Scope of our group company within which non-public information is exchanged

Parent company, etc. (referring to the companies prescribed in Article 15-16.1 of the Financial Instruments and Exchange Law Enforcement Ordinance (FIEL)) and subsidiary company, etc. (referring to the companies prescribed in Article 15-16.2 of the FIEL) of BofAS Japan including Bank of America, National Association, Tokyo Branch.

3. Methods of exchanging non-public information

The exchange of non-public information with a group company may be made verbally, in writing, by email, or by some other method that gives access to or shares databases.

4. Methods by which the recipient manages non-public information

Our group company, which is the recipient of non-public information about your company, has taken the necessary steps in the management of non-public information to ensure that non-public information is not wrongly accessed or misused, by setting restrictions on access, etc.

5. Purposes of the use of non-public information by the recipient

Our group company, which is the recipient of undisclosed information about your company, may use undisclosed information about your company with the purpose of managing business relationships with your company and/or proposing or providing financial products or services to your company.

6. Method of managing non-public information when the sharing of the non-public information concerned with our group company is discontinued

Regarding the undisclosed information about your company that the BofAS Japan obtains after your company makes a request to discontinue the sharing of undisclosed information about your company with our group company, BofAS Japan shall treat the information as undisclosed information other than undisclosed information that can be shared among our group company (“unshared information”) and shall not provide our group company with new undisclosed information about your company for the purpose of solicitation. In addition, we shall decide in advance which companies’ unshared information can be accessed by interlocking personnel of the sales division and other divisions that use undisclosed information in BofAS Japan and our group company and shall take necessary measures to prevent access to other companies’ unshared information. However, please note that, with respect to the undisclosed information about your company that our group company has already received from the BofAS Japan, our group company, which is the information recipient, shall continue to possess the information with appropriate management and shall in future solicit transactions, etc. using the undisclosed information concerned.

(note 1) The listed company etc. is defined as a) listed company etc. stipulated in FIEL 163-1, b) company expecting IPO, c) company disclosing financial statement and d) Qualified Institutional Investor, and subsidiaries of them (the Cabinet Office Ordinance on Financial Instruments Business, etc. 123-1-18-(e))