

Check 1 When Attorneys are obliged to verify

1 Taking custody of assets of 2 million yen or more in connection with legal matters (hereinafter "Asset Management Acts")

[Examples]

- (i) Receipt of money payable pursuant to out of court settlement.
- (ii) A demand for a refund of overpayment without going through judicial proceedings, and receiving the refund from a money lender at the attorney's deposit account.
- (iii) A claim for damage resulting from a traffic accident without going through judicial proceedings, and receiving a payment from an insurance company to the attorney's deposit account.
- (iv) Represent an heir with regard to division of inherited property without going through judicial proceedings, and accept taking custody of compensation to be paid by the client or the other party.

[Exception]

- (i) When Attorneys receive money in order to pay deposits (kyotakukin), bail bonds or other similar amounts to a court, legal affairs bureau or other institutions.
- (ii) When Attorneys receive a tender, settlement or other similar money, or receive money in order to pay as a tender, settlement or other similar money resulting from procedures involving the courts or other dispute resolution organizations.
- (iii) When Attorneys receive damage indemnity, settlement money or other similar money with regard to criminal cases.
- (iv) When Attorneys receive money as an advance for fees or expenses of Attorneys.
- (v) Any other cases provided for in each item of Paragraph 1, Article 2 of the Rules

2 Preparing for or carrying out transactions listed below (hereinafter "Transactions")

- (i) Buying or selling real estate.
- (ii) Mergers, establishment, contributions of funds and changing objectives provided for articles of incorporation, bylaws, or partnership agreements, of corporations or Entities*.
*Entities Includes juridical persons(excluding corporations), partnerships, silent partnerships, investment limited partnerships, limited partnerships, or other similar organizations.
- (iii) Election of a person who executes the business of, or who represents the corporations or Entities.
- (iv) Entering into a trust agreement, consolidating or splitting a trust, or changing the objectives or the beneficiary provided for in a trust agreement or a trust instrument.
- (v) Assets are suspected to be criminal proceeds or concealment of criminal proceeds is suspected.
- (vi) Those which are conducted in such manner that significantly differ from the manner of similar transactions or acts.

Even in case of falling under the foregoing 1 or 2, identity verification may not be required in the following cases

- (i) The Attorney verified the identity of the client within 5 years
- (ii) Work conducted through consignment by the public (including a trustee in bankruptcy and guardian of adult)
- (iii) The client is the entity whose identity has been confirmed (including country, local government, listed company and other entities stipulated in Regulations.)

3 Taking custody of assets for Non-legal matters

Attorneys must carefully examine whether the purpose of such custody relates to a transfer of criminal proceeds

Check 2 When Attorneys are obliged to carry out strict client due diligence when verify identity.

Note: When engaging in Asset Management Acts or the preparation for or carrying out of Transactions and the client falls under any one of 1 through 4, Attorneys are obliged to carry out strict client due diligence when verify identity (strict identity verification).

1. The client is suspected of pretending.
2. The client is suspected of having falsified matters relating to Verification when Conducting Transactions.
3. Those to be conducted with foreign PEPs. (foreign PEPs includes the head of foreign state and persons occupies an important position in foreign government or other organizations similar thereto, and their relatives)
4. Who reside or are located in Iran or North Korea are involved.

Check 3 When the natural person actually instructing Attorneys differs from the client.

[Examples]

- (i) Client is a juridical person or other organization
- (ii) Client is a child and his/her statutory representative instructs the Attorney

→ Attorneys must verify that the natural person has the authority to instruct the Attorney ; provided, however, that this shall not apply where it is obvious that the natural person has been engaged in Asset Management Acts or Transactions for the client
When a client is an intangible juridical person or other organization, Attorneys must verify, in addition to verifying the identity of the client, the identity of the natural person.

There are exceptions not stated in this Checklist (brief version), so please confirm the Rules/Regulations for the details.

For identity verification method, continued to the back side.

1 Ordinary identity verification method

○ Natural person

[Face-to-face] Verify by one of the methods (i) through (iii)

- (i) Presentation of an Identity Verification Documents of a Natural Person With Photo
e.g. Driver's license, Passport
- (ii) Presentation of an Identity Verification Documents of a Natural Person without photo
e.g. A copy of residence certificate + Sending an Engagement Agreement by a Mail Not Requiring Forwarding
- (iii) Presentation of one of Social Insurance Certificates and Pension Handbook
e.g. Health insurance card + Presentation of another Social Insurance Certificates and Pension Handbook + Presentation or receiving of another Identity Verification Documents of a Natural Person + Presentation or receiving of Supplementary Documents
e.g. Receipt of utility charges, etc.

[Non-face-to-face]

- (iv) Receiving of an Identity Verification Documents of a Natural Person
e.g. A copy of residence certificate + Sending an Engagement Agreement by a Mail Not Requiring Forwarding

When Attorneys verify client identity, identity verification records as well as the transaction records of Asset Management Acts and Transactions must be retain for 5 years.

○ Juridical person

Verify by one of the methods (i) through (iii)

- (i) Presentation of an Identity Verification Documents of a Juridical Person
e.g. Certificate of registered matters
- (ii) Receiving of an Identity Verification Documents of a Juridical Person
e.g. Certificate of registered matters + Sending an Engagement Agreement by a Mail Not Requiring Forwarding
- (iii) Attorneys receive an Identity Verification Documents of a Juridical Person issued or provided by a Government Authority.
e.g. Acquisition of certificate of registered matters

2 Strict identity verification method

○ Natural person

- One of the ordinary identity verification methods (i) through (iv) + Presentation or receiving of an Identity Verification Documents of a Natural Person
e.g. Certificate of seal registration

○ Juridical person

- One of the ordinary identity verification methods (i) through (iii) + Presentation or receiving of an Identity Verification Documents of a Juridical Person
e.g. Certificate of seal registration

Note: Both in case of natural person and in case of juridical person, identity verification document to be additionally presented or received must be a document different from the one used for an ordinary identity verification method.