

Ministry of Finance Foreign Exchange Inspection Manual

May 12, 2008

[Exhibit 5]

**Checklist for Compliance with the Law for Prevention of Transfer of Criminal Proceeds
and Regulations in Relation to the Duty to Report Suspicious Transactions in
Foreign Exchange Operations**

This is the second of a three-part IBA translation of revisions to the MOF Foreign Exchange Inspection Manual.

SAMPLE ONLY

This translation is for reference purposes only and was neither reviewed nor approved by the Ministry of Finance, and is not an official interpretation of laws and regulations. The Japanese original released by the Ministry of Finance supersedes this translation, should there be discrepancies or differences between the Japanese and the English versions.

The International Bankers Association has prepared this translation with the intention of having the content, as much as possible, accurately represent the Japanese original. However, differences in layout and pagination from the Japanese original will exist.

INTERNATIONAL BANKERS ASSOCIATION

Ark Mori Building, 14F
1-12-32 Akasaka
Minato-ku, Tokyo, Japan 107-6014

Telephone: (03) 5545-7511
Facsimile: (03) 5545-0502
Email: g-info@ibajapan.org
Website: www.ibajapan.org

Exhibit 5**Checklist for Compliance with the Law for Prevention of Transfer of Criminal Proceeds and Regulations in Relation to the Duty to Report Suspicious Transactions in Foreign Exchange Operations****Purpose of reporting suspicious transactions**

The reporting of suspicious transactions is intended to prevent criminal and other illegal proceeds being transferred through by specified business operators (hereinafter, "specified business operators", referring to businesses covered by the Law for Prevention of Transfer of Criminal Proceeds) by reporting transactions that are believed to be related to criminal proceedings. This is based on the assumption that the business in question has sufficient general knowledge and experience to make a judgment by closely analyzing customers' personal information, transaction circumstances, and other specific information it holds. Pursuant to this, businesses are required to report any suspicious transactions discovered in the course of foreign exchange operations.

Item	Foreign Exchange Inspection Check Item	Explanation of Foreign Exchange Inspection Check Item	Notes
<p>I. Internal control system for fulfilling duty to report suspicious transactions</p>	<p>1. Positioning of compliance with the Law for Prevention of Transfer of Criminal Proceeds within the compliance system</p>	<p>Use the checklist (Exhibit 1) for the overall internal control system for foreign exchange compliance to check whether a system that complies with the Law for Prevention of Transfer of Criminal Proceeds and regulations in relation to the duty to report suspicious transactions has been adopted within the framework of the compliance system.</p>	
	<p>2. Positioning of compliance with the Law for Prevention of Transfer of Criminal Proceeds within the operational risk management system</p>	<p>Use the checklist (Exhibit 1) for the overall internal control system for the foreign exchange compliance to check whether a system that complies with the Law for Prevention of Transfer of Criminal Proceeds and regulations in relation to the duty to report suspicious transactions has been adopted within the framework of the operational risk management system.</p> <p>In particular, note the following points:</p> <p>Has a specific guide to operational procedures been created for reporting suspicious transactions, and are employees who handle customer transactions familiar with its contents?</p>	