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Full Day Compliance Training Outline* (September 29, 2008)

1. What is requested under Japanese banking laws and regulations?
 - ① Basics of Japanese Banking Law, Article 1
 - ② Meaning of license requirements and permitted business
 - ③ Risk management and compliance, their interdependent relationship
 - ④ Impact of Basel II and subprime loan issues on bank regulations
 - ⑤ Disclosure requirements under Japanese regulations

2. Recent trend of administrative orders imposed on financial institutions
 - ① Special attention to be paid to “firewalls”, among banking, securities, insurance and trust business
 - ② Effect of “Administrative Guidance” by FSA

3. Reason for recent massive changes of financial related laws and regulations
 - ① Japanese Corporation Law and corporate governance
 - ② Personal Data Protection Law and Whistle Blower Protection Law
 - ③ J-SOX and internal control requirements
 - ④ Law for Prevention of Transfer of Criminal Proceeds and other money laundering regulations

4. Impact of new Financial Instruments Exchange Act and revised Financial Instruments Sales Act on your business
 - ① New registration requirements for banks and licensing requirements for sales personnel
 - ② Various restrictions on sales activities (“Koui-Kisei”)
 - ③ New insurance products and beneficiary interests in trusts sales regulations

5. Effect of FSA revised Inspection Manuals and other inspection devices on your financial institutions
 - ① History of FSA Inspection Manuals and influence of COSO
 - ② FSA request of “Protection of Customers” under the Inspection Manual
 - ③ Request of effective internal audits under FSA Inspection Manual
 - ④ Importance of business process review and its improvement requirements
 - ⑤ Example of important administrative orders by FSA
 - ⑥ Examples of C-Ratings in FSA bank inspections published by FSA
 - ⑦ Effect of procedural changes in recent FSA inspections

** This outline is subject to fine-tuning based on the most recent regulatory developments.*