

Processing Status of Mediations, Complaints, and Consultations in FY 2009

Non-Profit Organization
Financial Instruments Mediation Assistance Center
(FINMAC)

1. Status of Mediation, Complaint Handling, and Consultation

(1) Overview

The number of cases of dispute resolution, etc. handled in FY 2009 (from February 1 to March 31, 2010) is as follows: mediations (38), complaints (198), and consultations (1,659).

* FINMAC commenced its business operation on February 1, 2010. Therefore, the period of its business operation in FY 2009 is from February 1, 2010 to March 31, 2010.

(Unit: 1 case)

	Mediation	Complaint	Consultation
FY 2009 (From February 1, 2010 to March 31, 2010)	38	198	1,659

* Each figure shows the total number of cases of mediation, complaint, and consultation handled by FINMAC, respectively. The unit of the figure is one case; the same applies hereinafter unless otherwise specified.

For your reference, the number of cases of dispute resolution, etc., handled by five associations before FINMAC was entrusted with the business (FY 2009 (from April 1, 2009 to January 31, 2010)) is as follows: mediations (183), complaints (1,093), and consultations (6,001). The total number of cases handled by these five associations and the number of cases handled by FINMAC after February 2010 has decreased in the number of mediation, complaint, and consultation cases, respectively, compared to the number of cases handled by five associations in the previous fiscal year (FY 2008).

[Reference: Total number of cases handled by five associations]

	Mediation	Complaint	Consultation
FY 2009 (From April 1, 2009 to January 31, 2010)	183	1,093	6,001
FY 2008	294	1,331	9,059

(Note 1) The total number of cases is calculated by simply adding each number of cases handled by five associations (Japan Securities Dealers Association; The Investment Trusts Association, Japan; Japan Securities Investment Advisers Association; The Financial Futures Association of Japan; and Japan Commodities Fund Association).

(Note 2) With respect to FY 2009, the number of cases handled during the period from April 2009 to January 2010 is included.

(2) Breakdown by Business Operators

The number of cases handled by the business operators in FY 2009 (from February 1 to March 31, 2010) is as follows:

(Unit: 1 case)

	Mediation	Complaint	Consultation
Self-Regulatory Organizations Affiliate Business Operators	38	198	1,005
Specified Business Operators	0	0	0
Others			654
Total	38	198	1,659

(Notes)

Self-Regulatory Organizations Affiliate Business Operators: Members of five associations

Specified Business Operators: Type II Financial Instruments Business Operators, etc. who have individually registered to use FINMAC

(3) Breakdown by Self-Regulatory Organizations Affiliate Business Operators (members of five associations)

The number of cases handled by each Self-Regulatory Organizations Affiliate Business Operator (members of five associations) in FY 2009 (from February 1 to March 31, 2010) is as follows. Many of the mediations, complaints, and consultations are related to the members of the Japan Securities Dealers Association.

(Unit: 1 case)

	Mediation	Complaint	Consultation
Japan Securities Dealers Association	35	181	884
The Financial Futures Association of Japan	2	14	101
Japan Securities Investment Advisers Association	0	3	14
The Investment Trusts Association, Japan	1	0	6
Japan Commodities Fund Association	0	0	0
Total	38	198	1,005

(4) Breakdown by Type of Business

The number of cases handled by each type of business in FY 2009 (from February 1 to March 31, 2010) is as follows. Many of the cases are related to the Type I Financial Instruments Business.

(Unit: 1 case)

	Mediation	Complaint	Consultation
Type I Financial Instruments Business	30	164	961
Type II Financial Instruments Business	0	0	0
Investment Management Business	1	0	6
Investment Advisory and Agency Business	0	3	13
Registered Financial Institution Business	7	31	44
Other Business			635
Total	38	198	1,659

(5) Breakdown by Financial Instruments and Services

(Unit: 1 case)

	Mediation	Complaint	Consultation
Stocks	14	76	921
Bonds	8	26	171
Investment Trusts	12	67	260
Derivatives	3	19	105
Securities-Related	0	1	2
Financial Futures, etc.	2	15	101
CFD	1	3	2
Others	0	0	0
Type II Financial Instruments	0	0	0
Investment Management	1	1	0
Investment Advisory	0	1	0
Others	0	8	202
Total	38	198	1,659

(Notes)

1. Derivatives (Financial Futures, etc.) include interest rate and foreign exchange futures, foreign exchange margin trading (FX), currency option, and the like.
2. Derivatives (Others) include interest rate and foreign currency swap, weather derivatives, and the like.
3. Type II Financial Instruments include beneficial interests of a trust, interests in collective investment schemes, commodity funds, and the like.
4. Others include cases that are not relevant to the types of Financial Instruments and services (e.g., those related to trading accounts, those related to paperwork, and those related to complaints, etc. against the company's response and person in charge).

2. Status of Mediation, Complaint, and Consultation

(1) Status of Mediation

The number of cases of dispute resolution through mediation in FY 2009 (from February 1 to March 31, 2010) is as follows: newly claimed cases (38) and concluded cases (2; among them, settlement (1)).

For your reference, the number of mediations handled by five associations before FINMAC was entrusted with the business (FY 2009 (from April 1, 2009 to January 31, 2010)) was 183 cases. The total number of such cases and the number of mediation cases handled by FINMAC after February 2010 has decreased compared to the number of mediation cases handled by five associations in the previous fiscal year (FY 2008).

(Unit: 1 case)

Mediation	FY 2009
Number of Newly Claimed Cases	38
Number of Concluded Cases	2
Settlement	1
Unresolved	1
Withdrawal	0
Number of Pending Cases at the End of the Relevant Fiscal Year	36

[Reference] Number of mediation cases handled by five associations

FY 2008	FY 2009
294	183

* With respect to FY 2008 and FY 2009, the total number of cases is calculated by simply adding each number of mediation cases handled by five associations. (With respect to FY 2009, the number of cases handled during the period from April 2009 to January 2010 is included.)

(1)-1 Number of Claim Cases by Category

		Solicitation	Sale and Purchase Transactions	Paperwork	Investment Management	Investment Advisory
FY 2009	Number of Cases	24	9	2	1	0
	(Composition Ratio)	63%	24%	5%	2%	-%

		Others	Total
FY 2009	Number of Cases	2	38
	(Composition Ratio)	5%	100%

(Notes)

[Solicitation] is related to the content with respect to which a customer makes a claim regarding a violation of the duty of explanation, misleading solicitation, violation of suitability, and the like.

[Sale and Purchase Transactions] are related to the content with respect to which a customer makes a claim regarding the failure of execution of sale and purchase transactions, transactions without permission, and the like.

[Paperwork] is related to the content with respect to which a customer makes a claim regarding the failure or delay of paperwork and procedures for deposits and withdrawals, and the like.

[Investment Management] is related to the Investment Corporation's asset management business, investment trust management business, and the like.

[Investment Advisory] is service, etc. to give advice regarding investment decisions.

(1)-2 Breakdown by Category

1) Main Cases concerning Solicitation

[Disputes regarding Violation of the Duty of Explanation] 15 (39.5%)

[Disputes regarding Violation of the Suitability Principle] 4 (10.5%)

2) Main Cases concerning Sale and Purchase Transactions

[Disputes regarding Failure of Execution of Sale and Purchase Transactions] 1 (2.6%)

[Disputes regarding Transactions without Permission] 1 (2.6%)

3) Main Cases concerning Paperwork

[Disputes regarding Failure of Paperwork] 2 (5.3%)

4) Other Main Cases

[Disputes regarding Fraud and Embezzlement] 2 (5.3%)

[Disputes regarding Management Responsibility] 1 (2.6%)

(Note) The percentage shown in parentheses is the percentage against the total number of mediation cases in FY 2009 (February 2010 and March 2010).

(1)-3 Number of Claim Cases by Financial Instruments and Services

	Number of Cases	(Composition Ratio)
Stocks	14	37%
Bonds	8	21%
Investment Trusts	12	32%
Derivatives	3	8%
Securities-Related	0	(-%)
Financial Futures, etc.	2	(5%)
CFD	1	(3%)
Others	0	(-%)
Type II Financial Instruments	0	-%
Investment Management	1	3%
Investment Advisory	0	-%
Others	0	-%
Total	38	100%

(Notes)

1. Derivatives (Financial Futures, etc.) include interest rate and foreign exchange futures, foreign exchange margin trading (FX), currency option, and the like.
2. Derivatives (Others) include interest rate and foreign currency swap, weather derivatives, and the like.
3. Type II Financial Instruments include beneficial interests of a trust, interests in collective investment schemes, commodity funds, and the like.

(1)-4 Number of Claim Cases by Type of Business

		Securities Company	Registered Financial Institutions including Banks	FX Operator	Others	Total
FY 2009	Number of Cases	29	7	1	1	38
	(Composition Ratio)	76%	18%	3%	3%	100%

(Note) Others include investment advisory companies.

(1)-5 Breakdown by Individuals and Corporations

		Individual		Corporation
		Male	Female	
FY 2009	Number of Cases	16	19	3
	(Composition Ratio)	42%	50%	8%

(1)-6 Breakdown by Region

		Hokkaido	Tohoku	Tokyo	Nagoya	Hokuriku	Osaka	Chugoku	Shikoku
FY 2009	Number of Cases	1	1	10	3	2	15	2	1
	(Composition Ratio)	3%	3%	26%	8%	5%	39%	5%	3%

		Kyushu	Overseas	Others
FY 2009	Number of Cases	3	0	0
	(Composition Ratio)	8%	-%	-%

(2) Status of Complaint

The number of complaint cases handled in FY 2009 (from February 1 to March 31, 2010) is as follows. The number of newly claimed cases was 198.

For your reference, the number of complaints handled by five associations before FINMAC was entrusted with the business (FY 2009 (from April 1, 2009 to January 31, 2010)) was 1,093 cases. The total number of such cases and the number of complaint cases handled by FINMAC after February 2010 has slightly decreased compared to the number of cases handled by five associations in the previous fiscal year (FY 2008).

(2)-1 Overview

(Unit: 1 case)

	FY 2009 (February 2010 and March 2010)
Number of Newly Accepted Cases	198
Number of Concluded Cases	139
Number of Pending Cases at the End of the Relevant Fiscal Year	59

[Reference] Number of complaint cases accepted by five associations

FY 2008	FY 2009
1,331	1,093

* With respect to FY 2008 and FY 2009, the total number of complaint cases is calculated by simply adding each number of complaints handled by five associations. (With respect to FY 2009, the number of cases handled during the period from April 2009 to January 2010 is included.)

(2)-2 Number of Claim Cases by Category

		Solicitation	Sale and Purchase Transactions	Paperwork	Investment Management	Investment Advisory
FY 2009	Number of Cases	80	43	33	0	3
	(Composition Ratio)	40%	22%	16%	-%	2%

		Others	Total
FY 2009	Number of Cases	39	198
	(Composition Ratio)	20%	100%

(2)-3 Breakdown by Category

1) Main Cases concerning Solicitation		
[Complaints regarding the Duty of Explanation at the Time of Solicitation]	35	(17.7%)
[Complaints regarding Suitability]	14	(7.0%)
2) Main Cases concerning Sale and Purchase Transactions		
[Complaints regarding Failure of Execution of Sale and Purchase Transactions]	14	(7.0%)
[Complaints regarding Transactions without Permission]	11	(5.5%)
3) Main Cases concerning Paperwork		
Complaints regarding Paperwork in connection with Shares	8	(4.0%)
Complaints regarding Securities Companies	3	(1.5%)
4) Other Main Cases		
Complaints regarding Grievance against the Company	20	(10.1%)

(Note) The percentage shown in parentheses is the percentage against the total number of complaint cases in FY 2009 (February 2010 and March 2010).

(2)-4 Number of Claim Cases by Financial Instruments and Services

	Number of Cases	Composition Ratio
Stocks	76	38%
Bonds	26	13%
Investment Trusts	67	34%
Derivatives	18	9%
Securities-Related	1	(1%)
Financial Futures, etc.	14	(7%)
CFD	2	(1%)
Others	1	(1%)
Type II Financial Instruments	0	-%
Investment Management	1	1%
Investment Advisory	1	1%
Others	9	4%
Total	198	100%

(Notes)

1. Derivatives (Financial Futures, etc.) include interest rate and foreign exchange futures, foreign exchange margin trading (FX), currency option, and the like.
2. Derivatives (Others) include interest rate and foreign currency swap, weather derivatives, and the like.
3. Type II Financial Instruments include beneficial interests of a trust, interests in collective investment schemes, commodity funds, and the like.
4. Others include cases that are not relevant to the types of Financial Instruments and services (e.g., those related to trading accounts, those related to paperwork, and those related to complaints, etc. against the company's response and person in charge).

(2)-5 Number of Claim Cases by Type of Business

		Securities Company	Registered Financial Institutions including Banks	FX Operator	Others	Total
FY 2009	Number of Cases	152	31	12	3	198
	(Composition Ratio)	77%	15%	6%	2%	100%

(Note) Others include investment advisory companies, mainly.

(2)-6 Breakdown by Individuals and Corporations

		Individual		Corporation
		Male	Female	
FY 2009	Number of Cases	124	71	3
	(Composition Ratio)	63%	35%	2%

(2)-7 Breakdown by Region

		Hokkaido	Tohoku	Tokyo	Nagoya	Hokuriku	Osaka	Chugoku	Shikoku
FY 2009	Number of Cases	7	5	109	24	4	22	10	6
	(Composition Ratio)	4%	3%	55%	12%	2%	11%	5%	3%

		Kyushu	Overseas	Others
FY 2009	Number of Cases	10	0	1
	(Composition Ratio)	5%	-%	1%

(Note) Others include complaint cases through mobile phone, etc., by which the location of the person who makes a claim cannot be identified.

(3) Status of Consultation

The number of consultations received in FY 2009 (from February 1 to March 31, 2010) was 1,659 cases.

For your reference, the number of consultations accepted by five associations before FINMAC was entrusted with the business (FY 2009 (from April 1, 2009 to January 31, 2010)) was 6,001 cases. The total number of such cases and the number of consultation cases handled by FINMAC after February 2010 has decreased slightly compared to the number of cases handled by five associations in the previous fiscal year (FY 2008).

(3)-1 Overview

(Unit: 1 case)

	FY 2009
Number of Cases Accepted	1,659

[Reference] Number of consultations accepted by five associations

FY 2008	FY 2009
9,059	6,001

* With respect to FY 2008 and FY 2009, the total number of consultation cases is calculated by simply adding each number of consultations handled by five associations. (With respect to FY 2009, the number of cases handled during the period from April 2009 to January 2010 is included.)

(3)-2 Number of Consultation Cases by Category

		Laws, regulations and practices on Financial Instruments Trading, etc..	Solicitation	Sale and Purchase Transactions	Paperwork	Investment Management
FY 2009	Number of Cases	325	218	94	113	0
	(Composition Ratio)	20%	13%	6%	7%	-%

		Investment Advisory	Others	Total
FY 2009	Number of Cases	14	895	1,659
	(Composition Ratio)	1%	53%	100%

(3)-3 Breakdown of Consultations by Category

1) Main Questions and Comments concerning the laws, regulations and practices on Financial Instruments Trading, etc.

[Consultations regarding the Operation of FINMAC]
(Questions, etc. regarding the scope of services handled by FINMAC, mediation systems, and the like) 76 (4.6%)

[Consultations regarding the laws, regulations and practices on Financial Instruments Trading]
(Questions, etc. regarding laws, regulations and practices on Financial Instruments Trading in general, distribution related to underwriting of public offering, share split, and the like) 65 (3.9%)

2) Main Questions and Comments concerning Solicitation

[Consultations regarding the Duty of Explanation] 96 (5.8%)

[Consultations regarding Aggressive Solicitation] 48 (2.9%)

3) Main Questions and Comments concerning Sale and Purchase Transactions

[Consultations regarding Transactions without Permission] 24 (1.4%)

[General Consultations regarding Sale and Purchase] 24 (1.4%)

4) Main Questions and Comments concerning Paperwork

[Consultations regarding Trading Accounts] 38 (2.3%)

[Consultations regarding Deposit and Withdrawal of Money, and Incoming and Outgoing Transfer of Funds] 22 (1.3%)

5) Main Questions and Comments regarding Investment Advisory

[Consultations, etc. regarding the Contents of Advisory] 6 (0.4%)

6) Other Main Questions and Comments

[Consultations regarding Unlisted Stocks] 505 (30.4%)

[Consultations regarding Other Industries] 110 (6.6%)

[Consultations regarding Grievance against the Company] 93 (5.6%)

[Consultations regarding Listed Companies, etc.] 39 (2.4%)

(3)-4 Number of Consultation Cases by Financial Instruments and Services

	Number of Cases	Composition Ratio
Stocks	921	55.5%
Bonds	171	10.3%
Investment Trusts	260	15.7%
Derivatives	105	6.3%
Securities-Related	2	(0.1%)
Financial Futures, etc.	101	(6.1%)
CFD	2	(0.1%)
Others	0	(0.0%)
Type II Financial Instruments	0	0.0%
Investment Management	0	0.0%

Investment Advisory	0	0.0%
Others	202	12.2%
Total	1,659	100%

(Notes)

1. Derivatives (Financial Futures, etc.) include interest rate and foreign exchange futures, foreign exchange margin trading (FX), currency option, and the like.
2. Derivatives (Others) include interest rate and foreign currency swap, weather derivatives, and the like.
3. Type II Financial Instruments include beneficial interests of a trust, interests in collective investment schemes, commodity funds, and the like.
4. Others include cases that are not relevant to the types of Financial Instruments and services (e.g., those related to trading accounts, those related to paperwork, and those related to complaints, etc. against the company's response and person in charge).

(3)-5 Number of Consultation Cases by Type of Business

		Securities Company	Registered Financial Institutions including Banks	FX Operator	Others	Total
FY 2009	Number of Cases	861	44	100	654	1,659
	(Composition Ratio)	51.9%	2.7%	6%	39.4%	100%

(Note) Others include, mainly, consultations regarding unlisted stocks (505), other industries (110), and listed companies (39).

(3)-6 Breakdown by Individuals and Corporations

		Individual		Corporation
		Male	Female	
FY 2009	Number of Cases	950	630	79
	(Composition Ratio)	57%	38%	5%

(3)-7 Breakdown by Region

		Hokkaido	Tohoku	Tokyo	Nagoya	Hokuriku	Osaka	Chugoku	Shikoku
FY 2009	Number of Cases	53	45	755	153	29	339	59	29
	(Composition Ratio)	3%	3%	45%	9%	2%	20%	4%	2%

		Kyushu	Overseas	Others
FY 2009	Number of Cases	68	0	129
	(Composition Ratio)	4%	-%	8%

(Note) Others include consultations through mobile phone, etc., by which the location of the person who consults cannot be identified.