

# **ARTICLES OF ASSOCIATION FOR THE “ASSOCIATION OF RADIO INDUSTRIES AND BUSINESSES”**

## **Chapter 1: General Provisions**

### Article 1: Name

This juristic entity shall be called “*IPPAN SHADAN HOUJIN DENPA SANGYOUKAI*” or, in English, the “Association of Radio Industries and Businesses” (hereinafter referred to as “the Association”).

### Article 2: Offices

1. The Association shall have its principle office in Chiyoda-ku, Tokyo.
2. The Association may have additional offices at places of necessity upon the resolution of the General Assembly.

## **Chapter 2: Objectives and Activities**

### Article 3: Purpose

The purpose of the Association shall be to promote public welfare through conducting, inter alia, investigation, research, development and consultation relating to the utilization of radio waves from the viewpoint of the realization and popularization of radio systems, which support socioeconomic development, such as telecommunications and broadcasting, as well as to contribute to the sound progress and development of radio industries.

### Article 4: Activities

1. The Association shall execute the following activities in order to achieve the purpose set forth in the preceding article:
  - (1) Investigation, research and development on the utilization of radio waves;
  - (2) Consultation and enlightenment for the popularization and collection/publication of material and information on the utilization of radio waves;
  - (3) Development of standards relating to radio systems;
  - (4) Liaison, coordination, and cooperation with foreign organizations relating to the utilization of radio waves;
  - (5) Frequency alternation and termination business which is stipulated in Article 71, Section 2 of the Radio Act;
  - (6) Activities incidental to any of the above items; and
  - (7) Any other activities necessary to achieve the purpose of the Association;
2. The above activities are carried out not only in Japan but also in foreign countries.

## **Chapter 3: Member**

### Article 5: Membership

1. Membership in the Association shall be of the following two types;

- (1) Regular member: A member who joined the Association by giving their approval regarding the purposes of the Association; and
  - (2) Supporting member: A member who joined the Association in order to assist the activities of the Association.
2. Regular members shall be constitute of members under the Act on General Incorporated Associations and General Incorporated Foundations (hereinafter referred to as “Incorporated Associations Act”)

#### Article 6: Admission for Membership

Any person or entity who intends to join the Association shall submit a membership application to the chairman of the board of directors (hereinafter referred to as “Chairman”), the form of which shall be stipulated separately by the board of directors. They shall then to obtain the approval of the board of directors.

#### Article 7: Entrance Fees and Membership Fees

1. Each member shall pay an entrance fee and a membership fee.
2. The types, amounts, and methods of collection, etc. regarding entrance fees and membership fees shall be stipulated separately herefrom upon the resolution of the General Assembly.
3. If extraordinary expenditure becomes necessary, extraordinary membership fees may be collected upon the resolution of the General Assembly.

#### Article 8: Withdrawals

Members may withdraw at any time by submitting a withdrawal notice to the Chairman, the form of which must be stipulated separately by the board of directors.

#### Article 9: Dismissals

If a member falls under the following cases of this article, the member may be dismissed by the resolution of the General Assembly. However, such member shall be given a chance for explanation before the adoption of the resolution.

- (1) Violation of the Articles of Association or other rules;
- (2) Engagement in actions causing damage to the reputation of the Association or contrary to the objectives of the Association; or
- (3) Other legitimate reasons for dismissal;

#### Article 10: Loss of Membership

Members shall lose their membership for the following reasons other than that stated in the proceeding two articles;

- (1) In the case of delinquency for one year or more in payment of the membership fee stated in Article 7;
- (2) In the case that all regular members agree; or
- (3) In the case that the member becomes deceased or is dissolved;

#### Article 11: Non-refund of Membership Fees, etc.

Entrance fees, membership fees, or any other money or articles once paid shall not be refunded.

## **Chapter 4: General Assembly**

#### Article 12: Composition

1. The General Assembly shall consist of all regular members.
2. The General Assembly shall be regarded as the “General Meeting of Members” under the Incorporated

Associations Act.

#### Article 13: Authority

The General Assembly shall resolve the following matters:

- (1) Appointment and dismissal of officials and accounting auditors;
- (2) Approval of the balance sheet and the profit and loss statement (a statement of increase/decrease in net worth) (hereinafter referred to as “financial statements”), and attached descriptions;
- (3) Amendment of the Articles of Association;
- (4) Dissolution and the disposal of the residual property; and
- (5) Other matters stipulated in laws and regulations or in the Articles of Association as items for resolution by the General Assembly

#### Article 14: Holding of Meetings

The ordinary General Assembly shall be held in June every business year, while the extraordinary General Assembly shall be held as necessary.

#### Article 15: Convocation

1. Except in the case as stipulated in laws and regulations, the General Assembly shall be convened by the Chairman with the resolution of the board of directors.
2. The General Assembly shall be convened by giving written notice to regular members stating the date, time, and place, along with the matters to be resolved at the meeting, no later than seven days prior to the date of such meeting. However, when it is possible to exercise voting rights by written document, a written notice shall be sent no later than 14 days prior to the date of such meeting.
3. Financial statements, reports of activities and the reports of auditors (including the reports of the accounting auditors) approved by the board of directors shall be provided to regular members with the written convocation notice of the General Assembly.
4. Regular members constituting more than one-tenth of the total regular members may jointly demand that the Chairman convene the General Assembly, indicating the matters that are the objectives of the General Assembly, along with the reason for the convocation. In this case, the General Assembly shall be convened within 30 days from the date of the demand.

#### Article 16: Chairman of Meetings

The Chairman shall preside over the General Assembly

#### Article 17: Voting rights

Each regular member shall possess one vote at the General Assembly.

#### Article 18: Quorum

No General Assembly may be held unless more than half of the total regular members are present.

#### Article 19: Resolution

1. Resolutions of the General Assembly shall be passed by the majority vote of regular members present.
2. Notwithstanding the stipulations of the preceding provision, the resolutions on the following matters must be passed with a two-third majority vote of the total regular members;
  - (1) Dismissal of members;
  - (2) Dismissal of auditors;
  - (3) Disposal or mortgage with the asset for the purpose of the business stabilization;
  - (4) Transfer of the business;

- (5) Amendments to the Articles of Association;
- (6) Dissolution; and
- (7) Other matters that are stipulated in laws and regulations

Article 20: Vote in Writing, etc.

1. Any regular member who is unable to attend the General Assembly may vote in writing or by appointing a person designated as its proxy who votes on its behalf, with respect to matters notified in advance.
2. In the case of the preceding section, any regular member who votes in writing or through a proxy shall be deemed present at the meeting.

Article 21: Minutes

1. The proceedings of the General Assembly shall be recorded in its minutes including the following matters shall be prepared and the minutes should be deposited at the principle office of the Association:
  - (1) Date, time and place of the General Assembly;
  - (2) Current number of regular members;
  - (3) Number and names of regular members who attended the General Assembly (if voting is made in writing or through a proxy, words to that effect shall be added.);
  - (4) Name of the directors, auditors and accounting auditors who attended the General Assembly
  - (5) Name of the Chairman of the General Assembly
  - (6) Matters discussed and those resolved;
  - (7) Outline of the proceedings and their results;
  - (8) Matters relating to the appointment of minutes signers; and
  - (9) Other matters as stipulated in Article 11 of the Ordinance for the Enforcement of the Incorporated Associations Act.
2. The minutes shall include the signatures and seals of the chairman of the General Assembly and the two or more minutes signers who were appointed at the General Assembly from among the regular members present.

## **Chapter 5: Official and Accounting Auditor etc.**

Article 22: Official and Accounting Auditor

1. The Association shall appoint the following officials:
  - (1) Directors; a minimum of 10 and maximum of 15 persons; and
  - (2) Auditors; a maximum of three persons.
2. From among the directors, one chairman, three or less vice chairmen, one senior managing director and three or less managing directors shall be appointed.
3. The Chairman and senior managing director in the preceding section shall be the representative director under the Incorporated Association Act, and maximum of 5 directors excluding the representative director shall act as executive directors.
4. The Association shall appoint accounting auditors.

Article 23: Appointment of Officials and Accounting Auditors

1. Officials and accounting auditors shall be appointed by the resolution of the General Assembly.
2. The Chairman, vice-chairman, senior managing director, managing director and executive director shall be appointed among the directors by the resolution of the board of directors.
3. The posts of director and auditor shall not be held concurrently by a single person.

4. The Chairman must gain the consent of the majority of auditors when submitting agendas to the General Assembly regarding the appointment of the auditors and accounting auditors.

#### Article 24: Duties and Right of Director

1. Directors shall be a member of the board of directors and shall carry out their duties under the laws/regulations and the Articles of Association;
2. The Chairman and senior managing director shall represent the Association and execute its activities.
3. The Vice-Chairman shall assist the Chairman.
4. The senior managing director shall assist the Chairman/vice-Chairman and shall execute the daily activities of the Association as the secretary general of the Association, as is stipulated in Article 55, Section 1 hereof.
5. The executive director shall, as separately determined by the board of directors, share the responsibilities of the operations of the Association.
6. The Chairman, senior managing director, and executive director must report the status of the execution of their duties to the board of directors in intervals of more than four months, more than twice during every business year.

#### Article 25: Duties and Right of Auditor

1. The auditors shall carry out the following duties;
  - (1) To audit the execution of duties by the directors and to draft auditor reports;
  - (2) To audit the financial statements/business report regarding each business year;
  - (3) To attend the General Assembly and express their views when such is found to be necessary;
  - (4) To report immediately thereon to the board of directors, when a director commits a wrongful act or when it is found that he/she may commit such an act ;
  - (5) To request the Chairman to convene a meeting of the board of directors, when such is found to be necessary in the proceeding items; and in this case, if the notice that the board of directors is held within 14 days from the request is not issued within five days from the request, to directly convene a meeting;
  - (6) To survey the agenda/documents which the directors intend to submit to the General Assembly and others as stipulated in ordinances of the Ministry of Justice, and to report the result of such survey to the General Assembly when it is found that there has been a violation of laws/ regulations or the Articles of Association, or when there are facts involving significant fraud; and
  - (7) Other duties as stipulated by laws and regulations;
2. The auditor shall at anytime request a report on activities from directors or employees and shall review the status of the operations and finances of the Association.

#### Article 26: Partial Exemption of Official, etc. from Liability for Losses

When an official, etc. is liable for losses in accordance with the stipulations of Article 111, Section 1 of the Incorporated Associations Act, the Association may exempt the official, etc., in question from such liability up to the amount obtained by deducting the amount of the minimum liability stipulated in Article 113, Section 1 of the Incorporated Associations Act from the amount of liability borne by such official, etc., by the resolution of the board of directors, where it is recognized that the execution of duties by such official, etc., is carried out in goodness and no significant fault after taking into consideration the details of the facts causing the liability/status of the execution of duties by such official, etc., and other circumstances.

#### Article 27: Duties and Power of Accounting Auditor

1. The accounting auditors shall audit the financial statements and the attached descriptions, the inventory of property and shall draft the report of the accounting auditors, as stipulated in laws and regulations.

2. The accounting auditors shall at anytime inspect and copy the following documents and shall request a report on accounting from the directors or employees;

- (1) The account books or materials relating thereto, when they are provided in writing; and
- (2) When account books or materials relating thereto are provided in electromagnetic form, the printed documents of the material in electromagnetic form in the manner as stipulated in laws and regulations.

#### Article 28: Terms of Office of Officials and Accounting Auditors

1. The terms of office for officials shall be until the conclusion of the ordinary General Assembly regarding the final business year that ends within two years from the appointment. However, reappointment shall not be precluded by this provision.

2. The term of office for officials who was appointed to fill a vacancy and that of the director who was appointed to increase the number of directors shall be same as the remaining term of office of their predecessor or another existing director.

3. An Official shall, in case of resignation or termination from the term of office, continue their duties until their successor assumes office when the resignation causes insufficiency in the number of officials, as stipulated by Article 22 of the Articles of Association.

4. The term of office for accounting auditors shall be until the conclusion of the ordinary General Assembly regarding the final business year that ends within a year from the appointment. However, an accounting auditor is regarded to have been reappointed in case there is no resolution otherwise passed at the ordinary General Assembly.

#### Article 29: Removal of Officials and Accounting Auditors

1. Any official and accounting auditor may be removed from office by the resolution adopted by the General Assembly. However, such an official and accounting auditor shall be given a chance for explanation before the adoption of the resolution.

2. Any accounting auditor who falls under any of the following items of this article may be removed from office by the auditors with the unanimous consent of all auditor members. However, such an accounting auditor shall be given a chance for explanation before the adoption of the resolution.

- (1) In case of breaching their duties or neglecting their duties;
- (2) In case of engaging in misconduct deemed unsuitable for accounting auditors; or
- (3) In case of being unfitted to perform their duties due to a mental or physical disorder;

#### Article 30: Remuneration of Officials

1. No remuneration will be paid to officials; provided, however, remuneration may be paid to full-time officials on the basis of the payment standards of remuneration decided by the General Assembly.

2. Remuneration for accounting auditors may be decided by the board of directors with the consent of the majority of the auditor.

#### Article 31: Special Advisor to the Chairman

1. The Association may appoint a special advisor to the Chairman.

2. The special advisor to the Chairman shall be entrusted by Chairman upon the resolution of the board of directors and shall submit its opinions at the request of the Chairman.

## **Chapter 6: Board of Directors**

#### Article 32: Duties and Constituents of the Board of Directors

1. The Association shall establish a board of directors.

2. The board of directors shall consist entirely of directors.

#### Article 33: Right of the Board of Directors

The board of directors shall perform the following duties in addition to the matters stipulated in the Articles of Association;

- (1) Making decisions on the execution of the business activities of the Association;
- (2) Auditing the execution of duties by the director;
- (3) Appointing and dismissing the Chairman, vice-Chairman, senior managing director, managing director, and executive director;

#### Article 34: Convocation

1. The chairman shall preside over the board of directors.
2. Meetings shall be convened by giving written notice to the directors and auditors stating the date, time, place, and purpose no later than seven days prior to the date of such meeting.
3. Notwithstanding the stipulation of the preceding section, the board of directors may, upon the consent of all directors and auditors, be convened without taking the procedures for convocation.

#### Article 35: Chairman

Meetings of the board of directors shall be chaired by the Chairman.

#### Article 36: Quorum

No meetings of the board of directors may be held unless more than half of the total directors are present.

#### Article 37: Resolutions

1. Resolutions of the board of directors shall be adopted by the directors in attendance, given that a majority of directors excluding those that have special interest in the resolutions are in attendance, and in the case of a tie, decisions shall be made by the casting vote of the Chairman of the meeting.
2. In the preceding section, the Chairman may not take part in the voting of the resolution as a director.
3. Notwithstanding the provision of 1, in case a director proposes matters that are within the purpose of the resolution of the board of directors and if all directors (directors who have special interest are excluded) agree in writing on the resolutions, the resolution of the board of directors shall be deemed to have been passed. However, when auditors show the objection of the proposal, this provision shall not be applied.

#### Article 38: Participation of Management Adviser

1. The Chairman may request the participation of management advisers and ask their opinion when it is necessary for the agenda of the board of directors.
2. Management advisers shall be appointed by the resolution of the General Assembly.

#### Article 39: Minutes

1. The proceedings of the board of directors shall be recorded in its minutes including each of the following matters to be prepared, and the minutes should be deposited at the principle office of the Association for 10 years from the date of the meeting:

- (1) Date, time, and place of the board of directors;
- (2) Names of the directors, auditor and accounting auditors who attended the meeting of the board of directors;
- (3) Name of the Chairman of the board of directors;
- (4) Matters discussed and those resolved;
- (5) Outline of the proceedings and their results; and

- (6) Other matters as stipulated in Article 11 of the Ordinance for the Enforcement of the Incorporated Associations Act.
2. The minutes shall include the signatures and seals of the representative director and the auditors who were present.

## **Chapter 7: Standard Assembly, Standard Council, and Committees**

### Article 40: Standard Assembly

1. The Association shall have a Standard Assembly.
2. The Standard Assembly shall discuss standards relating to radio systems.
3. The organization, method of the appointment of members, and any other matters necessary for the management of the Standard Assembly shall be stipulated separately herefrom upon the resolution of the General Assembly.
4. In case a member of the Standard Assembly has an objection to a procedure of the Standard Assembly while proceeding the development of standards stipulated in 2 of this article or an amendment to or abolishment of them, the member may make such objection in writing to the Chairman. In this case, the Chairman shall consult the Standard Council stipulated in the following article before making a decision on the objection.

### Article 41: Standard Council

1. The Association shall have a Standard Council.
2. When consulted by the Chairman as stipulated in Section 4 of the preceding article, the Standard Council shall resolve the consulted question.
3. The organization, method of the appointment of members, and any other matters necessary for the management of the Standard Council shall be stipulated separately herefrom upon the resolution of the General Assembly.

### Article 42: Committees

1. The Association may have committees when necessary for the management of the Association upon the resolution of the General Assembly; provided, however, that if such a demand arises between two General Assemblies, the Association may have a committee upon the resolution of the board of directors, in which case, it shall be approved at the immediate General Assembly.
2. The organization, method of the appointment of members, and any other matters necessary for the management of the committee shall be stipulated separately herefrom upon the resolution of the General Assembly; provided, however, that the organization, method of the appointment of members and any other matters necessary for the management of the committee as stipulated in the provisional clause of the preceding section shall be stipulated separately herefrom upon the resolution of the board of directors. In this case, it shall be approved at the immediate General Assembly.

## **Chapter 8: Assets and Accounting**

### Article 43: Components of Assets

The assets of the Association shall consist of the following items:

- (1) Entrance fees and membership fees;
- (2) Contributed money and other articles;
- (3) Income from assets;
- (4) Income from activities; and
- (5) Other income.

#### Article 44: Management of Assets

1. The assets of the Association shall be administered by the Chairman upon the resolution of the board of directors.
2. The Chairman may keep a part of the assets as those for the purpose of business stabilization, upon the resolution of the General Assembly in order to secure the continuous and stable execution of activities.
3. Assets for the purpose of business stabilization shall be deposited with reliable financial institutions, left in trust with a trust bank, or kept in the form of safe securities, such as in national and public bonds.
4. In cases where there is an unavoidable reason, the Chairman may dispose of the assets for the purpose of business stabilization or offer the funds as security upon the resolution of the General Assembly.

#### Article 45: Defrayment of Expenses

The expenses of the Association shall be defrayed from its assets.

#### Article 46: Business Year

The business year of the Association shall commence on April 1 every year and end on March 31 of the following year.

#### Article 47: Planning of Activities and Budget

1. The Chairman shall prepare documents relating to the planning of the activities of the Association and the budgets regarding revenue/expenditures incidental to the plan, and shall have them approved by the board of directors before the commencement of every business year.
2. Notwithstanding the preceding section, as required, the Chairman may revise the budget for revenue and expenditures with the approval of the board of directors.
3. The documents stipulated in the preceding two sections may be deposited at the principle office of the Association until the end of the relevant business year and shall be made available to the public.

#### Article 48: Report of Activities and the Settlement of Accounts

1. The Chairman shall prepare the following documents after the completion of every business year and shall have them audited by an auditor. With regard to (3) to (7) of the documents listed below, the Chairman shall have them approved by the General Assembly after an audit by an accounting auditor and upon the approval of the board of directors. With regard to (1) to (2) of the documents listed below, the Chairman shall have them reported to the General Assembly.

- (1) Report of activities;
- (2) Attached descriptions;
- (3) Statement of accounts;
- (4) Balance sheet;
- (5) Profit and loss statement (a statement of increase/decrease in net worth);
- (6) Attached description to the balance sheet and the profit and loss statement (a statement of increase/decrease in net worth); and
- (7) Inventory of property;

2. In addition to the documents stipulated in the preceding section, the following documents may be deposited at the principle office of the Association for five years and shall be made available to the public. The Articles of Association and the member list of the Association may be deposited at the principle office of the Association and shall be made available to the public.

- (1) Reports of the auditors;
- (2) Reports of the accounting auditors;

- (3) Member list of directors and auditors; and
  - (4) Documents that state the payment standards of remuneration, etc. for directors and auditors;
3. The Association shall inform the public of the balance sheet without delay after the meeting of the General Assembly.

#### Article 49: Funds

1. The Association may make requests to the party which will take over the funds.
2. The financed fund shall not be refund until the dissolution of the Association.
3. Regarding the procedures for refunding the funds, the place, method and other necessary matters shall be separately stipulated by the liquidator in accordance with the stipulation of Article 236 of the Incorporated Associations Act.

### **Chapter 9: Amendment of Articles of Association and Dissolution**

#### Article 50: Amendment of the Articles of Association

The Articles of Association may be amended upon the resolution of the General Assembly.

#### Article 51: Dissolution

The Association may be dissolved by the resolution of the General Assembly or on other grounds as stipulated in laws and regulations.

#### Article 52: Surplus Funds

The Association shall not distribute surplus funds.

#### Article 53: Disposal of Residual Assets

Residual assets possessed by the Association upon its liquidation shall be donated to the party listed in the Article 5, Paragraph 17 of the Incorporated Association Act or nation, upon the resolution of the General Assembly.

### **Chapter 10: Method of Public Notice**

#### Article 54: Method of Public Notice

1. The method of public notices of the Association shall be made by electronic public notice.
2. When an electronic public notice is not possible due to an accident or other inevitable reasons, it shall be made by public daily press.

### **Chapter 11: Secretariat**

#### Article 55: Secretariat

1. The Association shall have the secretariat and senior managing director shall work as the secretary general.
2. The Secretariat shall consist of its staff that shall be appointed or dismissed by the Chairman.
3. Matters necessary for the management of the Secretariat and its staff shall be stipulated separately herefrom upon the resolution of the board of directors.

### **Chapter 12: Miscellaneous Provisions**

#### Article 56: Commissions

Matters relating to the execution of the Articles of Association that are not provided for herein shall be stipulated separately herefrom upon the resolution of the board of directors.