

Guidelines for Granting of Fukuoka Prefecture Subsidy for Introduction of FinTech

1. Purpose

The purpose of these Guidelines is to provide financial support within the budget for the expenses incurred for a financial institution(s) and company(ies) in Fukuoka Prefecture (hereinafter, the "Prefecture") (hereinafter, "Financial Institution(s), etc. in the Prefecture") to introduce FinTech services of a FinTech company(ies) that has not yet expanded into the Prefecture and is headquartered overseas (hereinafter, "Overseas FinTech Company(ies) Having Not Expanded into the Prefecture"), thereby attracting Overseas FinTech Companies Having Not Expanded into the Prefecture and improving financial services in the Prefecture, which will contribute to the economic development of the Prefecture.

- 2) The granting of this subsidy shall be governed by the provisions of these Guidelines in addition to the Fukuoka Prefecture Regulations for Granting of Subsidies, etc. (Fukuoka Prefecture Regulations No. 5 of 1958) (hereinafter, the "Regulations").

2. Definitions of Terms

As used in these Guidelines, the definitions of the terms listed in the following items shall be as specified in the respective items.

(1) Financial institution

A bank and an asset management business operator

(2) Bank

A party that is licensed by the Prime Minister as stipulated in Article 4, Paragraph 1 of the Banking Act

(3) Asset management business operator

A business operator that handles financial instruments with investment characteristics as stipulated in the Financial Instruments and Exchange Act

(4) Having not expanded into the Prefecture

Not having any business bases in the Prefecture at the time of application

(5) FinTech company

A company that provides innovative financial services that make full use of IT technology

(6) Fiscal year

The period from April 1 of a given year to March 31 of the following year

3. Parties Eligible for the Subsidy

Parties eligible for this subsidy (hereinafter, "Parties Eligible for the Subsidy") shall be Financial Institutions, etc. in the Prefecture that introduce FinTech services of Overseas FinTech Companies Having Not Expanded into the Prefecture.

4. Parties Ineligible for the Subsidy

Parties listed in the following items shall not be eligible for the subsidy.

(1) An organized crime group or a member of an organized crime group

(2) A business operator whose business owner or officer is a member of an organized crime group

(3) A business operator that has a close relationship with an organized crime group or a member of an organized crime group

- (4) A business operator engaged in a business that falls under the category of the amusement business as prescribed in Article 2, Paragraph 1 of the Act on Control and Improvement of Amusement Business or of a sex-related business as prescribed in Article 2, Paragraph 5 of the same Act

5. Expenses Eligible for the Subsidy

The subsidy shall be granted for the expenses deemed necessary and appropriate by the Prefectural Governor, among the outsourcing expenses, such as hands-on support, paid to consultants and other external parties for the introduction of FinTech services of Overseas FinTech Companies Having Not Expanded into the Prefecture; provided, however, that taxes such as consumption tax shall be excluded.

If the expenses eligible for the subsidy are paid in a foreign currency, the exchange rate applied shall be the telegraphic transfer middle rate (foreign exchange quotation) of MUFG Bank on the payment date of said expenses eligible under the subsidy or the date deemed appropriate by the Prefecture (any fraction less than one yen shall be rounded down).

6. Amount of the Subsidy

The amount of the subsidy shall be not more than one-half of the expenses eligible under the subsidy and up to 1,000,000 yen.

- 2) Any fraction less than one thousand yen in the calculated amount shall be rounded down.

7. Application for the Subsidy

A Financial Institution, etc. in the Prefecture that wishes to receive the subsidy (hereinafter, the “Applicant”) shall confirm these Guidelines and then file an application with the Governor by attaching an Application Form (Form No. 1), an Introduction Overview (Form No. 2) and the following documents.

The application for the subsidy shall be made within one year from the date of incurring the expenses eligible for the subsidy, and the application relating to FinTech services by the same Overseas FinTech Company Having Not Expanded into the Prefecture may be made only once.

- (1) A document that shows the representative of the Applicant (e.g., certified copy of commercial registration)
 - (2) A document that shows the address of the Applicant (same as above)
 - (3) List of officers of the Applicant (Form No. 3)
 - (4) A document that shows the representative of an Overseas FinTech Company Having Not Expanded into the Prefecture that provides FinTech services
 - (5) A document that shows the address of an Overseas FinTech Company Having Not Expanded into the Prefecture that provides FinTech services
 - (6) A document that provides the grounds for the subsidy amount applied for (e.g., outsourcing agreement, receipt)
 - (7) Other documents deemed necessary by the Prefecture
- 2) If any of the documents listed in the preceding paragraph is written in a language other than Japanese or English, a translation in Japanese or English shall be attached.

8. Approval of the Subsidy

If the application for the subsidy is properly filed in accordance with Section 7 and it is deemed appropriate to grant the subsidy, the Governor shall approve the subsidy.

- 2) If the subsidy is approved pursuant to the provisions of the preceding paragraph, the Applicant shall be promptly notified of the approved amount of subsidy and other necessary matters by means of a Notice of Approval (Form No. 4).
- 3) Upon approval of the subsidy, the necessary conditions shall be attached.
- 4) If the subsidy is disapproved, the Applicant shall be notified by means of a Notice of Disapproval (Form No. 5).

9. Cancellation of Approval of the Subsidy

The Governor may cancel all or part of the approval of the subsidy for the subsidized party if the subsidized party falls under any of the following items.

- (1) When fraudulent or other improper means are used to receive the subsidy
 - (2) When the conditions attached to the subsidy or other laws and regulations are violated
 - (3) When other instructions under these Guidelines are violated
- 2) If cancellation is decided pursuant to the provisions of the preceding paragraph, the subsidized party shall be notified by means of a Notice of Cancellation of Approval (Form No. 6).

10. Refund of the Subsidy

If the approval of the subsidy is cancelled pursuant to the provisions of Section 9, the subsidized party shall refund it to the Prefecture in accordance with the provisions of the Regulations.

- 2) The Governor shall notify of the matters concerning the refund of the subsidy by means of a Refund Request (Form No. 7).

11. On-Site Inspection, etc.

The Governor may have prefectural government employees conduct an on-site inspection of a business base to the extent necessary for the enforcement of these Guidelines.

12. Publication of the Contents of the Subsidy, etc.

The Governor may publish the name, representative name, contents of the subsidy, etc. of the subsidized party.

13. Miscellaneous Provisions

In addition to the matters stipulated in these Guidelines, other matters necessary for the enforcement of these Guidelines shall be stipulated separately.

Supplementary Provisions

These Guidelines shall come into effect from April 1, 2022, and shall apply to the subsidy for the period from FY2022 to FY2024.