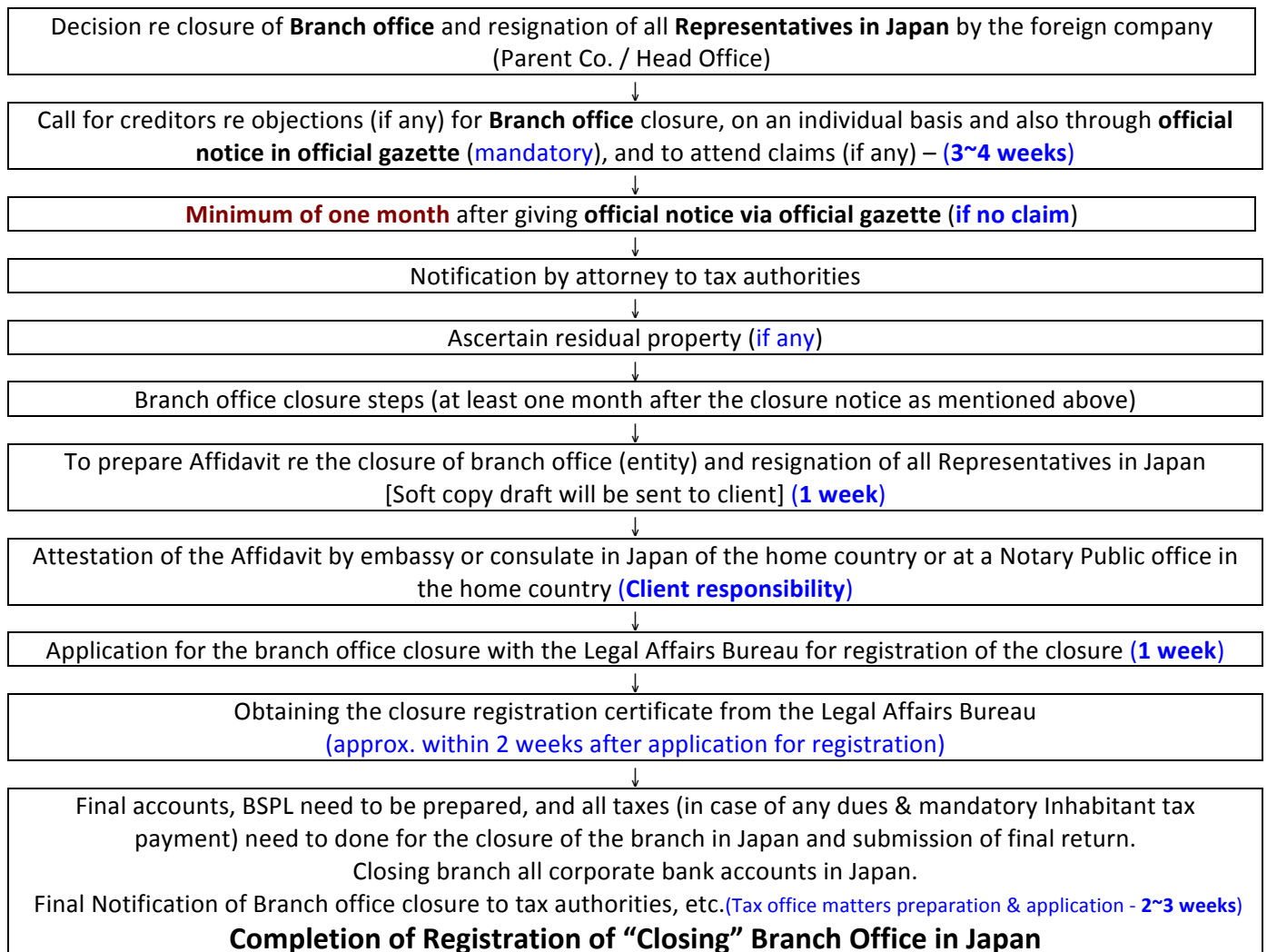


Closure of Branch Office in Japan and resignation of all Representatives in Japan

The below-mentioned procedures need to be conducted in order to close a legal Branch office (legal-entity) of a foreign company in Japan.

Creditors of the Branch office to be closed must be given a public notice on Official Gazette, a period of no less than one month prior to the closure to submit objections (if any) for the closure of the Branch office in Japan.

Basic Flow of procedures for “Closing” a Branch Office (legal entity) in Japan – Approx Time frame



Note: These procedures for closing a branch office must also be completed when upgrading a branch office to a subsidiary company. Because a branch office cannot be directly reorganized into a joint-stock corporation (Kabushiki-Kaisha (K.K.) or a limited liability company (Godo-Kaisha (LLC)), the branch office closure procedures and the subsidiary company establishment procedures must be carried out simultaneously. In such instances, however, the branch office's assets may be passed on to the subsidiary through investment in kind.

The branch office must be closed officially in Japan when the parent co (head office) decide to terminate the business operation in Japan.

The the approx time for the above-mentioned procedure will take about 4(four) to 6(six) months or more depending on case & client’s response time. The above is for guideline only!

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