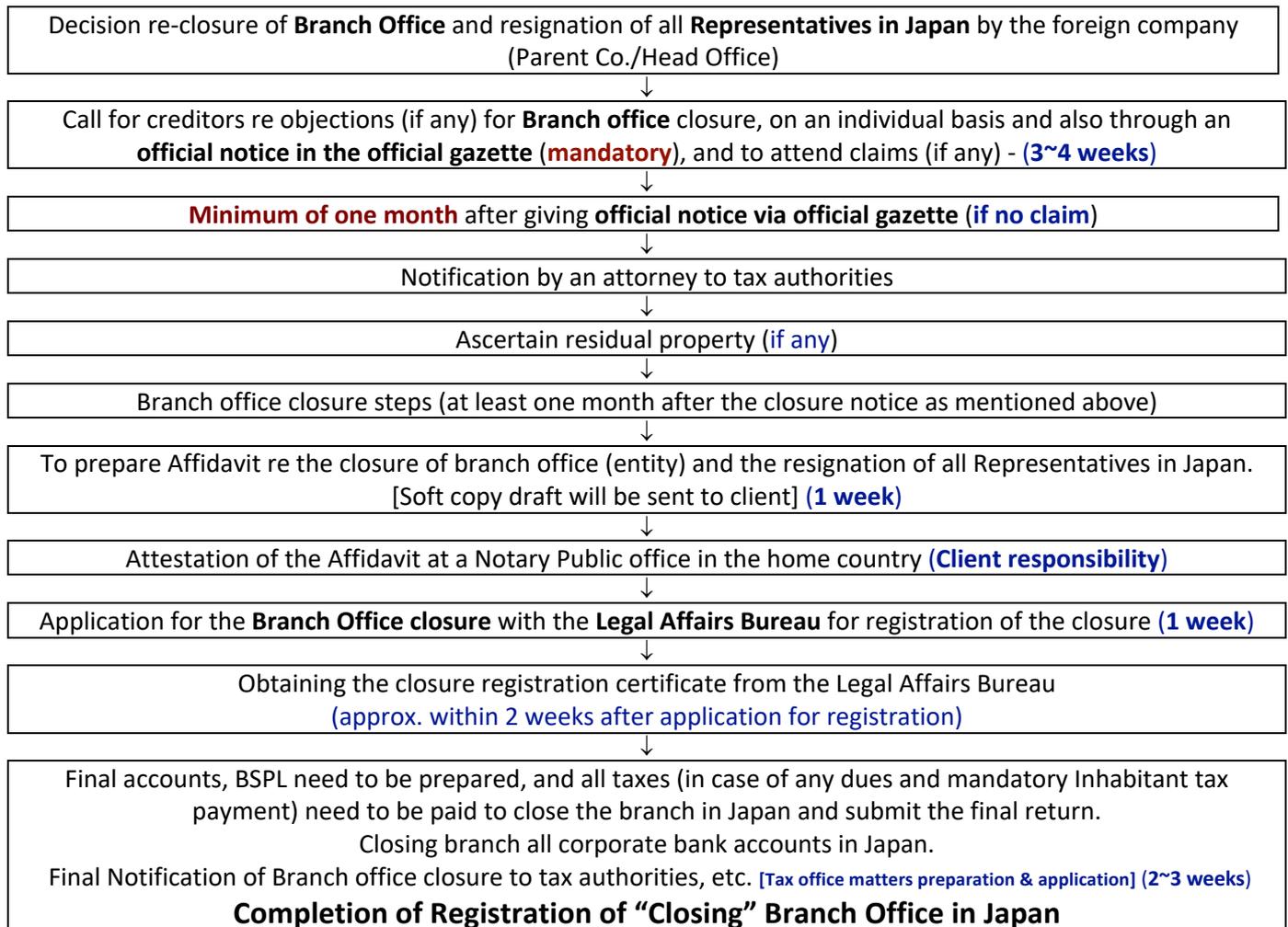


Closure of Branch Office in Japan and resignation of all Representatives in Japan

The below-mentioned procedures need to be conducted 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 before the closure to submit objections (if any) for the Branch Office closure 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 be completed when upgrading a Branch Office to a Subsidiary Co. 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)). Branch office closure and the subsidiary company establishment procedures must be carried out simultaneously. However, in such instances, 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 above-mentioned procedure approx time will take about 4(four) to 6(six) months or more, depending on the case and the client's response time. The above are for guidelines only!

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