

# **Japan Security Token Association**

## **Corporate Membership Constitution**

### **Chapter 1 - General Rules**

#### **Our Purpose**

Article 1. The Japan Security Token Association (hereinafter referred to as the "Association") purpose is to improve the quality of security tokens through our study, research, popularization, and enlightenment activities regarding security token technology, system and businesses. We strive to ensure soundness to the ecosystem using security tokens, and to secure, promote and create opportunities for fair and free economic activities that contribute to stability and improvement to people's lives and the sound development of the Japanese economy.

#### **Our Business**

Article 2. The Association operates the following security token related businesses in order to achieve the purpose of the preceding article:

- 1) Collecting knowledge on technology, regulatory framework and businesses
- 2) Activities related to business application & dissemination
- 3) Information distribution and support for related parties
- 4) Holding events such as study groups and seminars
- 5) Consideration of self-regulation proposals
- 6) Relationship with domestic and overseas associations and organizations
- 7) Research on technology

#### **Our Operation**

Article 3. Terms about staff, Directors, Board of Directors to be defined separately in the Articles of Association.

### **Chapter 2 - Membership**

#### **Our Members**

Article 4. Members of the Association shall be as follows. Benefits under each of the memberships are as described

- 1) Regular member: Corporations that agree to the purpose and business of the Association, and can contribute to the activities by the Association, as well as pay the regular membership fee stated in Article 8.
- 2) Supporting member: Corporations that agree to the purpose and business of the Association, and can contribute to the activities by the Association, as well as pay the supporting membership fee stated in Article 8.
- 3) Individual Member: Individuals who can contribute to the activities of the Association and agree to the purpose and business by the Association.

#### **Exclusion of Antisocial Forces**

Article 5. Eligibility of the membership is as follows:

- 1) The member (including their major investors, officers, and equivalent individuals) of the Association shall pledge not to be a member of antisocial forces, gang members / associate members, members of organized crime groups or people who act against public interests (hereinafter referred to as "Antisocial Forces"), also has not been a part of Antisocial Forces for the last 5 years, and has not been funded or provided help or facility to Antisocial Forces in any way, and pledges not to in the future.

- 2) The member of the Association shall pledge to not individually or use a third party to do violent demanding acts, or threatening behavior regarding transactions, the use of violence, spreading rumors, damages to other party's credibility by using counterfeiting or use of force, or interfere with other party's operations and other similar acts.
- 3) If it is confirmed that the member of the Association violated the statement of paragraph 1 above, or violated the pledge of paragraph 2 above, the Association may dismiss the member. The Association will not be liable for any damages caused by the expulsion.

## **Application to Membership**

Article 6. To obtain membership of the Association, one must apply through the specified membership application form and receive approval from the Member Approval Committee, which is an advisory body to the Board of Directors. Membership is officially recognized upon payment of membership fees (Individual Members are officially recognized when approved by the Member Approval Committee).

## **Member Approval Committee**

Article 7. The Member Approval Committee shall consist of two or more directors appointed by the Board of Directors.

## **Membership Fee**

Article 8. Each member shall pay the following membership fees that will be used as operating expenses for the Association. The membership fee period will be 12 months, including the month of your membership starting date, and must be a lump-sum payment.

- 1) Regular member: Entrance fee is 1 million JPY (Free for the time being, but the free period could end without notice.) The annual membership fee is 540,000 JPY (the Japanese local consumption tax to be exempted) per membership unit.
- 2) Supporting member: No entrance fee. The annual membership fee is 150,000 JPY (the Japanese local consumption tax to be exempted) per membership unit.
- 3) Individual Members: No entrance fee and annual fee.

## **Loss of Membership Qualification**

Article 9. If the member falls under any of the following items, they will be deprived of their qualifications.

- 1) When a notice of withdrawal is submitted.
- 2) When the member's company went bankrupt or is in a similar situation, dissolution, received orders to suspend business operations or scheduled to be suspended.
- 3) In the case of an individual member, when the person has died or has been declared missing.
- 4) When the annual membership fee is overdue for more than one year.
- 5) Expulsion of membership.

## **Withdrawal from Membership**

Article 10. The member may withdraw by submitting a separate notice of withdrawal specified by the Association.

## **Expulsion**

Article 11. If the member falls under any of the following items, the Association may dismiss the member.

- 1) Violation of this Constitution or any other agreed terms of the Association.
- 2) When there is defamation toward the Association and/or other members or acts that go against the purpose of the Association.
- 3) As stated in Article 5 Clause 3, when it is confirmed that the member violated the statements in Article 5 Clause 1 or violated the pledge in Article 5 Clause 2.
- 4) When the board of directors of the Association judges that there are other valid reasons to be dismissed.

## **No Refund of Contributions**

Article 12. Membership fees and other contributions already paid to the Association will not be returned. The same shall apply when the member withdraws in the middle of the year in accordance with Article 10.

## **Chapter 3 – Subcommittee**

### **Formation of Study Group**

Article 13. Regular members may propose to form subcommittees on any subject to the Association, and, if the proposal is approved by the Association, may serve as the leader of the subcommittees. Supporting members, in case of together with Regular members, may propose to form study groups, and, if the proposal is approved by Association, may serve, together with the Regular Members, as the leader of the subcommittee. The Association shall provide reasonable support for the operation of subcommittees upon request of the subcommittee leaders.

### **Participation to Subcommittee**

Article 14. Regular and supporting members may apply to participate in any subcommittees. However, the subcommittee leaders may withhold such member's participation in a subcommittee if there are reasonable grounds, such as insufficient contribution expected or a potential conflict of interest, after consulting the Association in advance.

### **Abolition of Subcommittee**

Article 15. The subcommittee leaders may propose to the Association the abolition of the subcommittees or replacement of the subcommittee leader.

## **Chapter 4 - Intellectual Property**

### **License and Patent**

Article 16. Among the security token related information collected by the Association, the information that is judged by the Association and subcommittees to benefit the public will be disclosed (publicized). However, the leaders of the relevant subcommittees may request suspension of the disclosure.

## **Chapter 5 - Others**

### **Changes to Constitution**

Article 17. Matters not specified in the Constitution, and changes must be approved by the board of directors.

## Appendix: Membership Benefits

<b>Regular Member</b> (Corporate)	<p><b>Participation to planning of the Association's activities</b></p> <ul style="list-style-type: none"> <li>○ Regular Members may propose projects and participate in discussions for its realization. However, the Association's Board of Directors shall make the final decision on the realization of such plans.</li> <li>○ Regular Members may participate in the management of the association to the extent determined by the Association.</li> </ul> <p><b>Participation to Regular Member-only events</b></p> <ul style="list-style-type: none"> <li>○ Regular Members may participate to Regular Member-only events.</li> </ul> <p><b>Participation to Subcommittee</b></p> <ul style="list-style-type: none"> <li>○ Regular Members may propose to form study groups and serve as the leader of subcommittees.</li> </ul> <p><b>Slack run by the Association run Slack</b></p> <ul style="list-style-type: none"> <li>○ May obtain up to 4 ID per membership unit to participate in the Regular Members channel.</li> </ul> <p><b>Public / Private Events hosted by the Association</b></p> <ul style="list-style-type: none"> <li>○ Up to 4 persons per event can participate for free. In case of online events, there is no limitation of numbers of participants.</li> </ul> <p><b>Business Matching</b></p> <ul style="list-style-type: none"> <li>○ May request the Association to connect with other Members for the purpose of business matching, if the other party accepting the offer.</li> </ul> <p><b>Membership Authentication</b></p> <ul style="list-style-type: none"> <li>○ May show the logo of the Association to a third party as a proof of the membership.</li> </ul>
<b>Supporting Member</b> (Corporate)	<p><b>Participation to Subcommittee</b></p> <ul style="list-style-type: none"> <li>○ Supporting Members, in case of together with Regular Members, may propose to form subcommittees and serve as the leader of study groups.</li> <li>○ Otherwise, Supporting Members may participate to Subcommittees, subject to the Subcommittee leaders' approval.</li> </ul> <p><b>Slack run by the Association run Slack</b> (refer to 1, 2, 3 below)</p> <ul style="list-style-type: none"> <li>○ May obtain up to 2 ID per membership unit to participate in the Supporting Members channel.</li> </ul> <p><b>Public / Private Events hosted by the Association</b></p> <ul style="list-style-type: none"> <li>○ Up to 2 persons per event can participate for free. In case of online events, there is no limitation of numbers of participants.</li> </ul> <p><b>Business Matching</b></p> <ul style="list-style-type: none"> <li>○ May request the Association to connect with other Members for the purpose of business matching, if the other party accepting the offer.</li> </ul> <p><b>Membership Authentication</b></p> <ul style="list-style-type: none"> <li>○ May show the logo of the Association to a third party as a proof of the membership.</li> </ul>
<b>Individual Member</b>	<p><b>Slack run by the Association</b></p> <ul style="list-style-type: none"> <li>○ Can join the public channels only.</li> </ul>