



Panel Discussion 2

Roles of SROs and Trade Associations in the Securities Market

Nov. 24, 2012

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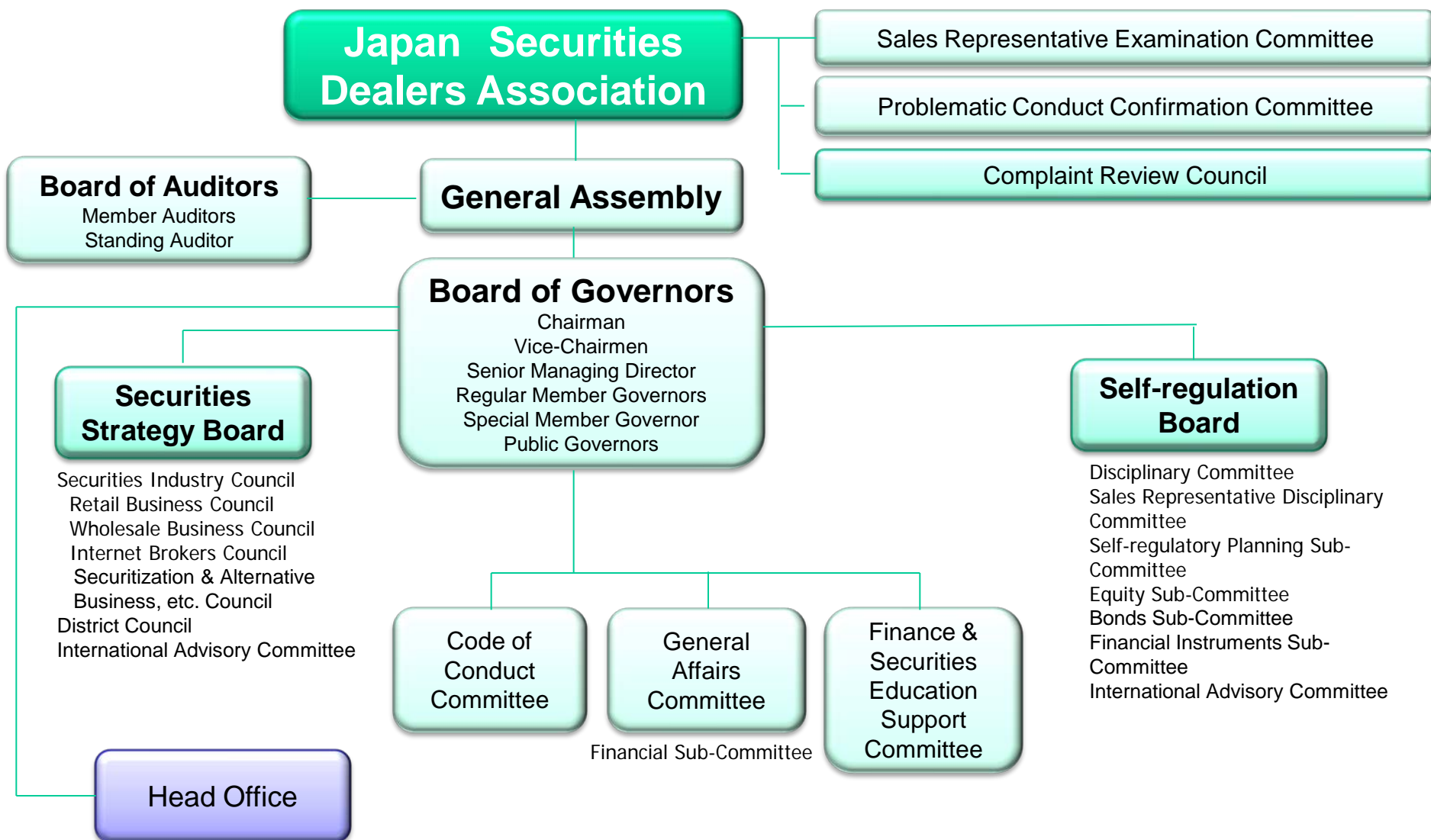
Japan Securities Dealers Association

JSDA (Japan Securities Dealers Association) is an association of securities companies and financial institutions operating securities businesses in Japan.

Its major tasks are:

- as an **SRO (Self Regulatory Organization)**, to provide self-regulation in the Japanese securities market, and
- as an **industry association**, to conduct various activities to invigorate and further develop the market.

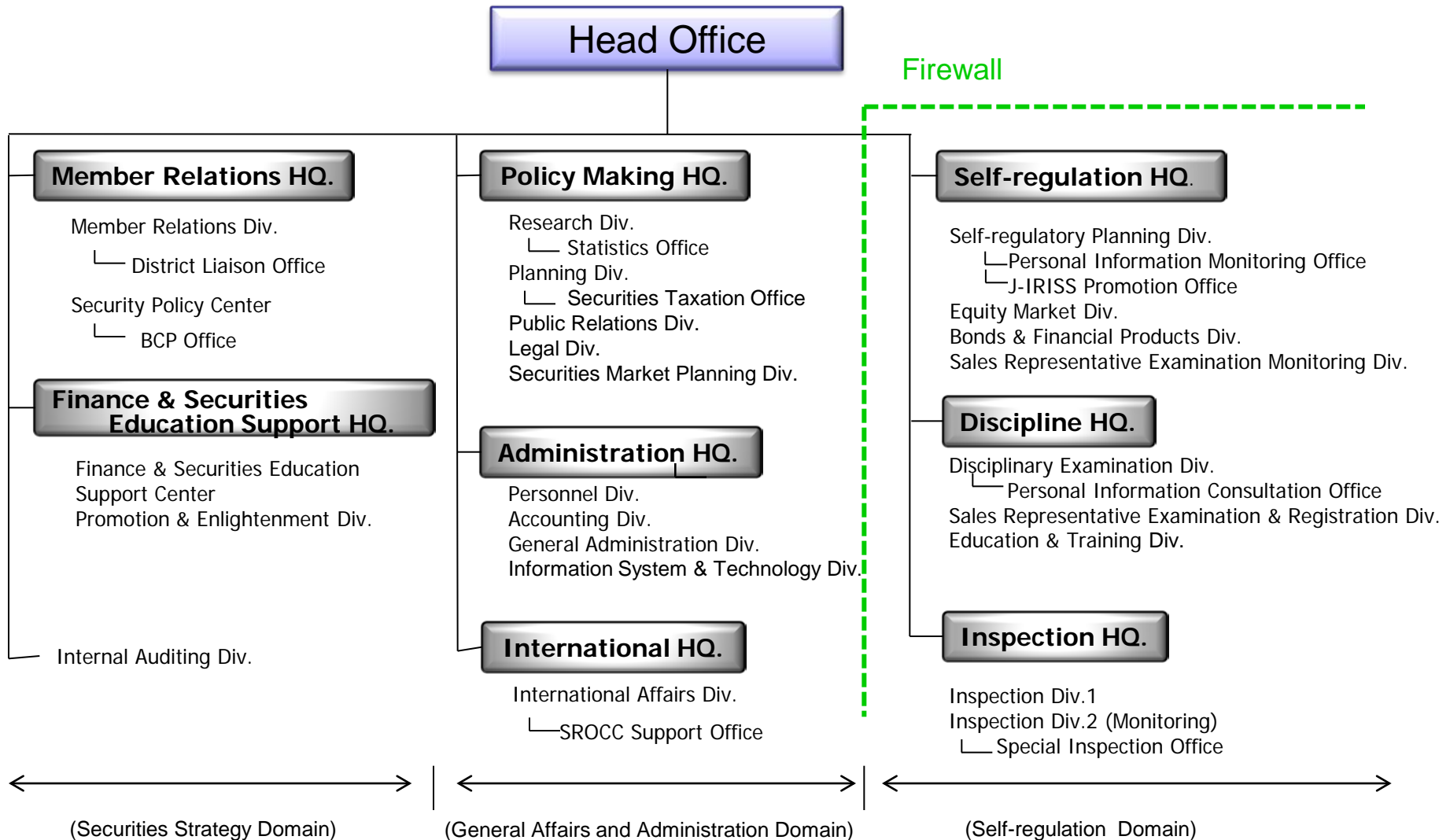
Organization of JSDA (1)



(Please refer to the following slide.)

As of July 1st, 2012

Organization of JSDA (2)



As of July 1, 2012

As an SRO

Continuous revision of self-regulation system, as well as amendment of self-regulatory rules, to further enhance market fairness and reinforce market functions, which include:

- Establishment of industry-wide dispute mediation system: Financial Instruments Mediation Assistance Center (FINMAC);
- Deliberation on producing easy-to-understand explanations and explanatory documents for financial products;
- Production of guideline on advertising through social media; and
- Deliberation on measures to improve confidence in securities market:
 - preventing insider trading and ensuring strict corporate information management in securities firms
 - assuring segregation of customer asset

As an Industry Association

Initiatives to create a sound and active capital market, which include:

- Vitalizing the corporate bond market;
- Deliberating the securities taxation system with a view to social structure; and
- Enhancing international awareness of the potential of Japan's securities market.