

January 29, 2016

Bank of Japan

Amendment to "Principal Terms and Conditions for the Loan Support Program"

At the Monetary Policy Meeting held on January 28 and 29, 2016, the Policy Board of the Bank of Japan made the following decisions. The Bank will continue to encourage financial institutions', firms' and households' actions, with a view to stimulating bank lending and strengthening the foundations for economic growth, in light of support to firms that are proactively making investment in physical and human capital, and to support financial institutions in disaster areas affected by the Great East Japan Earthquake in their efforts in meeting the demand for funds for rebuilding.

The decisions were made in accordance with the decision at the Monetary Policy Meeting held on December 17 and 18, 2015.

1. The Bank shall amend the "Principal Terms and Conditions for the Loan Support Program" (see Attachment 1).
2. The Bank shall amend the "Principal Terms and Conditions for the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth Conducted through the Loan Support Program" (see Attachment 2).
3. The Bank shall amend the "Special Rules for Equity Investments and Asset-Based Lending to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth Conducted through the Loan Support Program" (see

Attachment 3).

4. The Bank shall amend the "Special Rules for Small-Lot Investments and Loans to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth Conducted through the Loan Support Program" (see Attachment 4).
5. The Bank shall amend the "Special Rules for the U.S. Dollar Lending Arrangement to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth Conducted through the Loan Support Program" (see Attachment 5).
6. The Bank shall amend the "Principal Terms and Conditions for the Fund-Provisioning Measure to Stimulate Bank Lending Conducted through the Loan Support Program" (see Attachment 6).
7. The Bank shall amend the "Special Rules for Member Financial Institutions of Central Organizations of Financial Cooperatives to Use the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth and the Fund-Provisioning Measure to Stimulate Bank Lending" (see Attachment 7).
8. The Bank shall amend the "Principal Terms and Conditions for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas" (see Attachment 8).
9. The Bank shall amend the "Temporary Rules regarding the Eligibility Standards for Debt of Companies in Disaster Areas" (see Attachment 9).

Amendment to "Principal Terms and Conditions for the Loan Support Program"

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

These terms and conditions shall become effective today and shall be valid through June 30, ~~2020~~2021.

(Supplementary Provision)

These amendments shall become effective today.

Amendment to "Principal Terms and Conditions for the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth Conducted through the Loan Support Program"

- Paragraph 7. shall be amended as follows.

7. Date of Each Loan Disbursement and Rollover of Loans

(1) The date of each loan disbursement shall be specified by the Bank.

No loan shall be disbursed on or after July 1, ~~2016~~2017 except for the rollover of loans as described in (2).

(2) (No change)

- Paragraph 11. shall be amended as follows.

11. Deadline for New Applications for Loans

The period for calculating the amount of loans prescribed in 9.(2) shall end on or before March 31, ~~2016~~2017.

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

These terms and conditions shall become effective today and shall be valid through June 30, ~~2020~~2021.

- Paragraph 1. in Annex 1 shall be amended as follows.

1. The plan should use funds received, either borrowed or invested from financial institutions, for a period of no less than one year to support strengthening the foundation for economic growth—in, for example, in one of the following areas listed from (1) to (18) in the following, or to borrowers or entities in which financial institutions invest listed in (19).

(1) }
2 } (No change)
(18) }

(19) Entities proactively investing in physical and human capital, including those who are eligible for special legislative provisions for tax (excluding the provisions only for specific businesses), which require acquisition, etc. of equipment used for their businesses or experimental research, or require increases in employees' salary

- Paragraph 1. in Annex 2 shall be amended as follows.

1. A plan shall meet either of the following conditions.

(1) A plan for lendings and investments which are used in Japan for a period of no less than one year shall support strengthening the foundations for Japan's economic growth, for example, in those areas listed in 1.(1) to 1.(18) of Annex 1, or to borrowers or entities in which financial institutions invest listed in 1.(19) of Annex 1.

(2) (No change)

(Supplementary Provision)

These amendments shall become effective today. The amendments regarding paragraph 1. in Annex 1 and paragraph 1. in Annex 2 shall be applied to loans disbursed on or after April 1, 2016.

Amendment to "Special Rules for Equity Investments and Asset-Based Lending to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth Conducted through the Loan Support Program"

- Paragraph 6. shall be amended as follows.

6. Deadline for Applications for New Loans

The date stipulated in 4.(2) shall be, except for the rollover of loans stipulated in 7.(2) of the Principal Terms and Conditions, not later than March 31, ~~2016~~2017.

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

The special rules shall become effective today and shall be valid through June 30, ~~2020~~2021.

(Supplementary Provision)

These amendments shall become effective today.

Amendment to "Special Rules for Small-Lot Investments and Loans to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth Conducted through the Loan Support Program"

- Paragraph 5. shall be amended as follows.

5. Deadline for Applications for New Loans

The date stipulated in 3.(2) shall be, except for the rollover of loans, not later than March 31, ~~2016~~2017.

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

The special rules shall become effective today and shall be valid through June 30, ~~2020~~2021.

(Supplementary Provision)

These amendments shall become effective today.

Amendment to "Special Rules for the U.S. Dollar Lending Arrangement to Enhance the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth Conducted through the Loan Support Program"

- Paragraph 9. shall be amended as follows.

9. Deadline for Applications for New Loans

The date stipulated in 7.(2) shall be, except for the rollover of loans, not later than March 31, ~~2016~~2017.

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

The special rules shall become effective today and shall be valid through June 30, ~~2020~~2021.

- Paragraph 2. in Annex shall be amended as follows.

2. A plan for foreign currency-denominated investments and loans, which are used in Japan, shall support strengthening the foundations for Japan's economic growth, for example, in those areas listed in 1.(1) to 1.(18) of Annex 1 to the Principal Terms and Conditions, or to borrowers or entities in which financial institutions invest listed in 1.(19) of Annex 1 to the Principal Terms and Conditions.

(Supplementary Provision)

These amendments shall become effective today. The amendment regarding paragraph 2. in Annex shall be applied to loans disbursed on or after April 1, 2016.

Amendment to "Principal Terms and Conditions for the Fund-Provisioning Measure to Stimulate Bank Lending Conducted through the Loan Support Program"

- Paragraph 6. shall be amended as follows.

6. Loans Initially Disbursed on or after April 1, 2014

(1) }
(2) } (No change)

(3) Date of Each Loan Disbursement

The date of each loan disbursement shall be specified by the Bank.

No loan shall be disbursed after June 30, ~~2016~~2017.

(4) }
(5) } (No change)
(6) }

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

These terms and conditions shall become effective today and shall be valid through June 30, ~~2020~~2021.

(Supplementary Provision)

These amendments shall become effective today.

Amendment to "Special Rules for Member Financial Institutions of Central Organizations of Financial Cooperatives to Use the Fund-Provisioning Measure to Support Strengthening the Foundations for Economic Growth and the Fund-Provisioning Measure to Stimulate Bank Lending"

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

The special rules shall become effective today and shall be valid through June 30, ~~2020~~2021.

(Supplementary Provision)

These amendments shall become effective today.

Amendment to "Principal Terms and Conditions for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas"

- Paragraph 9. shall be amended as follows.

9. Deadline for New Application for Loans

The period for new application for loans shall end on April 30, ~~2016~~2017.

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

1. These terms and conditions shall become effective today and shall be valid through April 30, ~~2016~~2017. To the loans that are disbursed on or before April 30, ~~2016~~2017, these terms and conditions shall be applied until the maturity of the loans.

2. (No change)

(Supplementary Provision)

These amendments shall become effective today.

Amendment to "Temporary Rules regarding the Eligibility Standards for Debt of Companies in Disaster Areas"

- Supplementary Provision shall be amended as follows.

(Supplementary Provision)

The temporary rules shall become effective on the date designated by the Governor, which shall be no later than May 31, 2011, and shall be valid through April 30, ~~2017~~2018.

(Supplementary Provision)

This amendment shall become effective today.