

# Articles of Association of the Japan Management Association

Revised April 1, 2012

## CHAPTER 1 GENERAL PROVISIONS

(Name)

Article 1 The name of the general incorporated association is Nihon Noritsu Kyokai, or in English “Japan Management Association,” abbreviated as “JMA.”

(Offices)

Article 2 The principal offices of the Association shall be located in Chiyoda-ku, Tokyo.

- 2 The Association may establish other offices in locations where required, by decision of the board of directors. The same applies to changes and closures.

## CHAPTER 2 PURPOSE AND BUSINESS

(Purpose)

Article 3 The purpose of the Association shall be to contribute to develop the Japanese economy, improve the nation’s living standard and encourage growth of the global society. In order to accomplish this purpose, the Association shall carry out comprehensive activities; survey, research, information collection and publication regarding corporate management innovation; enhancing overall human resources development; assisting technological development throughout industries.

(Business)

Article 4 With the objective of fulfilling its purpose, the Association shall carry out the following:

- (1) Surveys and research relating to management
- (2) Collecting and publicizing information relating to management
- (3) Development and education in human resources relating to management
- (4) Activities for corporation commendation, qualification and enlightenment on management innovation

- (5) Organizing conferences, exhibitions and the like relating to management, management-related technology and industrial development
  - (6) Providing third-party certification and registration services relating to standards-based management systems, products and services
  - (7) Providing verification services and environmental management assistance services relating to the prevention of global warming
  - (8) Liaison and cooperation with internal and external organizations and the like relating to management
  - (9) Such other activities as may be necessary in the achievement of the purposes of the Association
- 2 The business in the previous paragraph shall be carried out in Japan and overseas.

## CHAPTER 3 MEMBERSHIP

### (Membership of the Association)

Article 5 The Association shall have the following membership:

- (1) Corporate members: corporations and groups joining to support the purposes and activities of the Association
  - (2) Individual members: individuals joining to support the purposes and activities of the Association
- 2 The membership of the previous paragraph shall be deemed to be “Members” in the sense of the General Incorporated Associations and General Incorporated Foundations Law (hereinafter, the "Association Law") .

### (Qualification for Membership)

Article 6 An applicant for membership of the Association must submit an application as determined by the board of directors, and receive approval thereof.

- 2 In the case of an application as in the previous paragraph, according to criteria separately determined by a general assembly, the board of directors shall accept or reject the application, and notify the applicant.

### (Burden of Expenses)

Article 7 To meet the expenses occurring routinely in the activities of the Association, members shall pay a membership joining fee and a recurring membership fee in amounts separately determined by a general assembly.

(Voluntary Resignation)

Article 8 A member may voluntarily resign at any time, by submitting a notice of resignation in the form separately determined by the board of directors.

(Expulsion)

Article 9 If a member has committed any of the following acts, the member may be expelled by resolution of the general assembly. In this case, the member shall be notified of the intention to expel, with reasons, at least one week before the general assembly, and shall be given an opportunity to protest the decision at the general assembly:

- (1) A breach of these Articles of Association or other rules
- (2) Bringing the name of the Association into disrepute, or behavior contrary to its purpose
- (3) Other actions for which there is a justified reason for expulsion

2 In the event that a resolution to expel a member is made according to the previous paragraph, the member shall be notified of the expulsion.

(Disqualification from Membership)

Article 10 In addition to the previous two articles, in any of the following cases, a member shall be disqualified from membership:

- (1) If a membership fee has not been paid within three months of the renewal date (which refers to the date of joining)
- (2) If a corporation or group is disbanded, or made bankrupt
- (3) In the event of death or being declared missing
- (4) In the event of becoming an adult ward or person under curatorship
- (5) With the agreement of the whole membership

(Rights and Obligations Accompanying the Disqualification from Membership)

Article 11 A member who has been disqualified under the previous three articles shall lose all rights with respect to the Association, and shall be relieved of all obligations. However, unfulfilled obligations shall not be relieved.

2 When a member is disqualified, no membership fees which have already been paid nor any other financial contribution shall be returned.

## CHAPTER 4 GENERAL ASSEMBLY

### (Constitution)

Article 12 The general assembly shall be constituted by all members.

- 2 The general assembly of the previous paragraph shall be “Members” of the Association Law.

### (Powers)

Article 13 The general assembly shall resolve the following issues:

- (1) Amounts of membership joining fees and recurring membership fees
- (2) Expulsion of members
- (3) Election and termination of directors and auditors
- (4) Amounts of remuneration for directors and auditors
- (5) Approval of accounts
- (6) Changes to the Articles of Association
- (7) Dismemberment and disposal of remaining assets
- (8) Approval of merger agreements, transfer of all or part of the activities
- (9) Other matters prescribed for resolution by the general assembly either by law or by these Articles of Association

### (Holding of Assemblies)

Article 14 General assembly shall comprise ordinary general assembly held annually within three months of the end of the business year, and extraordinary general assembly when necessary.

### (Convocation)

Article 15 Except where other stipulations are made by law, a general assembly shall be convened by the chairman, on a resolution of the board of directors.

- 2 Members holding at least one-fifth of the voting rights held by the total membership may petition the chairman to convene the general assembly, giving the purpose of the general assembly and the reason for convocation.
- 3 For the convocation of the general assembly, written notice shall be given at least two weeks before the assembly, giving the time, place, and purpose of the assembly.

(Chair)

Article 16 The chair of the general assembly shall be the chairman.

- 2 If there is no chairman or the chairman is indisposed, the president shall be the chair.

(Voting Rights)

Article 17 At a general assembly, the voting rights shall be one vote for each member.

(Resolutions)

Article 18 A resolution of a general assembly shall, unless otherwise prescribed by law or by these Articles of Association, require the presence of members holding a majority of the voting rights of the total membership, and shall be carried by a majority of the voting rights of the members present.

- 2 Regardless of the provisions of the previous paragraph, the following resolutions require a majority of the total membership, and a two-thirds majority of the voting rights of the total membership:
  - (1) Expulsion of a member
  - (2) Dismissal of an auditor
  - (3) Amendments to the Articles of Association
  - (4) Dissolution
  - (5) Other matters prescribed by law
- 3 A resolution on a proposal to appoint a director or auditor shall be carried out as prescribed in the first paragraph above for each candidate. If the total number of candidates for director or auditor exceeds the quota specified by Article 22, the places shall be filled from the candidates receiving a majority approval, in descending order of the number of votes received, until all places are filled.

(Minutes)

Article 19 Minutes of the proceedings of the general assembly shall be made, as prescribed by law.

- 2 At least two minutes signatories appointed from the chair and directors present at the general assembly shall sign and seal the minutes prepared according to the previous paragraph.

(Resolutions in Writing)

Article 20 A member may appoint a proxy to enact the member's voting rights. However, in this case, a written certificate of the proxy appointment shall be presented at each general assembly of the membership.

- 2 When it has been determined that a member not attending the general assembly can exercise voting rights in writing, the member can exercise voting rights by means of a proxy voting document.
- 3 In the cases of the two previous paragraphs, the number of such voting rights shall be counted in the voting rights of members attending, as in Article 18.

(Omission of Resolution or Report)

Article 21 When a director or member has made a proposal relating to an issue which is the purpose of the general assembly, if all members show their agreement with this proposal in writing or by electromagnetic record, this proposal shall be deemed as if there had been a resolution of approval of the proposal in a general assembly.

## CHAPTER 5 OFFICERS

(Provision of Directors and Auditors)

Article 22 The Association shall have the following officers:

- (1) From fifteen to twenty-five directors, inclusive
- (2) From one to three auditors, inclusive
- 2 From two to five inclusive of the directors shall be representative directors. Of the directors other than the representative directors, a maximum of seven may be executive directors.
- 3 Of the representative directors, one shall be the chairman, and one shall be the president.
- 4 Of the directors, a maximum of three may be vice-chairmen.
- 5 Of the directors, a maximum of two may be senior managing directors.
- 6 Of the directors, a maximum of two shall be executive vice-presidents.

(Appointment of Officers)

Article 23 Directors and auditors shall be appointed by resolution of a general assembly.

- 2 The chairman, vice-chairmen, president, senior managing directors, and executive vice-presidents shall be appointed by decision of the board of directors from the directors. The same shall apply to other representative and executive directors.

- 3 The auditors may not simultaneously be directors or employees of the Association or a subsidiary of the Association.

(Duties and Powers of Directors)

Article 24 The directors shall constitute the board of directors, and carry out their duties according to the law and these Articles of Association.

- 2 The chairman, vice-chairman, president, senior managing directors, and executive vice-presidents shall carry out the following duties, according to the law and these Articles of Association.
  - (1) The chairman shall perform the duty of representing the Association.
  - (2) A vice-chairman shall assist the chairman in the running of the Association.
  - (3) The president shall assist the chairman and vice-chairmen, and in the event of absence of the chairman or if so requested by the chairman, shall substitute for the duty of representing the Association.
  - (4) The senior managing directors shall assist the president in the running of the Association.
  - (5) Executive vice-presidents shall assist the president and senior managing directors, undertaking a share of the work in the running of the Association.
- 3 Representative directors and executive directors shall report to the board of directors on the status of execution of their own duties, at least twice in each business year, at intervals exceeding four months.

(Duties and Powers of Auditors)

Article 25 The auditors shall monitor the execution by directors of their duties, and prepare an auditors' report, according to the provisions of the law.

- 2 The auditors may at any time request a report on business from the directors and their employees or investigate the business and asset status of the Association.

(Terms of Office of Directors and Auditors)

Article 26 The term of office of a director or auditor shall be until the close of the annual general assembly of the membership for the last business year ending within two years of the date of appointment.

- 2 When a director or auditor is appointed to fill a vacancy, the term of office shall be the remainder of the term of office of the previous holder of the post.

- 3 When an additional director is appointed, the term of office shall be the remainder of the term of office of other directors.
- 4 If the number of directors or auditors falls short of that specified by Article 22, on the expiry of the term of office or the resignation of a director or auditor, that director or auditor shall continue to have the duties and powers of a director or auditor until a new appointment is made.
- 5 Directors and auditors may be reappointed for another term.

(Dismissal of a Director or Auditor)

Article 27 A director or auditor may be dismissed by a resolution of the general assembly.

(Remuneration)

Article 28 The directors and auditors shall not be remunerated. Except that, for full-time directors and auditors, a remuneration can be paid in a sum calculated according to guidelines for the payment of remuneration, within the limits of total amounts determined by a general assembly.

- 2 Directors and auditors may be reimbursed for expenses necessary for the carrying out of their duties.

(Partial Exemption of Directors and Auditors from Liability for Damages)

Article 29 A director or auditor who has been negligent in his duty, shall be liable to compensate the Association in respect to losses caused thereby.

- 2 Irrespective of the provisions of the previous paragraph, in cases specified by the law, by decision of the board of directors, there may be an exemption from liability for damages up to an amount equal to the difference between the total losses and the minimum limit of responsibility laid down by law.

## CHAPTER 6 THE BOARD OF DIRECTORS

(Constitution)

Article 30 The Association shall have a board of directors.

- 2 The board of directors is constituted by all directors.
- 3 The board of directors chair shall be the chairman.
- 4 If there is no chairman or the chairman is indisposed, the president shall be the chair.



(Powers)

Article 31 The board of directors shall carry out the following duties:

- (1) Resolutions on the carrying out of the business of the Association
- (2) Monitoring the performance of duties by directors
- (3) Appointing and dismissing the chairman, vice-chairmen, president, senior managing directors, executive vice-presidents and other representative and executive directors

(Convocation)

Article 32 The board of directors shall be convened by the chairman.

- 2 If there is no chairman or the chairman is indisposed, the president shall convene the board of directors.

(Resolutions)

Article 33 A resolution of the board of directors requires a quorum of a majority of the directors excluding any directors having a conflict of interest in the resolution, and shall be passed by a majority.

- 2 If a director makes a proposal relating a matter to be the board of directors resolution, and all of the directors able to be involved in a resolution on the matter show their agreement in writing or by electromagnetic record, then the proposal will be deemed to have been approved by a Board of Directors resolution. This shall not apply, however, if an auditor raises an objection to the proposal.
- 3 If a director or auditor notifies all directors and auditors of a matter which is due to be reported to the Board of Directors, then it is not necessary for the matter to be reported to the Board of Directors.
- 4 The stipulation of the previous paragraph shall not apply to the reports of paragraph 3, Article 24.

(Minutes)

Article 34 Minutes of the proceedings of the Board of Directors shall be made, as prescribed by law.

- 2 A representative director and auditor present at a meeting of the Board of Directors shall sign and seal the minutes prepared according to the previous paragraph.

## CHAPTER 7 MANAGEMENT COUNCILORS, COUNSELLORS, AND ADVISORS

(Roles)

Article 35 The Association may, through the Board of Directors resolution, commission management councilors, counselors and advisors.

- 2 Management councilors shall give comprehensive advice and suggestions to assist the Association's corporate operation in response to requests asked by the board of directors.
- 3 Counselors shall give advice and assistance to improve the Association's activities in response to request asked by the board of directors.
- 4 Advisors shall be appointed from persons who have contributed to the Association for many years by his/her distinguished services. They shall state views regarding the Association's corporate operation to the chairman in response to the chairman request.

(Appointment of Management Councilors, Counselors and Advisors)

Article 36 The appointment of management councilors, counselors and advisors shall be as determined by The Board of Directors.

- 2 For the term of office of management councilors, counselors and advisors, the term of office of a director shall be applied, as in paragraphs 1 and 5 of Article 26. For an advisor, reappointment shall be one time only.

(Powers of Management Councilors, Counselors and Advisors)

Article 37 Management councilors, counselors and advisors and committees comprised thereof shall not have any authority to act with or usurp nor to invalidate the powers of members, the general assembly, the directors, auditors and the Board of Directors conferred by law and by these Articles of Association based on the law.

## CHAPTER 8 ASSETS AND ACCOUNTS

(Business Year)

Article 38 The business year of the Association shall be from April 1 each year until the following March 31.

(Business Plan and Budget)

Article 39 The business plan and budget for the Association shall be prepared by the chairman by the day before the first day of the business year, and after a the Board of Directors resolution presented in a report to the general assembly immediately after

the start of the business year.

- 2 The business plan and budget created as specified in the previous paragraph may be changed by a Board of Directors resolution.

(Business Report and Accounts)

Article 40 The business report and accounts of the Association shall be prepared within three months of the end of each business year, and the chairman shall provide the following documents which, after being audited by the auditors, must receive the approval of the Board of Directors:

- (1) Business report
  - (2) Detailed notes to the business report
  - (3) Balance sheet
  - (4) Profit and loss statement (statement of net asset increase or decrease)
  - (5) Detailed notes to the balance sheet and profit and loss statement (statement of net asset increase or decrease)
- 2 Of the documents in the previous paragraph, having received approval, documents 1, 3, and 4, must be presented to the annual general assembly, the substance of document 1 must be reported, and the other documents must be approved.

(Accounting Principles)

Article 41 The accounts of the Association shall, according to the business being carried out, be prepared according to customary accounting principles generally regarded as fair and reasonable.

## CHAPTER 9 FUNDS

(Procedures for Raising and Returning Funds)

Article 42 The Association may solicit fund underwriters.

- 2 The contributed funds shall not be returned until such date as is agreed with the contributor of the funds.
- 3 With respect to a return of funds, the amount of funds to be returned shall be passed as a resolution of an ordinary general assembly, and the place and time of the return of the funds, the method thereof, and other details as necessary shall be separately determined by the Board of Directors.

## CHAPTER 10 CHANGES TO THE ARTICLES, MERGERS, AND DISSOLUTION

(Changes to the Articles of Association)

Article 43 These Articles of Association may be changed by resolution of the general assembly.

(Dissolution)

Article 44 The Association shall be dissolved by resolution of the general assembly, or for other reasons prescribed by law.

(Return of Residual Assets)

Article 45 If the Association is liquidated, any residual assets shall, after a resolution of the general assembly, be donated to an association as in Article 5.17 of the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations, or to a national or local public body.

## CHAPTER 11 METHOD OF COMMUNICATIONS

(Method of Issuing Public Notices)

Article 46 The Association shall issue public notices in electronic form.

- 2 If the electronic issue of public notices is not possible through force of circumstance, the official gazette shall be used.

## CHAPTER 12 SUPPLEMENTARY RULES

(Secretariat)

Article 47 The Association shall have a secretariat to carry out administrative work.

- 2 The secretariat shall have a secretary general and the required staff.
- 3 The secretary general shall be appointed or dismissed by the chairman acting on a Board of Directors resolution, and the staff shall be appointed or dismissed by the chairman.

(Details)

Article 48 Details relating to the execution of these Articles of Association shall be separately determined by resolution of the Board of Directors.

(Supplementary Information)

- 1 These Articles of Association are enacted from the date of registration of incorporation of a general incorporated association stipulated in the Law (Act No. 50 of 2006; hereinafter referred to as "Provision Law") relating to the provision of related law accompanying the enactment of the Law Relating to General Incorporated Associations and General Incorporated Foundations and the Law Relating to Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations, Article 121 paragraph 1 read to apply mutatis mutandis to Article 106 paragraph 1 of the same law.
- 2 When a registration of dissolution of a special case juridical person under the Civil Code stipulated under Provision Law Article 121 paragraph 1 read to apply mutatis mutandis to Article 106 paragraph 1 of the same law or registration of establishment of a general incorporated association is carried out, regardless of the provisions of Article 38, the day before the day of the registration of dissolution shall be the end of the business year, and the day of registration of establishment shall be the beginning of the business year.
- 3 After transfer registration the first representative directors of the Association shall be Norio YAMAGUCHI and Masami NAKAMURA, and Executive Directors Yoshikazu OHTANI, Touru ABE, Mutsuhiro SHIBANO and Tatsuo ETO.
- 4 After transfer registration the first chairman of the Association shall be Norio YAMAGUCHI, the Vice-Chairman Mutsutake OTSUKA, the President Masami NAKAMURA, and Executive Vice-President Yoshikazu OHTANI.

(Supplementary Information) (Revised on June 15, 2016)

- 1 These Articles of Association are enacted from June 15, 2016.

Date of establishment: June 3, 1943

Dates of revision of the Articles of Association:

October 24, 1947	November 16, 1948	January 7, 1953
August 14, 1953	July 7, 1955	July 22, 1958
July 1, 1959	July 6, 1960	August 6, 1964
August 20, 1970	August 10, 1972	July 16, 1973
July 5, 1975	February 15, 1983	July 18, 1990
July 15, 1992	July 3, 2003	April 1, 2012
June 15, 2016		