

# **Foreign Lawyer System Study Group Report**

(Translated version / Original Japanese)

December 24, 2009  
**Foreign Lawyer System Study Group**

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## Part 1 Introduction

In recent years, demands for legal services in Japan show a marked tendency of becoming more complex, diverse, specialized and international. In order to ensure high-quality legal services, it is indispensable to develop legal infrastructure that enables attorneys at law and registered foreign lawyers who provide legal services to operate appropriately in response to such demand.

Based on the awareness of this situation, the system of a legal professional corporation was introduced in 2001 from the standpoint of promoting legal service joint enterprises, which allows attorneys at law to provide legal services through an incorporated organization. This was followed by the recent reform of the judicial system which accomplished certain improvement of the legal system including the introduction of free joint enterprises between an attorney(s) at law and a registered foreign lawyer(s) (foreign law joint enterprise) and lifting the ban on registered foreign lawyers employing an attorney(s) at law from the standpoint of strengthening the alignment and collaboration between attorneys at law and registered foreign lawyers.

However, there still have been many requests from within and without to further improve the activity basis for attorneys at laws and registered foreign lawyers. Especially, there is a call for a legal system development to allow registered foreign lawyers to provide legal services through an incorporated organization as attorneys at law are allowed to do.

In light of this situation, the government adopted the “Three-Year Program for Promoting Regulatory Reform” at a Cabinet meeting on March 19, 2004, stating: “In order to ensure appropriate response to the demand for international legal services that is expected to grow in the future, and in light of the indications that incorporation of offices of registered foreign lawyers should be allowed on the same basis as Japanese attorneys at law, we will consider and draw a conclusion on incorporation of offices of registered foreign lawyers, considering the trend of the future demand for international legal services and the number of registered foreign lawyers in Japan, actual conditions, etc. of foreign law joint enterprises operated by a foreign lawyer(s) and a Japanese attorney(s) at law (including corporations), for example.” (Later, the “Three-Year Program for Promoting Regulatory Reform” was adopted at a Cabinet meeting on June 22, 2007 to the same effect.)

In light of the circumstances described above, the Ministry of Justice and the Japan Federation of Bar Associations set up the Foreign Lawyer System Study Group (hereinafter referred to as “the Study Group”) on May 29, 2008 with the aim of discussing incorporation of offices of registered foreign lawyers and related matters.

The Study Group started research and deliberation for this purpose in June 2008 and, after conducting research and studies of the domestic and international circumstances of the practice of attorneys at law as well as the trend of the systems to accept foreign lawyers in Japan and abroad up to August 2009, first examined how (1) the system of corporations that employ a registered foreign lawyer(s) and solely provide legal services concerning foreign laws (incorporated office of registered foreign lawyers; hereinafter referred to as “A Corporation”) should be, then (2) the system of corporations that employ both an attorney(s) at law and a registered foreign lawyer(s) and provide legal services concerning Japanese laws as well as foreign laws (incorporated foreign law joint enterprise; hereinafter referred to as “B Corporation”),

and compiled “the Foreign Lawyer System Study Group’s Interim Report” (hereinafter referred to as “the Interim Report”) in August of the same year.

Later, the Study Group conducted further examination from October to December 2009 by reference to opinions received during the public comment procedure concerning the Interim Report and, as a result of 19 meetings, compiled this Report (members and meetings of the Study Group are as stated in Attachments 1 and 2).

The Report explains the results of the research and deliberations conducted by the Study Group. ~~YYY~~

## **Part 2 Trends Surrounding the Practice of Attorneys at Law**

### 1 Current State of Law Office Partnership

The number of attorneys at law was 26,930 in Japan as of the end of March 2009 as shown in Attachment 3 (the number of people served by one attorney is 4,734 in Japan against 280 in the United States, 451 in the United Kingdom, 547 in the Federal Republic of Germany and 1,275 in the French Republic.)

Historically, the number was less than 6,000 in 1950 when the Japan Federation of Bar Associations was established, then exceeded 10,000 and 20,000 in 1975 and 2004, respectively, before reaching today’s height.

Looking at the size of the office of attorneys at law, so-called one-person offices served by only one attorney account for 65% of all offices as of March of 2009 as shown in Attachment 4. On the other hand, formation of law office partnership is progressing to some extent mostly in urban area including Tokyo and Osaka, creating seven large-scale law offices to which more than 100 attorneys at law belong. Of them, two have less than 200 attorneys at law, three have 200 to 300, one has 300 to 400 and the remaining office has more than 400 attorneys at law.

### 2 Current State, etc. of the Legal Professional Corporation System

#### (1) Legal Professional Corporation System

The legal professional corporation system allows attorneys at law to provide legal services through an incorporated organization. The system was introduced in 2001, aiming to ensure correct response to the demand for increasingly complex, diverse, specialized and international legal services and to further improve public convenience by expanding and strengthening the basis of legal services.

#### (2) Current State, etc.

The number of legal professional corporations was 357 as of the end of March 2009.



Breakdowns by the bar association, the number of members and the number of attorneys at law are as shown in Attachment 5.

(a) Breakdown by the bar association

The largest number of the corporations belongs to one of the three Tokyo associations (124 corporations in total accounting for 30%. Of them, 67 corporations belong to the Tokyo Bar Association, 33 to the Dai-ichi Tokyo Bar Association and 24 to the Daini Tokyo Bar Association), followed by those belonging to the Osaka Bar Association (65 corporations accounting for 16%) and those belonging to the Aichi Bar Association (25 corporations accounting for 6%).

(b) Breakdown by the number of members

Corporations with one member are most common (157 corporations accounting for 44% of the total) followed by those with two members (113 corporations accounting for 32%) and those with three members (40 corporations accounting for 11%). Five corporations have more than 10 members and the largest corporation has 25 members.

(c) Breakdown by the number of attorneys at law

Looking at the number of attorneys at law who belong to a corporation, corporations with not more than 5 attorneys are 268; accounting for 76% of all, while six corporations have more than 30 and the largest corporation has 93.

Looking at the number of legal professional corporations established in the past five years, 47 corporations were established in 2004, 38 in 2005, 33 in 2006, 56 in 2007 and 82 in 2008, demonstrating an upward trend after 2006.

(3) Situation of Secondary Law Offices

A legal professional corporation may provide legal services by setting up a secondary office(s) in addition to its principal law office. A legal professional corporation is required to assign, on a permanent basis, to each of its law offices a member who belongs to the bar association of the district in which the law office is located in order to ensure proper performance.

However, this does not apply to a secondary office if the bar association of the district in which such secondary law office is located decides not to require such an assignment of a member on a permanent basis, considering that legal professional corporations are expected to set up a secondary law office in a so-called under-served region to provide appropriate legal services in the region as a part of its public-interest activities.

The state of the establishment of secondary law offices by legal professional corporations is as shown in Attachment 6. As of the end of march 2009, 114 legal professional corporations set up 148 secondary law offices, of which 59 offices are set up in a region other than that where the

principal law office is located (in a different prefecture).

29 secondary law offices were exempted by the law association described above from permanent assignment of its member who belongs to the association.

### **Part 3 Current State, etc. of the Systems of Accepting Foreign Lawyers in Japan and Abroad**

#### 1 Current State, etc. of the System of Accepting Foreign Lawyers in Japan

##### (1) Registered Foreign Lawyer System

###### (a) Outline of the Registered Foreign Lawyer System

In 1987 when the Registered Foreign Lawyer System was introduced, human and physical exchanges with foreign countries were steadily growing accompanied by the increasing demand for international legal services year by year. However, the system at the time had become insufficient to properly keep up with such demand because it did not allow foreign lawyers with specialized knowledge of foreign laws to set up an office and provide legal services. On the other side, it was difficult for Japanese attorneys at law to provide legal services concerning Japanese laws in foreign countries.

In light of this circumstance, the Act on Special Measures concerning the Handling of Legal Services by Foreign Lawyers was enacted in 1987 for the purpose of ensuring the stability of international legal relations, introducing the Registered Foreign Lawyer System.

The Registered Foreign Lawyer System, as special measures of Article 72 of the Attorney Act that prohibits any person other than an attorney from handling legal services in principle, opens the way whereby a person who has the qualification to become a foreign lawyer and satisfies prescribed requirements, on the basis of the qualification to become a foreign lawyer and without passing any qualification test, can handle legal services concerning prescribed foreign laws in Japan as a “registered foreign lawyer”.

No registered foreign lawyer has ever been disciplined on the ground of handling legal services beyond the scope allowed under the laws.

###### (b) Revision of the Registered Foreign Lawyer System

Regarding the introduction of the Registered Foreign Lawyer System, deregulation measures have been taken with the aim of further promoting the stability of international legal relations and other purposes in light of domestic and international situations since its introduction.

###### 1) Revision in 1994

Its deregulation measures include:

- i The provision of services to an attorney at law, etc. is deemed to be experience of having performed professional duties as a foreign lawyer in Japan which is one of the criteria for approval as a registered foreign lawyer, to the extent of two years in total if prescribed requirements are met, and
- ii A registered foreign lawyer may operate a joint enterprise, with an attorney at law who has more than five years of the experience of having performed professional duties as an attorney at law, under a partnership or other continuous contract for the purpose of providing legal services excluding certain legal services such as representation in a suit.

## 2) Revision in 1996

Its deregulation measures include:

- i A registered foreign lawyer may represent in the procedure for an international arbitration case, and
- ii A foreign lawyer who is engaged in legal services in a foreign state may represent in the procedure for an international arbitration case which he/she was requested to undertake or undertook in such foreign state.

## 3) Revision in 1998

Its deregulation measures include:

- i The period of the experience of having performed professional duties as a foreign lawyer which is one of the criteria for approval as a registered foreign lawyer was reduced to more than three years, the years of the experience of having engaged in the practice of providing legal services in a foreign state other than the state where the qualification was acquired may be included for the required period and the year of providing services to an attorney at law, etc. in Japan is calculated as a part of the required period to the extent of one year in total if certain requirements are met,
- ii The scope of legal services a registered foreign lawyer may provide was expanded to include legal services concerning the laws of the specified foreign state in addition to the legal services concerning the designated law, after receiving written advice from a foreign lawyer, etc. who meets the prescribed requirements, and
- iii Regulation was eased concerning the purpose of joint enterprise operated by a registered foreign lawyer(s) and an attorney(s) at law to include providing legal services, etc. that require knowledge concerning foreign laws.

## 4) Recent reform of the judicial system (revision in 2003)

Its deregulation measures include:

Later in July 1999, the Advisory Panel for Reforming the Judicial System was set up under the Cabinet. The Panel identified the role to be played by the judicial system in Japanese society in the 21<sup>st</sup> century and conducted research and examinations on the basic measures necessary for reform of the judicial system and improvement of legal infrastructure including

the creation of a judicial system that is easier to use for people, facilitation of people's involvement in the judicial system and enhancement and strengthening of the legal profession and its functions. The result was compiled as "the Report of the Advisory Panel for Reforming the Judicial System – Judicial System to Support Japan in the 21<sup>st</sup> Century" in June 2001.

The report also referred to the reform of the system of attorneys at law, stating that: (1) "measures should be taken to promote partnership/incorporation, enhancement of expertness, collaboration and conversion to general office, etc. of law offices" in order to strengthen the arrangement for execution by attorneys while enhancing expertness and that (2) to ensure internationalization of attorneys at law and alignment/collaboration with registered foreign lawyers, "measures for internationalization should be fundamentally strengthened through enhancement of expertness, strengthening of arrangement for execution, promotion of international exchange, and consideration of the demand for internationalization in the stage of nurturing of the legal profession so that attorneys at law can meet legal demand in the age of internationalization. For active promotion of the alignment/collaboration between Japanese attorneys at law and registered foreign lawyers, etc., the requirements for specified joint enterprise should be relaxed, for example."

Based on these opinions, deregulation measures were taken including:

- i the ban on the employment of attorneys at law by registered foreign lawyers was lifted after taking necessary measures to prevent possible harmful effects, and,
- ii as regards joint enterprise operated by a registered foreign lawyer(s) and an attorney(s) at law or legal professional corporation, the previous specified joint enterprise system was abolished and, after taking necessary measures, registered foreign lawyers are allowed to freely operate a joint enterprise with any attorney at law or legal professional corporation without limitation to the scope of legal services to handle.

## (2) State of the Registration, etc. of Registered Foreign Lawyer

- (a) A person who has the qualification to become a foreign lawyer may be qualified to become a registered foreign lawyer when he/she has obtained approval from the Minister of Justice as meeting the prescribed qualification. He/she is then required to obtain registration in the Roll of Registered Foreign Lawyers kept by the Japan Federation of Bar Associations in order to be a registered foreign lawyer.

The number of registered foreign lawyers registered under this system was 323 as of December 15, 2009.

Its breakdown by bar association, state of primary qualification and nationality is as shown in Attachment 7.

### 1) Breakdown by bar association

The overwhelming majority belongs to one of the three Tokyo associations (303 lawyers in

total accounting for 94% of all. Of them, 141 lawyers belong to the Daini Tokyo Bar Association, 110 to the Dai-ichi Tokyo Bar Association and 24 to the Tokyo Bar Association), followed by those belonging to the Osaka Bar Association (10 lawyers accounting for 3%).

2) Breakdown by the state of primary qualification

For the majority of registered foreign lawyers, the state of primary qualification is a state, etc. of the United States of America (196 lawyers accounting for 60% of the total, including New York (99) and California (45)) followed by the United Kingdom (58 lawyers accounting for 18% of the total) and the People's Republic of China (21 lawyers accounting for 6% of the total.)

3) Breakdown by nationality

The most frequent nationality is American (139 lawyers accounting for 43% of the total) followed by Japanese (56 lawyers accounting for 17% of the total) and British (46 lawyers accounting for 14% of the total.)

(b) Trends in the number of the registered lawyers

The Registered Foreign Lawyer System started in 1987. Trends of the number of registered lawyers since then are as shown in Attachment 7. The number was on the increase in the early years after the introduction of the system, then stayed flat for a while, but has been dramatically increasing since 1998.

(3) Current state, etc. of the alignment/collaboration between attorneys at law and registered foreign lawyers

(a) About joint enterprise operated by an attorney(s) at law and a registered foreign lawyer(s)

As described above, the law revision of 1994 allowed registered foreign lawyers to operate joint enterprise (specified joint enterprise), with an attorney(s) at law who has prescribed experience of having performed professional duties as an attorney at law, for the purpose of providing legal services excluding certain legal services such as representation in a suit.

Later with the law revision in 1998, measures were taken to expand the scope of the purpose of specified joint enterprise, which was followed by the recent reform of the judicial system that allowed free operation of joint enterprises (foreign law joint enterprise) without limitation to the purpose of the legal services handled, with any attorneys at law or legal professional corporation, and the profit gained by the joint enterprise may be shared freely among them.

Looking at joint enterprises operated by an attorney(s) at law and a registered foreign lawyer(s), the numbers of the attorneys at law and registered foreign lawyers who operate joint

enterprises were 175 and 81 in total, respectively, as of April 1, 2009, as shown in Attachment 8.

The number of attorneys at law employed by these attorneys at law or registered foreign lawyers was 664 in total and that of the registered foreign lawyers employed by them was 43 in total.

The trends of the number of the joint enterprises operated by attorneys at law and registered foreign lawyers, and that of attorneys at law (including employed attorneys at law) and registered foreign lawyers (including employed registered foreign lawyers) who are involved in the joint enterprises in the most recent eight years are shown in Attachment 8.

(b) About employment etc. of attorneys at law by registered foreign lawyers

As described above, the recent reform of the judicial system lifted the ban on the employment of attorneys at law by registered foreign lawyers.

As shown in Attachment 8, the number of attorneys at law employed by registered foreign lawyers was 65 in total as of April 1, 2009, while the number of registered foreign lawyers employed by registered foreign lawyers was 34 in total.

There is no particular regulation on the employment of foreign lawyers by attorneys at law or registered foreign lawyers.

The total number of foreign lawyers employed by attorneys at law or registered foreign lawyers in the period between April 1, 1999 and April 1, 2008 was 275 as shown in Attachment 8.

(4) Requests, etc. from various quarters concerning the establishment of A and B Corporation Systems

As mentioned in the beginning of this report, there has been a call from within and without including the United States and EU to make further legislative preparation to enable registered foreign lawyers to provide legal services through incorporated organization as attorneys at law are allowed to do. In light of this situation, the government adopted “the 3 year plan for propulsion of regulatory reform and private opening” at a Cabinet meeting on March 19, 2004, stating: “In order to ensure appropriate response to the demand for international legal services that is expected to grow in the future (snip) we will consider and draw a conclusion on incorporation of offices of registered foreign lawyers” (Later “3 year plan for propulsion of the regulatory reform” was adopted at a Cabinet meeting on June 22, 2007 to the same effect.)

The Study Group conducted hearings with registered foreign lawyers, attorneys at law who operate a joint enterprise with registered foreign lawyers, representative partners of legal professional corporations, etc., receiving a large number of opinions that A Corporation System and B Corporation System should be established.

Furthermore, the Ministry of Justice carried out a procedure of public comment on the interim report during the period from August 24 to September 24, 2009, receiving opinions from 11 groups



and individuals in total. None of them was against the establishment of A Corporation System and the majority favored the establishment of B Corporation System (including the opinions that expressed a view on how the system should be in concrete terms).

## 2 Current State, etc. of Systems of Accepting Foreign Lawyers in Foreign Countries

The current state of systems of accepting foreign lawyers in foreign countries including the United States, United Kingdom, People's Republic of China, French Republic and Federal Republic of Germany is as shown in Attachment 9.

## **Part 4 Recommendations**

As described in Parts 2 and 3 above, the Study Group examined desirable ways of A and B Corporation Systems based on the trends surrounding legal services and the current state, etc. of the system of accepting foreign lawyers in Japan and foreign countries.

With the increasingly complex and diverse socio-economy and rapid internationalization of Japan, contents of the demanded legal services also show a substantial tendency of becoming more complex, diverse, specialized and internationalized, including those that are not limited to a specific law field of a single country but involve the tangled web of multiple law fields, including those involving a law field that requires sophisticated expertise and those involving laws of multiple countries.

In order to provide high-quality legal services in appropriate response to the legal service needs that are increasingly complex, diverse, specialized and internationalized, it is indispensable to ensure an environment where attorneys at law and registered foreign lawyers who provide legal services can operate through diverse forms of organization so that they can give full play to their expertness.

Under the current system, however, whereas attorneys at law may provide legal services through a partnership or corporation (legal professional corporation), registered foreign lawyers are not allowed to provide legal services through a corporation. Furthermore, in spite of the growing need for attorneys at law and registered foreign lawyers to establish an alignment/collaboration relationship, the current system allows attorneys at law and registered foreign lawyers to provide legal services jointly through a partnership (foreign law joint enterprise) but does not allow the same through a corporation.

This way the existing system is not enough to ensure a free operational environment for attorneys at law and registered foreign lawyers. In order to prepare its institutional basis, it is necessary to newly introduce a system to allow registered foreign lawyers to provide legal services through a corporation (A Corporation System) while at the same time introducing a system to allow attorneys at law and registered foreign lawyers to jointly provide legal services through a corporation (B Corporation System). Such preparation of institutional basis will not only help the development of attorneys at law in Japan but also the securing of excellent foreign lawyers, eventually enhancing the quality of legal services provided by them.

On the other hand, however, if such corporations should provide inappropriate legal services causing inadvertent damages to their clients, it would be against the spirit of Article 72 of the Attorney Act that

prohibits the provision of legal services by non-attorneys in order to maintain the fair and smooth operation of the legal life of citizens as well as the legal order. No need to say that necessary measures should be taken to prevent such undesirable effects.

As a result of these examinations, the Study Group reached a conclusion that there is a need to establish both A Corporation System and B Corporation System to ensure more appropriate response to the demand for more complex, diverse, specialized and international legal services, but the following measures should be taken at the same time in light of the legal meaning of Article 72 of the Attorney Act and the existing attorney system and the registered foreign lawyer system that assume the former, while establishing a discipline that is similar to that applied to legal professional corporations under the current Attorney Act.

## 1 About A Corporation System

### (1) Scope of Practice

- (a) An A Corporation may, just as an individual registered foreign lawyer, 1) handle legal services concerning the laws of the state of primary qualification and the designated laws of a registered foreign lawyer who is its member, and 2) handle legal services concerning the laws of a foreign state other than those specified above, if the corporation does so according to a written advice received from any person whose knowledge and ability concerning the law of the foreign state are institutionally warranted (persons listed in the items of Article 5-2, paragraph 1 of the Attorney Act. Hereinafter referred to as “qualified person concerning the law of the foreign country”).
- (b) An A Corporation may not handle certain legal services concerning a law of a foreign country, if it is deemed inappropriate for national or public interest to allow an A Corporation that consists solely of registered foreign lawyer members to handle them, including representation in a suit at a domestic court, for example.
- (c) When handling legal services concerning a law of a foreign country that are deemed inappropriate to allow an A Corporation that consists solely of registered foreign lawyer members to handle, including representation, etc., for example, in a legal case concerning the relationship with natural relatives where a Japanese citizen is a party, the A Corporation is required to handle them jointly with an attorneys at law or according to a written advice received from an attorney at law, just as individual registered foreign lawyers are required to do in such a case.

### (2) Executive Authority, etc.

In handling of legal services concerning the laws of the state of primary qualification and the



designated laws of a member of an A Corporation, the member may make decisions of the A Corporation, execute affairs within the A Corporation, and represent the A Corporation.

In addition to the above, a member of an A Corporation may make decisions of the A Corporation, execute affairs within the A Corporation, and represent the A Corporation when handling legal services concerning the laws of a foreign state that are not those of his/her state of primary qualification or designated laws, only if he/she does so according to a written advice received from a qualified person concerning the law of the foreign state.

An A Corporation may, as in the case of legal professional corporations, designate a member who handles the services for a specific case. For such a case, only the designated member may make decisions of the A Corporation, execute affairs within the A Corporation, and represent the A Corporation

### (3) Responsibilities of a member to corporate creditors

If an A Corporation is unable to fully satisfy its obligations with its assets, each member shall be jointly and severally, directly and unlimitedly liable for such liabilities to creditors of the A Corporation, just as a legal professional corporation is.

However, if an A Corporation designated a member who handles the services for a specific case and notified its client thereof in writing, only the designated member shall be jointly and severally, directly and unlimitedly liable for such liabilities that the A Corporation incurs to the client concerning the designated case, just as a legal professional corporation is.

### (4) Employment of Attorneys at Law and Foreign Law Joint Enterprise

(a) An A Corporation may, just as an individual registered foreign lawyer may, 1) employ an attorney(s) at law, and 2) operate a joint enterprise with an attorney(s) at law or legal profession corporation(s).

(b) However, there is a concern that a member who is a registered foreign lawyer would handle legal services concerning Japanese laws through an attorney at law who is an employee of the A Corporation, attorney at law who is a partner of the joint enterprise or a Legal Professional Corporation, exploiting his/her employment status, etc.

In order to prevent such harmful effects from occurring, regulations shall be established including prohibition of improper involvement of a member who is a registered foreign lawyer in the handling of legal services concerning Japanese laws that an attorney at law who is an employee undertook as a personal case, as is the cases where 1) an individual registered foreign lawyer employs an attorney(s) at law and 2) an individual registered foreign lawyer operates joint enterprise with an attorney(s) at law or a legal professional corporation.

### (5) Regulations concerning office

- (a) An A Corporation may set up multiple offices.
- (b) An A Corporation, following the example of legal professional corporations, is required to assign, on a permanent basis, to each of its law offices, a member who belongs to the bar association of the district in which the law office is located.

\* A member who is a registered foreign lawyer is treated as a foreign fellow.

- (c) For the obligation of a legal professional corporation to assign a member to its secondary office, an exceptional measure is provided to cancel the obligation if the bar association of the district in which such secondary law office is located permits (Proviso of Article 30-17 of the Attorney Act). However, such exceptional measure shall not be taken for the obligation of an A Corporation to assign a member to its secondary office on a permanent basis.

\*Legal professional corporation is required to assign, on a permanent basis, to each of its law offices, on a permanent basis, a member who belongs to the bar association of the district in which the law office is located.

However, establishing a secondary office where a member is not assigned on a permanent basis is exceptionally allowed in prescribed cases if the bar association of the district permits, considering that secondary law offices of legal professional corporations are expected to form a basis of public-interest activities including satisfying the demand for legal services concerning Japanese laws in a so-called underserved region.

The need to take such an exceptional measure is not found for an A Corporations that handles solely legal services concerning foreign laws.

- (6) Obligation, etc. to indicate qualification when engaging in practice

Regulations shall be set up such as those requiring a member of an A Corporation to use the title of “Gaikokuho-Jimu-Bengoshi” (registered foreign lawyer) and append to such title the name of the state of primary qualification when he/she engages in practice for the A Corporation as an organ of the A Corporation, just as he/she is required to do when engaging in practice as an individual registered foreign lawyer.

\*This measure is recommended because there is a concern that a client might misunderstand the competence of a member who is a registered foreign lawyer and suffer unforeseen damages due to the misunderstanding.

- (7) Prohibition against collaboration with non-attorneys

A Corporations shall be prohibited, just as a legal professional corporation is prohibited, 1) to undertake any cases referred by a person who is in violation of the provisions of Article 72, etc. 2) or allow a person who is in violation of the provisions of Article 72, etc. to utilize his/her name. Penalties shall be provided for violation of the prohibition.

## 2 About B Corporation System

### (1) Executive Authority, etc.

(a) As regards practice of B Corporation, each member shall make decisions of the A Corporation, execute affairs within the A Corporation, and represent the A Corporation, in principle.

(b) As regards the handling of legal services concerning Japanese laws at a B Corporation, only members who are attorneys at law may make decisions of the A Corporation, execute affairs within the A Corporation, and represent the A Corporation

(c) For authorities, etc. of members who are registered foreign lawyers engaging in the handling of legal services concerning foreign laws at a B Corporation, measures similar to those for A Corporations shall be taken.

### (2) Regulation concerning the prohibition of improper involvement of an attorney at law who is a member or employee

There is a concern that a registered foreign lawyer who is a member of a B Corporation would handle legal services concerning Japanese laws through an attorney at law who is a member or employee of the B Corporation.

In order to prevent such harmful effects from occurring, regulations shall be set up including the prohibition of improper involvement in the decision making, internal execution or representation for legal services concerning Japanese laws conducted by an employee who is an attorney at law working for a B Corporation, similarly to the cases where 1) an individual registered foreign lawyer employs an attorney(s) at law and 2) an individual registered foreign lawyer operates a joint enterprise with an attorney(s) at law or a legal professional corporation.

### (3) Regulations Concerning Offices

(a) A B Corporation may set up multiple offices.

(b) Following the example of legal professional corporations, a B Corporation is required to assign on a permanent basis to each of its law offices a member who belongs to or is a foreign fellow of the bar association of the district in which the law office is located. However, establishing secondary offices where a member is not assigned on a permanent basis may be allowed if the bar association of the district permits, just as a legal professional corporation is allowed to do.

\*1 Assigned member may be either an attorney at law who is a member of the relevant bar association or a registered foreign lawyer who is a foreign fellow of the same.

\*2 If this measure is taken, it will allow the existence of an office where a member who is an attorney at law is not assigned on a permanent basis. It is clear from (1) (b) above that a member who is a registered foreign lawyer and is assigned to the office on a permanent basis may not make decisions of the B Corporation, execute affairs within the B Corporation, and represent the B Corporation for legal services concerning Japanese laws. Generally, it is unlikely that legal services concerning Japanese laws would be handled in such an office either. However, we request giving full consideration to whether or not to take further measures to ensure proper practice at such offices, reflecting the purpose of the mandatory permanent assignment of a member who belongs to or is a foreign fellow of the bar association of the district in which the law office is located while permitting B Corporations to establish multiple offices, the actual conditions of the practice of attorneys at law and registered foreign lawyers, examples of other laws, etc.

(4) In addition, because membership of a B Corporation may be granted also to registered foreign lawyers, disciplines similar to those for A Corporation shall be established accordingly as needed.

### 3 Transfer to and Merger with a Corporation of a Different Type

Necessary provisions should be prepared to allow each Legal Professional Corporation, A Corporation or B Corporation to transfer to a corporation of a different type or merge with other corporations.

In this preparation, it is desirable to design as flexible a system as possible so that these corporations can respond promptly and appropriately to the demand for legal services.

### 4 Supervision of A Corporations and B Corporations

(1) A Corporations and B Corporations shall be supervised by bar associations and the Japan Federation of Bar Associations

(2) In order to ensure effectiveness of the supervision by these organizations, measures should be taken including requiring an A Corporation or B Corporation, when it is established, as is the case of a legal professional corporation, to notify the bar association to which it belongs and the Japan

Federation of Bar Associations thereof accompanied with the certificate of registered matters and a copy of the articles of incorporation within two weeks from the day of the establishment.

- (3) In order to ensure effectiveness of the guidance to and supervision of A Corporations and B Corporations, the Japan Federation of Bar Associations and bar associations should make sufficient consideration about desirable guidance and supervision including disciplinary actions. In this consideration, it is desirable to establish the authority to examine these corporations and their members in the regulations, rules, etc. of the Japan Federation of Bar Associations based on the examples of legal professional corporations and foreign law joint corporations while taking measures to obligate the corporations and their members to cooperate with the examination.

## **Part 5 Conclusion**

The Study Group requests the Ministry of Justice to take necessary measures promptly along the lines of this recommendation after consultation with the Japan Federation of Bar Associations.

The Study Group also requests the Japan Federation of Bar Associations to continue earnest consideration of measures to ensure effectiveness of the guidance and supervision encompassing A Corporations and B Corporations in light of the purpose of granting the Federation the authority to guide and supervise attorneys at law and registered foreign lawyers.

Finally, we would like to take this opportunity to thank all persons who provided the Study Group with comments concerning its research and deliberations.

## Members of the Study Group

[From 1<sup>st</sup> to 19<sup>th</sup> meeting]

Chair: Ito Makoto (Professor, Waseda Law School)

Members:

Nakanishi Yasushi (Professor, Kyoto University)

Hasebe Yukiko (Professor, Gakushuin University).

Sanari Minoru (Head, Legal Affairs Office, General Affairs Department, Tokyo Gas)

Sugiyama Yoshikuni (Executive Officer and Head of the Accounting Bureau, Yomiuri Shimbun Tokyo Head Office)

Koshi Junichiro (Senior Adviser with the Bank of Thailand and Executive Board Member of the Japanese Association of Turnaround Professionals when he joined the group)

Matsumoto Kazumichi (Executive Board Member, Deputy Vice President in Charge of the Corporate Division and Director of Compliance, Mitsubishi Corporation)

Ushijima Shin (Chairman of the Foreign Lawyers and International Legal Practice Committee, Japan Federation of Bar Associations)

Shimojo Masahiro (current member and former Chair of the Foreign Lawyers and International Legal Practice Committee)

Miyama Takuya (Director-General of the Judicial System Department, Secretariat of the Minister of Justice)

Nakagawa Miyuki (Counselor, Secretariat of the Minister of Justice)

Sase Masatoshi (Attorney at law)

Takanaka Masahiko (Attorney at law)

Organizer:

Watanabe Hideo (Prosecutor, Judicial System Department, Secretariat of the Minister of Justice)

Idei Naoki (Deputy Secretary General of the Japan Federation of Bar Associations when he assumed the post)

Observer:

Lukas Kratochvil (Registered Foreign Lawyer at Herbert Smith)

Lianming He (Registered Foreign Lawyer at TMI Associates)

[From the 3<sup>rd</sup> meeting to the 19<sup>th</sup> meeting]

Organizer: Yanagi Shiro (Deputy Secretary General, the Japan Federation of Bar Associations)

[From the 1st meeting to the 8<sup>th</sup> meeting]

Observer: Hamamoto Yukiya (Deputy Director, Services Trade Division, Ministry of Foreign Affairs when he joined the group)

[From the 9th meeting to the 19<sup>th</sup> meeting]

Observer: Ohno Sho (Deputy Director, Services Trade Division, Ministry of Foreign Affairs)

## List of the Meetings of the Study Group

### 1<sup>st</sup> meeting (June 6, 2008)

- Introduction of members
- Outline of the registered foreign lawyer system and explanation of the development, etc.
- Identification of examination items
- Explanation of the planned examination timeline

### 2<sup>nd</sup> meeting (June 20, 2008)

- Report on foreign lawyer accepting systems in foreign countries  
(Hearing)
- Mr. Robert Francis Grondine (Honorary President of the American Chamber of Commerce in Japan and registered foreign lawyer of White & Case law firm)
  - Incorporation of foreign lawyer offices and aspects of the foreign lawyer system that need correction seen from a registered foreign lawyer

### 3<sup>rd</sup> meeting (July 17, 2008)

- (Hearing)
- Mr. Hamamoto Yukiya (Deputy Director, Services Trade Division, Ministry of Foreign Affairs)
  - Service negotiation: four aspects of service trade
  - Agreement/offer concerning foreign lawyers of major states at service trade (GATS)
- (Hearing)
- Mr. Ushijima Shin (Chairman of the Foreign Lawyers and International Legal Practice Committee, Japan Federation of Bar Associations)
  - Background of the establishment and revisions of the foreign lawyer's law
  - Comparison with the foreign lawyer systems in foreign countries
  - Situation of the mega law offices in the world and that of law offices in Japan
  - Present situation of foreign lawyer's offices and problems of the foreign lawyer system
  - Legal professional corporation system
  - Need to establish a foreign lawyer corporation system
- (Hearing)
- Mr. Matsumoto Kazumichi (Executive Board Member, Deputy Vice President in Charge of the Corporate Division and Director of Compliance, Mitsubishi Corporation)
  - Corporate legal affairs at the Legal Department of Mitsubishi Corporation

### 4<sup>th</sup> meeting (September 4, 2008)

- (Hearing)
- Mr. Atsumi Hiroo (Attorney at law, Atsumi & Partners)



Ms. Bonnie L. Dixon (Registered Foreign Lawyer, Atsumi & Partners)

- Advantages and disadvantages of legal professional corporation
- Problem of conflict
- Comparison of tax practice and social insurance among legal professional corporation, joint enterprise, etc.
- Mode of joint enterprise by attorney at law and registered foreign lawyer
- Foreign law joint enterprise by legal professional corporation and registered foreign lawyer
- Possibility of foreign law joint enterprises by legal professional corporation and foreign lawyer corporation
- Possibility of legal professional corporation that has attorneys at law and foreign lawyers as partner
- Advantages and disadvantages of allowing foreign lawyers to be partners of a legal professional corporation (so-called integrated legal professional corporation)
- Comparison with major countries
- Options of measures to prevent harmful effects
- Specified partner system of audit corporations under the revision of the Certified Public Accountants Act in 2007

**5<sup>th</sup> meeting (September 26, 2008)**

(Hearing)

Mr. Kuniya Shiro (Attorney at law at OH-EBASHI LPC & PARTNERS and member of New York Bar, American Bar Association)

- About the background of incorporation, advantages and disadvantages of incorporation, and opinions, etc. concerning joint enterprise with registered foreign lawyer

**6<sup>th</sup> meeting (October 21, 2008)**

(Deliberation among the members) About A corporation system

**7<sup>th</sup> meeting (November 7, 2008)**

(Deliberation among the members) About A corporation system

**8<sup>th</sup> meeting (December 2, 2008)**

(Deliberation among the members) About A corporation system

**9<sup>th</sup> meeting (January 22, 2009)**

(Deliberation among the members) About B corporation system

**10<sup>th</sup> meeting (February 25, 2009)**

(Deliberation among the members) About B corporation system

**11<sup>th</sup> meeting (March 23, 2009)**

(Hearing)

Three attorneys at law and a registered foreign lawyer with experience of joint enterprise

- About the actual conditions of foreign law joint enterprise

**12<sup>th</sup> meeting (May 28, 2009)**

(Deliberation among the members) About B corporation system

**13<sup>th</sup> meeting (July 7, 2009)**

(Deliberation among the members) About B corporation system

**14<sup>th</sup> meeting (July 29, 2009)**

(Deliberation among the members) About B corporation system

**15<sup>th</sup> meeting (August 11, 2009)**

(Deliberation among the members) About “Foreign Lawyer System Study Group – Interim Report (Draft)”

**16<sup>th</sup> meeting (October 15, 2009)**

(Deliberation among the members) Opinion exchange based on the opinions sent to public comment

**17<sup>th</sup> meeting (October 22, 2009)**

(Deliberation among the members) About “Desirable regulations on secondary offices of B corporation”

**18<sup>th</sup> meeting (November 12, 2009)**

(Deliberation among the members) About “obligation of permanent assignment of a partner”

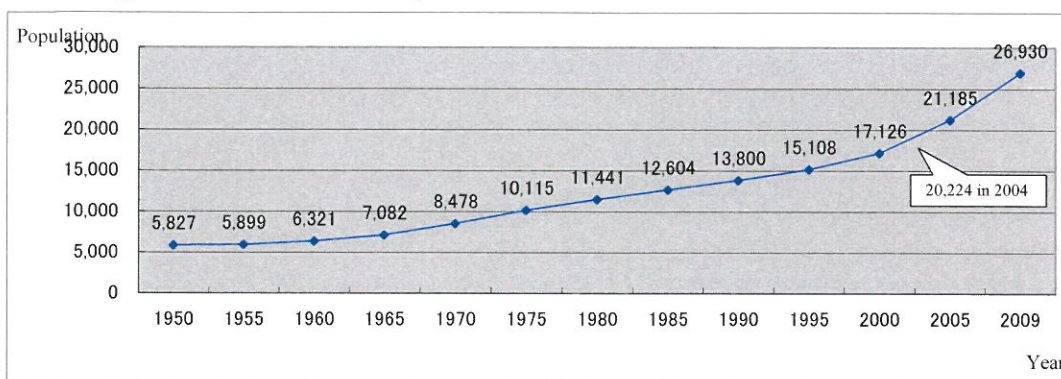
(Deliberation among the members) About “desirable organizational change, etc.”

(Deliberation among the members) About “name of corporation”

**19<sup>th</sup> meeting (December 24, 2009)**

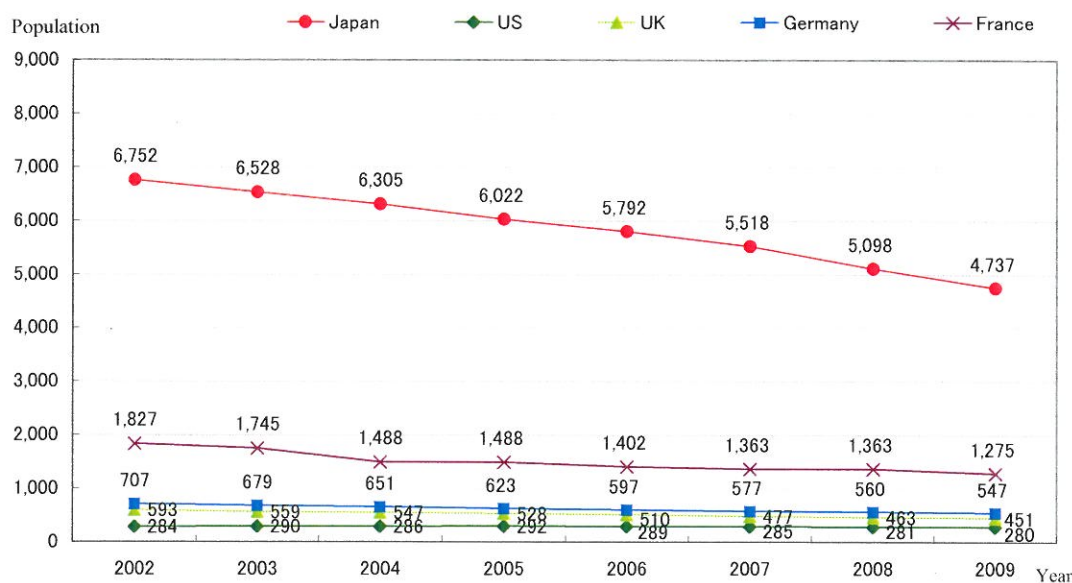
(Deliberation among the members) Compilation of the draft final report

### Change in the number of attorneys at law



(Note) Figures are as of the end of March of the respective year.

### Number of people served by one attorney (international comparison)



#### [Note]

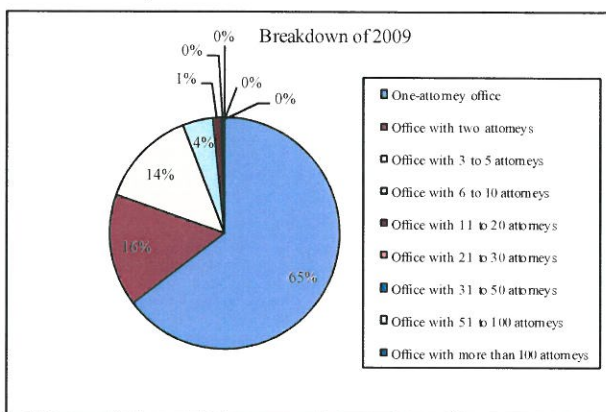
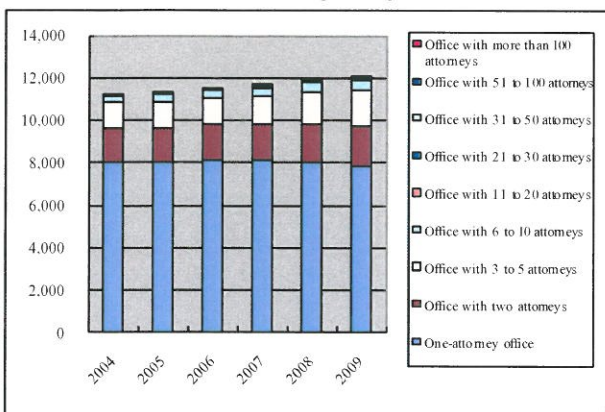
- Figures in the graphs above are calculated by dividing the population of each country by the number of the attorneys at law in the country.
- The number of people in the legal professions excluding attorneys at law in Japan is based on a survey by the Supreme Court.
- Japan: The number of attorneys at law is as of April of the respective year.  
Population is as of October 1 of the previous year based on a survey by the Ministry of Internal Affairs and Communications Statistics Bureau.
- US: The number of attorneys at law was calculated by deducting the number of judges and prosecutors from that of lawyers who were actually practicing in each state according to ABA survey.  
Population is based on a survey by the U.S. Census Bureau.
- UK: Number of England and Wales  
The number of attorneys at law was calculated by deducting the number of solicitors who work as part-time judges or prosecutors and the Attorney General from the total number of barristers who set up practice independently and solicitors who have a practicing certificate.  
Population is based on the survey by the Office for National Statistics.
- Germany: The number of attorneys at law is based on a survey by the German Federal Bar ( Bundesrechtsanwaltskammer).  
Population is according to the Federal Statistical Office (Statistisches Bundesamt)
- France: The number of attorneys at law is the total of attorneys at law including previous juridical counselors, barristers admitted to practice before the court of appeal (avoué près la Cour d'appel) and attorneys of Conseil d'Etat/ Court of Cassation based on the survey of the Ministry of Justice (Ministère de la Justice).  
Population is based on a survey of the National Institute for Statistics and Economic Studies (Institut National de la Statistique et des Études Économiques:INSEE).

■ Changes in the number of offices by size ■

	2004	2005	2006	2007	2008	2009
One-attorney office	8,000	8,040	8,092	8,109	7,960	7,821
Two-attorney office	1,643	1,589	1,666	1,650	1,815	1,900
3-5 attorney office	1,176	1,238	1,300	1,392	1,540	1,657
6-10 attorney office	283	312	324	389	426	518
11-12 attorney office	87	97	99	96	127	140
21-30 attorney office	18	23	24	29	26	32
31-50 attorney office	3	6	7	13	18	19
51-100 attorney office	4	3	3	3	5	4
More than 101 attorneys	5	5	6	5	5	7
<b>Total</b>	<b>11,219</b>	<b>11,313</b>	<b>11,521</b>	<b>11,686</b>	<b>11,922</b>	<b>12,098</b>

Note 1: Excerpt from the Lawyer White Paper 2009

Note 2: Numbers of March of the respective year. However, the number for 2009 is as of July.

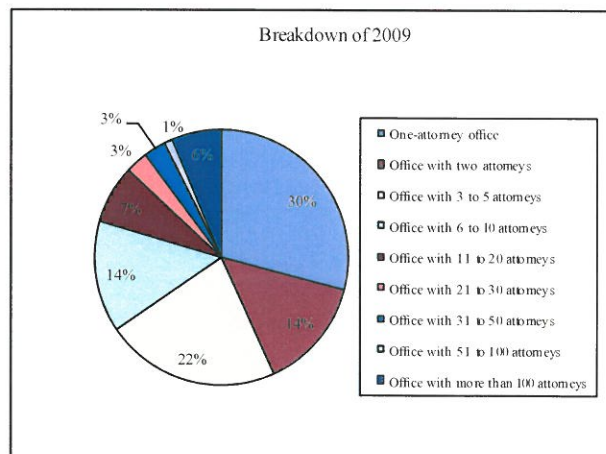
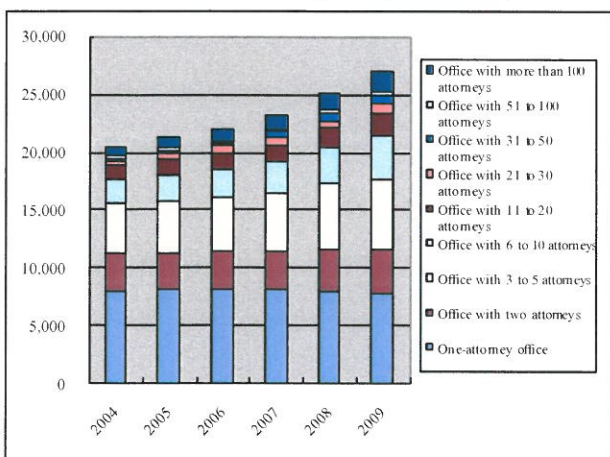


■ Changes in number of attorneys by office size ■

	2004	2005	2003	2004	2008	2009
One-attorney office	8,000	8,040	8,092	8,109	7,960	7,821
2-attorney office	3,286	3,178	3,332	3,300	3,630	3,800
3-5 attorney office	4,243	4,496	4,703	5,019	5,606	5,999
6-10 attorney office	2,062	2,262	2,366	2,815	3,097	3,805
11-20 attorney office	1,227	1,345	1,405	1,352	1,766	1,982
21-30 attorney office	434	557	592	686	620	774
31-50 attorney office	119	226	254	475	662	750
51-100 attorney office	256	211	189	220	369	290
more then 100 attorneys	756	880	1,088	1,134	1,331	1,709
<b>Total</b>	<b>20,383</b>	<b>21,195</b>	<b>22,021</b>	<b>23,110</b>	<b>25,041</b>	<b>26,930</b>

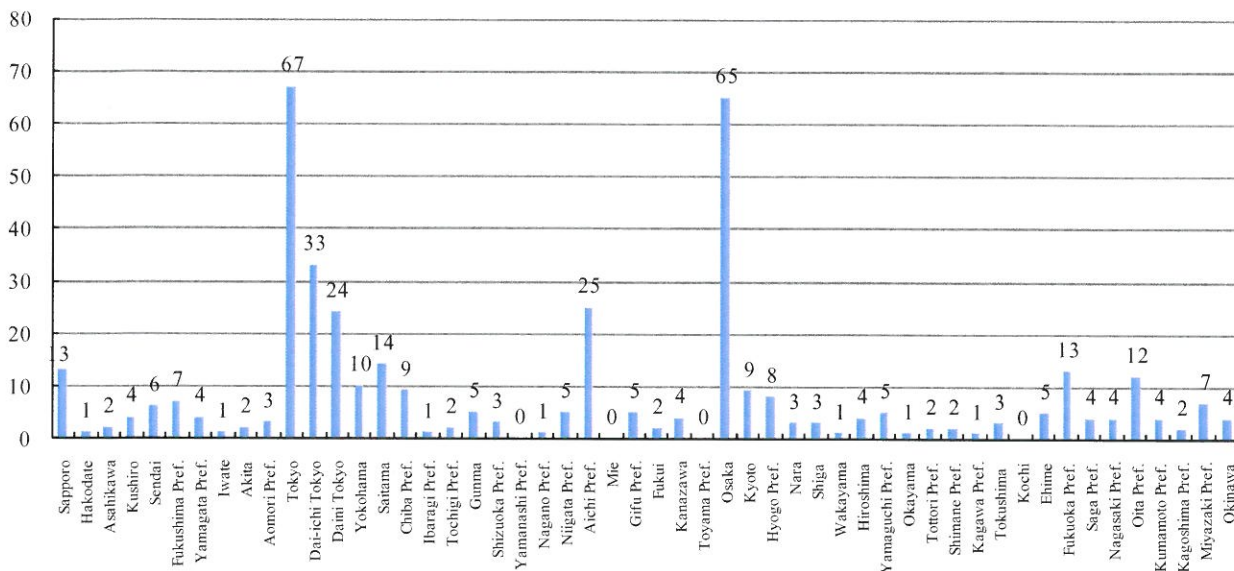
Note 1: Excerpt from the Lawyer White Paper 2009

Note 2: Numbers of March of the respective year. However, the number for 2009 is as of July.

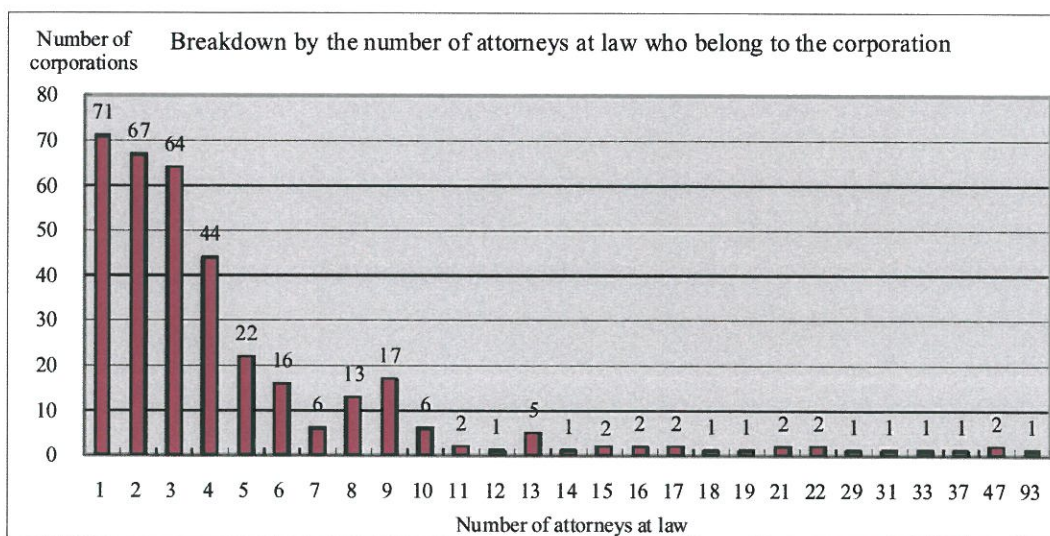
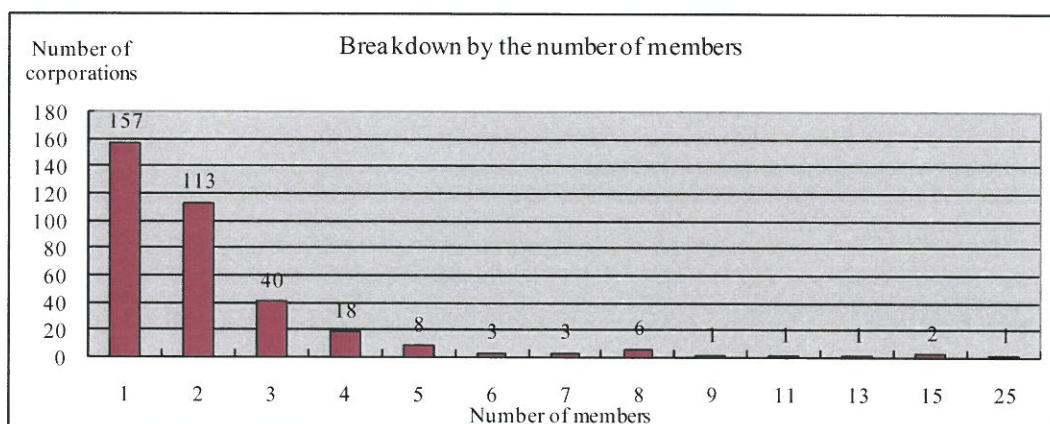




■ Comparison of the number of corporate members by bar association ■



(Note 1) The total exceeds the number of the corporations because some of them belong to more than two bar associations.  
 (Note 2) Numbers are based on the notices by the end of March 2009.



(Note 1) Excerpt from the Lawyer White Paper 2009  
 (Note 2) Numbers are based on the notices by the end of March 2009.  
 (Note 3) The number of attorneys who belong to the corporation was calculated for each legal professional corporation by totaling those of its principal office and its secondary office(s).  
 (Note 4) The total number of the corporations (354) does not include those in liquidation.

■ List of legal professional corporations with secondary office ■

No.	Principal office	Secondary office	Remarks
1	Sapporo (Sapporo City)	Sapporo (Iwamizawa City, Takikawa City, Tomakomai City)	Exempted from permanent assignment (Iwamizawa City, Takikawa City)
2	Hakodate (Hakodate City)	Hakodate (Yakumo Town)	Exempted from permanent assignment
3	Iwate (Morioka City)	Iwate (Oshu City, Ofunato City)	Exempted from permanent assignment (Ofunato City)
4	Aomori (Yabe City)	Aomori (Towada City)	Exempted from permanent assignment
5	Tokyo (Chiyoda-Ku)	Gunma (Takasaki City)	
6	Tokyo (Minato-Ku)	Gunma (Takasaki City)	
7	Tokyo (Toshima-Ku)	Tokyo (Chiyoda-Ku, Shinjuku-Ku)	
8	Tokyo (Chiyoda Ward)	Tokyo (Minato-Ku)	
9	Tokyo (Shinjuku-Ku)	Yokohama (Yokohama City)	
10	Tokyo (Toshima-Ku)	Okazawa (Naha City) Aichi (Nagoya City)	
11	Tokyo (Shinjuku-Ku)	Tokyo (Shinjuku-Ku) Senai (Senai City)	
12	Tokyo (Chiyoda-Ku)	Sapporo (Sapporo City)	
13	Tokyo (Chiyoda-Ku)	Tokyo (Minato-Ku, Shinjuku-Ku)	
14	Tokyo (Shinjuku-Ku)	Tokyo (Shibuya-Ku)	
15	Tokyo (Chuo-Ku)	Aomori (Towada City)	
16	Tokyo (Chuo-Ku)	Shizuoka (Izu City)	
17	Tokyo (Minato-Ku)	Saitama (Tokorozawa City)	
18	Tokyo (Hachioji City)	Tokyo (Machida City) Saitama (Saitama City)	
19	Tokyo (Minato-Ku)	Osaka (Osaka City)	
20	Tokyo (Chiyoda-Ku)	Chiba (Kashiwa City)	
21	Dai-ichi Tokyo (Chiyoda-Ku)	Osaka (Osaka City)	
22	Dai-ichi Tokyo (Chiyoda-Ku)	Ehime (Imabari City)	
23	Dai-ichi Tokyo (Shinjuku-Ku)	Saitama (Saitama City)	
24	Dai-ichi Tokyo (Taito-Ku)	Fukushima (Iwaki City)	
25	Dai-ichi Tokyo (Chiyoda-Ku)	Sapporo (Sapporo City)	
26	Dai-ichi Tokyo (Minato-Ku)	Ehime (Matsuyama City)	Exempted from permanent assignment
27	Daini Tokyo (Chiyoda-Ku)	Daini Tokyo (Toshima-Ku)	
28	Daini Tokyo (Minato-Ku)	Shimane (Hamada City)	
29	Daini Tokyo (Chiyoda-Ku)	Osaka (Osaka City)	
30	Daini Tokyo (Shibuya-Ku)	Chiba (Abiko City)	
31	Yokohama (Sagamihara City)	Yokohama (Sagamihara City)	
32	Yokohama (Sagamihara City)	Yokohama (Sagamihara City)	
33	Yokohama (Sagamihara City)	Yokohama (Sagamihara City)	
34	Yokohama (Yokohama City)	Yokohama (Fujisawa City)	
35	Yokohama (Yokohama City)	Yokohama (Yokohama City)	
36	Saitama (Saitama City)	Saitama (Koshigaya City)	
37	Saitama (Saitama City)	Saitama (Koshigaya City)	
38	Saitama (Koshigaya City)	Tokyo (Taito-Ku)	
39	Saitama (Saitama City)	Saitama (Kuki City)	
40	Chiba (Chiba City)	Chiba (Tomisato City, Sosa City)	
41	Gunma (Takasaki City)	Gunma (Takasaki City)	
42	Gunma (Numata City)	Gunma (Takasaki City)	
43	Shizuoka (Numazu City)	Shizuoka (Shimoda City)	Exempted from permanent assignment
44	Niigata (Niigata City)	Niigata (Sanjo City, Nagaoka City, Shibata City)	
45	Aichi (Ichinomiya City)	Aichi (Ichinomiya City)	
46	Aichi (Nagoya City)	Aichi (Handa City) Daini Tokyo (Toshima-Ku)	
47	Aichi (Okazaki City)	Aichi (Nagoya City, Handa City)	
48	Aichi (Komaki City)	Aichi (Kita Nagoya City)	
49	Gifu (Gifu City)	Gifu (Gifu City)	
50	Osaka (Osaka City)	Dai-ichi Tokyo (Chiyoda-Ku)	
51	Osaka (Osaka City)	Dai-ichi Tokyo (Chiyoda-Ku)	
52	Osaka (Osaka City)	Dai-ichi Tokyo (Chiyoda-Ku)	
53	Osaka (Osaka City)	Daini Tokyo (Chiyoda-Ku)	
54	Osaka (Osaka City)	Dai-ichi Tokyo (Chiyoda-Ku) Fukuoka (Fukuoka City)	
55	Osaka (Osaka City)	Tokyo (Chiyoda-Ku)	
56	Osaka (Osaka City)	Osaka (Tenno-Gun)	
57	Osaka (Osaka City)	Tokyo (Minato-Ku)	

No.	Principal office	Secondary office	Remarks
58	Osaka (Sakai City)	Osaka (Osaka City)	
59	Osaka (Osaka City)	Dai-ichi Tokyo (Minato-Ku)	
60	Osaka (Osaka City)	Dai-ichi Tokyo (Minato-Ku)	
61	Osaka (Osaka City)	Dai-ichi Tokyo (Chiyoda-Ku)	
62	Osaka (Osaka City)	Kumamoto (Kumamoto City)	
63	Osaka (Kita City)	Fukui (Fukui City)	
64	Osaka (Osaka City)	Dai-ichi Tokyo (Chiyoda-Ku)	
65	Osaka (Osaka City)	Nara (Nara City)	
66	Osaka (Osaka City)	Tokyo (Chuo-Ku)	
67	Osaka (Osaka City)	Tokyo (Chiyoda-Ku)	
68	Osaka (Osaka City)	Daini Tokyo (Chiyoda-Ku)	
69	Osaka (Osaka City)	Dai-ichi Tokyo (Minato-Ku)	
70	Osaka (Osaka City)	Nara (Boma City)	
71	Osaka (Osaka City)	Kyoto (Kyoto City)	
72	Osaka (Kishiwada City)	Osaka (Kita-Ku)	
73	Osaka (Chuo-Ku)	Osaka (Chuo-Ku)	
74	Kyoto (Kyoto City)	Shiga (Kusatsu City)	
75	Kyoto (Kyoto City)	Kyoto (Kamesha City)	
76	Kyoto (Kyoto City)	Daini Tokyo (Chiyoda-Ku)	
77	Hyogo (Kobe City)	Hyogo (Himeji City)	
78	Nara (Kashihara City)	Nara (Gojo City)	Exempted from permanent assignment
79	Shiga (Osu City)	Shiga (Nagahama City, Kusatsu City)	Exempted from permanent assignment (Nagahama City)
80	Wakayama (Wakayama City)	Wakayama (Hoshimoto City)	Exempted from permanent assignment
81	Hiroshima (Hiroshima City)	Hiroshima (Onomichi City)	Exempted from permanent assignment
82	Hiroshima (Hiroshima City)	Hiroshima (Higashihiroshima City)	
83	Yamaguchi (Hagi City)	Dai-ichi Tokyo (Chiyoda-Ku) Osaka (Osaka City)	
84	Yamaguchi (Shimonoseki City)	Yamaguchi (Shimonoseki City)	
85	Okayama (Okayama City)	Okayama (Okayama City, Tsuyama City)	
86	Tottori (Tottori City)	Tottori (Kurayoshi City)	
87	Kagawa (Takamatsu City)	Kagawa (Mitoyo City)	Exempted from permanent assignment
88	Tokushima (Tokushima City)	Dai-ichi Tokyo (Chuo-Ku)	
89	Ehime (Ozu City)	Ehime (Shikokachuo City, Uwajima City)	
90	Ehime (Ozu City)	Ehime (Matsuyama City)	
91	Fukuoka (Kurume City)	Fukuoka (Asakura City, Omuta City)	Exempted from permanent assignment (Asakura City)
92	Fukuoka (Fukuoka City)	Fukuoka (Tagawa City, Nogata City, Munakata City, Fukuoka City)	
93	Fukuoka (Fukuoka City)	Dai-ichi Tokyo (Minato-Ku) Aichi (Nagoya City)	
94	Fukuoka (Kitakyushu City)	Fukuoka (Yukuhasuta City)	
95	Saga (Imari City)	Daini Tokyo (Shinjuku-Ku) Fukuoka (Fukuoka City)	
96	Saga (Saga City)	Saga (Tosu City)	
97	Saga (Saga City)	Saga (Kashima City, Takeo City)	
98	Nagasaki (Nagasaki City)	Nagasaki (Susobe City)	
99	Oita (Oita City)	Oita (Hita City)	Exempted from permanent assignment
100	Oita (Oita City)	Oita (Saeiki City)	Exempted from permanent assignment
101	Oita (Oita City)	Oita (Kitsuki City, Beppu City)	Both exempted from permanent assignment
102	Oita (Oita City)	Oita (Taketa City)	Exempted from permanent assignment
103	Oita (Oita City)	Oita (Usuki City)	Exempted from permanent assignment
104	Oita (Oita City)	Oita (Saeiki City)	Exempted from permanent assignment
105	Oita (Oita City)	Oita (Kitsuki City)	Exempted from permanent assignment
106	Oita (Nakatsu City)	Oita (Hita City)	Exempted from permanent assignment
107	Kumamoto (Kumamoto City)	Kumamoto (Yamaga City)	
108	Kumamoto (Kumamoto City)	Kumamoto (Kumamoto City)	
109	Kumamoto (Kumamoto City)	Kumamoto (Tamana City)	Exempted from permanent assignment
110	Kagoshima (Kagoshima City)	Kagoshima (Kajiki-Cho, Kanoya City, Satsumasendai City)	All exempted from permanent assignment
111	Kagoshima (Kagoshima City)	Kagoshima (Kanoya City)	Exempted from permanent assignment
112	Miyazaki (Miyazaki City)	Miyazaki (Nichinan City, Miyakonojo City)	Both exempted from permanent assignment
113	Miyazaki (Miyakonojo City)	Miyazaki (Miyazaki City)	
114	Miyazaki (Miyazaki City)	Tokyo (Shinjuku-Ku)	

(Note 1) Excerpt from the Lawyer White Paper 2009

(Note 2) Numbers are based on the notices by the end of March 2009.



■ Breakdown of registered foreign lawyers ■

(As of December 15, 2009)

**【Breakdown by bar association】**

Daini Tokyo	141
Dai-ichi Tokyo	110
Tokyo	52
Osaka	10
Aichi	3
Yokohama	2
Shizuoka	1
Okinawa	2
Iwate	1
Akita	1

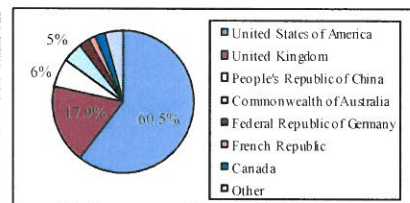
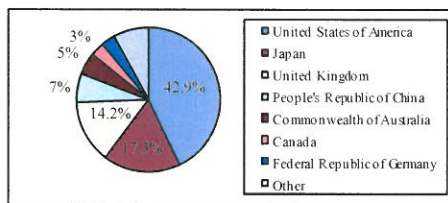
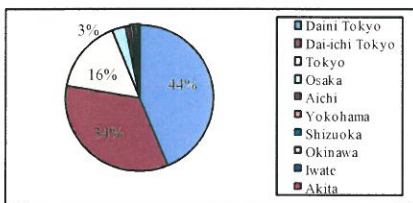
Note 1: Some lawyers have dual citizenship and are counted in both states.  
 Note 2: Some lawyers have multiple states of primary qualification and are counted in all of the states.  
 Note 3: Country names in the list are official names used in the Roll of Registered Foreign Lawyers.

**【Breakdown by nationality】**

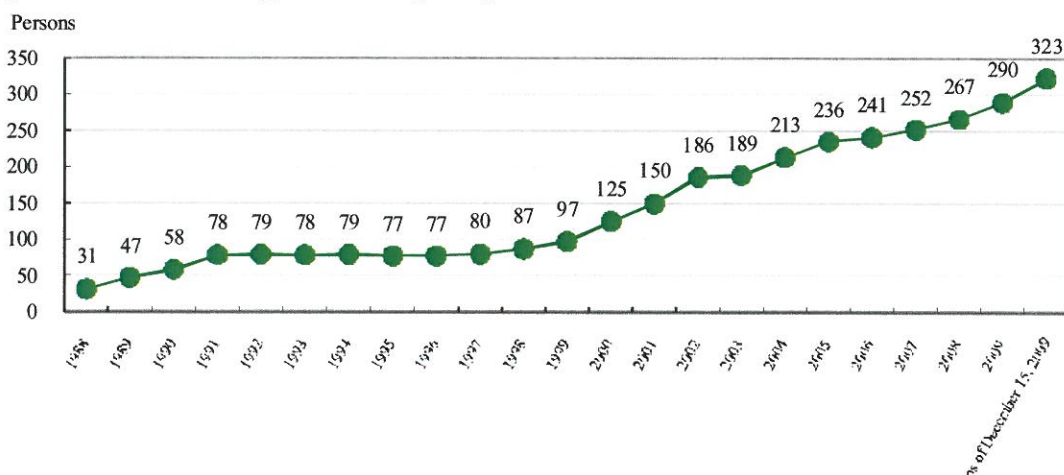
United States of America	139
Japan	56
United Kingdom of Great Britain and Northern Ireland	46
People's Republic of China	21
Commonwealth of Australia	16
Canada	10
Federal Republic of Germany	10
French Republic	6
New Zealand	4
Republic of Singapore	4
Kingdom of the Netherlands	1
Ireland	1
Swiss Confederation	1
Republic of Bulgaria	1
Independent State of Samoa	1
Kingdom of Spain	1
Federative Republic of Brazil	1
Republic of Korea	1
India	1
Republic of Paraguay	1
Federal Democratic Republic of Nepal	1
Republic of Italy	1

**【Breakdown by the state of primary qualification】**

(324 lawyers in total)	
United States of America	196
United Kingdom of Great Britain and Northern Ireland	58
People's Republic of China	21
Commonwealth of Australia	15
Federal Republic of Germany	8
French Republic	5
Canada	7
Hong Kong	3
New Zealand	2
Republic of Paraguay	1
Kingdom of the Netherlands	1
Kingdom of Spain	1
Federative Republic of Brazil	1
Swiss Confederation	1
Republic of Singapore	1
Republic of Korea	1
Federal Democratic Republic of Nepal	1
Republic of Italy	1



■ Changes in the number of registered foreign lawyers ■

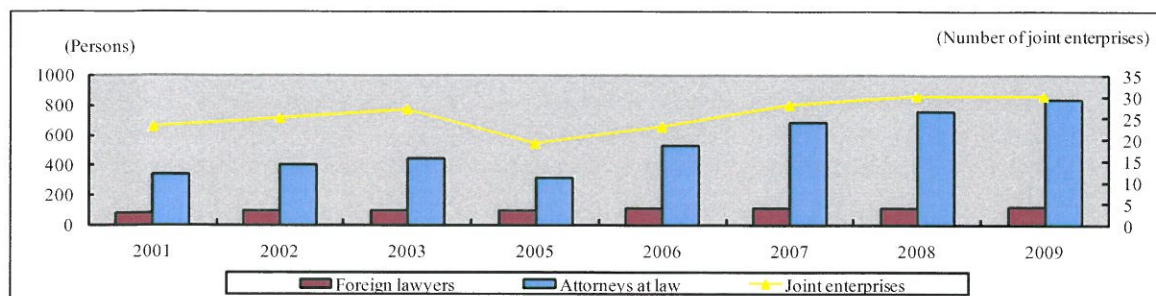


Note 1: Excerpt from the Lawyer White Paper 2009 (excluding the data of as of December 15, 2009)

Note 2: Statistical data of as of April 1 of the respective year

Note 3: Because the Foreign Lawyer Act was enforced on April 1, 1987, there was no registry as of April 1, 1987.

## Situation of affiliation by joint enterprise



	2001	2002	2003	2005	2006	2007	2008	2009
Foreign lawyers	83	95	95	99	109	116	116	124 Of them, foreign lawyers who operate joint enterprise are 81 Of them, employed foreign lawyers are 43
Attorneys at law	338	403	446	312	536	688	755	839 Of them, attorneys at law who operates joint enterprise are 175. Of them, employed attorneys at law are 664.
Joint enterprises	23	25	27	19	23	28	30	30

Note 1: As of April 1 of the respective year. No data is available for 2004.

Note 2: "Number of joint enterprises" is that of specified joint enterprises up to 2003 and that of foreign law joint enterprises since 2005.

Note 3: "Number of attorneys at law" is the total of the attorneys at law who operate joint enterprise and the attorneys at law who are employed by an attorney at law or registered foreign lawyer who operates joint enterprise.

Note 4: "Number of registered foreign lawyers" is the total of the registered foreign lawyers who operate joint enterprise and the registered foreign lawyers who are employed by an attorney at law or registered foreign lawyer who operates joint enterprise.

## Employment of attorneys at law and registered foreign lawyers by registered foreign lawyers

(As of April 1, 2009)

Office No	Total number of persons at the office	No. of employees	No. of employed attorneys	No. of employed foreign attorneys
1	3	1	1	0
2	2	1	0	1
3	7	4	3	2
4	5	2	3	2
5	3	1	2	0
6	2	1	1	0
7	3	1	0	1
8	40	6	0	1
9	27	5	0	16
10	24	10	0	1
11	11	2	3	0
12	11	1	0	3
13	54	1	0	0
14	44	6	51	7
15	2	1	1	0
16	1	1	0	0
Total	239	44	65	34

Note: For some offices, the total number of persons is inconsistent with the breakdown numbers, or the number of employed attorneys at law or foreign lawyers is zero because some changes are not reflected in the figures due to failure to notice the change of employer, a gap in the notification time of termination of employment, etc.

## Number of Foreign lawyers employed by attorneys at law, etc. (by the state of qualification)

(As of April 1, 2009)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total employment
US	32	16	13	6	11	11	6	16	11	28	150
UK	7	2	3	7	4	7	2	3	6	19	60
Australia	4	6	5	2	1	1	3	1	1	6	30
China	2		1			1		2		3	9
New Zealand	2								1	2	5
Canada	1	1	1					1		1	4
Philippines	1						1			1	3
Hong Kong	2				1						3
Germany						1				1	2
Korea				1		1					2
Malaysia	1	1									2
Belgium						1					1
Thailand	1										1
Russia	1										1
Singapore	1										1
India										1	1
Total employment	55	26	23	16	17	23	12	23	19	61	275

Note: Number of employment is based on the date of the employment. Because termination of employment is not reflected, the total employment disagrees with the employment as of April 1, 2009.

\*Data are excerpted from the Lawyer White Paper 2009



Current State, etc. of the System of Accepting Foreign Lawyers in Foreign Countries (as of June 2008)

		Foreign lawyer acceptance system	Professional experience requirement	Handling of third country's law	Joint enterprise	Employment
Japan	Yes	Yes	Yes Period: 3 years (not required to be the latest years) Professional experience, etc.: may include experience in a third country	Allowed after receiving written advice	No restriction (foreign law joint enterprise)	Allowed
	22 states	No	Period: 3 years in the last 5 years before the application: 3 states (New York, Michigan and Texas) 4 years in the last 6 years before the application: 2 states (California and Ohio) 5 years in the last 7 years before the application: 15 states (Florida, Hawaii, Alaska, etc.) 5 years in the last 5 years before the application: 3 states (North Carolina, Louisiana and Massachusetts)	Not allowed: 11 states (California, etc.)  Not allowed in principle but allowed in certain cases (after receiving advice, etc.): 7 states (Hawaii, etc.)  Allowed: 5 states (New York, Washington DC, etc.)	No restriction	No restriction
US	28 states and District of Columbia	Yes	Professional experience, etc.: Limited to the experience in the state of primary qualification: 18 states May include the experience in a third country: 9 states (New York, Indiana, etc.)			
	United Kingdom	Yes (Non-attorneys may handle services other than litigations)	Not required	No restriction	Allowed with a solicitor(s) Not allowed with a barrister(s)	Not allowed in effect Registered Foreign Lawyer may employ a solicitor(s) when operating a joint enterprise with a solicitor(s).
People's Republic of China	Yes	Yes	Yes Period/ Professional experience, etc.: More than 2 years abroad; more than 3 years abroad for the representative of an office	Not allowed	Not allowed	Not allowed
French Republic	No	No	However, there is a system to grant a full license based on a special examination.			
Federal Republic of Germany	Yes	Yes	Not required	Not allowed	No restriction	No restriction