

MONEX GROUP

Announcement of Subsidiary's Release

TOKYO, September 8, 2021 – Monex, Inc. and Monex SP Trust, Inc., wholly owned subsidiaries of Monex Group, Inc., issued the following press release today.

Attachment: Monex, Inc. and Monex SP Trust, Inc. press release

The First Stock Management Service in the Domestic Securities Sector
that Leverages Trust Scheme and Help Customers be Prepared for Life Events
- Dementia and Inheritance -

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**The First Stock Management Service in the Domestic Securities Sector
that Leverages Trust Scheme and Help Customers be Prepared for Life Events
- Dementia and Inheritance -**

TOKYO, September 8, 2021 – Monex, Inc. (headquarters; Minato-ku, Tokyo; Representative Director and President: Yuko Seimei; hereinafter, Monex) is pleased to announce that Monex will act as a contracted trust agency of Monex SP Trust, Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and President: Yuki Yada, hereinafter “Monex SP Trust”). Under the agreement, as an intermediary of Monex SP Trust’s stock management service, Monex will start offering “Takusu Stock(*1),” designed to help customers be prepared for their life events, for instance, dementia or inheritance. This is the first ever stock management service offered in the security services sector(*2) that allows stock sales and fund withdrawal by a designated third-party on behalf of customers.

■ Background

Average longevity is being extended as the 100-year life becomes a normal occurrence. As a result, an increasing number of people may have their cognition and judgment impacted. The number of people over 65 years old with dementia is expected to reach approximately seven million people in 2025, or one in five over the age of 65 (*3). With the ability to understand and make judgments impacted, people with dementia may have a hard time making financial transactions at their discretion. This is one of the recognized social challenges in the hyper aging society, making it difficult for elderly people to lead a stress-free life and hindering the development of a healthy capital market. It is also a problem that the family members left behind are too old to go through the complicated inheritance procedures.

After announcing the Monex Sustainability Statement in June 2021, Monex Group, Inc. (headquarters: Minato Ward, Tokyo; Representative Executive Officer and CEO: Oki Matsumoto; hereinafter, Monex Group) has been driving ESG and sustainability efforts in the hope of helping to solve social challenges through the Group’s businesses. Against this backdrop, Monex and Monex SP Trust, as members of Monex Group, have started offering stock management service, “Takusu Stocks,” which is designed to help customers be prepared for life events, such as inheritance and dementia. The aim is to relieve some of the inconveniences and stress experienced by customers, thereby helping to resolve some of the social challenges and playing a part in building a sustainable society.

■ Overview

The stock management service, “Takusu Stock,” leverages the trust scheme to hold customers’ stocks and ETFs in the designated accounts of Monex Trust SP. Based on the trust agreement, the scheme allows family members to sell securities and withdraw funds if a customer is diagnosed as having dementia. When these securities need to be passed down for inheritance purpose, the funds in the designated accounts will be handed over in a timely manner to the designated family members.

■ Features

1. Allowing a designated representative to manage assets

Customers are asked to assign either their spouse or a child as their representative at the time of applying for the scheme. If a customer is diagnosed as having dementia, their representative is allowed to sell stocks in the designated account of “Takusu Stock” and withdraw funds.

2. Simplified inheritance procedure

In the event a customer’s assets are to be inherited, the designated family members can receive their inheritance only by presenting the family register or other public certificate.

3. Notification function

When a customer’s representative withdraws funds in the event the customer is diagnosed with dementia, other family members who are assigned in advance are to be notified. If requested, customers can add a monitoring function, which sends notification(s) when the customer does not log into their account for a certain period of time.

4. Continuous equity investment allowed

The designated “Takusu Stock” account allows customers to continue to invest in equities and receive shareholder benefits and dividends until and unless they are diagnosed as having dementia.

Monex and Monex SP Trust will keep enhancing its services to accelerate the Japan segment strategy, the transformation to the “Asset Management Model”.

*1: “Takusu” means to entrust in Japanese.

*2: As of September 8, 2021. “Securities services sector” in this document refers to securities companies in Japan. Stock Management Service in this document refers to the managed trust that covers publicly traded stocks including ETFs in Japan.

*3: White Paper on Aging Society, 2016, Chapter 1 Section 3 “Health and Welfare of Elderly People”