

Note: This translation is for reference purposes only. Should any discrepancies arise between the English and Japanese versions, the Japanese version is the authoritative version, thus the Japanese version will be deemed valid.

Nara Institute of Science and Technology Salary Regulations for Education and Research Fixed-Term Contract Full-time Employees

March 29, 2005
Regulation No. 7

Article 1 (Purpose)

These Regulations stipulate matters concerning salaries paid to education and research employees of the Nara Institute of Science and Technology (hereinafter referred to as “NAIST”) who work under fixed-term contracts pursuant to Article 13 of the Nara Institute of Science and Technology Employment Regulations for Education and Research Fixed-term Contract Employees (Regulation No. 1, 2005) (hereinafter referred to as “NAIST Employment Regulations”) and whose employment hours per week are forty (40) hours or more (hereinafter referred to as “Full-Time Employees”).

Article 2 (Applicability of laws and ordinances)

For matters not stipulated herein, the provisions of the Labor Standards Act (Act No. 49, 1947) and other relevant laws and ordinances shall apply.

Article 3 (Salary components)

1. Salary paid to Full-Time Employees shall consist of a base salary and allowances.
2. Allowances shall consist of an overtime allowance and a holiday employment allowance.

Article 4 (Date of salary payment)

1. The total monthly amount of the base salary of Full-Time Employees shall be paid on the 17th day of the following month. However, the base salary shall be paid on:
 - (1) The 15th day of the month if the 17th day falls on a Sunday;
 - (2) The 16th day of the month if the 17th day falls on a Saturday; and
 - (3) The 18th day of the month if the 17th day falls on a Monday that is a national holiday.
2. The total monthly amount of an overtime allowance and/or holiday employment allowance, if any, shall be paid on the day of payment of the base salary in the following month.
3. If any Full-Time Employees work during off-work hours granted to them to compensate for overtime hours worked pursuant to Paragraph 2.1 of Article 24 of the NAIST Employment Regulations, the overtime allowance and holiday employment allowance, as applicable, to compensate for the said off-work hours shall be paid on the day of payment of the base salary in the month following the month in which the day including such off-work hours falls.

Article 5 (Payment of salary and deductions)

1. The total monthly amount of salary shall be paid directly to the Full-Time Employees in cash.
2. Notwithstanding the provision of the preceding paragraph, the following items shall be deducted from the salary as applicable at the time of payment thereof.
 - (1) Withholding tax
 - (2) Residence tax
 - (3) Health insurance premium
 - (4) Long-term care insurance premium
 - (5) Employees' pension insurance premium
 - (6) Employment insurance premium
 - (7) Other items recognized as deductible from salary under a written labor-management agreement stipulated in the proviso of Article 24 of the Labor Standards Act.
3. Notwithstanding the provision of Paragraph 1 of this Article, subject to the consent of each Full-Time Employee, salary may be paid by transfer to a savings account of a bank or other financial institution designated by the relevant Full-Time Employee.

Article 6 (Base salary)

1. The base salary of Full-Time Employees shall be determined individually in consideration of the relevant Employee's job category, competence and experience based on the attached Base Salary Table for Education and Research Fixed-Term Contract Full-time Employees (Appendix).
2. Notwithstanding the provision of the foregoing paragraph, the base salary to be paid to any of the Full-Time Employees may be determined separately, if determination thereof based on the attached Table is deemed inappropriate.

Article 7 (Overtime allowance)

1. If any Full-Time Employees are ordered to work beyond standard employment hours, they shall be paid an overtime allowance for all the hours worked beyond the standard employment hours, calculated based on their hourly rate stipulated in Article 10 multiplied by 1.25 (or by 1.5 if the extra hours worked fall between 10:00 p.m. and 5:00 a.m. of the following day).
2. Notwithstanding the provision of Paragraph 1 of this Article and Paragraph 1 of Article 8, if any Full-Time Employees are ordered to work beyond standard employment hours and/or work on a holiday(s), and hours worked in excess thereof and/or on a holiday(s) (excluding holidays designated separately pursuant to Article 22 of the NAIST Employment Regulations) exceed sixty (60) hours a month, then they shall be paid an overtime allowance for all the hours in excess of sixty (60) hours, calculated based on their hourly rate stipulated in Article 10 multiplied by 1.5 (or by 1.75 if the extra hours worked fall between 10:00 p.m. and 5:00 a.m. of the following day).
3. If any Full-Time Employees are granted off-work hours to compensate for part of the overtime employment hours pursuant to Paragraph 2.1 of Article 24 of the NAIST Employment Regulations, they shall not be paid an overtime allowance for the said off-work hours, out of all the hours in excess of sixty (60) hours a month stipulated in the foregoing paragraph, the amount of which is obtained by

subtracting 1.25 as per Paragraph 1 of this Article or 1.35 as per Paragraph 1 of Article 8 (or each figure plus 0.25 if the extra hours fall between 10:00 p.m. and 5:00 a.m. of the following day) from 1.5 (or 1.75 if the extra hours fall between 10:00 p.m. and 5:00 a.m. of the following day) and multiplying their hourly rate stipulated in Article 10 by the result of the subtraction.

Article 8 (Holiday employment allowance)

1. If any Full-Time Employees are ordered to work on a holiday, they shall be paid a holiday employment allowance for all hours worked on the day, calculated based on their Hourly Rate stipulated in Article 10 multiplied by 1.35 (or by 1.6 if the holiday hours worked fall between 10:00 p.m. and 5:00 a.m. of the following day).
2. The provision of Paragraph 2 of Article 7 shall be applied to a holiday employment allowance *mutatis mutandis*.

Article 9 (Prorating)

1. Basic salary to be paid to any Full-Time Employee who is hired, fired, or resigns in the middle of a month shall be calculated on a pro rata basis.
2. The prorating of basic salary stipulated in the foregoing paragraph shall be based on the number of days obtained by subtracting the number of holidays stipulated in Article 22 of the NAIST Employment Regulations from the total number of days of the relevant pay period.
3. Notwithstanding the provision of the foregoing paragraph, if any Full-Time Employee dies in the middle of a month, basic salary shall be paid as if he or she had worked until the last day of the month.

Article 10 (Calculation of hourly rate)

1. The amount of the hourly rate stipulated in Article 7 and Article 8 shall be obtained by dividing the amount of base salary by the average number of standard employment hours per month.
2. Any fraction produced when calculating the amount of hourly rate pursuant to the foregoing paragraph shall be rounded down to the nearest one (1) yen if it is less than 0.5 yen and rounded up to the nearest one (1) yen if it is 0.5 yen or more.

Article 11 (Reduction of salary)

If any Full-Time Employees are absent from employment, their salary shall be reduced by the amount obtained by multiplying their hourly rate stipulated in Article 10 by the number of hours of absence, unless Article 28 of the NAIST Employment Regulations concerning annual leave with pay or Paragraphs 1.1 to 1.8 of Article 29 thereof concerning special holidays apply, or unless explicit approval is given for the absence.

Article 12 (Non-payment of salary during child care leave and family care leave)

Salary shall not be paid to any Full-Time Employees during the childcare leave stipulated in Article 30 of the NAIST Employment Regulations and family care leave stipulated in Article 31 thereof.

Supplementary provision

These Regulations shall come into effect on April 1, 2005.

Supplementary provision

These Regulations shall come into effect on April 1, 2006.

Supplementary provision

These Regulations shall come into effect on April 1, 2007.

Supplementary provision

These Regulations shall come into effect on April 1, 2008.

Supplementary provision

These Regulations shall come into effect on April 1, 2009.

Supplementary provision

These Regulations shall come into effect on April 1, 2010.

Supplementary provision

These Regulations shall come into effect on July 1, 2011.

Appendix (Paragraph 1 of Article 6)

Education and Research Fixed-term Contract Full-time Employee Base Monthly Salary Table

Grade	Base Salary
31	1,100,000 yen
30	997,000 yen
29	910,000 yen
28	835,000 yen
27	784,000 yen
26	732,000 yen
25	675,000 yen
24	647,000 yen
23	619,000 yen
22	585,000 yen
21	560,000 yen
20	532,000 yen
19	515,000 yen
18	497,000 yen
17	483,000 yen
16	468,000 yen
15	452,000 yen
14	435,000 yen
13	419,000 yen
12	400,000 yen
11	382,000 yen
10	368,000 yen
9	354,000 yen
8	340,000 yen
7	328,000 yen
6	310,000 yen
5	292,000 yen
4	274,000 yen
3	256,000 yen
2	238,000 yen
1	214,000 yen