

National University Corporation Kyushu University Rules for Concurrent Business

Kyushu University Employment Regulation No. 18 of 2004

Effective date: April 1, 2004

Last amended: March 30, 2023

(Kyushu University Employment Regulation No. 55 of 2022)

(Purpose)

Article 1 These Rules shall provide for necessary matters relevant to concurrent business of employees working at National University Corporation Kyushu University (hereinafter referred to as the “University”), pursuant to the provisions of Article 29, paragraph (2) of the National University Corporation Kyushu University General Regulations of Employment (Kyushu University Employment Regulation No. 1 of 2004; hereinafter referred to as the “General Regulations of Employment”).

(Definitions)

Article 2 (1) The term “concurrent business” as used in these Rules means a case of concurrently holding any of the following jobs that do not fall under any of Articles 14, 15, and 16 on an ongoing or regular basis, regardless of whether any compensation is paid for the job:

- (i) a job held by an employee by running a business independently (hereinafter referred to as “concurrent business through self-employment”);
- (ii) a job of an officer (meaning a company director, executive officer, accounting advisor, auditor, member who executes the business, board member, inspector, manager, incorporator, and liquidator, and a partner provided in the Limited Liability Partnership Act (Act No. 40 of 2005); the same applies hereinafter), councilor or adviser (hereinafter referred to as an “officer, etc.”) of a company or any other for-profit enterprise (meaning a corporate entity whose primary purpose is to gain profits from commercial, industrial, financial or other business and distribute the profits to its members; a company under the Companies Act (Act No. 86 of 2005) or a corporation or any other organization established under law and mainly engaging in for-profit activities; the same applies hereinafter), or a job held by engaging in a business of a company or any other for-profit enterprise (hereinafter referred to as “concurrent business at a for-profit enterprise”); or
- (iii) any job other than those set forth in the preceding two items (hereinafter referred to as “other concurrent business”).

(2) The term “division director” as used in these Rules means the Dean of each undergraduate school, the Dean of each graduate school, the Dean of each graduate faculty, the Dean of the

Faculty of Arts and Science, the Dean of the Institute for Advanced Study, the Director of each Attached Research Institute, the Director of the International Institute for Carbon-Neutral Energy Research, the Director of Kyushu University Hospital, the Director of the University Library, the Director of the Research Institute for Information Technology, the Director of the Platform of Inter-/Transdisciplinary Energy Research, the Director of the Institute for Asian and Oceanian Studies, the Director of each Center for Common Education and Research, the Director of the Academic Research and Industrial Collaboration Management Office, the Director of the Promoting Organization for Future Creators, the Director of the Ito Clinic, the Secretary-General and the Director of each Office provided in Article 16 of the Regulations of Kyushu University (Kyushu University Regulation No. 1 of 2004).

(3) A “contractual relationship” provided in these Rules is determined depending on whether the relevant employee has taken part in making a decision on the conclusion of a contract; provided, however, that with regard to a contract for joint research and for sponsored research, the contractual relationship is determined depending on whether the relevant employee has the authority to make a decision on the conclusion of the contract.

(4) The term “special interest” as used in these Rules means a contractual relationship regarding contracts, such as a purchase of goods contract and a construction contract, a supervisory relationship for duties, such as inspection and audit, or a relationship based on the exercise of the authority to grant permission, approval, or the like.

(Criteria for Permission for Concurrent Business)

Article 3 An employee’s concurrent business must conform to all of the following criteria:

- (i) the employee’s engagement in the concurrent business does not hinder the performance of their duties at the University;
- (ii) the employee’s engagement in the concurrent business does not hinder the securing of fairness and credibility of their duties at the University; and
- (iii) the employee’s engagement in the concurrent business is not likely to damage their reputation as the University’s employee or discredit the University as a whole.

(2) The total hours worked for concurrent business must not exceed the maximum number of hours for concurrent business (360 hours per business year and 45 hours per month; the same applies hereinafter); provided, however, that this does not apply in the following cases:

- (i) where a doctor who engages in the medical care services at Kyushu University Hospital engages in the concurrent business; and
- (ii) other cases where the Concurrent Business Review Committee allows the total hours worked to exceed the maximum number of hours.

(3) The maximum number of hours for concurrent business applicable in the case provided in

item (i) of the preceding paragraph where a doctor who engages in the medical care services at Kyushu University Hospital engages in the concurrent business is specified separately by the President.

(4) If the Concurrent Business Review Committee allows the total hours worked to exceed the maximum number of hours as provided in paragraph (2), item (ii), the relevant concurrent business must conform to any of the following criteria:

(i) if the total hours worked by the employee for concurrent business exceeds 360 hours in one business year: all of the following requirements are satisfied:

(a) more than 150 hours out of the total hours worked for concurrent business in one business year are allocated to any one of the jobs for concurrent business as members of councils or committees of the national or local government or members of committees of an incorporated administrative agency, etc. that are found to particularly serve the public interest;

(b) the employee's engagement in the concurrent business provided in (a) does not result in the total hours worked by the employee for concurrent business exceeding 430 hours in one business year and 53 hours in one month, in principle; and

(c) the division director confirms that the employee's engagement in the concurrent business will not hinder the performance of their duties at the University; or

(ii) if the total hours worked by the employee for concurrent business do not exceed 360 hours in one business year but exceed 45 hours in one month, the division director confirms that the employee's engagement in the concurrent business will not hinder the performance of their duties at the University and finds that it will not interfere with the management of the division.

(5) In principle, an employee is not permitted to engage in concurrent business by allocating part of their prescribed working hours at the University; provided, however, that such concurrent business may be permitted if there are legal grounds or the President finds it particularly necessary.

(6) Concurrent business that the President finds particularly necessary as provided in the proviso to the preceding paragraph is concurrent business for engaging in a job other than an officer, etc. of a for-profit enterprise that is found to be conducive to industry-academia collaboration, and it must conform to all of the following criteria:

(i) if the employee does not allocate their prescribed working hours at the University to their engagement in the concurrent business, the implementation of the business activity carried out through the concurrent business would be hindered; and

(ii) even if the employee allocates their prescribed working hours at the University to their engagement in the concurrent business, the performance of their duties at the University would not be hindered.

(7) An employee to whom the provisions of Article 35 of the General Regulations of Employment apply may be permitted to engage in concurrent business if the concurrent business conforms to

the criteria set forth in paragraph (1) and the employee engages in the concurrent business for hours not exceeding the maximum number of hours set forth in paragraph (2).

(Delegation of the Authority to Permit)

Article 4 The President may delegate their authority to permit concurrent business to the division director; provided, however, that this does not apply to concurrent business through self-employment, concurrent business as an officer, etc. of a for-profit enterprise, or concurrent business to which an employee allocates their prescribed working hours at the University.

(Period of Permission)

Article 5 (1) The period for which concurrent business (except for concurrent business through self-employment) is permitted is up to two years in principle; provided, however, that if an employee is to concurrently hold a job for which the term of office is specified under laws and regulations, the concurrent business may be permitted for the period corresponding to the term of office thus specified, up to five years.

(2) The period of permission for concurrent business referred to in the preceding paragraph may be extended.

(Revocation of Permission for Concurrent Business)

Article 6 If the President or the division director finds that the concurrent business that has been permitted no longer conforms to the criteria for permission for the concurrent business, they may revoke the permission even before the end of the period referred to in the preceding Article.

(Concurrent Business Review Committee)

Article 7 Permission for concurrent business under these Rules and other matters necessary for the proper enforcement of these Rules are deliberated at the Concurrent Business Review Committee.

(Concurrent Business through Self-Employment)

Article 8 An employee's concurrent business through self-employment relating to agriculture, dairy farming, poultry farming, or any other similar business activity that is run on a large scale and is objectively determined to be a for-profit activity must conform to all of the following criteria in addition to those provided in Article 3, paragraph (1):

- (i) there is no special relationship of interest between the employee and the relevant business activity or there is no likelihood of such relationship;
- (ii) it is obvious that the employee's engagement in the concurrent business will not hinder the

performance of their duties at the University because of arrangements such as a person other than the employee being appointed as a person responsible for performing operations for the relevant business activity;

(iii) the employee has taken over the relevant business activity as their family business through inheritance, testamentary gift, or the like; and

(iv) the employee's engagement in the concurrent business will not hinder the securing of fairness and credibility of their duties at the University.

(2) An employee's concurrent business through self-employment relating to the lease of real estate or parking spaces must conform to all of the following criteria in addition to those provided in Article 3, paragraph (1):

(i) there is no special relationship of interest between the employee and the relevant lease of real estate or parking spaces or there is no likelihood of such relationship;

(ii) it is obvious that the employee's engagement in the concurrent business will not hinder the performance of their duties at the University because of arrangements such as the employee entrusting a business entity with the management service for the lease of real estate or parking spaces (e.g., recruiting tenants, collecting lease fees, maintenance and management of real estate, etc.) (including the management by the employee's relative); and

(iii) the employee's engagement in the concurrent business will not hinder the securing of fairness and credibility of their duties at the University.

(Concurrent Business at For-Profit Enterprise)

Article 9 An employee may engage in concurrent business at a for-profit enterprise by holding any of the following jobs:

(i) a job of an officer (except for an auditor), councilor, or adviser of a technology licensing organization;

(ii) a job of an officer (except for an auditor), councilor, or adviser of an enterprise utilizing research results;

(iii) a job of an auditor of a stock company or limited liability company (hereinafter referred to as a "stock company, etc.");

(iv) any other job of an officer (except for an auditor), councilor, or adviser that the President finds necessary for education and research at the University; and

(v) any job other than a job of an officer, etc. of a for-profit enterprise.

(Criteria for Permission for Concurrently Holding a Job of an Officer, etc. of a Technology Licensing Organization)

Article 9-2 (1) An employee's concurrent business set forth in item (i) of the preceding Article

must conform to all of the following criteria in addition to those provided in Article 3, paragraph (1):

- (i) the employee has knowledge regarding technology-related research results or licensing thereof, as necessary for engaging in the duties of an officer, etc. of the technology licensing organization specified in the application for permission;
- (ii) the content of the duties of the job of an officer, etc. that the employee is to hold is mainly related to an approved business activity, an accredited university's business activity, or accredited research institute's business activity;
- (iii) there is no contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the technology licensing organization specified in the application for permission (if the relevant technology licensing organization is a subsidiary company provided in Article 2, item (iii) of the Companies Act, including its parent company provided in item (iv) of that Article; the same applies hereinafter);
- (iv) within the period not exceeding two years before the application for permission, the employee did not hold a job that involved any contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the technology licensing organization specified in the application for permission (excluding the case where it is difficult to procure the relevant goods or services from an entity other than the relevant technology licensing organization); and
- (v) the employee's engagement in the concurrent business is necessary for promoting industry-academia collaboration or education and research.

(2) The difficulty in procuring the relevant goods or services from an entity other than the relevant technology licensing organization as referred to in item (iv) of the preceding paragraph is determined by the Concurrent Business Review Committee on a case-by-case basis.

(Criteria for Permission for Concurrently Holding a Job of an Office, etc. of an Enterprise Utilizing Research Results)

Article 9-3 (1) An employee's concurrent business set forth in Article 9, item (ii) must conform to all of the following criteria in addition to those provided in Article 3, paragraph

- (i) the employee has themselves invented or created research results (including those for which patent rights, utility model rights, or any other similar rights have been obtained and those made public by such means as academic papers and conference presentations) that are to be utilized in a business activity of the enterprise utilizing research results specified in the application for permission (regardless of whether the employee has obtained any rights for the relevant research results);
- (ii) the content of the duties of the job of an officer, etc. that the employee is to hold is mainly

related to the business activity for utilizing research results (if the employee is to hold a job of a representative director and president of the enterprise utilizing research results: the enterprise's main business is the business activity for utilizing research results; if the employee is to hold a job of a director in charge of particular operations: the operations primarily assigned to the employee are related to the business activity for utilizing research results);

(iii) the duties of the job of an officer, etc. that the employee is to hold do not contain operations for negotiations with the University concerning the conclusion of contracts or other matters (excluding operations related to the business activity for utilizing research results);

(iv) there is no contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the enterprise utilizing research results specified in the application for permission (if the relevant enterprise utilizing research results is a subsidiary company provided in Article 2, item (iii) of the Companies Act, including its parent company provided in item (iv) of that Article; the same applies hereinafter);

(v) within the period not exceeding two years before the application for permission, the employee did not hold a job that involved any contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the enterprise utilizing research results specified in the application for permission (excluding the case where it is difficult to procure the relevant goods or services from an entity other than the relevant enterprise utilizing research results); and

(vi) the employee's engagement in the concurrent business is necessary for promoting industry-academia collaboration or education and research.

(2) The difficulty in procuring the relevant goods or services from an entity other than the relevant enterprise utilizing research results as referred to in item (v) of the preceding paragraph is determined by the Concurrent Business Review Committee on a case-by-case basis.

(Criteria for Permission for Concurrently Holding a Job of an Auditor of a Stock Company, etc.)

Article 9-4 (1) An employee's concurrent business set forth in Article 9, item (iii) must conform to all of the following criteria in addition to those provided in Article 3, paragraph (1):

(i) the employee has knowledge as necessary for engaging in the duties of an auditor of a stock company, etc. specified in the application for permission;

(ii) the employee's relatives do not fall under any of the following cases in connection with the management of the stock company, etc. specified in the application for permission:

(a) the total number of shares or total amount of equity in the relevant stock company, etc. held by the employee's relatives (limited to the spouse and relatives by blood and relatives by marriage within the third degree of kinship; the same applies hereinafter) exceeds one-fourth of the total number of issued shares or total amount of equity in the relevant stock

company, etc.;

(b) the employee's relatives occupy more than half of the total number of positions of directors of the relevant stock company, etc.; and

(c) any of the employee's relatives holds a job of a representative director and chairperson or a representative director and president of the relevant stock company, etc.;

(iii) there is no contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the stock company, etc. specified in the application for permission (if the relevant stock company, etc. is a subsidiary company provided in Article 2, item (iii) of the Companies Act, including its parent company provided in item (iv) of that Article; the same applies hereinafter);

(iv) within the period not exceeding two years before the application for permission, the employee did not hold a job that involved any contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the stock company, etc. specified in the application for permission (excluding the case where it is difficult to procure the relevant goods or services from an entity other than the relevant stock company, etc.); and

(v) the employee's engagement in the concurrent business is necessary for promoting industry-academia collaboration or education and research.

(2) The difficulty in procuring the relevant goods or services from an entity other than the relevant stock company, etc. as referred to in item (iv) of the preceding paragraph is determined by the Concurrent Business Review Committee on a case-by-case basis.

(Criteria for Permission for Concurrently Holding a Job of an Office, etc. the President Deems Necessary for Education and Research at the University)

Article 9-5 (1) An employee's concurrent business set forth in Article 9, item (iv) (excluding concurrent business for a job of an outside director of a stock company) must conform to all of the following criteria in addition to those provided in Article 3, paragraph (1);

(i) there is no contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the for-profit enterprise specified in the application for permission (if the relevant for-profit enterprise is a subsidiary company provided in Article 2, item (iii) of the Companies Act, including its parent company provided in item (iv) of that Article);

(ii) within the period not exceeding two years before the application for permission, the employee did not hold a job that involved any contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the for-profit enterprise specified in the application for permission (excluding the case where it is difficult to

procure the relevant goods or services from an entity other than the relevant for-profit enterprise); and

(iii) the President deems the employee's engagement in the concurrent business to be necessary or beneficial for promoting industry-academia collaboration or education and research at the University.

(2) If an employee concurrently holds a job of an outside director of a stock company, their concurrent business must conform to all of the criteria set forth in the items of the preceding paragraph, and there must be an agreement for limiting liability that has been concluded or is scheduled to be concluded between the employee and the stock company specified in the application for permission to the effect that the liability of an outside director is limited to the maximum liability amount, as provided in Article 427, paragraph (1) of the Companies Act.

(3) If an agreement for limiting liability referred to in the preceding paragraph is concluded, the employee must submit the document of the agreement for limiting liability to the University.

(4) The difficulty in procuring the relevant goods or services from an entity other than the relevant for-profit enterprise as referred to in paragraph (1), item (ii) is determined by the Concurrent Business Review Committee on a case-by-case basis.

(Criteria for Permission for Concurrently Holding a Job Other Than an Officer, etc. of a For-Profit Enterprise)

Article 9-6 (1) An employee's concurrent business at a for-profit enterprise (excluding concurrently holding any of the jobs specified in Article 9, items (i) to (iv)) must conform to all of the following criteria in addition to those provided in Article 3, paragraph (1):

(i) there is no contractual relationship for purchase of goods, etc. or any other special relationship of interest between the employee and the for-profit enterprise, etc. specified in the application for permission (if the relevant for-profit enterprise is a subsidiary company provided in Article 2, item (iii) of the Companies Act, including its parent company provided in item (iv) of that Article); and

(ii) the employee's engagement in the concurrent business is necessary for promoting industry-academia collaboration or education and research.

(Administrative Leave for Concurrent Business as an Officer of an Enterprise Utilizing Research Results)

Article 10 If the President finds that an employee is required to be primarily engaged in the duties of an officer, etc. of an enterprise utilizing research results and is unable to engage in the duties as an employee of the University, the President may place the employee on administrative leave pursuant to Article 12, paragraph (1), item (v) of the General Regulations of Employment.

(Reports)

Article 11 An employee who engages in concurrent business set forth in Article 9, items (i) to (iv) with permission must report the prescribed matters concerning the status of their concurrent business to the President every six months. The President makes public the status of the concurrent business reported by the employee every six months.

(Restriction on Operations After Termination of Concurrent Business)

Article 12 For two years after the day on which an employee's concurrent business set forth in Article 9, items (i) to (iv) terminates, the President does not allow the employee to engage in operations that involve any contractual relationship regarding contracts, such as a purchase of goods contract and a construction contract, or any other special relationship of interest between the employee and the relevant enterprise.

(Other Concurrent Business)

Article 13 An employee may engage in any other concurrent business by holding any of the following jobs, except for full-time jobs:

- (i) a job at the national government, an agency engaged in administrative execution or a local government;
- (ii) a job at various types of organizations other than the national government, agencies engaged in administrative execution or local governments; and
- (iii) any job other than those set forth in the preceding two items.

(Criteria for Permission for Concurrently Holding a Job Other Than Jobs at the National Government, Agencies Engaged in Administrative Execution, etc.)

Article 13-2 The job provided in item (iii) of the preceding Article must conform to any of the following criteria:

- (i) the job is to carry out a business activity that is based on the employee's academic expertise and satisfies all of the following:
 - (a) carrying out the business activity is found to be conducive to social contribution; and
 - (b) the imposition of an obligation on the employee under the related laws and regulations in carrying out the business activity is not likely to prevent the employee from complying with their service discipline; or
- (ii) the job is to teach a specific technique or skills to many and unspecified people in the course of trade (excluding the job that falls under the preceding item).

(Engagement in Additional Duty)

Article 14 An employee may engage in a job set forth in Article 2, paragraph (1), item (ii) and (iii) that is found to be conducive to social contribution or the promotion of education and research at the University (hereinafter referred to as an “additional duty”) as their duty, with permission obtained from the President in advance.

(Criteria for Permission for Additional Duty)

Article 14-2 An employee’s engagement in an additional duty provided in the preceding Article must conform to all of the following criteria:

- (i) the employee’s engagement in the additional duty will not hinder the performance of their duties at the University; and
- (ii) there is no payment for the additional duty.

(Period of Permission for Additional Duty)

Article 14-3 The provisions of Article 5 apply mutatis mutandis to the period for which an additional duty is permitted.

(Shor-Term Concurrent Business)

Article 15 If an employee’s concurrent business falls under any of the following items, the employee is not required to conduct the procedure for obtaining permission for the concurrent business, provided that the term of office specified for the concurrent business is less than six months;

- (i) the employee engages in the concurrent business for only one day; or
- (ii) the employee engages in the concurrent business for two days or more but not more than six days, and the total number of hours worked for concurrent business is less than 10 hours.

(Engagement in Social Activities)

Article 16 Employees may engage in social service activities, youth development activities, or community activities without obtaining permission for concurrent business.

(Auxiliary Provisions)

Article 17 Beyond what is provided for in these Rules, necessary matters relevant to the enforcement of these Rules are specified by the President separately.

Supplementary Provisions

1. These Rules come into effect as of April 1, 2004.

2. Concurrent business that was permitted before these Rules come into effect for a person who has become an employee of the University pursuant to Article 4 of the Supplementary Provisions of the National University Corporation Act (Act No. 112 of 2003) and for which the period of permission is to start on or after April 1, 2004, is deemed to be permitted pursuant to these Rules.

Supplementary Provisions (Kyushu University Employment Regulation No. 27 of 2006)
These Rules come into effect as of April 1, 2007.

Supplementary Provisions (Kyushu University Employment Regulation No. 12 of 2010)
These Rules come into effect as of December 1, 2010.

Supplementary Provisions (Kyushu University Employment Regulation No. 32 of 2010)
These Rules come into effect as of April 1, 2011.

Supplementary Provisions (Kyushu University Employment Regulation No. 3 of 2011)
These Rules come into effect as of October 1, 2011.

Supplementary Provisions (Kyushu University Employment Regulation No. 30 of 2012)
These Rules come into effect as of April 1, 2013.

Supplementary Provisions (Kyushu University Employment Regulation No. 17 of 2014)
These Rules come into effect as of April 1, 2015.

Supplementary Provisions (Kyushu University Employment Regulation No. 16 of 2015)
These Rules come into effect as of April 1, 2016.

Supplementary Provisions (Kyushu University Employment Regulation No. 10 of 2016)
These Rules come into effect as of October 1, 2016.

Supplementary Provisions (Kyushu University Employment Regulation No. 13 of 2017)
These Rules come into effect as of November 1, 2017.

Supplementary Provisions (Kyushu University Employment Regulation No. 18 of 2017)
These Rules come into effect as of February 1, 2018.

Supplementary Provisions (Kyushu University Employment Regulation No. 14 of 2018)

These Rules come into effect as of February 1, 2019.

Supplementary Provisions (Kyushu University Employment Regulation No. 31 of 2018)

These Rules come into effect as of April 1, 2019.

Supplementary Provisions (Kyushu University Employment Regulation No. 55 of 2022)

These Rules come into effect as of April 1, 2023.