

May 31, 2006

**Bell-Park Co., Ltd.**

President & CEO: Takeru Nishikawa

Stock exchange listing: JASDAQ

Stock code: 9441

Head office: 1-4-12, Hirakawa-cho, Chiyoda-ku, Tokyo, Japan

Contact: Hiroshi Ishikawa, Corporate Officer, General Manager, Administration Division

Tel: +81-(0) 3-3288-5211

**Notice Concerning Fundamental Policies for  
the Establishment of an Internal Control System**

Bell-Park Co., Ltd. ("the Company") gives notice that the Board of Directors resolved at a meeting held May 31, 2006 to adopt the following fundamental policies for the establishment of an internal control system in line with the Company Law and applicable regulations.

**1. The following measures will be implemented (or continue to be implemented) to create a system that ensures that tasks carried out by directors and employees conform to laws and regulations and the articles of incorporation**

- (1) Outside directors (currently three) that are independent of the company and that have the necessary knowledge and experience to ensure compliance will be chosen.
- (2) Outside auditors (currently three) that are independent of the company and have the necessary knowledge and experience to ensure compliance will be chosen, and measures will be taken to establish an environment that is conducive for corporate auditors to perform audits.
- (3) Execution of important business matters will have to be reported to, or put up for resolution, to the Board of Directors.
- (4) An independent auditing company will continue to audit the Company's books to ensure proper accounting.
- (5) A code of ethics and compliance rules will be formulated, and efforts will be made to ensure that all managers and employees conduct activities in strict compliance.
- (6) The Risk Management Committee will be reorganized into the "Compliance and Risk Management Committee," and an outside attorney appointed as a committee member.
- (7) A compliance officer will be named for each department to ensure implementation of compliance measures and that employees have access to consultation regarding compliance issues.
- (8) The existing Internal Audit Rules will be partially revised to clarify that operational audits must be carried out in strict compliance with all laws and regulations.
- (9) The Risk Management Office, independent from divisions involved in the execution of operations, will also carry out internal audits.
- (10) Directors must report the discovery of any violation of laws or regulations to the Board of Directors.
- (11) Manager and employee training will be carried out as necessary.

**2. The following measures will be implemented (or continue to be implemented) to create a system for storing and managing information concerning tasks executed by the directors**

- (1) The existing Document Management Rules will be partially revised to prescribe storage periods for the following documents and related materials (including electronically recorded information)
  - 1) Shareholder meeting minutes: Permanent preservation
  - 2) Board of director meeting minutes: 10 years
  - 3) Executive meeting minutes: 10 years
  - 4) Calculation materials: 10 years
  - 5) Approval documents: 10 years
- (2) Storage periods and management methods for other documents will be prescribed according to their level of importance.

**3. The following measures will be implemented (or continue to be implemented) to create rules and other systems for the management of the risk of losses**

- (1) Outside directors (currently three) that are independent of the company and that have the necessary knowledge and experience to ensure proper risk management will be chosen.
- (2) Outside auditors (currently three) that are independent of the company and have the necessary knowledge and experience to ensure proper risk management will be chosen, and measures taken to establish an environment that is conducive for corporate auditors to perform audits.
- (3) An independent auditing company will continue to audit the Company's books to ensure proper accounting.
- (4) A code of ethics will be formulated, and efforts will be made to ensure that all managers and employees conduct activities in strict compliance.
- (5) The Risk Management Committee will be reorganized into the "Compliance and Risk Management Committee," and an outside attorney appointed as a committee member.
- (6) The Risk Management Office, independent from divisions involved in the execution of operations, will carry out internal audits.
- (7) Directors must report the discovery of any situations that may cause a major loss for the company to the Board of Directors.
- (8) Manager and employee training will be carried out as necessary.

**4. The Rules for the Division of Duties and Rules for the Delegation of Authority will be regularly reviewed and revised to create a system to ensure directors perform their duties efficiently.**

**5. The following measures will be implemented to create a system for ensuring that tasks are carried out properly by the corporate group composed of the Company and its subsidiaries**

- (1) The Internal Audit Rules will be partially revised to clarify the inclusion of subsidiaries in audits.
- (2) Audits based on Internal Audit Rules and Rules for Management of Affiliated Companies will be implemented for subsidiaries that have adopted a resolution to accept an audit by the Company.

**6. Employees will be provided as necessary, following discussions between directors and corporate auditors, in cases where the corporate auditors request the assistance of employees in performing their duties**

**7. The aforementioned employees will be placed under the authority of the corporate auditors to ensure their independence from directors, and that there are no negative consequences due to the performance of their duties in terms of employee evaluation, transfer, or disciplinary action.**

**8. The following measures will be implemented to create a system for reporting to auditors by directors, employees, and others**

- (1) The General Manager of the Risk Management Office will prepare an Annual Internal Audit Plan requiring the approval of the Board of Auditors, for internal audits.
- (2) Directors must report to the Board of Directors and employees when auditors make a request for a report of facts regarding the execution of operations.

**9. Outside auditors (currently three) that are independent of the company will be continue to chosen to ensure the effectiveness of audits performed by the corporate auditors.**