

# Trade Insurance and Investment Act

(Act No. 67 of March 31, 1950)

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## Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is to promote the sound development of foreign trade and other external transactions, through the establishment of a system of insurance against restrictions on exchange transactions and other risks for which ordinary insurance cannot provide relief, that arise in foreign trade and other external transactions.

(Definitions)

Article 2 (1) The term "export contract," as used in this Act, shall mean any contract to export trade goods that are produced, processed, or collected in Japan, and which contains provisions with respect to matters provided for by

Cabinet Order.

- (2) The term "exporter," as used in this Act, shall mean a party to an export contract who exports trade goods.
- (3) The term "supply contract," as used in this Act, shall mean a contract for the delivery of trade goods to an exporter that are produced, processed, or collected in Japan and that are to be exported by said exporter based on an export contract.
- (4) The term "producer," as used in this Act, shall mean any person who produces, processes or collects trade goods in Japan for the purpose of export.
- (5) The term "technical cooperation contract," as used in this Act, shall mean any contract for the provision of technology or of services associated with technical cooperation in a foreign country, and which contains provisions with respect to matters provided for by Cabinet Order.
- (6) The term "technological provider," as used in this Act, shall mean a party to a technical cooperation contract who provides technology or services associated with technical cooperation.
- (7) The term "export finance contract," as used in this Act, shall mean a contract for a loan, to a foreign government, local government or equivalent (hereafter referred to as a "foreign government, etc.") or a foreign juridical person or foreign citizen, of purchase monies or lease fees for exported trade goods (limited to trade goods prescribed by the Cabinet Order set forth in Article 30, paragraph (2)) based on an export contract, or funds appropriated for payment for technologies or services based on a technical cooperation contract, and which contains provisions with respect to matters provided for by Cabinet Order.
- (8) The term "export finance provider," as used in this Act, shall mean a party to an export finance contract who loans funds.
- (9) The term "export bond," as used in this Act, shall mean any guarantee listed below which contains provisions with respect to the amount of guarantee and other matters provided for by Cabinet Order.
  - (i) A guarantee (meaning a guarantee to pay penalty fees or similar monies, or, in lieu of said payment, to perform all or part of the principal obligations on behalf of the principal obligor, or to have a third party perform the same) against the counterparty to a bid concerning an export contract or a technical cooperation contract (hereinafter referred to as a "bid"), with respect to obligations based on said bid that are in accordance with a guarantee clause included in the terms of said bid.
  - (ii) A guarantee towards the counterparty to a contract with respect to obligations based on said contract, in accordance with a guarantee clause included in an export contract or a technical cooperation contract.
  - (iii) A guarantee for the payment of monies to a person (hereinafter referred to

as a "guarantor") making a guarantee (including a guarantee which falls under the terms of this item and which pertains to a guarantee listed in the preceding two items) listed in the preceding two items, with respect to compensatory obligations borne by the principal obligor concerning the guarantor, in cases where said guarantor has performed guarantee obligations in accordance with the terms of said guarantee.

- (10) The term "prepayment import contract," as used in this Act, shall mean, among contracts for the import of trade goods, those which contain the condition that all or part of the purchase monies or lease fees for those imported trade goods be paid before the shipping date of said imported trade goods, and which contain provisions with respect to matters provided for by Cabinet Order.
- (11) The term "prepayment importer," as used in this Act, shall mean a party to a prepayment import contract who imports trade goods.
- (12) The term "intermediary trade contract," as used in this Act, shall mean a contract for the sale or lease of trade goods produced, processed or collected in one region of a foreign country in a different region of a foreign country by a Japanese juridical person or Japanese citizen, and which contains provisions with respect to matters provided for by Cabinet Order.
- (13) The term "trade intermediary," as used in this Act, shall mean a party to an intermediary trade contract who sells or leases trade goods.
- (14) The term "intermediary trade payment loan contract," as used in this Act, shall mean a contract for a loan to a foreign government, etc., a foreign juridical person, or a foreign citizen, of funds to be allocated to the payment of purchase monies or lease fees for intermediary trade goods based on an intermediary trade contract, and which contains provisions with respect to matters provided for by Cabinet Order.
- (15) The term "intermediary trade payment loan provider," as used in this Act, shall mean a party to an intermediary trade payment loan contract who loans funds.
- (16) The term "overseas investment," as used in this Act, shall mean the types of investment listed below which are undertaken by a Japanese juridical person or a Japanese citizen.
- (i) The acquirement of shares or other equity (hereinafter referred to as "shares, etc.") in a foreign juridical person.
  - (ii) The acquirement of rights relating to real estate or facilities to be used in business activities conducted outside of Japan, mining rights, industrial property rights, or other rights; or other interests similar to the same (hereinafter referred to as "rights relating to real estate, etc.").
- (17) The term "overseas untied loan," as used in this Act, shall mean the acquisition of claims pertaining to long-term loans appropriated to long-term

funds necessary for the conducting by a foreign government, etc., foreign juridical person or foreign citizen of business activities outside of Japan, or of government bonds, company bonds (excluding the short-term company bonds prescribed in Article 66, item (i) of the Act on Transfer of Bonds, Shares, etc. (Act No. 75 of 2001); the same shall apply hereafter in this paragraph), or other equivalent bond certificates (hereinafter referred to as "loan receivables") by a foreign government, etc. or a foreign juridical person, that are issued for the purpose of procuring said funds; or the defrayment of long-term debts of a foreign government, etc., foreign juridical person, or foreign citizen appropriated to said funds, or of guarantee obligations (in cases in which guarantee obligations have been performed, this is limited to those for which it was specified that the person performing those obligations should acquire the right to reimbursement for the amount of the performance from the principal obligor) pertaining to government bonds, company bonds, or other equivalent bond certificates in a foreign government, etc., or a foreign juridical person, that are issued for the purpose of procuring said funds, by a Japanese juridical person or Japanese citizen.

**Chapter II The Incorporated Administrative Agency Nippon Export and  
Investment Insurance  
Section 1 General Provisions**

(Purpose)

Article 3 Matters relating to the name, purpose, and the scope of business operations of the Incorporated Administrative Agency Nippon Export and Investment Insurance shall be governed by the provisions of this Chapter.

(Name)

Article 4 The name of the Incorporated Administrative Agency established pursuant to the provisions of this Act and the Act on General Rules for Incorporated Administrative Agency (Act No. 103 of 1999; hereafter referred to as the "Act on General Rules") and provided for by Article 2, paragraph (1) of the Act on General Rules shall be the Incorporated Administrative Agency Nippon Export and Investment Insurance.

(Purpose of Nippon Export and Investment Insurance)

Article 5 The purpose of The Incorporated Administrative Agency Nippon Export and Investment Insurance (hereafter referred to as "NEXI") shall be the efficient and effective conducting of business activities for insurance against risks arising in external transactions for which ordinary insurance cannot provide relief.

(Offices)

Article 6 The principal office of NEXI shall be located in the Tokyo Metropolis.

(Stated Capital)

Article 7 (1) The stated capital of NEXI shall be the amount determined as that to be contributed by the government pursuant to the provisions of Article 7, paragraph (2) of the supplementary provisions to the Act Revising a Section of the Trade Insurance and Investment Act (Act No. 202 of 1999).

(2) The government may contribute additional capital to NEXI, within the scope of the amount determined in its budget, when considered to be necessary.

(3) When a contribution by the government pursuant to the provisions of the preceding paragraph has been made, the stated capital of NEXI shall be increased by the amount of that contribution.

## **Section 2 Officers and Employees**

(Officers)

Article 8 (1) NEXI shall have as its officers one chairman and CEO as its head, and two auditors.

(2) A maximum of three vice chairmen may be assigned to NEXI as officers.

(Duties and Authority of Vice Chairmen)

Article 9 (1) Vice Chairmen shall, under the direction of the Chairman and CEO, assist the Chairman and CEO in administering the business operations of NEXI.

(2) The officer prescribed by the individual method set forth in Article 19, paragraph (2) of the Act on General Rules shall be a vice chairman; provided, however, that it shall be an auditor when there is no vice chairman.

(3) In the case set forth in the proviso of the preceding paragraph, an auditor performing duties on behalf of the Chairman and CEO pursuant to Article 19, paragraph (2) of the Act on General Rules shall not perform the duties of an auditor during that period.

(Officers' Term of Office)

Article 10 The term of office of officers shall be two years.

(Obligation to Maintain Confidentiality)

Article 11 Officers and employees of NEXI and those who were formally in such positions shall not divulge or appropriate any confidential information they have become aware of during the course of their duties.

(Status of Officers and Employees)

Article 12 The officers and employees of NEXI shall be deemed to be employees engaged in public service, pursuant to the applicable Ordinance of the Ministry of Justice, with respect to the application of the Penal Code (Act No. 45 of 1907) and other penal provisions.

### **Section 3 Business Operations**

(Scope of Business Operations)

Article 13 (1) In order to achieve the purpose set forth in Article 5, NEXI shall conduct the following business operations.

(i) The conducting of trade insurance business activities pursuant to the provisions of the following Chapter.

(ii) The conducting of business operations incidental to the business operations set forth in the preceding item.

(2) NEXI may, in addition to the business operations set forth in the preceding paragraph, and insofar as it will not cause any hindrance to the business operations set forth in the same paragraph, underwrite reinsurance of insurance liabilities incurred by international organizations, foreign governments, etc., and foreign juridical persons conducting insurance business activities (including reinsurance) with respect to losses covered by trade insurance or other similar types of losses taken as counterparties.

(3) The reinsurance premium rate for reinsurance underwritten by NEXI pursuant to the provisions of the preceding paragraph shall be determined so as not to cause any hindrance to the sound operation of the business operations set forth in paragraph (1).

Article 14 NEXI may, in addition to reinsurance taking the government as a counterparty pursuant to the provisions of Chapter IV, perform reinsurance of the insurance liabilities it incurs pursuant to this Act, taking an international organization, foreign government, etc., or foreign juridical person conducting insurance business activities (including reinsurance) with respect to losses covered by trade insurance or other similar types of losses as a counterparty.

(Entrustment of Business Operations)

Article 15 (1) NEXI may entrust part of the business operations (excluding the conclusion of insurance contracts) set forth in item (i) of Article 13, paragraph (1), to a financial institution, subject to the authorization of the Minister for Economy, Trade and Industry.

(2) Financial institutions may, notwithstanding the provisions of other Acts,

receive entrustment pursuant to the provisions of the preceding paragraph, and conduct said business operations.

- (3) Officers and those employees of a financial institution which has received the entrustment of business operations pursuant to the provisions of paragraph (1) (hereafter referred to as an "entrusted financial institution") who are engaged in the relevant business operations shall be deemed to be employees engaged in public service, pursuant to the applicable Ordinance of the Ministry of Justice, with respect to the application of the Penal Code and other penal provisions.

(Special Provisions on the Disposition of Profit and Loss)

Article 16 (1) NEXI shall, after performing arrangements pursuant to the provisions of the main clause of Article 44, paragraph (1) or of paragraph (2) of the Act on General Rules (hereafter in this paragraph referred to as "the arrangements") pertaining to the final business year in the period for the mid-term target prescribed in item (i) of Article 29, paragraph (2) of the Act on General Rules (hereafter in this paragraph referred to as the "period for mid-term target"), in cases in which there are reserve funds pursuant to the provisions of paragraph (1) of Article 44 of that Act (hereafter in this paragraph referred to as "reserve funds"), at any time falling under the following items, with respect to the amounts prescribed in each respective item, make payment to the national treasury of an amount calculated pursuant to the standards prescribed by the applicable Ordinance of the Ministry for Economy, Trade and Industry.

- (i) When there were no reserve funds after the arrangements pertaining to the final business year in the period for mid-term target (in the next item referred to as the "previous period") immediately prior to the relevant period for mid-term target (hereafter in this paragraph referred to as the "relevant period") had been performed: An amount equivalent to the amount of reserve funds after the performing of arrangements pertaining to the final business year in the relevant period.
- (ii) When, in cases in which there were reserve funds after the arrangements pertaining to the final business year in the previous period had been performed, an amount equivalent to the amount of reserve funds after the arrangements pertaining to the final business year in the relevant period have been performed exceeds the amount of reserve funds after the arrangements pertaining to the final business year in the previous period had been performed (in cases in which a payment to the national treasury has been made pursuant to the provisions of this paragraph for the final business year in said previous period, the amount remaining after subtracting the amount of that payment): An amount equivalent to that excess amount.

- (2) With respect to the application of the provisions of Article 30, paragraph (2) of the Act on General Rules relating to the mid-term objectives for NEXI prescribed in paragraph (1) of the same Article, the term "(vi) Use of Surplus (vii) Other matters relating to the operation of business specified in other applicable Ordinances of the competent ministry" in paragraph (2) shall be deemed to be replaced with "(vi) Other matters relating to the operation of business specified in other applicable Ordinances of the competent ministry."
- (3) The provisions of the proviso of paragraph (1), and of paragraph (3) and paragraph (4) of Article 44 of the Act on General Rules shall not apply to NEXI.
- (4) With respect to the first period for mid-term target for NEXI, the term "there were no reserve funds" in item (i) of paragraph (1) shall be deemed to be replaced with "there were no reserve funds, or the relevant period was the first period for mid-term target."
- (5) In addition to what is provided in each of the preceding paragraphs, payment procedures and other necessary matters related to the appropriation of reserve funds shall be provided for by Cabinet Order.

(Long-term Borrowings and Trade Insurance Bonds)

- Article 17 (1) NEXI may, subject to authorization from the Minister of the Economy, Trade and Industry, undertake long-term borrowings or issue trade insurance bonds.
- (2) When the Minister of the Economy, Trade and Industry is to give his or her authorization pursuant to the provisions of the preceding paragraph, he or she shall hear the opinions of the Ministry of Economy, Trade and Industry's Evaluation Committee for Incorporated Administrative Agencies in advance.
  - (3) Creditors holding trade insurance bonds pursuant to the provisions of paragraph (1) shall have the right to receive performance of their own claims in preference to other creditors, with respect to the assets of NEXI.
  - (4) The order of statutory liens set forth in the preceding paragraph shall come after general statutory liens pursuant to the provisions of the Civil Code (Act No. 89 of 1896).
  - (5) NEXI may, subject to authorization from the Minister of Economy, Trade and Industry, entrust all or part of affairs relating to the issuing of trade insurance bonds to a bank or trust company.
  - (6) The provisions of Article 705, paragraphs (1) and (2), and Article 709 of the Companies Act (Act No. 86 of 2005) shall apply mutatis mutandis with respect to banks or trust companies receiving entrustment pursuant to the provisions of the preceding paragraph.
  - (7) In addition to what is provided in each of the preceding paragraphs, necessary matters relating to trade insurance bonds shall be provided for by Cabinet Order.

(Reimbursement Plans)

Article 18 (1) NEXI shall create a reimbursement plan for its long-term borrowings and trade insurance bonds every business year, and receive the authorization of the Minister of Economy, Trade and Industry.

(2) When the Minister of the Economy, Trade and Industry is to give his or her authorization pursuant to the provisions of the preceding paragraph, he or she shall hear the opinions of the Ministry of Economy, Trade and Industry's Evaluation Committee for Incorporated Administrative Agencies in advance.

#### **Section 4 Miscellaneous Provisions**

(Reports and Inspection)

Article 19 (1) The Minister of Economy, Trade and Industry may, when it is considered necessary for the enforcement of this Act, have reports made by an entrusted financial institution regarding its entrusted business operations; or send an official to enter the office of an entrusted business operation and perform an inspection of the status of entrusted business operations, or of accounting books, written documents or other items.

(2) Officials performing on-site inspections pursuant to the provisions of the preceding paragraph shall carry a certificate of identification and show it to those concerned.

(3) The authority to perform on-site inspections pursuant to the provisions of paragraph (1) shall not be construed as being approved for the purposes of criminal investigation.

(Consultation with the Minister of Finance)

Article 20 The Minister of Economy, Trade and Industry shall consult with the Minister of Finance in the following cases.

(i) When the authorization set forth in Article 15, paragraph (1), Article 17, paragraph (1) or (5), or Article 18, paragraph (1) is to be granted.

(ii) When the applicable Ordinance of the Ministry for Economy, Trade and Industry set forth in Article 16 of paragraph (1) is to be formulated.

(Competent Minister, etc.)

Article 21 The competent minister, competent ministry and ordinance of the competent ministry contained in the Act on General Rules as they pertain to NEXI shall be the Minister of Economy, Trade and Industry, the Ministry of Economy, Trade and Industry, and Ordinances of the Ministry of Economy, Trade and Industry respectively.

## **Chapter III Trade Insurance**

### **Section 1 General Provisions**

(Kinds of Trade Insurance)

Article 22 Trade insurance shall consist of general export insurance, export payments insurance, exchange risk insurance, export bill insurance, export bond insurance, prepayment import insurance, intermediary trade insurance, overseas investment insurance, and overseas untied loan insurance.

(Cover Conditions)

Article 23 (1) NEXI shall prescribe conditions relating to premium rates for trade insurance and other conditions (hereafter referred to as "cover conditions"), and shall notify the Minister of Economy, Trade and Industry pursuant to the provisions of the applicable Ordinance of the Ministry of Economy, Trade and Industry. This shall also apply when changes are to be made.

(2) When the Minister of Economy, Trade and Industry considers that a cover condition contained in a notification pursuant to the preceding paragraph does not fall under any of the following items, he may order NEXI to change such cover condition by a set date.

(i) The premium rate is not significantly inappropriate from the perspective of the burden of the policyholders.

(ii) Certain persons are not treated in an unfair or discriminatory manner.

(iii) No harm will be done to the sound development of external transactions.

(3) NEXI shall not underwrite trade insurance under cover conditions other than those for which notification has been provided pursuant to the provisions of paragraph (1).

(Cancellation of Contracts)

Article 24 NEXI may, when a policyholder to a trade insurance contract, an insured person, or a person who is to receive an insurance payment has violated the provisions of this Act (including orders based on it), or has violated a trade insurance contract, decide not to pay all or part of any insurance claim payment based on the relevant insurance contract, or have all or part of any insurance claim payment returned, or cancel the relevant insurance contract into the future.

(Subrogation)

Article 25 When, in cases in which the losses prescribed in Article 27 paragraph (2), Article 30 paragraph (2), Article 42 paragraph (2), Article 46 paragraph (2), Article 49 paragraph (2), Article 52 paragraph (2) or Article 54 paragraph (2)

with respect to general export insurance, export payments insurance, export bond insurance, prepayment import insurance, intermediary trade insurance, overseas investment insurance, or overseas untied loan insurance have arisen; or cases in which the bank, etc. prescribed in Article 37, paragraph (1) could not receive payment upon maturity of a bill of exchange, or has paid a bill of exchange upon receiving a request for recourse, and NEXI has made an insurance payment to an insured person or a person who is to receive an insurance payment, NEXI shall acquire any rights held by the policyholders or insured persons against third parties, taking as a limit an amount equivalent to the amount of the relevant insurance payment.

(Handling of Cases in which there are Two or More Contracts)

Article 26 (1) In cases in which a given contract falls under the definition of an export contract and a technical cooperation contract, or an export contract and an intermediary trade contract, or a technical cooperation contract and an intermediary trade contract, except for the cases prescribed in the following paragraphs, said given contract shall be deemed to be an intermediary trade contract when the amount of purchase monies for exported trade goods or the total sum of lease fees based on said contract (hereafter referred to as "export payments") exceeds the amount of the consideration for the provision of technologies or of services associated with the same based on said contract (hereafter referred to as "technical cooperation consideration"), or when the amount of purchase monies for intermediary trade goods or the total sum of lease fees based on said contract (hereafter referred to as "intermediary trade payments") is equal to or exceeds said amount of consideration; a technical cooperation contract when the technical cooperation consideration exceeds the export payments or the intermediary trade payments are equal to or exceed such export payments; or an intermediary trade contract when the intermediary trade payments exceed the export payments or the technical cooperation consideration.

(2) In cases in which a given contract falls under the definition of an export contract, a technical cooperation contract, and an intermediary trade contract, said given contract shall be deemed to be a technical cooperation contract when the technical cooperation consideration exceeds the export payments and is equal to or exceeds the intermediary trade payments; an intermediary trade contract when the intermediary trade payments exceed the export payments and the technical cooperation consideration; and an export contract at all other times.

(3) Persons who are parties to a given contract deemed to be an export contract pursuant to the provisions of the preceding two paragraphs and who export trade goods and engage in the provision of technologies or services associated

with the same, or who engage in the sale or lease of intermediary trade goods, shall be deemed to be exporters.

- (4) In cases in which a given contract has been deemed to be an export contract pursuant to the provisions of paragraph (1) or paragraph (2) with respect to the application of the provisions of Section 3, Section 4 and Section 6, the provision of technologies or services associated with the same, or the sale or lease of intermediary trade goods based on said contract, and the consideration for the provision of technologies or services associated with the same or purchase monies or lease fees for those intermediary trade goods shall be deemed to be the export of trade goods (in cases in which the provisions of Article 30, paragraph (2), Article 34, paragraph (2), or Article 42, paragraph (2) are applied, the trade goods provided for by Cabinet Order set forth in those paragraphs) and exported trade goods purchase monies respectively.
- (5) In cases in which a given contract has been deemed to be a technical cooperation contract pursuant to the provisions of paragraph (1) or paragraph (2), with respect to the application of the provisions of Section 3, Section 4 and Section 6, those persons who are parties to said contract and who engage in the provision of technologies or services associated with the same, and who export trade goods or engage in the sale or lease of intermediary trade goods; and the export of trade goods or the sale or lease of intermediary trade goods based on said contract; and purchase monies or lease fees for those exported trade goods or purchase monies or lease fees for those intermediary trade goods shall be deemed to be technological providers; the provision of technologies or services associated with the same (in cases in which the provisions of Article 42, paragraph (2) are applied, that provision of technologies or services associated with the same in a foreign country which is provided for by Cabinet Order set forth in the same paragraph); and the consideration for them, respectively.
- (6) In cases in which a given contract has been deemed to be an intermediary trade contract pursuant to the provisions of paragraph (1) or paragraph (2), with respect to the application of the provisions of Section 8, those persons who are parties to said contract and who engage in the sale or lease of intermediary trade goods and who engage in the export of trade goods or the provision of technologies or services associated with the same; and purchase monies or lease fees for those exported trade goods or the consideration for said provision of technologies or services associated with the same shall be deemed to be trade intermediaries and purchase monies for those intermediary trade goods respectively.

## **Section 2 General Export Insurance**

(Insurance Contracts)

Article 27 (1) NEXI may underwrite general export insurance.

(2) General export insurance shall mean trade insurance indemnifying losses (including, in cases in which the export of the relevant trade goods could be considered extremely difficult due to the arising of any reason falling under items (i) to (v) below, cases in which the export of said trade goods had not taken place by a date on which two months had passed after the shipping date provided in the intermediary trade contract) incurred through the inability to export goods by an exporter (including any person who is a party to a contract which is deemed to be a technical cooperation contract or an intermediary trade contract pursuant to the provisions of paragraph (1) or paragraph (2) of the preceding Article, and who exports trade goods; the same shall apply hereafter in this Section) based on an export contract (including a contract which is deemed to be a technical cooperation contract or an intermediary trade contract pursuant to the provisions of paragraph (1) or paragraph (2) of the preceding Article; the same shall apply hereafter in this Section) due to any reason falling under the following arising after the conclusion of an insurance contract; losses (excluding losses arising in association with the exported trade goods themselves) incurred through the inability to collect purchase monies for exported trade goods based on an export contract due to any reason falling under the following items (i) to (vii) arising after the conclusion of an insurance contract; losses (excluding losses arising in association with the exported trade goods themselves) incurred through the inability to deliver or collect purchase monies based on a supply contract for the relevant trade goods by a producer of trade goods provided for by Cabinet Order who is a party to a supply contract, due to such losses being incurred by an exporter; or losses incurred by an exporter through newly defrayed transportation costs or insurance premiums owing to navigational or route changes, due to any reason falling under items (i) to (vii) below arising after the conclusion of the insurance contract.

- (i) Restrictions or prohibitions on exchange transactions conducted in a foreign country.
- (ii) Restrictions or prohibitions on imports conducted in a destination country.
- (iii) Interruptions to exchange transactions due to war, revolution or insurrection occurring in a foreign country.
- (iv) Inability to import to a destination country due to war, revolution or insurrection occurring in that country.
- (v) Interruptions to transportation to a destination country due to reasons arising outside of Japan.
- (vi) In addition to what is listed in each of the preceding items, any reason which cannot be considered attributable to the parties to the export, and which arises outside of Japan.

- (vii) Restrictions or prohibitions to the export of trade goods pursuant to the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949) (excluding the prohibitions prescribed in Article 25-2 and Article 53 of the same Act).
- (viii) In cases where the counterparty to the export contract is a foreign government, etc., the unilateral dissolution of said export contract by said counterparty, or the cancellation of said export contract by an exporter on reasonable grounds attributable to said counterparty.
- (ix) The issuing of a decision on the commencement of bankruptcy proceedings with respect to the counterparty to the export contract, or other reason equivalent to it.

(Insurance Claims)

- Article 28 (1) The amount of indemnity to be provided by NEXI with regard to general export insurance for which an exporter is an insured person shall be the amount obtained by multiplying the specific ratio prescribed in the insurance contract (hereafter referred to as the "specified ratio") by the amount remaining after subtracting the amounts listed in each of the following items from the amount of purchase monies based on the export contract for trade goods that the exporter was unable to export due to any reason falling under any of the items in paragraph (2) of the preceding Article (including, in cases in which the export of the relevant trade goods could be considered extremely difficult due to the arising of any reason falling under items (i) to (v) of the same paragraph, trade goods which had not been exported by a date on which two months had passed after the shipping date provided in the export contract), or from the amount that the exporter was unable to collect from among the amounts of purchase monies for exported trade goods based on the export contract due to any reason falling under item (i) to (vii) in paragraph (2) of the preceding Article; or by the amount of increase of newly defrayed transportation costs or insurance premiums incurred by the exporter owing to navigational or route changes, due to any reason falling under items (i) to (vii) in the same paragraph arising after the conclusion of the insurance contract.
- (i) The amount recovered, or amount that is expected to be recovered, after the appropriation of exported trade goods or after necessary measures have otherwise been taken for the reduction of losses.
  - (ii) The amount which is no longer necessary to expend due to the arising of said reasons.
  - (iii) The amount of profit (limited to the portion pertaining to the relevant trade goods) which was expected to be earned through the export of trade goods.
- (2) The provisions of the preceding paragraph shall apply mutatis mutandis to amounts that are to be indemnified by NEXI regarding general export

insurance to which the producer prescribed in paragraph (2) of the preceding Article is an insured person.

(Special Provisions related to Export Contracts ancillary to Other Contracts)  
Article 29 With respect to the application of the provisions of Article 27, paragraph (2) in cases in which an export contract is for the export of trade goods necessary for the performance of obligations based on a given contract (hereafter referred to as a "trade goods delivery contract") for the delivery of traded goods from a given region of a foreign country to another region of a foreign country based on said export contract to that party to the trade goods delivery contract who delivers trade goods (limited to those export contracts for which the standard is specified that the reception date of all or part of the consideration for the performance of obligations based on said trade goods delivery contract is the settlement deadline for all or part of any purchase monies for the exported trade goods), the term "export contract" in item (vi) and item (ix) of the same paragraph shall be deemed to be replaced with "export contract or trade goods delivery contract set forth in Article 29"; the term "counterparty to the export contract" in item (viii) of the same paragraph shall be deemed to be replaced with "counterparty (for a trade goods delivery contract, the party which receives the delivery of trade goods; the same shall apply hereafter in this item and the following item) to the export contract or trade goods delivery contract set forth in Article 29," the term "said export contract" shall be deemed to be replaced with "said export contract or trade goods delivery contract," and the term "exporter" shall be deemed to be replaced with "exporter or the party to a trade delivery contract set forth in Article 29 who receives the delivery of trade goods."

### **Section 3 Export Payments Insurance**

(Insurance Contracts)

Article 30 (1) NEXI may underwrite export payments insurance.

(2) Export payments insurance shall mean insurance indemnifying losses (excluding losses arising with respect to exported trade goods other than those losses which arise with respect to exported trade goods through war, revolution or insurrection occurring in the destination country) incurred through the inability of an exporter to collect purchase monies or lease fees for exported trade goods due to the arising of any reason falling under any of the following items in cases in which the relevant trade goods were provided for by Cabinet Order and exported based on an export contract; losses incurred through the inability of a technological provider to collect the consideration for the provision of technologies or of services associated with the same due to the

arising of any reason falling under any of the following items in cases in which the relevant provision of technologies or of services associated with the same were provided based on a technical cooperation contract; or losses incurred through the inability of an export finance provider to collect a loan due to the arising of any reason falling under any of the following items in cases in which the relevant loan was issued based on an export finance contract.

- (i) Restrictions or prohibitions on exchange transactions conducted in a foreign country.
  - (ii) War, revolution or insurrection occurring in a foreign country.
  - (iii) In addition to what is listed in the preceding two items, any reason which cannot be considered attributable to the parties to the export contract, technical cooperation contract, or export finance contract, and which arises outside of Japan.
  - (iv) The issuing of a decision on the commencement of bankruptcy proceedings with respect to the counterparty to the export contract, technical cooperation contract, or export finance contract.
  - (v) Three months or more delay in the performance of the obligations of the counterparty to the export contract, technical cooperation contract, or export finance contract (limited to delays which cannot be considered attributable to the exporter, technological provider, or export finance provider).
- (3) NEXI shall, when it has given consent to an application for an insurance contract, prepare and deliver an insurance policy to the policy holder.

(Insurable Value)

Article 31 For the purposes of export payments insurance, the insurable value shall be the amount of purchase monies or lease fees for exported trade goods based on an export contract, the consideration for technologies or provision of services based on a technical cooperation contract, or loans issued based on an export finance contract (when settlement of purchase monies or consideration or reimbursement of a loan is to be received divided between two or more time periods, the portion of said loan or said consideration or purchase monies for which settlement or reimbursement is to take place in one time period).

(Insurance Claims)

Article 32 The amount of indemnity to be provided by NEXI with regard to export payments insurance shall be the amount obtained by multiplying the ratio of insurable value to insured amount by the amount remaining after subtracting the amounts listed in each of the following items from the amount of each purchase monies or lease fee or consideration, or loan, which could not be collected by the settlement deadline or reimbursement deadline by the exporter, technological provider or export finance provider respectively, due to

a reason falling under any of the items in Article 30, paragraph (2) (in case of a reason falling under item (v) of the same paragraph, a time by which three months have passed after the settlement deadline or reimbursement deadline; the same shall apply hereafter in this Section).

- (i) The amount which is no longer necessary to expend due to the arising of said reasons.
- (ii) The amount collected after the settlement deadline or reimbursement deadline.

(Special Provisions related to Export Contracts ancillary to Other Contracts)

Article 33 With respect to the application of the provisions of Article 30, paragraph (2) and the preceding Article in cases in which an export contract or technical cooperation contract is for the export of trade goods, or the provision of technologies or services necessary for the performance of obligations based on a given contract (hereafter referred to as a "trade goods and provision contract") for the delivery of traded goods or the provision of technologies or services from a given region of a foreign country to another region of a foreign country based on said export contract to that party to the trade goods and provision contract who delivers the trade goods or provides technologies or services (limited to those export contracts or technical cooperation contracts for which the standard is specified that the reception date of all or part of the consideration for the performance of obligations based on said trade goods and provision contract is the settlement deadline for all or part of any purchase monies or lease fees for the exported trade goods or consideration for technologies or services provided), the term "or export finance contract" in item (iii) and item (v) of paragraph (2) of Article 30 shall be deemed to be replaced with ", export finance contract or trade goods delivery contract set forth in Article 33"; the term "or counterparty to an export finance contract" in item (iv) of the same paragraph shall be deemed to be replaced with "or counterparty (for a trade goods and provision contract, the party which receives the delivery of trade goods or provision of technologies or services; the same shall apply in the following item) to the export finance contract or trade goods and provision contract set forth in Article 33," and the term "corresponding settlement deadline" in the preceding Article shall be deemed to be replaced with "corresponding settlement deadline (in the cases prescribed in the following Article, this shall mean a settlement deadline using as a basis the date on which consideration for the performance of obligations based on the trade goods and provision contract set forth in the same Article was to be received; the same shall apply hereafter in this Article)."

#### **Section 4 Exchange Risk Insurance**

(Insurance Contracts)

Article 34 (1) NEXI may underwrite exchange rate insurance.

- (2) Exchange risk insurance shall mean, in cases in which an exporter exports trade goods based on an export contract (limited to those which pertain to the export of trade goods provided for by Cabinet Order, and for which all or part of the purchase monies and lease fees for those trade goods are expressed in a foreign currency provided for by Cabinet Order (hereafter referred to as a "specified foreign currency")), or a technological provider provides technologies or services associated with the same based on a technical cooperation contract (limited to those for which all or part of the consideration for the provision of technologies or services is expressed in a specified foreign currency), trade insurance indemnifying losses incurred with respect to any portion of purchase monies or lease fees for exported trade goods, or consideration for the provision of technologies or services that is expressed in a specified foreign currency (excluding those for which the settlement deadline expires between the date on which the application for the conclusion of the insurance contract was made and the passage of a time period provided for by Cabinet Order, and those for which the settlement deadline expires between the date on which the application for the conclusion of the insurance contract was made and a time period provided for by Cabinet Order has passed; hereinafter referred to as "purchase monies, etc."), through a decline of three percent or greater in the exchange rate listed in item (i) versus the exchange rate listed in item (ii).
- (i) The exchange rate for a specified foreign currency (hereafter referred to as a "specified foreign currency exchange rate") that is expressed in Japanese currency in Japan on the date on which the settlement date expires; provided, however, that when the specified foreign currency exchange rate on the date on which purchase monies, etc., were collected was higher than said specified foreign currency exchange rate, this shall mean the specified foreign currency exchange rate on that date.
- (ii) The exchange rate on the date on which the application for the conclusion of the insurance contract was made; provided, however, that when the specified foreign currency exchange rate on the date on which the relevant export contract or technical cooperation contract was concluded was lower than said foreign currency exchange rate, this shall mean the specified foreign currency exchange rate on that date.

(Insurance Claims)

Article 35 The amount of indemnity to be provided by NEXI with regard to exchange risk insurance shall be the amount remaining after converting the amount of purchase monies, etc. collected by the exporter or technological

provider as expressed in the relevant specified foreign currency (hereafter referred to as the "amount of purchase monies, etc. expressed in foreign currency") into Japanese currency based on the specified foreign currency exchange rate listed in item (ii) of paragraph (2) of the preceding Article (hereafter referred to as the "amount of purchase monies, etc. expressed in Japanese currency"), and then subtracting from this the sum total of the amount of purchase monies, etc. expressed in foreign currency converted into Japanese currency based on the specified foreign exchange rate set forth in item (i) paragraph 2 of the preceding Article and the amount of purchase monies, etc. expressed in Japanese currency multiplied by three percent (where said amount remaining exceeds the amount obtained by multiplying the amount of purchase monies, etc. expressed in Japanese currency by the ratio provided for by Cabinet Order, that amount).

(Payment of Exchange Gains)

Article 36 When the specified foreign currency exchange rate on the date on which purchase monies, etc. are collected has made a steep gain exceeding three percent versus the specified foreign currency exchange rate listed in item (ii) of Article 34, paragraph (2), the policy holder shall pay to NEXI the amount remaining after subtracting the amount of purchase monies, etc. expressed in Japanese currency multiplied by one hundred and three percent, from the amount obtained by converting the collected amount of purchase monies, etc. expressed in foreign currency into Japanese currency based on the specified foreign currency exchange rate on the date of collection (where said amount remaining exceeds the amount obtained by multiplying the amount of purchase monies, etc. expressed in Japanese currency by the ratio provided for by Cabinet Order set forth in the preceding Article, that amount).

## **Section 5 Export Bill Insurance**

(Insurance Contracts)

Article 37 (1) NEXI may conclude insurance contracts for export bill insurance taking as a counterparty a bank prescribed in Article 2, paragraph (1) of the Banking Act (Act No. 59 of 1981) or a person provided for by Cabinet Order (hereafter referred to as a Bank, etc. in this Section), for every business year or semi-annual period.

(2) Export bill insurance shall mean trade insurance establishing insurance relations between NEXI and a Bank, etc. for the indemnification of amounts of payments which could not be received upon maturity of bills of exchange, or amounts for which payment was made on recourse demand for bills of exchange, by the Bank, etc., through notification to NEXI by the Bank, etc. that a bill of

exchange issued for the collection of purchase monies for exported trade goods was negotiated from the issuer.

(Insurable Value)

Article 38 For the purposes of export bill insurance, the insurable value shall be the amount of the bill.

(Insurance Claims)

Article 39 The amount of indemnity to be provided by NEXI based on export bill insurance relations shall be the amount obtained by multiplying the ratio of insurable value to insured amount by the amount remaining after subtracting the amount listed below from the amount of a payment which could not be received upon maturity of a bill of exchange or the amount which was paid after receipt of a demand for recourse on a bill of exchange by a Bank, etc., from within the insurable value.

(i) The amount of payment received after maturity.

(ii) The amount recovered through the appropriation of ancillary trade goods or otherwise through the exercise of rights pertaining to ancillary trade goods.

(iii) The amount recovered through exercise of the right of recourse.

(Non-Exercise of Right of Recourse)

Article 40 NEXI shall not exercise the right of recourse with respect to amounts equivalent to insurance claims paid when a Bank, etc. has not received payment on maturity of a bill of exchange, or when the reasons regarding the receipt of a demand for recourse on a bill of exchange were not reasonably attributable to the issuer, in cases in which NEXI has made an insurance claim payment and acquired rights associated with said bill of exchange pursuant to the provisions of Article 25.

(Limitations on the Establishment of Insurance Relations)

Article 41 When the risks associated with a transaction are very high, and it is necessary for the operation of other trade insurance business activities, NEXI need not undertake to establish insurance relations based on an insurance contract for export bill insurance.

## **Section 6 Export Bond Insurance**

(Insurance Contracts)

Article 42 (1) NEXI may underwrite export bond insurance.

(2) Export bond insurance shall mean trade insurance indemnifying losses incurred through the performance, in accordance with the terms of a guarantee,

of guarantee obligations upon receipt of a request from the counterparty to an export guarantee after the conclusion of an insurance contract, by a bank prescribed in Article 2, paragraph (1) of the Banking Act, or another person provided for by Cabinet Order (hereafter referred to in this Section as the "guarantor"), in any case falling under those set forth in the following items, with respect to export guarantees related to the export of trade goods provided for by Cabinet Order, or the provision of technologies in a foreign country or of services associated with the same provided for by Cabinet Order, issued to persons undertaking bids, exporters, or technological providers (hereafter referred to as a "bidder, etc.").

(i) When a bidder, etc. who is a principal obligor has performed an obligation that is subject to a guarantee listed in item (i) or (ii) of Article 2, paragraph (9) based on a bid, an export contract or technical cooperation contract (hereafter referred to as an "obligation subject to guarantee"), in accordance with its main purport.

(ii) When, in cases in which a bidder, etc. who is a principal obligor does not perform an obligation subject to guarantee in accordance with its main purport, or could not do so, it is determined by the relevant parties that said bidder, etc. should not be liable for non-performance of obligation, for reasons among those listed in each item of Article 27, paragraph (2) or other reasons that could not be considered attributable to said bidder, etc.

(Insurable Value)

Article 43 The insurable value of export bond insurance shall be the amount of guarantee of the export guarantee.

(Insurance Claims)

Article 44 The amount of indemnity to be provided by NEXI with respect to export bond insurance shall be the amount obtained by multiplying the ratio of insurable value to insured amount by the amount remaining after the amount collected from the counterparty to the export guarantee (in cases in which said export guarantee is a guarantee set forth in item (i) or (ii) of Article 2, paragraph (9), when all or part of the principal obligations are performed in lieu of the payment of penalty fees or other similar monies on behalf of the principal obligor, or a third party has been made to perform the same, whichever is the smaller amount: the expenses required for said performance, or the penalty fees or other similar monies) has been subtracted from the amount paid from within the insurable value by the guarantor in accordance with the conditions of the guarantee after receipt of a demand from the counterparty to the export guarantee, in cases falling under any of those listed in each of the items of Article 42, paragraph (2).

(Non-exercise of Rights)

Article 45 In cases in which an insurance claim payment has been made and it has acquired the right to obtain reimbursement from a bidder, etc. who is a principal obligor that was acquired by a guarantor through the performance of guarantee obligations to an export guarantee, or the right to demand payment of monies pertaining to a guarantee given by a person who has made a guarantee with respect to compensatory obligations of said bidder, etc. in cases in which a guarantee listed in item (iii) of Article 2, paragraph (9) has been received, pursuant to the provisions of Article 25, NEXI shall not exercise those rights.

### **Section 7 Prepayment Import Insurance**

(Insurance Contracts)

Article 46 (1) NEXI may underwrite prepayment import insurance.

(2) Prepayment import insurance shall mean trade insurance indemnifying losses incurred through the inability of an importer to receive the return of purchase monies or lease fees paid prior to the shipping date of imported trade goods (hereafter referred to as "advance payments") based on a prepayment import contract due to any reason falling under the following, in cases in which it was not possible to import said imported trade goods based on said prepayment import contract.

- (i) Restrictions or prohibitions on exchange transactions conducted in a foreign country.
- (ii) War, revolution or insurrection occurring in a foreign country.
- (iii) In addition to what is listed in the preceding two items, any reason which cannot be considered attributable to the parties to the prepayment import contract, and which arises outside of Japan.
- (iv) The issuing of a decision on commencement of bankruptcy proceedings with respect to the counterparty to the prepayment import contract.
- (v) Three months or more delay in the performance of obligations pertaining to the prior payments of the counterparty to the prepayment import contract (limited to cases in which this cannot be considered attributable to the prepaid importer).

(Insurable Value)

Article 47 The insurable value of prepayment import insurance shall be the amount of the advance payment.

(Insurance Claims)

Article 48 The amount of indemnity to be provided by NEXI for prepayment import insurance shall be the amount obtained by multiplying the ratio of insurable value to insured amount by the amount remaining after subtracting the amounts listed in each of the following items from the amount of advance payments whose return could not be received by the prepaid importer by the deadline for return of advance payments, due to any reason falling under those listed in each item of Article 46, paragraph (2) (when due to a reason falling under item (v) of the same paragraph, the time at which three months have passed after the deadline for return of advance payments; the same shall apply in item (ii)) from within the insurable value.

(i) The amount which is no longer necessary to expend due to the arising of said reasons.

(ii) The amount recovered after the deadline for return of advance payments.

### **Section 8 Intermediary Trade Insurance.**

(Insurance Contracts)

Article 49 (1) Nippon Export and Investment Insurance may underwrite Intermediary Trade Insurance.

(2) Intermediary Trade Insurance shall mean trade insurance indemnifying losses falling under any of the following items.

(i) Losses (excluding losses which arise with respect to intermediary trade goods themselves) incurred through the inability to sell or lease intermediary trade goods (including, in cases in which the sale or leasing of the relevant intermediary trade goods could be considered extremely difficult due to the arising of any reason falling under (a) to (e) below, cases in which the sale or leasing of said intermediary trade goods had not taken place by a date on which two months had passed after the shipping date provided in the intermediary trade contract) by a trade intermediary (including any person who is a party to a contract which is deemed to be an export contract or a technical cooperation contract pursuant to the provisions of Article 26 paragraph (1) or paragraph (2) of the Act, who sells or leases intermediary trade goods; the same shall apply hereafter in this item and in Article 51, paragraph (1)) based on an intermediary trade contract (including a contract which is deemed to be an export contract or a technical cooperation contract pursuant to the provisions of Article 26, paragraph (1) or paragraph (2); the same shall apply hereafter in this item and in Article 51, paragraph (1)), due to any reason falling under the following arising after the conclusion of the insurance contract; or losses incurred by a trade intermediary through newly defrayed transportation costs or insurance premiums owing to navigational or route changes, due to any reason falling under (a) to (g) below arising

- after the conclusion of the insurance contract;
- (a) Restrictions or prohibitions on exchange transactions conducted in a foreign country;
  - (b) Restrictions or prohibitions on imports conducted in a destination country;
  - (c) Interruptions to exchange transactions due to war, revolution or insurrection occurring in a foreign country;
  - (d) Inability to import to a destination country due to war, revolution or insurrection occurring in that country;
  - (e) Interruptions to transportation to a destination country due to reasons arising outside of Japan;
  - (f) In addition to what is listed in (a) to (e) above, any reason which cannot be considered attributable to the parties to the intermediary trade contract, and which arises outside of Japan;
  - (g) Restrictions or prohibitions to sales or leasing of intermediary trade goods pursuant to the Foreign Exchange and Foreign Trade Act (excluding the prohibitions prescribed in Article 25-2 of the same Act);
  - (h) In cases where the other party to the intermediary trade contract is a foreign government, etc., the unilateral dissolution of said intermediary trade contract by said other party, or the cancellation of said intermediary trade contract by a trade intermediary on reasonable grounds attributable to said other party;
  - (i) The issuing of a decision on the commencement of bankruptcy proceedings with respect to the other party to the intermediary trade contract, or other reason equivalent to it.
  - (ii) Losses (excluding losses arising in the intermediary trade goods themselves that are not losses arising in trade goods among the intermediary trade goods that are provided for by Cabinet Order set forth in Article 30, paragraph (2) through war, revolution or insurrection occurring in the destination country) incurred through the inability to collect purchase monies or lease fees for intermediary trade goods by a trade intermediary, in cases in which said intermediary trade goods are sold or leased based on an intermediary trade contract (including the export of trade goods or the provision of technologies or services associated with the same based on a contract that is deemed to be an intermediary trade contract pursuant to the provisions of Article 26, paragraphs (1) and (2)), due to any reason falling under the following, or losses incurred through the inability to collect a loan by an intermediary trade payment loan provider, in cases in which said loan was provided based on an intermediary trade payment loan contract, due to any reason falling under the following.
    - (a) Restrictions or prohibitions on exchange transactions conducted in a

foreign country.

- (b) War, revolution or insurrection occurring in a foreign country.
- (c) In addition to what is listed in (a) and (b) above, any reason which cannot be considered attributable to the parties to the intermediary trade contract or intermediary trade payment loan contract, and which arises outside of Japan.
- (d) The issuing of a decision on the commencement of bankruptcy proceedings with respect to the counterparty to the intermediary trade contract or intermediary trade payment loan contract.
- (e) Three months or more delay in the performance of obligations of the counterparty to the intermediary trade contract or intermediary trade payment loan contract (limited to cases in which this cannot be considered attributable to the intermediary trader or intermediary trade payment loan provider).

#### (Insurable Value)

Article 50 The insurable value of intermediary trade insurance pertaining to losses set forth in item (ii) of paragraph (2) of the preceding Article shall be the amount of the purchase monies or lease fees for intermediary trade goods based on the intermediary trade contract, or the amount of the loan based on the intermediary trade payment loan contract (when settlement of purchase monies or reimbursement for a loan is to be received divided between two or more time periods, the portion of said purchase monies or said loan for which settlement or reimbursement is to take place in one time period).

#### (Insurance Claims)

Article 51 (1) The amount of indemnity to be provided by NEXI for intermediary trade insurance pertaining to the losses set forth in item (i) of Article 49, paragraph (2) shall be the amount obtained by multiplying the specified ratio by the amount remaining after subtracting the amounts listed in the following items from the amount of purchase monies based on the intermediary trade contract for intermediary trade goods which would not be sold or leased by a trade intermediary due to the arising of any reason falling under (a) to (i) of the same item (including, in cases in which the sale or leasing of the relevant intermediary trade goods could be considered extremely difficult due to the arising of any reason falling under (a) to (e) below, cases in which the sale or leasing of said intermediary trade goods had not taken place by a date on which two months had passed after the shipping date provided in the intermediary trade contract), or the amount of increase of newly defrayed transportation costs or insurance premiums owing to navigational or route changes due to any reason falling under (a) to (g) of the same item.

- (i) The amount recovered, or the amount that is expected to be recovered, after the appropriation of intermediary trade goods or after necessary measures have otherwise been taken for the reduction of losses.
  - (ii) The amount which is no longer necessary to expend due to the arising of said reasons.
  - (iii) The amount of profit expected to be acquired through the sale or leasing of intermediary trade goods (limited to the portion pertaining to said intermediary trade goods).
- (2) The amount of indemnity to be provided by NEXI for intermediary trade insurance pertaining to the losses set forth in item (ii) of Article 49, paragraph (2) shall be the amount obtained by multiplying the ratio of insurable value to insured amount by the amount remaining after the amounts listed in the following items are subtracted from the amount of purchase monies or lease fees, or loans, which could not be collected by the settlement date or reimbursement date (when due to a reason falling under (e) of the same item, the time at which three months have passed after the settlement deadline or reimbursement deadline; the same shall apply in item (ii)) by the trade intermediary or intermediary trade payment loan provider respectively, due to any reason falling under (a) to (e) in the same item, from within the insurable value.
- (i) The amount which is no longer necessary to expend due to the arising of said reasons.
  - (ii) The amount recovered after the settlement deadline or reimbursement deadline.

## **Section 9 Overseas Investment Insurance**

(Insurance Contracts)

Article 52 (1) NEXI may underwrite overseas investment insurance.

(2) Overseas investment insurance shall mean trade insurance indemnifying losses incurred through any reason falling under the following items by a party making an overseas investment.

- (i) The dispossession by a foreign government, etc. of the principal of shares, etc., (hereafter referred to as "principal" in this Section), the right to claim payment on dividends for shares, etc. (hereafter referred to as "dividend payment claims"), or rights relating to real estate, etc.
- (ii) The impossibility of the continuation of the business activities of the counterparty to an overseas investment listed in item (i) of Article 2, paragraph (16), or another reason provided for by Cabinet Order, after said counterparty to an overseas investment incurs damages due to reasons which cannot be considered attributable to the party making the overseas

- investment or said counterparty and which are reasons of war, revolution, insurrection, violence, disturbances or other reasons arising outside of Japan, or incurs damages through the infringement by a foreign government, etc. on rights relating to real estate, equipment, raw materials or other items; mining rights; industrial property rights; or other rights or interests which are especially necessary for the operation of its business.
- (iii) The inability to utilize rights relating to real estate, etc. for business activities after damages incurred with respect to said rights relating to real estate, etc., due to reasons which cannot be considered attributable to the party making the overseas investment and which are reasons of war, revolution, insurrection, violence, disturbances, or other reasons arising outside of Japan.
- (iv) The inability to remit to Japan amounts acquired due to loss of principal (excluding where this is due to a reason set forth in item (i), (ii) or the next item), dividends on shares, etc., or amounts acquired due to the loss of rights relating to real estate, etc. (excluding where this is due to a reason set forth in item (i) or the preceding item; hereafter such amounts shall be referred to as "acquired amounts"), during a period equal to or greater than that provided for by Cabinet Order, due to a reason falling under any of the following.
- (a) Restrictions or prohibitions on exchange transactions conducted in a foreign country.
- (b) Interruptions to exchange transactions due to war, revolution or insurrection occurring in a foreign country.
- (c) The control of the relevant acquired amounts by a foreign government, etc.
- (d) The rescission of permission to remit the relevant acquired amounts, or the non-granting of permission in cases where a foreign government, etc. has promised in advance to grant that permission.
- (e) The confiscation of acquired amounts by a foreign government, etc., after the arising of a reason listed in (a) to (d).
- (v) The issuing of a decision on the commencement of bankruptcy proceedings with respect to the counterparty to the overseas investment, with regard to the overseas investments listed in item (i) of Article 2, paragraph (16) (limited to instances where this could not be considered attributable to the party making the overseas investment, except for that listed in item (ii)).
- (3) The insurance period for overseas investment insurance shall not exceed the period provided for by Cabinet Order by 10 years or more.

(Insurance Claims)

Article 53 (1) The amount of indemnity to be provided by NEXI for overseas investment insurance pertaining to losses incurred due to any reason falling

under items (i) to (iii) of paragraph (2) of the preceding Article shall be the amount obtained by multiplying the specified ratio by the amount remaining after subtracting the amounts listed in the following items from, for losses pertaining to the principal, whichever is the smaller: the amount appraised immediately prior to the arising of the reasons set forth in item (i) of the same paragraph with respect to the principal pertaining to said reasons or the arising of damages set forth in item (ii) of the same paragraph, or the amount of consideration for the acquirement of said principal; for losses pertaining to dividend payment claims, the amount appraised immediately prior to the arising of the reasons set forth in item (i) of the same paragraph with respect to the dividend payment claims pertaining to said reason or the arising of the damages set forth in item (ii) of the same paragraph; or for losses pertaining to rights relating to real estate, etc., whichever is the smaller: the amount appraised immediately prior to the arising of the reasons set forth in item (i) of the same paragraph with respect to rights relating to real estate, etc. pertaining to said reasons or the arising of the damages set forth in item (iii) of the same paragraph, or the amount of consideration for the acquirement of said rights relating to real estate, etc.

(i) The amounts appraised immediately after the arising of the relevant reasons regarding the relevant principal, dividend payment claim, or right relating to real estate, etc.

(ii) The amount acquired due to the arising of said reasons, or the amount that is expected to be acquired.

(iii) The amount recovered after necessary measures have been taken for the reduction of losses.

(2) The amount of indemnity to be provided by NEXI for overseas investment insurance pertaining to losses incurred due to any reason set forth in item (iv) of paragraph (2) of the preceding Article shall be the amount obtained by multiplying the specified ratio by the amount remaining after subtracting the amounts listed in the following items from, for losses pertaining to amounts acquired due to loss of principal or rights relating to real estate, etc. (hereafter referred to as "principal, etc."), whichever is smaller: the amount that was not possible to remit to Japan during a period equal to or greater than the period provided for by Cabinet Order set forth in the same item due to any reason falling under (a) to (e) in the same item (excluding amounts which were to have been remitted to Japan before the arising of that reason; hereafter this shall be referred to as the "non-remitted amount"), or the amount of consideration for the acquirement of said principal, and for losses pertaining to dividends on shares, etc., the non-remitted amount.

(i) The amount which is no longer necessary to expend due to the arising of said reasons.

- (ii) The amount expended including said non-remitted amount.
  - (iii) The amount recovered after necessary measures have been taken for the reduction of losses.
- (3) The amount of indemnity to be provided by NEXI for overseas investment insurance pertaining to losses incurred due to a reason falling under item (v) of paragraph (2) of the preceding Article shall be the amount obtained by multiplying the specified ratio by the amount remaining after subtracting from the amount listed in each of the following items, for losses pertaining to the principal, the amount of consideration for the acquirement of principal pertaining to said reason; and for losses pertaining to dividend payment claims, the amount of dividends expected to be acquired based on the dividend payment claim pertaining to said reason.
- (i) The amount acquired due to the arising of said reasons, or the amount that is expected to be acquired.
  - (ii) The amount recovered after necessary measures have been taken for the reduction of losses.
- (4) When the amount of indemnity to be provided by NEXI calculated pursuant to the provisions of the preceding three paragraphs with respect to the principal, etc., or its accumulated amount, exceeds the amount remaining after subtracting the amounts listed in the following items from the amount of consideration for the acquirement of said principal, etc., the amount of indemnity to be provided by NEXI shall, those provisions notwithstanding, be that remaining amount.
- (i) Whichever is the larger: the amount acquired or expected to be acquired (in cases in which a non-remitted amount is included, the amount remaining after subtracting said non-remitted amount from those amounts) due to loss of the relevant principal, etc. (excluding where it is due to any reason falling under item (i) to (iii) or item (v) of paragraph (2) of the preceding Article) before the arising of the relevant reason, or the amount of consideration for the acquirement of the lost principal, etc.
  - (ii) Before the arising of the relevant reason, the amount acquired or expected to be acquired due to the arising of any reason falling under item (i) to (iii) or item (v) of paragraph (2) of the preceding Article.
  - (iii) The amounts prescribed in each item of paragraph (1), each item of paragraph (2), or each item of the preceding paragraph.
- (5) NEXI shall, in addition to the amount of indemnity to be provided calculated pursuant to the provisions of paragraph (1) and the preceding two paragraphs, the provisions of paragraph (1) and the preceding two paragraphs notwithstanding, when there is an amount which was not possible to remit to Japan, due to the arising of any reasons falling under the following items (excluding amounts which were to have been remitted to Japan before the

arising of that reason; hereafter this shall be referred to as the "non-remitted acquired amount"), from within the amount acquired or expected to be acquired due to the arising of any reason falling under items (i) to (iii) or item (v) of paragraph (2) of the preceding Article, provide indemnity for the difference between that amount and the amount of indemnity to be provided by it calculated under application of the provisions of paragraph (1) and the preceding two paragraphs deeming the amounts remaining after subtracting the non-remitted acquired amount from the amounts prescribed in item (ii) of paragraph (1), item (i) of paragraph (3) and item (ii) of the preceding paragraph to be the amounts prescribed in item (ii) of paragraph (1), item (i) of paragraph (3) and item (ii) of the preceding paragraph respectively.

(i) Confiscation by a foreign government, etc.

(ii) Control by a foreign government, etc. (limited to that which continues over a period equal to or greater than that specified by Cabinet Order).

(iii) Reasons equivalent to those contained in the preceding two items that are provided for by Cabinet Order.

## **Section 10 Overseas Untied Loan Insurance**

(Insurance Contracts)

Article 54 (1) NEXI may underwrite overseas untied loan insurance.

(2) Overseas untied loan insurance shall be trade insurance indemnifying losses incurred due to the inability to collect the principal or interest on loans receivable (hereafter referred to as "loans, etc.") due to any reason falling under the following items by a party issuing an overseas untied loan, or losses incurred through the performance of guarantee obligations owing to the non-performance of obligations of principal obligor pertaining to a guarantee obligation due to any reason falling under items (i) to (iv), or losses incurred through the inability (limited to where this could not be considered attributable to the party taking on the guarantee obligation, and that situation spans a period from the date of acquisition of the right to obtain reimbursement to the date on which three months have passed) to collect an amount expected to be acquired based on a right to obtain reimbursement acquired due to the performance of guarantee obligations owing to the non-performance (excluding where it is due to any reason falling under items (i) to (iv)) of obligations of a principal obligor pertaining to a guarantee obligation.

(i) Restrictions or prohibitions on exchange transactions conducted in a foreign country.

(ii) War, revolution or insurrection occurring in a foreign country.

(iii) In addition to what is listed in the preceding two items, a reason arising outside of Japan, and which cannot be considered attributable to the party

issuing the overseas untied loan (excluding the taking on of a guarantee obligation; the same shall apply hereafter in this paragraph) or its counterparties, or the party taking on the guarantee obligation, the principal obligor pertaining to the guarantee obligation, or the obligee.

(iv) The issuing of a decision on the commencement of bankruptcy proceedings with respect to the counterparty to the overseas untied loan, or the principal obligor pertaining to the guaranteed obligation.

(v) Three months or more delay in the performance of an obligation by the counterparty to the overseas untied loan (limited to where this cannot be considered attributable to the party issuing the overseas untied loan).

#### (Insurable Value)

Article 55 The insurable value of overseas untied loan insurance shall be the amount of loans, etc. or guarantee obligations pertaining to the overseas untied loan (when reimbursement for a loan, etc. or performance of a guarantee obligation is to be received divided between two or more time periods, the portion of said loan, etc. or performance of a guarantee obligation for which reimbursement or performance is to take place in one time period).

#### (Insurance Claims)

Article 56 The amount of indemnity to be provided by NEXI for overseas untied loan insurance shall be the amount obtained by multiplying the ratio of insured amount to insurable value by the amount remaining after subtracting the amounts listed in each of the following items from the amount of loans, etc. which could not be collected by the reimbursement deadline due to any reason falling under each item of Article 54, paragraph (2) by the party issuing the overseas untied loan from within the insurable value (when due to a reason falling under item (v) of the same paragraph, a time at which three months have passed after the reimbursement deadline; the same shall apply hereafter); or the amount paid as performance of a guarantee obligation due to the non-performance of an obligation of a principal obligor pertaining to a guarantee obligation due to any reason falling under items (i) to (iv) of the same paragraph or the amount which could not be collected (excluding amounts which could not be collected due to reasons that could not be attributed to the party taking on the guarantee obligation) by a date on which three months had passed from the date of acquisition of a right to reimbursement with respect to amounts expected to be acquired based on said right to reimbursement acquired due to the performance of a guarantee obligation owing to the non-performance (excluding when it is due to any reason falling under items (i) to (iv) of the same paragraph) of an obligation of a principal obligor pertaining to a guarantee obligation.

- (i) The amount which is no longer necessary to expend due to the arising of said reasons.
- (ii) The amount recovered after the reimbursement date, or after the performance of guarantee obligations or after a date on which three months have passed from the date of acquisition of the right to reimbursement.

#### **Chapter IV Government Reinsurance**

##### **(Reinsurance Contracts)**

- Article 57 (1) The government may conclude contracts providing for the establishment of reinsurance relations between itself and NEXI, taking NEXI as a counterparty, each fiscal year, with respect to insurance liabilities assumed by NEXI through its underwriting of trade insurance other than export bill insurance, until the total insured amount for each type of said trade insurance has reached a set amount.
- (2) The government may conclude contracts providing for the establishment of reinsurance relations between itself and NEXI, taking NEXI as a counterparty, each fiscal year or half of such period, with respect to insurance liabilities assumed by NEXI through an insurance relationship established for export bill insurance, until the total insured amount for said insurance relationship has reached a set amount.
- (3) The government may underwrite reinsurance with respect to reinsurance liabilities assumed by NEXI through the underwriting of reinsurance prescribed in paragraph (2) of Article 13.

##### **(Limits on Reinsurance Contracts)**

- Article 58 The government shall conclude reinsurance contracts within a scope in which the amounts listed in the following items each do not exceed the amount decided by the Diet for each fiscal year.
- (i) The total amount, for each type of trade insurance, of the reinsurance amounts for reinsurance relations established based on a contract for reinsurance pertaining to trade insurance concluded within that fiscal year.
  - (ii) The total amount of the reinsurance amounts for reinsurance set forth in paragraph (3) of the preceding Article underwritten within that fiscal year.

##### **(Reinsurance Claim Payment)**

- Article 59 The amount of indemnity to be provided by the government for reinsurance set forth in Article 57 shall be the amount obtained by multiplying the ratio prescribed by the Minister for Economy, Trade and Industry by the amount remaining after subtracting the amounts collected from the amount of insurance payments for trade insurance or the amount of reinsurance

payments for reinsurance prescribed in Article 13, paragraph (2) to be paid by NEXI.

(Reinsurance Premium Rates)

Article 60 The reinsurance premium rates for reinsurance set forth in Article 57 shall be provided on consultation between the Minister of Economy, Trade and Industry and the Minister of Finance, in order to expiate expenditures with income from the government's reinsurance business activities.

(Refund of Recovery)

Article 61 (1) NEXI shall pay to the government the amount obtained by multiplying the ratio of amount of insurance payment received to remaining amount prescribed by Article 59 by the amount recovered after a demand for payment of reinsurance payment for the reinsurance set forth in Article 57 has been made.

(2) NEXI shall, when it has received payment pursuant to the provisions of Article 36, pay to the government the amount obtained by multiplying the ratio provided by the Minister of Economy Trade and Industry set forth in Article 59 by the amount of said payment received.

## **Chapter V Penal Provisions**

Article 62 Persons who have divulged or appropriated confidential information in violation of the provisions of Article 11 shall be punished by imprisonment for not more than one year, or a fine of not more than 300,000 yen.

Article 63 In cases in which a report pursuant to Article 19, paragraph (1) is not made, or a false report is given; or an inspection pursuant to the same paragraph is refused, impeded or avoided, the officers or employees of the entrusted financial institution committing such violations shall be punished by a fine of not more than 200,000 yen.

Article 64 In cases falling under any of the following items, officers of NEXI committing such violations shall be punished by a non-criminal fine of not more than 200,000 yen.

(i) When, in cases in which it is necessary to receive the authorization of the Minister of Economy, Trade and Industry pursuant to the provisions of this Act, it fails to receive that authorization.

(ii) When business operations other than those business operations prescribed in Article 13, paragraph (1) and paragraph (2) are carried out.

(iii) When an order pursuant to the provisions of Article 23, paragraph (2) is

violated.

- (iv) When trade insurance is underwritten in violation of the provisions of Article 23, paragraph (3).

**Supplementary Provisions [Extract]**

- (1) This Act shall become effective from the date of promulgation.

**Supplementary Provisions [Act No. 176 of June 1, 1951] [Extract]**

- (1) This Act shall become effective from the date of promulgation.

**Supplementary Provisions [Act No. 281 of November 30, 1951]**

This Act shall become effective from December 1, 1951.

**Supplementary Provisions [Act No. 33 of March 31, 1952] [Extract]**

- (1) This Act shall become effective from April 1, 1952.  
(2) With respect to Class-A insurance underwritten by insurance companies prior to the enforcement of this Act, the provisions then in force shall remain applicable.

**Supplementary Provisions [Act No. 276 of July 31, 1952] [Extract]**

- (1) This Act shall become effective from August 1, 1952.

**Supplementary Provisions [Act No. 79 of July 24, 1953] [Extract]**

- (1) This Act shall become effective from August 1, 1953.  
(2) The Export Indemnification Act (Act No. 6 of 1930) shall be abolished.  
(7) With respect to Class-A insurance underwritten by insurance companies prior to the enforcement of this Act; and reinsurance of Class-A insurance and insurance relations for Class-C insurance established prior to the enforcement of this Act, the provisions then in force shall remain applicable.

**Supplementary Provisions [Act No. 13 of March 29, 1954]**

This Act shall become effective from April 1, 1954.

**Supplementary Provisions [Act No. 67 of April 10, 1954] [Extract]**

(1) This Act shall become effective from the date of promulgation.

**Supplementary Provisions [Act No. 73 of April 16, 1956]**

This Act shall become effective from the date of promulgation.

**Supplementary Provisions [Act No. 96 of May 2, 1957] [Extract]**

- (1) This Act shall become effective from the date of promulgation.
- (2) With respect to overseas investment insurance underwritten by the government prior to the enforcement of this Act, the provisions then in force shall remain applicable; provided, however, that this shall not apply with respect to the application of the provisions of Article 14-2 and Article 14-3 after revision.

**Supplementary Provisions [Act No. 59 of April 15, 1958] [Extract]**

- (1) This Act shall become effective from a date provided for by Cabinet Order within a period not exceeding six months from the date of promulgation.
- (2) An insurance company may not, after the enforcement of this Act, underwrite general export insurance establishing reinsurance relations based on a contract concluded by the government's taking of said insurance company as the counterparty, for the reinsurance of ordinary export insurance underwritten during 1958 by said insurance company.
- (3) With respect to general export insurance underwritten by an insurance company prior to the enforcement of this Act (hereafter referred to as "old insurance") and insurance relations for reinsurance of old insurance established prior to the enforcement of this Act, the provisions then in force shall remain applicable.
- (4) The government may, pursuant to the provisions of Cabinet Order, conclude a contract with an insurance company providing for the succession of said insurance company to rights and duties based on an insurance contract for old insurance.

**Supplementary Provisions [Act No. 103 of May 2, 1962]**

This Act shall become effective from a date on which 30 days have passed from the day of promulgation.

**Supplementary Provisions [Act No. 161 of September 15, 1962] [Extract]**

- (1) This Act shall become effective from October 1, 1962.
- (2) The provisions of this Act after revision shall also apply, except in cases where there are special provisions within these supplementary provisions, to disposition of administrative agencies prior to the enforcement of this Act, inaction of administrative agencies pertaining to applications made prior to the enforcement of this Act, and other matters arising prior to the enforcement of this Act; provided, however, that this shall not obstruct effects arising pursuant to the provisions of this Act prior to revision.
- (3) With respect to petitions, applications for examination, objections or other appeals filed prior to the enforcement of this Act (hereafter referred to as "petitions, etc."), the provisions then in force shall also remain applicable after the enforcement of this Act. This shall also apply with respect to determinations, decisions, and other dispositions (hereafter referred to as "determinations, etc.") on petitions, etc. filed prior to the enforcement of this Act, or petitions, etc. filed prior to the enforcement of this Act regarding which determinations, etc. issued after the enforcement of this Act are objected to.
- (4) Petitions etc. prescribed in the preceding paragraph which pertain to dispositions on which an appeal may be made pursuant to the Administrative Appeal Act after the enforcement of this Act, shall be deemed to be appeals made pursuant to the Administrative Appeal Act with respect to the application of laws other than that Act.
- (5) With respect to determinations, etc. on applications for examination, objections or other appeals made prior to the enforcement of this Act pursuant to the provisions of paragraph (3), appeals may not be made pursuant to the Administrative Appeal Act.
- (6) With respect to the disposition of administrative agencies prior to the enforcement of this Act on which it has been deemed that petitions, etc. may be made pursuant to the provisions of this Act prior to revision and for which a period of validity has not been provided, the period in which an appeal may be made pursuant to the Administrative Appeal Act shall be counted from the date of the enforcement of this Act.
- (8) With respect to the application of penal provisions for acts committed prior to the enforcement of this Act, the provisions then in force shall remain applicable.
- (9) In addition to what is provided in the preceding 8 paragraphs, necessary transitional measures concerning the enforcement of this Act shall be provided for by Cabinet Order.

**Supplementary Provisions [Act No. 90 of June 1, 1964]**

This Act shall become effective from the date on which 30 days have passed from the date of promulgation.

**Supplementary Provisions [Act No. 17 of March 31, 1965] [Extract]**

(1) This Act shall become effective from April 1, 1965.

**Supplementary Provisions [Act No. 57 of May 15, 1970]**

- (1) This Act shall become effective from the date of promulgation.
- (2) With respect to overseas investment principal insurance and overseas investment profit insurance underwritten by the government prior to the enforcement of this Act, the provisions then in force shall remain applicable, except in cases in which the insurance contract for that overseas investment principal insurance or overseas investment profit insurance has been deemed to be an insurance contract for overseas investment insurance due to novation.

**Supplementary Provisions [Act No. 2 of January 20, 1972]**

This Act shall become effective from the date of promulgation.

**Supplementary Provisions [Act No. 66 of July 25, 1973] [Extract]**

(Effective Date)

(1) This Act shall become effective from the date of promulgation.

**Supplementary Provisions [Act No. 61 of May 30, 1974] [Extract]**

(Effective Date)

(1) This Act shall become effective from a date provided for by Cabinet Order within a period not exceeding six months counting from the date of promulgation.

(Abolishment of the Equipment Export Exchange Losses Act)

(3) The Equipment Export Exchange Losses Act (Act No. 61 of 1952) shall be abolished.

**Supplementary Provisions [Act No. 21 of April 22, 1977] [Extract]**

(Effective Date)

(1) This Act shall become effective from a date provided for by Cabinet Order

within a period not exceeding six months counting from the date of promulgation.

**Supplementary Provisions [Act No. 55 of May 23, 1978] [Extract]**

(Effective Date, etc.)

- (1) This Act shall become effective from the date of promulgation; provided, however, that the provisions listed in each of the following items shall become effective from the date prescribed in each respective item.
  - (i) The provisions in Article 49 to revise Article 16-3, paragraph (3) and paragraph (4) of the Mental Health Act, and the provisions in Article 59 to revise Article 70 of the Forest Act: The date on which six months have passed counting from the date of promulgation.
  - (ii) The provisions of Article 1 (excluding the portion pertaining to the Council for Measures for Typhoon-Susceptible Areas) and of Article 6 to Article 9, the provisions in Article 10 to revise Article 7, paragraph (1) of the Act on Special Measures Concerning Promotion and Development of the Amami Islands, and the provisions of Article 11, Article 12 and of Article 14 to Article 32: A date provided for by Cabinet Order within a period up to March 31, 1979.

**Supplementary Provisions [Act No. 35 of May 6, 1981] [Extract]**

(Effective Date) [Extract]

- (1) This Act shall become effective from October 1, 1981.

(Transitional Measures)

- (2) With respect to export insurance underwritten by the government prior to the enforcement of this Act, the provisions then in force shall remain applicable.

**Supplementary Provisions [Act No. 78 of December 2, 1983]**

- (1) This Act (excluding Article 1) shall become effective from July 1, 1984.
- (2) Necessary transitional measures regarding bodies that are in existence pursuant to the provisions of an Act in force on the day preceding the date on which this Act comes into effect, and which are to exist on and after the date on which this Act comes into effect pursuant to the provisions of a Cabinet Order based on the provisions of the National Government Organization Act or related Acts after revision pursuant to this Act (hereafter referred to as a "related Cabinet Order"), or other necessary transitional measures regarding the establishment, revision or abolition of a related Cabinet Order

accompanying the enforcement of this Act, may be provided for by Cabinet Order.

### **Supplementary Provisions [Act No. 32 of May 18, 1984]**

(Effective Date)

- (1) This Act shall become effective from the date of promulgation; provided, however, that the provisions in Article 1 to revise Article 5-3, paragraph (2), Article 5-8, and Article 5-9 of the Export Insurance Act shall come into effect on a date provided for by Cabinet Order within a period not exceeding six months counting from the date of promulgation.

(Transitional Measures)

- (2) With respect to consignment sales export insurance and overseas advertising insurance underwritten by the government prior to the enforcement of this Act, the provisions then in force shall remain applicable.

### **Supplementary Provisions [Act No. 3 of March 30, 1987] [Extract]**

(Effective Date)

- Article 1 This Act shall become effective from October 1, 1987; provided, however, that the provisions listed in each of the following items shall become effective from the date prescribed in each respective item.
- (i) The revised provisions of the Title, the portion of the revised provisions of the Purpose pertaining to Chapter VII, the revised provisions of Article 1, the revised provisions of the Title of Article 1-3, the portion within the revised provisions of the same Article replacing "export insurance" with "trade insurance," the revised provisions of Article 1-4, the revised provisions of Article 1-5, the portion within the revised provisions of Article 1-7 and Article 3 replacing "export insurance" with "trade insurance," the revised provisions of Article 5-2, paragraph (2), the revised provisions of Article 5-6-2, paragraph (2), the revised provisions of Article 5-7. paragraph (2), the revised provisions of Article 10-2, paragraph (2), the portion within the revised provisions of Article 14-2, paragraph (2) replacing "export insurance" with "trade insurance," the revised provisions of the Title of Chapter VII, the revised provisions of Article 16, paragraph (1), the portion within the revised provisions of paragraph (2) of the same Article replacing "export insurance" with "trade insurance," the provisions of paragraph (1) of the following Article, the provisions of Article 4 of the Supplementary Provisions (limited to the revised provisions of the Title of the Export Insurance Special Accounting Act (Act No. 68 of 1950), the revised provisions of Article 1 of the

same Act, and the revised provisions of item (i) of paragraph (3) of the Supplementary Provisions to the same Act), the provisions of Article 5 of the Supplementary Provisions, the provisions of Article 6 of the Supplementary Provisions, and the provisions of Article 7 of the Supplementary Provisions (limited to the portions within the revised provisions of Article 4, item (xvi) and item (xi) of Article 5, paragraph (1) of the Act for Establishment of the Ministry of International Trade and Industry (Act No. 275 of 1952) replacing "export insurance" with "trade insurance," and the revised provisions of item (iv) of Article 11 of the same Act.): April 1, 1987.

(ii) The portion of the revised provisions of the Purpose pertaining to Chapter IV, the portion within the revised provisions of Article 1-3 deleting ", export finance insurance," the revised provisions of Article 1-6, the portion within the revised provisions of Article 1-7 deleting item (iv) and making item (iii) item (iv) and item (ii)-2 item (iii), the revised provisions of Chapter IV, and the portion within the provisions of paragraph (2) of the following Article and Article 4 of the Supplementary Provisions deleting ", Article 10" from the provisions of Article 4, paragraph (1) of the Export Insurance Special Accounting Act: April 1, 1988.

(Transitional Measures, etc.)

Article 2 (1) With respect to the application of the provisions of Article 6, paragraph (2) of the Trade Insurance and Investment Act after revision pursuant to this Act during the period from the date provided in item (i) of the proviso for the preceding Article until March 31, 1988, the term "export insurance" in that paragraph shall be deemed to be replaced with "trade insurance."

(2) With respect to insurance relations for export finance insurance established prior to the date provided in item (ii) of the proviso for the preceding Article, the provisions then in force shall remain applicable.

Article 3 With respect to overseas investment insurance underwritten by the government prior to the enforcement of this Act, the provisions then in force shall remain applicable.

### **Supplementary Provisions [Act No. 89 of September 11, 1987] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from a date provided for by Cabinet Order from within a period not exceeding two months counting from the date of promulgation.

**Supplementary Provisions [Act No. 36 of May 6, 1993] [Extract]**

(Effective Date)

- (1) This Act shall become effective from a date provided for by Cabinet Order from within a period not exceeding six months counting from the date of promulgation.

(Transitional Measures)

- (2) With respect to overseas investment insurance underwritten by the government prior to the enforcement of this Act, the provisions then in force shall remain applicable.

**Supplementary Provisions [Act No. 89 of November 12, 1993] [Extract]**

(Effective Date)

- Article 1 This Act shall become effective from the date the Administrative Procedure Act (Act No. 88 of 1993) comes into effect.

(Transitional Measures regarding Appealed Adverse Dispositions)

- Article 2 In cases in which an appeal is made to undertake procedures for a hearing or opportunity for explanation, or procedures equivalent to those for other opinion statements, prescribed by Article 13 of the Administrative Procedure Act, towards a council or other collegiate body, based on a Ministerial Ordinance prior to the enforcement of this Act, or another similar demand has been made, the provisions then in force shall remain applicable, notwithstanding the provisions of related Acts after revision pursuant to this Act, with regard to procedures for adverse dispositions pertaining to said appeal or other similar demand.

(Transitional Measures regarding Penal Provisions)

- Article 13 With respect to the application of penal provisions for acts committed prior to the enforcement of this Act, the provisions then in force shall remain applicable.

(Transitional Measures accompanying Arrangements set forth in Provisions on Hearings)

- Article 14 Hearings, consultations and hearing panels (excluding those pertaining to adverse dispositions) that took place pursuant to the provisions of an Act prior to the enforcement of this Act, or procedures associated with the same, shall be deemed to have taken place pursuant to corresponding provisions in related Acts after revision pursuant to this Act.

(Delegation to Cabinet Order)

Article 15 In addition to what is provided in Article 2 to the preceding Article of the Supplementary Provisions, necessary transitional measures concerning the enforcement of this Act shall be provided for by Cabinet Order.

**Supplementary Provisions [Act No. 59 of May 23, 1997] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from April 1, 1998.

**Supplementary Provisions [Act No. 102 of July 16, 1999] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from the date the Act for Partial Revision of the Cabinet Act (Act No. 88 of 1999) comes into effect; provided, however, that the provisions listed in each of the following items shall become effective from the date prescribed in each respective item.

(ii) The provisions of Article 10, paragraph (1) and paragraph (5), Article 14, paragraph (3), Article 23, Article 28 and Article 30 of the Supplementary Provisions: The date of promulgation.

(Succession of Status of Officials)

Article 3 Persons who are employees (excluding the president or chairperson and members of a council, etc. set forth in Article 8 of the National Administrative Organization Act (Act No. 120 of 1948), members of the Central Disaster Prevention Council, the chairperson and members of the Japanese Industrial Standards Committee, and those provided for by Cabinet Order as similar persons) of the Prime Minister's Office, the Ministry of Justice, the Ministry of Foreign Affairs, the Ministry of Finance, Ministry of Education, Ministry of Health and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of International Trade and Industry, Ministry of Transport, Ministry of Posts and Telecommunications, Ministry of Labour, Ministry of Construction, or Ministry of Home Affairs (hereafter referred to in this Article as "previous ministries") prior to the enforcement of this Act, shall, unless their appointment is announced separately, become employees, with the same working conditions, of the corresponding previous ministry or new ministry corresponding to a department or organ within it, or body provided for by Cabinet Order to be a department or organ within that new ministry, from within the Cabinet Office, Ministry of Internal Affairs and Communications, Ministry of Foreign Affairs, Ministry of Finance, Ministry of Education,

Culture, Sports, Science and Technology, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure, Transport and Tourism, and Ministry of the Environment (referred to above as "new ministries") or department or organ within them.

(Transitional Measures Separately Provided)

Article 30 In addition to what is prescribed in Article 2 to the preceding Article, necessary transitional measures accompanying the enforcement of this Act shall be provided in separate Acts.

**Supplementary Provisions [Act No. 160 of December 22, 1999] [Extract]**

(Effective Date)

Article 1 This Act (excluding Article 2 and Article 3) shall become effective from January 6, 2001.

**Supplementary Provisions [Act No. 202 of December 22, 1999] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from a date provided for by Cabinet Order from within a period not exceeding six months counting from January 6, 2001; provided, however, that the provisions listed in each of the following items shall become effective from the date prescribed in each respective item.

- (i) The revised provisions (limited to the portion pertaining to Article 21) adding four Articles, three Sections, Chapter Titles and Section Titles after Article 3, and the provisions of Article 7 and Article 8 of the Supplementary Provisions: January 6, 2001.
- (ii) The provisions of Article 11 and Article 15 of the Supplementary Provisions: The date of promulgation.

(Succession of Officials, etc.)

Article 2 Persons who are employees of departments or organs of the Ministry of Economy, Trade and Industry provided for by Cabinet Order upon the establishment of NEXI shall, except for those persons designated by the Minister of Economy, Trade and Industry, and unless their employment is announced separately, become employees of NEXI on the date of its establishment.

Article 3 With respect to the application of the provisions of Article 82, paragraph (2) of the National Public Service Act (Act No. 120 of 1947) to

persons who have become employees of NEXI pursuant to the provisions of the preceding Article, employees of NEXI shall be deemed to have retired so as to become national public servants in the special service, etc. prescribed in the same paragraph, and the loss of their position as a national public servant pursuant to the provisions of the preceding Article shall be deemed to be retirement to become a national public servant in the special service, etc. on request of an appointer prescribed in the same paragraph.

Article 4 (1) In cases in which an employee of the Ministry of Economy, Trade and Industry becomes an employee of NEXI pursuant to the provisions of Article 2 of the Supplementary Provisions, retirement allowance based on the National Public Service Retirement Allowance Act (Act No. 182 of 1953) shall not be paid to that person.

(2) When NEXI intends to pay retirement allowance upon the retirement of one of its employees after receiving the application of the provisions of the preceding paragraph, the continuing period of service for that person as an employee prescribed by Article 2, paragraph (1) of the National Public Service Retirement Allowance Act (including persons deemed to be employees pursuant to the provisions of paragraph (2) of the same Article) shall be deemed to be their period of service as an employee of NEXI, and handled as such.

(3) Regarding calculations of length of service to be used as the basis for calculating retirement allowance paid based on the National Public Service Retirement Allowance Act to persons working as employees of the Ministry of Economy, Trade and Industry on the day prior to the date of establishment of NEXI, in cases in which said persons have continued as employees of NEXI pursuant to the provisions of Article 2 of the Supplementary Provisions, and have become employees prescribed in Article 2, paragraph (1) of the same Act continuing after their employment by NEXI, the period of service of said persons as employees of NEXI shall be deemed to be their continued period of service prescribed in the same paragraph; provided, however, that this shall not apply when said persons are receiving retirement allowance (including payments equivalent to it) through retirement from NEXI.

(4) NEXI shall pay as retirement allowance an amount equivalent to the amount of retirement allowance calculated by the same rules as the provisions of Article 10 of the National Public Service Retirement Allowance Act, to persons among those who were working as employees of the Ministry of Economy, Trade and Industry on the day prior to establishment of NEXI and have continued as employees of NEXI pursuant to the provisions of Article 2 of the Supplementary Provisions, who have retired from NEXI within a period starting from the date of establishment of NEXI to the acquirement of eligibility for unemployment benefits pursuant to the Employment Insurance

Act (Act No. 116 of 1976), and who, if they had been employees of the Ministry of Economy, Trade and Industry until the day of retirement, would have been able to receive payment of retirement allowance pursuant to the provisions of the same Article.

Article 5 When a person who has become an employee of NEXI pursuant to the provisions of Article 2 of the Supplementary Provisions and is receiving recognition pursuant to the provisions of Article 7, paragraph (1) of the Child Allowance Act (Act No. 73 of 1971) (including cases where it is applied mutatis mutandis pursuant to Article 6, paragraph (2) of the Supplementary Provisions to the same Act) from the Minister of Economy, Trade and Industry or a person delegated by him or her on the day prior to the date of establishment of NEXI is eligible for child allowance or requests for payment (hereafter referred to as "special payments") set forth in Article 6, paragraph (1) of the Supplementary Provisions of the same Act on the day of establishment of NEXI, then regarding payments of child allowance or special payments to that person, recognition by the mayor (including mayors of special wards) pursuant to Article 7, paragraph (1) of the same Act shall be deemed to have been given on the date of establishment of NEXI. In such cases, payments of child allowance or special payments which are deemed to have been recognized shall begin the month after the month in which the day prior to the date of establishment of NEXI falls, notwithstanding the provisions of Article 8, paragraph (2) of the same Act (including cases where it is applied mutatis mutandis pursuant to the provisions of Article 6, paragraph (2) of the Supplementary Provisions).

(Transitional Measures with respect to Employee Organizations of Persons  
Becoming Employees of NEXI)

Article 6 (1) Employee organizations prescribed in Article 108-2, paragraph (1) of the National Public Service Act existing at the time of establishment of NEXI, the majority of whose membership is to pass on to NEXI pursuant to the provisions of Article 2 of the Supplementary Provisions, shall become labor unions to which the Labor Union Act (Act No. 174 of 1949) applies, upon the establishment of NEXI. In such cases, when said employee organization is a juridical person, it shall become a labor union which is a juridical person.

(2) Bodies which have become labor unions which are juridical persons pursuant to the provisions of the preceding paragraph shall, by a date on which 60 days have passed, counting from the date of establishment of NEXI, receive certification from the Labor Relations Commission in compliance with the provisions of Article 2 and Article 5, paragraph (2) of the Labor Union Act, and shall be dissolved from that date if they are not at the location of their principal office.

(3) With respect to bodies which have become labor unions pursuant to the provisions of paragraph (1), the provisions of the proviso of Article 2 of the Labor Union Act (limited to the portion pertaining to item (i)) shall not apply from the date of establishment of NEXI to a date on which 60 days have passed.

(Succession to Rights and Obligations, etc.)

Article 7 (1) Upon the establishment of NEXI, regarding insurance business activities pursuant to the Trade Insurance and Investment Act prior to revision (hereafter referred to as the Old Act), NEXI shall succeed to the rights and obligations held by the State at the time of its establishment, except for those listed below.

(i) Rights pertaining to cash and deposits under trade insurance special accounting.

(ii) Claims toward foreign governments, local governments or bodies equivalent to them, foreign juridical persons, or foreign persons, acquired with regard to insurance claim payments for trade insurance pursuant to the Old Act.

(iii) Liabilities from the Trust Fund Bureau for trade insurance special accounting.

(iv) Other rights and obligations provided for by Cabinet Order.

(2) When NEXI has succeeded to rights and obligations held by the State pursuant to the provisions of the preceding paragraph, an amount corresponding to the total value of properties provided for by Cabinet Order pertaining to the rights succeeded to shall be deemed to have been contributed to NEXI by the government upon succession.

(3) The value of properties set forth in the preceding paragraph which have been deemed to have been contributed by the government pursuant to the provisions of the same paragraph shall be appraised by the evaluators using as a basis the market value of NEXI on the date of its establishment.

(4) The evaluators set forth in the preceding paragraph and other necessary matters regarding appraisal shall be provided for by Cabinet Order.

(Use of National Property Without Charge)

Article 8 The State may, pursuant to where provided for by Cabinet Order, and for the usage of NEXI, allow NEXI to use without charge national property which is provided for by Cabinet Order and which is used by departments or organs of the Ministry of Economy Trade and Industry provided for by Cabinet Order, upon the establishment of NEXI.

(Transitional Measures regarding Trade Insurance, etc. underwritten by the Government)

Article 9 (1) With respect to trade insurance other than export bill insurance

underwritten by the government prior to the enforcement of this Act, the provisions then in force shall remain applicable. In such cases, the term "government" in the provisions of the Old Act deemed to remain in force shall be deemed to be replaced with "NEXI."

- (2) With respect to insurance relations for export bill insurance established prior to the enforcement of this Act, the provisions then in force shall remain applicable. In such cases, the term "government" in the provisions of the Old Act deemed to remain in force shall be deemed to be replaced with "NEXI."

(Transitional Measures regarding Reinsurance)

Article 10 (1) When NEXI has succeeded to insurance liabilities or reinsurance liabilities defrayed by the government prior to the enforcement of this Act, pursuant to the provisions of Article 7, paragraph (1) of the Supplementary Provisions, with respect to said insurance liabilities or reinsurance liabilities, a reinsurance relationship shall be established between the government and NEXI.

- (2) The amount of indemnity to be provided by the government for the reinsurance set forth in the preceding paragraph shall be the amount remaining after subtracting the amount collected from the amount of insurance payment or reinsurance payment to be paid by NEXI.
- (3) When NEXI has received payment of reinsurance pursuant to the provisions of the preceding paragraph, it shall pay to the government the amount recovered after a demand for payment of said reinsurance.
- (4) When NEXI has received payment pursuant to the provisions of Article 22 of the Old Act deemed to remain in force pursuant to paragraph (1) of the preceding Article, it shall pay to the government the amount of said payment received.
- (5) In addition to what is provided in the preceding three paragraphs, other necessary matters regarding the reinsurance relations set forth in paragraph (1) shall be provided by Ordinance of the Ministry of Economy, Trade and Industry.
- (6) In cases in which government reinsurance business activities are to take place pursuant to paragraph (1), the term "reinsurance" in Article 182 of the Act on Special Accounts (Act No. 23 of 2007) shall be deemed to be replaced with "reinsurance and reinsurance set forth in Article 10, paragraph (1) of the Supplementary Provisions to the Act Revising Part of the Trade Insurance and Investment Act (Act No. 202 of 1999)"; the term "of reinsurance" in Article 184, item (i) (a) and item (ii) (d) of the same Act shall be deemed to be replaced with "of reinsurance and reinsurance set forth in Article 10. paragraph (1) of the Supplementary Provisions to the Act Revising Part of the Trade Insurance and Investment Act"; the term "Article 61, paragraph (1)" in item (i) (b) of the same

Article shall be deemed to be replaced with "Article 61, paragraph (1) and Article 10, paragraph (3) of the Supplementary Provisions to the Act Revising Part of the Trade Insurance and Investment Act"; the term "Article 61, paragraph (2)" in (h) of the same item shall be deemed to be replaced with "Article 61, paragraph (2) and Article 10, paragraph (4) of the Supplementary Provisions to the Act Revising Part of the Trade Insurance and Investment Act"; the term "and government reinsurance set forth in the Trade Insurance and Investment Act" in item (iii) of Article 186, paragraph (1) of the same Act shall be deemed to be replaced with "and government reinsurance set forth in the Trade Insurance and Investment Act, and reinsurance set forth in Article 10, paragraph (1) of the Supplementary Provisions to the Act Revising Part of the Trade Insurance and Investment Act"; and the term "and Article 61, paragraph (2) of the Trade Insurance and Investment Act" in Article 191, paragraph (2) of the same Act shall be deemed to be replaced with "and Article 61, paragraph (2) of the Trade Insurance and Investment Act and Article 10, paragraph (4) of the Supplementary Provisions to the Act Revising Part of the Trade Insurance and Investment Act."

(Exemption from Claims held by the Government)

Article 11 The government may, with respect to claims acquired regarding trade insurance payments prior to the enforcement of this Act and held toward governments, local governments or bodies equivalent to the same, or juridical persons or citizens, of a State provided for by Cabinet Order as one in which the performance of external obligations can be considered extremely difficult, exempt all or part of said claims pursuant to where it is provided by international treaty.

(Delegation to Cabinet Order)

Article 15 In addition to what is provided in Article 2 to Article 10 and in Article 13 of the Supplementary Provisions, necessary transitional measures accompanying the establishment of NEXI, and other necessary transitional measures regarding the enforcement of this Act, shall be provided for by Cabinet Order.

### **Supplementary Provisions [Act No. 84 of May 26, 2000] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from June 1, 2000.

### **Supplementary Provisions [Act No. 75 of June 27, 2001] [Extract]**

(Effective Date, etc.)

Article 1 This Act shall become effective from April 1, 2002 (hereafter referred to as the "effective date"), and shall apply with respect to short term company bonds, etc. issued after the effective date.

(Transitional Measures regarding the Application of Penal Provisions)

Article 7 With respect to the application of penal provisions for acts committed prior to the effective date, and acts committed after the effective date in cases in which provisions previously in force are remaining applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force shall remain applicable.

(Delegation of other Transitional Measures to the Government)

Article 8 In addition to what is prescribed in these Supplementary Provisions, other necessary transitional measures concerning the enforcement of this Act shall be provided for by Cabinet Order.

(Reviewing)

Article 9 The government shall, in cases in which five years have passed after enforcement, and taking into consideration the state of enforcement and changes in the relevant socioeconomic factors, perform a review with respect to the systems pertaining to transfer institutions, and when it considers it necessary enact necessary measures based on the results.

### **Supplementary Provisions [Act No. 65 of June 12, 2002] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from January 6, 2003.

(Transitional Measures regarding Application of Penal Provisions)

Article 84 With respect to the application of penal provisions for acts committed prior to the enforcement of this Act (for the provisions listed in each item of Article 1 of the Supplementary Provisions, said provisions; the same shall apply hereafter in this Article), and acts committed after the enforcement of this Act in cases in which provisions previously in force are remaining applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force shall remain applicable.

(Delegation of other Transitional Measures to Cabinet Order)

Article 85 In addition to what is prescribed in these Supplementary Provisions, other necessary transitional measures regarding the enforcement of this Act

shall be provided for by Cabinet Order.

(Reviews)

Article 86 The government shall, in cases in which five years have passed after enforcement, and taking into consideration the state of enforcement of the New Act on the Transfer of company Bonds and the Financial Instruments and Exchange Act, and changes in the relevant socioeconomic factors, perform a review of the system pertaining to protective trusts prescribed in Article 2, paragraph (11) of the New Act on the Transfer of company Bonds and the system pertaining to financial commodity clearing organizations prescribed in Article 2, paragraph (29) of the Financial Instruments and Exchange Act, and when it considers it necessary enact necessary measures based on the results.

### **Supplementary Provisions [Act No. 54 of May 30, 2003] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from April 1, 2004.

(Transitional Measures regarding the Application of Penal Provisions)

Article 38 With respect to the application of penal provisions for acts committed prior to the enforcement of this Act, the provisions then in force shall remain applicable.

(Delegation of other Transitional Measures to Cabinet Order)

Article 39 In addition to what is prescribed in this Act, other necessary transitional measures regarding the enforcement of this Act shall be provided for by Cabinet Order.

(Reviews)

Article 40 The government shall, in cases in which five years have passed after enforcement, and taking into consideration the state of execution of the provisions of this Act after revision and changes in the relevant socioeconomic factors, perform a review of the financial systems after revision of this Act, and when it considers it necessary, enact necessary measures based on the results.

### **Supplementary Provisions [Act No. 76 of June 2, 2004] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from the date on which the Bankruptcy Act (Act No. 75 of 2004; referred to in paragraph (8) of the next Article; Article 3, paragraph (8); Article 5, paragraph (8), paragraph (16) and paragraph (21);

Article 8, paragraph (3); and Article 13 of the Supplementary Provisions as the "New Bankruptcy Act") comes into effect.

(Delegation to Cabinet Order)

Article 14 In addition to what is prescribed in Article 2 to the preceding Article of the Supplementary Provisions, other necessary transitional measures regarding the enforcement of this Act shall be provided for by Cabinet Order.

### **Supplementary Provisions [Act No. 88 of June 9, 2004] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from a date provided for by Cabinet Order (hereafter referred to as the "effective date") within a period not exceeding five years counting from the date of promulgation.

(Transitional Measures Regarding the Application of Penal Provisions)

Article 135 With respect to the application of penal provisions for acts committed prior to the enforcement of this Act and acts committed after the effective date in cases in which provisions previously in force remain applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force shall remain applicable.

(Delegation of other Transitional Measures to the Government)

Article 136 In addition to what is prescribed in this Act, other necessary transitional measures concerning the enforcement of this Act shall be provided for by Cabinet Order.

(Reviews)

Article 137 The government shall, in cases in which five years have passed after enforcement, and taking into consideration the state of execution of the provisions of this Act after revision and changes in the relevant socioeconomic factors, perform a review of the settlement system pertaining to transactions of shares, etc. after revision of this Act, and when it considers it necessary, enact necessary measures based on the results.

### **Supplementary Provisions [Act No. 87 of July 26, 2005] [Extract]**

This Act shall become effective from the date on which the Companies Act comes into effect.

### **Supplementary Provisions [Act No. 23 of March 31, 2007] [Extract]**

(Effective Date)

Article 1 This Act shall become effective from April 1, 2007, and apply from the 2007 budget; provided, however, that the provisions listed in each of the following items shall become effective from the date provided in each said item, and the provisions of item (iv), item (xvi) and item (xvii) of paragraph (1) of Article 2, Section 4, Section 16 and Section 17 of Chapter II, and Article 49 to Article 65 of the Supplementary Provisions, shall apply from the 2008 budget.

(Transitional Measures regarding Penal Provisions)

Article 391 With respect to the application of penal provisions for acts committed prior to the enforcement of this Act, and acts committed after the enforcement of this Act in cases in which provisions previously in force are remaining applicable pursuant to the provisions of these Supplementary Provisions, the provisions then in force shall remain applicable.

(Delegation of other Transitional Measures to Cabinet Order)

Article 392 In addition to what is prescribed in Article 2 to Article 65, Article 67 to Article 259, and Article 382 to the preceding Article of the Supplementary Provisions, other necessary transitional measures concerning the enforcement of this Act shall be provided for by Cabinet Order.

### **Supplementary Provisions [Act No. 57 of June 6, 2008]**

This Act shall become effective from the date on which the Insurance Act comes into effect.