Order on Special Measures for the Protection of Policyholders

(Order of the Ministry of Finance No. 124 of November 4, 1998)

Pursuant to the provisions of the Insurance Business Act (Act No. 105 of 1995) and for the purpose of enforcement of the Act, a Ministerial Order which is to replace the Ministerial Order on Policyholders Protection Fund (Order of the Ministry of Finance No. 101 of 1998) in its entirety is prescribed as follows.

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Chapter I General Rules

(Definitions)

Article 1 The terms used in this Order have the same meanings as the terms used in the Insurance Business Act (referred to below as the "Act").

Chapter II Dispositions of Prime Minister Related to Business and Property Management

(Criteria for Notifying Difficulty to Continue Business)

Article 1-2 A case where continuation of insurance business will be difficult as prescribed in Article 241, paragraph (3), of the Act (for a foreign insurance company, etc.; its insurance business in Japan; the same applies below in this Article) is to include the cases in the following items:

(i) when an insurance company, etc., (meaning an insurance company or a small amount and short-term insurance company; the same applies below in this Chapter) or a foreign insurance company, etc., is unable to satisfy its obligations with its property or, in the case of a foreign insurance company, etc., with its property located in Japan, or when that situation is likely to arise;

(ii) when an insurance company, etc., or a foreign insurance company, etc., has suspended payment of insurance proceeds or is likely to suspend the payment of insurance proceeds;

(iii) if a written opinion of a responsible actuary submitted to the board of directors (in the case of a foreign insurance company, etc., its representative person in Japan) includes, as a matter stated in Article 82, paragraph (1), items (vi) and (vii) of the Regulations for Enforcement of the Insurance Business Act (Order of the Ministry of Finance No. 5 of 1996; referred to below as the "Regulations") (including a case where applied mutatis mutandis pursuant to Article 160 or Article 211-52 of the Regulations), an opinion to the effect that the continuation of the insurance business is difficult in light of the result of a reasonable estimate of future income and expenditure based on actuarial science, when the insurance company, etc., or a foreign insurance company, etc., is unable to take measures necessary for the resolution of the cause of the difficulty.

(Reporting Difficulty to Continue Business)

Article 1-3 When an insurance company, etc., or a foreign insurance company, etc., intends to make notification under Article 241, paragraph (3), of the Act, it must submit to the Commissioner of the Financial Services Agency (in the case where the authority of the Commissioner of the Financial Services Agency has been delegated to a Director-General of a local finance bureau or the Director-General of the Fukuoka Local Finance Branch Bureau pursuant to the provisions of Article 48, paragraph (1), of the Order for Enforcement of the Insurance Business Act (Cabinet Order No. 425 of 1995; referred to below as the "Order"), the Director-General of a local finance bureau or the Director-General of the Fukuoka Local Finance Branch Bureau; the same applies in Article 1-5 and Articles 1-7 to 1-9) a written notice, with the following documents attached to it:

(i) a written statement of reasons;

(ii) the latest balance sheet (including related notes; the same applies below), a profit and loss statement (including related notes; the same applies below) and a statement of changes in shareholders' equity (including related notes; the same applies below) (for a mutual company, a statement of changes in funds, etc., (including related notes) and a statement of disposition of surplus or a statement of treatment of loss), and any other document disclosing the current financial status and current status of profits and losses (in case of a foreign insurance company, etc., limited to those relating to its insurance business in Japan);

(iii) when intending to make a notification on the grounds stated in item (iii) of the preceding Article, a copy of the written opinion of the responsible actuary submitted to the board of directors (in the case of a foreign insurance company, etc., its representative person in Japan); and

(iv) documents detailing any other reference matters.

(Designation of Person to Carry Out Duties of Receiver of an Insurer)

Article 1-4 If a disposition ordering management of business and property (in the case of a foreign insurance company, etc., business in Japan and property located in Japan) by a receiver of an insurer prescribed in Article 241, paragraph (1) of the Act (referred to as "disposition ordering management" in Article 1-9) has been issued, when a person who is appointed as receiver of an insurer is a corporation, it must designate from its representatives a person who is to carry out the duties of a receiver of an insurer and must report the fact to the Commissioner of the Financial Services Agency (in the case where, pursuant to the provisions of Article 48 of the Order, the Director-General of a local finance bureau having jurisdiction over the head office or principal office of the small amount and short-term insurance company (or the Director-General of the Fukuoka Local Finance Branch Bureau, if the location falls within the district of the Fukuoka Local Finance Branch Bureau) accepts the written notice prescribed in the preceding Article, to the Director-General of a local finance bureau or the Director-General of the Fukuoka Local Finance Branch Bureau) and give notice of the fact to the insurance company, etc., or the foreign insurance company, etc., that is subject to the disposition ordering management.

(Reporting to Avoid Partial Suspension of Business)

Article 1-5 (1) When intending to give a report pursuant to the provisions of the proviso to Article 245 of the Act, a receiver of an insurer must submit to the Commissioner of the Financial Services Agency a written report with a written statement of reasons (in the case where the report relates to the non-suspension of business relating to the cancellation of insurance contracts other than specified covered insurance contracts, the written statement is to state that there is little necessity to maintain the insurance contracts subject to the report in order to protect the policyholders, etc., and other matters which indicate that the report poses no risk to the protection of policyholders, etc.) attached to the report.

(2) The provisions of the preceding paragraph apply mutatis mutandis to the case where an insurance administrator intends to give a report, in the case of an insurance company, etc., pursuant to the provisions of the proviso to Article 250, paragraph (5), proviso to Article 254, paragraph (4), or the proviso to Article 255-2, paragraph (3) of the Act, or the provisions of the proviso to Article 245 of the Act as applied mutatis mutandis pursuant to Article 258, paragraph (2) of the Act, and, in the case of a foreign insurance company, etc., pursuant to the provisions of the proviso to Article 250, paragraph (5) or the proviso to Article 255-2, paragraph (3) of the Act, or the provisions of the

proviso to Article 245 of the Act as applied mutatis mutandis pursuant to Article 258, paragraph (2) of the Act.

(Rate Specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 245, Item (i) of the Act)

Article 1-6 (1) The rate specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 245, item (i) of the Act is the rate prescribed in each of the following items in accordance with the category of rights stated in the following items (limited to the insurance claims prescribed in item (i) of the same paragraph or any other rights specified by Cabinet Order):

(i) the rights under insurance contracts specified in Article 50-3, paragraph (1) (limited to the part relating to item (i)) (referred to below as "underlying life insurance contracts"): 90%;

(ii) the rights under insurance contracts specified in Article 50-3, paragraph (1) (limited to the part relating to item (ii)) (excluding those which fall under the category of short-term injury insurance contracts prescribed in Article 1-6-3, paragraph (1), item (i), the savings portion of a non-pension type sickness and injury insurance contract prescribed in item (ii) of the same paragraph, and a specified overseas travel accident insurance contract prescribed in item (iii) of the same paragraph; referred to below as "sickness and injury insurance contracts"): 90%;

(iii) the rights under short-term injury insurance contracts prescribed in Article 1-6-3, paragraph (1), item (1) or specified overseas travel accident insurance contracts prescribed in item (iii) of the same paragraph: 80%; provided, however, that the rate for the rights is 100% should an insured event specified in Article 36-4, item (i) or (ii) of the Order occur before the expiration of the period prescribed in paragraph (1) of the following Article (referred to as "specified claims for loss compensation, etc." in item (vi) and Article 50-5, paragraph (1), items (iii) and (vi));

(iv) the rights relating to the savings portion of non-pension type sickness and injury insurance contracts prescribed in Article 1-6-3, paragraph (1), item (ii): 80%;

(v) the rights under insurance contracts specified in Article 50-3, paragraph (1) (limited to the part relating to items (iii) and (iv)) (referred to below as "automobile damage liability insurance contracts, etc."): 100%; and

(vi) the rights under insurance contracts specified in Article 50-3, paragraph (1) (limited to the part relating to items (v) and (vi)) (referred to below as "loss compensation insurance contracts"): 80%; provided, however, that the rate for specified claims for loss compensation, etc., is 100%.

(2) Notwithstanding the provisions of the preceding Article, in the case of underlying life insurance contracts and sickness and injury insurance contracts

(referred to below as "underlying life insurance contracts, etc.") falling under the category of contracts with high assumed interest rate prescribed in Article 50-5, paragraph (3), the rates specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 245, item (i) of the Act for Underlying Life Insurance Contracts, etc., falling under the category of contracts with high assumed interest rate are the rates prescribed in each of the following items in accordance with the category of rights specified in the items (limited to insurance claims prescribed in item (i) of that paragraph or any other rights specified by Cabinet Order):

(i) the rights under underlying life insurance contracts, etc. (excluding those stated in the following item): 90% less the percentage deductible from cover; or

(ii) the rights relating to the savings portions of sickness and injury insurance contracts (meaning the portion relating to the accumulation account of insurance contracts prescribed in Article 30-3, paragraph (1) of the Regulations (including the cases where it is applied mutatis mutandis pursuant to Article 63 of the Regulations)): 90% less the percentage deductible from cover.

(3) In the cases stated in the following items, the provisions of the preceding paragraph apply pursuant to the provisions of the respective items:

(i) if the assumed interest rate (meaning the assumed interest rate as specified in Article 50-5, paragraph (3); the same applies below) for the basic policy (meaning the portion of an insurance contract other than the insurance riders; the same applies below) of a single insurance contract (excluding the savings portion) or for the insurance riders attached to it vary, the provisions of the preceding paragraph apply by deeming each basic policy or insurance rider attached to it to be independent insurance contracts based on the differences in the assumed interest rates; or

(ii) if the assumed interest rates for two or more insureds covered by a single insurance contract (limited to those paying the insurance premiums for the relevant insurance contract in the case of insurance contracts other than defined contribution pension insurance contracts, etc. (meaning defined contribution pension insurance contracts prescribed in Article 83, item (i), (f) of the Regulations and defined contribution pension injury insurance contracts prescribed in item (iii), sub-item (j) of the same Article; the same applies in Article 50-5, paragraph (4), item (ii) and Article 50-14, paragraph (3), item (ii))) vary, the provisions of the preceding paragraph apply by deeming that an independent insurance contract has been concluded for each of the relevant insureds.

(4) In paragraph (2), Article 50-5, paragraphs (2) and (3), and Article 50-14, paragraph (2), the meanings of the terms stated in the following items are as

prescribed respectively in those items.

(i) "percentage deductible from cover" means the rate calculated in accordance with the formula prescribed by the Commissioner of the Financial Services Agency and the Minister of Finance based on the portion of the assumed interest rate, prescribed in Article 50-5, paragraph (3), in excess of the base interest rate; or

(ii) "base interest rate" means the rate to be determined by the Commissioner of the Financial Services Agency and the Minister of Finance for each type of license stated in the items under the provisions of Article 262, paragraph (2) of the Act based on and in excess of the average annual investment returns for the past five business years (meaning the investment returns obtained by dividing by five the aggregate of the annual returns on investment for each of the past five business years) of all insurance companies (including a foreign insurance company, etc., and excluding the insurance companies prescribed in Article 37-2 of the Order) licensed under the corresponding type of license.

(Period Specified by Cabinet Office Order or Order of the Ministry of Finance Prescribed in Article 245, Item (ii) of the Act)

Article 1-6-2 (1) The period specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 245, item (ii) of the Act is three months from the time an insurance company (including a foreign insurance company, etc.) suspends its business pursuant to the provisions of the main clause of that Article (including the cases in which it is applied mutatis mutandis pursuant to the provisions of Article 258, paragraph (2) of the Act), the main clause of Article 250, paragraph (5) of the Act, the main clause of Article 254, paragraph (4) of the Act, or the main clause of Article 255-2, paragraph (3) of the Act; provided, however, that when the last day of the period prescribed in the main clause of this paragraph falls on a Sunday, Saturday, a holiday prescribed in the Act on National Holidays (Act No. 178 of 1948), January 2, January 3, or December 29 to 31, the last day of the period is deemed to be the day following the respective day.

(2) Following an event specified in the main clause of the preceding paragraph, the Commissioner of the Financial Services Agency is to give public notice without delay, of the duration and the last day of the period prescribed in that paragraph via the official gazette or by other appropriate means; provided, however, that it does not preclude the issuance of the notice in conjunction with the public notice prescribed in Article 242, paragraph (5) of the Act (limited to that on the appointment of a receiver of an insurer pursuant to the provisions of paragraph (2) of that Article).

(Specified Covered Insurance Contracts)

Article 1-6-3 (1) Specified covered insurance contracts specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 245, item (ii) of the Act are as follows:

(i) insurance contracts referred to in Article 50-3, paragraph (1) (limited to the part relating to item (ii)) for an insurance covering any of the following incidents (referred to as "injury insurance contracts" in sub-items (a) and (b) of the following item) and for which the insurance period does not exceed one year (limited to those that do not include facts and matters relating to the past and present health conditions and other mental and physical conditions of the insured (including the status of visits to hospitals, clinics, etc., as an inpatient or an outpatient, and other indicators of health conditions and other physical and mental conditions; the same applies in item (iii)) as material facts and matters to be notified by the policyholder or the insured when concluding a contract; referred to below as "short-term injury insurance contracts"):

(a) condition of a person resulting from an injury inflicted upon the person;

(b) death of a person directly resulting from an injury inflicted upon the person; and

(c) receiving treatment (including activities stated in Article 5 of the Regulations as the activities similar to treatment) in connection with the incidents referred to in sub-item (a);

(ii) savings portion of insurance contracts (excluding those stated in the preceding item and this item, and those falling under the following item) specified in Article 50-3, paragraph (1) (limited to the part relating to item (ii)) (referred to below as the "savings portion of non-pension type sickness and injury insurance contracts")

(a) injury insurance contracts (excluding contracts for insurance covering the incident referred to in sub-item (c) of the preceding item and contracts in which the policyholder is a corporation) whose prime object is to pay refunds on a regular basis for a certain period after the termination of the insurance premiums payment period, and which satisfy all of the following requirements (excluding those falling under insurance contracts referred to in sub-item (b) or (c)):

1. The total amount of refunds and refunds upon cancellation of the insurance contract is determined depending on the aggregate amount of insurance premiums (including the conversion value prescribed in Article 212, paragraph (1), item (ii), sub-item (a) of the Regulations; the same applies in this sub-item (a)) payable under the insurance contract and all or part of the amount of proceeds from investment of the insurance premiums (limited to the amount to be appropriated to

the refund as agreed upon in advance in the relevant insurance contract) or the amount increasingly reserved for the beneficiaries of the refund under the insurance contract (collectively referred to as "insurance benefits fund" in 2.(ii)); and

2. The amount of insurance proceeds under the insurance contract is the amount prescribed in one of i. through iii. in accordance with the category of the insurance business year (meaning each period from the date on which the insurance period under the relevant insurance contract commences (referred to below as "commencement date") in this paragraph 2.) or the corresponding day of each year (meaning the day corresponding to the commencement date for each year following the year which includes the commencement date) to the day before the corresponding day immediately following the commencement date or the corresponding day of the current year (limited to the insurance period of the relevant insurance contract; the same applies below in this paragraph 2) specified in each of i. through iii.:

i. for the first insurance business year, an amount of not more than 0.3 times the amount prescribed in ii. (in the case of insurance contracts which require the lump-sum payment of the insurance premiums, an amount not more than the amount prescribed in ii.);

ii. for each insurance business year including and after the insurance business year which includes the last due date for the payment of insurance premiums for the relevant insurance contract (in the case of insurance contracts which require the lump-sum payment of the insurance premiums, the insurance business year which includes the day on which the period for the payment of the insurance premium ends): an amount less than 1.5 times the insurance benefits fund;

iii. for any insurance business year, other than the insurance business years specified in i. and ii., an increasing amount prescribed in accordance with the passage of insurance business years within the range from the amount prescribed in i., and the amount prescribed in ii., (in the case of insurance contracts which require the lump-sum payment of the insurance premiums, an increasing amount prescribed in accordance with the passage of insurance business years within the range from the amount prescribed in i., and the amount prescribed in ii., or a certain amount prescribed within the range);

(b) injury insurance contracts (excluding those for insurance covering the incidents referred to in sub-item (c) of the preceding item) prescribed in Article 6, paragraph (1), item (ii)-2, paragraph (2), item (iii) and paragraph (4), item (iii) of the Workers' Property Accumulation Promotion Act (Act

No. 92 of 1971);

(c) insurance contracts relating to the payment of insurance premiums which fall under the investment method to be specified by Cabinet Order, as referred to in the first sentence of Article 23, paragraph (1) of the Defined Contribution Pension Act (Act No. 88 of 2001) (including a case where applied mutatis mutandis pursuant to Article 73 of that Act);

(iii) insurance contracts specified in Article 50-3, paragraph (1) (limited to the segment relating to item (ii)) in which the insurance proceeds are to be paid contingent upon the incidents that occur during the period between the time when a person leaves their residence for overseas travel and the time when they come back to their residence (limited to those that do not include facts and matters relating to the past and present health conditions and other mental and physical conditions of the insured as material facts and matters to be notified by the policyholder or the insured when concluding a contract; referred to below as "specified overseas travel accident insurance contracts"); and

(iv) insurance contracts and loss compensation insurance contracts specified in Article 50-3, paragraph 1 (limited to the part relating to item (iv)).

(2) In the cases stated in the following items, the provisions of the preceding paragraph are to apply pursuant to the provisions of the respective items:

(i) if the grounds for payment of insurance proceeds, etc., are not prescribed in the basic policy: the provisions of the preceding paragraph apply by deeming that the basic policy and the insurance rider (limited to those which state the grounds for the payment of insurance proceeds; the same applies below in this item (i) and Article 50-3, paragraph 4, item (i)) (if multiple insurance riders are attached to the relevant basic policy, it means that the basic policy and the main insurance rider (meaning it is possible to conclude an insurance contract by attaching only the insurance rider to the basic policy; the same applies below in this item and Article 50-3, paragraph (4), item (i)) constitute a single basic policy); provided, however, that when multiple main insurance riders are attached to the basic policy, the provisions of the preceding paragraph apply by deeming the basic policy and each of the main insurance riders to constitute a single basic policy, respectively; and

(ii) if the policy reserve for a single insurance contract (limited to those relating to insurance companies (including a foreign insurance company, etc.) that have received a license that falls under the class of license described in Article 262, paragraph (2), item (ii) of the Act; the same applies below in this item) is set aside in accordance with the categories prescribed by the documents stated in Article 4, paragraph (2), item (iv) (limited to cases in which the policy reserve for the basic policy is set aside in accordance with the categories): the provisions of the preceding paragraph apply by deeming

that the basic policy of the relevant insurance contract or the insurance rider attached to it, or the clauses contained in it (excluding insurance riders and clauses corresponding to insurance contracts stated in item (iii) of the preceding paragraph) constitute an independent insurance contract or a savings portion in accordance with the respective categories, or by deeming that the insurance riders and clauses corresponding to the insurance contracts stated in item (iii) of the preceding paragraph constitute specified overseas travel accident insurance contracts.

(Public Notice of Prohibition on Entry of Name Changes for Shareholders)

Article 1-7 When an entry of a name change for the shareholders is prohibited pursuant to the provisions of Article 246 of the Act, the Commissioner of the Financial Services Agency is to issue a public notice of that matter in the Official Gazette.

(Approval of Plans)

Article 1-8 When a receiver of an insurer intends to obtain an approval pursuant to the provisions of Article 247, paragraph (2) or (4) of the Act, they must submit to the Commissioner of the Financial Services Agency a written application for approval with the following documents attached to it:

(i) a written statement of reasons;

(ii) a document detailing the contents of the plan referred to in Article 247, paragraph (1) of the Act (if the plan referred to in the same paragraph is to be changed, a document detailing the contents of the plan as changed);

(iii) if the company being managed is a non-life insurance company or a foreign non-life insurance company, a document stating the number of covered insurance contracts relating to the company being managed and matters concerning the method or methods used for the identification of the contracts; and

(iv) documents containing any other matters which would serve as reference.

(Notification of Revocation of Dispositions Ordering Management by Receiver of an Insurer)

Article 1-9 If a disposition ordering management is revoked pursuant to the provisions of Article 248, paragraph (1) of the Act, the Commissioner of the Financial Services Agency must notify the insurance company, etc., or the foreign insurance company, etc., that received the disposition, to that effect.

(Benefits Similar to Cancellation Refunds Specified by Cabinet Office Order or Order of the Ministry of Finance)

Article 1-9-2 Benefits similar to cancellation refunds specified by Cabinet Office

Order or Order of the Ministry of Finance prescribed in Article 250, paragraph (1) of the Act are as follows:

(i) insurance premiums paid in advance which are not due (limited to insurance premiums paid based on the intentions of the relevant policyholder);

(ii) cash dividends relating to policy dividends (meaning the policy dividends prescribed in Article 114, paragraph (1) of the Act; the same applies in Article 53, item (iv)) or surplus distributed to members (in either case, limited to payments made based on the intentions of the policyholder); and

(iii) amounts paid or transferred in association with the modification of the insurance period, the amount of insurance proceeds, any other details of the insurance contract, or the percentage or the amount of underwriting at the request of a policyholder, which amounts are based on the unexpired insurance premium (meaning the amount of insurance premium corresponding to the unexpired period (meaning the insurance period specified under an insurance contract which has not passed as of the time of modification)) or refund reserve.

(Supplementary Notes to Public Notices on Transfer of Insurance Contracts)

Article 1-10 The supplementary matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 251, paragraph (1) and Article 255, paragraph (1) of the Act are as follows:

(i) the period prescribed in Article 1-6-2, paragraph (1) and whether the period has expired;

(ii) the main content of modifications in the rights and duties of policyholders caused by a modification of insurance clauses prescribed in Article 250, paragraph (1) of the Act (which includes the following);

(a) matters relating to the application of Article 50-5, paragraph (2) to the underlying life insurance contracts, etc., falling under the category of contracts with high assumed interest rate prescribed in paragraph (3) of that Article;

(b) matters relating to the relationship (including diagrams showing the relationship) between modification of the policy reserve, assumed interest rate or any other contract conditions and the rights of the policyholder (including beneficiaries for the insurance proceeds and other benefits) relating to insurance proceeds, refunds and other benefits; and

(iii) the reasons for the need for modification of insurance clauses prescribed in Article 250, paragraph (1) of the Act.

(Matters to Be Stated in Documents on Modification of Insurance Clauses)

Article 1-11 The matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 255-2, paragraph (1) of the Act are as

follows:

(i) trade name or name of the person acquiring shares, and the location of its head office, principal office or principal branch in Japan; and

(ii) the reasons for the need for modification of insurance clauses prescribed in Article 250, paragraph (1) of the Act.

(Matters to Be Retained in Relation to Modification of Insurance Clauses)

Article 1-12 (1) The matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 255-3, paragraph (1) of the Act are as follows:

(i) the contents of the plan to modify contract conditions; and

(ii) the contents of the balance sheets (in the case of a foreign insurance company, etc., the balance sheets for its insurance business in Japan).

(2) The method specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 255-3, paragraph (2), item (iii) of the Act is the method to display matters recorded in an electronic or magnetic record on paper or screen, as referred to in that item.

(Matters Subject to Public Notice in Relation to Modification of Insurance Clauses)

Article 1-13 The matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 255-4, paragraph (1) of the Act are as follows:

(i) trade name or name of the company acquiring shares, and the location of its head office, principal office or principal branch in Japan;

(ii) the period prescribed in Article 1-6-2, paragraph (1) and whether the period has expired;

(iii) the main content of modifications in the rights and duties of policyholders caused by a modification of insurance clauses prescribed in Article 250, paragraph (1) of the Act (which includes the following):

(a) matters concerning the application of Article 50-5, paragraph (2) to the underlying life insurance contracts, etc., falling under the category of contracts with high assumed interest rate prescribed in paragraph (3) of that Article; and

(b) matters concerning the relationship (including diagrams showing the relationship) between modification of the policy reserve, assumed interest rate or any other contract conditions and the rights of the policyholder (including beneficiaries for the insurance proceeds and other benefits) relating to insurance proceeds, refunds and other benefits.; and

(iv) the reasons for the need for modification of insurance clauses prescribed in Article 250, paragraph (1) of the Act.

(Amount of Claim Relating to Insurance Contract)

Article 1-14 The amounts specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 255-4, paragraph (4) of the Act are the amounts specified in each of the following items in accordance with the category of insurance company, etc., and a foreign insurance company, etc., specified in each of those items:

(i) life insurance companies and foreign life insurance companies, etc.: the amount to be reserved for the insured as of the time of the public notice referred to in Article 255-4, paragraph (1) the Act (referred to below as "public notice" in this Article);

(ii) non-life insurance companies and foreign non-life insurance companies, etc.: the aggregate of the amounts stated in (a) and (b);

(a) the amount of insurance premium corresponding to the unexpired period (meaning the insurance period specified in an insurance contract which has not been passed as of the time of the public notice); and

(b) the amount to be set aside as the refund reserve as referred to in Article 70, paragraph (1), item (iii), or Article 151, paragraph (1), item (iii) of the Regulations as of the time of the public notice;

(iii) for a small amount and short-term insurance company: the amount of insurance premium corresponding to the unexpired period.

(Matters Subject to Public Notice after Modification of Insurance Clauses)

Article 1-15 The matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 255-5, paragraph (1) of the Act are as follows:

(i) the status of progress of the procedures prescribed in Article 255-4, paragraphs (1) through (4) of the Act; and

(ii) trade name or name of the person acquiring shares, and the location of its head office, principal office or principal branch in Japan.

Chapter III Financial Assistance Provided by Policyholders Protection Corporation

(Scope of Management and Disposition of Insurance Contracts)

Article 2 The acts specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 260, paragraph (10) of the Act are as follows:

(i) loss compensation based on insurance contracts (excluding payment of insurance proceeds; the same applies in Article 22, item (iv));

(ii) cancellation of insurance contracts based on insurance contracts;

(iii) amendment of terms and conditions of insurance contracts;

(iv) acts relating to reinsurance contracts concluded;
(v) the following agency services relating to insurance business and business handling services performed on behalf of insurance companies (including a foreign insurance company, etc.);
(a) the following business handling services and other business handling services relating to insurance business:
1. preparation and giving and receiving, etc., of documents concerning underwriting of insurance and other services;
2. services for receiving insurance premiums and services for paying insurance proceeds;
3. investigation of insured events and other matters concerning insurance contracts;
(b) agency service for damage assessment or any other business relating to insurance business, which is reasonable to be performed by policyholders protection corporation (referred to below as "corporation") from the standpoint of enhancement of convenience of policyholders in Japan;
(vi) guarantee of obligations; and
(vii) other acts incidental to the acts stated in Article 260, paragraph (10) of the Act and in the preceding items (limited to conducting the acts stated in the Article and the preceding items).

(Procedures to Join a Corporation)
Article 2-2 (1) A person intending to undertake the procedures for joining a corporation pursuant to the provisions of Article 265-3, paragraph (2) of the Act must submit a written application stating the following matters to the corporation they intend to join:
(i) trade name or name (in the case of a foreign insurer, the name of the home country (meaning the home country prescribed in Article 187, paragraph (1), item (i) of the Act) and the name or trade name of the foreign insurer);
(ii) the amount of capital or the total amount of funds;
(iii) the names of the directors and company auditors (in the case of a company with an audit and supervisory committee (meaning a stock company or mutual company with an audit and supervisory committee), the names of the directors; in the case of a company with a nominating committee, etc. (meaning a stock company or mutual company with a nominating committee, etc. (meaning a nominating committee, etc. prescribed in Article 4, paragraph (1), item (iii) of the Act)), the names of the directors and executive officers) (in the case of a foreign insurer, the name and address of the representative person in Japan);
(iii)-2 in the case of a company with accounting advisors (meaning a stock company or mutual company with accounting advisors), the names of the

accounting advisors (if an accounting advisor is a corporation, the name of the accounting advisor and the names of its employees who are to perform its duties);

(iv) type of license desired;

(v) address of the head office or the principal office (in the case of a foreign insurer, its principal branch in Japan (meaning the branch prescribed in Article 187, paragraph (1), item (iv))); and

(vi) the date of application to join the corporation.

(2) The following documents must be attached to the written application referred to in the preceding paragraph:

(i) the articles of incorporation (in the case of a foreign insurer, articles of incorporation or equivalent documents);

(ii) a business plan; and

(iii) any other document the corporation finds necessary.

(3) A written application under the provisions of paragraph (1) or documents to be attached to the written application as specified in the preceding items (collectively referred below to as a "written application, etc." in this paragraph) may be submitted by electronic or magnetic means (meaning an electronic or magnetic means provided in Article 265-27-4, paragraph (3) of the Act), if the written application, etc. is prepared in the form of an electronic or magnetic record (meaning an electronic or magnetic record provided in Article 4, paragraph (3) of the Act).

(Amount of Contribution to Be Paid by a Withdrawing Member)

Article 3 The amount of obligatory contribution to be paid by a member withdrawing from a corporation (referred to below as "withdrawing member" in this Article) pursuant to the provisions of Article 265-4, paragraph (3) of the Act is the amount obtained by multiplying the amount of expenses incurred by the corporation to perform obligations relating to the borrowing of funds prescribed in the items under Article 265-4, paragraph (3) of the Act (referred to below as "borrowing expenses" in this Article) by the rate obtained by dividing the annual amount of obligatory contribution payable by the withdrawing member by the aggregate of the annual amount of obligatory contribution payable by each member of the corporation (including the withdrawing member) for the business year in which the withdrawing member withdrew; provided, however, that, pursuant to the provisions of its articles of incorporation, a corporation may deem the withdrawing member to not have withdrawn until the corporation completes repayment of the borrowing expenses and may specify, for each business year until the completion of the repayment, an amount calculated pursuant to the provisions of Article 265-34, paragraph (1) of the Act as the amount of obligatory contribution to be paid by

the withdrawing member for the relevant business year.

(Application for Authorization for Establishment)

Article 4 The documents detailing the matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-8, paragraph (2) of the Act are as follows:

(i) a document detailing the names of the founders, and the name and location of the principal office of their representative;

(ii) a document detailing the matters of a public notice relating to the articles of incorporation, an outline of the business plan, and the date, time and venue of the organizational meeting;

(iii) a document detailing the proceedings of the organizational meeting;

(iv) a document detailing the names of the persons who gave the notification to become members, and the name and location of the principal office of their representative;

(v) a document detailing the names, addresses and personal histories of the persons to assume the position of officers;

(vi) a certificate issued by a public agency, or a substitute document for it, confirming that the officers are not persons who are subject to an order commencing bankruptcy proceedings and who have not obtained a restoration of rights;

(vii) a document pledging that none of the officers fall under the items of Article 265-16 of the Act (excluding the part of item (ii) of that Article that relates to a person who is subject to an order commencing bankruptcy proceedings and who has not obtained a restoration of rights);

(viii) an inventory of property which belongs to the relevant corporation at the time of establishment; and

(ix) an implementation plan and budget for financial assistance services, etc. (meaning all business stated in the items of Article 265-28, paragraphs (1) and (2) of the Act; the same applies below).

(Application Procedures for Approval for Establishment)

Article 4-2 The founders prescribed in Article 265-6 of the Act must submit the application for approval prescribed in Article 265-8, paragraph (1) of the Act and the documents attached to it to the Prime Minister through the Commissioner of the Financial Services Agency.

(Application for Approval to Modify Articles of Incorporation)

Article 5 When a corporation intends to obtain approval pursuant to the provisions of Article 265-12, paragraph (2) of the Act, it must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an

application for approval with a document attached to it detailing the following matters:

(i) the matters to be modified;

(ii) the reasons for the need for modification;

(iii) the proceedings of the general meeting at which the resolution to modify was issued; and

(iv) any other matters which would serve as reference.

(Application for Approval for Appointment and Dismissal of Officers)

Article 6 When a corporation intends to obtain approval pursuant to the provisions of Article 265-15, paragraph (2) of the Act, it must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an application for approval with a document attached to it detailing the following matters:

(i) the name, address and personal history of the person planned to be appointed as an officer or the officer planned to be dismissed;

(ii) the reasons for the planned appointment or dismissal; and

(iii) the proceedings of the general meeting at which the appointment or dismissal took place.

(A Person Who Is Unable to Properly Perform Their Duties Due to Mental or Physical Disorder)

Article 6-2 The person specified by Cabinet Office Order and Order of the Ministry of Finance, as provided in Article 265-16, item (ii) of the Act, is a person who is unable to appropriately carry out the cognition, decision-making, and communication necessary for properly performing their duties due to mental impairment.

(Application for Approval for Appointment of Management Committee Members)

Article 7 When the chairperson of the board intends to obtain approval pursuant to the provisions of Article 265-19, paragraph (4) of the Act, they must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an application for approval with a document attached to it stating the name, address and personal history of the person planned to be appointed as a member of the management committee (referred to below as "committee").

(Organization of the Committee)

Article 8 (1) The committee is comprised of not more than 10 members.

(2) The committee has a chairperson, who is elected from among the committee members.

(3) A chairperson presides over the affairs of the committee.
(4) The committee must designate, in advance, a committee member to undertake the duties of the chairperson in the event that the chairperson is unable to perform its duties.
(5) The names and principal career histories of the chairperson and other committee members are to be detailed in the business reports referred to in Article 265-38, paragraph (1) of the Act (referred to below as "business reports").

(Term of Office of Committee Members)
Article 9 (1) The term of office of committee members is 2 years; provided, however, that the term of office of a substitute committee member appointed in the event of a vacancy among the committee members is the remaining term of the predecessor.
(2) committee members may be reappointed.
(3) committee members are to serve on a part-time basis.

(Grounds for Ineligibility of Committee Members)
Article 10 The provisions of Article 265-16 of the Act (Grounds for Ineligibility of Officers) apply mutatis mutandis to committee members.

(Dismissal of Committee Members)
Article 11 (1) If the committee member falls under either of the following items, the chairperson of the board may dismiss the relevant member:
(i) the committee member is found to be mentally or physically incompetent to perform their duties; or
(ii) the committee member is found to have breached their professional obligations or engaged in any other conduct unbecoming of the committee member.
(2) When the chairperson of the board dismisses a committee member pursuant to the provisions of the preceding paragraph, the chairperson must notify the Commissioner of the Financial Services Agency and the Minister of Finance of this fact without delay.

(Method of Resolution)
Article 12 (1) The committee may not hold a meeting or vote on a resolution without the attendance of a majority of the committee members in addition to the chairperson or the substitute for the chairperson prescribed in Article 8, paragraph (4).
(2) Decisions on the agenda of the committee meeting are effected by the majority votes of those in attendance at the meeting. The chairperson makes the

decision in the event of a tie.

(Minutes of Committee Meetings)

Article 12-2 (1) Whenever a committee meeting is held, the minutes of the meeting are to be prepared.

(2) The minutes detailing the date, time and venue of the meeting, the names of attendees, the agenda, and a summary and results of the deliberations.

(3) The date, time, agenda, results of the deliberations and other details concerning committee meetings are detailed in the business reports; provided, however, that when the committee and the relevant corporation finds it necessary, the results of the deliberations at a committee meeting held in a given business year may be detailed in the business report for the following or any subsequent business year after then.

(Agenda and Necessary Matters Relating to Administration of the Committee)

Article 13 In addition to what is prescribed in Articles 8 through the preceding Article, the chairperson determines the agenda and necessary matters relating to the administration of the committee in consultation with the committee.

(Application for Approval for Appointment of Evaluation Examination Board Members)

Article 14 When the chairperson of the board intends to obtain approval pursuant to the provisions of Article 265-20, paragraph (3) of the Act, they must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an application for approval with a document attached to it, detailing the name, address and personal history of the person planned to be appointed as a member of the evaluation examination board (referred to below as "examination board").

(Organization of Examination Board)

Article 15 (1) The examination board is comprised of not more than 10 members.

(2) The examination board has a chairperson, who is elected from among the examination board members.

(3) The chairperson presides over the affairs of the examination board.

(4) The examination board must designate, in advance, the examination board member to undertake the duties of the chairperson in the event that the chairperson is unable to perform their duties.

(5) The names and major career histories of the chairperson and other examination board members are to be detailed in business reports.

(Term of Office of Examination Board Members)

Article 16 (1) The term of office of examination board members is 2 years; provided, however, that the term of office of a substitute examination board member appointed in the event of a vacancy among the examination board members is the remaining term of the predecessor.
(2) examination board members may be reappointed.
(3) examination board members serve on a part-time basis.

(Grounds for Disqualification of Examination Board Members)
Article 17 The provisions of Article 265-16 of the Act (Grounds for Disqualification of Officers) apply mutatis mutandis to examination board members.

(Dismissal of Examination Board Members)
Article 18 (1) If the examination board member falls under either of the following items, the chairperson of the board may dismiss the relevant member:
(i) the examination board member is found to be mentally or physically incompetent to perform their duties; or
(ii) the examination board member is found to have breached their professional obligations or engaged in any other conduct unbecoming of an examination board member.
(2) When the chairperson of the board dismisses an examination board member pursuant to the provisions of the preceding paragraph, the chairperson of the board must notify the Commissioner of the Financial Services Agency and the Minister of Finance of the fact without delay.

(Method of Resolution)
Article 19 (1) The examination board may not hold a meeting or vote on a resolution without the attendance of a majority of the examination board members including the chairperson or the substitute for the chairperson prescribed in Article 15, paragraph (4).
(2) Decisions on the agenda of an examination board meeting are effected by the majority vote of the examination board members in attendance at the meeting. The chairperson makes the decision in the event of a tie.

(Minutes of Examination Board Meetings)
Article 19-2 (1) Whenever an examination board meeting is held, minutes of the meeting are to be prepared.
(2) The minutes detail the date, time and venue of the meeting, the names of attendees, the agenda, and a summary and results of the deliberations.
(3) The date, time, agenda, results of the deliberations and other details concerning examination board meetings are to be detailed in the business

reports; provided, however, that when the examination board and the relevant corporation finds it necessary, the results of the deliberations at an examination board meeting held in a given business year may be detailed in the business report for the following or any subsequent business year after then.

(Agenda and Necessary Matters Relating to Administration of the Examination Board)

Article 20 In addition to what is prescribed in Article 15 through the preceding Article, the chairperson determines the agenda and necessary matters relating to the administration of the examination board, in consultation with the examination board.

(List of Members)

Article 21 (1) A Corporation must detail the following matters in its list of members:

(i) the trade names or names of the members and the names of their representatives; and

(ii) the location of the members' head office, principal office or principal branch in Japan.

(2) A corporation must make its list of members available for public inspection at any time during the hours in which it should be in business at its office.

(Electronic or Magnetic Means)

Article 21-2 (1) The methods to be specified by Cabinet Office Order and Order of the Ministry of Finance using an electronic data processing system or any other information and communication technology, as provided in Article 265-27-4, paragraph (3) of the Act (including the cases where applied mutatis mutandis pursuant to Article 265-7, paragraph (6) of the Act) are as follows:

(i) a method of using an electronic information processing system specified in (a) or (b);

(a) by transmitting the information via a telecommunications line that links the computer used by the sender and the computer used by the recipient, and recording the information on a file stored on the computer used by the recipient; or

(b) to make the information recorded in a file stored on a computer used by the sender available for inspection by the recipient via a telecommunications line, and to record those matters in a file stored on a computer used by the recipient; or

(ii) to deliver information recorded into a file that has been prepared in the form of an electronic or magnetic recording medium (meaning recording

medium created in an electronic form, magnetic form, or any other form that cannot be recognized by human senses, and made available for information processing by computers.

(2) The methods stated in the items of the preceding paragraph must be those that enable the recipient to create the document by outputting the records in the file.

(Business that Corporations May Entrust to Insurance Companies and Other Parties)

Article 22 The business specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-29, paragraph (1), item (i) of the Act is as follows:

(i) acceptance of insurance premiums pursuant to insurance contracts;

(ii) payment of insurance proceeds, refunds and other benefits pursuant to insurance contracts;

(iii) investment of money accepted as insurance premiums pursuant to insurance contracts and other assets;

(iv) loss compensation under insurance contracts;

(v) business relating to reinsurance contracts concluded (excluding termination and cancellation of reinsurance contracts);

(vi) amendment of terms and conditions of insurance contracts;

(vii) business incidental to the cancellation of insurance contracts pursuant to insurance contracts;

(viii) business incidental to the conclusion of reinsurance contracts relating to insurance contracts;

(ix) business incidental to the transfer of insurance contracts to insurance companies; and

(x) other business incidental to businesses listed under items (i) through (vi).

(Application for Approval to Entrust Business)

Article 23 (1) When a corporation intends to obtain approval for entrustment of business pursuant to the provisions of Article 265-29, paragraph (1), item (ii) of the Act, it must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an application for approval stating the following matters:

(i) the trade name or name, and the name of the representative or the representative person in Japan of the insurance company or any other party to which the corporation intends to entrust its business;

(ii) the location of the head office, the principal office or the principal branch in Japan of the insurance company or any other party to which the corporation intends to entrust its business; and

(iii) the contents of the business to be entrusted.

(2) A written statement of reasons, documents relating to the contract on the entrustment of business, and other documents detailing any matters that should serve as reference are to be attached to the application for approval referred to in the preceding paragraph.

(Application for Approval of Business Rules)

Article 24 (1) When a corporation intends to obtain approval pursuant to the provisions of the first sentence of Article 265-30, paragraph (1) of the Act, it must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an application for approval, attaching to it the business rules referred to in the same paragraph.

(2) When a corporation intends to obtain approval pursuant to the provisions of the second sentence of Article 265-30, paragraph (1) of the Act, it must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an application for approval detailing the following matters:

(i) the matters to be modified; and

(ii) the date to be modified.

(3) A statement of reasons and other documents detailing any matters that should serve as reference are to be attached to the application for the approval referred to in the preceding paragraph.

(Matters for Inclusion in Business Rules)

Article 25 The matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-30, paragraph (2) of the Act are as follows:

(i) matters relating to business as a receiver of an insurer or receiver representative of an insurer prescribed in Article 265-28, paragraph (1), item (i) of the Act;

(ii) matters relating to the management and disposition of insurance contracts prescribed in Article 265-28, paragraph (1), item (v) of the Act;

(iii) matters relating to financial assistance to the payment of covered insurance proceeds prescribed in Article 265-28, paragraph (1), item (vi) of the Act;

(iv) matters relating to the submission of a list of policyholders prescribed in Chapter IV, Section 6 and Chapter VI, Section 4 of the Act on Special Treatment for the Reorganization Proceedings of Financial Institutions (Act No. 95 of 1996), and any other business under these provisions;

(iv)-2 matters relating to business as a bankruptcy trustee, provisional administrator, bankruptcy trustee representative, or provisional administrator representative appointed pursuant to the provisions of the Bankruptcy Act (Act No. 75 of 2004), a trustee, trustee representative,

provisional administrator, provisional administrator representative, or supervising committee member appointed pursuant to the provisions of the Corporate Reorganization Act (Act No. 154 of 2002), a trustee, trustee representative, provisional administrator, provisional administrator representative, or supervising committee member appointed pursuant to the provisions of the Act on Special Treatment of Corporate Reorganization Proceedings and Other Insolvency Proceedings of Financial Institutions, or a recognition trustee, provisional administrator, recognition trustee representative, or provisional administrator representative appointed pursuant to the provisions of the Act on Recognition of and Assistance for Foreign Insolvency Proceedings (Act No. 129 of 2000), prescribed in Article 265-28, paragraph 1, item (ix) of the Act;

(iv)-3 matters relating to business as a special surveillance agent prescribed in Article 126-4, paragraph (3) of the Deposit Insurance Act (Act No. 34 of 1971), prescribed in Article 265-28, paragraph 1, item (x) of the Act;

(iv)-4 matters relating to business as a corporation representative prescribed in Article 126-6, paragraph (1) of the Deposit Insurance Act, prescribed in Article 265-28, paragraph 1, item (xi) of the Act;

(v) matters relating to the loans of funds to members prescribed in Article 265-28, paragraph (2), item (i) of the Act;

(vi) matters relating to the loans of funds to policyholders, etc., prescribed in Article 265-28, paragraph (2), item (ii) of the Act;

(vii) matters relating to the purchase of the property of insurance companies in liquidation prescribed in Article 265-28, paragraph (2), item (iii) of the Act;

(viii) matters relating to entrustment of business prescribed in Article 265-29, paragraph (1) of the Act;

(ix) matters relating to the management of property received as obligatory contribution prescribed in Article 265-33, paragraph (1) of the Act; and

(x) matters relating to the evaluation of the property of a bankrupt insurance company prescribed in Article 270-2 of the Act.

(Amount Calculated Pursuant to Provisions of Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-34, Paragraph (1) of the Act)

Article 25-2 (1) The amounts calculated for a life insurance policyholders protection corporation (meaning the life insurance policyholders protection corporation prescribed in Article 265-37, paragraph (1) of the Act; the same applies below) pursuant to the provisions of a Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-34, paragraph (1) of the Act are as follows:

(i) the amount calculated pursuant to the provisions of a Cabinet Office Order

or Order of the Ministry of Finance prescribed in Article 265-34, paragraph (1), item (i) of the Act is the amount obtained by dividing by three the amount obtained by adding or subtracting the amount prescribed in the articles of incorporation to or from the total amount of insurance premiums for covered insurance contracts (meaning the covered insurance contracts referred to in Article 270-3, paragraph (2), item (i) of the Act; the same applies below) (excluding inwards reinsurance premiums (meaning inwards reinsurance premiums prescribed in Article 33, paragraph (3), item (ii) of the Regulations); the same applies below in this item) received by each member during the three business years immediately preceding the business year that includes the date on which the obligatory contribution is to be paid; provided, however, that in the case of a member for whom the three business years immediately preceding the relevant business year fall short of 36 months, it is the amount obtained by dividing the total amount of insurance premiums received during the business years for which the accounts have been settled by the total number of months in the business years, and then multiplying the result obtained by twelve; and

(ii) the amount calculated pursuant to the provisions of Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-34, paragraph (1), item (ii) of the Act is the amount obtained by taking the aggregate amount of the year-end balances of the policy reserve (excluding the amount of contingency reserve (meaning the contingency reserve prescribed in Article 69, paragraph (1), item (iii) or Article 150, paragraph (1), item (iii) of the Regulations)), the amount of policy reserve for inwards reinsurance contracts (meaning the inwards reinsurance contracts prescribed in Article 33, paragraph (3), item (ii) of the Regulations), the amount set aside pursuant to the provisions of Article 69, paragraph (5) or by Article 150, paragraph (5) of the Regulations, and the amount obtained by multiplying by ½ the balance of the policy reserve in the general account referred to in the clause "accounting indices, etc.", item (ii) -2-1 of an appended table (relating to Article 59-2, paragraph (1), item (iii), (c) (life insurance companies)) of the Regulations or, for a foreign insurance company, etc., amounts comparable to it, but including the amount equivalent to the portions for which, pursuant to the provisions of Article 71 of the Regulations or Article 71 of the Regulations as applied mutatis mutandis pursuant to Article 160 of the Regulations, policy reserves are not set aside) set aside by each member for covered insurance contracts for the three business years immediately preceding the business year that includes the date on which the obligatory contribution is to be paid and dividing the number obtained by three (by two in the case of members who have settled accounts for only two immediately preceding business years, and one in the case of members who have settled accounts for only one

immediately preceding business year).

(2) The amounts calculated for a non-life insurance policyholders protection corporation (meaning the non-life insurance policyholders protection corporation prescribed in Article 265-37, paragraph (2) of the Act; the same applies below) pursuant to the provisions of a Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-34, paragraph (1) of the Act are as follows:

(i) the amount calculated pursuant to the provisions of Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-34, paragraph (1), item (i) of the Act is the total amount of insurance premiums for all insurance contracts (excluding the insurance premiums specified for refund in the articles of incorporation; the same applies below in this item) received by each member during the business year immediately preceding the business year that includes the date on which the obligatory contribution is to be paid; provided, however, that in the case of a member for whom the immediately preceding business year falls short of twelve months, it is the amount obtained by dividing the total amount of insurance premiums received during the relevant business year by the number of months in that business year, and then multiplying the result obtained by twelve; and

(ii) the amount calculated pursuant to the provisions of a Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-34, paragraph (1), item (ii) of the Act is the aggregate amount of the year-end balances of the policy reserve, the reserve for outstanding claims (meaning the reserve for outstanding claims prescribed in Article 117, paragraph (1) of the Act or Article 117, paragraph (1) of the Act as applied mutatis mutandis pursuant to Article 199 of the Act; the same applies below), and the members' dividend reserve (meaning the members' dividend reserve prescribed in Article 30-5, paragraph (1), item (i) of the Regulations; the same applies below) set aside by each member for all insurance contracts during the business year immediately preceding the business year that includes the date on which the obligatory contribution is to be paid.

(Accounting Principles)

Article 26 In order to clarify its financial status and business performance, a corporation must account for increases, decreases and changes in assets, revenue, and expenses on an accrual basis.

(Accounts)

Article 27 (1) A corporation is to conduct accounting by establishing balance sheet accounts and profit and loss accounts, and, if necessary, establishing account items to clarify the calculation process.

(2) If a corporation has arranged special insurance accounts (meaning the special insurance accounts prescribed in Article 265-40 of the Act; the same applies below), the phrase "balance sheet accounts" in the preceding paragraph (1) is deemed as "separate balance sheet accounts for special insurance accounts (meaning the special insurance accounts prescribed in Article 265-40 of the Act; the same applies below) and general accounts".

(Contents of Budget)

Article 28 The budget of a corporation is to consist of general budget provisions and income and expenditure budgets.

(General Budget Provisions)

Article 29 General budget provisions are to establish comprehensive provisions relating to income and expenditure budgets and provisions relating to the following matters:

(i) with regard to the act of assuming obligation pursuant to the provisions of Article 33, the maximum amount of obligation for each matter, the term of payment of each obligation, and the reasons for the need to assume the obligation;

(ii) designation of expenses pursuant to the provisions of Article 34, paragraph (2) or (3); and

(iii) in addition to the matters stated in the preceding two items, any matters necessary for the implementation of the budget.

(Income and Expenditure Budgets)

Article 30 (1) Income and expenditure budgets are classified in accordance with the nature of income and the purpose of expenditure.

(2) If a corporation has arranged special insurance accounts, the phrase "income and expenditure budgets" in the preceding paragraph is deemed as "separate income and expenditure budgets for special insurance accounts and general accounts".

(Attached Budget Documents)

Article 31 (1) When a life insurance policyholders protection corporation intends to obtain approval for a budget pursuant to the provisions of the first sentence of Article 265-37, paragraph (1) of the Act, it must submit the budget to the Commissioner of the Financial Services Agency and the Minister of Finance with the following documents attached to it:

(i) a projected balance sheet and projected profit and loss statement for the previous business year;

(ii) a projected balance sheet and projected profit and loss statement for the

current business year; and

(iii) in addition to those stated in the preceding two items, any documents that serve as a reference for the budget.

(2) When a life insurance policyholders protection corporation intends to obtain approval to amend a budget pursuant to the provisions of the second sentence of Article 265-37, paragraph (1) of the Act, it must submit a document detailing the matters to be amended and the reasons for the amendment to the Commissioner of the Financial Services Agency and the Minister of Finance, attaching to it the documents stated in items (ii) and (iii) of the preceding paragraph.

Article 31-2 (1) When a non-life insurance policyholders protection corporation submits a budget pursuant to the provisions of the first sentence of Article 265-37, paragraph (2) of the Act, it must submit the budget to the Commissioner of the Financial Services Agency and the Minister of Finance with the following documents attached to it:

(i) a projected balance sheet and projected profit and loss statement for the previous business year;

(ii) a projected balance sheet and projected profit and loss statement for the current business year; and

(iii) in addition to those stated in the preceding two items, any documents that serve as a reference for the budget.

(2) When a non-life insurance policyholders protection corporation submits a modified budget pursuant to the provisions of the second sentence of Article 265-37, paragraph (2) of the Act, it must submit a document detailing the matters modified and the reasons for the modification to the Commissioner of the Financial Services Agency and the Minister of Finance, attaching to it the documents stated in items (ii) and (iii) of the preceding paragraph.

(Contingency Fund)

Article 32 A corporation may provide contingency funds within income and expenditure budgets in order to compensate for possible deficiency in the expenditure budget for unforeseeable reasons.

(Act to Assume Obligations)

Article 33 (1) A life insurance policyholders protection corporation may, when necessary, to conduct its business, assume obligations within the scope of the amount of the budget approved for each business year by the Commissioner of the Financial Services Agency and the Minister of Finance, in addition to those within the scope of the expenditure budget.

(2) A non-life insurance policyholders protection corporation may, when

necessary, to conduct its business, assume obligations within the scope of the amount of the budget submitted for each business year to the Commissioner of the Financial Services Agency and the Minister of Finance, in addition to those within the scope of the expenditure budget.

(Diversion of Budgeted Funds)

Article 34 (1) A Corporation must not use the funds in the expenditure budget for any purpose other than those specified in the budget; provided, however, that when it is appropriate and necessary for the implementation of the budget, the funds may be mutually diverted, irrespective of the categories prescribed in Article 30, paragraph (1) of the Act.

(2) A life insurance policyholders protection corporation must not divert funds designated for expenses in general budget provisions between different categories of the expenses or to any other expenses, or use contingency funds to cover the expenses without obtaining a resolution to do so at a general meeting as well as an approval of the Commissioner of the Financial Services Agency and the Minister of Finance.

(3) A non-life insurance policyholders protection corporation must not divert funds designated for expenses in general budget provisions between different categories of the expenses or to any other expenses, or use contingency funds to cover the expenses without obtaining a resolution to do so at a general meeting.

(Financial Plan)

Article 35 (1) A financial plan referred to in Article 265-37 of the Act must state a plan relating to the following matters:

(i) the sources and methods of raising funds;

(ii) the purpose of use of funds; and

(iii) any other necessary matters.

(2) When a life insurance policyholders protection corporation intends to obtain approval to modify a financial plan pursuant to the provisions of the second sentence of Article 265-37, paragraph (1) of the Act, it must submit a document detailing the matters to be modified and the reasons for the modification to the Commissioner of the Financial Services Agency and the Minister of Finance.

(3) When a non-life insurance policyholders protection corporation submits a modified financial plan pursuant to the provisions of the second sentence of Article 265-37, paragraph (2) of the Act, it must submit a document detailing the matters modified and the reasons for the modification to the Commissioner of the Financial Services Agency and the Minister of Finance.

(Report of Income and Expenditure)

Article 36 A corporation must report quarterly (semiannually in the case of Special Insurance Accounts; the same applies below in this Article) to the Commissioner of the Financial Services Agency and the Minister of Finance the income and expenditure by preparing a trial balance of totals and balances and the obligations assumed pursuant to the provisions of Article 33, by preparing a written report of the amount of each obligation within one month after the end of each quarter of a business year.

(Business Reports)

Article 37 A business report must include the business results and the results of financial plans in addition to the matters to be detailed pursuant to the provisions of Article 8, paragraph (5), Article 12-2, paragraph (3), Article 15-5 and Article 19-2, paragraph (3).

(Statement of Accounts)

Article 38 (1) The statement of accounts prescribed in Article 265-38, paragraph (1) of the Act is to consist of a financial statement of income and expenditure and a statement of obligations.

(2) The statement of accounts prescribed in the preceding paragraph must show the results of the implementation of the budget relating to the matters prescribed in the general budget provisions pursuant to the provisions of Article 29.

(Financial Statement of Income and Expenditure)

Article 39 (1) The financial statement of income and expenditure prescribed in paragraph (1) of the preceding Article must be prepared using the same classification as income and expenditure budgets and must detail the following matters:

(i) income;

(a) the amount of the budgeted income;

(b) the determined amount of income;

(c) the difference between the amount of budgeted income and the determined amount of income;

(ii) expenditure;

(a) the amount of the budgeted expenditure;

(b) the amount used, if any, from contingency funds and the reasons for it;

(c) the amount of diversion and reasons for the diversion;

(d) the actual budget for expenditure;

(e) the determined amount of expenditure, and

(f) the amount of unused budget.

(2) The statement of obligations referred to in paragraph (1) of the preceding

Article must state the amount of each obligation assumed pursuant to the provisions of Article 33.

(Retention Period for Financial Statements)

Article 39-2 The period specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-39, paragraph (3) of the Act is ten years.

(Separate Accounting)

Article 40 (1) If a life insurance policyholders protection corporation has arranged special insurance accounts, when the matters to be accounted for are to be recorded in both a special insurance account and another account that is different from it and it is difficult to keep the accounting of portions relating to special insurance accounts separate, the life insurance policyholders protection corporation may record the matters in a unified account during a business year in accordance with the standards established with the advance approval of the Commissioner of the Financial Services Agency and the Minister of Finance, and apportion the matters to each account as of the last day of the business year.

(2) If a non-life insurance policyholders protection corporation has arranged special insurance accounts, when the matters to be accounted for are recorded in both a special insurance account and another account that is different from it and it is difficult to keep the accounting of portions relating to special insurance accounts separate, the life insurance policyholders protection corporation may record the matters in a unified account during a business year in accordance with the standards submitted in advance to the Commissioner of the Financial Services Agency and the Minister of Finance, and apportion the matters to each account as of the last day of the business year.

(Financial Arrangements among Accounts)

Article 41 (1) If special insurance accounts have been established, a corporation may make financial arrangements between special insurance accounts and general accounts.

(2) The financial arrangement referred to in the preceding paragraph is accounted for as a loan from the origination account of the financial arrangement to the destination account of the arrangement.

(Disposition of Profits and Losses)

Article 42 (1) For each business year that a profit is generated based on profit and loss calculation, a corporation must offset any loss brought forward from the previous business year, and if there is any surplus after that, the corporation must keep this surplus amount as a reserve fund.

(2) For each business year that a loss is incurred based on the calculation of profits and losses, a corporation must account for the loss by reducing the amount of the reserve fund prescribed under the preceding paragraph, and if there is any deficit remaining after that, the corporation must account for the amount of the deficit as a loss carried forward.

(Application for Approval to Borrow Funds)

Article 43 When a corporation intends to obtain approval pursuant to the provisions of Article 265-42 of the Act, it must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an application for approval detailing the following matters:

(i) the reasons for the need to borrow funds;

(ii) the amount of funds to be borrowed;

(iii) the lender;

(iv) the interest on the funds to be borrowed;

(v) the repayment method and the due date of the funds to be borrowed;

(vi) the payment method and the due date of the interest; and

(vii) in addition to the matters stated in the preceding items, any matters necessary for the borrowing of funds.

(Lending Financial Institution)

Article 44 The financial institutions specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-42 of the Act are as follows:

(i) banks prescribed in Article 2, paragraph (1) of the Banking Act (Act No. 59 of 1981);

(ii) long-term credit bank prescribed in Article 2 of the Long-Term Credit Bank Act (Act No. 187 of 1952);

(iii) shinkin banks and federations of shinkin banks;

(iv) credit cooperatives;

(v) federations of cooperatives that conduct the business stated in Article 9-9, paragraph (1), item (i) of the Small and Medium-Sized Enterprise Cooperatives Act (Act No. 181 of 1949);

(vi) labor banks and federations of labor banks;

(vii) the Norinchukin Bank;

(viii) federations of agricultural cooperatives that also conduct the business stated in Article 10, paragraph (1), items (ii) and (iii) of the Agricultural Cooperatives Act; (Act No. 132 of 1947); and

(ix) federations of fisheries cooperatives that also conduct the business stated in Article 87, paragraph (1), items (iii) and (iv) of the Fisheries Cooperatives Act (Act No. 242 of 1948).

(Investment of Surplus Funds)

Article 45 The method specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 265-43, item (iii) of the Act is a money trust.

(Accounting Rules)

Article 46 (1) In addition to what is provided in the Act and this Order with regard to its finances and accounting, a corporation must establish accounting rules and notify the Commissioner of the Financial Services Agency and the Minister of Finance of the matter without delay.

(2) When a corporation modifies the accounting rules referred to in the preceding paragraph (1), it must notify the Commissioner of the Financial Services Agency and the Minister of Finance of it without delay, clearly stating the matters modified and the reasons for the modification.

(Application for Approval of Resolution on Dissolution)

Article 47 When a corporation intends to obtain approval for its resolution on dissolution pursuant to the provisions of Article 265-48, paragraph (2) of the Act, it must submit to the Commissioner of the Financial Services Agency and the Minister of Finance an application for approval with the following documents attached to it:

(i) a written statement of reasons;

(ii) the proceedings of the general meeting at which the resolution on dissolution was issued; and

(iii) a document detailing the assets and liabilities as of the end of the immediately preceding business year and the matters of the profit and losses of the immediately preceding business year.

(Vesting Residual Assets)

Article 48 Pursuant to the provisions of Article 265-48, paragraph (3) of the Act, a corporation must vest its residual assets in another corporation that its member is to join in accordance with the cumulative amount of obligatory contributions paid by the member prescribed in Article 265-34, paragraph (1) of the Act.

(Cases Where Petition for Succession of Insurance Contracts is Permitted)

Article 48-2 The cases specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 267, paragraph (1) of the Act are cases falling under either of the following items:

(i) cases where the transfer, etc., of insurance contracts is difficult as there is no prospect of finding a relief insurance company or a relief insurance holding company, etc.; or

(ii) cases where the bankrupt insurance company is an insurance company with a license of the type falling under Article 262, paragraph (2), item (ii) of the Act and the transfer, etc., of insurance contracts is difficult as there is no prospect of a relief insurance holding company, etc. (excluding those who have already received approval prescribed in Article 271-10, paragraph (1) of the Act or approval prescribed in Article 271-18, paragraph (1) of the Act) (referred to below as "approval of insurance companies' major shareholders, etc." in this item and item (ii) of the following Article), relating to the relevant bankrupt insurance company) obtaining the approval of insurance companies' major shareholders, etc., relating to the bankrupt insurance company in the near future, and there is no prospect of finding a relief insurance company or a relief insurance holding company, etc., other than the relief insurance holding company, etc.

(Materials to Be Submitted When Petitioning for Succession, of Insurance Contracts)

Article 48-3 The materials specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 267, paragraph (2) of the Act are stated in each of the following items in accordance with the category specified in them:

(i) when petitioning for succession, etc., of insurance contracts in the case specified in item (i) of the preceding Article: materials showing the details of the negotiations on transfer, etc., of insurance contracts with other insurance companies or insurance holding companies, etc., and materials showing that there is no prospect of finding a relief insurance company or a relief insurance holding company, etc.; or

(ii) when petitioning for succession, etc., of insurance contracts in the case stated in item (ii) of the preceding Article: materials showing that there is no prospect that the relief insurance holding company, etc., referred to in item (ii) of the preceding Article will obtain the approval of insurance companies' major shareholders, etc., relating to the bankrupt insurance company in the near future and materials showing that there is no prospect of finding a relief insurance company or a relief insurance holding company, etc., other than the relief insurance holding company, etc., referred to in item (ii) of the preceding Article.

(Application for Approval of Eligibility for the Transfer of Insurance Contracts)

Article 48-4 When an insurance company intends to obtain an approval pursuant to the provisions of Article 268, paragraph (1) of the Act, it must submit to the Commissioner of the Financial Services Agency a written application for approval with the documents stated in the following items attached to it:

(i) a written statement of reasons;
(ii) a balance sheet and profit and loss statement of the bankrupt insurance company (in the case of a foreign insurance company, etc., the balance sheet and profit and loss statement for its insurance business in Japan; the same applies in Article 49, paragraph (2), item (ii)); and
(iii) documents detailing any matters that should serve as reference in determining whether all of the requirements stated in each of the items in Article 268, paragraph (3) of the Act are satisfied.

(Matters Detailed in Report on Approval of Eligibility for the Transfer of Insurance Contracts)

Article 49 When an affiliated corporation provides a report pursuant to the provisions of Article 268, paragraph (5) of the Act (including the case where it is applied mutatis mutandis pursuant to Article 269, paragraph 2, Article 270-3-12, paragraph (2), Article 270-3-13, paragraph (4), Article 270-6-3, paragraph 2, and Article 270-6-4, paragraph (4) of the Act), it must submit to the Minister of Finance a document detailing the following matters:
(i) the date approval was granted by the Commissioner of the Financial Services Agency; and
(ii) other matters relating to the decision on financial assistance.

(Application for Approval of Eligibility for the Succession of Insurance Contracts)

Article 49-2 When an insurance company intends to obtain an approval pursuant to the provisions of Article 270, paragraph (1) of the Act, it must submit to the Commissioner of the Financial Services Agency a written application for approval with the documents stated in the following items attached to it:
(i) a written statement of reasons;
(ii) a balance sheet and profit and loss statement of the bankrupt insurance company; and
(iii) documents stating any matters that should serve as reference in determining whether all of the requirements stated in each of the items in Article 270, paragraph (2) of the Act are satisfied.

(Matters Stated in Report on Approval of Eligibility for the Succession of Insurance Contracts)

Article 50 When an Affiliated Corporation provides a report under the provisions of Article 270, paragraph (4) of the Act, it must submit to the Minister of Finance a document stating the following matters:
(i) the date approval was granted by the Commissioner of the Financial Services Agency; and

(ii) other matters relating to the decision on the underwriting of insurance contracts.

(Report on Property Evaluation of a Bankrupt Insurance Company)

Article 50-2 When a corporation provides a report under the provisions of Article 270-2, paragraph (6) of the Act, it must submit to the Commissioner of the Financial Services Agency and the Minister of Finance a document detailing the following matters:

(i) the results of the property self-evaluation (meaning the property self-evaluation prescribed in Article 270-2, paragraph (1) of the Act) by the bankrupt insurance company; and

(ii) if a corporation evaluated the property of a bankrupt insurance company pursuant to the provisions of Article 270-2, paragraph (4) of the Act, the details of the evaluation.

(Covered Insurance Contracts)

Article 50-3 (1) The insurance contracts specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-3, paragraph 2, item (1) (including the case where it is applied mutatis mutandis pursuant to Article 270-3-2, paragraph (8) of the Act; the same applies below from this Article to Article 50-5) are the primary insurance contracts (meaning insurance contracts excluding reinsurance contracts) in Japan, which are stated in the following items (excluding the portions of performance-linked insurance contracts (meaning the performance-linked insurance contracts stated in Article 74, item (1) or Article 153, item (i) of the Regulations) falling under the designated special account prescribed in Article 75-2, paragraph (1) of the Regulations):

(i) insurance contracts for insurance specified in Article 3, paragraph (4), item (i) of the Act;

(ii) insurance contracts for insurance specified in Article 3, paragraph (4), item (ii) of the Act;

(iii) the contracts for automobile damage liability insurance as defined in Article 5 of the Automobile Liability Security Act (Act No. 97 of 1955) (referred to as "automobile damage liability insurance contract" in paragraph (2), item (ii) of the following Article);

(iv) the earthquake insurance contracts prescribed in Article 2, paragraph (2) of the Act on Earthquake Insurance (Act No. 73 of 1966) (referred to as "earthquake insurance contract" in paragraph (2), item (iii) of the following Article);

(v) the automobile insurance contracts prescribed in Article 83, item (iii) (k) of the Regulations; and

(vi) insurance contracts relating to the insurance specified in Article 3,

paragraph (5), item, (i) of the Act (excluding the insurance contracts under the preceding three items and limited to those with respect to which the policyholder is an individual, a small-scale corporation or a group prescribed in Article 3 or Article 65 of the Act on Building Unit Ownership (Act No. 69 of April 4, 1962) (limited to groups which mainly manage buildings for residential use; referred to below as "management association(s)")) (including the portions relating to the insured in insurance contracts for which the policyholder is a person other than an individual, a small-scale corporation or a management association and the insured, who is an individual, small-scale corporation or management association, is to substantially bear the insurance premiums).

(2) The term "small-scale corporation" as used in item (vi) of the preceding paragraph means the following:

(i) as used in the main clause of Article 1-6-2, paragraph (1), it means a Japanese corporation (including an association or foundation that is not a corporation but for which a representative or an administrator has been designated and excluding management associations having a manager prescribed in Article 3 of the Act on Building Unit Ownership (including directors prescribed in Article 49, paragraph 1 of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 66 of the same Act) having twenty or fewer employees who are hired full-time or staff members who work full-time (referred to as "employees who are hired full-time, etc." in the following item); and

(ii) as used in the main clause of Article 1-6-2, paragraph (1), a foreign corporation (including a foreign association or foundation that is not a corporation but for which a representative or an administrator has been designated) having twenty or fewer employees who are hired full-time, etc., which is associated with an insurance contract which was concluded through its business office or office in Japan.

(3) Notwithstanding the provisions of paragraph (1) (limited to the part relating to item (vi)), of the insurance contracts specified in paragraph (1) (limited to the part relating to item (vi)), insurance contracts for which the policyholder is an individual, a small-scale corporation or a management association and the insured, who is a person other than an individual, small-scale corporation or management association, is to substantially bear the insurance premiums (limited to those concluded with the individual, small-scale corporation or management association as the policyholder for the sole purpose of having the insurance contract qualify as an insurance contract specified in the same item) is deemed as not falling under the category of covered insurance contract.

(4) In the cases stated in the following items, the provisions of the preceding paragraph are to apply pursuant to the provisions of the respective items:

(i) if the grounds for payment of the insurance proceeds, etc., are not prescribed in the basic policy: the provisions of the preceding paragraph (1) apply by deeming that the basic policy and the insurance rider (in the case where multiple insurance riders are attached to the relevant basic policy, it means that the basic policy and the main insurance rider) constitute a single basic policy; provided, however, that when multiple main insurance riders are attached to the basic policy, the provisions of paragraph (1) apply by deeming the basic policy and each of the main insurance riders to constitute a single basic policy, respectively; and

(ii) if the policy reserve for a single insurance contract (limited to those relating to insurance companies that have received a license that falls under the class of license described in Article 262, paragraph (2), item (ii) of the Act; the same applies below in this item) is set aside in accordance with the categories prescribed by the documents stated in Article 4, paragraph (2), item (iv) (limited to cases where the policy reserve for the basic policy is set aside in accordance with the categories): the provisions of paragraph (1) apply by deeming that the basic policy of the relevant insurance contract, the insurance rider attached to it, and the clauses contained in it (excluding insurance riders and clauses corresponding to insurance contracts stated in Article 1-6-3, paragraph (1) item (iii)) constitute an independent insurance contract in accordance with the respective categories or by deeming that the insurance riders and clauses corresponding to the insurance contracts stated in Article 1-6-3, paragraph (1), item (iii) constitute insurance contracts specified in paragraph (1) (limited to the part relating to item (ii)).

(Specified Policy Reserve)

Article 50-4 (1) If the bankrupt insurance company is an insurance company with a license of the type falling under Article 262, paragraph (2), item (i) of the Act, the policy reserves specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-3, paragraph (2), item (i) of the Act are as stated in the following items with regard to insurance contracts subject to modification of insurance clauses (in the case where financial assistance is to be provided for the transfer of insurance contracts comprising a portion of the insurance contracts of the bankrupt insurance company, limited to the insurance contracts subject to transfer; the same applies in the following paragraph):

(i) policy reserve (limited to those which serve as the basis of policyholder value (in the case of insurance contracts for which the basis is equal to zero, the amount calculated based on the amount of unexpired insurance premiums (meaning the amount of insurance premiums corresponding to the unexpired period (meaning the insurance period specified under an insurance

contract which has not passed as of the base time for the confirmed evaluation of property prescribed in Article 270-3, paragraph 2, item (ii) of the Act)) or any other amount deemed acceptable by an affiliated corporation) prescribed in Article 10, item (iii) of the Regulations);

(ii) reserve for outstanding claims; and

(iii) members' dividend reserve or policy dividend reserve (meaning the policy dividend reserve referred to in Article 64, paragraph (1) of the Regulations, excluding the unappropriated amounts).

(2) If the bankrupt insurance company is an insurance company with a license of the type stated in Article 262, paragraph (2), item (ii) of the Act, the policy reserves specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-3, paragraph (2), item (i) of the Act are to be as stated in the following items with regard to insurance contracts subject to modification of insurance clauses:

(i) policy reserve (excluding those that fall under the following item and item (iii), and the unappropriated amount of policy dividend reserve (meaning the policy dividend reserve, etc., referred to in Article 70, paragraph (1), item (iv) of the Rules));

(ii) policy reserve for automobile damage liability insurance contracts;

(iii) policy reserve for earthquake insurance contracts;

(iv) reserve for outstanding claims;

(v) amounts payable; and

(vi) members' dividend reserve (excluding the unappropriated amounts).

(Rate Specified by Cabinet Office Order and Order of the Ministry of Finance Prescribed in Article 270-3, Paragraph (2), Item (i) of the Act)

Article 50-5 (1) The rate specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-3, paragraph (2), item (1) of the Act is the rate specified in each of the following items in accordance with the category of insurance contracts specified in them:

(i) underlying life insurance contracts: 90%;

(ii) sickness and injury insurance contracts: 90%;

(iii) short-term injury insurance contracts or specified overseas travel accident insurance contracts: 80%; provided, however, that for specified policy reserve, etc., to be retained for allocation to payments relating to specified claims for loss compensation, etc. (meaning specified policy reserve, etc., prescribed in Article 270-3, paragraph (2), item (i) of the Act; the same applies in item (vi) and paragraph (5), as well as items (ii) and (iii) of the following Article), it is 100%;

(iv) savings portion of non-pension type sickness and injury insurance contracts: 80%;

(v) automobile damage liability insurance contracts, etc.: 100%; and
(vi) loss compensation insurance contracts: 80%; provided, however, that for specified policy reserve, etc., to be retained for allocation to payments relating to specified claims for loss compensation, etc., it is 100%.

(2) Notwithstanding the provisions of the preceding paragraph, the rate specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-3, paragraph (2), item (i) of the Act relating to underlying life insurance contracts, etc., that fall under the category of contracts with high assumed interest rate is the rate specified in each of the following items in accordance with the category of insurance contracts specified in them (in the case where a specified rate is lower than the base expected performance rate, it is the base expected performance rate) :
(i) underlying life insurance contracts, etc. (excluding those specified in the following item): 90% less the percentage deductible from cover; and
(ii) savings portion of sickness and injury insurance contracts: 90% less the percentage deductible from cover.

(3) The term "contracts with high assumed interest rate" as used in the preceding paragraph means an insurance contract (limited to insurance contracts with an insurance period (in the case of insurance contracts that have already been concluded and for which the insurance period may be renewed or extended pursuant to the provisions of them, the cumulative insurance period including the renewed or extended insurance period) of more than five years) whose assumed interest rate (in the case where the insurance premiums are to be paid in a lump sum on multiple due dates and the lump sum payments of insurance premiums are calculated based on a coefficient, the assumed interest rate serving as the basis for the calculation of the coefficient) which serves as the basis for the calculation of insurance premiums and the policy reserve (in the case of the savings portion of a sickness and injury insurance contract, the insurance premiums or policy reserve relating to the savings portion), constantly exceeded the standard rate for the past five years.

(4) In the cases stated in the following items, the provisions of the preceding two paragraphs are to apply pursuant to the provisions of the respective items:
(i) if the assumed interest rate (meaning the assumed interest rate as specified in the preceding paragraph; the same applies below in this paragraph) for the basic policy of a single insurance contract (excluding the savings portion) or for the insurance riders attached to it vary, the provisions of the preceding two paragraphs apply by deeming each of the basic policy and the insurance rider attached to it to be independent insurance contracts based on the differences in the assumed interest rates; and
(ii) if the assumed interest rates for two or more insureds covered by a single insurance contract (limited to those paying the insurance premiums for the

relevant insurance contract in the case of insurance contracts other than the defined contribution pension insurance contracts, etc.) vary, the provisions of the preceding two paragraphs apply by deeming that an independent insurance contract has been concluded for each of the relevant insured.

(5) The term "base expected performance rate" as used in the main clause of paragraph (2) means the rate obtained for a bankrupt insurance company by dividing the amount stated in Article 270-3, paragraph (2), item (ii) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 270-3-2, paragraph (8) of the Act) (including the amount of goodwill (limited to that which should be recorded as assets or recorded in the assets section; the same applies below in this paragraph) in the case where there is an amount of goodwill that should be recorded with respect to the relief insurance company or the successor insurance company of the bankrupt insurance company or with respect to the bankrupt insurance company pursuant to the provisions of Articles 17 (excluding paragraph (1)) and 17-2 of the Rules, the provisions relating to goodwill in Part II, Chapter 2, Section 2, Subsection 2, Division 1 of the Rules (including the provisions of Article 24 of the Rules), the provisions of the first sentence of Article 1, paragraph (3) of the Regulations for Enforcement of the Corporate Reorganization Act (Regulations of the Ministry of Justice No. 14 of 2003), or the provisions of the first sentence of Article 4, paragraph (3) of the Regulations for Enforcement of the Act on Special Treatment of Corporate Reorganization Proceedings and Other Insolvency Proceedings of Financial Institutions (Cabinet Office Order No. 19 of 2003)) by the amount of the specified policy reserve, etc.

(Amount Calculated as per Cabinet Office Order and Order of the Ministry of Finance Provided for in Article 270-3, Paragraph (2), Item (ii) of the Act)

Article 50-6 The amount calculated as per Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-3, paragraph (2), item (ii) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 270-3-2, paragraph (8) of the Act; the same applies in item (i)) is the amount obtained by multiplying the amount specified in item (i) by the rate specified in item (ii) (the amount obtained by multiplying the amount specified in item (i) by the rate specified in item (ii) and then multiplying the result of it by the rate specified in item (iii) in the case where financial assistance is to be provided for the transfer of insurance contracts comprising a part of the insurance contracts relating to a bankrupt insurance company).

(i) the amount of assets based on confirmed evaluation of property (meaning the confirmed evaluation of property prescribed in Article 270-3, paragraph (2), item (ii) of the Act) less the amount of claims relating to general creditors and the amount of claims relating to the insurance contracts not

subject to the modification of insurance clauses;

(ii) the rate obtained by dividing the amount of specified policy reserve, etc., relating to covered insurance contracts by the amount of specified policy reserve, etc., relating to insurance contracts;

(iii) the rate obtained by dividing the amount of the specified policy reserve, etc., relating to the covered insurance contracts subject to the transfer of insurance contracts relating to the relevant financial assistance by the specified policy reserve, etc., concerning the covered insurance contracts.

(Expected Cost of Transfer of Insurance Contracts)

Article 50-7 The expenses specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-3, paragraph (2), item (iii) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 270-3-2, paragraph (8) of the Act) are those which are stated in the following items:

(i) expenses relating to the formulation of a plan for the transfer of insurance contracts;

(ii) expenses relating to the conclusion of a transfer agreement;

(iii) expenses relating to the notification of policyholders; and

(iv) expenses relating to public notices and any other expenses a corporation finds necessary for a smooth transfer of the insurance contracts.

(Matters to Be Reported When a Decision Prescribed in Article 270-3, Paragraph (1) of the Act Is Made)

Article 50-7-2 The matters specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-3, paragraph (3) of the Act are as follows:

(i) the fact that a decision prescribed in Article 270-3, paragraph (1) of the Act has been made and the substance of the financial assistance relating to the decision (in the case where the bankrupt insurance company relating to the relevant financial assistance is an insurance company with a license of the type falling under Article 262, paragraph (2), item (ii) of the Act, the substance is to include the number of covered insurance contracts relating to the bankrupt insurance company and the matters on the method used for the identification of them);

(ii) an outline of the committee meetings relating to the decision prescribed in Article 270-3, paragraph (1) of the Act and any other processes relating to the decision; and

(iii) any other matters which would serve as reference.

(Matters to Be Reported When a Decision Prescribed in Article 270-3-2,

Paragraph (6) or (7) of the Act Is Made)

Article 50-7-3 The matters specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-3, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 270-3-2, paragraph (8) are as follows:

(i) the fact that a decision prescribed in Article 270-3-2, paragraph (6) or paragraph (7) has been made;

(ii) if the decision prescribed in Article 270-3-2, paragraph (7) of the Act has been made, the substance of the financial assistance relating to the decision (in the case where the bankrupt insurance company relating to the relevant financial assistance is an insurance company with a license of the type falling under Article 262, paragraph (2), item (ii) of the Act, the substance is to include the number of Covered Insurance Contracts relating to the bankrupt insurance company and the matters on the method used for the identification of them);

(iii) an outline of the Committee meetings relating to the decision prescribed in Article 270-3-2, paragraph (6) or (7) of the Act and any other processes relating to the decision; and

(iv) any other matters which would serve as reference.

(Amount of Loss Incurred by Successor Insurance Company Under the Agreement)

Article 50-8 (1) The amount calculated pursuant to the provisions of Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 37-4-2, item (ii) of the Order is the amount remaining after the amounts stated in items (ii) and (iii) are deducted from the amount stated in item (i):

(i) the aggregate of the ordinary expenses and extraordinary losses;

(ii) the aggregate amount of ordinary income and extraordinary income (when a corporation has made any payment to compensate for a loss incurred in the previous business year, the amount remaining after deducting the amount of compensation); and

(iii) the amount of accumulated profit carried forward (if net profit for the current period has been carried over, the amount remaining after deducting the carried-over amount from it, and if net loss for the current period has been carried over, the amount obtained by adding the carried-over amount to it).

(2) The terms "ordinary expenses", "extraordinary loss", "ordinary income", "extraordinary income", "accumulated profit carried forward", "net income" and "net loss" prescribed in the preceding paragraph mean the ordinary expenses, extraordinary loss, ordinary income, extraordinary income, accumulated profit carried forward, net income and net loss stated in the business report

prescribed in Article 110, paragraph (1) of the Act.

(Application for Approval of Eligibility for Succession to Inherited Insurance Contracts)

Article 50-9 When an insurance company intends to obtain an approval under the provisions of Article 270-3-12, paragraph (1) of the Act, it must submit to the Commissioner of the Financial Services Agency a written application for approval with the documents stated in the following items attached to it:

(i) a written statement of reasons;

(ii) a balance sheet and profit and loss statement of the successor insurance company; and

(iii) any other documents detailing matters that should serve as reference in determining if all of the requirements stated in each of the items (excluding item (iii)) under Article 268, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 270-3-12, paragraph (2) of the Act are satisfied.

(Matters to Be Reported When a Decision Prescribed in Article 270-3-14, Paragraph (1) of the Act Is Made)

Article 50-9-2 The provisions of Article 50-7-2 (excluding the provisions of item (i) in parentheses) apply mutatis mutandis pursuant to the matters specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-3, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 270-3-14, paragraph (2) of the Act.

(Matters to Be Reported When a Decision Prescribed in Article 270-4, Paragraph (6) of the Act Is Made)

Article 50-9-3 The provisions of Article 50-7-2 apply mutatis mutandis to the matters specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-3, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 270-4, paragraph (7) of the Act. In this case, the term "the fact that the decision prescribed in Article 270-3, paragraph (1) of the Act has been made and the substance of the financial assistance relating to the decision" in Article 50-7-2, item (i) is deemed to be replaced with "the fact that the decision prescribed in Article 270-4, paragraph (6) of the Act has been made and the transfer to special insurance accounts relating to the decision to be performed pursuant to the provisions of Article 270-5, paragraph (2) of the Act".

(Amount of Losses in Special Insurance Accounts)

Article 50-10 The amount specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 37-4-4 of the Order is the amount

obtained by deducting the accumulated profit carried forward (meaning the accumulated profit carried forward (limited to cases where it is less than zero) stated in a business report prescribed in Article 110, paragraph (1) of the Act as applied by deeming a corporation to be an insurance company pursuant to the provisions of Article 270-6, paragraph (2), item (i)) from zero.

(Rate Specified by Cabinet Office Order and Order of the Ministry of Finance Prescribed in Article 270-5, Paragraph (2), Item (i) of the Act)

Article 50-11 The provisions of Article 50-5 apply mutatis mutandis to the rate specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-5, paragraph (2), item (i) of the Act. In this case, the term "the amount stated in Article 270-3, paragraph 2, item (ii) of the Act (including the cases where it is applied mutatis mutandis pursuant to Article 270-3-2, paragraph (8) of the Act) (including the amount of goodwill (limited to that which should be recorded as assets or recorded in the assets section; the same applies below in this paragraph) in the case where there is an amount of goodwill that should be recorded with respect to the relief insurance company or the successor insurance company of the bankrupt insurance company or with respect to the bankrupt insurance company pursuant to the provisions of Articles 17 (excluding paragraph (1)) and 17-2 of the Rules, the provisions relating to goodwill in Part II, Chapter 2, Section 2, Subsection 2, Division 1 of the Rules (including the provisions of Article 24 of the Rules), the provisions of the first sentence of Article 1, paragraph (3) of the Regulations for Enforcement of the Corporate Reorganization Act (Regulations of the Ministry of Justice No. 14 of 2003), or the provisions of the first sentence of Article 4, paragraph (3) of the Regulations for Enforcement of the Act on Special Treatment of Corporate Reorganization Proceedings and Other Insolvency Proceedings of Financial Institutions (Cabinet Office Order No. 19 of 2003))" is deemed to be replaced with "the amount stated in Article 270-5, paragraph (2), item (ii) of the Act".

(Amount Calculated Pursuant to the Provisions of Cabinet Office Order and Order of the Ministry of Finance Prescribed in Article 270-5, Paragraph (2), Item (ii) of the Act)

Article 50-12 The provisions of Article 50-6 apply mutatis mutandis to the rate calculated pursuant to the provisions of Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-5, paragraph (2), item (ii) of the Act.

(Application for Approval of Secondary Transfer of Insurance Contracts)

Article 50-13 When an underwriting corporation (meaning an underwriting

corporation prescribed in Article 270-6-2, paragraph (1) of the Act; the same applies below in this Article) and a secondary transferee insurance company (meaning a secondary transferee insurance company prescribed in Article 260, paragraph (5), item (i) of the Act) intend to obtain an approval provided for in the provisions of Article 270-6-3, paragraph (1) of the Act, they must submit to the Commissioner of the Financial Services Agency a written application for approval with the documents stated in the following items attached to it:

(i) a written statement of reasons;

(ii) a balance sheet and profit and loss statement relating to the special insurance accounts of the underwriting corporation; and

(iii) any other documents detailing matters that should serve as reference in determining if all of the requirements stated in each of the items (excluding item (iii)) under Article 268, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 270-6-3, paragraph (2) of the Act are satisfied.

(Matters to Be Reported When a Decision Prescribed in Article 270-6-5, Paragraph (1) of the Act Is Made)

Article 50-13-2 The provisions of Article 50-7-2 (excluding the provisions of item (i) in parentheses) apply mutatis mutandis pursuant to the matters specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-3, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 270-6-5, paragraph (2) of the Act. In this case, the term "committee meetings relating to the decision prescribed in Article 270-3, paragraph (1) of the Act" in Article 50-7-2, item (ii) is deemed to be replaced with "examination board meetings and committee meetings relating to the decision prescribed in Article 270-6-5, paragraph (1) of the Act".

(Rate Specified by Cabinet Office Order and Order of the Ministry of Finance Prescribed in Article 270-6-8, Paragraph (2) of the Act)

Article 50-14 (1) The rate specified by Cabinet Office Order or an Order of the Ministry of Finance prescribed in the main clause of Article 270-6-8, paragraph (2) of the Act is the rate stated in each of the following items in accordance with the category of insurance claim, etc. (meaning the insurance claim, etc., prescribed in Article 270-6-8, paragraph (1) of the Act; the same applies below in this Article) specified in the items:

(i) insurance claim, etc. relating to underlying life insurance contracts: 90%;

(ii) insurance claim, etc., relating to sickness and injury insurance contracts: 90%;

(iii) insurance claim, etc., relating to short-term injury insurance contracts or specified overseas travel accident insurance contracts: 80%; provided, however, that the rate for the insurance claim, etc., is 100% for an insured

event relating to the right stated in Article 37-4-6, item (i) or (ii) of the Order occurring before the expiration of the period prescribed in Article 1-6-2, paragraph (1) (referred to as "specified claims for loss compensation, etc., subject to acquisition" in item (vi));

(iv) insurance claim, etc., relating to the savings portion of non-pension type sickness and injury insurance contracts: 80%;

(v) insurance claim, etc., relating to automobile damage liability insurance contracts, etc.: 100%; and

(vi) insurance claim, etc., relating to loss compensation insurance contracts: 80%; provided, however, that the rate for insurance claim, etc., for specified claims for loss compensation, etc., subject to acquisition is 100%.

(2) Notwithstanding the provisions of the preceding Article, in the case of underlying life insurance contracts falling under the category of contracts with high assumed interest rate provided in Article 50-5, paragraph (3), the rate specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in the main clause of Article 270-6-8, paragraph (2) of the Act for the underlying life insurance contracts, etc., falling under contracts with high assumed interest rate is the rate prescribed in each of the following items in accordance with the category of insurance claim, etc., as stated in the items:

(i) insurance claim, etc., relating to underlying life insurance contracts, etc. (excluding those specified in the following item): 90% less the percentage deductible from cover; and

(ii) insurance claim, etc., relating to the savings portion of sickness and injury insurance contracts: 90% less the percentage deductible from cover.

(3) In the cases stated in the following items, the provisions of the preceding paragraph are to apply pursuant to the provisions of the respective items:

(i) if the assumed interest rate (meaning the assumed interest rate as specified Article 50-5, paragraph (3); the same applies below in this paragraph) for the basic policy of a single insurance contract (excluding the savings portion) or for the insurance riders attached to it vary, the provisions of the preceding paragraph apply by deeming each of the basic policy and the insurance rider attached to it to be independent insurance contracts based on the differences in the assumed interest rates; and

(ii) if the assumed interest rates for two or more insureds covered by a single insurance contract (limited to those paying the insurance premiums for the relevant insurance contract in the case of insurance contracts other than defined contribution pension insurance contracts, etc.) vary, the provisions of the preceding paragraph apply by deeming that an independent insurance contract has been concluded for each of the relevant insured.

(Expenses Required for Purchase of Insurance Claims)

Article 50-15 The expenses required for the purchase of insurance claims, etc., specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-6-8, paragraph 2 of the Act are as follows:

(i) interest on the funds borrowed by an affiliated corporation for the purchase of insurance claims, etc. (meaning the purchase of insurance claims, etc., prescribed in Article 270-6-8, paragraph (1); the same applies below);

(ii) administrative expenses incurred by an affiliated corporation in order to purchase insurance claims, etc.; and

(iii) if a payment is to be made pursuant to the provisions of the proviso of Article 270-6-8, paragraph (2) of the Act, the administrative expenses an affiliated corporation expects to incur in order to make the payment.

(Matters Specified by Public Notice in Relation to Purchase of Insurance Claims,)

Article 50-16 The matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-6-9, paragraph (1) of the Act are as follows:

(i) hours of handling of purchase of insurance claims, etc.;

(ii) documents and other items required to be submitted or presented to a corporation by a creditor relating to insurance claims, etc., when requesting the purchase of the insurance claims, etc.; and

(iii) any other matters a corporation finds necessary.

(Matters Specified by Public Notice in Relation to Additional Payment)

Article 50-17 The matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-6-9, paragraph (2) of the Act are as follows:

(i) method of payment; and

(ii) any other matters an affiliated corporation finds necessary.

(Requirements for Loan of Funds to Members)

Article 51 The requirements specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-7, paragraph (2) of the Act are as follows:

(i) the calling of loan claims relating to the loan of funds specified in paragraph (1) of that Article is found to be certain; and

(ii) the prompt procurement of funds in a domestic or overseas financial market is deemed difficult for the member requesting the loan of funds prescribed in that Article.

(Insurance Contracts Eligible for Loan of Funds to Policyholders)

Article 52 The insurance contracts specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-8, paragraph (1) of the Act are the insurance contracts specified by the corporation within the scope of covered insurance contracts (including underlying life insurance contracts, etc., falling under contracts with high assumed interest rate prescribed in Article 50-5, paragraph (3)) and for which insurance contracts the person entitled to the rights prescribed in the following Article is an individual.

(Rights Specified by Cabinet Office Order and Order of the Ministry of Finance Prescribed in Article 270-8, Paragraph (1) of the Act)

Article 53 The rights specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-8, paragraph (1) of the Act are as follows:

(i) insurance claims;

(ii) the right to claim maturity refund;

(iii) the right to refunds on expiration; and

(iv) the right to claim dividends from policyholders' dividends or surplus distributed to members (limited to cases where the claim is filed simultaneously with the claims stated in the preceding three items).

(Amounts Specified by Cabinet Office Order and Order of the Ministry of Finance Prescribed in Article 270-8, Paragraph (1) of the Act)

Article 54 The amounts specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-8, paragraph (1) of the Act are the amounts specified in each of the following items in accordance with the category of claim specified in the items:

(i) a claim relating to specified contracts prescribed in Article 250, paragraph (3) of the Act as applied mutatis mutandis pursuant to Article 270-4, paragraph (9) of the Act in the case where a corporation underwrites an insurance contract pursuant to a contract prescribed in Article 270-4, paragraph (6) of the Act: the amount of the relevant claim; and

(ii) any claim other than the claim specified in the preceding item: the amount expected to be receivable in the case where a corporation underwrites an insurance contract pursuant to a contract prescribed in Article 270-4, paragraph (6) of the Act.

(Requirements for Loan of Funds to Policyholders)

Article 55 The requirements specified by Cabinet Office Order and Order of the Ministry of Finance prescribed in Article 270-8, paragraph (2) of the Act are that the performance of an obligation relating to the loan of funds is found to be certain given the insurance proceeds and other benefits to be received by the qualified person, prescribed in paragraph (1) of that Article, pursuant to the

rights prescribed in that paragraph.

(Matters Relating to Loan of Funds Specified by Cabinet Office Order and Order of the Ministry of Finance)

Article 56 The matters specified by Cabinet Office Order or Order of the Ministry of Finance prescribed in Article 270-8, paragraph (4) of the Act are as follows:

(i) locations for acceptance of applications;

(ii) loan method (meaning eligible insurance contracts, eligible claims, lending limit, the interest on loans and repayment method);

(iii) period for acceptance of applications;

(iv) hours for acceptance of applications;

(v) loan period;

(vi) the names of documents and other items required to be submitted or presented to a corporation by a policyholder, etc., when applying for a loan; and

(vii) any other matters a corporation finds necessary.