

- Assessment Statement for Products (for life insurance companies): Life insurance companies must write entries horizontally in an A4-size document and submit the Assessment Statement.

| Item  | Description, etc.   |
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| 1. Name   |   |
| 2. Purpose  | The need for developing the product (current status of sales, analysis of current status, etc.). Attach materials which objectively indicate such necessity.  |
| 3. Structure and characteristics                    | (1) Model (Chart)<br>This must indicate the line of the policy reserve.<br>This must include an example of the insurance premium for a person of typical age.<br>(2) Characteristics  |
| 4. Insurance coverage                               | (1) Kinds of insurance claims, etc.<br>(2) Causes for payment<br>(3) Payment amount<br>(4) Immunity reasons<br>Quote the statement made in the policy conditions.<br>(5) Others   |
| 5. Insurance period, etc.                           | (1) Insurance period<br>(2) Premium payment period<br>(3) Range of eligible ages  |
| 6. Limit on the insured amounts                     | (1) The limit on the same insured person<br>(2) The limit in the case of inclusion of other insured amounts<br>If other insurance amounts are not included in the existing standards, state the reasons.  |
| 7. Risk selection method and the limit on inclusion | (1) By notification<br>(2) By qualified interviewer<br>If other insurance amounts are not included in the existing standards, state the reasons.<br>(3) By doctor   |
| 8. Procedures for changes, etc.                     | (1) Procedures for changes, including reduction in amount and change of premium payment period, during the insurance period<br>(2) Procedures for changes, including taking out of other insurance policies, after expiration of the insurance period<br>(3) Existence or not of a clause on changing the contents of the insurance contract (as specified in Article 11, subparagraph 7, of the Ministerial Ordinance)<br>(4) Other special limits, etc. |
| 9. Scope of loading                                 | (1) Special provisions for loading (in the case of special provisions, the main contract)<br>(2) In the case of special provisions, the possibility of mid-term loading<br>If midterm loading is restricted, state the reasons (in particular, reasons for restricting main contracts for which loading is available)   |
| 10. Method of paying insurance premiums             | (1) Routes<br>(2) Frequency   |
| 11. Selling method                                  |   |
| 12. System to operate the special account           | Attach the organization chart and the list of staff.  |
| 13. Others  | (1) If conventional policy conditions, standards in the statement of business procedures, etc. are changed upon applying for certain products, state the details of such changes, causes, and results of deliberations made in light of the examination standards in the Insurance Business Act.  |

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|  | <p>(2) In the “old” conditions column of the comparison table of old and new conditions (in particular, for the policy conditions), state not only the old conditions of the company concerned but also the conditions of other companies as reference.</p> <p>(3) If it is judged that the product is a stereotypical, simple one or the product has substantially the same contents as those of other companies’ existing insurance products, state the fact.</p> <p>(4) If the product has insurance coverage, preservation procedures, etc. not found in existing products of other companies, clearly state such matters.</p> <p>(5) Make the Assessment Statement simple and clear by writing simple descriptions and using charts.</p> |
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- Assessment Statement for Actuarial Matters (for life and non-life insurance companies (long-term Third-Sector products)): Life and non-life insurance companies must write entries horizontally in an A4-size document and submit the Assessment Statement.

| Item  | Description, etc.  |
|---|--|
| 1. Matters concerning the method to calculate insurance premiums          | <p>(1) List of actuarial assumption rates (including the comparison with existing products)</p> <p>a. Expected incidence rates, etc.</p> <p>(i) Expected incidence rates<br/>Relationship between causes for benefit payment and incidence rates<br/>Flowchart for preparing incidence rates (including the outline of basic data)<br/>Differences from existing incidence rates for which benefits are similar</p> <p>(ii) Expected rates for exemption of insurance premiums<br/>Relationship with causes for exemption of payment of insurance premiums<br/>If expected rates are newly prepared, the flowchart for preparing expected rates</p> <p>b. Assumed interest rates<br/>Grounds for establishment (in the case of approval of ranges, state actually-reported interest rates)</p> <p>c. Assumed Operating Expense Ratios<br/>- Contents of provisions of the statement of the calculation method<br/>- Status of establishment of internal rules, etc.</p> <p>(2) Method to calculate insurance premiums<br/>- Method to calculate gross premium and its meaning<br/>- Example of net premium<br/>- If a probabilistic simulation, etc. is used instead of a calculation formula (for example, special account products with minimum guarantee), state an outline of the assumptions for calculation and the calculation method.</p>  |
| 2. Matters concerning the method to calculate the policy reserve          | <p>Whether the contract is subject to the standard policy reserve. State the reasons.</p> <p>(1) Actuarial assumption rates for premium reserve</p> <p>a. Expected incidence rates<br/>Whether these are the same as actuarial assumption rates for insurance premiums. If they are not the same, state the reasons.</p> <p>b. Assumed interest rates<br/>Whether these are the same as actuarial assumption rates for insurance premiums. If they are not the same, state the reasons.</p> <p>c. Preconditions for asset management concerning minimum guarantee<br/>Whether these are the same as actuarial assumption rates for insurance premiums. If they are not the same, state the reasons.</p> <p>(2) Method to calculate premium reserve</p> <p>a. Method to provide for the premium reserve (the net level premium method, the five-year Zillmer method, etc.)</p> <p>b. Whether the method to assess the premium reserve concerning minimum guarantee is the same as that for the method to compute insurance premiums. If it is not the same, state the reasons.</p> <p>c. If special conditions (the method to collect special premiums) are attached, state the method to reflect the same in the premium reserve.</p> <p>d. If the provision standard for contingency reserve and its maximum limit are newly established, state the calculation method and reasons.</p> |
| 3. Matters concerning the method to calculate the value for policyholders | <p>(1) Actuarial assumption rates for the value for policyholders</p> <p>a. Expected incidence rates<br/>Whether these are the same as actuarial assumption rates for insurance</p>  |

| Item   | Description, etc.  |
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| and actuarial assumption rates   | <p>premiums. If they are not the same, state the reasons.</p> <p>b. Assumed interest rates<br/>Whether these are the same as actuarial assumption rates for insurance premiums. If they are not the same, state the reasons.</p> <p>(2) Method to calculate the value for policyholders</p> <p>a. Cancellation refunds<br/>The method to calculate the cancellation refunds. If market value adjustment is used, state the adjustment factors.</p> |
| 4. Matters concerning the distribution of reserve for dividends to members or policy dividend and surplus, or the method to calculate dividends to policyholders |  |
| 5. Matters concerning calculation of premiums receivable   |  |
| 6. Matters concerning the calculation method when insured amounts, types of insurance contracts, or the insurance period are changed                             |  |
| 7. Other matters necessary for actuarial calculation   | <input type="radio"/> Enter any other matters deserving special consideration.   |

- Assessment Statement for Products (for non-life insurance companies): Non-life insurance companies must write entries horizontally in an A4-size document and submit the Assessment Statement.

| Item  | Description, etc.  |
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| 1. Name                                     |  |
| 2. Purpose                                  | The need for developing the product (current status of sales, analysis of current status, etc.). Attach materials which objectively indicate such necessity.   |
| 3. Contents and characteristics of products | (1) Characteristics<br>Describe the outline of contents and characteristics of products item by item and by using charts.<br>If there are existing similar products, state the names and companies of such products.<br>(2) Covered risks and conditions for coverage<br>(3) Structure of the contract<br>List of numbers and headings of the contract (special provisions)  |
| 4. Insurance coverage                       | (1) Kinds of insurance money, etc.<br>(2) Covered risks<br>(3) Causes for payment<br>(4) Method to calculate the amount of insurance money to be paid<br>(5) Immunity reasons<br>Quote the statement made in the policy conditions.  |
| 5. Contract procedures, etc.                | (1) Contents of matters to be disclosed<br>(2) Causes for invalidity, lapse, cancellation or termination of an insurance contract<br>(3) Method to pay insurance premiums and frequency of payment   |
| 6. Payment of insurance money               | (1) Procedures for claiming insurance money<br>(2) Time of payment of insurance money  |
| 7. Insurance period, etc.                   | (1) Matters concerning insurance period<br>(2) Matters concerning establishment, limitation or change of the amount of insurance money<br>(3) Matters concerning the insured person, the policyholder and the insurance beneficiary  |
| 8. Premium rates                            | (1) Indicators for risk selection (classification of premiums)<br>(2) Contents and sources of basic data used<br>(3) Net premium rate by covered risk and the preparation method<br>(4) The formula to calculate net premium rates for products (factors for additional or discount premiums), and examples<br>(5) Matters concerning policy reserve, assumed interest rates, dividends to policyholders, etc.                       |
| 9. Selling method                           | (1) Sales structure<br>(2) Loss adjustment system<br>(3) Expected time of selling  |
| 10. Others                                  | (1) If conventional policy conditions, standards in the statement of business procedures, etc. are changed upon applying for certain products, state the details of such changes, causes, and results of deliberations made in light of the examination standards in the Insurance Business Act.<br>(2) In the “old” conditions column of the comparison table of old and new conditions (in particular, for the policy conditions), |

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|  | <p>state not only the old conditions of the company concerned but also the conditions of other companies as reference.</p> <p>(3) If it is judged that the product is a stereotypical, simple one or the product has substantially the same contents as those of other companies' existing insurance products, state the fact.</p> <p>(4) If the product has insurance coverage, preservation procedures, etc. not found in existing products of other companies, clearly state such matters.</p> <p>(5) Make the Assessment Statement simple and clear by writing simple descriptions and using charts.</p> <p>(6) Particulars of cases to be treated as exemptions to the mandatory provisions of Article 36 of the Insurance Act</p> <p>(7) Enter any other matters deserving special consideration.</p> |
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