

Structure and Features

Major Categories

Non-life Insurance

(Accumulated accident insurance)

Life Insurance

(Accumulated annuity insurance)

Bank Deposits

(Fixed deposits, etc.)

Structure of products

You pay (deposit) funds to an insurance company or a bank for a certain period of time. Once the defined period (a period during which a guaranteed interest rate applies, or a term of deposit) has passed (at maturity), the interest will be added calculated based on the guaranteed interest rate upon the payment or deposit. If you sell the product before maturity, this results in early redemption.

Non-life Insurance

(Accumulated accident insurance)

Even if you redeem before maturity, this does not cause the asset balance to fall below the principal. In this case, the guaranteed interest rate is lowered. In the case of death due to injury caused by an accident during the investment period, the amount to be received will be increased more than the case of death due to a disease.

Expected Return

Interest (principal × guaranteed interest rate)

Life Insurance

(Accumulated annuity insurance)

If you redeem before maturity, a redemption charge can be applied which may cause the asset balance to fall below the principal. You can choose from multiple options to receive the benefit such as a “certain year annuity” or “life-time annuity”. If a “life-time annuity” is selected, the principal (accumulated capital) could be reduced depending on the length of the receiving period including the case of death during such period.

Expected Return

Interest (principal × guaranteed interest rate)

Bank Deposits

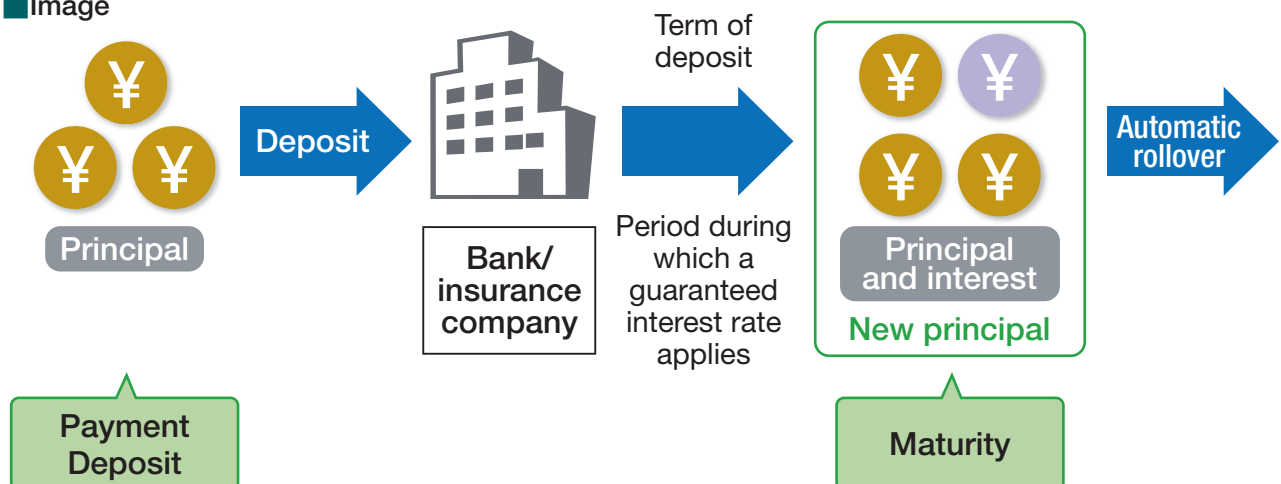
(Fixed deposits, etc.)

If you redeem before maturity, the applicable interest rate may be lowered.

Expected Return

Interest (principal × applicable interest rate)

Image

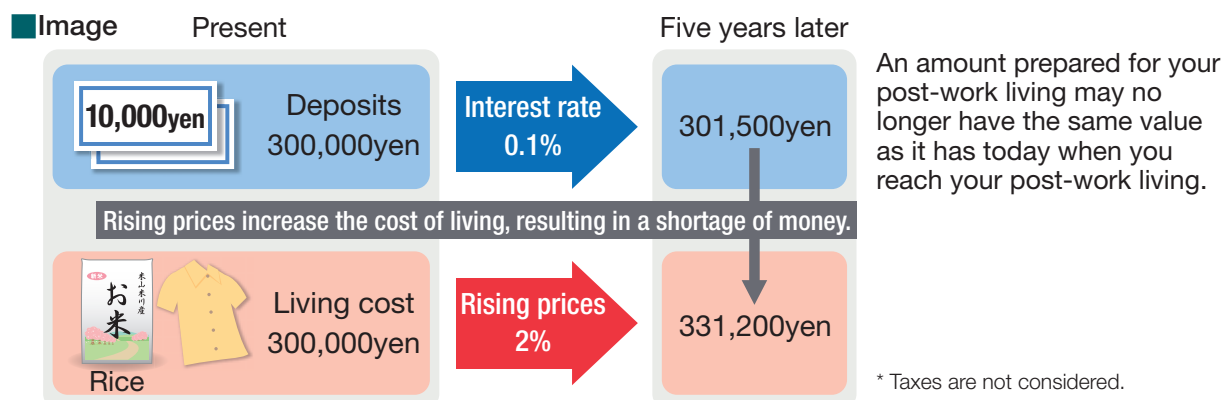


The above shows general descriptions of investment products used in a DC pension plan. The structure of products can vary depending on the investment product. Please see the Investment Product Guide for more details.

Risk of principal guaranteed investment products

Inflation Risk

Principal guaranteed investment products have an inflation risk. Inflation means an increase in the price of goods. When inflation occurs, the value of money decreases. This is called “Inflation Risk”.



Credit Risk

For principal guaranteed investment products, you need to pay attention to a possible decrease in your assets due to credit risk (such as bankruptcy of financial institutions holding your deposits).

Early redemption and asset protection

Categories of products		Early redemption If you redeem before maturity, the predetermined guaranteed interest rate may not be applied.	Asset protection When an insurance company or a bank used for payment and deposit goes bankrupt, a certain amount of protection is provided.
Insurance	Non-life Insurance (Accumulated accident insurance)	The principal is protected. In this case, the guaranteed interest rate is lowered.	Up to 90% of liability reserve is covered under the non-life and life insurance policy-holder's protection system. * The terms and conditions in the initial contract are subject to change depending on the financial condition of the insurance company.
	Life Insurance (Accumulated annuity insurance)	A redemption charge may be applied In this case, the principal may be reduced.	
Bank Deposits		Principal is protected. In this case, the applicable interest rate may be lowered.	The deposit insurance system protects up to 10 million yen in principal plus its interest per depositor per financial institution. * If you have deposits other than those under a DC plan in the same financial institution, they will be protected preferentially over those under the DC plan.

Display of interest and other information on the AnswerNet

The guaranteed interest rates are displayed on the AnswerNet. The interest of the products held is reflected in the asset balance, etc. as follows:

- **Non-life Insurance** Interest is reflected in the asset balance as well as profit and loss.
- **Life Insurance** Interest is reflected in the asset balance as well as profit and loss.
Upper column: A value when the product is sold before maturity and a redemption charge is applied.
Lower column: A value when the product is not sold before maturity and a redemption charge is not applied.
- **Bank Deposits** Interest is not displayed until maturity, and interest is incorporated into the principal upon maturity. Interest is not reflected in profit and loss of each product (profit and loss is always displayed as 0 yen with a profit and loss rate of 0%). Upon maturity, interest is reflected in the overall asset balance as well as profit and loss.