

## ARTICLES OF INCORPORATION

### Chapter 1 General Provisions

#### Article 1 Name

The Association shall be referred to as Foreign Non-Life Insurance Association of Japan, Inc.

#### Article 2 Location of Principle Office

The Association's principle office shall be located in Minato-ku, Tokyo.

#### Article 3 Purposes

The Association aims to enhance sound development of non-life insurance industry and to strengthen close relations among foreign non-life insurance carriers in Japan, and engages in the following businesses to contribute to such purposes.

- (1)Gathering information concerning non-life insurance businesses
- (2)Providing information concerning non-life insurance businesses to the members of the Association and their employees
- (3)Acting on behalf of the members to provide input to the Japanese Government and other political and industry organizations in terms of policies, legislation, regulations and taxation
- (4)Executing duties of the authorized personal information protection organization pursuant to Article 37, paragraph 1 of the Act on the Protection of Personal Information; and
- (5)Any and all businesses incidental to or relating to the businesses listed in the each item above

#### Article 4 Method of Public Notice

The Association shall make public notice by posting on the bulletin board at the principle office.

#### Article 5 Contribution of Fund

The Association may demand its members or third parties for the contribution of funds stipulated in Article 131 of the Act on General Associations and General Foundations (hereinafter referred to as the "Act on General Corporation").

#### Article 6 Solicitation of Fund

The board of directors shall decide procedures for solicitation, allocation and payment of the fund.

#### Article 7 Rules on Fund Contributor's Rights

1. No interest shall be imposed on claims pertaining to return of the fund
2. Claims pertaining to return of the fund may not be assigned, pledged or go through any other disposition
3. Fund shall not be returned before and until the Association dissolves
4. Fund contributors may not file petition for commencement of proceedings of bankruptcy, rehabilitation or any other similar proceedings. The same shall apply to those who received or succeeded all or a part of claims pertaining to return of fund.

#### Article 8 Procedures for Fund Return

Obligation pertaining to the fund shall be performed by liquidators after the remaining obligation has been performed in accordance with the inventory of property and balance sheets approved by a general meeting of the members.

### Chapter 2 Members

#### Article 9 Qualifications of Members

1. The member of the Association must fall under any one of the following conditions:
  - (1) A foreign non-life insurance company that obtained the foreign non-life insurance business license referred to in Article 185, paragraph 5 of Insurance Business Act,
  - (2) A non-life insurance company that obtained the non-life insurance business license referred to Article 3, paragraph 5 of Insurance Business Act, 50% or more of which voting right of shares entitled to exercise the voting rights are held by a foreign national or by a foreign judicial person, or
  - (3) A specified juridical person that has the specified non-life insurance business license referred to Article

219 of Insurance Business Act.

2. An approval by the board of director shall be obtained to become a member of the Association.
3. The member who is a body corporate shall appoint a person who will exercise the voting right on behalf of such member at the general meeting of the members ("registered representative") in advance and notify the Association of such. The same shall apply in cases where there is a change in the registered representative.

Article 10 Expenses

1. The member shall be obliged to pay expenses necessary to accomplish the purposes of the Association.
2. No expenses already paid shall be returned for whatever reason.

Article 11 Withdrawal

1. Members may withdraw at any time. Provided, however, that such member shall notify in writing the Association to such effect at least one (1) month in advance.
2. Other than as set forth in the preceding paragraph, members shall withdraw on the grounds listed below;
  - (1) The consent of all members
  - (2) Dissolution
  - (3) Removal

Article 12 Removal

In the event that a member defamed the Association, performed an act that may violate the purposes of the Association or was in breach of the obligation as a member, the Association may remove such member by resolution of a general meeting of the members.

Article 13 Member Registry

The Association shall prepare a member registry stating names or trade names, and addresses of the members.

### Chapter 3 General Meeting of Members

Article 14 General Meeting of Members

There are two types of general meeting of the members of the Association. The first is the annual general meeting of the members and the other is an extraordinary meeting of the members. The annual general meeting of the members shall be called in April of each year, and an extraordinary general meeting of the members shall be called as needed.

2. A general meeting of the members shall be constituted of all members.

Article 15 Authorities

A general meeting of the members shall make resolution on the following matters;

- (1) Removal of a member
- (2) Election or dismissal of directors and auditor
- (3) Amount of remunerations of directors and auditor
- (4) Approval of financial statement
- (5) Amendment of the Articles of Incorporation
- (6) Dissolution
- (7) Any other matters to be resolved at a general meeting of the members stipulated in laws and regulations or in this Articles of Incorporation

Article 16 Venue

The Association shall hold a general meeting of the members at the location of principle office or its adjacent administrative district.

Article 17 Calling

The board of directors shall decide on the calling of a general meeting of the members.

Article 18 Notice of Calling

The Association shall dispatch the notice of calling a general meeting of the members to each member no later than one week prior to the day of such general meeting. Provided, the general meeting of the members may be held without the procedure of calling if the consent of all members is obtained.

#### Article 19 Resolution

1. The resolution of a general meeting of the members shall be made a majority of the voting rights of the members present, where a majority of the members who are entitled to exercise voting rights are present, unless otherwise specifically prescribed in the laws and regulations, or this Articles of Incorporation.
2. Each member shall be entitled to one voting right.

#### Article 20 Chairperson

The chairman of the Association shall act as chairperson of the general meeting of the members. In the event of an accident of chairman, another director shall perform the above duties in the order of priority prescribed in advance by board of directors.

#### Article 21 Minutes

Minutes shall be prepared with respect to the businesses of a general meeting of the members, in which the summary of proceedings and the outcome shall be stated. Chairperson and the directors present shall place their signatures and seals on them.

### Chapter 4 Directors and Auditors

#### Article 22 Number

- 1 The following officers shall be established to the Association.
  - (1) Directors three (3) or more
  - (2) Auditor one (1)
- 2 One of the directors shall be a representing director.
- 3 Two or less directors shall be executive directors.
- 4 One chairman shall be elected from directors other than the executive directors.
- 5 A vice-chairman, secretaries, and treasurers may be elected from directors other than executive directors or chairman
- 6 One of the executive directors may be appointed as an managing director and another one as a deputy managing director

#### Article 23 Election of Officers

- 1 The Association shall elect its directors and auditor by resolution of the general meeting of the members.
2. The board of directors shall elect a representing director and executive directors by its resolution.
3. The board of directors shall elect a chairman, vice-chairmen, a secretary, a managing director and a deputy managing director by its resolution.

#### Article 24 Duties and Authorities of Directors

1. Directors shall constitute the board of directors and execute the duties pursuant to the laws and regulations, and these Articles of Incorporation.
2. Chairman shall represent the Association and execute its operations pursuant to the laws and regulations, and these Articles of Incorporation.
3. Vice-chairmen shall assist the chairman and the managing director and the deputy managing director shall share and execute the Association's operations pursuant to the regulations set out separately at the board of directors.
4. Chairman, the managing director and the deputy managing director shall report to the board of directors the status of execution of their own duties at twice or more in every business year with an interval of four (4) months or more.

#### Article 25 Duties and Authorities of Auditor

1. The auditor shall audit the execution of duties by directors and prepare audit reports pursuant to the laws and regulations.
2. The auditor may at any time request reports on the business from the directors and employees, or investigate the status of the operations and financial status of the Association.

#### Article 26 Term of Office

1. Directors' term of office shall continue until the conclusion of the annual general meeting of the members for the business year on which the date of election falls.
2. Auditor's term of office shall continue until the conclusion of the annual general meeting of the members for the last business year which ends within four (4) years form the time of election.

3. The term of office of a director or an auditor, who is elected as the substitute shall continue until the expiration of the term of office of his/her predecessor.

4. Where the number of directors or auditor fall short of the number prescribed in Article 20, a director or an auditor who retired from office due to expiration of his/her term of office or resignation shall continue to have the rights and obligations of a director or an auditor until a newly elected officer assumes his/her office.

#### Article 27 Dismissal of Officers

The Association may dismiss a director or an auditor by resolution of a general meeting of the members.

#### Article 28 Restriction on Transaction

In case where a director intends to carry out the following transactions, the said director shall disclose the material facts on the relevant transactions at a board of directors and obtain approval of the board of directors.

(1) If a director intends to carry out, for himself/herself or for a third party, any transactions in the line of business of the Association

(2) If a director intends to carry out any transactions with the Association for himself/herself or for a third party; or

(3) The Association intends to guarantee debts of a director or otherwise to carry out any transactions with a person other than the director that results in a conflict of interests between the Association and such director.

#### Article 29 Partial Exemption of Liability

1. The Association may give exemption for liability of a director and an auditor under Article 111, paragraph 1 of the Act on General Corporation, in case of corresponding to the requirements under laws and regulations, by resolution of a board of directors, to the extent of the amount obtained by subtracting the minimum liability amount from the liability stipulated under the laws and regulations.

2. The Association may enter into an agreement limiting the liability under Article 111, paragraph 1 of the Act on General Corporation, in case of corresponding to the requirements under laws and regulations, with an outside director and an outside auditor. Provided, however, that the ceiling of liability based on the said agreement shall be limited to either an amount of 1 million yen and over specified in advance, or the minimum liability amount stipulated under the laws and regulations, whichever is higher.

#### Article 30 Remunerations of Director and Auditor

Remunerations of directors and an auditor shall be determined by resolution of a general meeting of the members.

## Chapter 5 Board of Directors

#### Article 31 Constitution

1. Board of directors shall be established to the Association.

2. Board of directors shall be constituted of all directors.

#### Article 32 Authorities

Board of directors shall execute the following duties;

(1) Deciding execution of operations of the Association

(2) Supervising execution of duties by directors

(3) Appointing and removing a representing director and executive directors

#### Article 33 Calling

1. Chairman shall call the board of directors.

2. In the event of vacancy or accident of chairman, each director shall call the board of directors.

#### Article 34 Resolution

1. The resolution of the board of directors shall be made by a majority of the directors at the meeting where the majority of the directors entitle to participate in the vote, excluding those who have special interest in the resolution are present.

2. Notwithstanding the preceding paragraph, when the requirements under Article 96 of the Act on General Corporation are fulfilled, it shall be deemed that the resolution has been made.

#### Article 35 Minutes

1. Minutes shall be prepared with respect to the businesses of board of directors pursuant to the laws and

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regulations.

2. Directors and an auditor present at the meeting shall place their signatures and seal on the minutes set forth in the preceding paragraph.

## Chapter 6 Coordination Committee

### Article 36 Constitution

1. Coordination committee shall be established to the Association.
2. Coordination committee shall be constituted of counselors.
3. A member shall appoint a counselor and notify the Association to such effect in advance. The same shall apply to the cases where there is a change in counselors.

### Article 37 Officer

1. The coordination committee shall elect one chairperson by the counselors from themselves. The chairperson shall preside over the council.
2. The coordination committee may elect a few vice-chairpersons by the counselors from themselves.

### Article 38 Duties

1. The coordination committee shall be consultative to the board of directors and offer opinions with respect to the execution of operations by the Association and other operations upon the request to do so by the board of directors.
2. The coordination committee may offer opinions with respect to the execution of operations by the Association and other operations.

### Article 39 Operations

The coordination committee may establish regulations concerning its businesses and other operations.

## Chapter 7 Accounting

### Article 40 Business Year

The business year of the Association shall begin on April 1 of the current year and end on March 31 of the following year.

### Article 41 Business Reports and Settlement of Account

1. The representing director shall prepare the following documents after the end of every business year for the business reports and the settlement of accounts of the Association, and submit them to the annual general meeting of the members after having such documents be audited by an auditor and approved by the board of directors. For the document in Item 1, the representing director shall report the detail and for the documents in Items 2 and 3, they shall be approved by the annual general meeting of the members.

- (1) Business reports
- (2) Balance sheets
- (3) Profit and loss statement

2. The Association must keep audit reports in addition to the documents reported or approved pursuant to the preceding paragraph, at its principle office for the period of five (5) years and at secondary offices for the period of three (3) years, and further keep the Articles of Incorporation and the member registry at its principle office and secondary offices.

### Article 42 Dividends of Surplus

The Association will not pay dividends of surplus.

### Article 43 Attribution of Residual Assets

In cases where the Association goes into liquidation, the residual assets possessed shall be donated upon the resolution of a general meeting of the members, to a juridical person, the State or the local government, which are listed in Article 5, item 17 of the Act on Authorization of Public Interest Incorporated Association and Public Interest Incorporated Foundation.