

## 7. Consultation Services

---

### a) Life Insurance Consultation Center

The LIAJ has for a long time been providing consultation and receiving complaints from people in particular life insurance policyholders. In March 1961, the Life Insurance Consultation Center was founded to be a neutral and impartial institution to be able to respond to complaints not only from policyholders but also from the related parties or general consumers. The chairman of the LIAJ shall also hold an additional post as the head of the Center.

The Life Insurance Consultation Center is located at the LIAJ, and its corresponding offices are also set up at its local offices as well. The Center and its offices are open to the public from 9:00 a.m. to 5:00 p.m. on weekdays and provide consultation and receive complaints or inquiries by telephone or face-to-face.

If, despite all mediation and reconciliation efforts made at the Center, the problem has persisted for a month or longer after the claim had been filed by the Center to the relevant insurance company, the complainant may petition the Arbitration Council for a dispute settlement.

The Center also provides free legal advice on life insurance by lawyers at the Consultation Center once a month in response to inquiries from the public including policyholders.

### b) Arbitration Council and Arbitrating Advisory Committee

In March 2001, the Consultation Center carried out a structural reform. As a result, the Arbitration Council, which takes charge the Alternative Dispute Resolution (ADR), was formed under the center, with the purpose of arbitrating from a fair and unbiased standpoint.

The Arbitration Council consists of seven members including lawyers, consumer life consultants, and the head of the Life Insurance Consultation Office located at the LIAJ.

The Arbitration Council judges the appropriateness of the petition filed and decides whether it is acceptable or not, then if the case is accepted, the Council examines it in a fair and neutral manner in light of the provisions. The Arbitration Council also provides that every life insurance company should respect the reached decision.

The Arbitrating Advisory Committee was founded with the purpose of monitoring the operation of the Arbitration Council. It consists of five members: scholar, lawyer, doctor, representative of consumers, and full-time director of the LIAJ.

The Arbitrating Advisory Committee is continuously updated with reports on the operation of the Arbitration Council. It provides advice and suggestions in order to promote the fair and smooth operation of the Consultation Center, responding to counseling and consultation from the head of the Consultation Center.

### c) Granted Certification of “Certified Investor Protection Organization”

The certified investor protection organization system was introduced by the Financial Instruments and Exchange Law that took effect on 30 September 2007 in order to contribute to the expansion of alternative dispute resolution mechanisms in the financial sector. Under this system, the FSA certifies private organizations (other than self-regulatory bodies) as voluntarily assisting in the resolution of disputes, while enhancing such organizations' credibility.

The LIAJ was granted by the FSA the qualification of a certified investor protection organization on the said date, and formulated its “Investor Protection Guidelines.” The Association is working to resolve complaints. It also mediates in disputes related to variable insurance, variable annuity insurance, foreign-currency denominated insurance and annuity insurance, life insurance with variable cash value, and other specified insurance contracts handled by life insurance companies dealing with the products stipulated under the Article 300-2 of the Insurance Business Law. This activity contributes to the sound development of the life insurance business and the protection of investors in general.