

### 3. Our Activities

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#### a) Further Promotion of Customer-Oriented Management

Life insurance companies and the LIAJ have been implementing customer-oriented management initiatives. To gain customers' trust, life insurance companies are making various efforts to develop a better system covering all steps related to customer services ranging from the offering and providing contracts to claims payment. Furthermore, we are undertaking various activities to improve services for policyholders and the efficiency of business management. Specific examples are as follows:

##### 1) Development of Voluntary Guidelines

To provide appropriate handling and best services by life insurers for policyholders from the offering and providing contracts to claims payment, the LIAJ has prepared voluntary guidelines which include practical transactions and points to consider. These guidelines are to be referred to by each member company and its executives/regular employees. The LIAJ is also encouraging life insurers to observe the guidelines. These guidelines are periodically reviewed by the LIAJ. (Refer to Appendix 1, page 42.)

##### 2) Collection and Sharing of Best Practices

The LIAJ follows up how the voluntary guideline is being reflected in the management of life insurance companies. To promote the guidelines further, the LIAJ is also collecting examples of best practices adopted by member companies to improve customer services. The information will be shared among all member companies.

##### 3) Operating the Secretariat of Customers' Opinions

In fiscal 2005, when the inappropriate handling of claims came to light, the LIAJ received various opinions from customers. Therefore, in fiscal 2006, the LIAJ established the secretariat of "Customers' Opinions" as a system to reflect customers' opinions in the management of member companies. The secretariat collects and analyzes information such as counseling or complaints as well as opinions or requests at the LIAJ, and then encourages the member companies' management to reflect the results through information exchanges of best practices that will be informative to other member companies. This is based on information-sharing among the member companies.

##### 4) Disclosing Complaint Information

In an attempt to gain customers' understanding about member companies' efforts to address their complaints, the LIAJ discloses information including the number and details of complaints as well as of payment/non-payment for insurance claims on the LIAJ's and member companies' home pages.

##### 5) Exchanging Opinions with Consumer Related Organizations

The LIAJ periodically visits consumer related organizations to provide information or to receive their opinions on the life insurance industry and the LIAJ's activities. Moreover, the LIAJ headquarters and its 54 local offices actively hold meetings with consumer bodies and the press in order to reflect consumers' opinions on the management of life insurance companies. In fiscal 2008, the LIAJ held 112 meetings in total.

##### 6) Quick Search for Life Insurance Products

The LIAJ has been operating "Quick Search for Life Insurance Products" since July 2008 on its homepage so that consumers can gather necessary information related to life insurance products. On this homepage, consumers can search for products using three ways: "Coverage needed (purpose of joining)", "Category of insurance (type of insurance)" and "Insurance Company". In addition, this is linked to product explanations of life insurance companies on their homepages so that consumers can find more detailed information on the products. We added a function to search for "medical coverage for the elderly" in February 2009.

### 7) Disclosure

The Insurance Business Law and other related laws stipulate detailed items to be disclosed by life insurance companies. The LIAJ also prepared a set of common-to-industry “Standards for Disclosure” with more items that it has judged should be voluntarily added. The LIAJ reviews this every year for possible improvement. In addition, it has prepared a guidebook for disclosure by life insurers to help consumers understand, because the financial statements of life insurance companies vary significantly from those of other general entities.

### 8) Promotion of Computer Printing of Medical Certificates

Regarding payment of insurance money or benefits, the LIAJ is promoting “Electric Printout of Medical Certificates” in order to prevent failures or errors in reading medical certificates by life insurance companies. As a part of this effort, the LIAJ subsidizes medical institutions for up to 1.2 million yen to cover part of the cost of installing such software approved by the LIAJ.

### 9) LINC (The Life Insurance Network Center)

The life insurance industry established the common-to-industry network called LINC. This system reduces the burden of clerical work at a client company and enables insurers to provide more efficient services. The main functions of LINC are: (1) Accounting settlement of corporate pension and group term policies which are jointly insured by companies, (2) Checking of medical life insurance, (3) Registration and provision of information on contract contents to prevent moral hazard, (4) Registration of licensed life insurance solicitors, (5) Data exchange of individual policies whose monthly premiums are collected through payrolls, (6) Data exchange of asset-formation insurance, (7) Data distribution of national pension fund insurance, (8) Data collection system regarding life insurance business statistics, (9) Data exchange of joint Employee's Pension Fund Insurance Report, (10) Cross Reference System for Assessing Insurance Claims, (11) Data exchange of corporate pension plans among principal companies, and (12) Statistics on incidence rates including mortality.