Insurance claims payment and debt recovery procedures

Notice of occurrence of possible losses

The insured needs to inform NEXI of any event which may cause possible losses, that has occurred before payment due date, within 15 days (or one month depending on the types of insurance) of **Occurrence** causing becoming aware of such event.

Notice of occurrence of losses The insured needs to inform NEXI of the occurrence of losses within one month (or 45 days depending on the types of insurance) when becoming aware of such event.

Date of the occurrence of the insured event

Claim for payment

of insurance

possible losses

Deadline for notice of occurrence of losses

Obligation of loss prevention

Conclusion of an

insurance contract

Insurance claims will be paid within two months from the date of the claim.

> **Expiry of claim for** payment of insurance

> > **Payment of** insurance claims

Recovery Phase • Debt recovery by the insured

Debt recovery by NEXI

NEXI will directly take charge of debt recovery when NEXI thinks it is more appropriate to do so. (In this case the insured is exempt from the obligation of recovery.) NEXI usually recovers debt through the governmental channels including Paris Club for political claims and debt collection agencies for commercial claims.

*This is an image of the procedures.

For details, please contact Claims Service & Recovery Group, Asset Management Department (Phone: 81-(0)3-3512-7663)

Services for recovery

Approval for assignment of Paris Club claims uncovered by insurance Since FY2002, the insured (Paris Club creditor) has been allowed, under certain conditions, to transfer the uncovered portion of the rescheduled claims to Recovery a third party. Through this NEXI expects to contribute to more efficient asset management and cost reduction by the insured.

Allocation of Recovered money

Maximum Speedy

> **Recovery through** various measures

> > After receiving the insurance claims, the insured needs to recover the covered portion of the debt. (Obligation of recovery)



Transfer of Paris Club claims uncovered by insurance to NEXI

Since FY2004, NEXI has enabled the insured to transfer to NEXI the uncovered portion of the rescheduled Paris Club debt owed by HIPCs for the sake of the insured's more efficient asset management and reduction of costs, as well as for the sake of NEXI's efficient recovery. Furthermore, from the viewpoint of customer service expansion, since FY2007, NEXI takes over the uncovered portion of the rescheduled Paris Club debt other than for HIPCs.

Efficient

Approval for termination of the insured's recovery obligation