

[New Products] Sony Life to Launch “U.S. Dollar-Denominated Single Premium Whole Life Insurance (Non-Notification Type)” and “U.S. Dollar-Denominated Living Benefit Whole Life Insurance (Living Standard Type)”

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Sony Life Insurance Co., Ltd. (“Sony Life”), a wholly owned life insurance subsidiary of Sony Financial Holdings Inc., will launch new products, “U.S. dollar-denominated single premium whole life insurance (non-notification type)” and “U.S. dollar-denominated living benefit whole life insurance (living standard type)” on October 2, 2017. Amid the protracted low-interest-rate environment in Japan, by making U.S. dollar-denominated investments that have higher interest rates than those denominated in yen, these new products meet customer needs to ensure efficient protection after understanding exchange rate risk.

1. U.S. Dollar-Denominated Single Premium Whole Life Insurance (Non-Notification Type)

(1) Characteristics and Terms for Paying Benefits

- The insurance is denominated in U.S. dollars.
- People with pre-existing conditions or health concerns need not report on their health status or undergo a physician’s medical examination.
- For a period of 15 years after the policy is taken out, the death policy amount increases each year due to a rate of gradual increase determined when taking out the policy,
- The premium payment method (number of times) is single payment. (The single premium payment may be made in yen or U.S. dollars.)

(2) Product Structure

Death policy amounts are calculated as follows.

Date of Death	Death Policy Amount
15 years or less after taking out policy	Basic policy amount + basic policy amount x rate of gradual increase ^(*) x the number of policy anniversaries until the date of death
Whole life more than 15 years after taking out policy	Basic policy amount + basic policy amount x rate of gradual increase ^(*) x 15

^(*) Rate of gradual increase refers to the rate of increase in the policy amount. This rate differs according to age when taking out the policy and gender.

(3) Policy Examples

- Basic policy amount (single premium payment): USD100,000
- Coverage period: Whole life

(Amounts less than USD1 are rounded off.)

Gender	Age When Policy Taken Out	Rate of Gradual Increase	Death Policy Amount from 16th Year	Lapse and surrender rate ^{*1} (Number of Years Elapsed ^{*2})		
				5 Years	10 Years	15 Years
Male	50	4.8874%	USD173,311	102.1%	112.0%	121.9%
	60	3.2201%	USD148,301	101.9%	111.4%	120.0%
	70	2.0395%	USD130,592	101.3%	110.0%	117.2%
Female	50	6.3243%	USD194,864	102.2%	112.5%	123.3%
	60	4.2074%	USD163,111	102.1%	112.2%	122.2%
	70	2.6356%	USD139,534	101.9%	111.4%	120.0%

*1 Lapse and surrender rate (%) is calculated as the surrender payments divided by single premium payments X 100 (percentage rounded off after the first decimal value).

*2 The number of years elapsed indicates the number of years since the policy date. Lapse and surrender rate is the value corresponding to each elapsed year on the policy anniversary date.

2. U.S. Dollar-Denominated Living Benefit Whole Life Insurance (Living Standard Type)

(1) Characteristics and Terms for Paying Benefits

- The insurance is denominated in U.S. dollars.
- In addition to three major diseases (cancer, heart attack and stroke), death or major disability, this product provides coverage for specified disabilities and conditions requiring long-term care, covering a broad range of risks if the insured should become unable to work.
- Coverage continues whole life.
- Premium payments are in yen. (Payments may be made in U.S. dollars only if the entire amount for all payment periods is paid up front.)

Insurance claims are paid under the following conditions (The payment of insurance claims only to be made once during the insurance period.)

Insurance Claim Payment	Terms of Payment
Death benefits	In the event of death
Payments for the three major diseases	A. Malignant neoplasm (cancer) excl. some types and conditions. B. Heart attack C. Stroke
Disability payments	In the event of an injury or factor directly connected to the onset of an illness resulting in an advanced disability or specific disability (satisfying conditions both A. and B. as follows): A. Disabilities categorized as class 1, 2 or 3 as defined by the Act on Welfare of Physically Disabled Persons. B. For disabilities defined in A., the issuance of a physical disability certificate indicating a disability categorized as class 1, 2 or 3, in accordance with the aforementioned Act.
Nursing-care payments	In the event of conditions due to an injury or factor connected to the onset of an illness, if either of the following are applicable:

	<ul style="list-style-type: none"> ▪ Insured parties under 65 years of age meeting all of the following conditions with a diagnosis confirmed by a physician: <ul style="list-style-type: none"> A. Conditions requiring nursing care. B. For 180 consecutive days beginning on the first day of required nursing care. ▪ When required nursing care of category 2 or above is certified in accordance with the Public Long-Term Care Insurance System and that certification becomes effective.
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(2) Policy Examples

- Policy amount: USD50,000
- Premium payment period: To age 60
- Coverage period: Whole life

Gender	Age When Policy Taken Out	Monthly Premiums for Individuals
Male	20	USD63.20
	30	USD92.20
	40	USD152.55
Female	20	USD61.55
	30	USD89.70
	40	USD145.20

<Exchange Rate Risk>

U.S. dollar-denominated single premium whole life insurance (non-notification type) and U.S. dollar-denominated living benefit whole life insurance (living standard type) are denominated in U.S. dollars, and are therefore subject to exchange rate risks.

<Insurance-Related Expenses>

For U.S. dollar-denominated single premium whole life insurance (non-notification type) and U.S. dollar-denominated living benefit whole life insurance (living standard type), the expenses necessary to enter into or maintain policies and coverage (“insurance-related expenses”) are deducted from premium payments and policy reserves.

Note: This is an English-language summary of a Japanese announcement made by Sony Life on August 29, 2017.

The summary was prepared by Sony Financial Holdings solely for convenience of non-Japanese readers.