<u>Explanation of Important Matters</u>

"Smartphone Insurance"

Official Product Name: Daily Life Support Insurance (with Mobile Device Repair Expense Coverage Special Clause)

This Explanation of Important Matters summarizes the matters necessary for your correct understanding and points requiring your special attention when applying this insurance contract, organized into two sections: "Contract Overview" and "Important Notices."

As this document contains essential information, please be sure to review the contents thoroughly and apply this insurance contract only after giving your full consent. In addition, the Terms and Conditions of the Insurance Policy contain detailed descriptions regarding conditions of payment and limitations, so please review them as well.
(Note: The official Terms and Conditions are in Japanese; the English translation is provided for reference only.)

※ If the insured person is different from the policyholder (for example, if a family member is designated as the insured), please be sure to explain the contents of this document to the person who will be insured.
※ "Smartphone Insurance" is a nickname (brand name) for the product that combines the "Daily Life Support Insurance General Policy Conditions" with the "Mobile Device Repair Expense Coverage Special Clause."

Contract Overview

This section describes important matters of your insurance contract that require your confirmation.

1. Product Structure

Under this insurance policy, we will pay insurance benefits for losses incurred by the insured person due to damage, etc., to the Covered Device (smartphone) specified in the Policy Confirmation (Note 1, Note 2, Note 3).

(Note 1)

The Covered Device must be owned or used by the Insured. It should operate normally with all functions, and must meet any of the following conditions:

(1) A genuine manufacturer's product sold in Japan. "Manufacturer" includes manufacturers based overseas and has a Japanese subsidiary.

(2) A product sold in Japan by a mobile network operator (including Mobile Virtual Network Operators).

(Note 2)

The following are NOT considered Covered Devices and are NOT eligible for coverage:

(1) SIM cards, memory cards, and similar items inserted into the device.

(2) Accessories such as battery packs, batteries, chargers, AC adapters, and cables.

(Note 3)

Only one device per contract may be designated as Covered Device. Each The Insured may contract up to two policies covering two Covered Devices.

2. Coverage Details

【Main situation in which insurance benefits are paid】

The main situation in which insurance benefits are paid and the amount are as follows.

If the Covered Device sustains a Physical Damage (Note 1) and falls under any of the following categories, we will pay the corresponding amount up to the Insurance Amount (Note 2).

① Repair Cost Insurance Benefit (when repair costs are incurred)
The amount of Repair Costs incurred in Japan, minus the Deductible specified in the Policy Confirmation (Note 3).

② Inspection Cost Insurance Benefit (when repair is not possible, but inspection/diagnostic costs are incurred)
The amount of costs incurred in Japan for inspection, diagnostics, or similar work.

(Note 1)
"Physical Damage" refers to breakage, cracks, or similar damage to the exterior of the device.

(Note 2)
Details of "Insurance Amount" are described in following section 5 (**Underwriting Conditions and Insurance Amount)**

【Main cases in which insurance benefits will NOT be paid】

The following are the main cases in which insurance Benefits will NOT be paid :

(1) Damages caused by natural wear, deterioration, or changes in the nature of The Covered Device, including discoloration, rust, mold, rot,

corrosion, erosion, cracking, peeling, flaking, or other similar causes, or by rodent or insect damage.

(2) Damages resulting from defects in The Covered Device.

(3) Damages caused by intentional acts, gross negligence, or violation of laws by The Policyholder, The Insured, or their legal representatives.

(4) Damages caused by intentional acts, gross negligence, or violation of laws by any person who is not The Insured and is entitled to receive all or part of the Insurance Benefits, or by their legal representatives.

(5) Damages arising after any modification of The Covered Device (excluding repairs).

(6) Damages arising from negligence or lack of skill during repair, cleaning, or other work on The Covered Device; provided, however, that Insurance Benefits shall be payable if such causes result in fire, explosion, or bursting.

(7) Damages caused by fraud or embezzlement affecting The Covered Device.

(8) Damages caused by misplacement or loss of The Covered Device.

(9) Damages caused by earthquakes, volcanic eruptions, or tsunamis resulting therefrom.

(10) Damage caused by floods.

(11) Damages caused by wind-related disasters (including typhoons, tornadoes, gales, windstorms) affecting The Covered Device located outdoors.

(12) Damages resulting from manufacturer defects occurring within one year of purchase.

(13) Damages that are typical wear and tear during normal use or management, including scratches, abrasions, peeling paint,

deformation, bending, dents, or other external damages or dirt, provided that such damages do not cause loss or reduction of the functions of The Covered Device.

※ The above are main cases. For details, please refer to the Terms and Conditions of the Insurance Policy.

※ If significant increase in the occurrence of accidents (Covered Loss Events) makes maintaining current premiums or Insurance Benefits unsustainable, we may reduce the Insurance Amount during the insurance period.

3. Riders

Depending on the sales conditions, riders may be added to the policy.
For details, please refer to the Terms and Conditions of the Insurance Policy.

4. Insurance Period

1 year

Upon expiration of the insurance period (one year), you may continue your coverage through renewal. We will notify you about the renewal at least two months prior to the expiration date. Unless we receive a request from you, the contract will be automatically renewed. If you do not wish to renew the contract, please cancel the automatic renewal via My Page.

5. Underwriting Conditions and Insurance Amount

50,000 yen
(Per-incident limit and the total limit of insurance benefits payable during the insurance period)

We cannot accept an application for a device that is damaged or malfunctioning at the time of applying.

※ If an unexpected occurrence arises that significantly affects our financial position, we may reduce the Insurance Benefits payable.

6. Premium

Monthly premium: 200 yen per contract (per device)

※ If significant increase in the occurrence of accidents (Covered Loss Events) makes maintaining current premiums or Insurance Benefits unsustainable, we may increase the premium during the insurance period.

7.Matters regarding Premium Payment— Payment Method and Payment Period

Premiums shall be paid monthly by the credit card designated by us, and the premium payment period shall be the same as the insurance period.

8. Policyholder Dividend

No policyholder dividend is payable.

9. Surrender Value

No surrender value (refund of premiums upon Surrender) is payable.

※ As this insurance does not provide in-advance premium payment option, there is no surrender value.

Continued on the next page: **Important Notices**

Important Notices

This section describes points requiring your special attention and matters that may be disadvantageous to you.

1. Cooling-Off

This insurance does not provide Cooling-Off cancelation, because the insurance period is one year or less. However, if coverage has not yet commenced, you may cancel your application, and the premium will be refunded.

2. Duty of Disclosure

Please provide accurate and truthful information about your situation at the time of application.

If you fail to disclose facts requested by the Company, or if you provide false information, the Company may refuse to pay insurance benefits or may cancel the insurance contract on the grounds of violation of the duty of disclosure.

3. Change of Covered Device

If the Covered Device is changed, the policyholder must notify us of such change without delay.
If notification is not provided, insurance benefits will not be paid.

4. Commencement of Coverage

Coverage (liability) begins at 0:00 a.m. on the day following the date on which all of the following are completed:
“Application,” “Disclosure,” and “First premium payment by credit card.”

※ Even if we approve the application after the above commencement date, coverage will begin retroactively.

5. Main Situations in Which Insurance Benefits Will Not Be Paid

Please refer to Contract Overview – “1. Coverage Details [Main cases in which insurance benefits will NOT be paid]”.

※ For details, please refer to the policy terms and conditions.

※ If significant increase in the occurrence of accidents (Covered Loss Events) makes maintaining current premiums or Insurance Benefits unsustainable, we may reduce the Insurance Amount during the insurance period.

6. Grace Period for Premium Payment

For the second and subsequent premiums, the grace period shall be applied until the Monthly Anniversary of the month following the due date.

If the premium is not paid within the grace period, the insurance contract shall lapse from the day following the expiration of the grace period.
(Example of premium payment and grace period)
Apr. 18 Paid →May 18 Unpaid →Jun. 18 Unpaid (End of grace period) → Jun. 19 Contract becomes invalid (lapses)

※ If significant increase in the occurrence of accidents (Covered Loss Events) makes maintaining current premiums or Insurance Benefits unsustainable, we may increase the premium during the insurance period.

7. The Policyholders Protection Corporation

As a small-amount short-term insurance provider, this policy is not eligible for financial aid or other measures implemented by the Policyholders Protection Corporation.

This policy does not fall within the scope of protection defined in Article 270-3, Paragraph 2, Item 1 of the Insurance Business Act.

8. Designated ADR Organization

If you are unable to resolve complaints or dissatisfaction regarding our products or services directly with us, you may use the Designated Alternative Dispute Resolution (ADR) organization (a "Designated Dispute Resolution Organization" as defined in Article 2, Paragraph 28 of the Insurance Business Act), the Small Amount and Short Term Insurance Consultation Office, operated by "Small Amount and Short Term Insurance Association of Japan".

Designated Dispute Resolution Organization Japan Small Amount and Short Term Insurance Association "Small Amount and Short Term Insurance Consultation Office" Phone: 0120-82-1144 (Toll-free) FAX: 03-3297-0755 Office Hours: 9:00–12:00 / 13:00–17:00 Business Days: Monday through Friday (excluding national holidays and

year-end/New Year holidays)

9. Information Sharing System at the Time of Payment

Our company participates in the "Information Sharing System at the Time of Payment" operated by the Small Amount and Short Term Insurance Association of Japan. The purpose of this system is to exchange and jointly use certain information related to insurance contracts held by participating companies as reference material for payment of insurance benefits and for decisions regarding Termination, Revocation, or Invalidity of insurance contracts.

Details of the Information Sharing System and a list of participating companies can be found on the following website:

Small Amount and Short Term Insurance Association of Japan Website
https://www.shougakutanki.jp/

10. Notice for Overlapping Coverage

Please be aware that if The Insured has another insurance policy that provides similar coverage (including insurance policies with other companies), the coverage may overlap.

In the event of an incident covered by both policies, compensation may be available under either policy; however, in some cases, no insurance benefits will be paid under one of the policies.

11. Other Important Information at the Time of Contract

“Renewal of Insurance Contract”

When renewing the insurance contract, the General Policy Conditions, Special Clauses, and premium rates at the time of renewal will apply.

Based on follow-up reviews, if there is a discrepancy between the rate assumptions and actual results, we may revise the insurance premium or the Insurance Amount for the renewed contract.

In the case we discontinue offering this insurance product due to the unprofitable result or other reasons, we will also discontinue renewing policies.

If we do not accept renewal, the Company will notify the policyholder no later than two months prior to the expiration date of the insurance period.

”Small-Amount and Short-Term Insurance Provider”

A Small-Amount and Short-Term Insurance Provider underwrites insurance contracts within the following limits:

① The insurance period is up to one year (up to two years for non-life insurance).

② The maximum insured amount is:
800,000 yen for medical insurance or insurance related to injury or illness,
3,000,000 yen for life insurance,
10,000,000 yen for non-life insurance.

③ The total maximum insured amount for all insurance policies underwritten for one insured person is 10,000,000 yen. However, for liability insurance with a low accident occurrence rate, an additional limit of 10,000,000 yen applies.

④ The total insured amount for all insured persons under one policyholder is limited to 100 times each of the maximum amounts specified above.

"Contact Information"

If you consider a possibility of an Insurance Benefit or if you have any questions regarding procedures or your policy, please first refer to the "Frequently Asked Questions (FAQ)" section on your My Page.
If your questions is not answered please contact us through the "Inquiry Form" available in the FAQ section.

※ You can submit insurance claims and policy cancellation requests through My Page.

※ The link to My Page can be found in the email sent to you at the time of contract and on our company website.

Nissay Plus Small Amounts & Short Term Insurance Co., Ltd.
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