

Amendments to the Plan of Business Operations

1. Reasons for the amendments :

- (1) The proposed amendment to Rule 4 (Limitation of Amount Insured) is intended 1) to correspond to the increase in the maximum insured amount which each International Group (IG) club retains per one accident of one contract under the relevant provisions of the IG Pooling Agreement for the 2018 policy year; and 2) to prepare for a possible further increase in an individual club retention in a case where there is a reinsurance shortfall under the IG reinsurance programme because of the application of sanctions, but that shortfall is re-pooled by the IG clubs as the liability arises under an approved certificate or guarantee, e.g. a CLC Blue Card.
- (2) The proposed amendment to Rule 8 (Payment of Commission to Insurance Brokers) is intend to accept the method of commission payment where the insurance broker deducts the commission from the gross premium payment received from the Member, and pays the premium net of commission to the Association.
- (3) The amendments to Rules 5, 6, 7, 11, 14, Chapter XI, and Rule 18 are to amend some Japanese wording, and the English contents are not changed.

2. Table showing the amendments

(The proposed amendments are underlined.)

Before	After
<p>Rule 4 Limitation of Amount Insured The maximum insured amount which the Association may retain shall not exceed <u>2,000</u> million yen per one accident of one contract.</p>	<p>Rule 4 Limitation of Amount Insured The maximum insured amount which the Association may retain shall not exceed <u>2,500</u> million yen per one accident of one contract.</p>
<p>Rule 8 Payment of Commission to Insurance Brokers 1 (Text omitted) 2 The Association shall pay the commission in such amount and payment method as set forth below: (1) (Text omitted) (2) The Association shall receive the total amount of the calls and the premiums in connection with the insurance contract which the insurance brokers facilitated and shall pay the commission to the insurance brokers separately.</p>	<p>Rule 8 Payment of Commission to Insurance Brokers 1 (No change) 2 The Association shall pay the commission in such amount and payment method as set forth below: (1) (No change) (2) The Association shall receive the total amount of the calls and the premiums in connection with the insurance contract which the insurance brokers facilitated and shall pay the commission to the insurance brokers separately, <u>unless the Association and the insurance brokers agree otherwise in advance.</u></p>