

## Outline of the criteria for exemption for repayment of part of the principal amount of the loan

- Up to a maximum difference between the acquisition price of the real estate acquired by the customer and the combined price (the land price and the property price are calculated based on the roadside land value at the time of acquisition of the land. Details will be explained at the time of the individual consultation), we will consider an exemption for repayment of part of the principal amount of the loan.
  - Such exemption for repayment is applicable to loans on the conditions that it is difficult to repay the loan (rent income balance after deducting repayment of the loan is in the red) at the time of receiving the individual consultation regarding the exemption for repayment of part of the principal amount, and that the Bank had committed misconduct at the time of concluding the loan agreement where we can identify a reasonable cause-and effect relationship between the misconduct and the customer's investment judgement. (Please note that even if there was misconduct by the Bank, it is not necessary for us to identify a reasonable cause-and-effect between the Bank's misconduct and the customer's investment judgement.) For cases where it is considered that if tenant recruitment had been conducted appropriately, the rent income balance would have been different, we would consider an exemption for such case after adjusting the rent income balance.
  - We will consider lowering the applicable loan interest rate prior to an exemption for repayment of part of the principal amount of the loan only if the requirements in the preceding paragraph are satisfied. Please note that if the deficit in the rent income balance is resolved by lowering the applicable interest rate, an exemption for repayment of part of the principal amount may not be provided.
  - In the event that even if we lower the applicable interest rate, the deficit will not be eliminated, we will calculate the amount of settlement money to be paid by the Bank by taking into consideration various circumstances, including the degree of the Bank's involvement in the misconduct at the time of concluding the loan agreement.
  - We will exempt repayment of part of the principal amount of the loan by offsetting using our settlement money to be paid by the Bank upon mutual agreement.
  - Application of the criteria for an exemption for repayment of part of the principal amount of the loan, including the judgement whether or not there was a reasonable cause-and-effect between the Bank's misconduct and the customer's investment judgement, and judgement of the degree of the Bank's involvement in the misconduct, will be conducted through judgement by a neutral and fair third party, including civil arbitration by a court or settlement mediation, etc. by a private ADR agency.
- \*We have confirmed that, in principle, income tax will not be levied on customer owners when the principal amount is reduced as compensation for damages incurred to their property by the Bank's misconduct.
- \*For customers who are not eligible for an exemption for repayment of part of the principal amount at this time, we will accept any consultation on repayment of the loan. We will sincerely and appropriately consider any change in repayment conditions according to the customer's specific circumstances.