



Fiscal Year 2024

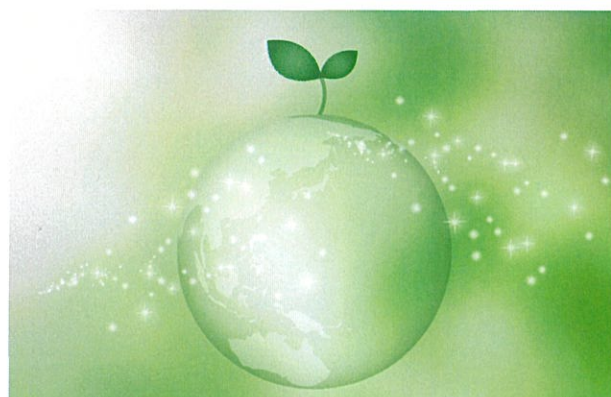
Overview of the RCC's Activities

The Resolution and Collection Corporation



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Message from the President

Honda Morihiro

Representative Director and President

The Resolution and Collection Corporation (RCC) assumed its present form as a result of the April 1999 merger between the Housing Loan Administration Corporation, its predecessor established in July 1996, and the Resolution and Collection Bank, full amount of the Deposit Insurance Corporation of Japan (DICJ) under the investment.

Since then, the RCC has strived to minimize the injection of public funds (i.e., the public burden) to resolve failed financial institutions by appropriately and efficiently collecting the claims transferred to the RCC from the former housing loan corporations (*Jusen*) and the non-performing loans purchased from failed financial institutions. The RCC has also contributed to the disposal of non-performing loans of sound financial institutions by purchasing these non-performing loans and collecting them.

The cumulative total amount collected as of the end of March 2024 reached 10.1959 trillion yen. In addition, with a payment of 3.8 billion yen made to the DICJ in June 2024, the total amount of payments has reached 1.5498 trillion yen, thus making a significant contribution to the financing of the national government. The RCC has also devoted to supporting business revitalization initiatives, thereby helping invigorate local economies and save jobs.

In FY2012 the RCC completed the closure of *Jusen* accounts, and the May 2011 revision of the Deposit Insurance Act assigned the RCC new functions pertaining to the purchase/collection of claims against anti-social forces and other claims which are held by financial institutions and deemed difficult to recover (“specified difficult recovery claims”), as well as bridge bank functions for resolving failed financial institutions.

In March 2014, the RCC began utilizing its servicer functions to purchase claims against anti-social forces and other claims held by credit companies, moneylenders, etc., not covered under the system for purchasing specified difficult recovery claims and to commence the administration and collection of such claims, etc. and has since been contributing to the cut-off of relationships between financial institutions, etc. and anti-social forces and has also been steadily collecting claims against anti-social forces alongside other specified difficult recovery claims.

As a DICJ partner bank, the RCC is committed to performing these new functions as well as continuing the claims collections and business revitalization initiatives it has heretofore undertaken in order to properly and promptly fulfill the public mission entrusted to it and thereby facilitate stability of the financial system.

Given that the RCC’s debtors consist mostly of blameless parties deprived of their primary trading financial institution by its failure, the RCC intends to ascertain the actual situation of debtors in pursuing its claims collections in order to ensure proper collection efforts. The RCC treats bona fide debtors in a faithful and fair manner from the viewpoint of customer protection, engages in discussions with them, and carefully follows reasonable procedures that give due consideration to maintaining their livelihoods and rebuilding/sustaining their businesses. On the other hand, malicious debtors who deceitfully conceal assets as well as anti-social forces are dealt with severely.

Recognizing that claims collections can often give rise to dissatisfaction and grievances among debtors and related parties, the RCC lends a serious ear to all opinions and endeavor to perform its functions with honesty and fairness.

This pamphlet has been prepared as an aid to give readers a better comprehension of the philosophy underlying the RCC’s operations and the status of its activities. Your understanding and support would be very much appreciated.

Profile of the Resolution and Collection Corporation

Name: The Resolution and Collection Corporation (RCC)

Establishment: April 1, 1999

History:

- July 26, 1996 Housing Loan Administration Corporation founded
- September 2, 1996 Resolution and Collection Bank founded (trade name changed from Tokyo Kyodo Bank [founded on January 13, 1995])
- April 1, 1999 Resolution and Collection Corporation founded (merger of the above two companies, with Housing Loan Administration Corporation as surviving company)

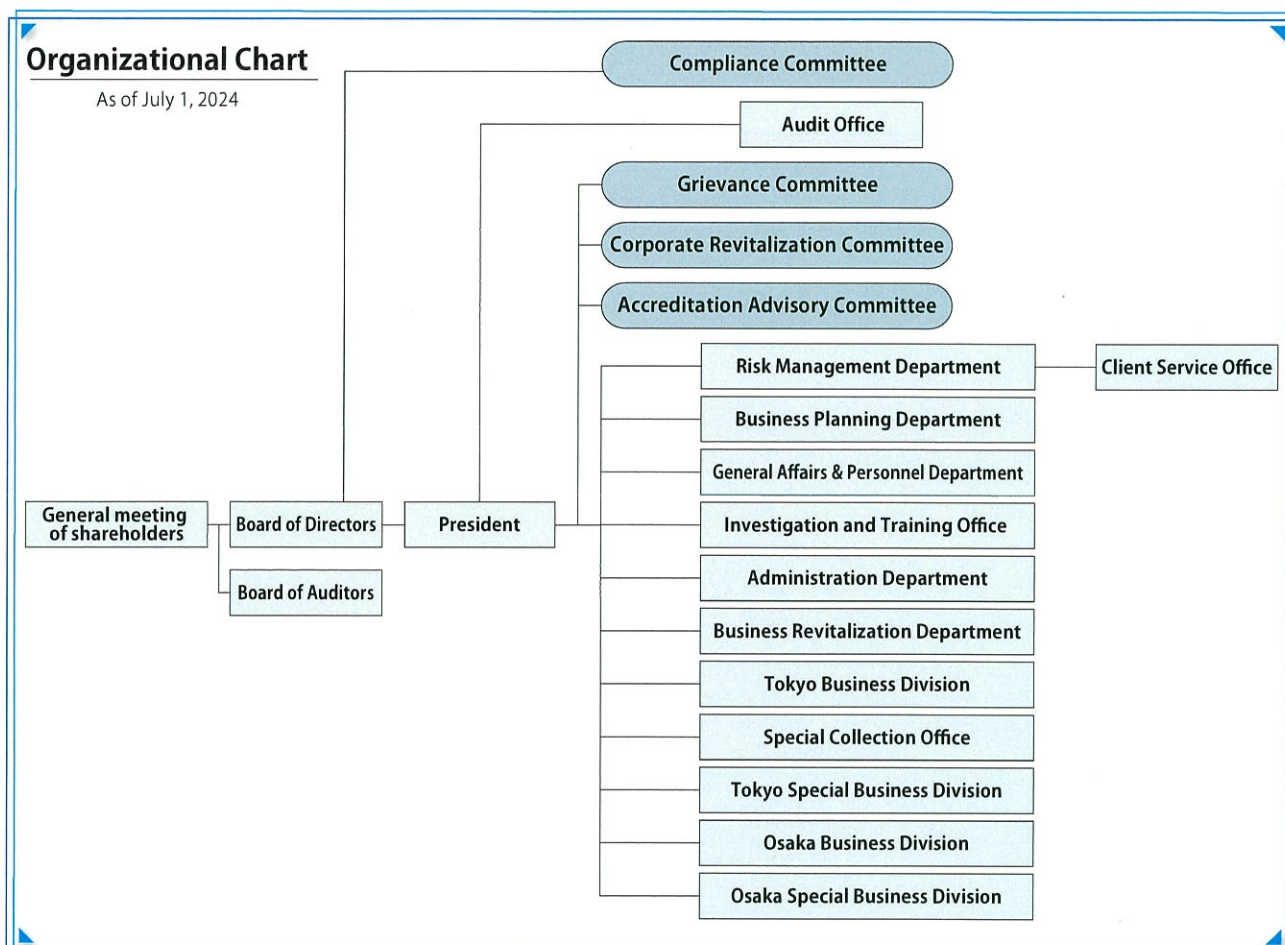
Head office: Shin-Nisseki Building, 3-4-2 Marunouchi, Chiyoda-ku, Tokyo 100-0005, Japan

Capital: 12 billion yen

Shareholder: Deposit Insurance Corporation of Japan (DICJ)

Executives/staffs(as of July 1, 2024):

269 (including 4 directors and 3 auditors and excluding 7 consulting attorneys)





The RCC's Management Philosophy

Basic Philosophy

The RCC will properly and promptly fulfill the public mission entrusted to it as a partner bank of the DICJ and thereby facilitate the stabilization of the financial system.

Management Guidelines

- (1) We will be cognizant of our public mission, and execute our operations faithfully, fairly and efficiently.
- (2) In managing and collecting claims, we will properly ascertain the actual situation of debtors and deal with bona fide debtors in a faithful and fair manner from the viewpoint of customer protection, while dealing severely with malicious debtors. We will also properly support business revitalization initiatives.
- (3) We will steadily purchase claims against anti-social forces in an effort to contribute to the cut-off of relationships between financial institutions, etc. and anti-social forces, and strictly manage and collect purchased claims.
- (4) We will promote the implementation of measures to facilitate the proper execution of our bridge bank functions, etc. in an effort to facilitate the stabilization of the financial system.

Dealing with Debtors, etc. in Areas Affected by the Great East Japan Earthquake

We will actively deal with debtors, etc., without interruption, in areas affected by the Great East Japan Earthquake to help them revitalize their businesses. We will make efforts to implement efficient and effective business revitalization initiatives by collaborating, as needed, with other public organizations in charge of business revitalization initiatives or private financial institutions.

Fair Business Practices

To ensure fair and appropriate administration of operations in accordance with the Basic Philosophy and Management Guidelines, the RCC has taken the following measures:

- (1) **Strict compliance system**
To ensure compliance, the RCC has established a Compliance Committee including outside experts to oversee matters pertaining to compliance. This Committee deliberates on the establishment/revision of basic compliance provisions and other important matters, and reports on these deliberations to the Board of Directors.
- (2) **Client Service Offices (Tokyo, Osaka)**
The RCC has established Client Service Offices in Tokyo and Osaka to handle requests, grievances and inquiries from debtors and other parties, and to provide carefully-tailored responses in writing, by phone, etc., in accordance with the nature of the request/grievance/inquiry.
- (3) **Grievance Committee**
To ensure that requests, grievances, and inquiries submitted to the RCC by customers or other parties are processed suitably and fairly, the RCC has created a Grievance Committee consisting of outside experts who provide frank opinions and recommendations on processing. These opinions and recommendations are made public via the RCC's website.

Principal Operations of the RCC

1. Debt collection

- The RCC strives to ascertain debtors' actual situation in pursuing its claims collections in order to ensure proper collection efforts. Given that the RCC's debtors consist mostly of parties deprived of their primary trading financial institution by its failure, the RCC requests accurate asset disclosures through discussions with bona fide debtors and carefully follows reasonable procedures to assist debtors in maintaining their livelihoods and rebuilding/sustaining their businesses.
- On the other hand, the RCC deals severely with malicious debtors and anti-social forces, resorting to legal measures when necessary.

Debt collection performance

(Unit: hundred million yen)

Fiscal year	Amount collected	Fiscal year	Amount collected	Fiscal year	Amount collected
1996	2,788	2006	4,107	2016	381
1997	7,068	2007	2,651	2017	274
1998	9,123	2008	1,706	2018	227
1999	10,317	2009	1,211	2019	231
2000	12,620	2010	1,004	2020	141
2001	10,863	2011	1,106	2021	125
2002	9,244	2012	1,066	2022	134
2003	9,118	2013	879	2023	122
2004	8,232	2014	500		
2005	6,307	2015	416		
Cumulative amount collected (as of March 31, 2024)					101,959

(Note) The figure for FY1996 is the total of the figures for FY1995 and FY1996.

Figures have been rounded off to the nearest hundred million yen, so totals may not match the sum of individual values.

(Note) Payments to the DICJ

- The RCC pays to the DICJ the profits generated each fiscal year (the remainder after subtracting losses, etc., from the profits obtained through the collection of transferred claims, etc.) in the respective accounts for administering and collecting these claims under the law.
- The cumulative payments in connection with claims collections since FY1996 reached 1.5498 trillion yen (as of March 31, 2024)

2. Business revitalization support

- The RCC has been devoted to corporate revitalization, focusing on revitalization from a creditor standpoint by, for instance, helping formulate revitalization plans. The RCC utilizes its trust business functions to support revitalization in cases brought forth by other financial institutions.
- These efforts go beyond simply resolving the non-performing loans of financial institutions through corporate revitalization; they also contribute to invigorating local economies and saving jobs.

Corporate revitalization performance (as of March 31, 2024)

- Cases in which the RCC was involved in preparing/establishing revitalization plans

(Unit: cases)

Legal revitalization	88
Private revitalization	612
Total	700

(Note) Legal revitalization: procedures for revitalizing the business of a corporation using legal procedures for civil rehabilitation, corporate reorganization, etc.

Private revitalization: procedures for revitalizing the business of a corporation via financial assistance with the consent of financial creditors

(Note) Assisting debtors through changes of conditions, etc.

- In addition to its record of corporate revitalization indicated on page 4, the RCC as creditor has actively sought to maintain the livelihood of debtors and rebuild/sustain their businesses by modifying loan terms.

Cases in which loan terms were modified (as of March 31, 2024): 22,766

(Note) Number of cases after the Act concerning Temporary Measures to Facilitate Financing for Small and Medium-Sized Enterprise, etc. (SME Financing Facilitation Act) went into effect in December 2009.

- No change has been made in the basic guidelines for loan term modifications or other means of financial facilitation following the deadline stipulated in the SME Financing Facilitation Act, and the RCC continues as before to actively pursue these approaches.

3. Capital injection and equity participation

■ The RCC concludes agreements with the DICJ on capital injection into, or equity participation in, financial institutions in line with laws on capital injection into, or equity participation in, financial institutions using public funds, and then subscribes to stocks, etc., and exercises its rights as a shareholder or investor.

4. Purchase/collection of specified difficult recovery claims

■ The May 2011 revision of the Deposit Insurance Act assigned the RCC purchase/collection functions for "specified difficult recovery claims" in order to stabilize the financial system as a whole by severing relationships between financial institutions and anti-social forces and ensuring soundness in the composition of assets at financial institutions as well as facilitating their operations.

■ Specified difficult recovery claims are claims against anti-social forces and other claims that are impractical for private financial institutions to administer/collect. Utilizing the know-how it has cultivated heretofore, the RCC collaborates with the DICJ and the police to rigorously administer and collect such claims.

(Note) See P8 : Question 1 of Q&A about the RCC

Performances of purchase and collection of specified difficult recovery claims (as of March 31, 2024)

	Principal of purchased claims (unit: million yen)	Purchase price (unit: million yen)	Number of claims purchased (unit: claims)	Amount collected (unit: million yen)
Cumulative total	7,950	851	311	1,466

(Note) Figures have been rounded off to the nearest million yen.

Number of claims purchased calculated using one claim per debtor.

5. Purchase and consigned administration and recovery of claims against anti-social forces utilizing servicer functions

■ In accordance with "Encouraging the Efforts to Sever Relationships with Antisocial Groups" released by the Financial Services Agency in December 2013, the RCC is to utilize its servicer functions in purchasing or accepting consignment of the administration and collection of claims against anti-social forces held by credit companies and moneylenders, credit card companies, servicers, leasing companies, insurance companies, etc., that are not covered under the system for purchasing specified difficult recovery claims; the RCC began these operations in March 2014.

■ The purpose of these operations is to sever relationships between credit companies and moneylenders, etc., and anti-social forces, and rigorous administration/collection is undertaken in view of the nature of these claims.

(Note) See P9 : Question 1 of Q&A about the RCC

Performances of purchase and collection of claims against anti-social forces utilizing servicer (as of March 31, 2024)

	Principal of purchased claims (unit: million yen)	Purchase price (unit: million yen)	Number of claims purchased (unit: claims)	Amount collected (unit: million yen)
Cumulative total	1,899	71	932	127

(Note) Figures have been rounded off to the nearest million yen.

Number of claims purchased calculated using one claim per debtor.

6. Bridge bank operations

- The May 2011 revision of the Deposit Insurance Act assigned the RCC bridge bank functions to enable more flexible and efficient failure resolution.
- In bridge bank operations, the RCC inherits the insured deposits and assets to be transferred from the failed financial institution to the final assuming financial institution, provisionally maintaining/ continuing the operations of the above deposits and assets until the transfer to the final assuming financial institution is completed. The RCC administers these operations separately for each failed financial institution.

(Note) See P11 : Question 4 of Q&A about the RCC

7. Pursuit of civil liability

- As injections of public funds are involved in resolving failed financial institutions, one of the RCC's duties is to scrupulously examine the liability of the former management at failed financial institutions.
- Working in close cooperation with the DICJ, the RCC conducts thorough investigations and collects evidence of the involvement of the former management team in the financial affairs leading to the failure of a given financial institution, and claims/files for civil damages from the former management as necessary.

Pursuit of civil liability

(as of March 31, 2024)

Claims/lawsuits for damages to hold managers accountable for the failure of financial institutions

88 financial institutions
No. of lawsuits: 130 (current case:0)

Cumulative total of damages collected through pursuit of civil liability
(damages actually collected)

Pursuit of mediator liability	5.7 billion yen
Pursuit of management liability	13.3 billion yen
Total	19.0 billion yen

(Note) Figures have been rounded off to the nearest hundred million yen, so totals may not match the sum of individual values.

8. Pursuit of criminal liability

- The Deposit Insurance Act and others mandate that criminal complaints be filed when actions believed to constitute criminal offenses are discovered in the course of performing professional duties, and the RCC works closely with the DICJ in dealing harshly with criminal actions.
- The RCC also actively works to remove anti-social forces, etc., illegally occupying collateral property via provisional remedies such as civil execution.

Criminal complaints filed

(as of March 31, 2024)

(Unit: cases)

	Total
Cases related to borrowers	346
Auction interference	97
Fraud	98
Obstruction of compulsory execution	85
Other	66
Cases related to lenders	21
Breach of trust/aggravated breach of trust	14
Other	7
Total	367

(Note) Includes complaints filed jointly with the DICJ.

Overview of FY2023 Financial Results

Profit-and-loss Statement (From April 1, 2023 to March 31, 2024)

(Unit: hundred million yen)

	Total	Details				
		Post-Contract Account	Article 53 Account	Early Strengthening Account	Financial Functions Strengthening Account	Other
Current revenue	138	80	14	2	38	2
Interest income	35	16	1	2	14	0
(of which, interests on loans)	(18)	(16)	(1)	(—)	(—)	(0)
(of which, interest and dividends on securities)	(16)	(0)	(—)	(2)	(14)	(—)
(of which, interest on monetary claims purchased)	(0)	(0)	(—)	(—)	(—)	(—)
Trust fees	—	—	—	—	—	—
Fees and commissions	0	0	0	—	—	0
Other revenue from operations	0	0	—	—	—	—
Other current revenue	102	63	12	0	24	2
(of which, revenue from claim collections, etc.)	(51)	(37)	(12)	(—)	(—)	(1)
(of which, revenue from premises and equipment for sale)	(0)	(0)	(—)	(—)	(—)	(—)
(of which, subsidies and compensation for losses)	(3)	(3)	(—)	(—)	(—)	(—)
Current expenses	140	80	14	2	38	4
Fund procurement expenses	0	0	—	—	0	0
(of which, interest on deposits)	(0)	(0)	(—)	(—)	(—)	(0)
(of which, interest on borrowing)	(0)	(0)	(—)	(—)	(0)	(—)
Service transaction expenses, etc.	2	2	0	0	0	0
Other business expenses	—	—	—	—	—	—
Operating expenses	58	50	3	0	0	4
Other ordinary expenses	79	27	11	2	37	0
(of which, allowance for doubtful receivables)	(—)	(—)	(—)	(—)	(—)	(—)
(of which, amortization of loaned money)	(0)	(0)	(—)	(—)	(—)	(—)
(of which, losses from sale of claims)	(—)	(—)	(—)	(—)	(—)	(—)
(of which, losses from premises and equipment for sale)	(—)	(—)	(—)	(—)	(—)	(—)
(of which, payments to DICJ)	(78)	(27)	(11)	(2)	(37)	(0)
Current profits	△2	0	0	0	0	△2
Net income before taxes	△2	0	0	0	0	△2
Corporate, resident and business taxes	0	0	0	0	0	0
Income taxes – deferred	0	0	0	0	0	0
Net income	△2	0	—	—	—	△2

Balance Sheet (as of March 31, 2024)

(Unit: hundred million yen)

	Total	Details				
		Post-Contract Account	Article 53 Account	Early Strengthening Account	Financial Functions Strengthening Account	Other
Cash and deposits	736	197	15	1	30	491
Call loans	—	—	—	—	—	—
Receivables under resale agreements	—	—	—	—	—	—
Monetary claims purchased	0	0	—	—	—	—
Securities	4,121	88	—	198	3,834	—
(of which, national government bonds)	(80)	(80)	(—)	(—)	(—)	(—)
(of which, corporate bonds)	(—)	(—)	(—)	(—)	(—)	(—)
(of which, corporate stocks)	(1,746)	(8)	(—)	(198)	(1,540)	(—)
(of which, other securities)	(2,294)	(0)	(—)	(—)	(2,294)	(—)
Loaned money	469	459	4	—	—	5
Other assets	32	23	0	0	7	0
(of which, premises and equipment for sale)	(—)	(—)	(—)	(—)	(—)	(—)
(of which, compensation for losses receivable)	(3)	(3)	(—)	(—)	(—)	(—)
Tangible fixed assets	6	6	—	—	—	—
Intangible fixed assets	6	6	—	—	—	—
Customers' liabilities for acceptances and guarantees	10	10	—	—	—	—
Provision of allowance for doubtful receivables	△274	△267	△1	—	—	△5
Assets total	5,109	525	18	200	3,872	493
Deposits	0	—	—	—	—	0
Loans payable	4,402	363	7	198	3,834	—
Other liabilities	92	32	11	2	37	9
Allowance for retirement benefits for employees	1	1	0	0	0	0
Allowance for retirement benefits for officers	0	0	0	0	0	0
Deferred tax liability	0	0	—	—	—	—
Acceptances and guarantees	10	10	—	—	—	—
Liabilities total	4,508	407	18	200	3,872	9
Capital	120					
Retained earnings	480					
Retained earnings carried forward	480					
Valuation difference on available-for-sale securities	0					
Total net assets	600					
Liabilities and net assets total	5,109					

(Listed figures have been rounded off)

(Note) Post-Contract Account : account for administration/collection of loan claims, etc., purchased from failed financial institutions
Article 53 Account: account for administration/collection of loan claims, etc., purchased from sound financial institutions in accordance with Article 53 of the Financial Revitalization Act
Early Strengthening Account: account for recapitalization of financial institutions in accordance with the Act on Emergency Measures for Early Strengthening of Financial Functions
Financial Functions Strengthening Account: account for capital participation in financial institutions in accordance with the Act on Special Measures for Strengthening Financial Functions

Q&A about the RCC

1

Question

I understand that the RCC purchases claims against anti-social forces through two systems. How are these two systems different from each other? How does the RCC purchase claims from financial institutions, etc.?

The May 2011 revision of the Deposit Insurance Act assigned the RCC purchase / collection functions for specified difficult recovery claims which represent claims against anti-social forces and other claims which are held by financial institutions. In March 2014, the RCC began to utilize its servicer functions in order to purchase, and accept consignment of the administration and collection of, claims against anti-social forces held by credit companies, moneylenders, etc.

These two systems concern the purchase of claims against anti-social forces. However, their governing laws are different, namely, the Deposit Insurance Act and the Servicer Act. Therefore, the schemes concerning purchase of claims, etc. are widely different from each other.

1

Answer

1. Purchase/collection of specified difficult recovery claims

Under the system for purchasing specified difficult recovery claims, the RCC purchases claims against anti-social forces at the request of the DICJ in accordance with the Deposit Insurance Act.

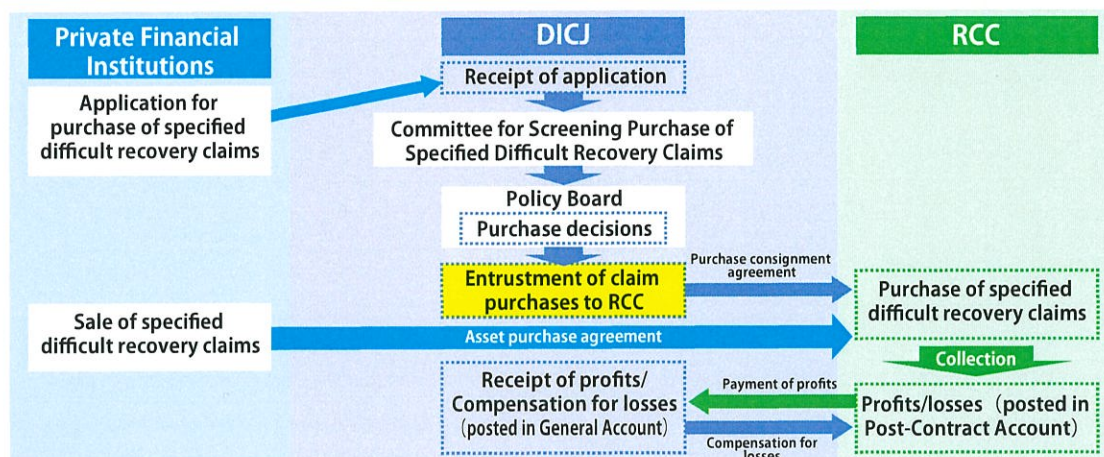
The specified difficult recovery claims to be purchased are described in the Deposit Insurance Act as loan claims held by financial institutions under exceptional conditions that could or do make it impractical for the financial institutions to take measures normally taken for the collection of claims. Below are two examples of such circumstances:

- (1) The debtor/guarantor is a member of anti-social forces and it is deemed likely that the debtor/guarantor will not abide by the terms of the agreement concerning the claim in question (attribute requirement).
- (2) Actions are likely to be taken to impede participation in the auctioning of real estate serving as collateral for the claim in question (behavioral requirement).

In collecting these claims, the RCC, in consideration of the nature of such claims, deals severely with anti-social forces and malicious debtors, making use of legal measures such as filing actions and requesting provisional remedies.

(Note) The official name of the Servicer Act is the "Act on Special Measures Concerning Claim Management and Collection Business." For the purpose of accelerating the handling, etc. of bad debts, this law authorizes the Minister of Justice to grant private claim management and collection companies a license to manage and collect monetary claims as an exception to the Attorney Act, while creating a mechanism to prevent anti-social forces, including gang groups, from entering the business and enforcing the necessary regulations/supervision on the licensed private claim management and collection companies to secure their appropriate operation of claim management and collection.

Scheme for purchase/collection of specified difficult recovery claims

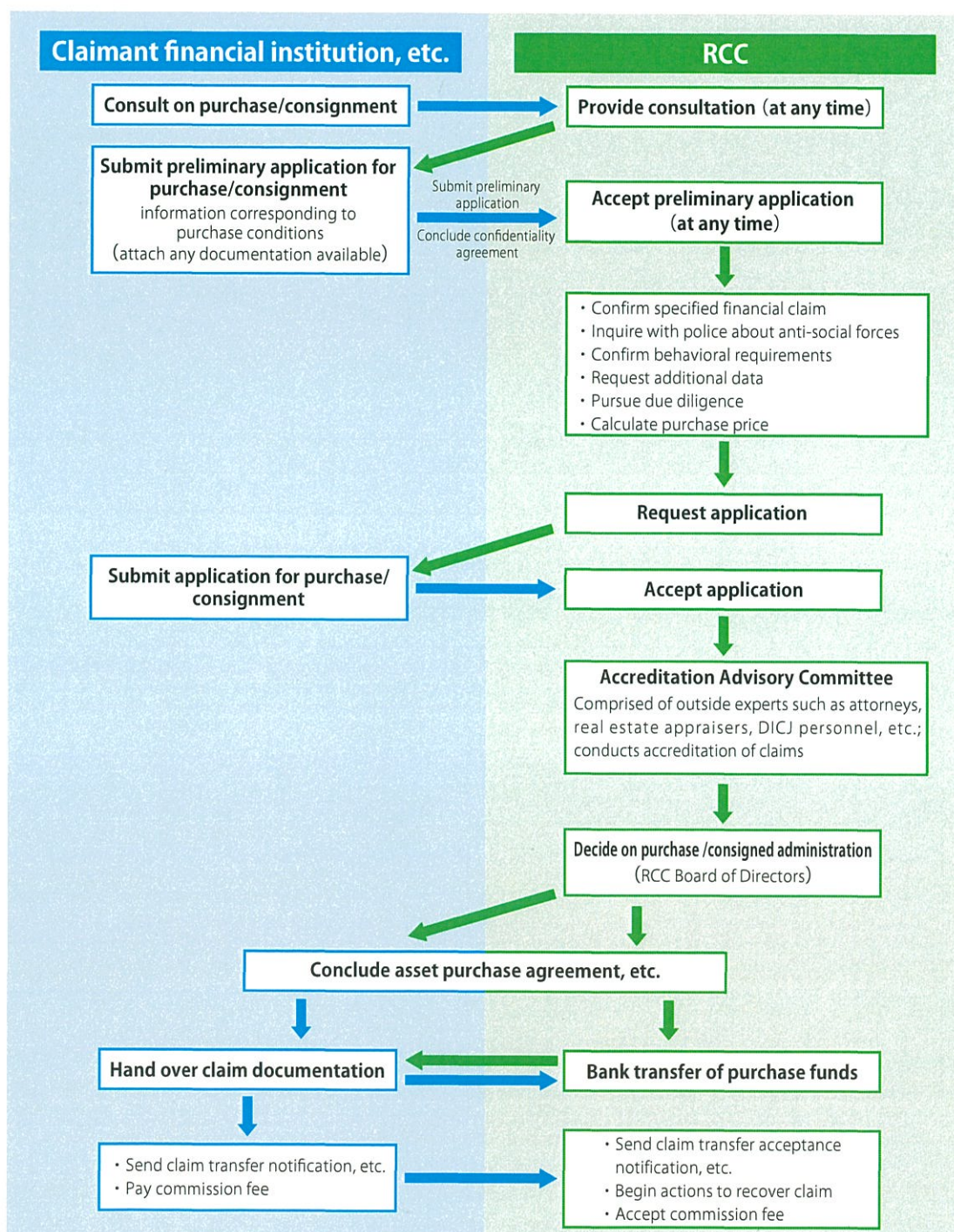


2. Purchase and consigned administration and recovery of claims against anti-social forces utilizing servicer functions

The RCC utilizes its servicer functions in purchasing or accepting consignment of the administration and collection of claims against anti-social forces held by credit companies, moneylenders, etc., not covered under the system for purchasing specified difficult recovery claims established under the Deposit Insurance Act.

In collecting these claims, the RCC, in consideration of the nature of such claims, deals severely with anti-social forces and malicious debtors, making use of the full range of available legal measures.

Procedural flow for purchase, etc., of claims against anti-social forces utilizing servicer functions



2

Question

What methods does the RCC employ in collecting claims?

The RCC's general views on claim collection and its specific procedures for the same are as follows.

2

Answer

1. General views

The RCC strives to ascertain the actual situation of debtors and other parties to ensure fair claims collection efforts.

The vast majority of the RCC's customers are blameless parties deprived of their primary trading financial institution by its failure. The RCC engages in discussions with these parties to obtain an accurate disclosure of their assets and carefully takes reasonable procedures to assist debtors in maintaining their livelihoods and rebuilding/sustaining their businesses.

At the same time, the RCC deals harshly with the minority of malicious debtors, anti-social forces, etc., resorting to legal measures available.

2. Specific procedures

(1)

Customers making repayments as agreed

• The RCC simply asks that the customers continue making repayments as agreed.

When a customer having difficulty making repayments as agreed consults with the RCC, or the RCC confirms that a customer's repayments are in arrears

• The RCC will obtain an accurate disclosure of the customer's assets and, when necessary, engage in good-faith discussions with the customer on easing repayment conditions, etc.

• When certain conditions are met during these good-faith discussions (e.g., there is legitimate value in continuing the business or there is economic logic in revitalizing the business), the RCC will assist in revitalizing/continuing the business by formulating a business revitalization plan, etc.

Customers unable to continue repayments with their earnings or income and for whom changes in repayment conditions or revitalization/continuation of business have become difficult

• In unavoidable cases, the RCC may demand lump-sum repayment due to the loss of the "benefit of time" (the benefit of time for repayment accorded to the customer by the agreement).

Customers from whom the RCC has required collateral and who have lost the benefit of time

- The RCC will require the customer to sell the collateral property in question and apply the proceeds to repayment.
- The debtor or collateral provider may in principle sell the collateral property in question to a third party at an appropriate price and then apply the proceeds of that sale to repayment but, when no suitable buyer can be found, the collateral property may necessarily be put up for auction.
- If disposal of the collateral property would make it difficult for the customer to maintain his livelihood, the RCC will engage in discussions on concrete steps to be taken in order to maintain the customer's livelihood.

Customers from whom the RCC has not required collateral or for whom claims remain despite having sold the collateral property and applied the proceeds to repayment, and who have lost the benefit of time

- The RCC will have the customers disclose data on the assets to be applied to repayment, their current revenues, etc., and hold discussions with these customers on detailed repayment methods, etc.

(2)

Debtors not repaying claims and not cooperating by disclosing assets, etc.
Debtors concealing assets and not repaying claims
Anti-social forces and other malicious debtors

• The RCC will deal with them harshly, resorting to all legal measures available.

3

Question

What exactly is the business revitalization carried out by the RCC?

The RCC utilizes the “debtor’s business revitalization scheme” to support the revitalization and continuation of businesses via the following methods:

3

Answer

1. When it is deemed possible to rebuild the business of a debtor to the RCC, the RCC actively helps revitalize/sustain the debtor’s business through such means as assisting in the formulation of a business revitalization plan.
For debtors in areas afflicted by the Great East Japan Earthquake, the RCC endeavors to collaborate as needed with other public institutions as well as private financial institutions to provide efficient and effective support for business revitalization.
2. The RCC utilizes its trust business functions to support the revitalization of business operators when revitalization cases are brought to the RCC by other financial institutions.
3. In determining whether revitalization is possible for a particular debtor, the RCC examines each case using the following criteria:
 - (1) The business being considered for revitalization has continuation value.
 - (2) The business operator has demonstrated a sincere willingness to make repayments, and has honestly disclosed his/her own assets.
 - (3) Revitalizing the business would be economically rational for the creditor.

4

Question

What is the role of the RCC in resolving failed financial institutions?

When a financial institution fails, the selected financial administrator (the DICJ, etc. may be selected) will administer the failed financial institution in place of the former management team, all the while seeking to transfer the business to a final assuming financial institution. In resolving failed financial institutions, the RCC may perform the following operations in keeping with its agreement with the DICJ:

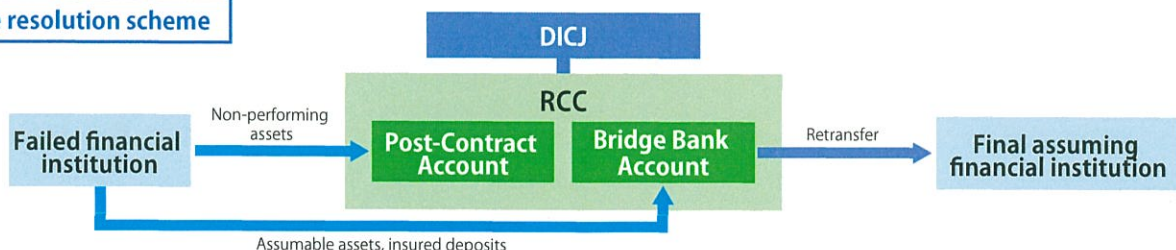
4

Answer

1. If no final assuming financial institution comes forward immediately, the RCC will inherit the assets to be transferred to the final assuming financial institution, i.e., the assets separated by the financial administrator and insured deposits, and may perform bridge bank functions to provisionally maintain/continue the financial institution’s operations until the transfer to the final assuming financial institution is completed.
2. The RCC will purchase, administer and collect those assets not to be transferred to the final assuming financial institution for which a purchase consent was received from the DICJ.

(Note) Insured deposits are deposits safeguarded by deposit insurance. Deposits for payment and settlement purposes such as current deposits and no-interest ordinary deposits are fully protected, while general deposits other than these enjoy protection for up to 10 million yen in principal per depositor per financial institution plus the interest payable thereon until the day of failure.
Repayments of uninsured deposits will depend on the status of the failed financial institution’s assets as determined in the course of the legal procedures necessitated by the failure.

Failure resolution scheme



History of the RCC

<Housing Loan Administration Corporation>

Dec 19, 1995	Cabinet decision issued on primary loss burden ratios and establishment of Jusen Resolution Corporation
	Ruling coalition guidelines (three-party proposal) – letter of confirmation by government/three ruling parties
Jan 30, 1996	Cabinet decision issued on secondary loss resolution, contributions to Financial Stabilization Fund and financing for Jusen Resolution Corporation
Jun 18, 1996	Jusen Act passed (promulgated/enforced from Jun 21)
Jul 26, 1996	Housing Loan Administration Corporation established
Oct 1, 1996	Assets of seven Jusen corporations transferred
May 17, 1997	Legal team assembled to pursue civil liability
Mar 30, 1998	Revised Jusen Act passed
Dec 25, 1998	Merger contract/merger agreement concluded with Resolution and Collection Bank

<Resolution and Collection Bank>

[Tokyo Kyodo Bank]

Dec 9, 1994	Failure of Tokyo Kyowa Credit Union and Anzen Credit Union as well as measures to stabilize financial system announced by Ministry of Finance and Bank of Japan
Jan 13, 1995	Tokyo Kyodo Bank established (capital: 21.495 billion yen)
Mar 25, 1996	Business of Cosmo Credit Union wholly transferred to Tokyo Kyodo Bank
Jun 18, 1996	Finance-related bills passed (promulgated/enforced on Jun 21)

[Resolution and Collection Bank]

Sep 2, 1996	Trade name changed to Resolution and Collection Bank
Sep 5, 1996	Agreement on resolution and collection operations concluded with the DICJ
Mar 3, 1998	New agreement concluded on resolution and collection operations (covering asset purchases from credit unions as well as banks)
Nov 5, 1998	Specified resolution and collection agreement concluded (purchase, administration and disposition of assets in accordance with Article 53 of the Financial Revitalization Act)
	Consignment agreement concluded on subscribing to shares, disposing of acquired shares and acquired loan claims, etc. (capital injections in accordance with the Early Strengthening Act)
Dec 25, 1998	Merger contract/merger agreement concluded with Housing Loan Administration Corporation

<Resolution and Collection Corporation>

Apr 1, 1999	Resolution and Collection Corporation established; Nakabo Kohei appointed president (appointed president of Housing Loan Administration Corporation on Jul 26, 1996), resolution and collection agreement concluded with the DICJ
Jun 1, 1999	Servicer business license acquired
Aug 2, 1999	Kioi Akio appointed president
Mar 22, 2000	Pursuit of banks' mediator liability toward Jusen companies terminated
Nov 29, 2000	End of pursuit (lawsuits, settlement) of management liability at former Jusen companies announced
Apr 17, 2001	Compliance Committee established
	"Agreement on Collection Operations" concluded with Agricultural and Fishery Co-operative Savings Insurance Corporation
Jun 26, 2001	"Basic Policies for Economic and Fiscal Management and Socioeconomic Structural Reform" ("Large-Boned Policies") approved by Cabinet
Jun 27, 2001	Financial Revitalization Act partly revised (Article 53 purchase deadline extended by three years)
Aug 31, 2001	Authorization received to engage concurrently in trust business; Trust Business Department established
Nov 1, 2001	Corporate Revitalization Headquarters established
Jan 11, 2002	Revised Financial Revitalization Act enforced (greater flexibility in purchase pricing, participation in bidding, etc.); Corporate Revitalization Committee established
Apr 10, 2003	Financial Revitalization Act Article 53 purchase period further extended by one year
Feb 16, 2004	"RCC Corporate Revitalization Scheme" established
Apr 1, 2004	Okuno Yoshihiko appointed president
Sep 5, 2005	Outside Expert Council established
Sep 21, 2006	Overview/summary of Outside Expert Council deliberations released
Mar 1, 2009	Ueda Koichi appointed president
Jan 18, 2010	Grievance Committee established
Oct 29, 2011	Revised Deposit Insurance Act enforced (purchase/collection of specified difficult recovery claims, bridge bank operations)
Jun 20, 2012	Fujita Shozo appointed president
Dec 19, 2012	Head office relocated (to Shin-Nisseki Building, 3-4-2, Marunouchi, Chiyoda-ku, Tokyo 100-0005)
Mar 28, 2014	Purchase and consigned administration and recovery of claims against anti-social forces utilizing servicer functions began
Apr 1, 2014	Accreditation Advisory Committee established
Oct 5, 2015	Fujiwara Toichi appointed president
Jun 11, 2020	Honda Morihiro appointed president

List of Departments for Inquiries

Inquiry time with the telephone (weekday) 9:30~12:00, 13:00~17:00

(As of July 1, 2024)

Office		Address	
Office	Tokyo Area	Shin Nisseki Bldg., 3-4-2, Marunouchi, Chiyoda-ku, Tokyo, 100-0005	
	Osaka Area	Miyakojima Jutaku Kyobashi Bldg., 2-2-10, Higashinodamachi, Miyakojima-ku, Osaka-shi, Osaka, 534-0024	
Department Name / Inquiry Details			Telephone (FAX)
Tokyo Area	main switchboard		General Affairs & Personnel Department 03-3213-7101 (03-3213-7170)
	Consultation regarding various procedures	Tokyo Business Division	• Re-issue of mortgage cancellation documents, etc. (Customers who have completed transaction settlement, etc.) 03-3213-7127 (03-3213-7190)
			• Early Repayment (full amount or partial) • Inquiries regarding Group Credit Life Insurance 03-3213-7151 (03-3213-7198)
			• Repayment schedule reissue • Issuance of various certificates • Various change procedures, etc. 03-3213-7147 03-3213-7148 (03-3213-7198)
			• Early Repayment (full amount or partial) • Repayment schedule reissue • Issuance of various certificates • Various change procedures, etc. 03-3213-7141 (03-3213-7193)
	Repayment Consultation (Customer Service Center)	Tokyo Business Division	• Housing loans 0120-073-260
	Debt administration/ collection		• Small- to medium-sized enterprises and individual business owners 0120-073-261
	Business Revitalization Support		• Housing loan customer Representative 03-3213-7147 03-3213-7148 (03-3213-7198)
	Consultation on business revitalization(support)	Business Revitalization Department	• Small- to medium-sized enterprises and individual business owners customer Representative 03-3213-7141 03-3213-7144 (03-3213-7193)
	Purchase of claims against anti-social forces		• Business revitalization support office 03-3213-7131 (03-3213-7524)
	Debt administration/collection	Tokyo Special Business Division	• Trust administration office 03-3213-7114 (03-3213-7524)
			• Debt purchasing section for antisocial forces 03-3213-7115
	Deposit		• Debt administration/collection section for antisocial forces 03-3213-7119 03-3213-7273 (03-3213-7180)
	Complaints and Consultations		0120-337-030
	Public Relations		• Contact for requests, complaints, consultations and opinions, regarding the Company 03-3213-7108 (03-3213-7184)
Osaka Area	Contact for General Affairs	Administration Section 06-6355-1020 (06-6355-1025)	
	Consultation regarding various procedures	Osaka Business Division	• Re-issue of mortgage cancellation documents, etc. (Customers who have completed transactions settlement, etc.) 06-6355-1020 (06-6355-1025)
			• Early Repayment (full amount or partial) • Inquiries regarding Group Credit Life Insurance 06-6355-1030 (06-6355-1045)
			• Repayment schedule reissue • Issuance of various certificates • Various change procedures, etc. 06-6355-1040 06-6355-1044 (06-6355-1045)
			• Early Repayment (full amount or partial) • Repayment schedule reissue • Issuance of various certificates • Various change procedures, etc. 06-6355-1040 06-6355-1044 (06-6355-1045)
	Repayment Consultation (Customer Service Center)	Osaka Business Division	• Housing loans 0120-224-450
	Debt administration/ collection		• Small- to medium-sized enterprises and individual business owners 0120-774-459
	Business Revitalization Support		• Housing loan customer Representative 06-6355-1030 (06-6355-1045)
	Debt administration/ collection	Osaka Special Business Division	• Small- to medium-sized enterprises and individual business owners customer Representative 06-6355-1040 06-6355-1044 (06-6355-1045)
	Complaints and Consultations		• Debt administration/collection section for antisocial forces 06-6355-1080 (06-6355-1085)
			• Contact for requests, complaints, consultations and opinions, regarding the Company 06-6355-1023 (06-6355-1025)

The Resolution and Collection Corporation