

April 28, 2011
Bank of Japan

Outline for the Funds-Supplying Operation to Support Financial Institutions in Disaster Areas

1. Eligible Counterparties

- Eligible counterparties shall be financial institutions with business offices in disaster areas^[Note 1] that conduct lending or central organizations of financial cooperatives^[Note 2] whose member financial institutions have business offices in disaster areas that conduct lending.
- Eligible counterparties shall be already counterparties in the Bank of Japan's "funds-supplying operations against pooled collateral at all offices" and those that wish to be counterparties for this operation.

[Note 1] Disaster areas are areas designated under the Disaster Relief Act, No. 118, 1947, with regard to the Great East Japan Earthquake -- that is, the whole areas of Iwate, Miyagi, and Fukushima prefectures and some areas of Aomori, Ibaraki, Tochigi, and Chiba prefectures.

[Note 2] Central organizations of financial cooperatives are the Shinkin Central Bank, the Shinkumi Federation Bank, the Rokinren Bank, and the Norinchukin Bank.

2. Form of Loans

Loans shall be provided against pooled collateral.

3. Duration of Loans

The duration of each loan shall be one year.

4. Loan Rates

The loan rate shall be 0.1 percent per annum.

5. Total Amount of Loans

The total amount of loans shall be 1 trillion yen.

6. Maximum Amount of Loans per Counterparty

The Bank shall determine the maximum amount of loans to each counterparty, taking into account each counterparty's total amount of lending outstanding at business offices in disaster areas (for central organizations of financial cooperatives, the amount of lending outstanding in disaster areas made by both the central organization and its member financial institutions shall be aggregated), provided that it shall not exceed 150 billion yen.

7. Deadline for New Application for Loans

The period for new application for loans shall end on October 31, 2011.