

# Introduction to the Smaller Enterprise Retirement Allowance Mutual Aid (SERAMA) “Chutaikyo” Scheme



Let's prepare to ensure the security of employees

**Make good use of the national retirement allowance scheme as a measure to retain human resources!**

◎ Up to JPY 60,000 for one year for new enrollments

**The government partially subsidizes the contributions**

◎ Easy to manage and requires no effort

**You are notified of your payment status and retirement allowance estimates**

◎ All contributions are tax exempt

**Let's fully enjoy tax benefits**



Smaller Enterprise Retirement Allowance Mutual Aid (SERAMA) Office of the Organization for Workers' Retirement Allowance Mutual Aid (Organization)

To ensure the security of employees!

For a stable post-retirement life

To make the workplace a place where people can work with peace of mind

To enhance motivation and productivity

For the stable retainment of human resources

# Make good use of the national retirement allowance schemes!

## What is the Smaller Enterprise Retirement Allowance Mutual Aid Scheme?

The Smaller Enterprise Retirement Allowance Mutual Aid (SERAMA) Scheme was established in 1959 based on the Small and Medium-Sized Enterprise Retirement Allowance Cooperative Act, which was a part of national measures for small and medium-sized enterprises.

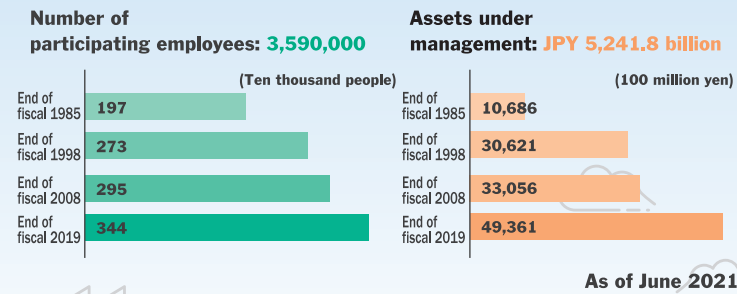
Taking into account the fact that it is difficult for small, micro and medium-sized enterprises to afford their own retirement allowance schemes, the SERAMA Scheme was established with the small and medium-sized enterprise spirit of mutual assistance and national support from the government. It was designed to promote the wellbeing of employees in small and medium-sized enterprises, as well as their job stability, and to ultimately contribute to the promotion and development of small and medium-sized enterprises.

The SERAMA Scheme is a mutual aid scheme, which is funded by employers' contributions and their investment income. For short-term enrollees, their retirement allowance is less than the total amount of contributions, but the difference and investment interest are used as financial resources to increase the retirement allowance for long-term enrollees, resulting in payment of a retirement allowance in excess of the total principal and interest of the contributions that have been made.

The scheme is run by the Smaller Enterprise Retirement Allowance Mutual Aid (SERAMA) Office of the Organization for Workers' Retirement Allowance Mutual Aid (Organization).



## The SERAMA Scheme is safe, secure, and advantageous, with a proven track record of 375,000 companies joining the scheme



### 1 Advantageous National Subsidy for Contributions

The government subsidizes a part of contributions for employers participating in the SERAMA Scheme for the first time, and for employers who increase the amount of their monthly contribution.

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### 5 Benefits for Part-Time Workers

For part-time workers, there is a special monthly contribution amount that is lower than that of full-time employees. There is also an additional subsidy for new enrollments.

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### 7 Retirement Allowance Paid Directly to Employees

The retirement allowance will be paid from the SERAMA Office directly to the deposit account of a retired employee.

(Note) The employer cannot receive the retirement allowance on behalf of the employee.

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### 2 Easy to Manage with External Reserve

Since the contribution is paid by account transfer, it takes no time or effort.

Furthermore, it's easily manageable, because an employer is notified of the payment status and retirement allowance estimate of each employee.

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### 3 Contributions Are Tax-Exempt

Contributions, including those for past service, are calculated as a loss for incorporated companies, and as necessary expenses for private enterprises.

(Note) Size-based corporate tax is applied to the corporate enterprise tax of legal entities with a total of more than JPY 100 million in capital or investments.

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### 4 Many Options for Monthly Contribution Amount

The monthly contribution for each employee can be selected from 16 options and can be changed.

### 6 Receive a Round Retirement Allowance Sum with the Totaling System

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## Become familiar with all of the features of the SERAMA Scheme

### 8 Affiliated Services Can Be Used for Employee Welfare

Member companies can use SERAMA Office's affiliate hotels and recreational facilities with discounted fees for the welfare of their employees.

### 9 Transition (of Asset) from Organizations that Dissolved a Surviving Employees Pension Fund or Abolished a Specified Retirement Allowance Mutual Aid (SRAMA) Scheme\*

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\*Refers to the "Specified Retirement Allowance Mutual Aid Scheme" operated by organizations, such as a Chamber of Commerce and Industry or Commerce and Industry Association.

### Subsidy System: Contributions Subsidized by Municipalities, etc.

In addition to the national government, there are some contribution subsidizing municipalities providing their own subsidies for contributions independently.

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# Any small and medium-sized enterprises that meet the enrollment conditions can join the scheme



## Eligible Companies

Eligibility depends on the business category. Any employer whose number of full-time employees or whose capital/investment is within the following ranges can join the scheme. For sole proprietorships and other type of businesses such as public service corporations, eligibility depends on the number of full-time employees.

**Number of Full-Time Employees or Capital/Investment** You can join the SERAMA Scheme if your company's size or scale is within the specified range

Industry	Number of Full-Time Employees	Capital/Investment
General Industry (Manufacturing, construction, etc.)	300 or below	JPY 300 million or below
Wholesale Industry	100 or below	JPY 100 million or below
Service Industry	100 or below	JPY 50 million or below
Retail Industry	50 or below	JPY 50 million or below

**Full-time employees**\* refers to employees whose normal weekly working hours are approximately the same as those of regular employees in the same company, and includes: ① those whose employment period is not specified, and ② those who are employed for longer than 2 months.

If a company grows, and ceases to be a small or medium-sized enterprise after joining the scheme, under certain conditions, an amount equivalent to the cancellation allowance can be transferred to the Defined Benefit Corporate Pension Plan Scheme (DB), the Defined Contribution Pension Plan Scheme (corporate-type DC), or the Specified Retirement Allowance Mutual Aid Scheme.

## Eligible Employees

In principle, all employees\* should participate in the scheme. However, you are not required to enroll employees who meet any of the following conditions. \*An employee is defined as a person who has an employment relationship with the employer and is paid wages.

**Enroll All Employees** Employees Whose Enrollment is Arbitrary

① Those on a definite-term employment contract	④ Part-time workers
② Those employed for seasonal work	⑤ Those on a leave of absence
③ Those on probation	⑥ Those expected to retire shortly, for instance, due to mandatory retirement age

**Notes**

- Employers and those participating in the Small Business Mutual Aid System are not eligible to join the SERAMA Scheme.
- The executives of an incorporated company are not eligible to join the SERAMA Scheme. However, executives who receives wages, such as a paid employee serving as an executive, are eligible to join.
- A company participating in the SERAMA Scheme can also participate in the Specified (construction, sake brewery, and forestry) Industry Retirement Allowance Mutual Aid Scheme, which is also run by the Organization. (See "For Reference" for details.) However, **an individual employee cannot participate in both schemes at the same time.**
- \* The Act on Mutual Aid Association for Retirement Allowances for Personnel of Social Welfare Facilities and Other Personnel prohibits employees who participate in the Retirement Allowance Mutual Aid Scheme for Social Welfare Facility Employees from participating in the SERAMA Scheme.

## For Reference

For details, please contact each office and request a brochure for each system.

### Specific Industry Retirement Allowance Mutual Aid Scheme

A mutual aid scheme for employees on a definite-term employment contract in construction, sake brewery, or forestry

**Point of Contact**

Construction Industry Retirement Allowance Mutual Aid Office:	TEL (03) 6731-2866
Sake Brewery Industry Retirement Allowance Mutual Aid Office:	TEL (03) 6731-2887
Forestry Industry Retirement Allowance Mutual Aid Office:	TEL (03) 6731-2887

### Worker Property Formation Promotion System

A system to support employees' property formation

**Point of Contact** Worker Property Formation Office TEL (03) 6731-2935

## Enrollment of Part-Time Workers

Part-time workers are excluded from bulk enrollment but can be enrolled. In order to encourage employers to enroll part-time workers in the system, preferential treatment is provided, such as special monthly contributions (see page 7) and additional subsidies for new enrollments (see page 8).

**Enrollment Conditions for Part-Time Workers** Submit the application form with a certificate attached

Employees whose normal weekly working hours are shorter than those of regular employees at the same company, and fewer than 30 hours.

When applying for enrollment, you are requested to submit a certificate demonstrating that the individual in question is a part-time worker (a copy of the "Notice of Labor Terms and Conditions (Notice of Employment)" or the "Employment Contract").

\*We require that you submit a copy of either the "Notice of Labor Terms and Conditions (Notice of Employment)" or the "Employment Contract" as evidence of the employee's working conditions. If you do not, we will not accept applications for special monthly contributions.

## Combined Use with Other Systems

Some systems can be used together with the SERAMA Scheme and others cannot.

Can be combined	Cannot be combined *
Internal Retirement Allowance Scheme	Specific Industry Retirement Allowance Mutual Aid Scheme
Defined Benefit Corporate Pension Plan Scheme	Small Business Mutual Aid System
Defined Contribution Pension Plan Scheme	Retirement Allowance Mutual Aid Scheme for Social Welfare Facility Employees
Specified Retirement Allowance Mutual Aid Scheme	
Surviving Employees Pension Fund	

\* A company may use these systems together with the SERAMA Scheme but cannot enroll an employee in both systems at the same time.

## Transfer from Other Systems

- It is now possible to apply for transition from a Surviving Employees Pension Fund which was dissolved after April 2014 to the SERAMA Scheme. In response to this transition, we will confirm your enrollment status in the Surviving Employees Pension Fund as of April 1, 2014 when you apply for a new enrollment.
- It is possible to transfer assets from an organization that has abolished its Specified Retirement Allowance Mutual Aid Scheme after April 2016 to the SERAMA Scheme.
- If a business establishment implementing the SERAMA Scheme and a business establishment implementing the corporate pension (DB or corporate DC) merged into an SME after May 1, 2018, the newly merged company can transfer assets between the SERAMA Scheme and the pension system.

### Relevant Authorities

Workers' Life Division, Employment Environment and Equal Employment Bureau, Ministry of Health, Labor and Welfare, Section for Labor Welfare Administration Labor Bureaus of local municipalities

### Small Business Mutual Aid System

In addition to our organization, there is also the Small Business Mutual Aid System, which targets proprietors, company board executives, and business partners of proprietors of small-size enterprises. For more on this scheme, please contact the Organization for Small & Medium Enterprises and Regional Innovation, Japan.

**Point of Contact** Organization for Small & Medium Enterprises and Regional Innovation, Japan  
Mutual Aid Consulting Office TEL (050) 5541-7171  
URL <https://www.smrj.go.jp/>



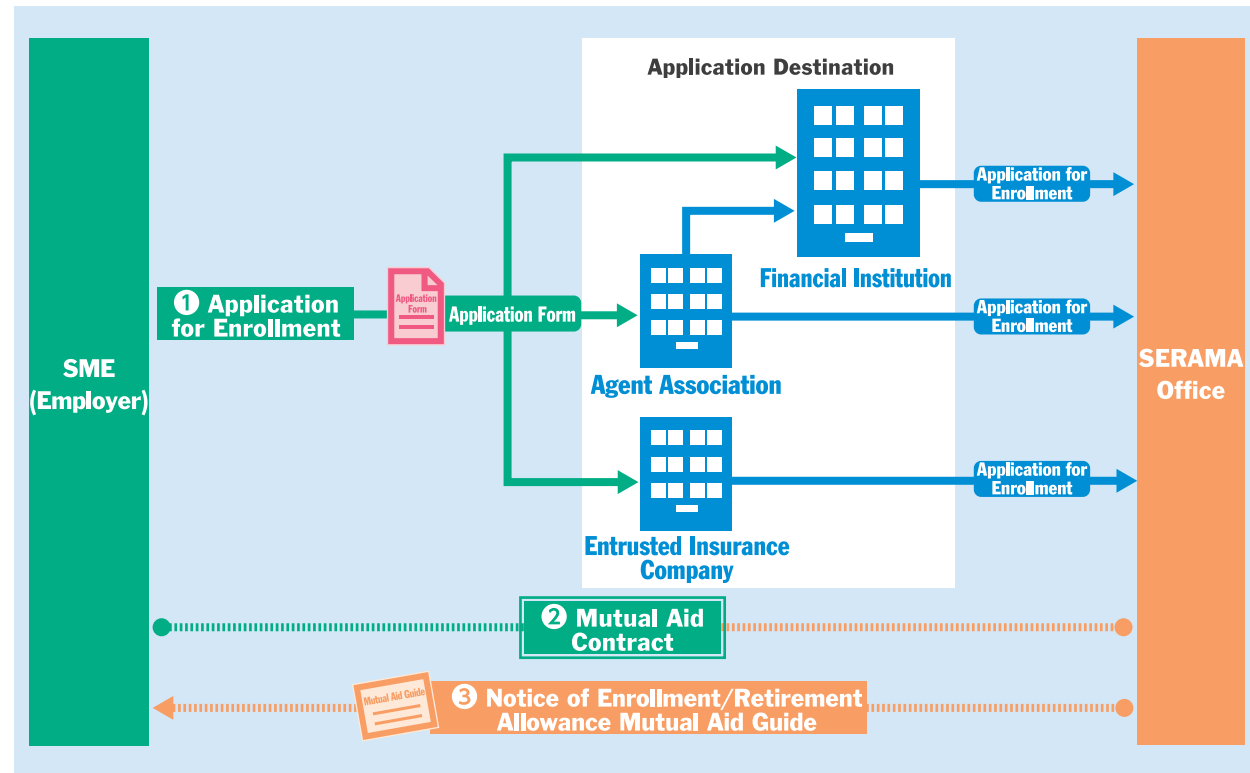
# A retirement allowance scheme that can be easily introduced with a contract between an employer and the SERAMA Office

## Enrollment Procedure

The employer concludes a “Retirement Allowance Mutual Aid Contract” with the SERAMA Office for employees employed by the employer.

The enrollment procedure is performed by the employer.

Request a “New Application Form” from the SERAMA Office, a financial institution, or an agent association.



① Fill in a “New Application Form” with the required items, and submit it to a financial institution, agent association, or entrusted insurance company.

\* If you hire a new employee after joining the SERAMA Scheme, please use the “Additional Application Form.”

② Conclude a Retirement Allowance Mutual Aid Contract with the SERAMA Office. The “contract conclusion date” is the date on which the application destination accepted the application.

③ The SERAMA Office will send a “Notice of Enrollment” and a “Retirement Allowance Mutual Aid Guide” (three sheets per person) to the employer at a later date.

## Application Destination

Financial Institution	Agent Association (Outsourcing Contractor)	Entrusted Insurance Companies
<ul style="list-style-type: none"> <li>- Bank</li> <li>- Shinkin bank</li> <li>- Credit union</li> <li>- Labor bank</li> <li>- The Shoko Chukin Bank</li> </ul> <p>*Japan Post Bank, agricultural cooperatives, fishery cooperatives, online banks, and foreign-affiliated banks are excluded. *Some branches providing services oriented towards individuals may not handle application receptions. Check with the relevant financial institution in advance.</p>	<ul style="list-style-type: none"> <li>- Labor insurance office unions</li> <li>- Federations of Small Business Associations</li> <li>- Chambers of Commerce and Industry</li> <li>- Commerce and Industry Associations</li> <li>- Aoiro Incorporated Associations</li> <li>- Labor Standards Associations</li> <li>- Hire-Taxi Associations</li> <li>- TKC Corporate Mutual Aid Associations, etc.</li> </ul>	<p>For the insurance companies that handle applications, please contact the SERAMA Office.</p> <p><b>Point of Contact</b></p> <p>Smaller Enterprise Retirement Allowance Mutual Aid Office of the Organization for Workers’ Retirement Allowance Mutual Aid TEL (03) 6907-1234</p>



### Precautions when applying for enrollment

- It is not possible to submit the “Application Form” directly to the SERAMA Office.
- To enroll a part-time worker (see page 4), you are requested to submit a copy of either the “Notice of Labor Terms and Conditions (Notice of Employment)” or the “Employment Contract.”
- If the number of regular employees is equal to or greater than the following number when you apply for enrollment in the SERAMA Scheme, “proof of your being a small or medium-sized enterprise” is required.
  - General Industry (manufacturing, construction, etc.): 250
  - Wholesale and Service Industry: 90
  - Retail Industry: 40
- For corporate enterprises who require proof, if the total amount of your capital or investment falls within the range for small and medium-sized enterprises, a certified copy of your “Current Matters Partial Certificate (register extract)” can be submitted as evidence of your being a small or medium-sized company.
- When enrolling a relatives living with employers and sharing livelihoods, the following are required as documents confirming the employment relationship: “Confirmation (check sheet) for the employee applied for enrollment,” “Copy of Notice of Labor Terms and Conditions (if not available, Confirmation of Working Conditions),” a “document confirming the payment of wages (a copy of the payroll, etc.)”. (See page 13)
- When submitting the application form, you may be required to submit a document certifying the entries in the application form.
- A current monthly contribution may be transferred that month or on the following month. [Example] Contribution for April: “Current month transfer” → Transfer on April 18/“Next month transfer” → Transfer on May 18

## Frequently Asked Questions When Applying for Enrollment

### Q. Is it possible to enroll retroactively or to change the contract date?

**A.** The date of conclusion of the Retirement Allowance Mutual Aid Contract is the date on which the financial institution, agent association, or entrusted insurance company accepts the “Retirement Allowance Mutual Aid Contract Application Form,” so it is not possible to make a retroactive contract.

Additionally, the contract date cannot be changed after submitting the Retirement Allowance Mutual Aid Contract Application Form.

Note that once the contract is concluded, the contribution for the month of conclusion must be paid, so please be careful of the date of submission of the Retirement Allowance Mutual Aid Contract Application Form (no prorated contributions).

### Q. Can a family employee join?

**A.** A family member can join the SERAMA Scheme as long as he/she is an employee. For details, refer to “Enrolling Relatives Living with Employers” on page 13.

### Q. Is there an age limit for joining?

**A.** There are no age restrictions on enrolling your employees in the SERAMA Scheme. You can accumulate contributions until they retire.

### Q. What should a company do if it is no longer an SME?

**A.** A company exceeding the SME range can no longer be covered by this scheme, so it should, in principle, terminate the contract.

The employer must send a notification that his/her company is no longer an SME. Upon receipt of the notification, we will terminate the Retirement Allowance Mutual Aid Contract and pay a cancellation allowance based on the requests of the employees.

The amount equivalent to the cancellation allowance may be transferred to another system if certain requirements are met.

### Q & A about Enrollment

Frequently asked questions about enrollment conditions and procedures are summarized on our PC website.



## Amount of Monthly Contributions

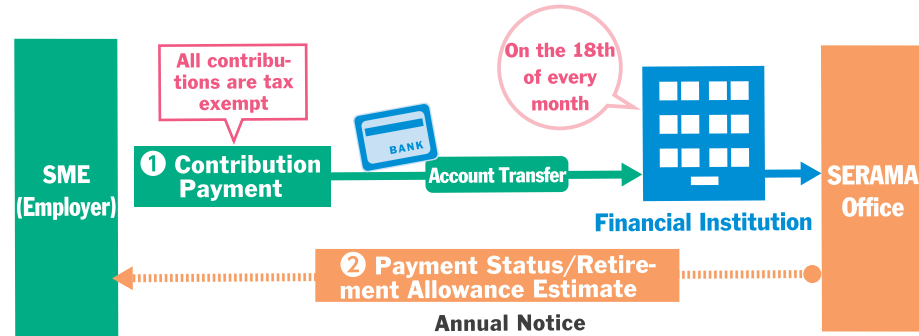
The amount of monthly contributions can be selected based on the wages and the years of service

Monthly contributions can be selected and changed for each employee.



### How to Pay Contributions

The monthly contribution should be fully borne by the employer and paid through the designated financial institution.



- The monthly contributions (total amount of contributions for all the participating employees) are deducted from the deposit account of a financial institution designated by the employer on the 18th of every month (or the next business day if the day falls on a holiday of the financial institution). Employers are requested to deposit the money into their deposit account by the day before.
- Once a year, an employer will be provided with a "Payment Status" and a "Retirement Allowance Estimate" for each employee.

- Notes**
- An employee's contribution should be paid from the month of the "effective date" until the month of the employee's "retirement date."
  - An employer has to bear the full amount of the contribution for each employee. He/She cannot have the employee bear the contribution, either in part or in full, for whatever reason.

### Monthly Contribution Options

An employer can choose the amount of monthly contribution amount from the following options for each employee.

Monthly Contribution (Selectable for All Employees)	JPY 5,000	JPY 6,000	JPY 7,000	JPY 8,000	JPY 9,000	JPY 10,000
	JPY 12,000	JPY 14,000	JPY 16,000	JPY 18,000	JPY 20,000	
	JPY 22,000	JPY 24,000	JPY 26,000	JPY 28,000	JPY 30,000	

Monthly contributions for part-time workers (see page 4) can be selected from the following three special monthly contribution options.

Special Monthly Contribution for Part-Time Workers	JPY 2,000	JPY 3,000	JPY 4,000
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### Filing for Change of Monthly Contribution Amount or Requesting Advance Payment

The amount of the monthly contribution can be changed by submitting a "Request for Change of Monthly Contribution Amount" after enrollment.

- The amount of the monthly contribution can be changed for each employee. To do so, submit a "Request for Change of Monthly Contribution Amount" by the 15th day of the month before the month of your planned change. (The monthly contributions for the months for which you have already paid the contribution cannot be changed)

For instance, if you want to change the amount for the April contribution, the request should be submitted by March 15.

- The amount of the monthly contribution can be reduced only under the following conditions:

- The employee agrees to the reduction.
- The Minister of Health, Labor and Welfare certifies that it is extremely difficult for the employer to continuously pay the current amount of monthly contribution.

- You can make an advance payment for up to 12 months (lump-sum payment).

To make an advance payment, submit the "Request for Advance Payment" by the 25th day of the month before the month of your planned advance payment.

For instance, if you want to make an advance payment for April and the following months, the request should be submitted by March 25.

\*However, an advance payment consisting only of contributions for the past service period is not allowed.

#### Q & A about Deposit Account Transfers

Frequently asked questions about contributions and deposit account transfers are summarized on our PC website.

## Subsidy for Monthly Contributions

Government subsidy reduces an employer's financial burden

During the subsidy period, an employer will pay the balance after deduction of the subsidy from the monthly contribution.

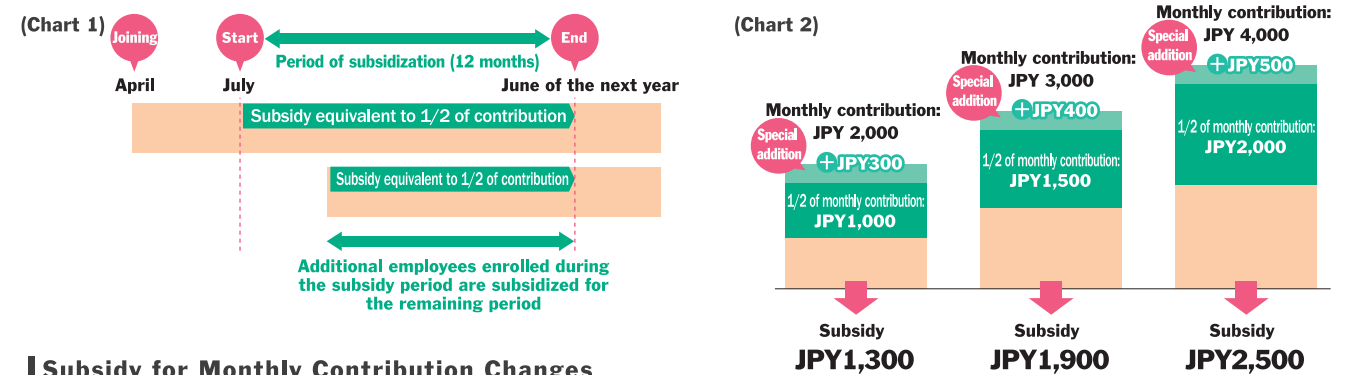


### Subsidy for New Enrollments

For an employer who joins the SERAMA Scheme for the first time, subsidizing will commence 4 months after the enrollment and end after a 12-month period of national subsidization (Chart 1).

During the period of subsidization, 50% of each participating employee's monthly contribution is subsidized with an upper limit of JPY 5,000 for each employee.

The amount of subsidy for the special monthly contribution for part-time workers is the sum of 50% of the monthly contribution amount and the special addition shown in Chart 2.



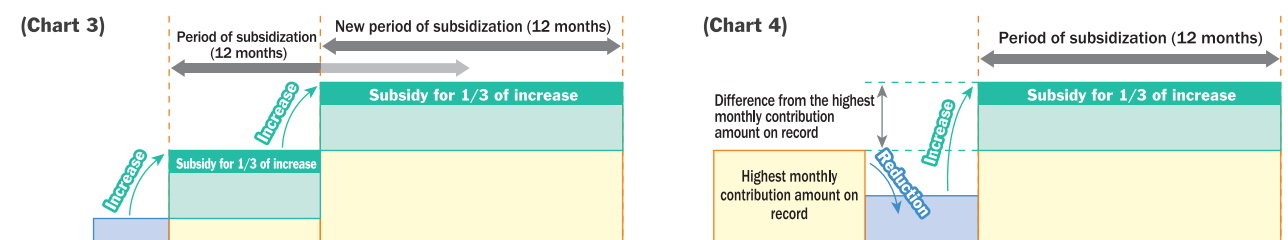
### Subsidy for Monthly Contribution Changes

For employers increasing monthly contributions, subsidizing will commence as of the month the change takes place, and end after a 12-month period of national subsidization.

In the event the employer increases monthly contributions from JPY 18,000 or less for an employee, one third of the difference between the amount before the increase\* and the amount after the change is borne by the government as a subsidy. Increases from monthly contributions of JPY 20,000 or more do not qualify for a subsidy.

If the employer increases the contribution amount for an employee again during the period of subsidy for monthly contribution changes, the previous subsidy will end, and a new subsidy will begin, and last for 12 months (See Chart 3).

\* The amount before the increase to the monthly contributions is defined as the highest monthly contribution amount for the employee on record (See Chart 4).



If a new member employer increases the monthly contribution amount for employees during the period of subsidy for new enrollments, a subsidy for monthly contribution changes will be provided in addition to the subsidy for new enrollments.

### Contribution Subsidy Availability List

According to circumstances, the subsidy for new enrollments or the subsidy for monthly contribution changes may not be applicable.

Employer Conditions	Subsidy for New Enrollments	Subsidy for Monthly Contribution Changes
Employers who are enrolled in the Retirement Allowance Mutual Aid Scheme for Social Welfare Facility Employees	×	○
Employers who wish to transfer assets from a dissolved Surviving Employees Pension Fund	×	○
Employers who wish to transfer assets from an organization that has abolished a Specified Retirement Allowance Mutual Aid Scheme	×	○
Employers who wish to transfer assets to and from a corporate pension due to mergers, etc.	×	○
Employers who will enroll relatives living with them as well as other employees in the SERAMA Scheme for the first time	○	○
Employers who only hire relatives living with them	×	×

## Totaling Past Service Periods

### Receive a round retirement allowance sum by totaling the past service periods

For employers enrolling in the SERAMA Scheme for the first time, a totaling system which allows employers to pay contributions corresponding to an employee's service period prior to enrolment is applicable. This makes it possible for them to pay a retirement allowance corresponding to an employee's past service.

#### Advantages

- An employer can prepare retirement allowances according to the years of service for employees who have started working before joining the SERAMA Scheme.
- Contributions for past services are also tax-exempt as a deduction or necessary expense.

All contributions are tax-exempt

#### Payment of Contributions for Past Services

An employer should pay contributions for past services "together with the current monthly contributions." The payment period is the same as the "past service period" (if the past service period is 5 years or more, the payment period is 5 years). Contributions for past services cannot be paid in a lump-sum.

#### Past Service Period

The past service period is defined as the period beginning on the employment date and ending one day prior to the "effective date" of the SERAMA Scheme Retirement Allowance Mutual Aid Contract." (Any non-working period such as a leave of absence can be deducted from the past service period.) However, the maximum period for past service contribution is 10 years. Past service is counted in years; extra months are rounded off.

**Example 1** The number of years of service before joining is 3 years and 11 months  
→ The past service period is up to 3 years

**Example 2** The number of years of service before joining is 11 months  
→ The past service period is 0 years (cannot be totaled)

#### Basic Monthly Contribution for Past Services (A)

Can be selected for each employee from the monthly contribution amount options shown on page 7 and should be equal to or less than the amount chosen at the time of joining the scheme. For part-time workers, special monthly contribution options can be selected. Note: You cannot change the basic monthly contribution amount for past services after the contract becomes effective.

**Example 1** Monthly contribution at the time of joining: JPY 10,000  
→ Basic Monthly Contribution for Past Services is JPY 5000 to 10000

**Example 2** Monthly contribution at the time of joining: JPY 5,000  
→ Basic Monthly Contribution for Past Services is JPY 5000 only

#### Actual Monthly Contribution for Past Services (B)

Once the past service period is determined, the Actual Monthly Contribution for Past Services will be determined based on the payment period and the Basic Monthly Contribution for Past Services. The Actual Monthly Contribution for Past Services does not change throughout the payment period.

$$B \text{ Actual Monthly Contribution for Past Services (Actual withdrawal amount)} = A \text{ Chosen Basic Monthly Contribution for Past Services} \times \text{Contribution Rate Corresponding to Past Service Period} + \text{Rate Specified by the Minister of Health, Labor and Welfare}$$

#### Contribution Rate Corresponding to Past Service Period

Past Service Period	1 year	2 years	3 years	4 years	5 years	6 years	7 years	8 years	9 years	10 years
Payment Period	12 months	24 months	36 months	48 months	(60 months for past service of 5 years or more)					
Contribution Rate	1.01	1.02	1.03	1.04	1.05	1.27	1.49	1.71	1.93	2.16

#### Rate Specified by the Minister of Health, Labor and Welfare (MHLW Rate)

The MHLW rate is specified semi-annually depending on the status of the investment income, etc. (The rate varies depending on the year of enrollment and the first and second halves)

**Example:** In the case of a monthly contribution of JPY 12,000, a Basic Monthly Contribution for Past Services of JPY 10,000, a past service period of 7 years, and a MHLW rate of 0.02  
**Actual Monthly Contribution for Past Services = JPY 10,000 × (1.49 + 0.02) = JPY 15,100**  
 The amount of the monthly payments during the payment period is the sum of the monthly contribution (JPY 12,000) and the Actual Monthly Contribution for Past Services (JPY 15,100).

#### How to Apply

You are requested to apply for totaling of the past service periods when you apply for new enrollment. You will receive a "Total Past Service Period Confirmation Form" at a later date. You should fill in the "Basic Monthly Contribution for Past Services," the "Past Service Period," the "Actual Monthly Contribution for Past Services," and the "Date of Hire", and then return the form.



1. You can only apply for totaling of the past service periods when you apply for a new enrollment. Note that you cannot apply once the contract is concluded. 2. There is no contribution subsidy for the Actual Monthly Contribution for Past Services. 3. The "Basic Monthly Contribution for Past Services," the "Past Service Period," and the "Actual Monthly Contribution for Past Services" cannot be changed once determined. 4. When the contributions for past services are fully paid, the retirement allowance will be calculated based on the total number of service years, with the months from the month of enrollment through the past service period regarded as actual enrollment months. 5. If an employee retires before the end of the payment period without the payment being completed (incomplete payment), past service periods will not be totaled and the total amount of the retirement allowance calculated from the month of enrollment and the total amount of contributions for past services will be the retirement allowance. 6. Even if the number of payment months is 11 months or less, the amount equivalent to the payment of contributions for past services will be paid as a retirement allowance or cancellation allowance. 7. The past service periods cannot be totaled for the following employees. • Employees whose number of contribution payment months at other companies are totaled • Employees whose number of contribution payment months are transferred from the retirement allowance mutual aid scheme for specific industries (construction industry, sake manufacturing industry, forestry industry) • Employees who newly join the SERAMA Scheme after a merger with a business establishment implementing a corporate pension (Defined Benefit Corporate Pension Plan or Corporate Defined Contribution Pension) and transfer assets from the corporate pension • Employees who newly join the SERAMA Scheme after dissolution of a Surviving Employees Pension Fund or on the same day of abolition of a Specified Retirement Allowance Mutual Aid Scheme and transfer assets from it 8. The following periods are excluded from the past service period. • Period of enrollment in the Small Business Mutual Aid System • Period of enrollment in the retirement allowance mutual aid scheme for specific industries (construction industry, sake manufacturing industry, forestry) • Period of enrollment in the Retirement Allowance Mutual Aid Scheme for Social Welfare Facility Employees.

## Totaling Service Periods When Changing Jobs

Usually, retirement allowance is not transferable between companies. However, there is a totaling system which makes it possible to transfer a newly hired employee's accrued benefits from the previous company at the time of changing jobs.

### SERAMA Scheme ↔ SERAMA Scheme Transfer between SERAMA Scheme Participant Companies

When an employee of a "SERAMA Scheme participant company" leaves the company and is hired by another "SERAMA Scheme participant company," and the employee does not claim the retirement allowance corresponding to his/her service for the previous employer, the employee's accrued benefits can be transferred to his/her account with the new employer under the following conditions:

- Requirements**
- 1 The previous employer had contributed to the SERAMA Scheme for the employee for 12 months or more (In case the contribution period is less than 12 months, the reason for resigning from the previous company should be certified by the Minister of Health, Labor and Welfare.)
  - 2 The claim for transfer of benefits should be made within 3 years of the employee's resignation from the previous company.

### SERAMA Scheme ↔ Specific Industry Transfer between SERAMA Scheme and Specific Industry Retirement Allowance Mutual Aid (SIRAMA) Scheme Participant Companies

If an employee moves between the SERAMA Scheme and the Specific Industry Retirement Allowance Mutual Aid Scheme (see page 3) due to a change in occupation within the same company, etc., the past service periods can be totaled. If an employee changes jobs between "a company participating in the SERAMA Scheme" and "a company participating in the Specific Industry Retirement Allowance Mutual Aid Scheme" without claiming a retirement allowance, the past service periods can be totaled if following requirements are met.

- Requirements**
- 1 The request for transfer should be made within 3 years of the employee's resignation from the previous company.
  - 2 The Minister of Health, Labor and Welfare certifies that the cause for resignation was not due to personal reasons.

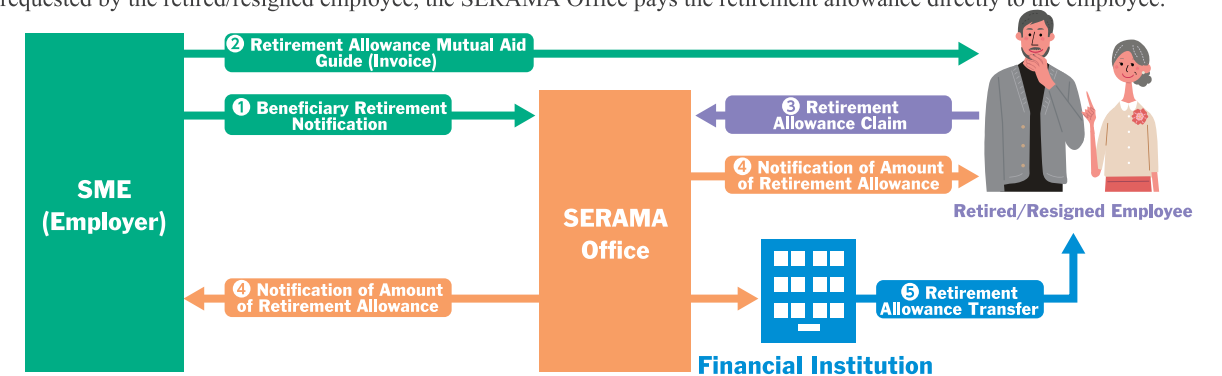
### SERAMA Scheme ↔ SRAMA Scheme Transfer between SERAMA Scheme and Specified Retirement Allowance Mutual Aid (SRAMA) Scheme Participant Companies

If an employee changes jobs from/to a "SERAMA Scheme/SRAMA Scheme participant company" without claiming the retirement allowance corresponding to his/her service for the previous employer, the employee's accrued benefits can be transferred between the SERAMA Office and the relevant SRAMA association.

- Requirements**
- 1 An accrued benefit transfer agreement is concluded between the SERAMA Office and the relevant SRAMA association.
  - 2 The request for transfer should be made within 3 years of the employee's resignation from the previous company.

## Retirement of Employee

If so requested by the retired/resigned employee, the SERAMA Office pays the retirement allowance directly to the employee.



- 1 When an employee's retirement is decided, the employer should fill in a "Beneficiary Retirement Notification" with the necessary items, and send it to SERAMA Office. The SERAMA Office will stop the transfer of contributions for the employee who is to retire based on the notification from the employer. (The "retirement date" of an employee is the date on which the employment relationship between the employer and the employee ends, and the contribution transfer is carried out until the month of retirement)
- 2 The employer fills in the employer entry fields on the "Retirement Allowance Claim," and hands it to the employee who is to retire.
- 3 The employee who has retired fills in the employee entry fields on the "Retirement Allowance Claim," and receives a confirmation stamp for the deposit account at a financial institution where the retirement allowance is to be received (no confirmation stamp is required if a copy of the passbook is attached). After that, the employee sends the "Retirement Allowance Claim" with his/her "Certificate of Residence (with his/her personal identity number printed on it)" and identity confirmation documents under the Personal Identity Number System to the SERAMA Office for identity verification, address confirmation, and personal identity number confirmation.
- 4 The SERAMA Office will notify the employer and the employee of the amount of the retirement allowance before transfer.
- 5 The SERAMA Office will transfer the retirement allowance to the deposit account of the retired employee based on the claim.



• If the SERAMA Office and the employer terminate the Retirement Allowance Mutual Aid Contract while employees are still in office, the employees will be paid a cancellation allowance. Under tax law, the cancellation allowance is "temporary income" and may be subject to taxation. • The cancellation allowance is calculated in the same way as the retirement allowance, but if the employer receives a contribution subsidy, the amount of the subsidy or 30/100 of the amount of the cancellation allowance, whichever is smaller, is reduced. • For information on the retirement of relatives living with employers and sharing a livelihood, please refer to "Enrolling Relatives Living With Employers" on page 13.



## Amount of Retirement Allowance

The retirement allowance an employee receives is the sum of the basic retirement allowance and the additional retirement allowance.

### Basic Retirement Allowance

The basic retirement allowance is prescribed by laws and regulations, and is based on the monthly contribution amount and number of contribution payment months. It is calculated with an assumed investment yield of 1%.

*Note: The assumed investment yield may change due to changes in laws and regulations.*

### Additional Retirement Allowance

If the investment yield exceeds the assumed investment yield, the additional amount is added to the basic retirement allowance, and the amount is determined in accordance with the circumstances (investment income, etc.). Specifically, the additional retirement allowance is the total of: the amount equivalent to the basic retirement allowance in the 43rd contribution payment month and every 12 months that follows, multiplied by the rate of pay determined by the Minister of Health, Labor, and Welfare for that fiscal year, accumulated until the time of retirement.



- The retirement allowance is not paid if the contribution period is less than 1 year. The allowance will be less than the aggregate contribution amount if the contribution period is 12 months or more but less than 2 years. The allowance will be equivalent to the aggregate contribution amount if the period is 2 years or more but 3 years and 6 months or less (this allows long-term participants to receive more generous retirement allowances than short-term participants). The allowance will exceed the aggregate contribution amount when the period is 3 years and 7 months (43 months) or more.
- Employers cannot receive a retirement allowance on behalf of an employee.

## Payment Method Options

The retirement allowance is paid in a lump-sum at retirement/resignation. However, a retired employee who is 60 years old or older on his/her retirement date and meets the following conditions can choose installment payments over 5 years or 10 years of the full or partial amount of retirement allowance.

Aged 60 or Over on Retirement Date	Payment Period	Full Installment Payment	Partial Installment Payment (Combined Payment)		Number of Payments	Split Payment Rate	(Note) May be changed due to amendments to laws and regulations and the status of investment income.
			Amount of Retirement Allowance (Amount subject to installment payment)	Amount of Retirement Allowance			
5 Years	5 Years	JPY 800,000 or more	Amount of Retirement Allowance (Amount subject to installment payment)	JPY 1 million or more	20 times	51.0 / 1,000 + MHLW rate (Equivalent to 1.0% annual interest)	
			Amount subject to lump-sum payment	JPY 200,000 or more			
10 Years	10 Years	JPY 1.5 million or more	Amount of Retirement Allowance (Amount subject to installment payment)	JPY 1.7 million or more	40 times	26.0 / 1,000 + MHLW rate (Equivalent to 1.0% annual interest)	
			Amount subject to lump-sum payment	JPY 200,000 or more			

The number of installment payments is four times a year (in February, May, August and November). The installment payment amount is calculated by multiplying the amount of the one-time installment payment by the split payment rate. (The initially determined amount will not be changed until the payment is completed)



- The beneficiary of the retirement allowance is the retired employee. In the case of retirement due to the employee's death, the beneficiary should be his/her surviving family.
- For tax purposes, a retirement allowance paid as a lump-sum from the SERAMA Scheme is considered to be retirement income, while installment payments are considered as miscellaneous income which is subject to the public pension deduction.

## Table of Basic Retirement Allowance

(Additional allowance not included) Note: Effective Nov. 1, 2002, The basic retirement allowance is subject to change due to amendments to laws and regulations.

Amount per JPY 1,000 contribution (hypothetical)	Years of contribution	Special monthly contribution (JPY)										Monthly contribution (JPY)										(Unit: JPY)																		
		2,000		3,000		4,000		5,000		6,000		7,000		8,000		9,000		10,000		12,000			14,000		16,000		18,000		20,000		22,000		24,000		26,000		28,000		30,000	
		0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months		0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months	0	1~11 months
3,600	1		7,200		10,800		14,400		18,000		21,600		25,200		28,800		32,400		36,000		43,200		50,400		57,600		64,800		72,000		79,200		86,400		93,600		100,800		108,000	
24,000	2		48,000		72,000		96,000		120,000		144,000		168,000		192,000		216,000		240,000		288,000		336,000		384,000		432,000		480,000		528,000		576,000		624,000		672,000		720,000	
36,000	3		72,000		108,000		144,000		180,000		216,000		252,000		288,000		324,000		360,000		432,000		504,000		576,000		648,000		720,000		792,000		864,000		936,000		1,008,000		1,080,000	
48,170	4		96,340		144,510		192,680		240,850		289,020		337,190		385,360		433,530		481,700		578,040		674,380		770,720		867,060		963,400		1,059,740		1,156,080		1,252,420		1,348,760		1,445,100	
60,820	5		121,640		182,460		243,280		304,100		364,920		425,740		486,560		547,380		608,200		729,840		851,480		973,120		1,094,760		1,216,400		1,338,040		1,459,680		1,581,320		1,702,960		1,824,600	
73,710	6		147,420		221,130		294,840		368,550		442,260		515,970		589,680		663,390		737,100		884,520		1,031,940		1,179,360		1,326,780		1,474,200		1,621,620		1,769,040		1,916,460		2,063,880		2,211,300	
86,760	7		173,520		260,280		347,040		433,800		520,560		607,320		694,080		780,840		867,600		1,041,120		1,214,640		1,388,160		1,561,680		1,735,200		1,908,720		2,082,240		2,255,760		2,429,280		2,602,800	
99,950	8		199,900		299,850		399,800		499,750		599,700		699,650		799,600		899,550		999,500		1,199,400		1,399,300		1,599,200		1,799,100		1,999,000		2,198,900		2,398,800		2,598,700		2,798,600		2,998,500	
113,230	9		226,460		339,690		452,920		566,150		679,380		792,610		905,840		1,019,070		1,132,300		1,358,760		1,585,220		1,811,680		2,038,140		2,264,600		2,491,060		2,717,520		2,943,980		3,170,440		3,396,900	
126,560	10		253,120		379,680		506,240		632,800		759,360		885,920		1,012,480		1,139,040		1,265,600		1,518,720		1,771,840		2,024,960		2,278,080		2,531,200		2,784,320		3,037,440		3,290,560		3,543,680		3,796,800	
139,910	11		279,820		419,730		559,640		699,550		839,460		979,370		1,119,280		1,259,190		1,399,100		1,678,920		1,958,740		2,238,560		2,518,380		2,798,200		3,078,020		3,357,840		3,637,660		3,917,480		4,197,300	
153,450	12		306,900		460,350		613,800		767,250		920,700		1,074,150		1,227,600		1,381,050		1,534,500		1,841,400		2,148,300		2,455,200		2,762,100		3,069,000		3,375,900		3,682,800		3,989,700		4,296,600		4,603,500	
167,180	13		334,360		501,540		668,720		835,900		1,003,080		1,170,260		1,337,440		1,504,620		1,671,800		2,006,160		2,340,520		2,674,880		3,009,240		3,343,600		3,677,960		4,012,320		4,346,680		4,681,040		5,015,400	
181,060	14		362,120		543,180		724,240		905,300		1,086,360		1,267,420		1,448,480		1,629,540		1,810,600		2,172,720		2,534,840		2,896,960		3,259,080		3,621,200		3,983,320		4,345,440		4,707,560		5,069,680		5,431,800	
195,000	15		390,000		585,000		780,000		975,000		1,170,000		1,365,000		1,560,000		1,755,000		1,950,000		2,340,000		2,730,000		3,120,000		3,510,000		3,900,000		4,290,000		4,680,000		5,070,000		5,460,000		5,850,000	
208,980	16		417,960		626,940		835,920		1,044,900		1,253,880		1,462,860		1,671,840		1,880,820		2,089,800		2,507,760		2,925,720		3,343,680		3,761,640		4,179,600		4,597,560		5,015,520		5,433,480		5,851,440		6,269,400	
223,170	17		446,340		669,510		892,680		1,115,850		1,339,020		1,562,190		1,785,360		2,008,530		2,231,700		2,678,040		3,124,380		3,570,720		4,017,060		4,463,400		4,909,740		5,356,080		5,802,420		6,248,760		6,695,100	
237,510	18		475,020		712,530		950,040		1,187,550		1,425,060		1,662,570		1,900,080		2,137,590		2,375,100		2,850,120		3,325,140		3,800,160		4,275,180		4,750,200		5,225,220		5,700,240		6,175,260		6,650,280		7,125,300	
252,000	19		504,000		756,000		1,008,000		1,260,000		1,512,000		1,764,000		2,016,000		2,268,000		2,520,000		3,024,000		3,528,000		4,032,000		4,536,000		5,040,000		5,544,000		6,048,000		6,552,000		7,056,000		7,560,000	
266,660	20		533,320		799,980		1,066,640		1,333,300		1,599,960		1,866,620		2,133,280		2,399,940		2,666,600		3,199,920		3,733,240		4,266,560		4,799,880		5,333,200		5,866,520		6,399,840		6,933,160		7,466,480		7,999,800	
281,460	21		562,920		844,380		1,125,840		1,407,300		1,688,760		1,970,220		2,251,680		2,533,140		2,814,600		3,377,520		3,940,440		4,503,360		5,066,280		5,629,200		6,192,120		6,755,040		7,317,960		7,880,880		8,443,800	
296,400	22		592,800		889,200		1,185,600		1,482,000		1,778,400		2,074,800		2,371,200		2,667,600		2,964,000		3,556,800		4,149,600		4,742,400		5,335,200		5,928,000		6,520,800		7,113,600		7,706,400		8,299,200		8,892,000	
311,480	23		622,960		934,440		1,245,920		1,557,400		1,868,880		2,180,360		2,491,840		2,803,320		3,114,800		3,737,760		4,360,720		4,983,680		5,606,640		6,229,600		6,852,560		7,475,520		8,098,480		8,721,440		9,344,400	
326,700	24		653,400		980,100		1,306,800		1,633,500		1,960,200		2,286,900		2,613,600		2,940,300		3,267,000		3,920,400		4,573,800		5,227,200		5,880,600		6,534,000		7,187,400		7,840,800		8,494,200		9,147,600		9,801,000	
342,080	25		684,160		1,026,240		1,368,320		1,710,400		2,052,480		2,394,560		2,736,640		3,078,720		3,420,800		4,104,960		4,789,120		5,473,280		6,157,440		6,841,600		7,525,760		8,209,920		8,894,080		9,578,240		10,262,400	
357,610	26		715,220		1,072,830		1,430,440		1,788,050		2,145,660		2,503,270		2,860,880		3,218,490		3,576,100		4,291,320		5,006,540		5,721,760		6,436,980		7,152,200		7,867,420		8,582,640		9,297,860		10,013,080		10,728,300	
373,290	27		746,580		1,119,870		1,493,160		1,866,450		2,239,740		2,613,030		2,986,320		3,359,610		3,732,900		4,479,480		5,226,060		5,972,640		6,719,220		7,465,800		8,212,380		8,958,960		9,705,540		10,452,120		11,198,700	
389,140	28		778,280		1,167,420		1,556,560		1,945,700		2,334,840		2,723,980		3,113,120		3,502,260		3,891,400		4,669,680		5,447,960		6,226,240		7,004,520		7,782,800		8,561,080									



## Enrolling Relatives Living with Employers

### Even a family employee can join the SERAMA Scheme

“Relatives Living with Employers” are relatives living with their employer and sharing a livelihood.

#### A Business Establishment Employing Only Relatives Living with Employers



#### B Business Establishment Employing Relatives Living with Employers as Well as Other Employees <<Mixed Business Establishment>>



#### Conditions for Joining for Relatives Living with Employers

Relatives living with employers must meet certain conditions

- 1 A person who is not enrolled in the Small Business Mutual Aid System
- 2 A person who can submit the following documents at the time of enrollment
  - Confirmation (check sheet) for the employee who applied for enrollment
  - A copy of Notice of Labor Terms and Conditions (if not available, Confirmation of Working Conditions)
  - A document confirming the payment of wages (A copy of the payroll, expense book or income tax withholding book)

Relatives living with employers must meet certain conditions

There is no need for employees other than relatives living with employers to meet these

#### Subsidy for New Enrollments and Subsidy for Monthly Contribution Changes

Not eligible for contribution subsidy

If there is any change to the kinship state of a beneficiary, i.e., whether or not the beneficiary is a relative living with an employer, or to the employment status of the business establishment, i.e., whether it employs only relatives living with employers A or not B, notification is required.  
\* Documents confirming the employment relationship need to be submitted on a regular basis.

Eligible for contribution subsidy

#### Documents Required at Retirement

- 1 Beneficiary Retirement Notification
- 2 Confirmation (check sheet) for relatives living with employers
- 3 Confirmation of Working Conditions
- 4 A document confirming the payment of wages (A copy of the payroll, expense book or income tax withholding book)

\* The documents 2 to 4 are not required for beneficiaries other than relatives living with employers.

When a relative living with an employer as set forth in A retires, the employer needs to submit a “Certificate of Reason for Retirement” besides the above <<Documents Required for Retirement>>.

#### Contribution Subsidy Availability List

Employer Conditions	Subsidy for New Enrollments	Subsidy for Monthly Contribution Changes
Employers hiring relatives living with them as well as other employees who join the SERAMA Scheme for the first time	○	○
Employers who only hire relatives living with them	×	×



• Whether or not a business establishment is the one which employs relatives living with their employer is determined not based on the status of enrollment in the SERAMA Scheme but based on the actual employment status of the business establishment. • The “check sheet” is available in two types: One used at the time of enrollment (to confirm that an employer is not a contractor of the Small Business Mutual Aid System and has an employment relationship), and the other used during enrollment and at the time of retirement (to confirm the employment relationship). • At the time of enrollment or in a month when the monthly contribution is increased, a mixed business establishment B is eligible for the subsidy for new enrollments and the subsidy for monthly contribution changes, while a business establishment A is not. Even if a business establishment A hires an employee other than a relative living with his/her employer up until the 15th month after a new enrollment, it is not eligible for the subsidy for new enrollment. If a mixed business establishment B receiving the subsidy becomes a business establishment A during the subsidy period, the subsidy will be discontinued. • If a beneficiary in a business establishment A retires, a “Certificate of Reason for Retirement” needs to be attached to certify that the beneficiary will retire due to “change of job or injury, illness, old age, or other similar reasons” besides the above <<Documents Required for Retirement>>. Except for these reasons, retirement allowance cannot be paid. • As a general rule, a beneficiary who has retired from a business establishment A cannot join the SERAMA Scheme again as a relative living with his/her employer at the same business establishment.

## More Details on SERAMA | Q&A



### Website now available for more convenient use

You can easily understand the procedures for joining, changing monthly contributions, prepaying contributions, retirement, etc.!

Procedure Information

A variety of questions can be solved at once!

Q & A

You can request application forms and brochures on the Web!

Document Request

You can download the documents required for various procedures after enrollment!

Collection of procedure form samples

You can simulate retirement allowances!

Retirement Allowance Estimation

The enrollment certificate required for business evaluations can be issued immediately!

Issuance of Enrollment Certificate

Affiliated facilities can be used at a discounted rate!  
\* You need to enter a password to view this.

Customer Service Corner

You can view the SERAMA website on your PC or smartphone

### We will answer frequently asked questions!

#### Can I go halves on the contributions with the employees?

All contributions must be borne by the employer. It cannot be borne by the employees, even partially. Note that you cannot deduct it from their salary or bonus, either.

#### Does the amount of retirement allowance change depending on the reason for retirement?

The amount of retirement allowance paid by SERAMA is determined based on the amount of the monthly contributions and the number of payment months, and is not affected by retirement reasons, i.e., for employer's convenience or for personal convenience.

#### Can retirement allowance be reduced in the case of disciplinary dismissal?

If an employee is dismissed for punitive or disciplinary reasons, the retirement allowance can be reduced after obtaining certification from the Minister of Health, Labor and Welfare (or the director of the District Transport Bureau for mariners, who are subject to the Mariners Act.)

If the retirement allowance is reduced, the reduction will be used to finance the retirement allowance payments for long-term enrollees under the SERAMA Scheme. Note that it cannot be refunded to the employer.

#### How can I find out about the investment status of the contributions?

Asset management status is disclosed on the website of the Organization for Workers' Retirement Allowance Mutual Aid. Please access the website and refer to the “Asset Management” → “Asset Management Status” page.

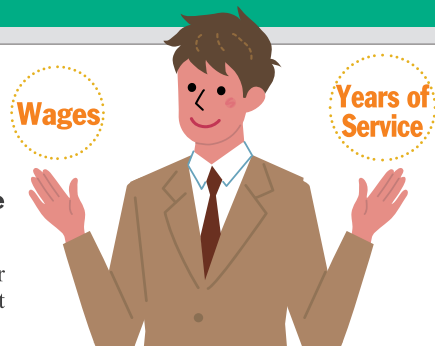
Organization website <https://www.taisyokukin.go.jp/>

## Determining the Monthly Contribution

### Which monthly contribution option should I select?

The amount of retirement allowance is generally determined based on the wages and the years of service

You can determine the amount of monthly contribution for each employee based on their wages or position, or calculate the amount by first determining the amount of retirement allowance based on the retirement age and/or years of service.



#### Example: Wage-based approach

If the monthly contribution is set to around 5% of the wages:

Wages	Monthly contribution
Below JPY 160,000	JPY 8,000
JPY 160,000 - 200,000	JPY 10,000
JPY 200,000 - 240,000	JPY 12,000
JPY 240,000 - 280,000	JPY 14,000
JPY 280,000 - 320,000	JPY 16,000
JPY 320,000 - 360,000	JPY 18,000
JPY 360,000 - 400,000	JPY 20,000
JPY 400,000 or more	JPY 22,000

#### Example: Years of service (YOS-based approach)

If the retirement allowance is set at 10 million yen for 35 years of service:

YOS	Monthly contribution
Less than 2 years	JPY 5,000
2 - 5 years	JPY 8,000
5 - 10 years	JPY 12,000
10 - 15 years	JPY 18,000
15 - 20 years	JPY 24,000
20 years or more	JPY 30,000

#### Example: Position-based approach

Determination of the monthly contribution amount based on position

Position	Monthly contribution
General Staff (Employee without a managerial position)	JPY 5,000
"Shunin" (Senior Staff)	JPY 8,000
"Kakaricho" (Section Chief)	JPY 12,000
"Kacho-hosa" (Assistant Manager)	JPY 18,000
"Kacho" (Manager)	JPY 24,000
"Bucho" (General Manager)	JPY 30,000

#### Example: Fixed-amount approach

To provide an employee with 35 YOS with a 10 million yen retirement allowance, the monthly contribution would be JPY 20,000 throughout his/her employment.

## Model Retirement Allowance (Results of Survey by Bureau of Industrial and Labor Affairs, Tokyo Metropolitan Government)

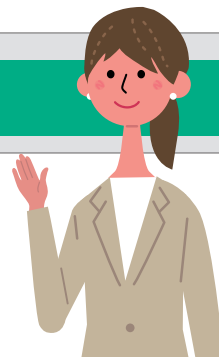
### This is an example of the amount of retirement allowance for each year of service in the case of voluntary resignation and involuntary resignation

This is the results of a survey of the amount of retirement allowance for each year of service in the case of voluntary resignation and involuntary resignation conducted by the Bureau of Industrial and Labor Affairs, Tokyo Metropolitan Government. Please use it as a reference.

#### Tokyo Model Retirement Allowance (Lump-Sum Retirement Allowance)

High school graduate; hired at age 18				Technical/Junior college graduate; hired at age 20				University graduate; hired at age 22			
YOS	Age	Voluntary resignation	Involuntary resignation	YOS	Age	Voluntary resignation	Involuntary resignation	YOS	Age	Voluntary resignation	Involuntary resignation
1 year	19	JPY 60,000	JPY 78,000	1 year	21	JPY 85,000	JPY 97,000	1 year	23	JPY 89,000	JPY 121,000
3 years	21	JPY 162,000	JPY 216,000	3 years	23	JPY 179,000	JPY 238,000	3 years	25	JPY 192,000	JPY 287,000
5 years	23	JPY 308,000	JPY 399,000	5 years	25	JPY 327,000	JPY 444,000	5 years	27	JPY 356,000	JPY 511,000
10 years	28	JPY 803,000	JPY 1,022,000	10 years	30	JPY 875,000	JPY 1,125,000	10 years	32	JPY 985,000	JPY 1,295,000
15 years	33	JPY 1,538,000	JPY 1,906,000	15 years	35	JPY 1,673,000	JPY 2,071,000	15 years	37	JPY 1,876,000	JPY 2,340,000
20 years	38	JPY 2,567,000	JPY 3,027,000	20 years	40	JPY 2,726,000	JPY 3,234,000	20 years	42	JPY 3,099,000	JPY 3,698,000
25 years	43	JPY 3,663,000	JPY 4,310,000	25 years	45	JPY 3,951,000	JPY 4,613,000	25 years	47	JPY 4,539,000	JPY 5,287,000
30 years	48	JPY 4,835,000	JPY 5,622,000	30 years	50	JPY 5,314,000	JPY 6,044,000	30 years	52	JPY 6,027,000	JPY 6,863,000
37 years	55	JPY 6,604,000	JPY 7,492,000	35 years	55	JPY 6,585,000	JPY 7,421,000	33 years	55	JPY 7,118,000	JPY 8,033,000
Retirement		-	JPY 9,329,000	Retirement		-	JPY 9,235,000	Retirement		-	JPY 9,874,000

Source: "Wages and Retirement Allowance Situation of Small and Medium-sized Enterprises," Bureau of Industrial and Labor Affairs, Tokyo Metropolitan Government (2020) <http://www.sangyo-rodo.metro.tokyo.jp/>



## Examples of Retirement Allowance Plan Regulations

### Become a trusted company by creating adequate regulations!

#### Retirement Allowance Plan Regulations

Sample regulations for a company that depends solely on the SERAMA Scheme

- Article 1 The Company shall provide the employee with a retirement allowance at his/her retirement/resignation in accordance with these Regulations.  
 2. The Company shall secure the payment of the retirement allowance stated in the preceding clause by concluding a Retirement Allowance Mutual Aid Contract for each employee with the Smaller Enterprise Retirement Allowance Mutual Aid (SERAMA) Office of the Organization for Workers' Retirement Allowance Mutual Aid (Organization).
- Article 2 The Company shall conclude a Retirement Allowance Mutual Aid Contract for a newly hired employee with the SERAMA Office upon completion of his/her probation period.
- Article 3 The Company shall make a monthly contribution to the Retirement Allowance Mutual Aid Contract based on the Attached Table and shall review it every [month].
- Article 4 The Company shall suspend contributions to the SERAMA Office for the employee whose non-working days exceed one half of the month's regular working days due to any reason except for being on leave of absence or work-related illness or injury.
- Article 5 The amount of retirement allowance equals the amount obtained based on the number of contribution payment months and the monthly contribution stipulated in the Small and Medium-sized Enterprise Retirement Allowance Cooperative Act.
- Article 6 The Company may ask the SERAMA Office to reduce the amount of retirement allowance for an employee who was dismissed on disciplinary grounds.
- Article 7 The employee (or his/her surviving family in the case of the employee's death) shall be paid his/her retirement allowance by the SERAMA Office in exchange for submission of the Retirement Allowance Mutual Aid Guide.  
 2. In the event of an employee's retirement/resignation or death, the Company shall provide the retired/resigned employee or his/her surviving family with the Retirement Allowance Mutual Aid Guide without any delay after the employee's retirement/resignation or death, except in the case of a delay due to unavoidable circumstances, so as to facilitate his/her claim for retirement allowance to the SERAMA Office.
- Article 8 The Company may amend or abolish these Regulations based on consultation with the representative of employees in the event of amendments to related laws and/or regulations, change of social conditions or other reasons.
- <Supplementary Rules>  
 Article 1 The Retirement Allowance Plan Regulations become effective as of [Month/Day/Year].  
 Article 2 For employees working for the Company prior to the effective date, the Company shall conclude an agreement for contributing for each employee's past service period in accordance with their years of service with the SERAMA Office.

Sample table (based on monthly salary)

Wages	Monthly contribution
Below JPY 160,000	JPY 8,000
JPY 160,000 - 200,000	JPY 10,000
JPY 200,000 - 240,000	JPY 12,000
JPY 240,000 - 280,000	JPY 14,000
JPY 280,000 - 320,000	JPY 16,000
JPY 320,000 - 360,000	JPY 18,000
JPY 360,000 - 400,000	JPY 20,000
JPY 400,000 or more	JPY 22,000

Sample table (based on position)

Position	Monthly contribution
General staff (employee without a managerial position)	JPY 5,000
"Shunin" (Senior Staff)	JPY 8,000
"Kakaricho" (Section Chief)	JPY 12,000
"Kacho-hosa" (Assistant Manager)	JPY 18,000
"Kacho" (Manager)	JPY 24,000
"Bucho" (General Manager)	JPY 30,000

#### Retirement Allowance Plan Regulations

Sample regulations for a company that sets the amount of retirement allowance

- Article 1 The Company shall provide the employee with a retirement allowance at his/her retirement/resignation in accordance with these Regulations.
- Article 2 The amount of retirement allowance equals the product of the monthly base salary at retirement/resignation and the rate determined with reference to the years of service.
- Article 3 For an employee who resigns for involuntary reasons, including work-related illness or injury, or attainment of retirement age after 10 or more years of service, the Company may provide an additional retirement allowance, which should not exceed 30% of the amount obtained according to the calculation stipulated in the preceding article.
- Article 4 The Company shall secure the payment of retirement allowance stated in these Regulations by concluding a Retirement Allowance Mutual Aid Contract for each employee with the employee as the beneficiary with the Smaller Enterprise Retirement Allowance Mutual Aid (SERAMA) Office of the Organization for Workers' Retirement Allowance Mutual Aid (Organization).
- Article 5 The Company shall conclude a Retirement Allowance Mutual Aid Contract for a newly hired employee with the SERAMA Office upon completion of his/her probation period.
- Article 6 The Company shall make monthly contributions to the Retirement Allowance Mutual Aid Contract as specified separately and shall review it every [month].
- Article 7 The Company shall suspend contributions to the SERAMA Office for the employee whose non-working days exceed one half of the month's regular working days for any reason other than being on leave of absence, or work-related illness or injury.
- Article 8 If the amount of retirement allowance to be paid by the SERAMA Office is less than the amount obtained based on Article 2 and Article 3, the Company shall directly provide the retired/resigned employee with the difference. If the amount of retirement allowance to be paid by the SERAMA Office is more than the amount obtained based on Article 2 and Article 3, the Company shall regard the amount paid by the SERAMA Office of the Organization as the retirement allowance the Company should provide.
- Article 9 The Company may reduce the amount of retirement allowance for an employee dismissed for disciplinary reasons. In this case, the Company may ask the SERAMA Office for a reduction of the retirement allowance.
- Article 10 The years of service referred to in Article 2 and Article 3 should begin from the date of hiring and end on the day of retirement/resignation. With regard to months below 1 year, 5 months or less shall be rounded off for the purpose of years of service calculation, while 6 months or more shall be rounded up to 1 year.  
 2. Periods of leaves of absence as well as absences exceeding 6 months except for those due to work related injury or illness shall not be included in the years of service.
- Article 11 The employee or his/her surviving family in the case of the employee's death shall be paid his/her retirement allowance by the SERAMA Office in exchange for submission of the Retirement Allowance Mutual Aid Guide.  
 2. In the event of an employee's retirement/resignation or death, the Company shall provide the retired/resigned employee or his/her surviving family with the Retirement Allowance Mutual Aid Guide without any delay after the employee's retirement or death, except in the case of a delay due to unavoidable circumstances, so as to facilitate his/her claim for retirement allowance to the SERAMA Office.  
 3. If the Company is to provide the difference stipulated in Article 8, unless there is a delay due to unavoidable circumstances, it shall provide the difference to the retired/resigned employee or his/her surviving family after his/her retirement/resignation or death without any delay.
- Article 12 The Company may amend or abolish these Regulations based on consultation with the representative of employees in the event of amendments to related laws and/or regulations, change of social conditions or other reasons.
- <Supplementary Rules>  
 Article 1 The Retirement Allowance Plan Regulations become effective as of [Month/Day/Year].  
 Article 2 For employees working for the Company prior to the effective date, the Company shall conclude an agreement for contributing for each employee's past service period in accordance with their years of service with the SERAMA Office.



## Contributions Subsidized by Municipalities

### ? Which subsidy programs are available in your town?

The SERAMA Office calls municipalities that offer subsidies for monthly contributions to the SERAMA Scheme “Contribution Subsidizing Municipalities.” The conditions, subsidy amounts, and periods of subsidy programs differ with each municipality or subsidizing organization. For the latest information on the subsidy programs offered by Contribution Subsidizing Municipalities, please refer to the person in charge at the municipality.

**As of August 2021, 278 areas**

**(Tokyo, two prefectures, two wards, 186 cities, 71 towns, 16 villages)**

**(Note)** For the latest contribution subsidy list, please refer to our website.

#### Point of Contact

Smaller Enterprise Retirement Allowance Mutual Aid (SERAMA) Office  
**TEL (03) 6907-1234**  
 1-24-1 Higashi-Ikebukuro, Toshima-ku, Tokyo 170-8055

Visit our website for more details.

## Small and Medium-sized Enterprise Retirement Allowance Cooperative Act (Excerpt)

Our reliable scheme is based on legislation

#### (Purpose)

Article 1 This law aims to facilitate the use of the retirement allowance mutual aid scheme by employees of small and medium-sized enterprises based on a spirit of mutual aid among employers of small and medium-sized enterprises who are to contribute to the scheme, to promote the welfare of these employees and to grow small and medium-sized enterprises.

#### (Conclusion of Contract)

Article 3 Only a small and medium-sized enterprise employer can conclude a Retirement Allowance Mutual Aid Contract.

Article 4 The Retirement Allowance Mutual Aid Contract shall be concluded for each beneficiary of mutual aid with the determined amount of monthly contribution.

#### (Benefits for Beneficiary)

Article 5 The beneficiary and his/her surviving family shall be rightly provided with benefits according to the Retirement Allowance Mutual Aid Contract.

#### (Retirement Allowance)

Article 10 When the beneficiary retires/resigns, the Organization shall provide the beneficiary (or his/her surviving family in the case of retirement due to death) with a retirement allowance. However, in the event that the months of contribution for the beneficiary (hereinafter called “Months of Contribution”) are fewer than 12, the preceding sentence will not apply.

5. In the event that the beneficiary is dismissed for disciplinary reasons, and the mutual aid contractor requests for reduction of the amount of retirement allowance, and the Minister of Health, Labor and Welfare determines that the reduction is reasonable based on the standards set by the Order of the Ministry of Health, Labor and Welfare, the Organization shall provide the beneficiary with a reduced retirement allowance pursuant to the Order of the Ministry of Health, Labor and Welfare.

#### (Cancellation Allowance)

Article 16 The Organization shall provide the beneficiary with a Cancellation Allowance in the event that the retirement allowance contract is cancelled.

#### (Prohibition of Transfer of Right for Retirement Allowance Payment)

Article 20 The right for retirement allowance payment shall not be transferred, pledged as collateral, or seized.

However, with regard to the beneficiary’s “right to receive payment” of retirement allowance, etc., in the case seizure due to disposition for non-payment of taxes (including other dispositions similar to this example), it does not apply.