

NEW AGE. NEW STAGE.

Shinsei Step Up Program



PLATINUM / GOLD / STANDARD

Shinsei Step Up program is designed to
help build wealth over every stage of your life.

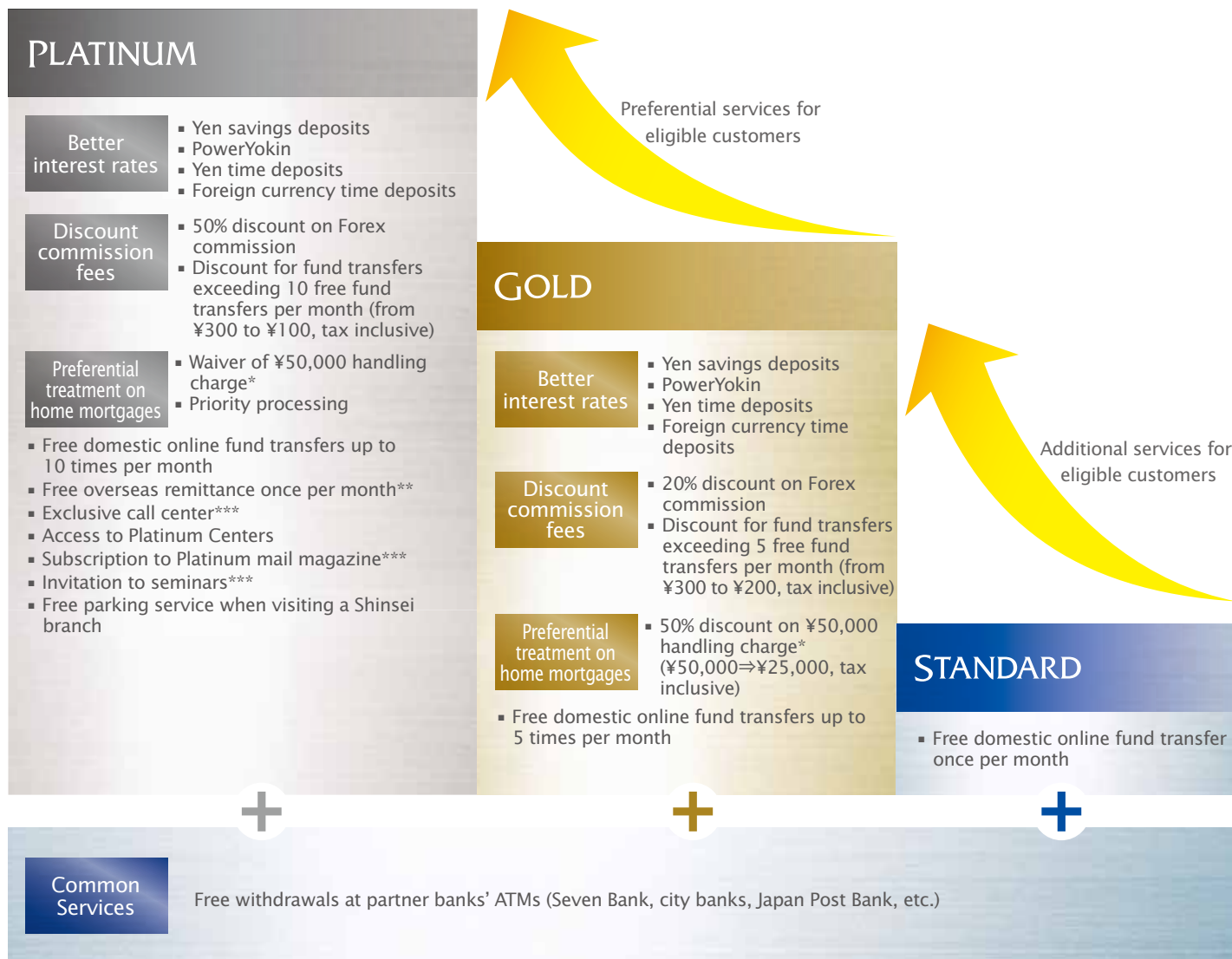
Three stages are offered depending on transaction levels,
with increasing benefits in transaction discounts, deposit rates,
and asset management services being provided for Gold and Platinum customers.

Shinsei Step Up Program

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Services for Each Stage

Three stages called “Shinsei Platinum,” “Shinsei Gold,” and “Shinsei Standard” are offered. Depending on transaction levels, in addition to “free withdrawals at partner banks’ ATMs” and “free online fund transfers” (up to a certain number of fund transfers), a number of benefits are provided.



* Shinsei Gold services are available for up to 3 months, including the initial month, to those who open an account with the Bank. New account holders are, in principle, not entitled to the preferential handling fee for home mortgages. However, the preferential fee available to Shinsei Platinum or Shinsei Gold customers may apply if the Bank determines that the customer is eligible. Such a decision will be made if and when the customer makes some other transactions with the Bank before the Bank receives a mortgage loan application form either by mail or at a Bank counter, and if the average monthly account balance fulfills the requirement for Shinsei Platinum or Shinsei Gold services.

** Commission fees for overseas remittances (transfers of yen or foreign currencies overseas), which are normally ¥4,000, are waived once a month. Please note that this service does not apply to transfers of foreign currencies to other domestic banks. Banking and lifting charges claimed by the recipient bank will be deducted from the amount remitted. Because the amount of or rate for such charges varies according to bank, it is not possible to designate the exact amount to be deposited. Currencies eligible for the overseas remittance service are USD, EUR, CAD, AUD, NZD, GBP, HKD, SGD, ZAR, and NOK, which are able to be traded in *PowerFlex* accounts. The overseas remittance service is available over the counter. Furthermore, Shinsei PowerCall (0120-456-007) accepts requests for overseas remittance to registered accounts. The account can be registered when a remittance to the account is made over the counter.

*** Japanese language only.

▪ **The above services are available to Shinsei *PowerFlex* account holders.** ▪ Preferential interest rates are subject to market conditions, and there may be cases where preferential interest rates are the same as regular interest rates. Preferential interest rates may differ between Shinsei Platinum and Shinsei Gold. ▪ Discount commission fees on Forex apply to transactions between yen and a foreign currency, not between foreign currencies nor when the outstanding balance held in foreign currencies is converted to yen in closing an account. If many Forex requests are made on market holidays, i.e. weekend etc., or if a drastic change occurs in markets, different discount commission, which are not described here, may apply. Also, the discount does not apply to exchanging currencies or paying interest in *PowerSupport Plus*, purchasing foreign currencies in *PowerBuilder*, and paying interest in *PowerChance*. ▪ The handling charge for home mortgage transactions is usually ¥50,000, tax inclusive.

For more details, please visit a branch or Shinsei website, or dial Shinsei PowerCall.

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Eligibility Requirements

You can take advantage of a wide array of financial products to move up to a higher stage. Services of Shinsei Platinum and Gold are now within easier reach.

Eligibility Requirements for Each Stage

PLATINUM	GOLD	STANDARD
<p>One of the following is required to be eligible for Platinum services.</p> <ol style="list-style-type: none"> 1. Average monthly balance of total assets* with Shinsei of ¥20 million or more 2. Average monthly balance of Bank-designated investment products** with Shinsei of ¥3 million or more 3. Outstanding <i>PowerSmart housing loan</i> 	<p>One of the following is required to be eligible for Gold services.</p> <ol style="list-style-type: none"> 1. Average monthly balance of total assets* with Shinsei of ¥2 million or more 2. Average monthly balance of Bank-designated investment products** with Shinsei of ¥300,000 or more 3. Average monthly balance in yen savings deposit, <i>PowerYokin</i>, and 2 weeks Maturity Deposit totals ¥1 million or more 4. Average monthly outstanding balance of SmartCard of ¥1 million or more 	<p>Those who do not meet any of the eligibility requirements shown at left can receive Standard services.</p>

Regardless of eligibility requirements, Shinsei Gold services are available for up to 3 months to those who open an account. Discount commission fees for home mortgages do not, as a rule, apply.

* Eligible assets **under Shinsei PowerFlex**: (1) yen savings deposits, *PowerYokin*, yen time deposits, or 2 Weeks Maturity Deposit. (2) 2 Weeks Maturity Foreign Currency Deposit, foreign currency savings deposits, or foreign currency time deposits, (3) structured deposits[†], (4) domestic or foreign investment trusts, (5) insurance products, (6) financial products purchased at Shinsei Securities or Rakuten Securities through Shinsei Bank, (7) debentures (Riccho, Riccho Wide)

** Bank-designated investment products **under Shinsei PowerFlex**: (1) 2 Weeks Maturity Foreign Currency Deposit, foreign currency savings deposits, or foreign currency time deposits, (2) structured deposits[†], (3) domestic or foreign investment trusts, (4) insurance products, (5) financial products purchased at Shinsei Securities or Rakuten Securities through Shinsei Bank

[†] Structured deposits include *Powered One*, *New Powered One*, *Powered One Plus*, *Power Step Up Yokin*, *Powered Teiki*, *Powered Teiki Plus*, and *Powered Teiki Three*.



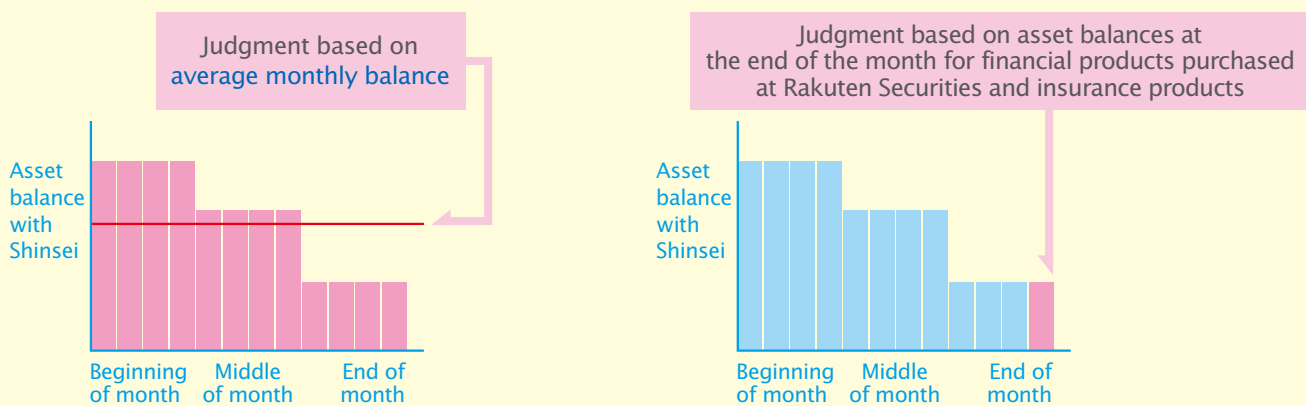
- Investment trusts and foreign currency deposits are subject to price fluctuations and are not calculated at the price or forex rate at the time of purchase or deposit. **Daily NAV and forex rates shall apply in calculating asset balances (yen-equivalent asset balance for foreign currency products) on the day.**
- Asset balances at the end of the month** for financial products purchased at Rakuten Securities and insurance products shall apply. That is, the market value of shares at the end of the month and the cumulative total of insurance premium paid until the end of the month are included. Please note that medical insurance and non-life insurance which are limited to mail-in application only **are not eligible**. Please refer to the below for details about “average monthly balance” and “asset balance at the end of the month”.

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Average Monthly Balance

Eligibility reviews will be based on the average monthly balance so customers need not worry about making end-of-month withdrawals or payments.

Judging the Balance



- How to calculate the average monthly balance:

$$\frac{\text{The total daily balances of eligible products (eligible-product balances on the first day of the month + eligible-product balances on the second day of the month + \dots + eligible-product balances on the last day of the month)}}{\text{the number of days in the month}}$$
- Investment trusts and foreign currency deposits are subject to price fluctuations and are not calculated at the price or forex rate at the time of purchase or deposit. **Daily NAV and forex rates shall apply in calculating asset balances (yen-equivalent asset balance for foreign currency products) on the day.**
- Asset balances at the end of the month** for financial products purchased at Rakuten Securities and insurance products shall apply.

■ Stage Review

Stages will be reviewed every month according to the “Eligibility Requirements.” Transactions between the Bank and each customer will be checked at the end of the month, and each customer will be classified into the applicable stage the following month.

Example of a step up to a higher stage

When requirements for a higher stage are fulfilled at the end of month, the stage will rise on the first day of the following month.

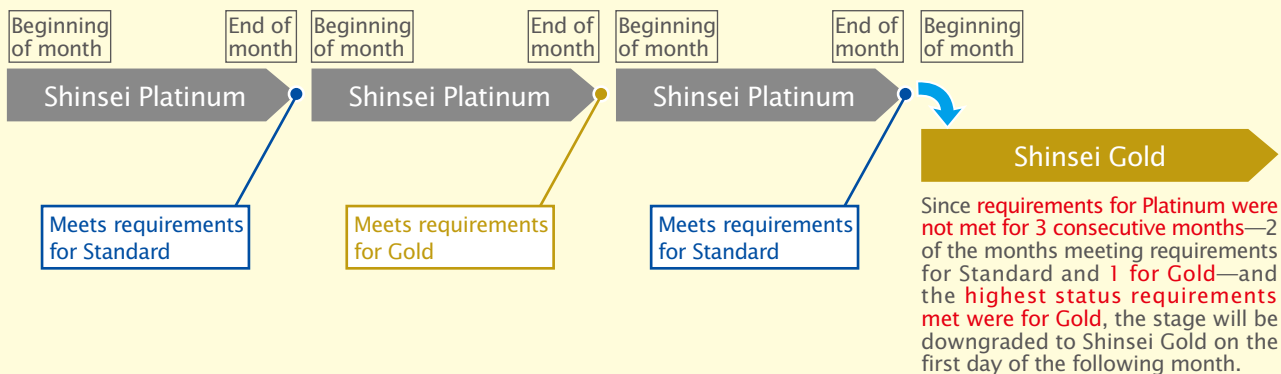
<A customer at Shinsei Gold stage>



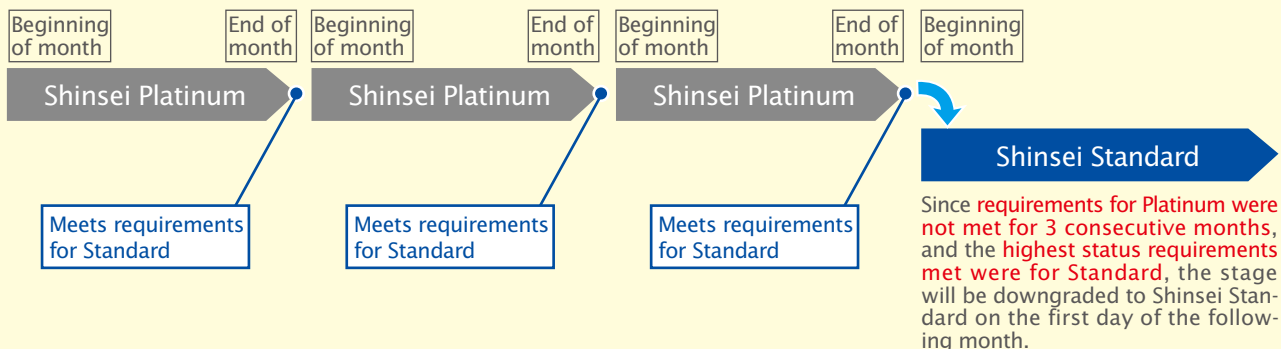
Examples of a step down to a lower stage

When requirements for an existing stage are not fulfilled for 3 consecutive months, the stage will be downgraded to an appropriate stage (the highest reached during the 3 months) on the first day in the fourth month.

<A customer at Shinsei Platinum stage stepping down to Shinsei Gold>



<A customer at Shinsei Platinum stage stepping down to Shinsei Standard>



- In case payment for a PowerSmart mortgage or SmartCard loan falls into arrears, or there is an overdraft beyond the stated limit for 2 consecutive months, **the stage will be downgraded to Shinsei Standard.**

■ Stage Confirmation

Shinsei *PowerDirect* enables you to confirm your present stage and associated information by yourself.

- Your stage for this month
- Your stage for next month
- **An expire date will be displayed, only if requirements for the current stage is not fulfilled at the previous judgment.**
- Expected stage for the following month in cases where the eligible account balances as of the reference date are held until the end of month.
- Average account balance of “Total assets” and “Investment products designated by the Bank” for the period from the beginning of the month to the reference date
- The transactions necessary for upgrading next month.
- **When a necessary increment amount is calculated late in the month, it may be large, because a stage is judged with average monthly balance.**

- The above items are listed on the “Average account balance/Your stage for this month” page, under the “Customer Support” tab on *PowerDirect*.
- Average monthly balance for the month and the details associated with stage will not be displayed on the day of account opening and the period from the 1st day to the 2nd morning of the month.

Disclaimer regarding Financial Products offered by Shinsei Bank

Regarding foreign currency deposits

▪ Foreign currency deposits are affected by exchange rate movements, which can generate foreign exchange losses that cause the amount of the deposit to fall below the original principal amount. In addition, Shinsei Bank's designated exchange rate, which includes a foreign exchange commission, will be applied to deposits and withdrawals made in yen. This can result in the final amount falling below the original principal amount, even if the exchange rate is unchanged. ▪ Shinsei Bank's designated TTS rate (the market conversion rate for converting yen to a foreign currency) and TTB rate (the market conversion rate for converting foreign currency to yen), both of which include a foreign exchange commission, will be applied when converting to/from foreign currencies in foreign currency deposits. When converting between yen and a foreign currency, in principle, the foreign currency commission per base unit of foreign currency will be ¥1 per side for one British pound, ¥0.25 per side for one Hong Kong dollar and South African rand, ¥0.12 per side for one Norwegian kroner, and ¥0.50 per side for other currencies. When converting between two foreign(non-yen) currencies, in principle the commission will be 0.01 or 0.02 multiplied by one of the currencies (as of April 1, 2011). However, Hong Kong dollars, Singapore dollars, South African rand and Norwegian kroner are not available for direct conversion to another foreign currency. ▪ Foreign currency deposits are not covered by deposit insurance. ▪ In principle, foreign currency time deposits cannot be redeemed prior to maturity. ▪ Upon maturity, the principal and interest of foreign currency time deposits will be deposited in that currency to a *PowerFlex* savings account of the same currency. Automatic rollovers are not available. ▪ Shinsei Bank does not handle foreign currency cash. ▪ Separate commissions apply to foreign currency-denominated fund transfers. ▪ Please confirm the details of your foreign currency deposit with the explanatory materials (documents exchanged prior to the conclusion of a contract) available at Shinsei Bank branches or via the Shinsei *PowerCall* (call center). ▪ Financial market developments may result in changes of interest rates applied to foreign currency deposits or the discontinuation of deposits in foreign currencies.

Regarding structured deposits

▪ Structured deposits include forward foreign exchange transactions, and financial and other derivative transactions. ▪ When a customer requests an early redemption and Shinsei Bank deems the reason to be unavoidable, the early redemption will be allowed, but the amount paid to the customer will have an early redemption penalty subtracted from the principal. This penalty will be calculated using Shinsei Bank's designated calculation method, and will correspond to the amount required to restructure the deposit from the early redemption date to the original maturity date, and other associated costs. As a result, the amount paid upon redemption may be less than the original principal amount, and depending on market conditions, may be significantly less than the original principal. ▪ For dual-currency time deposits made in yen (*PoweredTeiki Plus*) and yen time deposits with a dual currency-type currency option (*PoweredTeiki Three*), when the actual market rate two business days prior to maturity represents a stronger yen than in the special provision trigger rate, the funds to be paid at maturity will be converted to the foreign currency at the special provision trigger rate determined in advance, and deposited to an ordinary foreign currency deposit (i.e. will not be converted at the market rate). In these instances, the conversion will be made with less favorable conditions than if the conversion to foreign currency had been made at the prevailing market rate. In addition, if the funds paid at maturity are paid in the foreign currency and subsequently converted to yen, exchange rate movements may result in the yen amount received being less than the original yen principal amount. Furthermore, even if the exchange rate is unchanged, the TTB rate (the market rate for converting foreign currency to yen), which includes a foreign currency commission (in principle, ¥1 per unit of foreign currency), will be applied, and as a result the yen amount received from the conversion of foreign currency may be less than the original yen principal amount. Deposit insurance ceases to apply when foreign currency is received upon maturity. ▪ When purchasing these products, please confirm the details with the explanatory materials at a branch (documents exchanged prior to the conclusion of a contract) and a Shinsei Bank employee. The customer bears full responsibility for understanding the content and making the decision to purchase these products.

Regarding investment trusts

▪ Investment trusts are sold by Shinsei Bank, and investments are managed by an investment trust trustee (asset management company). ▪ Investment trusts are subject to a loss of principal (reference price fluctuation risk) due to the following risks. Investment profit and loss is entirely that of the customer purchasing the investment trust.

* Price fluctuation risk – risks including fluctuations in the reference price of the fund itself, price fluctuations in the securities held in the fund, and exchange rate fluctuations.

* Issuer's (or guarantor's) credit risk – credit risk associated with the issuer of the securities, etc. held in the fund.

▪ The following commissions and expenses are borne either directly or indirectly by the customer purchasing an investment trust. Note: The amounts shown are the maximum amounts for the various products handled by Shinsei Bank as of September 10, 2010. Commissions and expenses vary by product, so please confirm the exact amounts in the prospectus (including supplementary materials) prior to purchasing the product.

Upon purchase: A purchase commission (maximum of 3.15%) will be applied.

During the investment period: An investment trust fee or management fee (maximum of 3.0% p.a.) and other expenses arising during the investment trust period (audit expenses, performance bonuses, fees charged by invested funds, etc.) will be applied. As these fees are tied to the investment performance, the rates and maximum fees cannot be indicated in advance.

Redemption fees: A fee based on the amount of trust asset holdings (maximum of 1.0%) and a redemption commission (maximum of 5.0%) will be applied.

▪ An investment trust is not a bank deposit, and therefore its investment performance fluctuates depending upon various factors including the market environment. Accordingly, neither its principal nor yield are guaranteed, and the unit price may fall below the original principal, depending on its performance. ▪ An investment trust is not a bank deposit. Therefore, it is not covered by deposit insurance. Furthermore, an investment trust purchased at a bank is not covered by the Investor Protection Fund. ▪ When redeeming an investment trust, the receipt of the redemption payment may require a considerable amount of time because some investment trusts have a closed period for redemption. ▪ When applying to purchase an investment trust, please make your own judgment by reviewing the prospectus (including supplementary documents) in advance and confirming its details. The prospectus (including supplementary documents) is available at Shinsei Bank branches or via the Internet (Shinsei *PowerDirect*). We will also send them to you by mail on request. The prospectus (including supplementary documents) for investment trusts not available at Bank branches can be obtained via Shinsei *PowerDirect*.

Regarding insurance products

▪ Please refer to the “product brochure,” “documents exchanged prior to concluding a contract (contract overview / cautionary notes),” and “contract guide and stipulations” when considering an insurance product. ▪ The decision on whether or not to conclude a contract for an insurance product will have absolutely no effect on a customer’s other transactions with Shinsei Bank. ▪ Please contact the underwriting insurance company or Shinsei Bank immediately when an event occurs that is eligible for an insurance payment or benefit under the terms of the contract. Please refer to the “product brochure,” “documents exchanged prior to concluding a contract (contract overview / cautionary notes),” and “contract guide and stipulations” for the respective product to determine whether an insurance payment, benefit, etc. may or may not be paid. ▪ Insurance products are underwritten by an underwriting insurance company. They are not a bank deposit, and are therefore not covered by deposit insurance or the Investor Protection Fund. Neither the principal nor interest is guaranteed by Shinsei Bank. ▪ In the case of bankruptcy of the underwriting insurance company, protective measures will be taken by the Life Insurance Policyholders Protection Corporation of Japan, but the full amount of the contracted annuity, insurance payment or benefit may not be paid. ▪ There may be cases in which Shinsei Bank is prohibited under the Insurance Business Law from accepting an application for an insurance product because of the customer’s place of employment or status of loan applications to Shinsei Bank. ▪ The representative of Shinsei Bank (the life insurance salesperson) is an intermediary for the conclusion of an insurance contract between the customer and the underwriting insurance company, and does not have authority as an agent to conclude insurance contracts. Accordingly, insurance policies become effective when the underwriting insurance company has approved the contract application made by the customer. Shinsei Bank does not guarantee the ability of the underwriting insurance company to make payments under the contracted product. ▪ For further details, please consult with a life insurance salesperson accredited as a variable insurance salesperson for the respective product.

Regarding financial products trading and financial products brokerage services

▪ Securities are not bank deposits. ▪ Securities are not covered by deposit insurance. ▪ Securities are exposed to price fluctuation risks. Accordingly, neither the principal nor yield is guaranteed. ▪ Risks, including the risk of a decrease in the value of invested assets, are assumed by the customer purchasing the securities. ▪ Securities entail the issuer’s credit risk. ▪ For securities with low liquidity, the price may fluctuate considerably, and trade may be suspended. ▪ Shinsei Bank undertakes securities intermediary services as part of its financial instruments intermediary business, acting as an intermediary for Shinsei Securities and Rakuten Securities, which are financial instruments business operators. ▪ Opening a brokerage account means opening a “brokerage account” with Shinsei Securities or Rakuten Securities. ▪ All transactions following the opening of a brokerage account, such as the sale and purchase of securities and other financial instruments, are handled by Shinsei Securities or Rakuten Securities. Shinsei Bank accepts applications for orders, while Shinsei Securities or Rakuten Securities receives and executes the orders. ▪ The details and fee structure of these transactions, which Shinsei Bank provides as an intermediary, are different from those offered directly by Shinsei Securities or Rakuten Securities.

Website

www.shinseibank.com

Details and questions regarding the Shinsei Step Up Program are provided on exclusive pages.

Shinsei PowerCall

0120-456-860 (24 hours a day, 365 days a year)

Branches

Open until 5 p.m. on weekdays

Business hours differ at some branches.

2011-08