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(Securities Code: 8364)
June 5, 2020

To Shareholders with Voting Rights:

Yasuhiro Iwayama
President and Representative Director
The Shimizu Bank, Ltd.
2-1 Fujimicho, Shimizu-ku,
Shizuoka-shi, Shizuoka, Japan

**NOTICE OF CONVOCAION OF
THE 145TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially invited to attend the 145th Annual General Meeting of Shareholders of the Shimizu Bank, Ltd. (the “Bank”). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or by electromagnetic means (via the Internet etc.). Please review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and exercise your voting rights by 5:00 p.m. on Wednesday, June 24, 2020 (Japan standard time).

- 1. Date and Time:** Thursday, June 25, 2020 at 10:00 a.m. (Japan standard time)
- 2. Place:** Large Hall, 3F, Shimizu Bank Tenjin Head Office,
7-30, Tenjin 1-chome, Shimizu-ku, Shizuoka-shi, Shizuoka, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Non-consolidated Financial Statements for the Bank’s 145th Fiscal Year (from April 1, 2019 to March 31, 2020)
 2. Consolidated Financial Statements for the Bank’s 145th Fiscal Year (from April 1, 2019 to March 31, 2020) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
- Proposals to be resolved:**
- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Partial Amendment to the Articles of Incorporation
- Proposal No. 3:** Election of Ten (10) Directors (excluding Directors Serving as Audit & Supervisory Committee Members)
- Proposal No. 4:** Election of Four (4) Directors Serving as Audit & Supervisory Committee Members
- Proposal No. 5:** Establishment of the Amount of Remuneration for Directors (excluding Directors Serving as Audit & Supervisory Committee Members)
- Proposal No. 6:** Establishment of the Amount of Remuneration for Directors Serving as Audit & Supervisory Committee Members
- Proposal No. 7:** Determination of the Amount and Details of Remuneration in Stock Options for Directors (excluding Directors Serving as Audit & Supervisory Committee Members and Outside Directors)

4. Guide for Exercise of Voting Rights

The following three methods are available for exercising voting rights.

Exercise of Voting Rights by Attending the Meeting

Date and time: Thursday, June 25, 2020 at 10:00 a.m. Japan standard time

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk on the day of the meeting for confirmation. You are also kindly requested to bring this Notice of Convocation in order to save resources.

Exercise of Voting Rights by Proxy

In the case of attendance by proxy, please present to the receptionist at the General Meeting of Shareholders a document evidencing authority of the proxy to act as such, together with the Voting Rights Exercise Form. (Please note that the proxy must be one other shareholder of the Bank entitled to exercise voting rights at the General Meeting of Shareholders.)

Exercise of Voting Rights in Writing

Deadline: Wednesday, June 24, 2020 by 5:00 p.m. Japan standard time (time of receipt)

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it to us by the deadline.

Exercise of Voting Rights via the Internet etc.

Deadline: Wednesday, June 24, 2020 by 5:00 p.m. Japan standard time (time of transmission)

Please access the Bank's designated website for the exercise of voting rights (<https://soukai.mizuho-tb.co.jp/>) using the "Voting Rights Exercise Code" and "Password" shown on the enclosed Voting Rights Exercise Form, follow the on-screen guidance, and indicate your vote for or against the proposals by the deadline. You must change your password when you first log in to ensure security.

When using a mobile phone with a QR Code-reading function, you can access the website for the exercise of voting rights by scanning the QR Code shown left.

Please refer to the "Information on Exercising Voting Rights via the Internet" (in Japanese version only) on pages 50 to 51 when voting via the Internet.

Handling of Duplicate Voting

If you vote both in writing on the Voting Rights Exercise Form and via the Bank's designated website for the exercise of voting rights on the Internet, only your vote placed via the Internet will be valid, irrespective of the date and time your votes arrive. In addition, if you place your votes multiple times via the Internet, only the last vote will be treated as valid.

Split Voting

If you intend to engage in split voting, please submit a written notice indicating the reasons for the split voting at least three days prior to the General Meeting of Shareholders.

Matters disclosed on the Internet

Of the documents required to be appended to this Notice of Convocation as attachments, the Matters related to Subscription Rights to the Bank's Shares, the Non-consolidated Statement of Changes in Equity, the Notes to the Non-consolidated Financial Statements, the Consolidated Statement of Changes in Equity, and the Notes to the Consolidated Financial Statements have been posted on the Bank's website (<http://www.shimizubank.co.jp/>) in accordance with laws and regulations and Article 17 of the Articles of Incorporation of the Bank, and are therefore not included in the attached documents.

The Business Report, the Non-consolidated Financial Statements and the Consolidated Financial Statements audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing the Audit Report and the Independent Auditors' Report, respectively, comprise the Matters related to Subscription Rights to the Bank's Shares, the Non-consolidated Statement of Changes in Equity, the Notes to the Non-consolidated Financial Statements, the Consolidated Statement of Changes in Equity, and the Notes to the Consolidated Financial Statements, in addition to the documents included in the attached documents.

Any updates to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements, or the Consolidated Financial Statements will be posted on the Bank's website (<http://www.shimizubank.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

With respect to the appropriation of surplus, in consideration of the loss recorded in association with the treatment of a securities investment-related loss caused in part by the turmoil in the world's financial markets in the fiscal year under review, it is regrettably proposed that the surplus be appropriated as follows:

1. Matters concerning year-end dividends of surplus
 - (1) Type of dividend property
Cash
 - (2) Allotment of dividend property to shareholders and the total amount
25 yen per share of common stock of the Bank
Total amount: 289,631,050 yen
The year-end dividend will be reduced by 5 yen from the previous fiscal year. Including interim dividend, dividends to be paid for the full year amount to 55 yen per share.
 - (3) Effective date of distribution of surplus
June 26, 2020
2. Other matters concerning appropriation of surplus
 - (1) Item and the amount of surplus to be decreased
General reserve 4,000,000,000 yen
 - (2) Item and the amount of surplus to be increased
Retained earnings brought forward 4,000,000,000 yen

Reference Matters Applying to Proposals No. 2 to No. 7

In order to further enhance the corporate governance structure, it is proposed that the Bank transitions to a Company with an Audit & Supervisory Committee. Proposals No. 2 to No. 7 described in pages 7 to 27 in this Notice of Convocation are all related to the transition. For this reason, the Bank will provide an overview of a Company with an Audit & Supervisory Committee and an explanation as to reasons for the transition from a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee.

■ Overview of a Company with an Audit & Supervisory Committee

- A Company with an Audit & Supervisory Committee is a company that has an Audit & Supervisory Committee but cannot have Audit & Supervisory Board Members or an Audit & Supervisory Board.
- The Audit & Supervisory Committee comprises three or more Directors serving as Audit & Supervisory Committee Members, the majority of whom must be Outside Directors.
- The term of office of Directors other than Audit & Supervisory Committee Members shall be one year, and the term of office of Directors serving as Audit & Supervisory Committee Members shall be two years.
- Directors serving as Audit & Supervisory Committee Members have voting rights at meetings of the Board of Directors, and are involved in decision-making over proposals regarding the election and dismissal of Directors, the election and removal of Representative Directors, and overall decision-making regarding the execution of other business (excluding business for which decisions have been delegated to Directors). Audit & Supervisory Committee Members selected by the Audit & Supervisory Committee also have the authority to offer opinions at the General Meeting of Shareholders regarding the election, dismissal, and remuneration of Directors other than Audit & Supervisory Committee Members. In this respect, Audit & Supervisory Committee Members and the Audit & Supervisory Committee have stronger oversight functions than Audit & Supervisory Board Members and an Audit & Supervisory Board.
- A Company with an Audit & Supervisory Committee may delegate all or part of decisions over important business execution to Directors by resolution of the Board of Directors, where provided for in the Articles of Incorporation. As a result, this enables delegated Directors to make prompt business decisions and execute business with flexibility. Meanwhile, it allows the Board of Directors to strengthen its oversight functions over the executor of business.

■ Reasons for Transition to a Company with an Audit & Supervisory Committee

By transitioning to a Company with an Audit & Supervisory Committee, the Bank will grant voting rights at meetings of the Board of Directors to Directors serving as Audit & Supervisory Committee Members (including multiple Outside Directors) to strengthen the oversight functions of the Board of Directors, and will further enhance the corporate governance structure and increase corporate value.

■ Proposals No. 2 to No. 7

Transitioning to a Company with an Audit & Supervisory Committee requires amendments to the Articles of Incorporation, and these amendments are therefore proposed in Proposal No. 2: Partial Amendment to the Articles of Incorporation.

In addition, a Company with an Audit & Supervisory Committee is required to differentiate the election of Directors other than Audit & Supervisory Committee Members and Directors serving as Audit & Supervisory Committee Members. For this reason, Proposal No. 3 proposes the election of Directors other than Audit & Supervisory Committee Members, and Proposal No. 4 proposes the election of Directors serving as Audit & Supervisory Committee Members.

Furthermore, in a Company with an Audit & Supervisory Committee, the amount of remuneration for Directors must be determined separately for Directors other than Audit & Supervisory Committee Members and Directors serving as Audit & Supervisory Committee Members. For this reason, Proposal No. 5 proposes the amount of remuneration for Directors other than Audit & Supervisory Committee Members, Proposal No. 6 proposes the amount of remuneration for Directors serving as Audit & Supervisory Committee Members, and Proposal No. 7 proposes the amount and details of stock option remuneration for Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors).

Proposal No. 2: Partial Amendment to the Articles of Incorporation

1. Reasons for the Amendment

It is proposed that the Bank transitions to a Company with an Audit & Supervisory Committee with the aim of strengthening audit and oversight functions and working to further enhance corporate governance and increase corporate value.

- (1) Necessary changes will be made in accordance with the transition to a Company with an Audit & Supervisory Committee, including the establishment of new rules pertaining to the Audit & Supervisory Committee and Audit & Supervisory Committee Members and the abolition of rules pertaining to the Audit & Supervisory Board and Audit & Supervisory Board Members.
- (2) A new regulation will be established by resolution of the Board of Directors enabling the delegation of all or part of important business execution (excluding matters prescribed in items of Article 399-13, Paragraph 5 of the Companies Act) to Directors.
- (3) Regulations in the Articles of Incorporation relating to limited liability agreements will be amended to enable Directors who are not engaged in business execution to fully fulfill the roles expected of them. The consent of each Audit & Supervisory Board Member has been obtained for this amendment.
- (4) The regulations will be changed to establish the position of Vice Chairman and Director as Executive Director.
- (5) In addition, necessary amendments, including changes to the number of Articles resulting from the above amendments, will be made.

2. Details of the Amendments

Details of the amendments are as follows.

The amendments to these Articles of Incorporation will become effective as of the conclusion of this Annual General Meeting of Shareholders.

(Amended parts are underlined)

Current	Proposed amendment
<p>Chapter I General Provisions</p> <p>Articles 1 to 3 (Omitted)</p> <p>(Organs) Article 4 In addition to the General Meeting of Shareholders and Directors, the Bank shall establish the following entities. 1. Board of Directors 2. <u>Audit & Supervisory Board Members</u> 3. <u>Audit & Supervisory Board</u> 4. Accounting Auditor</p> <p>Article 5 (Omitted)</p> <p>Chapter II Shares</p> <p>Articles 6 to 12 (Omitted)</p> <p>Chapter III General Meeting of Shareholders</p> <p>Articles 13 to 19 (Omitted)</p> <p>Chapter IV Directors and the Board of Directors</p> <p>(Number of Directors) Article 20 The number of Directors of the Bank shall not exceed seventeen (17). (Newly established)</p>	<p>Chapter I General Provisions</p> <p>Articles 1 to 3 (Unchanged)</p> <p>(Organs) Article 4 In addition to the General Meeting of Shareholders and Directors, the Bank shall establish the following entities. 1. Board of Directors 2. <u>Audit & Supervisory Committee</u> (Deleted) 3. Accounting Auditor</p> <p>Article 5 (Unchanged)</p> <p>Chapter II Shares</p> <p>Articles 6 to 12 (Unchanged)</p> <p>Chapter III General Meeting of Shareholders</p> <p>Articles 13 to 19 (Unchanged)</p> <p>Chapter IV Directors and the Board of Directors</p> <p>(Number of Directors) Article 20 The number of Directors of the Bank <u>(excluding Directors serving as Audit & Supervisory Committee Members)</u> shall not exceed seventeen (17). (2) <u>The number of Directors of the Bank serving as Audit & Supervisory Committee Members shall not exceed five (5).</u></p>

Current	Proposed amendment
<p>(Election of Directors) Article 21</p> <p>Directors shall be elected by resolution of the General Meeting of Shareholders.</p> <p>(2) (Omitted) (3) (Omitted)</p> <p>(Term of Office of Directors) Article 22</p> <p>The term of office of Directors shall expire upon the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within <u>two (2)</u> years following their election to office.</p> <p>(Newly established)</p> <p>(2) <u>The term of office of newly elected Directors shall be the remainder of the term of office of the other Directors.</u></p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>(Election of Directors) Article 21</p> <p>Directors shall be elected by resolution of the General Meeting of Shareholders, <u>differentiating Directors serving as Audit & Supervisory Committee Members from other Directors.</u></p> <p>(2) (Unchanged) (3) (Unchanged)</p> <p>(Term of Office of Directors) Article 22</p> <p>The term of office of Directors (<u>excluding Directors serving as Audit & Supervisory Committee Members</u>) shall expire upon the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within <u>one (1)</u> year following their election to office.</p> <p>(2) <u>The term of office of Directors serving as Audit & Supervisory Committee Members shall expire upon the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within two (2) years following their election to office.</u> (Deleted)</p> <p>(3) <u>The term of office of Directors serving as Audit & Supervisory Committee Members who have been elected as substitutes for Directors serving as Audit & Supervisory Committee Members who retired prior to the expiration of their term of office shall be the remainder of the term of office of the retiring Directors serving as Audit & Supervisory Committee Members.</u></p> <p>(4) <u>The effective term of a resolution concerning the election of substitute Directors serving as Audit & Supervisory Committee Members under Article 329, Paragraph 3 of the Companies Act shall, unless reduced by such resolution, expire upon the commencement of the Annual General Meeting of Shareholders held with respect to the last business year ending within two (2) years from the time of the resolution.</u></p>

Current	Proposed amendment
<p>(Executive Directors) Article 23</p> <p>The Board of Directors may, by resolution, appoint one (1) each of <u>Advisor and Director</u>, Chairman and Director, and President and Director, as well as several Deputy Presidents and Directors, Senior Managing Directors, and Managing Directors.</p>	<p>(Executive Directors) Article 23</p> <p>The Board of Directors may, by resolution, appoint one (1) each of Chairman and Director, and President and Director, as well as several <u>Vice Chairmen and Directors</u>, Deputy Presidents and Directors, Senior Managing Directors, Managing Directors, and <u>Advisors and Directors from among Directors (excluding Directors serving as Audit & Supervisory Committee Members)</u>.</p>
<p>(Representative Directors) Article 24</p> <p>The Board of Directors shall, by resolution, appoint the President as Representative Director.</p> <p>(2) The Board of Directors may, by resolution, appoint a Representative Director of the Bank other than the President and Director.</p>	<p>(Representative Directors) Article 24</p> <p>The Board of Directors shall, by resolution, appoint the President as Representative Director <u>from among Directors (excluding Directors serving as Audit & Supervisory Committee Members)</u>.</p> <p>(2) The Board of Directors may, by resolution, appoint a Representative Director of the Bank other than the President and Director <u>from among Directors (excluding Directors serving as Audit & Supervisory Committee Members)</u>.</p>
<p>(Remuneration, Etc. for Directors) Article 25</p> <p>Property benefits paid to Directors by the Bank as remuneration, bonuses, and other consideration for performance of duties (<u>hereinafter, "remuneration, etc."</u>) shall be determined by resolution of the General Meeting of Shareholders.</p>	<p>(Remuneration, Etc. for Directors) Article 25</p> <p>Property benefits paid to Directors by the Bank as remuneration, bonuses, and other consideration for performance of duties shall be determined by resolution of the General Meeting of Shareholders, <u>differentiating between Directors serving as Audit & Supervisory Committee Members and other Directors</u>.</p>
<p>(Notice of Convocation of Meetings of the Board of Directors) Article 26</p> <p>Notice of convocation of meetings of the Board of Directors shall be issued to each Director <u>and Audit & Supervisory Board Member</u> at least three (3) days prior to the meeting. However, in cases of urgent necessity, this period may be shortened.</p> <p>(2) Meetings of the Board of Directors may be held without following the procedures for convocation with the unanimous agreement of Directors <u>and Audit & Supervisory Board Members</u>.</p>	<p>(Notice of Convocation of Meetings of the Board of Directors) Article 26</p> <p>Notice of convocation of meetings of the Board of Directors shall be issued to each Director at least three (3) days prior to the meeting. However, in cases of urgent necessity, this period may be shortened.</p> <p>(2) Meetings of the Board of Directors may be held without following the procedures for convocation with the unanimous agreement of Directors.</p>
<p>Articles 27 to 28</p> <p>(Omitted)</p>	<p>Articles 27 to 28</p> <p>(Unchanged)</p>

Current	Proposed amendment
<p>(Limited Liability Agreements with <u>Outside Directors</u>)</p> <p>Article 29</p> <p>Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank may conclude agreements with <u>Outside Directors</u> to limit their liability for damages due to negligence. However, the limit of the liability under such agreements shall be the amount provided by laws and regulations.</p> <p>(Newly established)</p>	<p>(Limited Liability Agreements with Directors)</p> <p>Article 29</p> <p>Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank may conclude agreements with Directors <u>(excluding Directors serving as Executive Directors)</u> to limit their liability for damages due to negligence. However, the limit of the liability under such agreements shall be the amount provided by laws and regulations.</p>
<p><u>Chapter V Audit & Supervisory Board Members and the Audit & Supervisory Board</u></p>	<p>(Deleted)</p>
<p>(<u>Number of Audit & Supervisory Board Members</u>)</p> <p>Article 30</p> <p><u>The number of Audit & Supervisory Board Members of the Bank shall not exceed five (5).</u></p>	<p>(Deleted)</p>
<p>(<u>Election of Audit & Supervisory Board Members</u>)</p> <p>Article 31</p> <p><u>Audit & Supervisory Board Members shall be elected by resolution of the General Meeting of Shareholders.</u></p> <p>(2) <u>The resolution for the election requires attendance at the General Meeting of Shareholders by shareholders holding shares representing one-third or more of the total number of voting rights of shareholders who may exercise voting rights, and shall be adopted by a majority thereof.</u></p>	<p>(Deleted)</p> <p>(Deleted)</p>

Current	Proposed amendment
<u>(Term of Office of Audit & Supervisory Board Members)</u>	(Deleted)
<u>Article 32</u> <u>The term of office of Audit & Supervisory Board Members shall expire upon the conclusion of the Annual General Meeting of Shareholders held with respect to the last business year ending within four (4) years following their election to office.</u>	
<u>(2) The term of office of Audit & Supervisory Board Members who have been elected as substitutes for Audit & Supervisory Board Members who retired prior to the expiration of their term of office shall be the remainder of the term of office of the retiring Audit & Supervisory Board Members.</u>	(Deleted)
<u>(Full-time Audit & Supervisory Board Members)</u>	(Deleted)
<u>Article 33</u> <u>The Audit & Supervisory Board shall appoint Full-time Audit & Supervisory Board Members from among Audit & Supervisory Board Members.</u>	
<u>(Remuneration, Etc. for Audit & Supervisory Board Members)</u>	(Deleted)
<u>Article 34</u> <u>Remuneration, etc. for Audit & Supervisory Board Members shall be determined by resolution of the General Meeting of Shareholders.</u>	
<u>(Convocation of Meetings of the Audit & Supervisory Board)</u>	(Deleted)
<u>Article 35</u> <u>Notice of convocation of meetings of the Audit & Supervisory Board shall be issued to each Audit & Supervisory Board Member at least three (3) days prior to the meeting. However, in cases of urgent necessity, this period may be shortened.</u>	
<u>(2) Meetings of the Audit & Supervisory Board may be held without following the procedures for convocation with the unanimous agreement of Audit & Supervisory Board Members.</u>	(Deleted)
<u>(Rules Relating to the Audit & Supervisory Board)</u>	(Deleted)
<u>(Article 36)</u> <u>Matters relating to the Audit & Supervisory Board shall be subject to laws and regulations, the Articles of Incorporation, and the Audit & Supervisory Board Rules stipulated by the Audit & Supervisory Board.</u>	

Current	Proposed amendment
<p><u>(Limited Liability Agreements with Outside Audit & Supervisory Board Members)</u></p> <p><u>Article 37</u></p> <p><u>Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank may conclude agreements with Outside Audit & Supervisory Board Members to limit their liability for damages due to negligence. However, the limit of the liability under such agreements shall be the amount provided by laws and regulations.</u></p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>Chapter VI Calculations</p> <p>(Fiscal Year) Articles <u>38</u> to <u>40</u></p> <p>(Omitted)</p>	<p>(Deleted)</p> <p><u>Chapter V Audit & Supervisory Committee</u></p> <p><u>(Full-time Audit & Supervisory Committee Members)</u> <u>(Article 31)</u></p> <p><u>The Audit & Supervisory Committee may, by resolution, appoint Full-time Audit & Supervisory Committee Members.</u></p> <p><u>(Notice of Convocation of Meetings of the Audit & Supervisory Committee)</u> <u>(Article 32)</u></p> <p><u>Notice of convocation of meetings of the Audit & Supervisory Committee shall be issued to each Audit & Supervisory Committee Member at least three (3) days prior to the meeting. However, in cases of urgent necessity, this period may be shortened.</u></p> <p><u>(2) Meetings of the Audit & Supervisory Committee may be held without following the procedures for convocation with the unanimous agreement of Audit & Supervisory Committee Members.</u></p> <p><u>(Audit & Supervisory Committee Rules)</u> <u>(Article 33)</u></p> <p><u>Matters relating to the Audit & Supervisory Committee shall be subject to laws and regulations, these Articles of Incorporation, and the Audit & Supervisory Committee Rules stipulated by the Audit & Supervisory Committee.</u></p> <p>Chapter VI Calculations</p> <p>(Fiscal Year) Articles <u>34</u> to <u>36</u></p> <p>(Unchanged)</p>

Proposal No. 3: Election of Ten (10) Directors (excluding Directors Serving as Audit & Supervisory Committee Members)

Subject to the approval of Proposal No. 2: Partial Amendment to the Articles of Incorporation, the Bank will transition to a Company with an Audit & Supervisory Committee. The terms of office of all ten (10) incumbent Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of ten (10) Directors (excluding Directors serving as Audit & Supervisory Committee Members) is proposed.

The resolution of this proposal will take effect provided that amendments to the Articles of Incorporation contained in Proposal No. 2: Partial Amendment to the Articles of Incorporation become effective.

The candidates for Directors (excluding Directors serving as Audit & Supervisory Committee Members) are as follows:

No.	Name		Current positions at the Bank
1	Reappointment	Katsuichiro Toyoshima	Chairman
2	Reappointment	Yasuhiro Iwayama	President
3	Reappointment	Ayato Mochizuki	Senior Managing Director
4	Reappointment	Fumitoshi Yabuzaki	Managing Director
5	Reappointment	Keiko Higashi	Outside Independent Officer
6	Reappointment	Takashi Aizawa	Outside Independent Officer
7	Reappointment	Yosuke Wakabayashi	Director
8	Reappointment	Naoyuki Tamura	Director
9	New appointment	Naoki Tobayama	Full-time Audit & Supervisory Board Member
10	New appointment	Masashi Hiraiwa	—

No.	Name (Date of birth)	Brief personal history, positions, responsibilities and significant concurrent positions	Number of the Bank's shares held
1	Katsuichiro Toyoshima (July 6, 1957) <u>Reappointment</u>	Apr. 1981 Joined the Bank Jun. 1996 General Manager of Secretariat Office Apr. 2001 Senior General Manager of Corporate Administration Division Jun. 2003 Director, General Manager of Fuji Branch Jun. 2005 Managing Director Jun. 2007 Senior Managing Director Apr. 2011 Deputy President Apr. 2012 President Apr. 2020 Chairman (incumbent)	13,973 shares
		[Reasons for nomination as a candidate for Director] Mr. Katsuichiro Toyoshima, serving as the President since April 2012 and the Chairman since April 2020, has a wealth of management experience gained though his involvement in a wide range of banking business processes, including management planning, risk management, finance, business promotion, credit, and personnel affairs. Thus, the Bank believes he is capable of appropriately executing management decisions for the Bank and has nominated him as a candidate for Director.	
2	Yasuhiro Iwayama (July 13, 1964) <u>Reappointment</u>	Apr. 1988 Joined the Bank Jun. 2005 General Manager of Fuji-eki Nan Branch Apr. 2012 Senior General Manager of Fuji Branch, Fuji Shiyakusho-mae Branch and Matsuoka Branch Apr. 2014 Managing Executive Officer Jun. 2015 Director, General Manager of Corporate Administration Division Oct. 2016 Managing Director May 2019 Senior Managing Director Apr. 2020 President (incumbent)	4,100 shares
		[Reasons for nomination as a candidate for Director] Mr. Yasuhiro Iwayama, serving as the Senior Managing Director since May 2019 and the President since April 2020, has a wealth of management experience gained though his involvement in a wide range of banking business processes, including management planning, risk management, finance, business promotion, and credit. Thus, the Bank believes he is capable of appropriately executing management decisions for the Bank and has nominated him as a candidate for Director.	
3	Ayato Mochizuki (January 27, 1964) <u>Reappointment</u>	Apr. 1986 Joined the Bank Jun. 2007 General Manager of Fujieda-eki Nishi Branch Jul. 2011 Senior General Manager of Sales Division, Head Office, Okitsu Branch and Yagima Branch Jul. 2012 Senior General Manager of Sales Division, Head Office Jun. 2013 Director, General Manager of Sales Division, Head Office Jun. 2015 Managing Director Nov. 2018 Senior Managing Director (incumbent)	4,200 shares
		[Reasons for nomination as a candidate for Director] Mr. Ayato Mochizuki, currently serving as the Senior Managing Director, has a wealth of management experience gained though his involvement in a wide range of banking business processes, including management planning, risk management, finance, business promotion, credit, and personnel affairs. Thus, the Bank believes he is capable of appropriately executing management decisions for the Bank and has nominated him as a candidate for Director.	

No.	Name (Date of birth)	Brief personal history, positions, responsibilities and significant concurrent positions	Number of the Bank’s shares held
4	Fumitoshi Yabuzaki (June 1, 1962) <u>Reappointment</u>	Apr. 1985 Joined the Bank Jun. 2007 General Manager of Markets and International Division Oct. 2010 General Manager of Tokyo Branch Apr. 2012 Senior General Manager of Corporate Administration Division Jun. 2013 Executive Officer Apr. 2015 Managing Executive Officer Jun. 2017 Director May 2019 Managing Director (incumbent)	7,300 shares
		[Reasons for nomination as a candidate for Director] Mr. Fumitoshi Yabuzaki, currently serving as the Managing Director, has a wealth of management experience gained though his involvement in a wide range of banking business processes, including management planning, finance, risk management, and investment. Thus, the Bank believes he is capable of appropriately executing management decisions for the Bank and has nominated him as a candidate for Director.	
5	Keiko Higashi (August 23, 1953) <u>Reappointment</u> <u>Outside Director</u> <u>Independent Officer</u>	Apr. 1980 Full-time Lecturer, Tokai University Junior College Apr. 1990 Assistant Professor, Tokai University Junior College Apr. 2004 Professor, Tokai University Junior College Apr. 2007 Professor, Department of Kansei Design, School of Development Engineering, Tokai University Apr. 2011 Professor, Department of Environmental and Societal Affairs, School of Marine Science and Technology, Tokai University Jun. 2015 Director of the Bank (incumbent) Apr. 2019 Professor Emeritus, Tokai University (incumbent)	2,200 shares
		[Reasons for nomination as a candidate for Outside Director] Ms. Keiko Higashi has experience and social credibility cultivated as a university professor. The Bank believes she can reflect her profound insight in the Bank’s management and has nominated her as a candidate for Outside Director.	

No.	Name (Date of birth)	Brief personal history, positions, responsibilities and significant concurrent positions	Number of the Bank's shares held
6	Takashi Aizawa (October 16, 1946) <u>Reappointment</u> <u>Outside Director</u> <u>Independent Officer</u>	<p>Apr. 1969 Joined The Long-Term Credit Bank of Japan, Ltd.</p> <p>Jun. 1996 Director, The Long-Term Credit Bank of Japan, Ltd.</p> <p>Oct. 1997 Managing Director, Senior Managing Director, Chogin Securities Inc.</p> <p>Jun. 1998 Managing Director, Kumagai Gumi Co., Ltd.</p> <p>Nov. 2002 Director, Suzuyo Construction Co., Ltd.</p> <p>Nov. 2004 Director and Vice President, Suzuyo Construction Co., Ltd.</p> <p>Apr. 2005 President and Representative Director, Suzuyo Construction Co., Ltd.</p> <p>Nov. 2016 Chairman and Representative Director, Suzuyo Construction Co., Ltd. (incumbent)</p> <p>Jun. 2017 Director of the Bank (incumbent)</p>	700 shares
<p>[Reasons for nomination as a candidate for Outside Director]</p> <p>Mr. Takashi Aizawa has a wealth of experience and extensive knowledge concerning corporate management. The Bank believes he can reflect his profound insight in the Bank's management and has nominated him as a candidate for Outside Director.</p>			
7	Yosuke Wakabayashi (December 23, 1965) <u>Reappointment</u>	<p>Apr. 1989 Joined the Bank</p> <p>Apr. 2012 General Manager of Shimada Branch</p> <p>Apr. 2014 General Manager of Shizuoka-minami Branch</p> <p>Apr. 2016 General Manager of General Affairs and Human Resources Division</p> <p>Apr. 2017 General Manager of Management Planning Division</p> <p>Jun. 2017 Director, General Manager of Management Planning Division</p> <p>May 2019 Director (incumbent)</p>	2,900 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Yosuke Wakabayashi has been involved in a wide range of banking business processes, including management planning, risk management, business promotion, and personnel affairs. Thus, the Bank believes he is capable of appropriately executing management decisions for the Bank and has nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Brief personal history, positions, responsibilities and significant concurrent positions	Number of the Bank's shares held
8	Naoyuki Tamura (September 22, 1964) <u>Reappointment</u>	Apr. 1987 Joined the Bank Oct. 2003 General Manager of Ejiri Branch Dec. 2006 General Manager of Business Planning Division Jul. 2009 General Manager of Management Planning Division Apr. 2011 General Manager of Yaizu Branch Apr. 2012 General Manager of Tokyo Branch Apr. 2014 General Manager of General Affairs and Human Resources Division Apr. 2016 General Manager of Internal Audit Division Apr. 2017 Senior General Manager of Corporate Administration Division Jun. 2019 Director (incumbent)	1,500 shares
	[Reasons for nomination as a candidate for Director] Mr. Naoyuki Tamura has been involved in a wide range of banking business processes, including management planning, risk management, investment, and personnel affairs. Thus, the Bank believes he is capable of appropriately executing management decisions for the Bank and has nominated him as a candidate for Director.		
9	Naoki Tobayama (June 14, 1959) <u>New appointment</u>	Apr. 1983 Joined the Bank Jul. 2000 General Manager of Human Resources Division Oct. 2001 General Manager of Markets and International Division Apr. 2003 General Manager of Iwata Branch Jul. 2005 General Manager of Management Planning Division Apr. 2008 Senior General Manager of Hamamatsu Branch Jul. 2009 Senior General Manager of Corporate Administration Division Jun. 2010 Director, General Manager of Corporate Administration Division Jun. 2015 President and Representative Director, The Shimizu Regional Economy Research Center, INC Jun. 2017 Audit & Supervisory Board Member of the Bank (incumbent)	3,100 shares
	[Reasons for nomination as a candidate for Director] Mr. Naoki Tobayama has been involved in a wide range of banking business processes, including management planning, risk management, finance, investment, and personnel affairs. Thus, the Bank believes he is capable of appropriately executing management decisions for the Bank and has nominated him as a candidate for Director.		

No.	Name (Date of birth)	Brief personal history, positions, responsibilities and significant concurrent positions	Number of the Bank's shares held
10	Masashi Hiraiwa (April 17, 1968) <u>New appointment</u>	Apr. 1991 Joined the Bank Jul. 2010 General Manager of Shimokanuki Branch Apr. 2016 General Manager of Tokyo Branch Apr. 2018 General Manager of Markets and International Division May 2019 General Manager of Corporate Administration Division Apr. 2020 Senior General Manager of General Affairs and Human Resources Division (incumbent)	1,200 shares
[Reasons for nomination as a candidate for Director] Mr. Masashi Hiraiwa has been involved in a wide range of banking business processes, including risk management, and investment. Thus, the Bank believes he is capable of appropriately executing management decisions for the Bank and has nominated him as a candidate for Director.			

- (Notes)
1. Special interest relationship between each candidate for Director and the Bank.
 - (1) The Bank has transactions, including loans, with Suzuyo Construction Co., Ltd. where Mr. Takashi Aizawa serves as Chairman and Representative Director.
 - (2) No special interest exists between any other candidates for Director and the Bank.
 2. Independence of candidates for Outside Directors (Independence Criteria for Outside Directors of the Bank are listed on page 23)
Ms. Keiko Higashi and Mr. Takashi Aizawa are candidates for Outside Director who meet the criteria for determining the independence of Outside Directors of the Bank. The Bank has submitted notifications to Tokyo Stock Exchange, Inc. to register both Ms. Keiko Higashi and Mr. Takashi Aizawa as independent officers of the Bank.
 3. Number of years in office as Outside Director
The terms of office as Outside Director at the conclusion of this Annual General Meeting of Shareholders will be five (5) years for Ms. Keiko Higashi, and three (3) years for Mr. Takashi Aizawa.
 4. Limited liability agreements with Outside Directors
Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank has concluded agreements with Ms. Keiko Higashi and Mr. Takashi Aizawa to limit their liabilities in the event that they neglect their duties and that the limit of the liability under such agreements shall be the amount provided by laws and regulations. If the election of Ms. Keiko Higashi and Mr. Takashi Aizawa is approved, the Bank intends to renew limited liability agreements with them.

Proposal No. 4: Election of Four (4) Directors Serving as Audit & Supervisory Committee Members

Subject to the approval of Proposal No. 2: Partial Amendment to the Articles of Incorporation, the Bank will transition to a Company with an Audit & Supervisory Committee. The terms of office of all four (4) incumbent Audit & Supervisory Board Members will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of four (4) Directors serving as Audit & Supervisory Committee Members is proposed.

The consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

The resolution of this proposal will take effect provided that amendments to the Articles of Incorporation contained in Proposal No. 2: Partial Amendment to the Articles of Incorporation become effective.

The candidates for Directors serving as Audit & Supervisory Committee Members are as follows:

No.	Name		Current positions at the Bank
1	<u>New appointment</u>	Akihiro Mochizuki	Full-time Audit & Supervisory Board Member
2	<u>New appointment</u>	Youichiro Ito	<u>Outside</u> <u>Independent Officer</u> Outside Audit & Supervisory Board Member
3	<u>New appointment</u>	Kazuaki Isobe	<u>Outside</u> <u>Independent Officer</u> Outside Audit & Supervisory Board Member
4	<u>New appointment</u>	Makoto Kono	<u>Outside</u> <u>Independent Officer</u> —

No.	Name (Date of birth)	Brief personal history, positions, responsibilities and significant concurrent positions	Number of the Bank's shares held
1	Akihiro Mochizuki (April 4, 1957) <u>New appointment</u>	Apr. 1980 Joined the Bank Feb. 1999 General Manager of Yabe Branch Apr. 2004 Senior General Manager of Management Planning Division and Secretariat Office Jun. 2005 Director, General Manager of Shizuoka Branch Apr. 2011 Managing Director Jun. 2013 Senior Managing Director Jun. 2019 Audit & Supervisory Board Member (incumbent)	9,590 shares
		[Reasons for nomination as a candidate for Director] Mr. Akihiro Mochizuki has management experience serving as the Senior Managing Director from June 2013, and has been involved in a wide range of banking business processes, including management planning, finance, audit, risk management, and personnel affairs and he has appropriately fulfilled his duties and responsibilities as Full-time Audit & Supervisory Board Member since June 2019. Thus, the Bank believes he is capable of performing duties appropriately as the Bank's Audit & Supervisory Committee Member and has nominated him as a candidate for Director serving as Audit & Supervisory Committee Member.	
2	Youichiro Ito (February 1, 1948) <u>New appointment</u> <u>Outside</u> <u>Independent Officer</u>	Apr. 1990 Registered as attorney-at-law with Tokyo Bar Association Apr. 1995 Registered as attorney-at-law with Shizuoka Bar Association Opened Ito Law Office in Aoi-ku, Shizuoka City (incumbent) Apr. 1999 Acting Corporate Auditor of the Bank The term of office ended in June 1999 Jun. 2009 Audit & Supervisory Board Member (incumbent)	900 shares
		[Reasons for nomination as a candidate for Outside Director] Mr. Youichiro Ito has insight and experience as an attorney-at-law over many years. He has appropriately fulfilled his duties and responsibilities as Outside Audit & Supervisory Board Member since his appointment in June 2009 based on his deep insight and perspective as a legal expert. Thus, the Bank believes he is capable of performing duties appropriately as the Bank's Audit & Supervisory Committee Member and has nominated him as a candidate for Outside Director serving as Audit & Supervisory Committee Member.	
3	Kazuaki Isobe (January 4, 1948) <u>New appointment</u> <u>Outside</u> <u>Independent Officer</u>	Apr. 1971 Joined Showa Audit Corporation Mar. 1974 Passed Certified Public Accountant examination Aug. 1974 Left Showa Audit Corporation Sep. 1974 Established CPA Isobe Kazuaki Office (incumbent) Jun. 2014 Audit & Supervisory Board Member (incumbent)	2,700 shares
		[Reasons for nomination as a candidate for Outside Director] Mr. Kazuaki Isobe has insight and experience as a Certified Public Accountant over many years. He has appropriately fulfilled his duties and responsibilities as Outside Audit & Supervisory Board Member since his appointment in June 2014 based on his deep insight and perspective as a Certified Public Accountant and a tax accountant. Thus, the Bank believes he is capable of performing duties appropriately as the Bank's Audit & Supervisory Committee Member and has nominated him as a candidate for Outside Director serving as Audit & Supervisory Committee Member.	

No.	Name (Date of birth)	Brief personal history, positions, responsibilities and significant concurrent positions	Number of the Bank's shares held
4	Makoto Kono (November 12, 1970) New appointment Outside Independent Officer	Oct. 2000 Registered as attorney-at-law with Tokyo Bar Association Joined Aikawa Law Office Apr. 2005 Registered as attorney-at-law with Shizuoka Bar Association Joined Kono Law Office Sep. 2010 Representative Partner, Kono Law Office (incumbent)	3,100 shares
	[Reasons for nomination as a candidate for Outside Director] Mr. Makoto Kono has insight and experience as an attorney-at-law over many years. Thus, the Bank believes he is capable of performing duties appropriately as the Bank's Audit & Supervisory Committee Member and has nominated him as a candidate for Outside Director serving as Audit & Supervisory Committee Member.		

- (Notes)
- Special interest relationship between each candidate for Director and the Bank.
 - Mr. Youichiro Ito is the Bank's legal counsel and the Bank pays him counseling fees.
 - Mr. Makoto Kono is the Bank's legal counsel and the Bank pays him counseling fees.
 - No special interest exists between any other candidates for Director and the Bank.
 - Independence of candidates for Outside Directors (Independence Criteria for Outside Directors of the Bank are listed on page 23)
 - Mr. Youichiro Ito and Mr. Kazuaki Isobe are candidates for Outside Director who meet the criteria for determining the independence of Outside Directors of the Bank. The Bank has submitted notifications to Tokyo Stock Exchange, Inc. to register both Mr. Youichiro Ito and Mr. Kazuaki Isobe as independent officers of the Bank.
 - Mr. Makoto Kono is a candidate for Outside Director who meets the criteria for determining the independence of Outside Directors of the Bank. If the election of Mr. Makoto Kono is approved, the Bank intends to submit a notification to Tokyo Stock Exchange, Inc. to register him as an independent officer of the Bank.
 - Number of years in office of the candidates for Outside Director as Outside Audit & Supervisory Board Member
The terms of office as Outside Audit & Supervisory Board Member at the conclusion of this Annual General Meeting of Shareholders will be eleven (11) years for Mr. Youichiro Ito, and six (6) years for Mr. Kazuaki Isobe.
 - Limited liability agreements with Outside Directors
 - Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank has concluded agreements with Mr. Youichiro Ito and Mr. Kazuaki Isobe to limit their liabilities in the event that they neglect their duties and that the limit of the liability under such agreements shall be the amount provided by laws and regulations. If the election of Mr. Youichiro Ito and Mr. Kazuaki Isobe is approved, the Bank intends to renew limited liability agreements with them.
 - If the election of Mr. Makoto Kono is approved, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Bank intends to conclude an agreement with him to limit his liabilities in the event that he neglects his duties and that the limit of the liability under such an agreement shall be the amount provided by laws and regulations.

The Bank appoints as its Independent Outside Directors persons who possess professional expertise, the necessary knowledge for the execution of duties, and extensive experience as a manager, and who meet the requirements for Outside Directors stipulated in the Companies Act as well as the Independence Criteria outlined below.

Independence Criteria

In principle, persons who do not meet any of the following criteria either currently or recently.

1. A person for whom the Bank is a major business partner or the executor of business for said person, or a person that is a major business partner of the Bank or the executor of business for said person
2. A consultant, accounting specialist, or legal specialist, etc. who has received a significant amount of money or other assets from the Bank, other than executive remuneration
3. Employees, etc. of consulting offices, accounting offices, and law offices for whom the Bank is a major business partner
4. A person who is in receipt of a significant amount of donations from the Bank, or the business executor if said person is a corporation
5. A major shareholder of the Bank or the business executor if said shareholder is a corporation
6. Close relatives of the following persons (excluding insignificant persons)
 - a. A person to whom any of the above 1. to 5. applies
 - b. A Director, Audit & Supervisory Board Member, Executive Officer, and important employee, etc. of the Bank and its subsidiaries

- “Recently” refers to cases that can, for practical purposes, be regarded as occurring in the present. For example, this includes cases applicable at the point at which details of proposals at the General Meeting of Shareholders appointing Independent Officers as Outside Directors were decided. “Recently” does not refer to more than a year ago.
- “Major” refers to a business partner with whom the Bank has a transactional relationship that could affect business decisions, etc. to the same extent as a parent company, subsidiary, or affiliated company.
- A “significant amount” refers to an average of 10 million yen or more over the past three years.
- “Close relatives” refers to a spouse or relative within the second degree of kinship.
- “Insignificant persons” refers to officers and manager-level persons of a company or business partner, and persons other than certified public accountants affiliated with each audit corporation and lawyers affiliated with each law firm.

Proposal No. 5: Establishment of the Amount of Remuneration for Directors (excluding Directors Serving as Audit & Supervisory Committee Members)

At the 140th Annual General Meeting of Shareholders held on June 19, 2015, approval was granted for the amount of remuneration for Directors of the Bank to be set at a maximum of 270 million yen per annum for fixed remuneration (including a maximum of 20 million yen for Outside Directors), and, separate from the fixed remuneration, a maximum of 30 million yen per annum to be set for performance-based remuneration (excluding Outside Directors) depending on profit, effective to the present. However, subject to the approval of Proposal No. 2: Partial Amendment to the Articles of Incorporation, the Bank will transition to a Company with an Audit & Supervisory Committee.

Accordingly, in accordance with the provisions of Article 361, Paragraph 1 and Paragraph 2 of the Companies Act, it is proposed that the current provisions for the amount of remuneration for Directors be abolished, and that, taking into account various circumstances such as the economic situation, the amount of remuneration for Directors (excluding Directors serving as Audit & Supervisory Committee Members) be set at a maximum of 270 million yen per annum for fixed remuneration (including a maximum of 20 million yen for Outside Directors). In addition, in order to increase the motivation of Directors to enhance corporate value and to raise their awareness of shareholder-oriented management, it is proposed that, separate from fixed remuneration, a maximum of 30 million yen per annum be set for performance-based remuneration (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors) based on profit, as shown in the table below.

It is further proposed that, as is currently the case, this amount of remuneration not include the employee salary portion of remuneration for Directors concurrently serving as employees, and that the specific amount and timing of payments to each Director (excluding Directors serving as Audit & Supervisory Committee Members) be left to the discretion of the Board of Directors.

In addition, the amount of remuneration in this Proposal is to be approved separately from the stock option remuneration outlined in Proposal No. 7.

The current number of Directors is ten (10), including three (3) Outside Directors. If Proposal No. 2: Partial Amendment to the Articles of Incorporation, and Proposal No. 3: Election of Ten (10) Directors (excluding Directors Serving as Audit & Supervisory Committee Members) are approved, the number of Directors (excluding Directors serving as Audit & Supervisory Committee Members) will be ten (10), including two (2) Outside Directors. The resolution of this proposal will take effect provided that amendments to the Articles of Incorporation contained in Proposal No. 2: Partial Amendment to the Articles of Incorporation become effective.

Framework for Performance-based Remuneration

Profit level	Remuneration framework (per annum)
5,000 million yen or more	30 million yen
3,000 million yen or more and less than 5,000 million yen	20 million yen
1,000 million yen or more and less than 3,000 million yen	10 million yen
Less than 1,000 million yen	0 yen

Proposal No. 6: Establishment of the Amount of Remuneration for Directors Serving as Audit & Supervisory Committee Members

At the 140th Annual General Meeting of Shareholders held on June 19, 2015, approval was granted for the amount of remuneration for Audit & Supervisory Board Members of the Bank to be set at a maximum of 60 million yen per annum, effective to the present. However, subject to the approval of Proposal No. 2: Partial Amendment to the Articles of Incorporation, the Bank will transition to a Company with an Audit & Supervisory Committee.

Accordingly, in accordance with the provisions of Article 361, Paragraph 1 and Paragraph 2 of the Companies Act, it is proposed that, taking into account various circumstances such as the economic situation, the amount of remuneration for Directors serving as Audit & Supervisory Committee Members be set at a maximum of 60 million yen per annum. It is further proposed that the specific amount and timing of payments to each Director serving as Audit & Supervisory Committee Member be left to the discretion of Directors serving as Audit & Supervisory Committee Members.

The current number of Audit & Supervisory Board Members is four (4), including two (2) Outside Audit & Supervisory Board Members. If Proposal No. 2: Partial Amendment to the Articles of Incorporation, and Proposal No. 4: Election of Four (4) Directors Serving as Audit & Supervisory Committee Members are approved, the number of Directors serving as Audit & Supervisory Committee Members will be four (4), including three (3) Outside Directors.

The resolution of this proposal will take effect provided that amendments to the Articles of Incorporation contained in Proposal No. 2: Partial Amendment to the Articles of Incorporation become effective.

Proposal No. 7: Determination of the Amount and Details of Remuneration in Stock Options for Directors (excluding Directors Serving as Audit & Supervisory Committee Members and Outside Directors)

At the 140th Annual General Meeting of Shareholders held on June 19, 2015, approval was granted for the amount of remuneration relating to share acquisition rights as share remuneration-based stock options for Directors of the Bank (excluding Outside Directors) to be set at a maximum of 36 million yen per annum, separate from fixed remuneration and performance-based remuneration, effective to the present. However, subject to the approval of Proposal No. 2: Partial Amendment to the Articles of Incorporation, the Bank will transition to a Company with an Audit & Supervisory Committee.

Accordingly, in accordance with the provisions of Article 361, Paragraph 1 and Paragraph 2 of the Companies Act, it is proposed that the current provisions for the amount of remuneration relating to share acquisition rights as share remuneration-based stock options for Directors be abolished, and that, separate from the amount of remuneration proposed in Article No. 5, share acquisition rights as share remuneration-based stock options be allocated to Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors) and that the amount of remuneration for this purpose be within 36 million yen per annum, taking into account various circumstances such as the economic situation.

The specific amount of remuneration as stock options is the amount obtained by multiplying the fair value per stock acquisition right calculated on the allotment date of the stock acquisition right by the number of share acquisition rights to be allotted. It is proposed that the payment timing and allocation to each Director be left to the discretion of the Board of Directors. There are currently seven (7) Directors who are eligible to be granted share acquisition rights as share remuneration-based stock options. However, if Proposal No. 2: Partial Amendment to the Articles of Incorporation and Proposal No. 3: Election of Ten (10) Directors (excluding Directors Serving as Audit & Supervisory Committee Members) are approved as originally proposed, the number of Directors eligible to be granted share acquisition rights as share remuneration-based stock options will be eight (8).

The resolution of this proposal will take effect provided that amendments to the Articles of Incorporation contained in Proposal No. 2: Partial Amendment to the Articles of Incorporation become effective.

The reasons for allotting share acquisition rights as remuneration and the details of the share acquisition rights are as follows.

1. Reasons for allotting share acquisition rights as remuneration

The reasons are to increase the motivation of Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors) to contribute to the enhancement of corporate value and to further increase their awareness of shareholder-oriented management.

2. Details of the share acquisition rights

(1) Total number of share acquisition rights, and type and number of subject shares

The maximum number of share acquisition rights to be issued within one (1) year from the date of the Annual General Meeting of Shareholders pertaining to that business year shall be 2,200.

The shares subject to share acquisition rights shall be the Bank's common stock, and the upper limit for the abovementioned one (1) year shall be 22,000 shares.

The number of shares subject to one (1) stock acquisition right (hereinafter, "the number of shares granted") shall be ten (10) shares.

In the event that it becomes appropriate to amend the number of shares granted for reasons such as the execution by the Bank of a merger, company split, gratis allotment of shares, stock split, or reverse stock split, the Bank shall make necessary adjustments.

(2) Payment amount for the share acquisition rights

The fair value calculated by means such as the Black-Scholes Model on the date of allotment of the share acquisition rights shall be the payment amount. The person in receipt of the share acquisition rights shall offset the payment of said payment amount with compensation receivables from the Bank.

(3) Value of property invested upon the exercise of share acquisition rights

The value of property to be invested upon the exercise of share acquisition rights shall be one (1) yen per share delivered through the exercise of share acquisition rights, and shall be multiplied by the number of shares granted.

- (4) Period during which share acquisition rights may be exercised
Share acquisition rights may be exercised for a period of twenty five (25) years from the date following the allotment date of the share acquisition rights. However, in the event that the last day of the exercise period falls on a Bank holiday, the previous working day shall apply.
- (5) Main conditions for exercising share acquisition rights
The holder of share acquisition rights may, within the period described in (4) above, exercise share acquisition rights in their entirety within a period of ten (10) days from the day following the day on which the Director of the Bank lost his or her position.
- (6) Transfer restrictions on share acquisition rights
Acquisition of share acquisition rights by transfer requires the approval of the Board of Directors of the Bank.
- (7) Other details of share acquisition rights
Details described in (1) to (6) above and other details regarding share acquisition rights shall be determined by the Board of Directors, which decides matters regarding application of share acquisition rights.

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