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(Securities Code: 8356)  
May 29, 2020

**To Shareholders with Voting Rights:**

Yukio Murase  
President and CEO  
The Juroku Bank, Ltd.  
8-26, Kandamachi,  
Gifu-shi, Gifu, Japan

## **NOTICE OF CONVOCATION OF THE 245TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

You are cordially notified of the 245th Annual General Meeting of Shareholders of the Bank. The meeting will be held for the purposes as described below.

Instead of attending the meeting, you can also exercise your voting rights in writing by submitting the Voting Rights Exercise Form, or via electromagnetic means (the Internet, etc.). Please review the Reference Documents for the General Meeting of Shareholders (on pages 3 to 13) and exercise your voting rights.

- 1. Date and Time:** Friday, June 19, 2020 at 10:00 a.m. Japan time
- 2. Place:** 3F Hall, Head Office of the Bank, 8-26, Kandamachi, Gifu-shi, Gifu, Japan
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report and Non-consolidated Financial Statements for the Bank's 245th Fiscal Year (from April 1, 2019 to March 31, 2020)
    2. Consolidated Financial Statements for the Bank's 245th Fiscal Year (from April 1, 2019 to March 31, 2020) and 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:** Election of Nine (9) Directors
    - Proposal No. 3:** Election of Two (2) Audit & Supervisory Board Members

End

## **Information Disclosure on the Internet**

The following items are posted on the Bank's website in accordance with laws and regulations as well as Article 17 of the Articles of Incorporation of the Bank, and are therefore not included in the documents attached to this notice of convocation.

- 1) Matters Concerning the Bank's Stock Acquisition Rights, etc.,  
Basic Policy for Persons Who Control Decisions on Financial and Business Policies,  
System to Ensure Appropriate Operations,  
Overview of Management Status of System to Ensure Appropriate Operations,  
Matters Concerning Specified Wholly-Owned Subsidiaries,  
Matters Concerning Transactions with the Parent Company, etc., and  
Matters Concerning Accounting Advisors in the Business Report
- 2) Non-consolidated Statement of Changes in Equity and the Notes to the Non-consolidated Financial Statements as part of the Non-consolidated Financial Statements
- 3) Consolidated Statement of Changes in Equity and the Notes to the Consolidated Financial Statements as part of the Consolidated Financial Statements

Bank's Website <https://www.juroku.co.jp/>

The Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements audited by the Audit & Supervisory Board Members consist of the Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements attached to this notice of convocation as well as Items 1) to 3) above.

The Non-consolidated Financial Statements and Consolidated Financial Statements audited by the Accounting Auditors consist of the Non-consolidated Financial Statements and Consolidated Financial Statements attached to this notice of convocation as well as Items 2) and 3) above.

## **Guidance for Attending the General Meeting of Shareholders**

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please also bring this "Notice of Convocation" to the meeting with you for the sake of resource saving.
- Please note that those other than shareholders with voting rights, such as their proxies and companions who are not shareholders, may not attend the meeting. However, shareholders who need a nursing attendant are kindly requested to contact us (at toll free number 0120-300-716) in advance so that we can make special arrangements for the meeting.
- Any updates to the Reference Documents for the General Meeting of Shareholders and the attached documents will be posted on the Bank's website (<https://www.juroku.co.jp/>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal No. 1: Appropriation of Surplus

It is proposed that the surplus be appropriated as follows.

1. Matters concerning year-end dividends

Given the increasing diversity of risks associated with financial transactions, the Bank's basic policy is to pay dividends to shareholders in a stable and consistent manner with attention to further improvement in its financial strength.

With profit attributable to owners of parent for the current fiscal year amounting to 12.8 billion yen, we have achieved the profit target we established in our 14th Medium-term Management Plan, which covered the three-year period ended in March 31, 2020. In order to express our appreciation for your daily support, it is proposed that the year-end dividend include a special dividend of 10.00 yen and be paid as follows.

As the Bank has paid the interim dividend of 35.00 yen per share for the current fiscal year, the annual dividend for the current fiscal year will be 80.00 yen per share.

(1) Type of dividend property  
Cash

(2) Matters concerning the allotment of dividend property to shareholders and the total amount  
45 yen per share of common stock, including a special dividend of 10 yen, for a total of  
1,681,580,700 yen

(3) Effective date of distribution of surplus  
June 22, 2020

2. Other matters concerning the appropriation of surplus

It is proposed that the Bank transfer funds from retained earnings brought forward to general reserve in an effort to enhance internal reserve for the establishment of a solid management foundation, and maintain and improve its competitiveness.

(1) Item and the amount of surplus to be increased  
General reserve 10,000,000,000 yen

(2) Item and amount of surplus to be decreased  
Retained earnings brought forward 10,000,000,000 yen

**Proposal No. 2: Election of Nine (9) Directors**

The terms of office of all Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of nine (9) Directors is proposed.

The candidates are as follows:

No.	Name	Current position at the Bank, etc.	Attendance at Board of Directors
1	(Reappointment) Yukio Murase	President and CEO	11/11
2	(Reappointment) Naoki Ikeda	Deputy President	11/11
3	(Reappointment) Kimio Hirose	Director and Managing Executive Officer	11/11
4	(Reappointment) Yukiyasu Shiraki	Director and Managing Executive Officer and Chief General Manager, Business Integration Division	11/11
5	(Reappointment) Akihide Ishiguro	Director and Executive Officer and General Manager, Corporate Planning Division	11/11
6	(Reappointment) Shin Mishima	Director and Executive Officer and General Manager, Operations Administration Division	9/9
7	(Reappointment) Yuji Kume	Outside Director Independent Officer	11/11
8	(Reappointment) Kikuo Asano	Outside Director Independent Officer	9/9
9	(New appointment) Satoko Ito	Outside Director Independent Officer	-/-

No.	Name (Date of birth)	Past experience	Number of shares of the Bank held	Attendance at Board of Directors
1	(Reappointment)  Yukio Murase (Dec. 23, 1956)	Apr. 1979 Joined the Bank Jun. 1993 General Manager, Hong Kong Branch, the Bank Feb. 1994 General Manager, Nagoya Ekimae Branch, the Bank Apr. 1998 General Manager, Human Resources Division, the Bank Jun. 2004 Managing Director, the Bank Jun. 2009 Senior Managing Director, the Bank Sep. 2013 President and CEO, the Bank (current position) (Representative Director)	10,600 shares	11/11
	<p>Significant concurrent positions: Chairman, The Gifu Chamber of Commerce and Industry</p> <p>Reasons for nomination as a candidate for Director: As the President and CEO of the Bank, Mr. Yukio Murase has consistently fulfilled his role of making important management decisions and supervising execution of duties by each director in an appropriate and accurate manner. He possesses knowledge and experience that enable him to perform the management of banking operations accurately, fairly and efficiently. Thus, the Bank believes that he is well qualified as a Director of the Bank and has renominated him as a candidate for Director.</p> <p>Special relationships: There are no special relationships between Mr. Yukio Murase and the Bank.</p>			
2	(Reappointment)  Naoki Ikeda (Apr. 4, 1957)	Apr. 1980 Joined the Bank Apr. 2005 General Manager, Takayama Branch, the Bank Jun. 2008 Director and General Manager, Nagoya Branch, the Bank Apr. 2012 Director and General Manager, Nagoya Main Office, the Bank Jun. 2013 Managing Director and General Manager, Operations Administration Division, the Bank Sep. 2013 Managing Director, the Bank Jun. 2014 Deputy President, the Bank (current position) (Representative Director) (Responsible for Secretariat and Corporate Administration Division)	3,900 shares	11/11
	<p>Reasons for nomination as a candidate for Director: As the Deputy President of the Bank, Mr. Naoki Ikeda has consistently fulfilled his role of assisting the President to make important management decisions and supervise execution of duties by each director in an appropriate and accurate manner. He possesses knowledge and experience that enable him to perform the management of banking operations accurately, fairly and efficiently. Thus, the Bank believes that he is well qualified as a Director of the Bank and has renominated him as a candidate for Director.</p> <p>Special relationships: There are no special relationships between Mr. Naoki Ikeda and the Bank.</p>			

No.	Name (Date of birth)	Past experience	Number of shares of the Bank held	Attendance at Board of Directors
3	(Reappointment)  Kimio Hirose (Feb. 15, 1959)	Apr. 1982 Joined the Bank Apr. 2008 General Manager, Takatomi Branch, the Bank Apr. 2010 General Manager, Compliance Management Division, the Bank Sep. 2011 Executive Officer and General Manager, Compliance Management Division, the Bank Jun. 2013 Director and General Manager, Nagoya Main Office, the Bank Jun. 2014 Director and General Manager, Head Office, the Bank Jun. 2016 Director and Managing Executive Officer, the Bank (current position) (Responsible for Risk Management, Enterprise Support, Operations Administration, and Internal Audit Divisions)	1,024 shares	11/11
Reasons for nomination as a candidate for Director: As a Director and Managing Executive Officer of the Bank, Mr. Kimio Hirose has been responsible primarily for operations systems administration, credit screening and risk management functions and also has fulfilled his responsibilities as General Manager of the Bank's major branches. He possesses knowledge and experience that enable him to perform the management of banking operations accurately, fairly and efficiently. Thus, the Bank believes that he is well qualified as a Director of the Bank and has renominated him as a candidate for Director.				
Special relationships: There are no special relationships between Mr. Kimio Hirose and the Bank.				
4	(Reappointment)  Yukiyasu Shiraki (Jan. 7, 1963)	Apr. 1985 Joined the Bank Apr. 2010 General Manager, Hashima Branch, the Bank Mar. 2012 General Manager, Kakamigahara Branch, the Bank Jun. 2014 Executive Officer and General Manager, Ichinomiya Branch, the Bank Jun. 2016 Managing Executive Officer and Chief General Manager, Aichi Business Division, the Bank Jun. 2017 Director and Managing Executive Officer and Chief General Manager, Aichi Business Division, and Deputy Chief General Manager, Business Integration Division, the Bank Apr. 2019 Director and Managing Executive Officer and Chief General Manager, Business Integration Division, the Bank (current position) (Responsible for Business Integration, Personal Business, Corporate Business, Public Business, and Aichi Business Divisions)	961 shares	11/11
Reasons for nomination as a candidate for Director: As a Director and Managing Executive Officer of the Bank, Mr. Yukiyasu Shiraki has been responsible primarily for business integration, personal business and corporate business and also has fulfilled his responsibilities as General Manager of the Bank's major branches. He possesses knowledge and experience that enable him to perform the management of banking business and operations accurately, fairly and efficiently. Thus, the Bank believes that he is well qualified as a Director of the Bank and has renominated him as a candidate for Director.				
Special relationships: There are no special relationships between Mr. Yukiyasu Shiraki and the Bank.				

No.	Name (Date of birth)	Past experience	Number of shares of the Bank held	Attendance at Board of Directors	
5	(Reappointment) Akihide Ishiguro (Sep. 19, 1963)	Apr. 1987	Joined the Bank	1,011 shares	11/11
		Jun. 2009	General Manager, Tokai Branch, the Bank		
		Oct. 2011	Manager, Human Resources Division, the Bank		
		Apr. 2014	Deputy General Manager, Human Resources Division, the Bank		
		Jun. 2016	General Manager, Corporate Administration Division, the Bank		
		Jun. 2017	Executive Officer and General Manager, Corporate Administration Division, the Bank		
		Jun. 2018	Director and Executive Officer and General Manager, Corporate Administration Division, the Bank		
		Jun. 2019	Director and Executive Officer and General Manager, Corporate Planning Division, the Bank (current position)		
Reasons for nomination as a candidate for Director: As a Director and Executive Officer and General Manager of Corporate Planning Division of the Bank, Mr. Akihide Ishiguro has been responsible for corporate planning and also has extensive experience in functions related to human resources and general affairs and branch office operations. He possesses knowledge and experience that enable him to perform the management of banking operations accurately, fairly and efficiently. Thus, the Bank believes that he is well qualified as a Director of the Bank and has renominated him as a candidate for Director.					
Special relationships: There are no special relationships between Mr. Akihide Ishiguro and the Bank.					
6	(Reappointment) Shin Mishima (Jul. 20, 1964)	Apr. 1987	Joined the Bank	577 shares	9/9
		Jan. 2010	Manager, Risk Control Division, the Bank		
		Oct. 2015	General Manager, Sohara Branch, the Bank		
		Jun. 2017	General Manager, Risk Management Division, the Bank		
		Jun. 2018	Executive Officer and General Manager, Risk Management Division, and Head, Anti-Money Laundering Office, the Bank		
		Jan. 2019	Executive Officer and General Manager, Risk Management Division, the Bank		
		Jun. 2019	Director and Executive Officer and General Manager, Risk Management Division, the Bank		
		Nov. 2019	Director and Executive Officer and General Manager, Operations Administration Division, the Bank (current position)		
Reasons for nomination as a candidate for Director: As an Executive Officer and General Manager, Operations Administration Division of the Bank, Mr. Shin Mishima has been responsible for operations systems management functions and also has extensive experience in various risk management functions and branch office operations. He possesses knowledge and experience that enable him to perform the management of banking operations accurately, fairly and efficiently. Thus, the Bank believes that he is well qualified as a Director of the Bank and has renominated him as a candidate for Director.					
Special relationships: There are no special relationships between Mr. Shin Mishima and the Bank.					

No.	Name (Date of birth)	Past experience	Number of shares of the Bank held	Attendance at Board of Directors
7	(Reappointment) (Outside Director) (Independent Officer)  Yuji Kume (Jul. 14, 1949)	Apr. 1972 Joined Chubu Electric Power Co., Inc. (hereinafter, "Chubu Electric Power") Jul. 2001 General Manager and Head of Okazaki Regional Office, Chubu Electric Power Jun. 2003 Director and General Manager of Large Account Sales Department, Customer Service & Sales Division, Chubu Electric Power Jun. 2005 Director & Executive Officer and General Manager of Corporate Sales Department, Customer Service & Sales Division, Chubu Electric Power Jun. 2006 Managing Director & Executive Officer and General Manager of Customer Service & Sales Division, Chubu Electric Power Jun. 2007 Director & Senior Managing Executive Officer and General Manager of Customer Service & Sales Division, Chubu Electric Power Jun. 2009 Director, Chubu Electric Power, Seconded to The Federation of Electric Power Companies of Japan (Senior Managing Director) Jun. 2013 Special Advisor, Chubu Electric Power, Seconded to The Federation of Electric Power Companies of Japan (Senior Managing Director) Jun. 2014 President and Representative Director, TOENEC CORPORATION (hereinafter, "TOENEC") Jun. 2017 Counselor, TOENEC (current position) Jun. 2018 Director, the Bank (current position)	0 shares	11/11
<p>Significant concurrent positions:            Counselor, TOENEC CORPORATION            Outside Director, Nagoya Stock Exchange, Inc.</p> <p>Reasons for nomination as a candidate for Outside Director:            Mr. Yuji Kume has extensive experience and a wide range of insight in all aspects of corporate management gained through his career as a top executive of private corporations. Such a background makes him capable of providing opinions and advice that are beneficial for management of the Bank. Thus, the Bank believes that he is well qualified as a Director of the Bank and has renominated him as a candidate for Outside Director.</p> <p>Special relationships:            There are no special relationships between Mr. Yuji Kume and the Bank.            The candidate Mr. Yuji Kume serves as Counselor of TOENEC CORPORATION. There are recurring business relationships between the Bank and TOENEC CORPORATION.</p> <p>(Note) Mr. Yuji Kume is currently serving as Outside Director of the Bank and his term of office will be two (2) years at the conclusion of this General Meeting of Shareholders.</p>				



No.	Name (Date of birth)	Past experience	Number of shares of the Bank held	Attendance at Board of Directors
8	(Reappointment) (Outside Director) (Independent Officer)  Kikuo Asano (Feb. 13, 1959)	<p>Apr. 1982 Joined Meiji Life Insurance Company</p> <p>Apr. 2005 General Manager, Profit Management &amp; Actuarial Department, Meiji Yasuda Life Insurance Company (hereinafter “Meiji Yasuda Life Insurance”)</p> <p>Apr. 2012 Executive Officer and General Manager, Profit Management &amp; Actuarial Department, Meiji Yasuda Life Insurance</p> <p>Apr. 2013 Executive Officer, Meiji Yasuda Life Insurance</p> <p>Jul. 2013 Managing Executive Officer, Meiji Yasuda Life Insurance</p> <p>Apr. 2015 Senior Managing Executive Officer, Meiji Yasuda Life Insurance</p> <p>Apr. 2017 President and Representative Director, Meiji Yasuda Real Estate Management Company Limited (current position)</p> <p>Jun. 2019 Director, the Bank (current position)</p>	0 shares	9/9
	<p>Significant concurrent positions: President and Representative Director, Meiji Yasuda Real Estate Management Company Limited</p> <p>Reasons for nomination as a candidate for Outside Director: Mr. Kikuo Asano has extensive experience and a wide range of insight in the financial services sector gained through his career as a Senior Managing Executive Officer of Meiji Yasuda Life Insurance Company. Such a background makes him capable of providing opinions and advice that are beneficial for management of the Bank. Thus, the Bank believes that he is well qualified as a Director of the Bank and has renominated him as a candidate for Outside Director.</p> <p>Special relationships: There are no special relationships between Mr. Kikuo Asano and the Bank.</p> <p>(Note) Mr. Kikuo Asano is currently serving as Outside Director of the Bank and his term of office will be one (1) years at the conclusion of this General Meeting of Shareholders.</p>			
9	(New appointment) (Outside Director) (Independent Officer)  Satoko Ito (Jul. 3, 1967)	<p>Oct. 1989 Started activities as an anchorperson for news and information programs</p> <p>Apr. 2010 Visiting Professor, Graduate Institute for Entrepreneurial Studies (current position)</p> <p>Apr. 2015 Part-time Lecturer, Niigata University (current position)</p>	0 shares	-/-
	<p>Significant concurrent positions: Outside Director, Sekisui Jushi Corporation</p> <p>Reasons for nomination as a candidate for Outside Director: Ms. Satoko Ito has extensive experience and knowledge in a wide range of domains such as environmental energy and regional revitalization gained through her career as an anchorperson for news and information programs and a university professor. Such a background makes her capable of providing opinions and advice that are beneficial for management of the Bank. Thus, the Bank believes that she is well qualified as a Director of the Bank and has nominated her as a candidate for Outside Director.</p> <p>Special relationships: There are no special relationships between Ms. Satoko Ito and the Bank.</p>			

(Notes)

1. Mr. Yuji Kume, Mr. Kikuo Asano and Ms. Satoko Ito are candidates for Outside Directors who satisfy the Criteria for Assessing Independence of the Bank as described on Page 13. They are also candidates for Independent Officers pursuant to the provisions of Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc.
2. TOENEC CORPORATION, for which Mr. Yuji Kume served as President and Representative Director until June 2017, was subjected to a supervisory disposition (suspension of business) by Chubu Regional Bureau, Ministry of Land, Infrastructure, Transport and Tourism in May 2016 for entering into a subcontract exceeding the insignificance criteria with a construction company without having any permit or license. In addition, TOENEC CORPORATION was subjected to a supervisory disposition (instructive disposition) by the said bureau in November 2016 for an industrial accident that occurred during the construction of solar power generation facilities.
3. Liability limitation agreements with Outside Directors:

The Bank specifies in its Articles of Incorporation to allow the Bank and Outside Directors to enter into an agreement limiting their liability to the amount specified by laws and regulations so that they can fully perform their expected roles.

The Bank has entered into a liability limitation agreement based on Article 423, Paragraph 1 of the Companies Act with each of the Outside Director candidates, Mr. Yuji Kume and Mr. Kikuo Asano. When the relevant Outside Directors have acted in good faith and have not been grossly negligent in performing their duties, they will be responsible for such liability to the extent of the liability amount set forth in Article 425, Paragraph 1, Item 1 (c) of the Companies Act under the agreement. The Bank plans to enter into the same liability limitation agreement with each of the Outside Director candidates upon their reappointment at this General Meeting of Shareholders. In case the appointment of Ms. Satoko Ito is approved, the Bank plans to enter into the same liability limitation agreement with her.

### Proposal No. 3: Election of Two (2) Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board Members Mr. Koji Iwata and Mr. Hideo Kono will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of two (2) Audit & Supervisory Board Members is proposed.

We have obtained the approval of the Audit & Supervisory Board for this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Past experience	Number of shares of the Bank held	Attendance at Board of Directors	Attendance at Audit & Supervisory Board
1	(New appointment)  Shunsuke Uchigashima (Apr. 21, 1964)	Apr. 1987 Joined the Bank Jun. 2013 Manager, International Market Division, the Bank, the Bank Jun. 2016 General Manager, Treasury and Investment Division, the Bank Apr. 2019 General Manager, Internal Audit Division, the Bank (current position)	500 shares	-/-	-/-
	<p>Reasons for nomination as a candidate for Audit &amp; Supervisory Board Member: Mr. Shunsuke Uchigashima has experience in the core operations of the Bank with extensive experience in internal audit, market-related operations and international operations. Such a background makes him capable of auditing the legality of execution of duties by Directors and other aspects accurately, fairly and efficiently. Thus, the Bank believes that he is well qualified as an Audit &amp; Supervisory Board Member of the Bank and has nominated him as a candidate for Audit &amp; Supervisory Board Member.</p> <p>Special relationships: There are no special relationships between Mr. Shunsuke Uchigashima and the Bank.</p>				

No.	Name (Date of birth)	Past experience	Number of shares of the Bank held	Attendance at Board of Directors	Attendance at Audit & Supervisory Board	
2	(New appointment) (Outside Audit & Supervisory Board Member) (Independent Officer)  Takuo Yoshikawa (Jan. 20, 1965)	Apr. 1987	Joined Nagoya Railroad Co., Ltd. (hereinafter "Nagoya Railroad")	0 shares	-/-	-/-
		Jul. 2012	General Manger in charge of Accounting and General Manager in charge of Funding, Finance Dept. Nagoya Railroad			
		Jun. 2015	Director, Nagoya Railroad			
		Jul. 2015	Assistant Division Director, Railroad Operations HQ. and General Manager, Sales Dept., Nagoya Railroad			
		Jun. 2016	General Manager, Human Resources Dept., Nagoya Railroad (current position)			
		Jun. 2018	Managing Director, Nagoya Railroad			
		Jun. 2019	Director & Managing Executive Officer, Nagoya Railroad (current position)			
	Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member: Mr. Takuo Yoshikawa is well versed in the core operations in the corporate management such as finance and human resources management and has extensive experience and a wide range of insight. Such a background makes him capable of auditing the legality of execution of duties by Directors and other aspects accurately, fairly and efficiently. Thus, the Bank believes that he is well qualified as an Audit & Supervisory Board Member of the Bank and has nominated him as a candidate for Outside Audit & Supervisory Board Member. Special relationships: There are no special interest relationships between Mr. Takuo Yoshikawa and the Bank. The Audit & Supervisory Board Member candidate Mr. Takuo Yoshikawa serves as Director & Managing Executive Officer of Nagoya Railroad Co., Ltd. There are recurring business relationships between the Bank and Nagoya Railroad Co., Ltd.					

(Notes)

- Mr. Takuo Yoshikawa is candidate for Outside Audit & Supervisory Board Member who satisfies the Criteria for Assessing Independence of the Bank as described on Page 13. He is also a candidate for Independent Officer pursuant to the provisions of Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc.
- Liability limitation agreement with Outside Audit & Supervisory Board Member:  
The Bank specifies in its Articles of Incorporation to allow the Bank and Outside Audit & Supervisory Board Members to enter into an agreement limiting their liability to the amount specified by laws and regulations so that they can fully perform their expected roles.  
The Bank has entered into a liability limitation agreement based on Article 423, Paragraph 1 of the Companies Act with Outside Audit & Supervisory Board Members. When the relevant Outside Audit & Supervisory Board Members has acted in good faith and has not been grossly negligent in performing his duties, he will be responsible for such liability to the extent of the liability amount set forth in Article 425, Paragraph 1, Item 1 (c) of the Companies Act under the agreement. The Bank plans to enter into the same liability limitation agreement with Mr. Takuo Yoshikawa upon his reappointment as Audit & Supervisory Board Member at this General Meeting of Shareholders.

### **[Criteria for Assessing Independence]**

The Bank shall establish the following criteria for assessing independence of Outside Directors and Outside Audit & Supervisory Board Members in addition to the "Independence Criteria" set by the Stock Exchanges on which the Bank is listed:

1. A person who falls under any of the following shall be a person who does not meet the requirements of independence.
  - (1) A person whose sales to the Bank is 2% or more of its consolidated net sales for the most recent fiscal year
  - (2) A person whose largest credit provider is the Bank and who shall receive a serious impact such as affecting the continuity of his business by the Bank's changes to its loan policies including immediate collection of the loan.
  - (3) A shareholder who holds over 5% of the total voting rights of all shareholders of the Bank
  - (4) A person who has received money or other properties of more than 10 million yen per year on average over the past three years from the Bank, excluding compensations for Director or Audit & Supervisory Board Member
2. Notwithstanding the provisions of the preceding paragraph, independence can be recognized if it is judged that there is substantial independence as a result of comprehensive judgement including other reasonable reasons.
3. If a person in paragraph 1 above is a legal entity or the like, it shall mean a business executor of the legal entity or the like prescribed in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act.

End