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Securities code: 8713
June 3, 2019

To our shareholders:

Yuichi Tao
Director and President
FIDEA Holdings Co. Ltd.
3-1-24 Chuo, Aoba-ku, Sendai-shi, Miyagi

NOTICE OF THE 10TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 10th Ordinary General Meeting of Shareholders of FIDEA Holdings Co. Ltd. (the "Company"), which will be held as described below.
If you are unable to attend the meeting in person, you may exercise your voting rights by postal mail or by the Internet. Please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders, by 5:00 p.m., Monday, June 24, 2019 (Japan Standard Time).

1. Date and Time: Tuesday, June 25, 2019 at 10:00 a.m. (Japan Standard Time) (Reception will start from 9:00 a.m.)

2. Venue: Shogin Honten Hall, Shonai Bank Headquarters
1-9-7 Hon-cho, Tsuruoka-shi, Yamagata

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 10th Term (from April 1, 2018 to March 31, 2019), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit Committee
2. Non-Consolidated Financial Statements for the 10th Term (April 1, 2018 to March 31, 2019)

Item to be resolved:

Company proposal

Proposal 1: Election of ten (10) Directors

Shareholder proposal

Proposal 2: Partial amendments to the Articles of Incorporation

Proposal 3: Partial amendments to the Articles of Incorporation

Reference Documents for the General Meeting of Shareholders

Proposal and Reference Items

Proposal 1: Election of ten (10) Directors

The terms of office of all ten (10) of the current Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of ten (10) Directors.
The candidates for Directors are as follows:

No.	Name	Current position and responsibilities in the Company	Candidate attribution
1	Yuichi Tao	Director and President	Reelection
2	Masashi Ueno	Director	Reelection
3	Arata Ito		New election
4	Keiji Shiota	Director Chairman of the Audit Committee	Reelection
5	Satoru Nishibori	Outside Director and Chairman of the Board of Directors Chairman of the Nomination Committee and member of the Remuneration Committee	Reelection Outside
6	Shoichi Ogawa	Outside Director Audit Committee Member	Reelection Outside
7	Kyoichi Fukuda	Outside Director Chairman of the Remuneration Committee and member of the Nomination Committee	Reelection Outside
8	Yutaka Hori	Outside Director Member of the Nomination Committee and member of the Remuneration Committee	Reelection Outside
9	Hiroyuki Sato	Outside Director Member of the Nomination Committee and member of the Remuneration Committee	Reelection Outside
10	Shinobu Miyauchi	Outside Director Audit Committee Member	Reelection Outside

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Yuichi Tao (February 11, 1959) Reelection Tenure as Director 3 years	Apr. 1981 Joined The Fuji Bank, Limited Oct. 2002 General Manager, Nagano Chuo Branch, Mizuho Bank, Ltd. Nov. 2003 General Manager, Nagano Branch, General Manager, Nagano Chuo Branch, Mizuho Bank, Ltd. Feb. 2005 General Manager, Yotsuya Branch, Mizuho Bank, Ltd. Feb. 2007 General Manager, Aoyama Branch, Mizuho Bank, Ltd. Oct. 2008 General Manager, Aoyama Corporate Division, Aoyama Branch, Mizuho Bank, Ltd. Apr. 2009 Executive Officer, General Manager, Branch Banking Division, Mizuho Bank, Ltd. Apr. 2011 Managing Executive Officer, Mizuho Bank, Ltd. Apr. 2012 Deputy President and Representative Director, Mizuho Research Institute Apr. 2016 Adviser, FIDEA Holdings Co. Ltd. June 2016 Part-time Director, The Shonai Bank, Ltd. June 2016 Part-time Director, The Hokuto Bank, Ltd. (present position) June 2016 Director and President, FIDEA Holdings Co. Ltd. (present position) June 2019 Part-time Chairman, The Shonai Bank, Ltd. (planned)	39,500 shares
	[Reasons for nomination as candidate for Director] Yuichi Tao has a wealth of experience and knowledge in the financial industry through his past positions of Managing Executive Officer for Mizuho Bank, Ltd. and Deputy President and Representative Director, Mizuho Research Institute. He also has considerable knowledge in management through his experience as Director and President of the Company. The Company nominated him as candidate for Director because it expects him to assist in reinforcing the effectiveness of the decision-making functions and supervision functions of the Board of Directors by utilizing his knowledge and experience on the Company's Board of Directors. [Special relationship of interest] There is no special relationship of interest between Yuichi Tao and the Company.		

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Masashi Ueno (May 17, 1957) Reelection Tenure as Director 3 years	Apr. 1980 Joined The Shonai Bank, Ltd. May 2004 General Manager, Tokyo Branch, General Manager, Tokyo Office, The Shonai Bank, Ltd. June 2006 Senior Managing Director, Grand Yamagata Lease Co., Ltd. June 2008 General Manager, Human Resources Division, General Manager, Compliance Control Division, The Shonai Bank, Ltd. Apr. 2009 Executive, General Manager, Planning Division, General Manager, Compliance Control Division, The Shonai Bank, Ltd. June 2009 Director, Executive, General Manager, Planning Division, General Manager, Compliance Control Division, The Shonai Bank, Ltd. Oct. 2009 Director, Executive Officer, General Manager, Planning Division, General Manager, Compliance Control Division, The Shonai Bank, Ltd. Oct. 2009 Group Manager, Compliance Control Group, FIDEA Holdings Co. Ltd. June 2010 Director, Executive Officer, General Manager, Planning Division, General Manager, Finance Division, General Manager, Compliance Control Division, The Shonai Bank, Ltd. Oct. 2010 Director, Executive Officer, General Manager, Planning Division, General Manager, Finance Division, General Manager, Compliance Control Division, General Manager, Integration Risk Control Division, The Shonai Bank, Ltd. Feb. 2011 Director, Executive Officer, General Manager, Corporate Planning Division, The Shonai Bank, Ltd. June 2012 Managing Director, Managing Executive Officer, General Manager, Corporate Planning Division, The Shonai Bank, Ltd. July 2013 Managing Director, Managing Executive Officer, General Manager, Human Resources Division, The Shonai Bank, Ltd. July 2013 Group Manager, Human Resources Planning Group, FIDEA Holdings Co. Ltd. June 2014 Senior Managing Director, Senior Managing Executive Officer, General Manager, Human Resources Division, The Shonai Bank, Ltd. Oct. 2014 Senior Managing Director, Senior Managing Executive Officer, The Shonai Bank, Ltd. June 2016 President and Representative Director, Executive Officer, The Shonai Bank, Ltd. June 2016 Director, FIDEA Holdings Co. Ltd. (present position) June 2017 President and Representative Director, The Shonai Bank, Ltd. (present position)	113,000 shares

	[Reasons for nomination as candidate for Director] Masashi Ueno has broad business experience in finance, corporate planning, risk management, human resources, and compliance control, etc., as a member of the Group since 1980 and has expertise in all areas of operations. He also has considerable knowledge in management through his experience as President and Representative Director of The Shonai Bank, Ltd. The Company nominated him as candidate for Director because it expects him to assist in reinforcing the effectiveness of the decision-making functions and supervision functions of the Board of Directors by utilizing his knowledge and experience on the Company's Board of Directors. [Special relationship of interest] There is no special relationship of interest between Masashi Ueno and the Company.

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<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities (significant concurrent positions outside the Company)</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">3</td><td>Arata Ito
(July 22, 1961)
New election

Tenure as Director
- years</td><td>Apr. 1985
July 1991
Feb. 2004

Sept. 2005

July 2006

July 2008

Nov. 2012

June 2014

June 2016
Apr. 2017

Apr. 2018

June 2018

June 2018

Apr. 2019</td><td>Joined The Nippon Credit Bank, Ltd.
Joined The Ugo Bank, Ltd.
General Manager, Yabase Branch, The Hokuto Bank, Ltd.
General Manager, Akitanishi Branch, The Hokuto Bank, Ltd.
General Manager, Nikaho Branch, The Hokuto Bank, Ltd.
General Manager, Corporate Planning Division, The Hokuto Bank, Ltd.
President and Representative Director, Minami Life Insurance Co., Ltd.
Executive Officer, General Manager, Yokote Branch, The Hokuto Bank, Ltd.
Managing Director, The Hokuto Bank, Ltd.
Managing Executive Officer, FIDEA Holdings Co. Ltd.
Director, Managing Executive Officer, The Hokuto Bank, Ltd.
Director, Senior Managing Executive Officer, The Hokuto Bank, Ltd.
Senior Managing Executive Officer, FIDEA Holdings Co. Ltd.
President and Representative Director, The Hokuto Bank, Ltd. (present position)</td><td>25,900 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
Arata Ito has broad business experience in finance, corporate planning, risk management, compliance, and sales-related control, etc., as Executive Officer of the Company and Director of The Hokuto Bank, Ltd., and has expertise in all areas of operations. He has also been in charge of The Hokuto Bank, Ltd. as President and Representative Director since April 2019. The Company nominated him as candidate for Director because it expects him to assist in reinforcing the effectiveness of the decision-making functions and supervision functions of the Board of Directors by utilizing his knowledge and experience on the Company’s Board of Directors.
[Special relationship of interest]
There is no special relationship of interest between Arata Ito and the Company.</td></tr>
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<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities (significant concurrent positions outside the Company)</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">4</td><td>Keiji Shiota
(May 30, 1953)
Reelection

Tenure as Director
9 years</td><td>Apr. 1978
Apr. 1992
June 1992

June 1996

June 1998

June 2000

June 2002

June 2004

July 2005

June 2006

June 2010</td><td>Joined The Mitsubishi Bank, Ltd.
Joined The Ugo Bank, Ltd.
Director, General Manager, Tokyo Branch, General Manager, Tokyo Office, The Ugo Bank, Ltd.
Director, General Manager, Sales Headquarters, The Hokuto Bank, Ltd.
Director, General Manager, Administrative Supervisory Division, The Hokuto Bank, Ltd.
Director, General Manager, Yokote Branch, The Hokuto Bank, Ltd.
Director, General Manager, Sales Division, Head Office, The Hokuto Bank, Ltd.
Director, General Manager, Human Resources Division, The Hokuto Bank, Ltd.
Director, General Manager, Human Resources and General Affairs Division, The Hokuto Bank, Ltd.
Audit & Supervisory Board Member, The Hokuto Bank, Ltd.
Director, FIDEA Holdings Co. Ltd. (present position)</td><td>56,300 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
Keiji Shiota has broad business experience in human resources, sales, and administration/systems, etc., as a member of the Group since 1992 and has expertise in all areas of operations. He also has a wealth of audit experience as Chairman of the Company’s Audit Committee. The Company nominated him as candidate for Director because it expects him to assist in reinforcing the effectiveness of the decision-making functions and supervision functions of the Board of Directors by utilizing his knowledge and experience in a role as Director not serving concurrently as Executive Officer on the Company’s Board of Directors.
[Special relationship of interest]
There is no special relationship of interest between Keiji Shiota and the Company.</td></tr>
</table>

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Satoru Nishibori (March 2, 1953) Reelection Outside Tenure as Director 4 years	Apr. 1975 Joined The Fuji Bank, Limited Apr. 2002 Executive Officer, General Manager, Financial Planning Division, Mizuho Corporate Bank, Ltd. Dec. 2002 Executive Officer, Senior Corporate Officer, Finance and Accounting Group, Mizuho Corporate Bank, Ltd. June 2004 Managing Director, Group Manager, Finance and Accounting Group, Mizuho Financial Group, Inc. Apr. 2008 Deputy President (Representative Director), Mizuho Bank, Ltd. Apr. 2009 President & CEO (Representative Director), Mizuho Bank, Ltd. June 2009 Member of the Board of Directors, Mizuho Financial Group, Inc. June 2011 Advisor, Mizuho Financial Group, Inc. June 2015 Outside Director, FIDEA Holdings Co. Ltd. June 2016 Part-time Director, The Shonai Bank, Ltd. (present position) June 2016 Outside Director, Chairman of the Board of Directors, FIDEA Holdings Co. Ltd. (present position) June 2017 Part-time Director, The Hokuto Bank, Ltd. (present position) Sept. 2017 Consultant, Mizuho Bank, Ltd. Apr. 2019 Honorary Advisor, Mizuho Financial Group, Inc. (present position)	9,300 shares
	[Reasons for nomination as candidate for Director] Satoru Nishibori has served as Managing Director and Group Manager of Finance and Accounting Group of Mizuho Financial Group, Inc., and President & CEO of Mizuho Bank, Ltd. The Company proposes the election of him as Outside Director because it has determined that he can contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by utilizing his broad experience and advanced insight as an executive manager in a role independent from executive management. [Special relationship of interest] There is no special relationship of interest between Satoru Nishibori and the Company.		

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Shoichi Ogawa (May 16, 1945) Reelection Outside Tenure as Director 3 years	Apr. 1968 Joined Bank of Japan May 1990 Senior Examiner, Bank of Japan June 1995 Director, The Bank of Ikeda, Ltd. Oct. 1995 Managing Director, The Bank of Ikeda, Ltd. May 2000 Senior Managing Director, The Bank of Ikeda, Ltd. June 2002 Representative Director, Senior Managing Director, The Bank of Ikeda, Ltd. June 2005 Deputy President and Representative Director, The Bank of Ikeda, Ltd. Oct. 2009 Director, Senshu Ikeda Holdings, Inc. May 2010 Deputy President and Representative Director, The Senshu Ikeda Bank, Ltd. June 2011 Advisor, The Senshu Ikeda Bank, Ltd. June 2015 Outside Director, NSD CO., LTD. (present position) June 2016 Outside Director, FIDEA Holdings Co. Ltd. (present position)	–
	[Reasons for nomination as candidate for Director] Shoichi Ogawa has served as Senior Examiner for the Bank of Japan, Director of Senshu Ikeda Holdings, Inc., and Deputy President and Representative Director of The Senshu Ikeda Bank, Ltd. The Company proposes the election of him as Outside Director because it has determined that he can contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by utilizing his broad experience and advanced insight in a role independent from executive management. [Special relationship of interest] There is no special relationship of interest between Shoichi Ogawa and the Company.		

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)		Number of the Company's shares owned
7	Kyoichi Fukuda (May 7, 1949) Reelection Outside Tenure as Director 3 years	Apr. 1972	Joined The Yasuda Mutual Life Insurance Company	–
		Apr. 1994	General Manager, Kamata Office, The Yasuda Mutual Life Insurance Company	
		Apr. 2000	Manager, Corporate Planning Division, The Yasuda Mutual Life Insurance Company	
		Apr. 2001	General Manager, Corporate Planning Division, The Yasuda Mutual Life Insurance Company	
		July 2002	Director, General Manager, Corporate Planning Division, The Yasuda Mutual Life Insurance Company	
		Apr. 2003	Director, General Manager, Planning Division, The Yasuda Mutual Life Insurance Company	
		Jan. 2004	Director, General Manager, Corporate Marketing Division, Meiji Yasuda Life Insurance Company	
		Apr. 2005	Managing Executive Officer, Meiji Yasuda Life Insurance Company	
		Apr. 2006	Deputy President, Executive Officer, Meiji Yasuda Life Insurance Company	
		July 2006	Deputy President and Director, Executive Officer, Meiji Yasuda Life Insurance Company	
		July 2012	President and Representative Director, Meiji Yasuda General Insurance Co., Ltd.	
		Apr. 2014	Advisor, Meiji Yasuda Life Insurance Company	
		June 2016	Outside Director, FIDEA Holdings Co. Ltd. (present position)	
		June 2018	Part-time Director, The Shonai Bank, Ltd. (present position)	
	[Reasons for nomination as candidate for Director] Kyoichi Fukuda has served as Deputy President and Director, Executive Officer of Meiji Yasuda Life Insurance Company and President and Representative Director of Meiji Yasuda General Insurance Co., Ltd. The Company proposes the election of him as Outside Director because it has determined that he can contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by utilizing his broad experience and advanced insight in a role independent from executive management. [Special relationship of interest] There is no special relationship of interest between Kyoichi Fukuda and the Company.			

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<tr><th>No.</th><th>Name (Date of birth)</th><th colspan="2">Career summary, position and responsibilities (significant concurrent positions outside the Company)</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="2">8</td><td>Yutaka Hori
(October 5, 1949)
Reelection
Outside

Tenure as Director
3 years</td><td>Apr. 1979
Dec. 1989

June 1999

Apr. 2004

Mar. 2005
Apr. 2010

Mar. 2016
June 2016
Aug. 2017</td><td>Registered as an attorney at law with the Daiichi Tokyo Bar Association
Representative Attorney, Hori Yutaka Law Office (currently Hori General Law Office) (present position)
Lecturer, International Corporate Strategy, Hitotsubashi University
Vice President, Member of Council of Management, Chiba University (present position)
Guest Professor, Law School, Chiba University
Member of Public Interest Corporation Commission, Cabinet Office, Government of Japan
Outside Director, Juki Corporation (present position)
Outside Director, FIDEA Holdings Co. Ltd. (present position)
Outside Director, Pasona Group Inc. (present position)</td><td>–</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
Yutaka Hori has broad experience cultivated as an attorney at law and advanced insight into general legal matters. The Company proposes the election of him as Outside Director because it has determined that he can contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by utilizing his broad experience and advanced insight and expertise in a role independent from executive management.
[Special relationship of interest]
There is no special relationship of interest between Yutaka Hori and the Company.</td></tr>
<tr><td rowspan="2">9</td><td>Hiroyuki Sato
(August 21, 1961)
Reelection
Outside

Tenure as Director
2 years</td><td>Jan. 1996

Jan. 1998

Jan. 2006

June 2010
Sept. 2012

June 2017

June 2018</td><td>Director, General Manager, Planning Division, Ugosetsubi Co., Ltd.
Representative Director, Senior Managing Director, Ugosetsubi Co., Ltd.
President and Representative Director, Ugosetsubi Co., Ltd. (present position)
Outside Director, The Hokuto Bank, Ltd.
President and Representative Director, Venti Japan Inc. (present position)
Outside Director, FIDEA Holdings Co. Ltd. (present position)
Part-time Director, The Hokuto Bank, Ltd. (present position)</td><td>–</td></tr>
<tr><td colspan="4">[Reasons for nomination as candidate for Director]
Hiroyuki Sato is committed to corporate management and local industry promotion as President and Representative Director of Ugosetsubi Co., Ltd. and as President and Representative Director of Venti Japan Inc., which engages in the wind power generation business by utilizing the robust wind resources of the Japan Sea Side of Tohoku, including Akita. The Company proposes the election of him as Outside Director because it has determined that he can contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by utilizing his broad experience and advanced insight, particularly his point of view as a manager of local companies and high level of awareness in issues of regional revitalization.
[Special relationship of interest]
There is no special relationship of interest between Hiroyuki Sato and the Company.</td></tr>
</table>

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)		Number of the Company's shares owned
10	Shinobu Miyauchi (June 7, 1947) Reelection Outside Tenure as Director 1 year	Sept. 1979 July 1981 Feb. 1992 July 1992 July 2000 Mar. 2001 July 2001 Sept. 2003 Apr. 2004 July 2004 Apr. 2015 Mar. 2018 June 2018	Miyauchi Shinobu Certified Public Accountant Office President, Fukushi Kaikei Service Center, Inc. Representative Partner, Century Audit Corporation Managing Director, The Japanese Institute of Certified Public Accountants Representative Partner, Century Ota-Showa & Co. Director, Fukushi Kaikei Service Center, Inc. (present position) Representative Partner, Ernst & Young ShinNihon LLC Representative Partner, AZSA & Co. Miyauchi Certified Public Accountant Office (present position) Deputy President, The Japanese Institute of Certified Public Accountants Division Director, Japan Atomic Energy Agency, National Research and Development Agency Council, the Ministry of Education, Culture, Sports, Science and Technology Outside Auditor, COACH A, Co., Ltd. (present position) Outside Director, FIDEA Holdings Co. Ltd. (present position)	–
	[Reasons for nomination as candidate for Director] Shinobu Miyauchi has broad experience as a Certified Public Accountant. The Company proposes the election of him as Outside Director because it has determined that he can contribute greatly to reinforcing the effectiveness of the decision-making function and supervisory function of the Company's Board of Directors by utilizing his broad experience and advanced insight and expertise in a role independent from executive management. [Special relationship of interest] There is no special relationship of interest between Shinobu Miyauchi and the Company.			

Notes
1. Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, Hiroyuki Sato, and Shinobu Miyauchi are candidates for Outside Director provided for in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
2. The Company has entered into agreements with Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, Hiroyuki Sato, and Shinobu Miyauchi based on the provision in Article 427, Paragraph 1 of the Companies Act to limit liability for damages under Article 423, Paragraph 1 of the Companies Act. Under these agreements, the maximum amount of liability for damages is the upper limit of the total amounts listed in each Item of Article 425, Paragraph 1 of the Companies Act, and the Company intends to continue these agreements if the reelection of Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, Hiroyuki Sato, and Shinobu Miyauchi is approved.
3. The number of the Company's common shares owned is based on ownership as of the date of preparation of this Notice of Convocation and the Reference Documents for the General Meeting of Shareholders.
4. The Company has registered Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, and Shinobu Miyauchi as Independent Directors based on the stipulations of Tokyo Stock Exchange, Inc. The Company intends to continue the registration of Satoru Nishibori, Shoichi Ogawa, Kyoichi Fukuda, Yutaka Hori, and Shinobu Miyauchi as Independent Directors if their reelection is approved.

<Reference> FIDEA Group's Independence Criteria for Outside Directors

1. Party related to the Group
   (1) A person who is not an executive director, executive officer, or other employee of the Group (hereinafter, "executive") and who has not been an executive in the past.
   (2) A party who is not currently a major shareholder (a shareholder with possession of at least 10% of the voting rights) and companies that are not the parent company or important subsidiary of such, or if such a party is a company, a person who is not an executive of said company, and has not been an executive for the most recent five-year period.

2. Party related as a supplier/client
   (1) A party who considers the Group to be a major supplier/client and companies that are not the parent company or important subsidiary of such, or if such a party is a company, a person who is not an executive of said company, and has not been an executive for the most recent five-year period.
   (2) A party who is not currently a major supplier/client of the Group and companies that are not the parent company or important subsidiary of such, or if such a party is a company, a person who is not an executive of said company, and has not been an executive for the most recent five-year period.
   (3) A person who is not an executive of an organization that receives donations or subsidies exceeding a certain amount from the Group (10 million yen per annum on average over the past three business years or 30% of the total annual average costs of the said organization, whichever is greater).
   (4) A person who is not an officer of a company, or said company's parent company or subsidiary, that accepts a Director from the Group.

3. Specialized service provider
   (1) Not currently the Group's accounting auditor or employee of said accounting auditor and who has not been in charge of the audit of the Group as said employee over the most recent five-year period.
   (2) A person who has not received cash or other financial interests of 10 million yen or greater annually on average over the past three years as an attorney at law or consultant from the Group, excluding remuneration for officers.

4. Other
   (1) A person who is not the spouse or relative within the second degree of kinship of the person cited in 1. to 3. above.
   (2) A person without constant concern of a substantial conflict of interest with the Company's overall general shareholders due to reasons outside of those considered above
   (3) Major suppliers/clients stipulated in 2. above shall be defined by the criteria of 2% or more of its consolidated sales in each of the most recent three business years (consolidated ordinary profit in case of the Company).
   (4) Even a person who does not fulfill either of the conditions set forth in 2. to 4-(1) above, if the Company believes that the person is suitable as Outside Director with sufficient independence from the Company, because of his/her personality and insight, the person can be nominated as candidate for Outside Director under the condition that he/she fulfills the requirements of Outside Director under the Companies Act and the Company explains externally the reason for considering the person suitable as Outside Director with sufficient independence from the Company.

Proposal 2 is a proposal from one (1) shareholder.

Proposal 2: Partial amendments to the Articles of Incorporation (Submission of petition for elimination of the negative interest rate policy to the Bank of Japan)

1. Details of the proposal

   The following provision shall be added to the Articles of Incorporation.

   "The Presidents of the subsidiary banks shall deliver a petition calling for the elimination of the negative interest rate policy to the Governor of the Bank of Japan."

   ・Reasons for proposal

   The negative interest rate policy introduced by the Bank of Japan ("BOJ") is an act that forces risks only on financial institutions and their shareholders. The side effects, such as decline in share prices, etc., are much worse than the results. Although lending is expanding, lending to borrowers with low credit ratings and major risk of irrecoverable debt, such as real estate loans for rental housing business, etc. despite the growing number of vacant homes, is viewed as a problem. For example, the *Kabocha no Basha* incident (literally, Pumpkin Carriage; bankruptcy of a real estate sub-lease company) occurred. This indicent is only the tip of the iceberg, and it involved forced lending knowing that a business focused exclusively on women who have lower income was a high risk that may not be successful. The proposer is involved in real estate leasing, but generally does not lease to women only or single mother households because of the risks involved. This *Kabocha no Basha* incident and the scandal at Leopalace prove that the lessons learned from past financial crises have not been put to use at all. The proposer has strong concerns that if the negative interest rate policy continues there is a risk that a number of small and medium-sized financial institutions and regional banks with weak management base will go bankrupt. The Presidents of the subsidiary banks should deliver a petition to the Governor of the BOJ asking the BOJ to eliminate this wrongful policy.

   (Company Note)

   The above Details of the proposal and Reason for proposal are printed as submitted by the shareholder.

   Opinion of the Company's Board of Directors regarding Proposal 2

   The Board of Directors objects to the Proposal.

   The Companies Act entrusts, in principle, the Board of Directors to decide on matters concerning the execution of business from the viewpoint of ensuring prompt and flexible business operations. The content of the Proposal concerns the execution of business, and we considered it inappropriate for being determined by the Articles of Incorporation.

Proposal 3 is a proposal from one (1) shareholder.

Proposal 3: Partial amendments to the Articles of Incorporation (Repayment of all public funds)

1. Details of the proposal
   The following provision shall be added to the Articles of Incorporation.
   "All public funds shall be repaid before the end of fiscal 2019."
   ・Reasons for proposal
   The Bank already satisfies the new BIS regulations without relying on public funds. From several years ago, several rumors have come and gone over the full repayment of these funds. The proposer does not believe there is a reason for public funds to be injected. It would be tolerable if the shareholder of public funds were the Minister of Finance, but with the Resolution and Collection Corporation as shareholder, the Bank may be deemed bankrupt, resulting in negative effects such as stagnate stock price and problems pursuing alliances with other banks. The Bank has already made deposit in BOJ with "negative interest rates," which indicates there are surplus funds. The Bank pays a high dividend on public funds and if it quickly repays these funds and curtails the BOJ's wrongful "negative interest rate" deposits, the Bank can reduce redundancies of wasteful costs. The proposer requests the Bank to use the reduction to increase the dividend paid to shareholders with common shares.

   (Company Note)
   The above Details of the proposal and Reason for proposal are printed as submitted by the shareholder.

   Opinion of the Company's Board of Directors regarding Proposal 3
   The Board of Directors objects to the Proposal.
   The Companies Act entrusts, in principle, the Board of Directors to decide on matters concerning the execution of business from the viewpoint of ensuring prompt and flexible business operations. The content of the Proposal concerns the execution of business, and we considered it inappropriate for being determined by the Articles of Incorporation.
   Since the Company recognizes the repayment of public funds as one of the management's top priorities, and the basic policy of the Company is to repay the public funds by the time of simultaneous conversion to common shares. On the other hand, as the economic and financial environment is becoming increasingly challenging, and in order to ensure smoother than ever financial intermediation functions for the communities, while also taking into account the increasingly stricter capital adequacy ratio required by Basel III, the Company's Board of Directors shall carefully and appropriately determine the repayment timing.