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(Securities Code: 7161)

June 6, 2019

To our shareholders:

Manabu Awano, Representative Director and President  
**Jimoto Holdings, Inc.**  
2-1-1, Ichibancho, Aoba-ku, Sendai-shi, Miyagi

## Notice of the 7th Annual General Meeting of Shareholders

You are cordially invited to attend the 7th Annual General Meeting of Shareholders of Jimoto Holdings, Inc. (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights by the end of the business day prior to the meeting (5:10 p.m. on Monday, June 24, 2019 (JST)).

### Information about the venue

- The previous general meeting of shareholders was held at the Yugakukan 2F Hall in Yamagata City, however, in this year, the 7th Annual General Meeting of Shareholders will be held at the 9F Auditorium Hall in the Head Office of The Sendai Bank, Ltd. in Sendai City, with a live conference feed to the 3F Grand Conference Hall in the Head Office of Kirayaka Bank, Ltd. in Yamagata City.
- The Company plans to hold the following general meeting of the shareholders in Yamagata City.

<To shareholders attending the live feed in Yamagata City>

- The live feed venue in Yamagata City is not a venue for the general meeting of shareholders pursuant to the Companies Act. Please be aware that shareholders who attend the live feed will be able to watch the proceedings of the meeting on the screen but will not be able to ask questions or exercise their shareholder rights, such as the approval or disapproval of the proposals.
- If you plan to attend the live feed, please exercise your voting rights in advance in writing or via the internet and present the live feed admission sheet at the reception.

**1. Date and Time:** Tuesday, June 25, 2019, at 10:00 a.m. (JST)

**2. Venue:** 2-1-1, Ichibancho, Aoba-ku, Sendai-shi, Miyagi  
9F Auditorium Hall, Head Office of The Sendai Bank, Ltd.

### 3. Purpose of the Meeting

#### Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 7th fiscal year (from April 1, 2018 to March 31, 2019), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 7th fiscal year (from April 1, 2018 to March 31, 2019)

#### Matters to be resolved:

- |                       |  |
|-----------------------|--|
| <b>Proposal No. 1</b> | Appropriation of Surplus   |
| <b>Proposal No. 2</b> | Partial Amendments to the Articles of Incorporation  |
| <b>Proposal No. 3</b> | Election of 10 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)   |
| <b>Proposal No. 4</b> | Election of 4 Directors Who Are Audit and Supervisory Committee Members  |
| <b>Proposal No. 5</b> | Determination of Amounts of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)                         |
| <b>Proposal No. 6</b> | Determination of Amounts of Remuneration, etc. for Directors Who Are Audit and Supervisory Committee Members   |
| <b>Proposal No. 7</b> | Determination of Amounts of Performance-based Stock Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |

- When you attend the meeting, you are kindly requested to present the enclosed voting form at the reception. In addition, please bring this notice with you in order to save resources.
- Of documents to be attached to this notice, “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” are posted on the Company’s website in accordance with laws and regulations, and the provision in Article 26 of the Company’s Articles of Incorporation (in Japanese only). Therefore, they are not included in the accompanying documents to this notice.  
Consequently, the accompanying documents to this notice are a portion of the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Financial Auditor and the Audit & Supervisory Board Members in preparing the audit reports.
- If any changes are made to items in the Reference Documents for General Meeting of Shareholders and the Business Report, or to the Non-consolidated Financial Statements and the Consolidated Financial Statements, such changes will be posted on the Company’s website.

Company’s Website (<https://www.jimoto-hd.co.jp/>; in Japanese only)

## Reference Documents for General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

The Company maintains a basic policy for the appropriation of surplus to strive to strengthen its financial structure by enhancing appropriate internal reserves with considerations to its public nature as a bank holding company, while providing stable dividends to all of the shareholders.

In consideration of the business performance and management environment, and the Company proposes to pay a year-end dividend of ¥2.50 per common share.

Including the interim dividend of ¥2.50 per share, the annual dividend for common shares will be ¥5 per share.

Furthermore, the year-end dividends for preferred shares are as designated.

Year-end dividends

Type of dividend property: cash

Allotment of dividend property and their aggregate amount:

Common shares	¥2.50 per share	Total payment: ¥447,146,543
Class C Preferred Shares	¥1.286 per share	Total payment: ¥128,600,000
		<hr/>
		Total: ¥575,746,543

Note: Dividends of Class B Preferred Shares and Class D Preferred Shares are calculated based on the “Funding Cost as Annualized Rate of Preferred Dividend (FY 2017)” of the Earthquake-Affected Special Financial Institutions announced by the Deposit Insurance Corporation of Japan on July 9, 2018.

The “Funding Cost as Annualized Rate of Preferred Dividend (FY 2017)” is 0.00% and does not have dividends of Class B Preferred Shares or Class D Preferred Shares based on the requirements for issuing preferred shares.

Effective date of dividends of surplus: Wednesday, June 26, 2019.

**Proposal No. 2** Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) The Company proposes the new establishment of provisions related to the Audit and Supervisory Committee and Audit and Supervisory Committee Members, deletions of provisions related to the Audit & Supervisory Board and Audit & Supervisory Board Members, and amendments to provisions related to Directors and the Board of Directors to transition to a company with an audit and supervisory committee for the purpose of enhancing the audit function of the Board of Directors and further strengthening corporate governance in addition to heightening the fairness, transparency and efficiency of management through rapid decision making and business execution by delegating authority.
- (2) The Company proposes to change the Convener and Chairmanship of the General Meeting of Shareholders defined in Article 25 of the current Articles of Incorporation to the representative director determined in advance by the Board of Directors to provide greater flexibility to the operations of the General Meeting of Shareholders.
- (3) The Company proposes other necessary revisions, such as the numbering of Articles due to the new establishment and deletion of the above provisions.

2. Details of the amendments

The amendments are as follows: The Company proposes the effective date of the amendments to the Articles of Incorporation be at the conclusion of this Annual General Meeting of Shareholders.

(Underlines indicate amendments)

Current Articles of Incorporation	Proposed Amendments
Chapter 1 General Provisions	Chapter 1 General Provisions
Article 1. to Article 3. (Omitted) (Organs)	Article 1. to Article 3. (Unchanged) (Organs)
Article 4. The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs:	Article 4. The Company shall have, in addition to the general meeting of shareholders and Directors, the following organs:
1. Board of Directors	1. Board of Directors
2. <u>Audit &amp; Supervisory Board Members</u>	2. <u>Audit and Supervisory Committee</u>
3. <u>Audit &amp; Supervisory Board</u>	<u>(Deleted)</u>
4. Financial Auditor	3. Financial Auditor
Article 5. (Omitted)	Article 5. (Unchanged)
Chapter 2 Shares	Chapter 2 Shares
Article 6. to Article 10. (Omitted) (Share Handling Regulations)	Article 6. to Article 10. (Unchanged) (Share Handling Regulations)
Article 11. Entry or record of the shareholder register, the handling of the Company's shares and the fees therefor shall be governed by the Share Handling Regulations established by the Board of Directors, in addition to applicable laws and regulations and these Articles of Incorporation.	Article 11. Entry or record of the shareholder register, the handling of the Company's shares and the fees therefor shall be governed by the Share Handling Regulations established by the Board of Directors <u>or Directors delegated by resolution of the Board of Directors</u> , in addition to applicable laws and regulations and these Articles of Incorporation.
(Shareholder Register Administrator)	(Shareholder Register Administrator)
Article 12.	Article 12.
(i) The Company shall have a shareholder register administrator.	(i) The Company shall have a shareholder register administrator.
(ii) The shareholder register administrator and the place of business thereof shall be designated by resolution of the Board of Directors and public notice thereof shall be given.	(ii) The shareholder register administrator and the place of business thereof shall be designated by resolution of the Board of Directors <u>or a decision of a Director delegated by resolution of the Board of Directors</u> , and public notice thereof shall be given.
(iii) (Omitted)	(iii) (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Chapter 3 Preferred Shares</p> <p>(Preferred Dividends) Article 13.</p> <p>(i) When paying dividends of surplus in accordance with Article <u>51</u>, the Company shall pay dividends of surplus through a monetary amount as defined below (hereinafter, such money to pay through dividends, “Preferred Dividends”) to shareholders who own preferred shares (hereinafter “Preference Shareholders”) entered or recorded in the final shareholder register as of March 31 of every year (hereinafter “Record Date of Preferred Year-end Dividends”) or registered pledgees of share for preferred shares (hereinafter “Registered Pledges of Preferred Shares”) before shareholders who own common shares of the Company (hereinafter “Common Shareholders” and “Common Shares” respectively) entered or recorded in the final shareholder register on the said Record Date of Preferred Year-end Dividends or registered pledgees of shares for common shares (hereinafter “Registered Pledges of Common Shares”). (Hereinafter, Omitted) (Hereinafter, Omitted)</p> <p>(ii) to (iii) (Omitted)</p> <p>(Preferred Interim Dividends) Article 14.</p> <p>(i) When paying interim dividends of surplus in accordance with Article <u>52</u>, the Company shall pay dividends of surplus up to but no more than the amount of half of the preferred dividend for each fiscal year per preferred share (hereinafter, such money to pay through dividends, “Preferred Interim Dividends”) to Preference Shareholders entered or recorded in the final shareholder register as of September 30th of every year (hereinafter “Record Date of Preferred Interim Dividends”) or Registered Pledges of Preferred Shares before Ordinary Shareholders entered or recorded in the final shareholder ledger on the record date of said interim preferred dividends or Registered Pledges of Common Shares.</p> <p>Article 15. to Article 21. (Omitted) (Prescription) Article 22.</p> <p>The payment of Preferred Dividends and Preferred Interim Dividends shall adhere to the provisions in Article <u>53</u>.</p> <p style="text-align: center;">Chapter 4 General Meeting of Shareholders</p> <p>Article 23. to Article 24. (Omitted) (Convener and Chairmanship of General Meeting of Shareholders) Article 25.</p> <p><u>The Director and President</u> shall convene general meetings of shareholders and chair the meetings.</p> <p>In cases where <u>the Director and President</u> is prevented from so acting, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene a general meeting of shareholders and chair the meeting.</p>	<p style="text-align: center;">Chapter 3 Preferred Shares</p> <p>(Preferred Dividends) Article 13.</p> <p>(i) When paying dividends of surplus in accordance with Article <u>46</u>, the Company shall pay dividends of surplus through a monetary amount as defined below (hereinafter, such money to pay through dividends, “Preferred Dividends”) to shareholders who own preferred shares (hereinafter “Preference Shareholders”) entered or recorded in the final shareholder register as of March 31 of every year (hereinafter “Record Date of Preferred Year-end Dividends”) or registered pledgees of share for preferred shares (hereinafter “Registered Pledges of Preferred Shares”) before shareholders who own common shares of the Company (hereinafter “Common Shareholders” and “Common Shares” respectively) entered or recorded in the final shareholder register on the said record date of preferred year-end dividends or registered pledgees of shares for common shares (hereinafter “Registered Pledges of Common Shares”). (Hereinafter, Unchanged) (Hereinafter, Unchanged)</p> <p>(ii) to (iii) (Unchanged)</p> <p>(Preferred Interim Dividends) Article 14.</p> <p>(i) When paying interim dividends of surplus in accordance with Article <u>47</u>, the Company shall pay dividends of surplus up to but no more than the amount of half of the preferred dividend for each fiscal year per preferred share (hereinafter, such money to pay through dividends, “Preferred Interim Dividends”) to Preference Shareholders entered or recorded in the final shareholder register as of September 30th of every year (hereinafter “Record Date of Preferred Interim Dividends”) or Registered Pledges of Preferred Shares before Ordinary Shareholders entered or recorded in the final shareholder ledger on the record date of said interim preferred dividends or Registered Pledges of Common Shares.</p> <p>Article 15. to Article 21. (Unchanged) (Prescription) Article 22.</p> <p>The payment of Preferred Dividends and Preferred Interim Dividends shall adhere to the provisions in Article <u>48</u>.</p> <p style="text-align: center;">Chapter 4 General Meeting of Shareholders</p> <p>Article 23. to Article 24. (Unchanged) (Convener and Chairmanship of General Meeting of Shareholders) Article 25.</p> <p><u>The Representative Director designated in advance by the Board of Directors</u> shall convene a general meeting of shareholders and chair the meeting, <u>unless otherwise provided for by laws or regulations</u>.</p> <p>In cases where <u>said Representative Director</u> is prevented from so acting, another Director who is designated in accordance with an order of priority determined in advance by the Board of Directors shall convene a general meeting of shareholders and chair the meeting.</p>

Current Articles of Incorporation	Proposed Amendments
<p>Article 26. to Article 28. (Omitted)  Chapter 5  General meeting of class shareholders</p> <p>Article 29. to Article 30. (Omitted)  Chapter 6  Directors and Board of Directors  (Number of Directors)</p> <p>Article 31.  The Company shall have not more than 12 Directors.</p> <p style="text-align: center;">(Newly established)</p> <p>(Method of Election)</p> <p>Article 32.  (i) Directors shall be elected at a general meeting of shareholders.</p> <p style="text-align: center;">(ii) to (iii) (Omitted)</p> <p>(Term of Office)</p> <p>Article 33.  The term of office of Directors shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within one year after their election.</p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p> <p>(Representative Directors and Directors With Special Titles)</p> <p>Article 34.  (i) The Board of Directors shall appoint representative Director(s) by its resolution.</p> <p>(ii) The Board of Directors may appoint, by its resolution, one Director and Chairman, one Director and President, one or a small number of Director and Vice Presidents, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors.</p>	<p>Article 26. to Article 28. (Unchanged)  Chapter 5  General meeting of class shareholders</p> <p>Article 29. to Article 30. (Unchanged)  Chapter 6  Directors and Board of Directors  (Number of Directors)</p> <p>Article 31.  (i) <u>The Company shall have not more than 12 Directors (excluding Directors who are Audit and Supervisory Committee Members).</u>  (ii) <u>The Company shall have not more than 5 Directors who are Audit and Supervisory Committee Members.</u></p> <p>(Method of Election)</p> <p>Article 32.  (i) Directors <u>distinguished as Directors who are Audit and Supervisory Committee Members and Directors who are not said Committee Members</u> shall be elected at a general meeting of shareholders.</p> <p style="text-align: center;">(ii) to (iii) (Unchanged)</p> <p>(Term of Office)</p> <p>Article 33.  (i) <u>The term of office of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within one year after their election.</u>  (ii) <u>The term of office of Directors who are Audit and Supervisory Committee Members shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within two years after their election.</u>  (iii) <u>The term of office of Directors who are Audit and Supervisory Committee Members elected as the substitute for a Director who is an Audit and Supervisory Committee Member retired from office before the expiration of the term of office shall continue until the time the term of office of the Director who is an Audit and Supervisory Committee Member retired from office is to expire.</u>  (iv) <u>The effective date for the election of substitute Directors who are Audit and Supervisory Committee Members shall be after the General Meeting of Shareholders in which said substitute Director who is an Audit and Supervisory Committee Member was elected until the start of the Annual General Meeting of Shareholders two years later.</u></p> <p>(Representative Directors and Directors With Special Titles)</p> <p>Article 34.  (i) The Board of Directors shall appoint representative Director(s) <u>from among the Directors (excluding Directors who are Audit and Supervisory Committee Members)</u> by its resolution.  (ii) The Board of Directors may appoint, by its resolution, one Director and Chairman, one Director and President, one or a small number of Director and Vice Presidents, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors, <u>from among the Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>Article 35. (Omitted) (Notice of Meeting of the Board of Directors)</p> <p>Article 36. (i) When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director <u>and each Audit &amp; Supervisory Board Member</u> at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs. (ii) With the consent of all Directors <u>and Audit &amp; Supervisory Board Members</u>, a meeting of the Board of Directors may be held without following the convening procedures. (Method of Resolutions of the Board of Directors)</p> <p>Article 37. (i) A resolution of the Board of Directors shall be made by a majority vote by a majority of the Directors in attendance who are entitled to participate in a <u>resolution</u>. (ii) (Omitted)</p> <p style="text-align: center;">(Newly established)</p>	<p>Article 35. (Unchanged) (Notice of Meeting of the Board of Directors)</p> <p>Article 36. (i) When convening a meeting of the Board of Directors, a notice shall be dispatched to each Director at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs. (ii) With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures. (Method of Resolutions of the Board of Directors)</p> <p>Article 37. (i) A resolution of the Board of Directors shall be made by a majority vote by a majority of the Directors in attendance who are entitled to participate in a <u>voting</u>. (ii) (Unchanged)</p> <p><u>(Delegation of Decisions on Important Business Execution to Directors)</u> <u>Article 38.</u> <u>Pursuant to the provisions of Article 399-13, paragraph 6 of the Companies Act, the Company may delegate decisions on important business execution (except matters provided for under paragraph 5 of the same act) in part or in whole to Directors by resolutions of the Board of Directors.</u></p>
<p>Article <del>38</del>. (Omitted) (Remuneration, Etc.)</p> <p>Article <del>39</del>. Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties <u>(hereinafter referred to as the "Remuneration, Etc.")</u> to Directors shall be determined by resolution of a general meeting of shareholders.</p>	<p>Article <del>39</del>. (Unchanged) (Remuneration, Etc.)</p> <p>Article <del>40</del>. Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Directors <u>distinguished as Directors who are Audit and Supervisory Committee Members and Directors who are not said Committee Members</u> shall be determined by resolution of a general meeting of shareholders.</p>
<p>Article <del>40</del>. (Omitted)</p> <p style="text-align: center;">Chapter 7 <u>Audit &amp; Supervisory Board Members and Audit &amp; Supervisory Board</u> <u>(Number of Audit &amp; Supervisory Board Members)</u></p> <p>Article <del>41</del>. <u>The Company shall have not more than 5 Audit &amp; Supervisory Board Members.</u> <u>(Method of Election)</u></p> <p>Article <del>42</del>. (i) <u>Audit &amp; Supervisory Board Members shall be elected at a general meeting of shareholders.</u> (ii) <u>Resolutions on the election of an Audit &amp; Supervisory Board Member shall be made by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their votes at such meetings are present.</u></p>	<p>Article <del>41</del>. (Unchanged)</p> <p style="text-align: center;">Chapter 7 <u>Audit and Supervisory Committee</u></p> <p style="text-align: right;">(Deleted)</p> <p style="text-align: right;">(Deleted)</p> <p style="text-align: right;">(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<u>(Term of Office)</u>	
<u>Article 43.</u>	(Deleted)
(i) <u>The term of office of an Audit &amp; Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Audit &amp; Supervisory Board Member.</u>	
(ii) <u>The term of office of an Audit &amp; Supervisory Board Member who is elected as the substitute for an Audit &amp; Supervisory Board Member who retired from office before the expiration of the term of office shall continue until the time the term of office of the Audit &amp; Supervisory Board Member who retired from office is to expire.</u>	(Deleted)
<u>(Full-Time Audit &amp; Supervisory Board Members)</u>	
<u>Article 44.</u>	(Deleted)
<u>The Audit &amp; Supervisory Board shall appoint full-time Audit &amp; Supervisory Board Member(s) by its resolution.</u>	
<u>(Notice of Meeting of the Audit &amp; Supervisory Board)</u>	<u>(Notice of Meeting of the Audit and Supervisory Committee)</u>
<u>Article 45.</u>	<u>Article 42.</u>
(i) <u>When convening a meeting of the Audit &amp; Supervisory Board, a notice shall be dispatched to each Audit &amp; Supervisory Board Member at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</u>	(i) <u>When convening a meeting of the Audit and Supervisory Committee, a notice shall be dispatched to each Audit and Supervisory Committee Member at least three days before the day of the meeting; provided, however, that this period may be reduced in case of urgent needs.</u>
(ii) <u>With the consent of all Audit &amp; Supervisory Board Members, a meeting of the Audit &amp; Supervisory Board may be held without following the convening procedures.</u>	(ii) <u>With the consent of all Audit and Supervisory Committee Members, a meeting of the Audit and Supervisory Committee may be held without following the convening procedures.</u>
<u>(Method of Resolutions of the Audit &amp; Supervisory Board)</u>	<u>(Method of Resolutions of the Audit and Supervisory Committee)</u>
<u>Article 46.</u>	<u>Article 43.</u>
Unless otherwise provided for by laws and regulations, resolutions of <u>the Audit &amp; Supervisory Board</u> shall be made by a majority vote of <u>Audit &amp; Supervisory Board Members</u> .	(i) <u>Unless otherwise provided for by laws and regulations, resolutions of the Audit and Supervisory Committee shall be made by a majority vote by a majority of the Audit and Supervisory Committee Members in attendance who are entitled to participate in a voting.</u>
<u>(Regulations of the Audit &amp; Supervisory Board)</u>	<u>(Regulations of the Audit and Supervisory Committee)</u>
<u>Article 47.</u>	<u>Article 44.</u>
Matters concerning <u>the Audit &amp; Supervisory Board</u> shall be governed by <u>the Regulations of the Audit &amp; Supervisory Board</u> established by <u>the Audit &amp; Supervisory Board</u> , in addition to applicable laws and regulations and these Articles of Incorporation.	Matters concerning <u>the Audit and Supervisory Committee</u> shall be governed by <u>the Regulations of the Audit and Supervisory Committee</u> established by <u>the Audit and Supervisory Committee</u> , in addition to applicable laws and regulations and these Articles of Incorporation.



Current Articles of Incorporation	Proposed Amendments
<u>(Remuneration, Etc.)</u>	
<u>Article 48.</u>	(Deleted)
<u>The Remuneration, Etc. to Audit &amp; Supervisory Board Members shall be determined by resolution of a general meeting of shareholders.</u>	
<u>(Exemption and Limitation of Audit &amp; Supervisory Committee Members From Liability)</u>	
<u>Article 49.</u>	(Deleted)
<u>(i) Pursuant to the provisions of Article 426, paragraph 1 of the Companies Act, if applicable to the requirements provided by laws and regulations, the Company may, by resolution of the Board of Directors, exempt the liability for damages of Audit and Supervisory Committee Members (including past Audit and Supervisory Committee Members) under Article 423, paragraph 1 of the same act to an amount obtained by subtracting the minimum liability amount provided for by laws and regulations from the amount of liability for damages.</u>	
<u>(ii) Pursuant to the provisions in Article 427, paragraph 1 of the Companies Act, if applicable to the requirements provided for by laws and regulations, the Company may enter into an agreement with Audit and Supervisory Committee Members to limit their liability for damages under Article 423, paragraph 1 of the same act. However, the amount to limit liability based on said agreement shall be the amount provided for under laws and regulations.</u>	(Deleted)
Chapter 8	Chapter 8
Accounts	Accounts
Article <u>50.</u> to Article <u>53.</u> (Omitted)	Article <u>45.</u> to Article <u>48.</u> (Unchanged)
	<u>Supplementary Provisions</u>
	<u>(Transitional Measures for Exempting Audit and Supervisory Committee Members from Liability)</u>
	<u>Pursuant to the provisions of Article 426, paragraph 1 of the Companies Act, if applicable to the requirements provided by laws and regulations, the Company may, by resolution of the Board of Directors, exempt the liability for damages of Audit and Supervisory Committee Members (including past Audit and Supervisory Committee Members) before transitioning to a company with an audit and supervisory committee under Article 423, paragraph 1 of the same act to an amount obtained by subtracting the minimum liability amount provided for by laws and regulations from the amount of liability for damages.</u>
(Newly established)	

**Proposal No. 3** Election of 10 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Subject to the approval and adoption of Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with audit and supervisory committee. Pursuant to the provisions in Article 332, paragraph 7, item 1 of the Companies Act, the term of office for all 12 Directors will expire at the conclusion of this General Meeting of the Shareholders. Therefore, the Company proposes the election of ten Directors (excluding directors who are Audit and Supervisory Committee Members; applies hereinafter for this proposal).

This proposal can only take effect after Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and the amendments to the Articles of Incorporation for approval under the same proposal take effect.

The candidates for Director are as follows.

The Company has nominated these candidates for Director after consultation with the Nomination and Remuneration Council\* which was established for the purpose of ensuring transparency and fairness as well as improving sustainable growth and medium to long-term corporate value of the Group.

\* The Nomination and Remuneration Council is made up of four persons, including two outside Directors with an outside Director as the chair.

Candidate No.	Name		Current position in the Company
1	Reelection	Takashi Suzuki	Representative Director and Chairman
2	Reelection	Manabu Awano	Representative Director and President
3	Reelection	Yoshiaki Saito	Director
4	Reelection	Koji Kawagoe	Director
5	Reelection	Tatsuhiko Tanaka	Director
6	Reelection	Mikio Takahashi	Director
7	New election	Junichi Ota	–
8	Reelection	Tsuyoshi Ogata	Director
9	Reelection	Masayuki Oyama	Candidate for outside Director Independent Officer Outside Director
10	New election	Minoru Handa	Candidate for outside Director Independent Officer –

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Takashi Suzuki (January 20, 1954)	<p>Apr. 1977      Joined Shinko Sogo Bank Co., Ltd. (current The Sendai Bank, Ltd.)</p> <p>Apr. 2000      Manager of Supervising Section and Development Section, Promotion Department</p> <p>Aug. 2002      Manager of Retail Business Section, Promotion Department</p> <p>Apr. 2003      Deputy General Manager of Promotion Department and Manager of Retail Business Section</p> <p>June 2003      Director and General Manager of Loan Department</p> <p>June 2005      Director and General Manager of Planning Department</p> <p>Apr. 2006      Director, General Manager of Planning Department and Risk Supervision Department</p> <p>June 2006      Director and General Manager of General Affairs Department</p> <p>June 2007      Managing Director and General Manager of General Affairs Department</p> <p>June 2008      Managing Director</p> <p>June 2009      Representative Managing Director</p> <p>Oct. 2012      Director of the Company</p> <p>June 2013      Representative Director and Chairman (current position) Representative Director and President of The Sendai Bank, Ltd. (current position)</p> <p>[Significant concurrent position outside the Company] Representative Director and President of The Sendai Bank, Ltd. (current position)</p>	42,400 common shares
<p>[Special matters regarding the candidate for Director] There is no special interest between Takashi Suzuki and the Company.</p> <p>[Reasons for nomination as candidate for Director] Since taking office as Director of the Company in October 2012 and as Representative Director in June 2013, Takashi Suzuki has exhibited excellent corporate management leadership, such as guiding ongoing efforts to create distinction as a regional financial group that goes beyond prefectural boundaries and to restore and generate a regional economy. In addition to these experiences, he possesses knowledge and adequate social credibility to conduct businesses in a fair and efficient manner. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Manabu Awano (February 7, 1956)	<p>Apr. 1979      Joined Yamagata Sogo Bank, Ltd. (Yamagata Shiawase Bank, Ltd.)</p> <p>Apr. 1991      Manager of Planning Section, Planning Department</p> <p>June 1999      General Manager of General Planning Department</p> <p>June 2001      Director and General Manager of General Planning Department</p> <p>June 2005      Senior Managing Director</p> <p>Oct. 2005      Director of Kirayaka Holdings, Ltd.</p> <p>May 2007      Senior Managing Director of Kirayaka Bank, Ltd.</p> <p>June 2007      Senior Managing Director of Kirayaka Holdings, Ltd.</p> <p>Feb. 2008      Representative Senior Managing Director of Kirayaka Bank, Ltd.</p> <p>Apr. 2008      Representative Director and President (current position)</p> <p>June 2008      Representative Director and President of Kirayaka Holdings, Ltd.</p> <p>Oct. 2012      Representative Director and President of the Company (current position)</p> <p>[Significant concurrent position outside the Company] Representative Director and President of Kirayaka Bank, Ltd. (current position)</p>	33,400 common shares
<p>[Special matters regarding the candidate for Director] There is no special interest between Manabu Awano and the Company.</p> <p>[Reasons for nomination as candidate for Director] Since taking office as Representative Director of the Company in October 2012, Manabu Awano has exhibited excellent corporate management leadership, such as guiding ongoing efforts to create distinction as a regional financial group that goes beyond prefectural boundaries and to restore and generate a regional economy. In addition to these experiences, he possesses knowledge and adequate social credibility to conduct businesses in a fair and efficient manner. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Yoshiaki Saito (January 8, 1959)	<p>Apr. 1981      Joined Shinko Sogo Bank Co., Ltd. (current The Sendai Bank, Ltd.)</p> <p>Aug. 2002      Manager of Loan Supervision Section, Loan Department</p> <p>Apr. 2004      General Manager of Tobukojodanchi Branch</p> <p>Apr. 2005      Chief Examiner of Planning Department</p> <p>Apr. 2006      Deputy General Manager of Operation Audit Department and Manager of Audit Section</p> <p>Apr. 2009      General Manager of Operation Audit Department</p> <p>June 2010      Director and General Manager of Risk Supervision Department</p> <p>June 2011      Director and General Manager of Sales Department, Head Office</p> <p>June 2013      Managing Director Director of the Company (current position)</p> <p>June 2018      Representative Senior Managing Director of The Sendai Bank, Ltd. (current position)</p> <p>[Significant concurrent position outside the Company] Representative Senior Managing Director of The Sendai Bank, Ltd. (current position)</p>	24,300 common shares
<p>[Special matters regarding the candidate for Director] There is no special interest between Yoshiaki Saito and the Company.</p> <p>[Reasons for nomination as candidate for Director] Since taking office as Director of the Company in June 2013, Yoshiaki Saito has presided over the market areas in the management of the Company's subsidiaries in particular. In addition, he possesses knowledge, experience, and adequate social creditability to perform corporate management in a precise, fair and efficient manner. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Koji Kawagoe (November 23, 1963)	<p>Apr. 1987      Joined Yamagata Sogo Bank, Ltd. (Yamagata Shiawase Bank, Ltd.)</p> <p>May 2007      Manager of Corporate Sales Promotion Section, Corporate Sales Department, Sales Division of Kirayaka Bank, Ltd.</p> <p>Apr. 2008      General Manager of Tokyo Office, Corporate Planning Department</p> <p>Nov. 2009      Deputy General Manager of Corporate Planning Department and General Manager of Tokyo Office</p> <p>Apr. 2010      General Manager of Corporate Planning Department</p> <p>Apr. 2014      Executive Officer and General Manager of Sagae Branch</p> <p>June 2016      Executive Officer and General Manager of Accounting Department General Manager of Corporate Strategy Department of the Company</p> <p>June 2017      Managing Executive Officer and General Manager of Accounting Department of Kirayaka Bank, Ltd., and General Manager of Corporate Strategy Department of the Company</p> <p>Apr. 2018      Managing Executive Officer and General Manager of Corporate Strategy Department of the Company</p> <p>June 2018      Director (current position) Director, General Manager of General Planning Department and General Manager of Corporate Strategy Department of the Company (current position)</p> <p>[Significant concurrent position outside the Company] Director of Kirayaka Bank, Ltd. (current position)</p>	44,825 common shares
<p>[Special matters regarding the candidate for Director] There is no special interest between Koji Kawagoe and the Company.</p> <p>[Reasons for nomination as candidate for Director] Since taking office as Director of the Company in June 2018, Koji Kawagoe has lead the corporate strategy area, which formulates Group strategies, as well as presided over and exhibited leadership in the general planning area, which performs corporate operations and planning. In addition, he possesses knowledge, experience, and adequate social credibility to perform corporate management in a precise, fair and efficient manner. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	Tatsuhiko Tanaka (October 15, 1958)	<p>Apr. 1981      Joined The Industrial Bank of Japan, Limited</p> <p>Mar. 2002      Deputy General Manager of Industry Research Division of Mizuho Corporate Bank, Ltd.</p> <p>Oct. 2005      Senior Manager of Compliance Division</p> <p>May 2007      General Manager of Coordination Department, Compliance Division</p> <p>Apr. 2010      Managing Executive Officer of Kirayaka Bank, Ltd.</p> <p>June 2010      Managing Director</p> <p>Oct. 2012      Director of the Company (current position)</p> <p>June 2016      Representative Managing Director of Kirayaka Bank, Ltd. (current position)</p> <p>[Significant concurrent position outside the Company] Representative Managing Director of Kirayaka Bank, Ltd. (current position)</p>	33,300 common shares
<p>[Special matters regarding the candidate for Director] There is no special interest between Tatsuhiko Tanaka and the Company.</p> <p>[Reasons for nomination as candidate for Director] Since taking office as Director of the Company in October 2012, Tatsuhiko Tanaka has presided over the risk management area in the management of the Company's subsidiaries in particular. In addition, he possesses knowledge, experience and adequate social creditability to perform corporate management in a precise, fair and efficient manner. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Mikio Takahashi (March 14, 1958)	<p>Apr. 1980      Joined Yamagata Sogo Bank, Ltd. (Yamagata Shiawase Bank, Ltd.)</p> <p>Apr. 2002      Deputy General Manager of General Planning Department</p> <p>Oct. 2003      General Manager of General Affairs Department</p> <p>June 2004      General Manager of Human Resources Department</p> <p>May 2007      General Manager of Human Resources Department of Kirayaka Bank, Ltd.</p> <p>Apr. 2008      General Manager of Human Resources and General Affairs Department</p> <p>Oct. 2008      General Manager of Sales Supervision Department</p> <p>June 2009      Executive Officer and General Manager of Sales Supervision Department</p> <p>Apr. 2010      Executive Officer and General Manager of Central Sales Department</p> <p>Oct. 2011      Executive Officer and General Manager of Sales Supervision Department</p> <p>June 2012      Director and General Manager of Sales Supervision Department</p> <p>Apr. 2013      Director and General Manager of Sales Division</p> <p>June 2015      Director, General Manager of Sales Division and Sales Promotion Department</p> <p>June 2016      Managing Director</p> <p>June 2017      Representative Managing Director (current position) Director of the Company (current position)</p> <p>[Significant concurrent position outside the Company] Representative Managing Director of Kirayaka Bank, Ltd. (current position)</p>	24,600 common shares
<p>[Special matters regarding the candidate for Director] There is no special interest between Mikio Takahashi and the Company.</p> <p>[Reasons for nomination as candidate for Director] Since taking office as Director of the Company in June 2017, Mikio Takahashi has presided over the financing areas in the management of the Company's subsidiaries in particular. In addition, he possesses knowledge, experience, and adequate social creditability to perform corporate management in a precise, fair and efficient manner. Therefore, the Company has nominated him as a candidate for Director.</p>			



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	<p style="text-align: center;">New candidate</p> <p style="text-align: center;">Junichi Ota (October 19, 1959)</p>	<p>Apr. 1983      Joined Shinko Sogo Bank Co., Ltd. (current The Sendai Bank, Ltd.)</p> <p>Apr. 2006      General Manager of the Compliance Office, Risk Supervision Department</p> <p>June 2008      General Manager of Rifu Branch</p> <p>July 2011      General Manager of Natori Branch</p> <p>June 2013      General Manager of Market Management Department</p> <p>Oct. 2013      General Manager of Financial Market Department</p> <p>June 2014      Director and General Manager of Financial Market Department</p> <p>June 2015      Director Director and General Manager of General Planning Department of the Company</p> <p>June 2016      Retired from Director Director, General Manager of Corporate Planning Department and General Manager of Accounting Department of The Sendai Bank, Ltd. (current position)</p> <p>[Significant concurrent position outside the Company] Director, General Manager of Corporate Planning Department and General Manager of Accounting Department of The Sendai Bank, Ltd. (current position)</p>	<p style="text-align: center;">19,900 common shares</p>
<p>[Special matters regarding the candidate for Director] There is no special interest between Junichi Ota and the Company.</p> <p>[Reasons for nomination as candidate for Director] Junichi Ota has demonstrated his ability in management as General Manager of planning at the Company and The Sendai Bank, which is a subsidiary of the Company since June 2015 with a career of important posts, including Natori Branch Manager of the Sendai Bank and General Manager of the Financial Market Department. The Company has nominated him as a candidate for Director because it judges he will be able to sufficiently contribute to the business development of the Company.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Tsuyoshi Ogata (January 30, 1966)	<p>Apr. 1989      Joined The Sendai Bank, Ltd.</p> <p>Apr. 2005      Manager of Planning Section, Planning Department</p> <p>Apr. 2010      Deputy General Manager of Planning Department, Manager of Planning Section, and General Manager of Corporate Management Office</p> <p>Oct. 2012      General Manager of Planning Department</p> <p>Oct. 2013      General Manager of Corporate Planning Department and General Manager of Accounting Department</p> <p>June 2015      Director, General Manager of Corporate Planning Department and General Manager of Accounting Department</p> <p>June 2016      Director and General Manager of Sales Department, Head Office</p> <p>June 2018      Director (current position) Director and General Manager of General Planning Department of the Company (current position)</p> <p>[Significant concurrent position outside the Company] Director of The Sendai Bank, Ltd. (current position)</p>	12,000 common shares
<p>[Special matters regarding the candidate for Director] There is no special interest between Tsuyoshi Ogata and the Company.</p> <p>[Reasons for nomination as candidate for Director] Since taking office as Director of the Company in June 2018, Tsuyoshi Ogata has presided over and exhibited leadership in the corporate strategy area, which formulates Group strategies, as well as general planning area, which performs corporate operations and planning. In addition, he possesses knowledge, experience, and adequate social credibility to perform corporate management in a precise, fair and efficient manner. Therefore, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
9	Candidate for outside Director Independent Officer  Masayuki Oyama (August 26, 1943)	Apr. 1966      Joined Tohoku Electric Power Co., Inc. June 2001      Director and General Manager of Corporate Planning Department June 2003      Managing Director and General Manager of Corporate Planning Department June 2005      Representative Director & Vice President Sept. 2006      Representative Director & Vice President and General Manager of Power Distribution Division June 2009      Resigned as Representative Director & Vice President and General Manager of Power Distribution Division June 2014      Director and President of Yurtec Corporation June 2015      Representative Director & Chairman June 2015      Advisor of Yurtec Corporation (current position) Dec. 2018      Director of the Company (current position) [Significant concurrent position outside the Company] None.	100 common shares
<p>[Special matters regarding the candidate for outside Director]</p> <p>There is no special interest between Masayuki Oyama and the Company. He is a candidate for outside Director.</p> <p>The reason for the nomination of Masayuki Oyama as a candidate for outside Director and the reason the Company judged him able to appropriately execute his duties as outside Director are because he possesses extensive experience and broad knowledge as a corporate manager, and the Company will be able to utilize his suggestions and opinions to secure fair and appropriate decision-making of the Board of Directors from a fair and neutral standpoint.</p> <p>At the conclusion of this meeting, his tenure as outside Director of the Company will have been seven months. The Company has submitted notification to the Tokyo Stock Exchange that he has been appointed as an independent officer as provided for by the aforementioned exchange. If his reelection is approved, the Company plans for his appointment as an independent officer to continue.</p> <p>Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the same Act to the amount stipulated by laws and regulations.</p> <p>If his reelection is approved at this meeting, the Company plans to renew the aforementioned agreement with him. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
10	<p style="text-align: center;">New candidate Candidate for outside Director Independent Officer</p> <p style="text-align: center;">Minoru Handa (September 3, 1957)</p>	<p>Apr. 1989      Registered as an attorney at law (Yamagata Bar Association) Established Minoru Handa Law Offices Managing Partner of Minoru Handa Law Offices (current position)</p> <p>Jan. 2017      Chairman of Pollution Investigation Committee of Yamagata Prefecture (current position)</p> <p>Feb. 2017      Chairman of Yamagata Federation of Lawyers Cooperatives (current position)</p> <p>July 2018      Chairman of the Expropriation Committee of Yamagata Prefecture (current position)</p> <p>[Significant concurrent position outside the Company] Managing Partner of Minoru Handa Law Offices (current position)</p>	<p style="text-align: center;">– common shares</p>
<p>[Special matters regarding the candidate for outside Director]</p> <p>There is no special interest between Minoru Handa and the Company. He is a candidate for outside Director.</p> <p>The reason for the nomination of Minoru Handa as a candidate for outside Director and the reason the Company judged him able to appropriately execute his duties as outside Director are because he possesses expertise and extensive experience as an attorney at law, and the Company will be able to utilize his suggestions and opinions to secure fair and appropriate decision-making of the Board of Directors from a fair and neutral standpoint.</p> <p>If his election is approved, the Company plans to submit notification to the Tokyo Stock Exchange concerning his appointment as an independent officer as provided for by the aforementioned exchange.</p> <p>Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the same Act to the amount stipulated by laws and regulations if his election is approved. The maximum amount of liability for damages under this agreement is set to be the minimum liability amount provided for under laws and regulations.</p>			

**Proposal No. 4** Election of 4 Directors Who Are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with audit and supervisory committee. Therefore, the Company proposes the election of 4 Directors who are Audit and Supervisory Committee Members (Audit and Supervisory Committee Members; applicable to the rest of this proposal).

This proposal can only take effect after Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and the amendments to the Articles of Incorporation for approval under the same proposal take effect.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit and Supervisory Committee Member are as follows:

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company’s shares owned
1	New candidate  Takumi Nagasaka (November 7, 1958)	Apr. 1981      Joined Shinko Sogo Bank Co., Ltd. (current The Sendai Bank, Ltd.) Apr. 2004      General Manager of Tsurugaoka Branch Aug. 2004      General Manager of Shoryo Branch and Tsurugaoka Branch Oct. 2005      Chief Examiner of Loan Department Aug. 2006      Deputy General Manager of General Affairs Department and Manager of General Affairs Section Aug. 2010      General Manager of Kokubuncho Branch Sept. 2013      Deputy General Manager of Loan Department June 2015      General Manager of General Affairs Department June 2016      General Manager of Audit Department June 2018      Audit & Supervisory Board Member (current position) [Significant concurrent position outside the Company] Audit & Supervisory Board Member of The Sendai Bank, Ltd. (current position)	6,650 common shares
[Special matters regarding the candidate for Director] There is no special interest between Takumi Nagasaka and the Company. [Reasons for nomination as candidate for Director] The Company has nominated Takumi Nagasaka as a candidate for Director who is an Audit & Supervisory Board Member because it judges he can proper advice and guidance as well as auditing of overall management of the Company from a fair and neutral standpoint based on his practical experience, with a career of important posts including General Manager of Kokubuncho Branch of The Sendai Bank, which is a subsidiary of the Company, as well as General Manager of General Affairs and Audit Departments.			

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p style="text-align: center;">New candidate Candidate for outside Director Independent Officer</p> <p style="text-align: center;">Yoshiaki Ito (July 21, 1950)</p>	<p>Nov. 1976     Joined Tetsuzo Ota &amp; Co. (current Ernst &amp; Young ShinNihon LLC) and as a Registered Junior Accountant</p> <p>Mar. 1981     Registered as Certified Public Accountant</p> <p>Sept. 1983     Joined Ito CPA Office</p> <p>Nov. 1983     Registered as Certified Tax Accountant</p> <p>July 1988     Employee of Asahi Shinwa &amp; Co. (current KPMG AZSA LLC)</p> <p>June 1999     Representative Employee and General Manager of the Yamagata Office, Asahi &amp; Co. (current KPMG AZSA LLC)</p> <p>Apr. 2002     Comprehensive External Auditor of Yamagata Prefecture</p> <p>July 2002     Deputy Chairman of The Japanese Institute of Certified Public Accountants Tohoku Chapter Chairman of The Japanese Institute of Certified Public Accountants Tohoku Chapter, Yamagata Division</p> <p>July 2007     Managing Partner of Ito CPA Office (current position)</p> <p>Sept. 2007     Member of the Designated Administrator Review Board of Yamagata Prefecture (current position)</p> <p>Apr. 2008     Member of the Yamagata District Minimum Wage Review Board (current position)</p> <p>Apr. 2009     Auditor of the Yamagata Prefectural University of Health Sciences (current position)</p> <p>June 2010     Auditor of Kirayaka Bank, Ltd.</p> <p>Oct. 2012     Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>June 2016     Retired from Auditor of Kirayaka Bank, Ltd. [Significant concurrent position outside the Company] Managing Partner of Ito CPA Office (current position)</p>	11,000 common shares
<p>[Special matters regarding the candidate for outside Director]</p> <p>There is no special interest between Yoshiaki Ito and the Company. He is a candidate for outside Director.</p> <p>The Company has nominated Yoshiaki Ito as a candidate for outside Director who is an Audit and Supervisory Committee Member because it judges that he will be able to appropriately execute his duties as a Director who is an Audit and Supervisory Committee Member and will audit overall management of the Company from a fair and neutral standpoint based on the experience and knowledge he has cultivated throughout his career of certified public accountant, and the Company will be able to reflect this knowledge and experience in auditing functions of the Company.</p> <p>At the conclusion of this meeting, his tenure as outside Audit &amp; Supervisory Board Member of the Company will have been six years and nine months.</p> <p>He served as a non-executive officer (Audit &amp; Supervisory Board Member) of a subsidiary of the Company in the past. The Company has submitted notification to the Tokyo Stock Exchange that he has been designated as an independent officer as provided for by the aforementioned exchange. If his election is approved, the Company plans for his appointment as an independent officer to continue.</p> <p>Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the same Act to the amount stipulated by laws and regulations. If his election is approved at this meeting, the Company plans to renew the aforementioned agreement with him. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.</p>			

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p style="text-align: center;">New candidate Candidate for outside Director Independent Officer</p> <p style="text-align: center;">Takashi Takahashi (February 3, 1950)</p>	<p>Apr. 1972      Joined the Yamagata Prefectural Government</p> <p>Apr. 2001      General Manager of Tokyo Office</p> <p>Apr. 2004      General Manager of the Agriculture, Forestry and Fisheries Department</p> <p>Apr. 2006      Manager of the Shonai General Branch Office</p> <p>July 2008      General Manager of the Health and Welfare Department</p> <p>Mar. 2009      Resigned from the Yamagata Prefectural Government Deputy Governor-General of Yamagata Prefecture Vice Chairman of Association of Sports Promotion 21st Century in Yamagata</p> <p>Apr. 2012      Administrative Director</p> <p>Mar. 2013      Resigned as Deputy Governor-General of Yamagata Prefecture</p> <p>Aug. 2013      Representative Director and President of Montedio Yamagata Co., Ltd.</p> <p>Nov. 2015      Resigned as Representative Director and President</p> <p>June 2016      Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>[Significant concurrent position outside the Company] None.</p>	<p style="text-align: center;">– common shares</p>
<p>[Special matters regarding the candidate for outside Director]</p> <p>There is no special interest between Takashi Takahashi and the Company. He is a candidate for outside Director.</p> <p>The Company has nominated Takashi Takahashi as a candidate for outside Director who is Audit and Supervisory Committee Member because it judges that he will be able to appropriately execute his duties as a Director who is an Audit and Supervisory Committee Member and will audit overall management of the Company from a fair and neutral standpoint based on the experience and knowledge he has cultivated throughout his career of important posts that include the General Manager of the Agriculture, Forestry and Fisheries Department and the Health and Welfare Department as well as Deputy Governor-General in Yamagata prefecture.</p> <p>At the conclusion of this meeting, his tenure as outside Audit &amp; Supervisory Board Member of the Company will have been three years.</p> <p>The Company has submitted notification to the Tokyo Stock Exchange that he has been appointed as an independent officer as provided for by the aforementioned exchange. If his election is approved, the Company plans for his appointment as an independent officer to continue.</p> <p>Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the same Act to the amount stipulated by laws and regulations. If his election is approved at this meeting, the Company plans to renew the aforementioned agreement with him. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.</p>			

Candidate No.	Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	<p style="text-align: center;">New candidate Candidate for outside Director Independent Officer</p> <p style="text-align: center;">Junichi Konno (March 24, 1952)</p>	<p>Apr. 1975      Joined Miyagi Prefectural Government</p> <p>Apr. 1997      Manager of the Tourism Section, Department of Commerce, Industry and Labor</p> <p>Apr. 1999      Manager of the Tourism Section, the Industry and Economy Department</p> <p>Apr. 2001      Manager of the Finance Section, General Affairs Department</p> <p>Apr. 2003      Deputy General Manager of the General Affairs Department</p> <p>Apr. 2004      Deputy General Manager of Industry and Economy Department</p> <p>Apr. 2006      General Manager of Tokyo Office</p> <p>Apr. 2008      General Manager of Environmental Department</p> <p>Apr. 2010      General Manager of General Affairs Department</p> <p>Mar. 2012      Resigned from the Miyagi Prefectural Government</p> <p>Apr. 2012      Chairman of Miyagi Prefectural Credit Guarantee Association</p> <p>Apr. 2015      Chief Director of the Miyagi Prefectural Housing Supply Corporation</p> <p>Mar. 2019      Resigned as Chief Director</p> <p>[Significant concurrent position outside the Company] None.</p>	<p style="text-align: center;">– common shares</p>
<p>[Special matters regarding the candidate for outside Director]</p> <p>There is no special interest between Junichi Konno and the Company. He is a candidate for outside Director.</p> <p>The Company has nominated Junichi Konno as a candidate for outside Director who is Audit and Supervisory Committee Member because it judges that he will be able to appropriately execute his duties as a Director who is an Audit and Supervisory Committee Member and will audit overall management of the Company from a fair and neutral standpoint based on the experience and knowledge he has cultivated throughout his career of important posts that include General Manager of the Environmental Department and General Affairs Department in Miyagi prefecture. If his election is approved, the Company plans to submit notification to the Tokyo Stock Exchange concerning his appointment as an independent officer as provided for by the aforementioned exchange.</p> <p>Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the same Act to the amount stipulated by laws and regulations if his election is approved. The maximum amount of liability for damages under this agreement is set to be the minimum liability amount provided for under laws and regulations.</p>			



**Proposal No. 5** Determination of Amounts of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Up to ¥180 million (up to ¥20 million for outside Directors) annually was set for the amount of remuneration and other compensation for Directors of the Company by a resolution at the 3rd Annual General Meeting of Shareholders held on June 24, 2015. However, the Company will transition to a company with an audit and supervisory committee with the condition of the approval and adoption of Proposal No. 2 “Partial Amendments to the Articles of Incorporation.” Pursuant to the provisions under Article 361, paragraph 1 and paragraph 2 of the Companies Act, the framework for the above remuneration for current Directors will be abolished. Therefore, the Company proposes the amount of remuneration of Directors (excluding Directors who are Audit and Supervisory Committee Members) be set to up to ¥180 million annually (¥20 million for outside Directors), same as current amount. The Company also proposes the specific amount, term and method for payment to each Director (excluding Directors who are Audit and Supervisory Board Members) be delegated to the Board of Directors.

Furthermore, the Company proposes the amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) not include the employee salary of employee Directors.

The Company currently has 12 Directors. However, if Proposal No. 2 and Proposal No. 3 are approved and adopted in their original form, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) shall change to ten Directors (two of whom are outside Directors).

This proposal can only take effect after Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and adopted in its original form and the amendments to the Articles of Incorporation by the resolution of said proposal take effect.

**Proposal No. 6** Determination of Amounts of Remuneration, etc. for Directors Who Are Audit and Supervisory Committee Members

With the condition of the approval and adoption of Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with audit and supervisory committee. Pursuant to the provisions under Article 361, paragraph 1 and paragraph 2 of the Companies Act, the Company proposes the amount of remuneration of Directors who are Audit and Supervisory Committee Members be set to up to ¥60 million annually, same as current amount.

The Company also proposes the specific amount, term and method for payment to each Director who is an Audit and Supervisory Committee Member be determined through deliberation with Directors who are Audit and Supervisory Committee Members.

If Proposal No. 2 and Proposal No. 4 are approved and adopted in their original form, the number of Directors who are Audit and Supervisory Committee Members will be four.

This proposal can only take effect after Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and adopted in its original form and the amendments to the Articles of Incorporation by the resolution of said proposal take effect.

**Proposal No. 7** Determination of Amounts of Performance-based Stock Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

1. Reasons for the proposal

Subject to the approval and adoption of Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” the Company will make the transition to a company with audit and supervisory committee. This proposal abolishes the remuneration framework for Directors of the Company (excluding outside Directors) related to the performance-based stock remuneration plan (the “Plan”) for Directors (excluding outside Directors) of the Company and its subsidiaries (Note 1). Therefore, the Company asks for the approval to once again determine the remuneration framework related to the Plan for Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors; same applies hereinafter unless otherwise indicated). Specifically, the Company proposes the remuneration framework related to the Plan for Directors of the Company be within the limit for remuneration of Directors (excluding Directors who are Audit and Supervisory Board Members) requested for approval in Proposal No. 5. The details of this Proposal are the substantially same as the remuneration framework related to the Plan approved and adopted at the 4th Annual General Meeting of Shareholders held on June 21, 2016, and the Company judges them appropriate.

The Company currently has ten Directors (excluding outside Directors) who are eligible for the Plan. However, if Proposal No. 2 and Proposal No. 3 are approved and adopted in their original form, the number of Directors eligible for the Plan will be eight.

This proposal can only take effect if Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved and adopted in its original form and the amendments to the Articles of Incorporation take effect, as well as if Proposal No. 5 “Determination of Amounts of Remuneration, etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” is approved and adopted in its original form.

(Note 1) Kirayaka Bank, Ltd. and The Sendai Bank, Ltd. are subsidiaries of the Company.

2. Details of the Plan and Amount of Remuneration, etc.

The Plan is a system to pay Directors of the Company and its subsidiaries eligible for the Plan by acquiring the Company’s shares through a trust that uses money contributed by the Company as capital. The main details of the Plan are as follows: The Company also asks the details of the Plan outlined below be delegated to the Board of Directors.

(1) Persons eligible for the Plan

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| (i) Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and outside Directors) |
| (ii) Directors of the Company’s subsidiaries (excluding outside Directors)   |

(2) Applicable term for the Plan

The applicable term of the Plan shall continue for three fiscal years. The initial applicable term shall run from the fiscal year ending March 31, 2020 to the fiscal year ending March 31, 2022. Following the initial applicable term, the applicable terms shall continue to renew every three fiscal years.
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(3) Amount for the Company to contribute to the trust (remuneration framework)

The Company shall contribute additional funds up to ¥110 million (¥40 million of which is the portion for Directors of the Company) each applicable period to the trust as a general rule. (Note 2) (Note 3)
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(Note 2) When the Company’s shares and money remain in the trust from the previous applicable term, the total amount of remained assets (the Company’s shares calculated at the current market value for the end of the previous applicable term) and the money from contributions of additional funds shall not exceed ¥110 million (¥40 million of which is the portion for Directors of the Company)

(Note 3) In accordance with the Plan currently in operation, the Company contributed ¥46 million (¥17 million of which is the portion for Directors of the Company [excluding outside Directors]) to the trust for the three fiscal years from the fiscal year ended March 31, 2017 to the fiscal year ended March 31, 2019. Following the transition to a company with an audit and supervisory committee, the applicable trust shall continue as a trust for beneficiaries of persons eligible for the Plan who satisfy the requirements as beneficiaries.

(4) Acquisition method of the Company's shares and number of shares to be acquired (reference)

Acquisition Method	Acquisition via methods, etc. through a stock exchange
Number of shares to be acquired (reference)	Presuming acquisition at the final price on March 31, 2019 of ¥116, the number of shares to be acquired by using capital with upper limit amount of ¥110 million (¥40 million of which is the portion for Directors of the Company) outlined in (3) above would be a maximum of 948,200 shares (344,800 shares of which is the portion for Directors of the Company).

(5) Calculation Method for the Number of the Company's Shares, etc. to be Provided to Persons Eligible under the Plan

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| <p>(i) Persons eligible for the Plan are assigned a number of points determined according to their title, the degree of achievements in performance and other factors for each fiscal year. (1 point = 1 common share of the Company)<br/>(Note 4)</p> <p>(ii) The number of points is adjusted by multiplying a coefficient based on the reason for resignation (never exceeds 1) to the total number of points assigned by the time of resignation. to determine the number of points.</p> |
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(Note 4) In the event of a stock split, allotment of shares without contribution or a stock merger of the Company's shares, the number of points already assigned or the conversion rate shall be rationally adjusted.

(6) Provision of the Company's Shares, etc.

Persons eligible for the Plan shall be issued a number of the Company's shares from the trust equivalent to the total points outlined in (5) above upon resignation. (Note 5)
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(Note 5) However, if certain requirements are fulfilled, an amount of money equivalent to the market value of the Company shares will be provided for a portion of the total points.

<Reference>

The Company has determined the following criteria to judge the independence of candidates for outside Director.

Independence Evaluation Criteria of Outside Officer

1. (1) Candidates shall not be executive directors, executive officers, managers or other employees of the Group (hereinafter referred to in general as “Persons Who Execute Business”) and who have not been working as a person involved with business execution of the Group in the last ten years.
- (2) Candidates for outside Director who have acted as a non-executive Director (Note 1) or Audit & Supervisory Board Member of the Group in the last ten years shall not have acted as a person involved in business execution of the Group in the ten years previous to their position as a non-executive Director or Audit & Supervisory Board Member.
- (3) Candidates shall not be a spouse or a relative within two degrees of kinship of officers (Note 2), managers, or other important employees (excluding officers, etc.) of the Group.
2. Candidates shall not be persons who are a major shareholder of the Company (Note 3), officers or employees of companies of which the Company is a major shareholder (excluding said officers).
3. (1) Candidates shall not be persons who have a business relationship with the Company or a core subsidiary of the Company (Note 4) whereby the Company or a core subsidiary of the Company is its major transacting counterparty (Note 5), or the parent company or a significant subsidiary thereof, or when such party is a company, a business executive, or a party which has fallen under such category during the past three years.
- (2) Candidates shall not be persons who have a business relationship with the Company or a core subsidiary of the Company who is a major transacting counterparty, or the parent company or a significant subsidiary thereof, or when such party is a company, a business executive, or a party which has fallen under such category during the past three years.
- (3) Candidates shall not be employees of an organization that has received donations that exceed a certain amount (an average of ¥10 million annually over the last three years) from the Company or its core subsidiaries.
4. Candidates shall not be officers, etc. of a company, its parent company or its subsidiary that have brought in officers, etc. from the Group.
5. Candidates are not currently an accounting auditor or an employee, etc. of an accounting firm of the Group and have not been in charge of auditing operations of the Group as said employee in the last three years.
6. Candidates may not be a lawyer, public certified accountant or another type of consultant that has earned money or other assets of ¥10 million or more on average per year over the last three years from the Company or its core subsidiaries in addition to the officer remuneration.
7. Furthermore, candidates shall be a person who does not have an ongoing, substantive conflict of interest due to circumstances other than the above between the general shareholders of the Company.

(Note 1) “Non-executive officer” refers to Directors who are not an executive director.

(Note 2) “Officers, etc.” refers to directors (including outside Director) and auditors (including outside Audit & Supervisory Board Member).

(Note 3) “Major shareholder” refers to a person or organization that held 10% or more voting rights directly or indirectly at the end of the most recent fiscal year.

(Note 4) “Core subsidiaries” refers to Kirayaka Bank, Ltd. and The Sendai Bank, Ltd.

(Note 5) “Main business partner” is judged as a business partner who made up 2% or more of the annual consolidated sales (consolidated ordinary income in the case of the Company) for the most recent fiscal year.