

## Articles of Association relating to holding of the shareholders' meeting

### The Meeting

**Article 38** The Board of Directors shall arrange for an annual general meeting within 4 months from the last date of the fiscal year of the Company. Shareholders' meetings other than annual general meetings shall be called extraordinary general meetings. An extraordinary general meeting may be called by: the Board of Directors which may call it at any time; or

Shareholders holding an aggregate of not less than one-fifth of the total number of shares sold may submit their names in a request directing the Board of Directors to call an extraordinary general meeting at any time, but the reasons for calling such meeting shall be clearly stated in such request. The Board of Directors must arrange for an extraordinary general meeting to be held within 1 month from the date of receipt of such request from the shareholders.

**Article 39** In calling a shareholders' meeting, the board of directors shall proceed as follows:

- Prepare a notice stating the place, date, time, agenda of the meeting and matters to be proposed to the meeting together with reasonable details by indicating clearly whether it is the matter proposed for acknowledgement, for approval or for consideration, including the opinions of the board of directors for such matters.
- Delivery the above notice to the shareholders at least 7 days prior to the date of the meeting; and
- Publish the above notice in a newspaper for 3 consecutive days and at least 3 days prior to the date of the meeting.

**Article 40** In order to constitute a quorum, there must be at least 25 shareholders and proxies (if any) attending at a shareholders' meeting or at least one half of the total number of shareholders and such shareholders must hold not less than one-third of the total number of the Company's shares sold.

At any shareholders' meeting, if one hour has passed since the time specified for the meeting and the number of shareholders attending the meeting is still inadequate for a quorum as defined in the first paragraph of Article 40, and: if such shareholders' meeting was called by the request of the shareholders, such meeting shall be cancelled; but if such shareholders' meeting was not called by the request of the shareholders, the Board of Directors shall call for another meeting by

sending a notice to the shareholders at least 7 days prior to the date of the meeting. At the subsequent meeting, a quorum prescribed in the first paragraph of Article 40 is not required.

**Article 41** The chairman of the Board of Directors has a duty to be the chairman of the meeting. In case the chairman of the Board is not present at the meeting or cannot perform his duty, and if there is a vice-chairman, the vice-chairman shall be the chairman of the meeting. If there is no vice chairman, or if there is a vice-chairman but he/she cannot perform his/her duties, the shareholders present at the meeting shall elect one of the shareholders to be the chairman of such meeting.

#### **Shareholders' Rights to vote in the Meeting**

**Article 42** The resolution of the shareholders' meeting shall require:

1. In an ordinary event, the majority of votes of shareholders who attends the meeting and has the right to vote by shareholders are entitled to voting rights according to the number of shares they have, one share per one vote. In case there is an equality vote, the Chairman shall have the right to vote an additional vote as the final judge.
2. In the following events, shall count a vote of not less than three-fourths of shareholders and proxies (if any) present at the meeting and entitled to vote;
  - A. sale or transfer of the whole or certain substantial parts of the Company's business to other persons;
  - B. purchase or acceptance of a transfer of business of other companies or private companies to the Company's own;
  - C. entering into, amending, terminating the contract relating to the leasing out of the Company's business in whole or in essential parts; the authorization of other person to manage the Company's business or the amalgamation of the businesses with other persons for sharing profit and loss.
  - D. amendment, modification or addition of the Memorandum or Articles of Association of the Company;
  - E. increase or decrease of capital or issuance of debentures
  - F. Issue of preference share, bond, convertible bond, stock or bond warrant or any other securities which can be issued according to the law;
  - G. dissolution of the Company
  - H. amalgamation of the Company