

- (2) All resolutions other than those provided for in the preceding paragraph shall be adopted by a majority vote of the shareholders present, unless otherwise provided for by laws or ordinances or by the Articles of Incorporation.

CHAPTER IV Directors, Board of Directors and Executive Officers

ARTICLE 17 (Number of Directors)

- (1) The Directors of the Company shall not be more than seventeen (17) in number.
- (2) Among the Directors provided in the preceding paragraph, the Directors who are Audit & Supervisory Committee Members shall not be more than five (5) in number.

ARTICLE 18 (Election of Directors)

- (1) Directors shall be elected by a resolution of the general meeting of shareholders, which should be implemented by distinguishing between Directors who are Audit & Supervisory Committee Members and other Directors.
- (2) With respect to a resolution for the election provided for in the preceding paragraph, the attendance of shareholders owning not less than one-third (1/3) of total voting rights of qualified shareholders shall be required.
- (3) A resolution for the election of Directors shall not be conducted by cumulative voting.

- (4) A resolution for the election of a substitute Director who is an Audit & Supervisory Committee Member elected pursuant to Article 329, Paragraph 3 of the Companies Act, shall remain in effect until the beginning of the ordinary general meeting of shareholders held for the last business year that ends within two (2) years from the date of such resolution.

ARTICLE 19 (Term of Office of Directors)

- (1) The term of office of each of the Directors (excluding Directors who are Audit & Supervisory Committee Members) shall expire at the close of the ordinary general meeting of shareholders held for the last business year that ends within one year from assumption of office.
- (2) The term of office of each of the Directors who are Audit & Supervisory Committee Members shall expire at the close of the ordinary general meeting of shareholders held for the last business year that ends within two (2) years from assumption of office.
- (3) The term of office of a Director elected to serve as a substitute Audit & Supervisory Committee Member in order to fill a vacancy caused by retirement of a Director as Audit & Supervisory Committee Member prior to the expiration of his or her term of office shall be up to the expiry of the term of office of such retiring Director who was an Audit & Supervisory Committee Member.

ARTICLE 20 (Representative Directors)

- (1) By a resolution of the Board of Directors, Representative Directors shall be elected from among the Directors (excluding Audit & Supervisory Committee Members).
- (2) Each of the Representative Directors shall represent the Company severally.

ARTICLE 21 (Chairman of the Board of Directors)

By a resolution of the Board of Directors, the Chairman of the Board of Directors shall be elected.

ARTICLE 22 (Convening Meetings of the Board of Directors)

(1) The Chairman of the Board of Directors shall convene a meeting of the Board of Directors and shall assume its chairmanship unless otherwise provided for by laws and ordinances. In case, however, the Chairman of the Board of Directors is prevented by unavoidable circumstances from so acting, or in case the post of the Chairman of the Board of Directors is vacant, one of the other Directors shall act in his stead, according to the order as decided by the Board of Directors.

(2) Each of the Directors shall be notified of a meeting of the Board of Directors at least three (3) days before the date set for such meeting. However, such notice period may be shortened in case of urgent necessity.

ARTICLE 23 (Omission of Resolution by the Board of Directors)

If a Director submits a proposal regarding a matter, which is the subject of a resolution by the Board of Directors, and if all of the Directors (limited to those who are entitled to participate in votes with respect to these matters) indicate their consent to the said proposal, either in writing or in electronic form, the Company shall deem such proposal as having been approved by the Board of Directors.

ARTICLE 24 (Delegation of Decisions on Execution of Important Operations)

Pursuant to Article 399-13, Paragraph 6 of the Companies Act, the Company may delegate all or part of the decisions regarding execution of important operations (excluding matters set forth in items of Article 399-13, Paragraph 5 of the Companies Act) to Directors by a resolution of the Board of Directors.

ARTICLE 25 (Remuneration for Directors)

Remuneration for Directors (refers to remuneration stipulated in Article 361 of the Companies Act) shall be decided by a resolution of the general meeting of shareholders, distinguishing between Directors who are Audit & Supervisory Committee Members and other Directors.

ARTICLE 26 (Reduction in Liabilities of Directors)

- (1) The Company may exempt Directors (including those who were Directors) from their liabilities to the extent permitted by law and ordinances, pursuant to a resolution by the Board of Directors (refers to a resolution based on Article 426, Paragraph 1 of the Companies Act).
- (2) The Company may conclude an agreement with its Directors (excluding those serving as executive directors, etc.) limiting their liabilities to the amount prescribed by relevant laws or ordinances (refers to an agreement based on Article 427, Paragraph 1 of the Companies Act).

ARTICLE 27 (Executive Officers)

- (1) By a resolution of the Board of Directors, Executive Officers shall be appointed to carry out their respective duties.
- (2) By a resolution of the Board of Directors, the President and Chief Executive Officer and other Executive Officers in title shall be elected from among the Executive Officers.