

*(Translation)*

# **ARTICLES OF INCORPORATION**

**TOKAI Holdings Corporation**

# **Chapter 1**

## **General Provisions**

### **Article 1 (Trade Name)**

The Company shall be called “Kabushiki Kaisha TOKAI Holdings” and in English indicated as “TOKAI Holdings Corporation”.

### **Article 2 (Purpose)**

1. The Company aims to control and manage the business activities of the domestic or foreign companies operating the equivalent business by holding shares or interests of a company engaged in the following businesses.
  - (1) Production, supply and sale of liquefied petroleum gas, liquefied natural gas and high pressure gas and gas equipment, work related to construction and rental of equipment related to gas.
  - (2) General gas business, simple gas business, gas conduit business and large gas business, power generation business by renewable energy etc., business related to supply and sale of electricity and heat.
  - (3) Household electric appliances and household goods, and sales and leasing of petroleum, automobile supplies and petroleum equipment.
  - (4) Business related to sales of renewable energy equipment, etc.
  - (5) Business related to the collection and sale of natural gas and minerals
  - (6) Business related to the manufacture and sale of toxic substances and deleterious substances.
  - (7) Business related to the design, development, manufacture, processing, sale and inspection of valves, valve parts and various high pressure gas containers
  - (8) Production, sale, transportation and delivery of drinking water such as natural water
  - (9) Business related to construction work, civil engineering work, general electric work, telecommunication construction, other construction design, construction, management and contracting.
  - (10) Business related to sales, rental, brokerage and management of real estate, general structures and facilities, and sales of housing equipment.
  - (11) Business related to land construction, planning and consulting
  - (12) Business related to sales and rental of machinery and materials and equipment for construction work
  - (13) Business related to IT(Information Technology) systems, software, information processing / providing IT services, dispatching IT engineers, other information services
  - (14) Production, construction, maintenance, manufacture, sale, lease, repair, agency, subscriber introduction etc. of cable television broadcasting business in accordance with

Telecommunications Business Law and Cable Television Broadcast Law based on the Telecommunications Business Act and programs.

- (15) Wired radio broadcasting business based on the law concerning the regulation of operation of wired radio broadcasting service
- (16) Brokerage business of Japan Broadcasting Corporation Association Satellite Color Reception contract.
- (17) Business related to the planning, development, manufacture, selling and leasing of broadcasting equipment, communication equipment and peripheral equipment.
- (18) Data transmission and voice transmission service business using the Internet, business related to commercial transactions and settlement processing, and other various information provision service.
- (19) Business related to opening of online shopping malls and online sales.
- (20) Security service and their intermediary services, development of facilities, equipment and systems related to security services, rental and sales.
- (21) Consulting business such as research/advice on crime prevention and disaster prevention
- (22) Agency services for property insurance and recruitment of life insurance
- (23) Business related to mediation and support of outsourcing of specific financial product trading operations to insurance companies
- (24) Business related to management of general wedding hall
- (25) Business related to the management and rental of entertainment facilities such as golf courses, sports facilities and amusement parks, accommodation facilities such as ryokan, hotel and meeting facilities such as training institutes.
- (26) Direct sales and leasing of vending equipment and amusement equipment, manufacturing and sale of food and drinks, and business related to the management of restaurants and shops
- (27) Jewelry and accessory sales business
- (28) Travel agency business
- (29) Business related to the manufacture, repair, sale and leasing of ships
- (30) Ocean fishery and nearshore fishery
- (31) Warehousing business
- (32) Business related to long-term care services
- (33) Life integrated support business
- (34) Credit card business
- (35) Advertisement and advertising agency business
- (36) Publishing business, recording production and sales business and online order business
- (37) Business related to the development, manufacture and sale of toys
- (38) Business related to the manufacture and sale of cosmetics, health foods, medicines and quasi-drugs

- (39) Business related to the processing and sale of marine products, agricultural products and livestock products
  - (40) Surveying work
  - (41) Business related to trading of securities and foreign exchange
  - (42) Money lending business
  - (43) Import and export operations of commodities and technologies related to the preceding items, investigation, research, training and consulting services
  - (44) Investment in the business necessary for achieving the objectives of each of the preceding items and any business related thereto
2. The Company may engage in the business of each item of the preceding paragraph and the following business and any incidental or related business.
- (1) Corporate planning, general affairs, personnel affairs, finance related work and other necessary work of group companies.
  - (2) Concentration and allocation of funds for group companies, operations related to loans and surplus funds.

### **Article 3 (Location of Head Office)**

The Company shall have its head office in Shizuoka City, Shizuoka Prefecture, Japan.

### **Article 4 (Bodies)**

The Company shall establish the following bodies other than Meeting of Shareholders and Directors.

- (1) Board of Directors
- (2) Audit & Supervisory Board Member
- (3) Audit & Supervisory Board
- (4) Accounting Auditors

### **Article 5 (Method of Public Notices)**

The Company's method of public notice shall be by electronic public notice. However, in case of problems or other unavoidable circumstances that public notice by electronic public notice, the public notice shall be made by publication in "The Nikkei" newspaper (the Nihon Keizai Shimbun).

## **Chapter 2**

### **Shares**

#### **Article 6 (Total Number of Authorized Shares)**

The total number of authorized shares to be issued by the Company shall be three hundred million (300,000,000).

#### **Article 7 (Acquisition of Own Shares)**

The Company may acquire its own shares in market transactions and other forms by resolution of the Board of Directors in accordance with the provisions of Article 165, paragraph 2 of the Companies Act.

#### **Article 8 (Share Unit Number)**

The number of shares constituting one (1) share unit of the Company shall be one hundred (100).

#### **Article 9 (Adding to Holdings of Shares Less Than One Unit)**

- (1) Rights as provided for in each item of Article 189, paragraph 2 of the Companies Act;
- (2) Right to demand under Article 166, paragraph 1 of the Companies Act;
- (3) The right to receive an allotment of shares offered and stock acquisition rights offered in proportion to the number of shares held; and
- (4) The right to demand as stipulated in the following article.

#### **Article 10 (Adding to Holdings of Shares Less than One Unit)**

As provided for in the Share Handling Rules of the Company, shareholders of the Company may demand that the Company sell to them a number of shares that together with their holding of shares of less than one unit will constitute one unit.

#### **Article 11 (Administrator of Shareholder Registry)**

1. The Company shall have an administrator of the shareholder registry.
2. The administrator of the shareholder registry and the location of its office shall be designated by resolution of the Board of Directors.
3. Matters related to the registry of shareholders and the registry of stock acquisition rights of the Company including the preparation and keeping thereof, shall be entrusted to the administrator of the shareholder registry, and the Company shall not handle such business.

**Article 12 (Share Handling Rules)**

The handling of shares and stock acquisition rights of the Company, and the procedures and the fees involved in the exercise of right of shareholders shall be in accordance with laws and regulations and the Articles of Incorporation of the Company as well as the Share Handling Rules established by the Board of Directors.

## **Chapter 3**

### **Meeting of Shareholders**

#### **Article 13 (Convocation)**

The Annual Meeting of Shareholders of the Company shall be convened within three (3) months from the end of each business year. And Extraordinary Meeting of Shareholders may be convened when necessary.

#### **Article 14 (Record Date of Annual Meeting of Shareholders)**

The Company shall deem shareholders with voting rights whose names are recorded on the latest registry of shareholders on March 31 of each year to the shareholders entitles to exercise their rights in the Annual Meeting of Shareholders for that respective business year.

#### **Article 15 (Person Authorized to Convene a Meeting of Shareholders)**

Unless otherwise provided for in laws and regulations, the President shall convene a Meeting of Shareholders by resolution of the Board of Directors. In case where the President is unable to so act, one of the other Directors, selected in the order previously determined by the Board of Directors, shall convene the Meeting of Shareholders.

#### **Article 16 (Deemed Provision of Reference Document, etc. for a Meeting of Shareholders by Using the Internet as Disclosure)**

The Company may deem to have provide the information relating to the items to be entered or indicated in reference documents for Meetings of Shareholders, business reports, financial statements, and consolidated financial statements regarding the convocations of a Meeting of Shareholders to the shareholders by disclosing them using the Internet, as stipulated by the applicable Ordinances of the Ministry of Justice.

#### **Article 17 (Chairperson of a Meeting of Shareholders)**

The President shall preside over a Meeting of Shareholders. In the case where the President is unable to so act, one of the other Directors, selected in the order previously determined by the Board of Directors, shall preside over the Meeting of Shareholders.

**Article 18 (Authority of the Chairperson)**

1. The Chairperson of the General Meeting of Shareholders shall maintain the order of the General Meeting of Shareholders and arrange the proceedings.
2. The Chairperson of the General Meeting of Shareholders may issue orders necessary for maintaining the order of the general meeting of shareholders and may withdraw from the venue for those who fail to comply.

**Article 19 (Method of Resolution)**

1. Unless otherwise provided for by laws and regulations or in the Articles of Incorporation of the Company, the resolution of a Meeting of Shareholders shall be made by a majority of votes of the attending shareholders who are entitled to exercise voting rights.
2. The resolution of a Meeting of Shareholders that follows Article 309, paragraph 2 of the Companies Act shall be made by at least two thirds (2/3) of the votes of the shareholders attending the Meeting of Shareholders where the shareholders having at least one third (1/3) of the voting rights of shareholders who are entitled to exercise voting rights attend.

**Article 20 (Voting by Proxy)**

A shareholder may authorize one person, who is entitled to exercise voting rights of the Company, to exercise the voting rights for the shareholder as a proxy in a Meeting of Shareholders, provided, however, that such person is a shareholder of the Company. The shareholder or his/her proxy shall submit a written document to the Company to evidence his/her authorization to act on behalf of the principal at each Meeting of Shareholders.

**Article 21 (Minutes)**

Regarding the proceedings of the agenda at the general meeting of shareholders and the results thereof and other matters stipulated by laws and regulations, they shall be written or recorded in the minutes.



## **Chapter 4**

### **Directors and Board of Directors**

#### **Article 22 (Number of Directors)**

The Company shall have not more than ten (10) Directors.

#### **Article 23 (Election of Directors)**

1. Directors shall be elected by resolution of a Meeting of Shareholders.
2. Regarding the resolution for the election of the preceding paragraph, the election shall be determined by a majority of the votes of the shareholders attending the Meeting of Shareholders where the shareholders having at least one third (1/3) of the voting rights of shareholders who are entitled to exercise voting right attend.
3. Resolution for the election of Directors shall not be subject to cumulative voting.

#### **Article 24 (Terms of Directors)**

1. The term of office of each Director shall expire at the conclusion of the Annual Meeting of Shareholders of the last business year ended within one year after being elected.
2. The term of office of Directors elected as additional or substitute shall be until the expiration of the term of its director's office.

#### **Article 25 (Selection of representative director and executive director)**

1. The Board of Directors selects one of the President from among the directors by the resolution. In addition, one director chairman and some director vice-president can be selected from among the directors.
2. The Board of Directors shall select the Representative Director by the resolution.

#### **Article 26 (Installation of adviser and consultant)**

The Board of Directors may select some advisors and consultant to the Company by the resolution.

#### **Article 27 (Remunerations of Directors)**

The economic benefits received from the Company as compensation for executing the duties, such as directors' bonuses, retirement bonuses and other property (hereinafter referred to as "remunerations") of the Directors shall be determined by resolution of a Meeting of Shareholders.

The remuneration, directors' bonuses, retirement bonuses and other property benefits (hereinafter referred to as "remuneration etc.") received from the Company as consideration for the performance of duties shall be determined by resolution of the general shareholders meeting.

**Article 28 (Convener and Chairman of the Board of Directors)**

The Board of Directors shall be convened by the chairman of the Board of Directors, unless otherwise provided for by laws and regulations. In the case that there is a vacancy or accident in the Chairman of the Board, other directors convene the Board of Directors and become the Chairperson in the order determined in advance by the Board of Directors.

**Article 29 (Notice of convocation of the Board of Directors)**

Notice of convocation of the Board of Directors shall be issued to each Director and each Corporate Auditor at least three (3) days before the date of the meeting. However, in case of urgency, this can be shortened.

**Article 30 (Method of a resolution of the Board of Directors)**

1. A resolution of the Board of Directors shall be attended by a majority of the directors who can participate in the voting, with a majority of the attending directors.
2. The Company shall deem that a resolution of the board of directors has been adopted in case the requirements stipulated by Article 370 of the Companies Act have been fulfilled.

**Article 31 (Minutes of the Board of Directors)**

The details of the proceedings of the meeting at the Board of Directors and the results thereof and other matters stipulated by laws and regulations shall be recorded or recorded in the minutes and the attending directors and statutory auditors shall bear the seal or electronic signature on them.

**Article 32 (Board of Directors Rules)**

Matters regarding the Board of Directors shall be handled in accordance with laws and regulations and the Articles of Incorporation of the Company as well as the Board of Directors Rules established by the Board of Directors.

## **Chapter 5**

### **Audit & Supervisory Board Member and Audit & Supervisory Board**

#### **Article 33 (Number of Audit & Supervisory Board Members)**

The Company shall have not more four (4) Audit & Supervisory Board Members.

#### **Article 34 (Election of Audit & Supervisory Board Members)**

1. Audit & Supervisory Board Members shall be elected by resolution of a Meeting of Shareholders.
2. Resolutions for election of Audit & Supervisory shall be attended by shareholders who hold one-third or more of the voting rights of shareholders who can exercise their voting rights, and shall hold a majority of the voting rights.

#### **Article 35 (Terms of Audit & Supervisory Board Members)**

1. The term of office of each Audit & Supervisory Board Member shall expire at the conclusion of the Annual Meeting of Shareholders of the last business ended within four years after being elected.
2. The term of office of each Audit & Supervisory Board Member elected as the replacement for an Audit & Supervisory Board Member who has retired before the end of his/her term shall expire at the expiration of the remaining term of the retired Audit & Supervisory Board Member.

#### **Article 36 (Qualifying of the efficacy of substitute Audit & Supervisory)**

The effective term of the resolution for election of a Substitute Audit & Supervisory Board Member shall expire at the beginning of an annual General Meeting of Shareholders relating to the last fiscal year ending within four (4) years from his/her election.

#### **Article 37 (Full-time Audit & Supervisory Board Members)**

The Audit & Supervisory Board shall appoint one or more full-time Audit & Supervisory Board Members from among all the Audit & Supervisory Board Member by resolution of the Audit & Supervisory Board.

#### **Article 38 (Remunerations of the Audit & Supervisory Board Members)**

The remunerations of the Audit & Supervisory Board Members shall be determined by resolution of a Meeting of Shareholders.

**Article 39 (Convocation of Meeting of the Audit & Supervisory Board)**

Notice to convene a meeting of the Audit & Supervisory Board shall be dispatched to each Audit & Supervisory Board Member no later than three (3) days prior to the day of such meeting; provided, however, that in case of urgency, such period may be shortened.

**Article 40 (Method of Resolution of Audit & Supervisory Board)**

Resolution of the Audit & Supervisory Board shall be made with a majority of the statutory auditors, unless otherwise provided for by laws and ordinances.

**Article 41 (Minutes of the Audit & Supervisory Board)**

The details of the proceedings of the meeting at the Audit & Supervisory Board and the results thereof and other matters stipulated by laws and regulations shall be recorded or recorded in the minutes and the attending Audit & Supervisory shall bear the seal or electronic signature on them.

**Article 42 (Audit & Supervisory Board Rules)**

Matters regarding Audit & Supervisory Board shall be handled in accordance with laws and regulations and the Articles of Incorporation of the Company as well as the Audit & Supervisory Board Rules established by the Audit & Supervisory Board.

## **Chapter 6**

### **Accounting Auditors**

#### **Article 43 (Election of Accounting Auditors)**

The Accounting Auditors shall be elected at a General Meeting of Shareholders.

#### Article 44 (Term of Office of Accounting Auditors)

1. The term of office of the Accounting Auditors shall expire at the close of the Ordinary General Meeting of Shareholders held with respect to the last of the fiscal years that end within one (1) year after they are elected.
2. The Accounting Auditors shall be deemed reelected at the meeting, unless otherwise resolved at the Ordinary General Meeting of Shareholders described in the preceding paragraph.

#### **Article 45 (Remuneration of Accounting Auditors)**

Remuneration etc. of the Accounting Auditor shall be determined by the Representative Director with the consent of the Board of Auditors.

## **Chapter 7**

### **Accounts**

#### **Article 46 (Fiscal Year)**

The fiscal year of the Company shall commence on April 1 and end on March 31 of each year.

#### **Article 47 (Record Date for Distribution of Surplus)**

The Company shall distribute dividends from surplus to the shareholders or registered pledgees of shares whose names are recorded on the latest registry of shareholders as March 31 of each year.

#### **Article 48 (Interim Dividend)**

The Company, by resolutions of the Board of Directors, may distribute interim dividends to the shareholders or registered pledgees of shares whose names are recorded on the latest registry of shareholders as of September 30 of each year.

#### **Article 49 (Period of Exclusion concerning Dividend)**

If dividends have not been received after the lapse of three (3) years after the date of the start of the payment thereof, the Company shall be exempted from the payment thereof.

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