

## **Share Handling Regulations**

### **Chapter 1: General Provisions**

#### Article 1: Purpose

The procedures for exercising shareholders' rights and other handling of and fees for the shares of MUGEN ESTATE Co., Ltd. (hereinafter referred to as the "Company") shall be governed by the rules stipulated by the Japan Securities Depository Center, Incorporated (hereinafter referred to as "JASDEC") and the securities companies and other account management institutions with which the shareholders open a transfer account (hereinafter referred to as the "Securities Companies, etc.") as well as the provisions of these Rules stipulated under Article 11 of the Articles of Incorporation.

#### Article 2: Administrator of Shareholders' Register

The administrator of shareholders' register and handling office of the Company shall be as follows:

Administrator of Shareholders' register:

1-4-1, Marunouchi, Chiyoda-ku, Tokyo  
Sumitomo Mitsui Trust Bank, Limited

Handling Office:

1-4-1, Marunouchi, Chiyoda-ku, Tokyo  
Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited

### **Chapter 2: Recording, etc. in the Shareholders' Register**

#### Article 3: Recording in the Shareholders' Register

1. Any changes in the matters to be stated in the shareholders' register shall be made by a general shareholders' notification and any other notices from JASDEC (other than the notice specified under Paragraph 3, Article 154 of the Act on Book-Entry of Company Bonds, Shares, etc. (hereinafter referred to as the "Act") (such notices shall be hereinafter referred to as the "Individual Notices of Shareholders").

2. In addition to the case referred to in the preceding Paragraph, upon the issue of new shares and in any other cases specified under laws and regulations, the recording or change of the matters to be stated in the shareholders' register shall not be implemented or made by the notice from JASDEC.
3. The recording in the shareholders' register shall be implemented by utilizing the characters and symbols specified by JASDEC.

#### Article 4: Notice of the Matters to be Entered in the Administrator of Shareholders' Register

The shareholders shall issue a notice of their name and address through the Securities Companies, etc. and JASDEC according to the rules stipulated by JASDEC. The same shall apply to any change thereof.

#### Article 5: Representative of Corporations

When the shareholders are corporations, they shall issue a notice stating the details of one (1) representative through the Securities Companies, etc. and JASDEC according to the rules stipulated by JASDEC. The same shall apply to any change thereof.

#### Article 6: Representative of the Co-Owning Shareholders

The shareholders who jointly own the shares shall appoint one (1) representative and issue a notice of the name and address of the said representative of the co-owners through the Securities Companies, etc. and JASDEC according to the rules stipulated by JASDEC. The same shall apply to any changes thereof.

#### Article 7: Statutory Agents

The statutory agents of the shareholders, such as persons who have parental authority and guardians, shall issue a notice stating their name and address through the Securities Companies, etc. and JASDEC according to the rules stipulated by JASDEC. The same shall apply to any changes thereof and the termination of such status.

#### Article 8: Notice of the Location for Shareholders Residing Abroad to Receive Notices

1. Shareholders residing abroad or their statutory agents shall appoint a standing proxy in Japan or

designate a location for receiving notices in Japan.

2. Notice of the name and address of the standing proxy or the location for receiving notices as described in the preceding Paragraph shall be issued through the Securities Companies, etc. and JASDEC according to the rules stipulated by JASDEC. The same shall apply to changes thereof and the termination of such appointment/designation.

#### Article 9: Method of Verification through JASDEC

Notices submitted from the shareholders through the Securities Companies, etc. and JASDEC to the Company shall be deemed notices submitted directly and personally by the shareholders.

#### Article 10: Registered Pledges of Shares

The provisions of this Chapter shall be applied mutatis mutandis to the registered pledgees of shares.

### **Chapter 3: Identity Verification of Shareholders**

#### Article 11: Identity Verification of Shareholders

1. When the shareholders (including the shareholders who issue the Individual Notices of Shareholders) exercise the right to make a request and other shareholders' rights (hereinafter referred to as the "Requests, etc."), the said shareholders shall attach or provide evidence to show that they are personally making the said Requests, etc. (hereinafter referred to as the "Evidence, etc."), unless the Company can verify that the said shareholders are personally making the said Requests, etc.
2. When the shareholders make the Requests, etc. of the Company through the Securities Companies, etc. and JASDEC, the said Requests, etc. shall be deemed to have been made personally by the said shareholders, and the Evidence, etc. will not be required.
3. When the Requests, etc. are made by an agent, in addition to the procedures described in the two preceding Paragraphs, the power of attorney to which the shareholders affix their signatures or names and seals shall be attached. The power of attorney must state the name and address of the agent.
4. Paragraphs 1 and 2 hereof shall be applied mutatis mutandis to the agents.

### **Chapter 4: Procedures for Exercising the Rights of Minority Shareholders, etc.**

Article 12: Procedures for Exercising the Rights of Minority Shareholders, etc.

When the rights of minority shareholders, etc. specified under Paragraph 4, Article 147 of the Act are exercised directly against the Company, this shall be carried out in writing with signatures or names and seals affixed thereto upon notice by the Individual Notices of Shareholders.

Article 13

When the shareholders submit a proposal for the general meeting of shareholders, the amount of the proposal specified by the Company according to Paragraph 1, Article 93 of the Ordinance for Enforcement of the Companies Act shall be set forth as follows:

(1) Reasons for the proposal  
Four hundred (400) characters per proposal

(2) Summary of the proposal  
Four hundred (400) characters per proposal

However, when a proposal for the election of directors is made, four hundred (400) characters shall be allocated for each candidate for the matters to be stated in the reference documents for the general meeting of shareholders.

## **Chapter 5: Purchase of Shares of Less Than One Unit**

Article 14: Method of Purchase Requests for Shares of Less Than One Unit

Requests for the purchase of shares of less than one unit shall be made through the Securities Companies, etc. and JASDEC according to the rules stipulated by JASDEC.

Article 15: Determination of the Purchase Price

1. The purchase unit price of the purchase requests shall be the final price at the market opened with the Tokyo Stock Exchange on the date when the purchase requests reach the location for handling office of the administrator of shareholders' register described in Article 2 hereof; provided, however, that if no trading is undertaken on the said day or the said day falls on a holiday of the said exchange, the first closing price upon trading thereafter shall be the purchase

unit price of the purchase requests.

2. The purchase price shall be the amount obtained by multiplying the purchase unit price according to the preceding Paragraph by the number of the shares subject to the purchase requests.

#### Article 16: Payment of the Purchase Price

1. Unless otherwise stipulated by the Company, the Company shall pay the purchase price calculated according to the preceding Article after deducting the fees specified under Article 19 hereof from the said purchase price on the fourth (4th) business day from the day following the date when the purchase price is determined according to the rules stipulated by JASDEC; provided, however, that if the purchase price is the price with rights relating to the dividend of surplus and stock split, among others, the purchase price shall be paid by the record date.
2. The persons who make the purchase requests may request the payment of the purchase price by transfer into the bank account designated by them or by payment in cash using Japan Post Bank Co., Ltd.

#### Article 17: Transfer of the Shares to Be Purchased

The shares of less than one unit subject to the purchase requests shall be transferred to the transfer account of the Company on the date when the purchase price is paid according to the preceding Article or the payment procedures are completed.

### **Chapter 6: Exceptional Treatment of Special Accounts**

#### Article 18: Exceptional Treatment of Special Accounts

Verification of the identity of the shareholders who are permitted to open special accounts or other treatment of special accounts shall be governed by the rules stipulated by JASDEC and the rules stipulated by the account management institutions of the special accounts.

### **Chapter 7: Fees**

#### Article 19: Fees

There shall be no fees for the purchase requests of the shares of less than one unit.

