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Stock Exchange Code: 3877

May 30, 2025

To our shareholders:

(Commencement Date of Electronic Provision Measures: May 29, 2025)

Ryoji Fukumoto
President and Representative Director
Chuetsu Pulp & Paper Co., Ltd.
2-10-6 Ginza, Chuo-ku, Tokyo, Japan

CONVOCATION NOTICE OF THE 109TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 109th Ordinary General Meeting of Shareholders of Chuetsu Pulp & Paper Co., Ltd. (the “Company”), which will be convened as indicated below.

In convening this General Meeting of Shareholders, the Company adopted the electronic submission system for the matters to be provided electronically (Matters Regarding Measures for Electronic Provision). The Company’s website provides the details under “CONVOCATION NOTICE OF THE 109TH ORDINARY GENERAL MEETING OF SHAREHOLDERS” available online. Please read the document by accessing the Company’s website or the Tokyo Stock Exchange’s website.

The Company’s website: <https://www.chuetsu-pulp.co.jp/ir-news/meeting>



Website of the Tokyo Stock Exchange (Listed Company Search by JPX):
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



The above-mentioned Tokyo Stock Exchange (TSE) also discloses the matters to be provided electronically on its website. Please access the following TSE website (Listed Company Search by JPX), enter the Issue name (company name) or Code 3877 and press Search. Then, select “Basic information” and “Documents for public inspection/PR information” to view the details.

If you are unable to attend the meeting, you can exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders and read the “Guide to Exercising Voting Rights” stated below, and exercise your voting rights before 5:00 p.m. on Tuesday, June 24, 2025 (JST).

1. **Date & Time** Wednesday, June 25, 2025, 10 a.m.
2. **Venue** 1 Shinyokomachi, Takaoka City, Toyama
Hotel New Otani Takaoka
4F, “*Houou-no-ma*” Hall

3. **Agenda**

Matters to be Reported

1. The Business Report and the Consolidated Financial Statements for the 109th fiscal year (from April 1, 2024 to March 31, 2025) and the results of the audits the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 109th fiscal year (from April 1, 2024 to March 31, 2025)

Matters to be Resolved

Item 1: Appropriation of Surplus

Item 2: Partial Amendments to the Articles of Incorporation

Item 3: Election of five (5) Directors (excluding Audit & Supervisory Board Members)

Item 4: Provision of Remuneration for the Allotment of Restricted Stock to Directors (excluding Audit & Supervisory Board Members and Outside Directors)

- In accordance with laws and regulations and the stipulations in our Company's Articles of Incorporation, the following items among the Matters Regarding Measures for Electronic Provision are not included in this convocation notice. Furthermore, the Audit & Supervisory Committee and the Accounting Auditor audit the documents subjected to audit, including the following items.
 - “Matters Regarding Establishment of a System to Ensure the Appropriateness of Business Activities” under Business Report
 - “Notes to Consolidated Financial Statements” under Consolidated Financial Statements
 - “Notes to Non-consolidated Financial Statements” under Non-consolidated Financial Statements
- In the event of any revision made to Matters Regarding Measures for Electronic Provision, items to be amended as well as items before and after the revision will be disclosed online through the above-mentioned websites.

Reference Documents for the General Meeting of Shareholders

Agenda Items and References

Item 1: Appropriation of Surplus

The Company views profit returns to shareholders as an important management issue. Its basic policy is to maintain a certain level of shareholders' equity while taking into consideration the Company's current performance, and future business development, as well as to continuously pay stable dividends based on earnings.

The Company proposes to pay a year-end dividend for the fiscal year under review as follows.

Matters related to year-end dividends

Type of dividend assets	Cash
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1. Matters concerning allotment of dividend assets to shareholders and the total amount thereof

The Company's Common Stock	¥35 per share
Total	¥439,217,135

Since we have already paid an interim dividend of ¥35 per share, the annual dividend for the fiscal year under review will be ¥70 per share.

2. Effective date of distribution of surplus

June 26, 2025

For Reference: Progress of Dividend Per Share (Unit: Yen)

	105th (Fiscal year ended March 31, 2021)	106th (Fiscal year ended March 31, 2022)	107th (Fiscal year ended March 31, 2023)	108th (Fiscal year ended March 31, 2024)	109th (Fiscal year ended March 31, 2025)
Interim	0	20	20	30	35
End of FY	0	20	30	30	35
Annual	0	40	50	60	70

Item 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendments

From the perspective of improving convenience for shareholders, the Company will establish a provision regarding the additional purchase of shares constituting less than one unit in order to introduce a new system for such purchases.

2. Details of the Amendments

The details of the Amendment are as follows

(Underlined text signifies changes)

Current Articles of Incorporation	Proposed Amendments
(Rights regarding shares constituting less than one unit) Article 9 Shareholders of the Company cannot exercise rights other than those outlined below with regard to the shares constituting less than one unit which they hold.	(Rights regarding shares constituting less than one unit) Article 9 (as currently)
1. - 3. (Text omitted) (Newly established)	1. - 3. (as currently) <u>4. Right to demand compensation defined in the next article</u>
(Newly established)	<u>(Increase of holdings of shares constituting less than one unit)</u> <u>Article 10 Shareholders of the Company may request, pursuant to the Share Handling Regulations, that the Company sell to them the number of shares that, together with the number of shares constituting less than one unit held by such shareholder, will constitute one unit.</u>
Article <u>10</u> - Article <u>41</u> (Text omitted)	Article <u>11</u> - Article <u>42</u> (as currently)

Item 3: Election of five (5) Directors (excluding Audit & Supervisory Board Members)

The term of office of all current Directors (5 persons; excluding Directors who are members of the Audit & Supervisory Board; the same shall be applied throughout this Item 3) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of five (5) Directors. The decision to nominate candidates for the Board of Directors is made by the Board of Directors following consultation with the Nomination and Remuneration Committee, whose majority is composed of independent outside directors.

The candidates for Director are as follows:

List of Director Candidates

No.	Type	Name	Current Position and Responsibilities in the Company
1	Reappointment	Hisashi Uematsu	Chairman and Representative Director
2	Reappointment	Ryoji Fukumoto	President and Representative Director (President and Executive Officer)
3	Reappointment	Tsutomu Isobe	Director (Managing Executive Officer)
4	New Appointment	Yasuhiro Shimokawa	Senior Executive Director
5	Reappointment Outside Director Independent Director	Katsuji Higashi	Outside Director

Name and Date of Birth		Career Summary, Positions, Responsibilities and Important Concurrent Positions	Number of shares of the Company held
1	<p>Candidate for Reappointment</p> <p>Hisashi Uematsu</p> <p>April 13, 1956</p> <p>Number of years as Director: 12</p> <p>Attendance at Board of Directors Meetings: 14/14</p>	<p>April 1980 Joined the Company</p> <p>Oct. 2005 General Manager of Raw Materials Dept.</p> <p>June 2010 Executive Officer, Deputy General Manager of Business Administration Div. and General Manager of Administration Department</p> <p>June 2011 Executive Officer, General Manager of Takaoka Mill and Deputy General Manager of Sales Division</p> <p>June 2012 Senior Executive Officer, General Manager of Takaoka Mill and Deputy General Manager of Sales Division</p> <p>Oct. 2012 Senior Executive Officer, General Manager of Takaoka Mill and Deputy General Manager of Paperboard Sales Division</p> <p>June 2013 Director, General Manager of Business Administration Division, in charge of Internal Audit Office and Tokyo Office</p> <p>June 2014 Managing Director, General Manager of Corporate Administration Division, in charge of Internal Audit Office and Tokyo Office</p> <p>June 2016 Senior Managing Director and General Manager of Sales Division</p> <p>June 2018 Senior Managing Director, Assistant to President, General Manager of Sales Division</p> <p>June 2020 President and Representative Director of the Company, in charge of Sales Division</p> <p>June 2022 President and Representative Director of Chuetsu Pulp & Paper Co., Ltd., President and Executive Officer, in charge of Sales Division</p> <p>June 2023 President and Representative Director of the Company, President and Executive Officer, in charge of Development Division and Sales Division</p> <p>June 2024 Chairman and Representative Director of the Company, in charge of Development Division and Tokyo Office (Current)</p>	7,400 shares
<p>Reason for nomination as candidate for Director:</p> <p>Since joining the Company, Mr. Uematsu has been involved in a wide range of areas, including raw materials and material procurement, planning and finance, sales and development. He has a thorough knowledge of the pulp and paper business. He has also served as President and Representative Director since June 2020 and Chairman and Representative Director since June 2024, and we expect him to apply his extensive experience and high level of knowledge in management to the management of the Group, and therefore we have once again nominated him as a candidate for Director.</p>			

Name and Date of Birth		Career Summary, Positions, Responsibilities and Important Concurrent Positions		Number of shares of the Company held
2	<p>Candidate for Reappointment</p> <p>Ryoji Fukumoto</p> <p>October 12, 1960</p> <p>Number of years as Director: 4</p> <p>Attendance at Board of Directors Meetings: 14/14</p>	<p>April 1986</p> <p>June 2003</p> <p>June 2006</p> <p>June 2008</p> <p>June 2011</p> <p>July 2011</p> <p>April 2014</p> <p>April 2016</p> <p>Dec. 2020</p> <p>June 2021</p> <p>June 2022</p> <p>June 2023</p> <p>June 2024</p>	<p>Joined Honshu Paper Manufacturing</p> <p>Manager, Amagasaki Mill, Oji Tuck</p> <p>Manager, Planning and Administration Department, Planning and Operations Division, Oji Chiyoda Container</p> <p>Group Manager, Administration Department, Business Administration Division, Oji Paper</p> <p>General Manager, Planning and Administration Department, Oji Paperboard</p> <p>General Manager, Planning and Administration Department, Business Promotion Division, Oji Paperboard</p> <p>Executive Director and General Manager of Business Promotion Division of Oji Materia</p> <p>Director and General Manager of Business Promotion Division of Oji Materia</p> <p>Executive Director and General Manager of Business Administration Division of the Company</p> <p>Managing Director, General Manager of Corporate Administration Division, in charge of Internal Audit Office and Tokyo Office</p> <p>Director, Senior Managing Executive Officer of Chuetsu Pulp & Paper Co., Ltd., General Manager of Business Administration Division, General manager of Resource Management Division, in charge of Internal Audit Office and Tokyo Office</p> <p>Vice President and Representative Director, Vice President and Executive Officer of the Company, General Manager of Business Administration Division, General Manager of Resource Management Division, in charge of Internal Audit Office and Tokyo Office</p> <p>President and Representative Director, President and Executive Officer of the Company, General Manager of Business Administration Division, in charge of Resource Management Division and Internal Audit Office (Current)</p>	3,700 shares
	<p>Reason for nomination as candidate for Director:</p> <p>Mr. Fukumoto has engaged in accounting and finance affairs as well as corporate planning affairs and has extensive experience and track record in management and corporate planning divisions. In addition, as President and Representative Director since June 2024, he has been promoting various measures, including the establishment of a management foundation, by exercising strong leadership, in order to achieve the goals set forth in the medium-term management plan. He is expected to utilize his extensive experience and achievements in the pulp and paper business for the management of the Group, and therefore, we have once again nominated him as a candidate for Director.</p>			

Name and Date of Birth		Career Summary, Positions, Responsibilities and Important Concurrent Positions		Number of shares of the Company held
3	Candidate for Reappointment	April 1988	Joined the Company	4,704 shares
	Tsutomu Isobe	June 2010	Head of Papermaking at Sendai Mill	
	September 6, 1963	June 2015	Deputy Manager of Takaoka Mill	
	Number of years as Director: 1	June 2017	Executive Officer, General Manager of Takaoka Mill and Deputy General Manager of Sales Division	
	Attendance at Board of Directors Meetings: 11/11	June 2021	Senior Executive Officer, General Manager of Takaoka Mill and Deputy General Manager of Sales Division	
		June 2022	Managing Director and General Manager of Sales	
		June 2024	Director, Managing Executive Officer of the Company, Deputy General Manager of Sales (Current)	
Reason for nomination as candidate for Director: Mr. Isobe has been involved in the Production Division since joining the company and has a high level of technical knowledge and extensive business experience in the papermaking field. He has been General Manager of Sales since June 2022 and is familiar with business trends in the paper and pulp industry. He is expected to use his experience and knowledge in the management of the Group and, therefore, we have once again nominated him as a candidate for Director.				

Name and Date of Birth		Career Summary, Positions, Responsibilities and Important Concurrent Positions		Number of shares of the Company held
4	Candidate for New Appointment	April 1989	Joined the Company	3,500 shares
	Yasuhiro Shimokawa	June 2011	Head of Administration at Sendai Mill	
		June 2016	Head of Facility Power Department at Takaoka Mill	
		June 2017	Deputy Manager of Sendai Mill and Head of Facility Power Department	
		June 2018	Executive Officer, General Manager of Sendai Mill and Deputy General Manager of Sales Division	
		June 2021	Executive Officer of the Company, Deputy General Manager of Production, Head of Production Technology	
		June 2022	Senior Executive Officer of the Company, Manager of Takaoka Mill (Current)	
		April 15, 1964		
Reason for nomination as candidate for Director: He has primarily been involved in the manufacturing division of mills and has broad knowledge and extensive experience in manufacturing, having served as the Manager of Sendai Mill and Takaoka Mill. We expect him to use his experience and expertise in advancing the restructuring of our business portfolio, including the restructuring of the production system. We believe that he is qualified for the position of Director and, therefore, we have nominated him as a candidate for Director.				

Name and Date of Birth		Career Summary, Positions, Responsibilities and Important Concurrent Positions		Number of shares of the Company held
5	Candidate for Reappointment Outside Director Independent Director	Nov. 1977	Joined Deloitte Haskins & Sells	n/a
	Katsuji Higashi November 27, 1952	July 1981	Registered as certified public accountant Joined Ohta Tetsuzo Auditing Company Office (now Ernst & Young ShinNihon LLC)	
		July 2000	Senior Partner of the same company	
		Aug. 2009	Trustee of the same company	
		Sept. 2014	Established the Katsuji Higashi accounting firm	
		Feb. 2015	Auditor of the Society for the Promotion of the Cities of Chiba Prefecture (Current)	
	【Number of years as Outside Director】	June 2016	Outside Auditor of Nippon Kayaku	
	1	July 2019	Auditor of the Asia Pacific Energy Research Centre (Current)	
	Attendance at Board of Directors Meetings: 11/11	Aug. 2019	Outside Auditor of the National Federation of Workers and Consumers Insurance Cooperatives	
		June 2024	Outside Director of the Company (Current)	
Reasons for nomination as candidate for Outside Director and summary of expected role As a certified public accountant, Mr. Higashi has a high level of insight and a wealth of practical experience in finance and accounting, as well as extensive knowledge of internal auditing through his experience as an outside auditor at other companies. We have determined that his extensive experience and perspective as a certified public accountant will enable him to provide advice and recommendations on the Company's management from a standpoint independent from the Company's management. Therefore, we have nominated him once again as a candidate for Outside Director. Although he has no corporate management experience other than being an Outside Officer, for the reasons stated above, the Company believes that he will be able to appropriately perform her duties as an Outside Director.				

(Notes)

1. None of the candidates has any special conflict of interests with the Company.
2. Katsuji Higashi is an Outside Director candidate.
3. The number of Board of Directors meetings attended is the number of Board of Directors meetings held in fiscal year 2024. In addition to the above, there were two written resolutions deemed to have been adopted by the Board of Directors in accordance with Article 370 of the Companies Act and Article 26 of the Company's Articles of Incorporation.
4. The number of Board of Directors meetings attended by Tsutomu Isobe and Katsuji Higashi is the number of times they have attended since their appointment on June 26, 2024.
5. Mr. Katsuji Higashi has no special interests with the Company, there is no risk of a conflict of interest with general shareholders, and if his appointment is approved, he will continue to serve as an Director as stipulated by the Tokyo Stock Exchange.
6. Pursuant to the Company's Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Outside Director Katsuji Higashi to limit his liability for damages as provided in Article 423, Paragraph 1 of the Companies Act, to the amount stipulated by law, and will continue such liability limitation agreement if his appointment is approved.
7. The Company entered into a directors and officers (D&O) liability insurance contract with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act to cover legal damages and litigation expenses, etc. to be borne by the insured under such policy.
Each candidate will be included in the contract.

Reference

New management team

Name	Current Position and Responsibilities in the Company	Gender	Type	Nomination and Remuneration Committee	Principal Specialized of Potential Contribution						
					Corporate Management	Governance	Finance, Accounting, Legal	HR Strategy	Business Strategy, Marketing	Environment, Society	Manufacturing Technology, R&D
Hisashi Uematsu	Chairman of the Board	Male	Inside		•				•		
Ryoji Fukumoto	President and Representative Director (President and Executive Officer)	Male	Inside	•	•	•	•	•	•	•	
Tsutomu Isobe	Director (Managing Executive Officer)	Male	Inside						•		•
Yasuhiro Shimokawa	Director (Managing Executive Officer)	Male	Inside							•	•
Katsuji Higashi	Director	Male	Outside Independent		•		•				
Shoichi Kusuhara	Director (Full-time Audit & Supervisory Board Member)	Male	Inside		•		•				
Toshihiko Yamaguchi	Director (Audit & Supervisory Board Member)	Male	Outside Independent	•	•		•				
Kayoko Sakurai	Director (Audit & Supervisory Board Member)	Female	Outside Independent	•	•		•				

(Note)

The above is a skill matrix of areas in which we particularly expect each of the Directors to excel among their diverse skills and expertise based on their knowledge and experience.

Item 4: Provision of Remuneration for the Allotment of Restricted Stock to Directors (excluding Audit & Supervisory Board Members and Outside Directors)

The amount of remuneration of the Company's Directors (excluding Audit & Supervisory Board Members) was approved at the 100th Ordinary General Meeting of Shareholders held on June 28, 2016 as an annual amount not exceeding 300 million yen (not including employee salaries for Directors who concurrently serve as employees).

This time, the Company has introduced a restricted stock compensation plan (the “Plan”) with respect to Directors (excluding Audit & Supervisory Board Members and Outside Directors and referred below as “Eligible Directors”), for the purpose of strengthening incentives to enhance the Company's corporate value and to promote further value sharing with shareholders. We ask for your approval to introduce a new compensation plan (the “Compensation Plan for Restricted Shares”) and to newly grant restricted transferable shares as compensation, or to grant monetary compensation claims for the grant of restricted transferable shares as compensation to the Eligible Directors, separately from the above-mentioned compensation framework.

The compensation to be paid to Subject Directors pursuant to this plan shall be (i) shares of common stock of the Company or (ii) monetary compensation claims as assets in kind to acquire shares of common stock of the Company, and Subject Directors will be issued or dispose of shares of common stock of the Company pursuant to a resolution of the Board of Directors of the Company.

The total amount of the Company's common stock or monetary compensation claims to be paid to Eligible Directors shall not exceed 60 million yen per year. In the event that shares of common stock of the Company are to be granted to the Eligible Directors under the Plan without granting monetary compensation claims, such shares of common stock shall be issued or disposed of as compensation for the Directors and no payment of money in exchange for such shares of common stock shall be required. The above compensation amount shall be calculated per share of common stock of the Company to be issued or disposed of based on the closing price of the common stock of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of resolution of the Board of Directors regarding the issuance or disposal of such common stock (or, if no transaction is effected on such date, the closing price on the immediately preceding business day).

In cases where monetary compensation claims are granted to Eligible Directors as contributions in kind for acquiring the Company's common shares under this Plan, the entire amount of such monetary compensation claims shall be contributed as payment in kind, and the recipients shall receive the issuance or disposal of the corresponding common shares. In this case, the per-share paid-in amount for the Company's common shares shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately preceding the date of the relevant resolution of the Board of Directors concerning the issuance or disposal of such shares (or, if no transaction is effected on such date, the closing price on the most recent trading day prior thereto), within a range that is not particularly advantageous to the Directors receiving the shares.

Under this Plan, the total number of the Company's common shares to be issued or disposed of to Eligible Directors shall be limited to a maximum of 66,000 shares per year. However, if a stock split (including an allotment without consideration of the Company's common shares) or a reverse stock split of the Company's common shares takes effect on or after the date this proposal is approved and adopted, the total number of shares may be reasonably adjusted as necessary in accordance with the split ratio, reverse split ratio, or other relevant factors effective from the date of such event.

Moreover, the specific timing and allocation of the grants to each Eligible Director shall be determined by the Board of Directors following consultation with and reports from the Nomination and Compensation Committees.

The number of Directors (excluding Audit & Supervisory Board Members) is currently five, including one Outside Director. However, if Item 3 is approved and adopted as originally proposed at this General Meeting of Shareholders, the number will be five, including one Outside Director.

In the event that common shares of the Company are issued or disposed of to Eligible Directors and monetary compensation claims are granted as contributions in kind under this plan, the grant of monetary compensation claims shall

be conditional upon the execution of a restricted stock allotment agreement (referred to as the “Allotment Agreement”) between the Company and Eligible Directors, which shall include the following terms.

(1) Period of restriction of transfer

Eligible Directors shall not transfer, create any security interest over, make gifts inter vivos of, or otherwise dispose of the allotted shares during the period from the payment date for the allotted shares (referred to as the “Payment Date”) until the date they retire from their position as Director of the Company (referred to as the “Restriction Period”)

(2) Conditions for lifting of restriction of transfer

Provided that the Eligible Director has continuously held the position of Director of the Company or another position as determined by the Company’s Board of Directors throughout the period from the Payment Date until the conclusion of the first Ordinary General Meeting of Shareholders thereafter (referred to as the “Service Period”), the transfer restrictions on all of the allotted shares shall be lifted upon the expiration of the Restriction Period.

However, if an Eligible Director resigns during the Service Period for a legitimate reason or due to death, the number of allotted shares for which the transfer restrictions are to be lifted, as well as the timing of such lifting, shall be reasonably adjusted as necessary.

(3) Reason for acquisition without consideration

If an eligible director resigns during the Service Period without a legitimate reason, the Company shall automatically acquire the allotted shares free of charge.

Moreover, if there are any allotted shares for which the transfer restrictions have not been lifted at the time specified in (2) above, the Company shall automatically acquire those shares free of charge.

(4) Handling of restructuring and similar events

Notwithstanding the provisions specified in (1) above, during the transfer restriction period, if matters related to a merger agreement in which the Company becomes the disappearing company, a stock exchange agreement in which the Company becomes a wholly-owned subsidiary, a share transfer plan, or any other restructuring events are approved at the Company's Shareholders Meeting (or, if shareholder approval is not required for such restructuring, at the Company's Board of Directors meeting), the Company shall, by resolution of the Board of Directors, reasonably adjust, as necessary, the number of allotted shares for which the transfer restrictions are to be lifted, and the timing of such lifting of restrictions. In this case, if there are any allotted shares for which the transfer restrictions have not been lifted immediately after the lifting of restrictions on transfer, the Company shall automatically acquire those shares free of charge.

(5) Other matters

Other matters related to the Allotment Agreement shall be determined by the Company's Board of Directors.

【Grounds for appropriateness of restricted stock】

The Company has established the policy for determining the details of individual Directors' compensation at the Board of Directors meeting held on March 30, 2023. The granting of restricted stock under this Plan is in accordance with the aforementioned policy, and if this proposal is approved, an amendment of the policy is planned to include the contents of this Plan. Furthermore, the value of the restricted stock shall be evaluated at the market price as of the date of the Board of Directors' resolution regarding the grant, with an annual limit of 60 million yen. The total number of common shares to be issued or disposed of by the Company to Eligible Directors is set at a maximum of 66,000 shares per year, and the dilution rate relative to the total number of shares issued is approximately 0.49%, which is considered negligible. Therefore, the granting of these restricted stocks is deemed appropriate.

The shares allocated to Eligible Directors under this Plan will be managed in a dedicated account opened by the Eligible Directors at a securities company designated by the Company, and during the restriction period, the shares will not be transferable, subject to security interests, gifts inter vivos, or otherwise disposed of.

(Reference)

If this item is approved and adopted, the Company plans to allocate restricted stock with the same conditions mentioned above to executive officers and advisors who do not concurrently serve as Directors of the Company.