

[Translation for reference purpose only]

# Articles of Incorporation of Investment Corporation

**Invincible Investment Corporation**

## **Invincible Investment Corporation Articles of Incorporation**

### **Chapter I            General Provisions**

#### **Article 1            Trade Name**

The trade name of the Investment Corporation is “Invincible Toushi Houjin” (“the Investment Corporation”), and the English name is Invincible Investment Corporation.

#### **Article 2            Purpose**

The purpose of the Investment Corporation is to invest its assets mainly into Specified Assets (hereinafter, as defined in Article 2, Paragraph 1 of the Act on Investment Trust and Investment Corporations (Act No. 198 of 1951, as amended (the “Investment Trust Act”))).

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

The head office of the Investment Corporation shall be in Minato-ku, Tokyo.

#### **Article 4            Method of Public Notice**

The Investment Corporation shall make public notice by publication in the Nihon Keizai Shimbun.

### **Chapter II           Investment Units**

#### **Article 5            Redemption of Investment Units upon the Request of Unitholders**

The Investment Corporation shall not redeem investment units upon the request of unitholders.

#### **Article 6            Total Number of Investment Units Authorized to be Issued**

1. The total number of investment units of the Investment Corporation authorized to be issued is 10 million units.
2. The issue price of investment units offered in Japan must account for more than 50% of the aggregate issue price of the investment units of the Investment Corporation.
3. The executive directors of the Investment Corporation may, upon obtaining the approval of the board of directors, offer investment units to be issued by the Investment Corporation for subscription to the extent the number of the offered units is within the limits prescribed in Paragraph 1. The issue price per unit for the Investment Units for Subscription (meaning the investment units allotted to persons who, in response to such offer, applied for subscription to such investment units) shall be determined on an equal basis by every issue date and shall be the price determined by the executive directors and approved by the board of directors as a fair price in light of the assets held by the Investment Corporation (“Investment Assets”).

#### Article 6-2 Acquisition of Own Investment Units

The Investment Corporation may, to the extent permitted by the laws and regulations, by the resolution of its board of directors, acquire its own investment units for value upon agreements with unitholders, through market transactions or through other methods set forth in the laws and regulations.

#### Article 7 Investment Units Handling Rules

Other than as prescribed by laws and regulations or these Articles of Incorporation, the procedures for handling of investment units, including registration or recording in the registry of unitholders of the Investment Corporation and the associated fees, shall be in accordance with the investment units handling rules prescribed by the board of directors.

#### Article 8 Minimum Amount of Net Assets

The minimum amount of net assets of the Investment Corporation is 50 million yen.

### Chapter III Investment Target and Investment Policy

#### Article 9 Basic Investment Policy

With the aim of achieving steady growth of the investment assets and stable income from the medium- and long-term view, the Investment Corporation shall manage its assets for the purpose of investing the assets primarily in the Real Estate and Other Assets (meaning the Real Estate and Other Assets set forth in the Ordinance for Enforcement of the Act on Investment Trusts and Investment Corporations (hereinafter referred to as the “Investment Trust Act Enforcement Ordinance”)).

#### Article 10 Investment Perspective

1. As its investment policy, the Investment Corporation shall invest in the assets in the proportion in accordance with the following policy. The Investment Corporation shall ensure that the total amount of Specified Real Estate (this means the Specified Assets acquired by the Investment Corporation that are real estate, real estate leasehold rights or surface rights, or the beneficiary interest of a trust having as trust assets real estate ownership, land leasehold rights or surface rights; the same shall apply to Paragraph 2) accounts for at least 75% of the total amount of Specified Assets held by the Investment Corporation.
2. For the investment of the Specified Assets, a comprehensive judgment shall be made based on the investment environment, after conducting detailed research regarding the relevant assets, including the investment yield anticipated from acquisition price and income projection, future prospects and stability of the site area and the periphery, and the expected sale price and the expected time to be required for possible sale in the future.
3. In the case set forth in the Order for Enforcement of the Act on Investment Trusts and Investment Corporations (hereinafter referred to as the “Investment Trust Act Enforcement Order”), the Investment Corporation may acquire the outstanding shares or equity interests in the corporations defined in Article 221-2, Paragraph 1 of the Investment Trust Act Enforcement Ordinance (hereinafter referred to as the “Corporations Holding Overseas Real Estate”) beyond the number or the amount obtained by multiplying (a) the total number or the total amount of the outstanding shares or equity interests in such Corporations Holding Overseas Real Estate (excluding the treasury shares or equity interests held by such Corporations Holding Overseas Real Estate) by (b) the rate set forth in Article 221 of the Investment Trust Act Enforcement Ordinance.

4. The Real Estate, etc. (meaning the Specified Assets listed in Article 11, Paragraph 1, Items 1 through 8; hereinafter the same) and the Real Estate-Backed Securities (meaning the Specified Assets listed in Article 11, Paragraph 1, Items 9 through 13; hereinafter the same) to be invested shall be the Real Estate, etc. and the Real Estate-Backed Securities that are expected to generate rent income. However, if the investment in the Real Estate, etc. and the Real Estate-Backed Securities is judged to be beneficial for the asset management of the Investment Corporation in the light of the conditions of the asset management of the Investment Corporation, even if the Real Estate, etc. and the Real Estate-Backed Securities are not expected to generate rent income at the time of their acquisition or from immediately after their acquisition, such Real Estate, etc. and Real Estate-Backed Securities shall be included in the assets to be invested.
5. The Investment Corporation may invest in securities other than the Real Estate-Backed Securities, as well as in monetary claims and other assets, to ensure stable and efficient management of the assets in preparation for the payment of distributions or maintenance costs of the real estate, or for the management of temporal fund waiting for the acquisition of real estate. In such cases, the Investment Corporation shall make an investment taking security and liquidity into account, if the investment is judged to be beneficial considering the period and purposes of the investment in light of the conditions of the asset management of the Investment Corporation.
6. The Investment Corporation may reinvest the sales price of the investment assets, and the redemption amount, interest, trust profits, distributions and other income from the securities.
7. The Investment Corporation may conduct transactions other than those listed in Paragraph 2 through the immediately preceding paragraph when the Investment Corporation judges that it is feasible for those transactions to be conducted in light of the laws, ordinances, the rules of the Investment Trusts Association, Japan, these Articles of Incorporation and generally accepted fair practices, and that the transactions will be beneficial for the asset management of the Investment Corporation.
8. Notwithstanding the provisions from Paragraph 2 through the immediately preceding paragraph, if any unexpected event such as a sudden change of market condition trends, general economic conditions or real estate market trend occurs and the interests of unitholders are likely to be damaged, the Investment Corporation may take measures necessary to protect the interests of unitholders.

#### Article 11 Investment Target

1. In accordance with the basic policy prescribed in Paragraph 9 above, the Investment Corporation shall make investments primarily in the Specified Assets listed below:
  - (1) Real estate, real estate leasehold rights or surface rights
  - (2) Assets listed in the immediately preceding item (1) governed by foreign laws and regulations
  - (3) Trust beneficiary rights in real estate, real estate leasehold rights, surface rights or the assets listed in the immediately preceding item (2) (including blanket trusts in which funds incidental to the real estate are also entrusted)
  - (4) Trust beneficiary rights in cash which aim to manage the trust assets by investing primarily in real estate, real estate leasehold rights, surface rights or the assets listed in Item (2)
  - (5) Equity interests in contracts whereby one party makes investment in the asset management by the counterparty of assets of the kind listed in Items (1) through (4) and the counterparty manages the contribution by the first party by primarily investing it in the cited assets and distributes the profits derived from those

- investments (hereinafter referred to as “Equity Interests in Real Estate Anonymous Associations”)
- (6) Trust beneficiary rights in cash which aim to manage the trust assets by investing primarily in Equity Interests in Real Estate Anonymous Associations
  - (7) Assets formed under foreign laws and regulations and having the same nature as the assets listed in Items (3) through (6)
  - (8) Shares or contributions issued by the Corporations Holding Overseas Real Estate whose assets consist entirely of real estate and monetary claims, etc. associated with such real estate (excluding those listed on foreign financial instrument exchanges and those registered, etc. on OTC financial instruments exchanges opened in foreign countries) in the case set forth in Article 194, Paragraph 2 of the Investment Trust Act.
  - (9) Preferred equity securities of Tokutei Mokuteki Kaisha (limited to those that aim to invest in Real Estate, etc. in an amount exceeding one-half the value of the backing assets)
  - (10) Beneficiary certificates of Tokutei Mokuteki Shintaku (limited to those that aim to invest in Real Estate, etc. in an amount exceeding one-half the value of the backing assets, and excluding the assets listed in Items (3), (4), or (6))
  - (11) Beneficiary certificates on the investment trust (limited to those that aim to invest in Real Estate, etc. in an amount exceeding one-half the value of the backing assets)
  - (12) Investment securities (limited to those that aim to invest in Real Estate, etc. in an amount exceeding one-half the value of the backing assets)
  - (13) Assets formed under foreign laws and regulations and having the same nature as the assets listed in Items (9) through (12)
2. The Investment Corporation may also invest in the Specified Assets listed below for the efficient investment of funds.
- (1) Securities (as defined in Article 2, Paragraph 1 of the Financial Instruments and Exchange Act and the rights deemed to be the securities in the provisions of Paragraph 2 of the same article; hereinafter the same, but excluding the assets listed in this Paragraph, Item (4) and Paragraph 3, Item (9))
  - (2) Monetary claims (as defined in the “Investment Trust Act Enforcement Order”, and including ordinary deposits, large time deposits and negotiable deposits, but excluding the assets listed in this Paragraph, Item (5))
  - (3) Call loans
  - (4) Securities or certificates issued by foreign countries or foreign parties and having the nature of the securities or certificates listed in this Paragraph, Item (1)
  - (5) Monetary claims against the Corporations Holding Overseas Real Estate
  - (6) Trust beneficiary rights in cash which aim to manage the assets by investing in the assets listed in Items (1) through (5), and trust beneficiary rights in cash which aim to manage the assets by investing in such trust beneficiary rights
  - (7) Interests in financial futures
  - (8) Interests in financial derivative transactions
3. In addition to investment in the Specified Assets set forth in Paragraphs 1 and 2, the Investment Corporation may invest in the assets listed in the following items if such investments are necessary for investment in the Real Estate, etc.
- (1) Trademark rights, and exclusive right to use or non-exclusive rights to use

- trademarks set forth in the Trademark Act (Act No. 127 of 1959, as amended) (limited to those that are incidental to the investment in the Real Estate, etc.)
- (2) Rights to use the source of a hot spring as prescribed by the Hot Springs Act (Act No. 125 of 1948, as amended) and facilities related to such hot spring (limited to those that are incidental to the investment in the Real Estate, etc.)
  - (3) Carbon dioxide equivalent quotas or other similar assets or emission rights (including emission rights for greenhouse gases) based on the Act on Promotion of Global Warming Countermeasures (Act No. 117 of 1998, as amended)
  - (4) Copyrights as defined in the Copyright Act (Act No. 48 of 1970, as amended)
  - (5) Investment interests in partnerships (limited to those established by contributing real estate, lease of real estate, surface right or easement and aiming to lease, operate or manage these assets) as defined in Article 667 of the Civil Code (the “Civil Code”) (Act No. 89 of 1896, as amended)
  - (6) Movable (as defined in the Civil Code)
  - (7) Easement
  - (8) Specified equity as defined in Article 2, Paragraph 6 of the Act Concerning the Securitization of Assets (Act No. 105 of 1998, as amended)
  - (9) Shares (including other equity interests but excluding those falling under any of the foregoing items) issued by domestic or foreign corporations which are formed solely to operate asset management of assets in foreign countries
  - (10) In addition to Items (1) through (9) above, other rights the acquisition of which are necessary or useful, in connection with investments in the Real Estate, etc. or the Real Estate-Backed Securities
  - (11) Trust beneficiary rights in cash which aim to manage the trust assets by investing in those listed in Items (1) through (10) of this paragraph
  - (12) Title as a member of limited liability company set forth in the Companies Act (Act No. 86 of 2005)
  - (13) Title of fund contributor set forth in the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006) (including claims for return of the funds)
4. The rights to be indicated on securities set forth in Article 2, Paragraph 2 of the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended) shall, when securities indicating these rights have not been issued, be deemed as securities indicating these rights, and Paragraphs 1 through 3 shall apply.

## Article 12            Restrictions on Investment

1. The Investment Corporation shall not actively invest in securities or monetary claims prescribed in Paragraph 2, Items (1) and (2) of the immediately preceding article, and shall make investment taking security and liquidity of investment or relevancy with the Specified Assets listed in Paragraph 1 of the immediately preceding article into consideration.
2. The Investment Corporation may acquire interests in financial futures set forth in Paragraph 2, Item (7) of the immediately preceding article and interests in financial derivative transactions set forth in Paragraph 2, Item (8) of the immediately preceding article only for the purpose of hedging against interest rate risk and other risks arising from the liabilities of the Investment Corporation.

#### Article 13 Lending of Portfolio Assets

1. With regard to real estate owned by the Investment Corporation, for the purpose of gaining return, the Investment Corporation may enter into lease agreements with third parties and lease the real estate, or enter into management agreements with third parties and entrust the management of the real estate. With regard to the real estate related to trust beneficiary interests that are backed by real estate and owned by the Investment Corporation, the Investment Corporation may cause the trustee of the trust to enter into lease agreements with third parties and lease the real estate, or, after borrowing such real estate from the trustee, enter into management agreements with third parties and entrust the management of the real estate.
2. When leasing real estate prescribed in the immediately preceding paragraph, the Investment Corporation may receive or deliver security deposits, guaranty deposits and other similar monies (the "Security Deposits"); the Investment Corporation may invest such received Security Deposits in accordance with the provisions of the investment policy of the Investment Corporation.
3. The Investment Corporation may loan or lease the Specified Assets owned by the Investment Corporation (except those listed in Paragraph 1) for the purpose of promoting the management of the assets if the market for such transactions is generally recognized to widely exist. In such case, the transactions shall be made by sufficiently taking into account the risks associated with the relevant transactions.

#### Article 14 Borrowing and Issues of Investment Corporation Bonds

1. For the purpose of contributing to the efficient asset management and stability of asset management, the Investment Corporation may borrow funds or issue investment corporation bonds (including short-term investment corporation bonds, the same applying hereinafter) to be used for the acquisition of assets, repairs, the payment of distributions, funds necessary for management of the Investment Corporation or the repayment of debts.
2. The maximum amount of borrowing and of issuance of investment corporation bonds shall be five hundred billion yen as the upper limit respectively and the total of the two may not exceed five hundred billion yen.
3. Borrowing can only be made only from qualified institutional investors as prescribed by the Financial Instruments and Exchange Act (limited to institutional investors as prescribed by Article 67-15 of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957, as amended)).
4. In the event prescribed in Item 1, the Investment Corporation may provide investment assets as collateral.

#### Article 15 Methods, Standards and Reference Dates for Asset Evaluation

1. The methods of evaluating the assets of the Investment Corporation shall be provided as follows according to the classification of the investment assets.

- (1) Real estate, real estate leasehold rights or surface rights

An evaluation shall be made for the value obtained by deducting the accumulated depreciation amount from the acquisition price.

Depreciation shall be calculated on a straight-line basis for the building and the facilities; provided, however, that if the straight-line method becomes inappropriate due to any justifiable reason, the Investment Corporation may change the method to a different method for the calculation of the depreciation of the facilities, as long as it can reasonably be determined that no problems will arise from the perspective of the protection of the unitholders.

- (2) Trust beneficiary interests in real estate, real estate leasehold rights or surface rights

The value shall be calculated by evaluating the value of the portion of the trust beneficiary interest based on the value obtained by subtracting the total amount of trust liabilities from the total amount of trust assets after, in the case where the trust assets are the assets listed in the immediately preceding item, evaluating the trust assets by the method stated in the immediately preceding item, and, in the case where the trust assets are financial assets, evaluating the trust assets in accordance with generally accepted corporate accounting practices.

- (3) Trust beneficiary interests in cash which aim to manage the trust assets by investing primarily in real estate, real estate leasehold rights or surface rights

The value shall be calculated by evaluating the value of the portion of the trust beneficiary interest based on the value obtained by subtracting the total amount of trust liabilities from the total amount of trust assets after, in the case where the trust assets are composed of the assets listed in Item (1), evaluating the trust assets by the method stated in Item (1) above, and, in the case where the trust assets are composed of financial assets, evaluating the trust assets in accordance with generally accepted corporate accounting practices.

- (4) Equity Interests in Real Estate Anonymous Associations

An evaluation shall be made by evaluating the value of the portion of the equity interests in the anonymous associations based on the value obtained by subtracting the total amount of anonymous association liabilities from the total amount of anonymous association assets after, in the case where the assets of the anonymous associations are composed of the assets listed in Items (1) through (3) above, evaluating the assets of the anonymous associations respectively as stated in Items(1) through (3) above, and, in the case where the assets of the anonymous associations are composed of financial assets, evaluating the assets of the anonymous associations in accordance with generally accepted corporate accounting practices.

- (5) Trust beneficiary interests in cash which aim to manage the assets by investing in Equity Interests in Real Estate Anonymous Associations

The value shall be obtained by subtracting the total amount of trust liabilities from the total amount of trust assets after evaluating the value of the equity interests in anonymous associations which are trust assets by the method stated in the immediately preceding item, and multiplied by the proportion of interests in such trust assets.

- (6) Securities

- (i) Securities listed on the Financial Instruments Exchanges

An evaluation shall be made for the value calculated based on the closing market price at the financial instruments exchange markets established by the Financial Instruments Exchanges or overseas financial instruments exchange markets.

- (ii) Securities other than above

If the quotation price is provided by a securities company or a similar entity, an evaluation shall be made for the value based on the relevant quotation price in principle. If the quotation price is not provided, an evaluation shall be made for the value calculated pursuant to the evaluation rules of the Investment Trusts Association, Japan.

- (7) Trust beneficiary interests in cash



An evaluation shall be made by evaluating the total amount of trust assets after evaluating the trust assets components in accordance with the above.

(8) Monetary claims

The value shall be calculated by deducting any allowance for bad debt from the acquisition price; provided, however, that if the monetary claims were acquired at a price lower or higher than their face value and the difference between the acquisition price and their face value can be considered to be an interest adjustment, the value shall be calculated by deducting the allowance for bad debt from the value calculated by the amortized cost method.

(9) Interests in financial futures and interests in financial derivative transactions

(i) Claims and obligations from financial futures and financial derivative transactions listed on Financial Instruments Exchanges

An evaluation shall be made for the value calculated based on the closing market price on the reference date on the relevant exchange. If there is no closing market price on that the reference date the evaluation shall be made for the value calculated based on the closing market price on the closest preceding day to the reference date.

(ii) Claims and obligations from non-listed financial futures and financial derivative transactions for which there is no market price on the Financial Instruments Exchange

An evaluation shall be made for the value which can be calculated in a reasonable method as approximating the market price. If it is recognized to be extremely difficult to calculate a fair value approximating the market price, then evaluation shall be made for the acquisition price.

(iii) Notwithstanding the above, hedge accounting may be applicable to those transactions that are deemed as hedge transactions under generally accepted corporate accounting practices. However, for those transactions that satisfy the criteria for special treatment for interest rate swaps set forth in the Financial Instruments Accounting Standards, such special treatment for interest rate swaps may be applied.

(10) Others

(i) If not provided for in the above, evaluations shall be made for the value calculated pursuant to the evaluation rules of the Investment Trusts Association, Japan, or the value calculated under generally accepted corporate accounting practices.

(ii) If asset evaluation methods are to be used in order to disclose values in asset management reports, evaluation shall be made in the following manner:

(a) Real estate, real estate leasehold rights and surface rights

In principle, for the value based on the appraisal by a real estate appraiser or inspection value.

(b) Trust beneficiary rights in real estate, surface rights or land leasehold rights and Equity Interests in Real Estate Anonymous Associations

In the case where the trust assets or the assets of anonymous associations are composed of assets listed in (a) above, evaluations shall be made by the method described in (a) above and in the case where the trust assets or the assets of anonymous associations are composed of financial assets, evaluations shall be made by calculating the amount equivalent to the Equity Interests in Real Estate Anonymous Associations or the amount equivalent to the equity interests in trust beneficiary rights obtained by subtracting the total amount of liabilities from the total amount of assets

after evaluating the assets in accordance with generally accepted corporate accounting practices.

- (11) The reference dates for asset evaluations shall, in principle, be the end of each fiscal period stipulated in Article 16.

## Chapter IV      Calculation

### Article 16      Closing Date

The fiscal period of the Investment Corporation shall be the six-month periods from January 1 to the last day of June and from July 1 to the last day of December of each year (the last day of each fiscal period shall be hereinafter referred to as the “Closing Date”).

### Article 17      Policy on the Distribution of Funds

The Investment Corporation shall make distributions of funds to unitholders or to recorded pledgees of investment units registered or recorded in the last registry of unitholders on each Closing Date in accordance with the policy set forth below:

- (1) The distributable amount generated by the operation of the assets by the Investment Corporation (hereinafter referred to as the “Distributable Amount”) shall be the amount of profits (as stipulated in Article 136, Paragraph 1 of the Investment Trust Act) calculated in compliance with the Investment Trust Act or generally accepted accounting practices.
- (2) The amount of distributions shall, in principle, be an amount determined by the Investment Corporation (but shall not, in any case, be greater than the Distributable Amount), which shall exceed 90% of the distributable profit (hereinafter referred to as the “Distributable Profit”) (however, if there is a change in the method of calculation due to amendments to laws and regulations, then the amount as calculated after such change), as defined in Article 67-15 of the Special Taxation Measures Act; provided, however, that if any tax losses arise or if no profits have been recorded for tax purposes due to tax losses carried forward, the foregoing shall not apply and the amount of distribution shall be an amount reasonably determined by the Investment Corporation. Furthermore, the Investment Corporation may set aside funds for long-term repair reserves, reserves for payment, reserves for distribution and similar reserves and provisions, which are necessary to maintain or increase the value of its assets.
- (3) The amount of profit that is not allocated to distributions and retained shall be invested in accordance with the investment target and investment policy of the Investment Corporation.
- (4) Distributions in excess of the amount of profit  
If the Investment Corporation determines it to be appropriate by taking into account trends in the economic environment, the real estate market, the leasing market, the real estate investment trust market and other markets or the impact that the Investment Corporation’s asset acquisition and financing activities may have on the amount of distribution per unit or if the Investment Corporation can avoid being imposed of taxation such as corporate tax, etc. thereon, the Investment Corporation may, in compliance with the provisions of the Investment Trust Act, make distributions of funds in excess of the Distributable Amount to unitholders, by adding an amount determined by the Investment Corporation, up to the amount prescribed in the rules of the Investment Trusts Association, Japan, pursuant to the calculation statement concerning the distribution of funds that has been approved under the Investment Trust Act.
- (5) Method for distribution of funds

Distributions of funds shall be in cash and shall be made to unitholders or to recorded pledgees of investment units registered or recorded in the last registry of unitholders as of the Closing Date in accordance with the number of investment units owned by the unitholder or the number of investment units subject to the recorded investment unit pledge.

(6) Period of exclusion of action for distributions

Once three full years have elapsed from the date of the start of the payment of a distribution to unitholders or recorded pledgees of investment units, the Investment Corporation will no longer be obligated to make the payment of such distribution. No interest shall accrue on unpaid distributions.

## Chapter V General Unitholders Meeting

### Article 18 Convocation

1. Except as otherwise prescribed by laws and regulations, general unitholders meetings shall be convened, pursuant to the resolution of the board of directors, by the executive director in the case where there is one executive director, and by one executive director, in accordance with the order prescribed in advance by the board of directors, in the case where there are two or more executive directors.
2. General unitholders meetings of the Investment Corporation shall, in principle, be held no less than once every two years, in one of the 23 wards of Tokyo.

### Article 19 Public Notice and Notice of Convocation

For convocation of a general unitholders meeting, a public notice of the date fixed for that general unitholders meeting shall be given by two months prior to such date and a notice shall be given to each unitholder by two weeks prior to such date.

### Article 20 Chairperson

The chairperson of a general unitholders meeting shall be the executive director in the case where there is one executive director, and one executive director, in accordance with the order prescribed in advance by the board of directors, in the case where there are two or more executive directors; provided, however, that if the executive director who is supposed to serve as chairperson of that meeting is unable to so act, one of the other executive directors or supervisory directors shall serve as chairperson in accordance with the order prescribed in advance by the board of directors

### Article 21 Resolutions

Except as otherwise prescribed by laws and regulations or these Articles of Incorporation, resolutions of a general unitholders meeting shall be made by a majority of the voting rights held by the unitholders in attendance.

### Article 22 Exercise of Voting Rights by Proxy

1. A unitholder may exercise his or her voting rights by selecting another unitholder having voting rights in the Investment Corporation as his or her proxy.
2. A unitholder or a unitholder who has been selected as a proxy set forth in the preceding paragraph is required to submit to the Investment Corporation a document evidencing the authority of a proxy prior to each general unitholders meeting.

Article 23            Exercise of Voting Rights in Writing

1. The exercise of voting rights in writing shall require a statement of the matters required to be contained in the document for the exercise of voting rights and shall require submission of the document with the necessary matters stated to the Investment Corporation by the time specified by laws and regulations.
2. The number of voting rights exercised in writing pursuant to the preceding paragraph shall be included in the number of voting rights held by the unitholders in attendance at the general unitholders meeting.

Article 24            Exercise of Voting Rights by Electromagnetic Methods

1. The exercise of voting rights through electromagnetic methods shall require the provision of the matters required to be contained in the document for the exercise of voting rights to the Investment Corporation through electromagnetic methods as prescribed by laws and regulations and with approval from the Investment Corporation, by the time specified by laws and regulations.
2. The number of voting rights exercised through electromagnetic methods shall be included in the number of voting rights held by the unitholders in attendance at the general unitholders meeting.

Article 25            Deemed Affirmative Vote

1. If a unitholder neither attends a general unitholders meeting nor exercises his or her voting rights, such unitholder shall be deemed to have voted affirmatively to the proposal submitted to the general unitholders meeting (in cases where more than one proposal have been submitted and they include conflicting proposals, excluding all of those conflicting proposals).
2. The number of voting rights held by unitholders that are deemed to have voted affirmatively to the proposal pursuant to the preceding paragraph shall be included in the number of voting rights held by the unitholders in attendance at the general unitholders meeting.

Article 26            Record Date

The unitholders entitled to exercise their rights at a general unitholders meeting shall be the unitholders registered or recorded in the final registry of unitholders as of the record date determined by the Investment Corporation by a resolution of the board of directors and provisioned, in advance, in the public notice made by the Investment Corporation in accordance with laws and regulations.

Article 27            General Unitholders Meeting Minutes

Regarding the proceedings of a general unitholders meeting, minutes shall be prepared that set forth an overview of the course of the proceedings, the results thereof, and any other matters prescribed by laws and regulations. The minutes prepared shall be maintained at the head office of the Investment Corporation for ten years.

Chapter VI            Executive Directors, Supervisory Directors and Board of Directors

Article 28            Number of Directors and Composition of Board of Directors

The number of executive directors shall be no less than one and the number of supervisory directors shall be no less than two (provided, however, that the number of supervisory

directors shall be at least one more than the number of executive directors), and the board of directors shall be composed of executive directors and supervisory directors (hereinafter referred to as the “Directors”).

Article 29 Election of Directors

Directors shall be elected at a general unitholders meeting.

Article 30 Term of Office of Directors

1. The term of office of the Directors shall be not more than two years from their respective election; provided, however, that the term of office of a Director who is elected to fill a vacancy or because of an increase in the number of Directors shall be the same as the remaining term of the preceding Director(s) or the other Director(s) then in office.
2. The period during which the resolution concerning the election of a Substitute Director remains in force shall be until the expiry of the term of office of the Director to be substituted who was elected at the general unitholders meeting at which such resolution was passed (where the Director was not elected at such general unitholders meeting, the most recent general unitholders meeting at which the Director was elected); provided, however, that the foregoing shall not preclude the shortening of such period by resolution of a general unitholders meeting.

Article 31 Resolution of Board of Directors

1. Except as otherwise prescribed by laws and regulations or these Articles of Incorporation, resolutions of the board of directors shall be made by a majority vote at a meeting attended by a majority of the members entitled to participate in the vote.
2. A Director who has special interest in the resolution set forth in the preceding paragraph shall not be permitted to attend the resolution.
3. The number of the Directors who are not permitted to attend the resolution set forth in the preceding paragraph shall not be included in the number of the members and participants set forth in Paragraph 1 hereof.

Article 32 Convocation of Board of Directors and Chairperson

1. Except as otherwise prescribed by laws and regulations, meetings of the board of directors shall be convened and chaired by the executive director in the case where there is one executive director, and by the executive director authorized to convene a meeting of the board of directors in the case where there are two or more executive directors.
2. The executive director authorized to convene a meeting of the board of directors shall be designated in advance by the board of directors.
3. In the case where there are two or more executive directors, an executive director other than the executive director authorized to convene a meeting of the board of directors may, pursuant to the provision set forth in Article 113, Paragraph 2 of the Investment Trust Act, request to convene a meeting of the board of directors, and a supervisory director may, pursuant to the provision set forth in Article 113, Paragraph 3 of the Investment Trust Act, request to convene a meeting of the board of directors.
4. For convocation of a meeting of the board of directors, notice thereof shall be sent to each Director at least three days prior to the meeting; provided, however, that in case of urgency, the convocation period may be further shortened.
5. With the consent of all of the executive directors and supervisory directors, a meeting of the board of directors may be held without taking the convocation procedures.

#### Article 33 Exemption of Liability of Directors

The Investment Corporation may, by a resolution of the board of directors, exempt any executive director (including a person who was an executive director) or supervisory director (including a person who was a supervisory director) from his or her liability under Article 115-6, Paragraph 1 of the Investment Trust Act if requirements stipulated by laws and regulations are satisfied, to the extent of the amount calculated by deducting the amount as set forth in laws and regulations from the amount of the liability for damages.

#### Article 34 Standards for Payment of Remuneration to Directors

Remuneration for an executive director shall be no more than 800,000 yen per month, and remuneration for a supervisory director shall be no more than 400,000 yen per month, and the amounts of the monthly remuneration shall be determined by the board of directors, respectively, and such amount shall be paid by the last day of the relevant month by remittance into the bank account designated by the relevant Director.

#### Article 35 Board of Directors' Meeting Minutes

Regarding the proceedings of the board of directors, the chairperson shall prepare the minutes that set forth an overview of the course of the proceedings and the results thereof and any other matters prescribed by laws and regulations, and the Directors present at such meeting shall sign their names or affix their names and seals thereon. The minutes prepared shall be maintained at the head office of the Investment Corporation for ten years.

#### Article 36 Board of Directors' Rules

Other than as prescribed by laws and regulations or these Articles of Incorporation, matters relating to the board of directors shall be in accordance with the board of directors' rules prescribed by the board of directors.

### Chapter VII Independent Auditor

#### Article 37 Election

An independent auditor shall be elected at a general unitholders meeting.

#### Article 38 Term of Office

1. The term of office of the independent auditor shall be until the conclusion of the general unitholders meeting first held after the first Closing Date after the passage of one year from the independent auditor's assumption of office.
2. Unless a resolution deciding otherwise is passed at the general unitholders meeting referred to in the preceding paragraph, the independent auditor shall be deemed to have been reelected at that general unitholders meeting.

#### Article 39 Standards for Payment of Remuneration to Independent Auditor

1. Remuneration for the independent auditor shall be determined by the board of directors within the maximum amount of 25 million yen per accounting period subject to audit. The payment shall be made within three months after the Investment Corporation's receipt of a claim for remuneration from the independent auditor which claim shall be made after the Investment Corporation's receipt of an audit report from the independent

- auditor, by remittance into the bank account designated by the independent auditor.
2. The Investment Corporation may, by a resolution of the board of directors, exempt the independent auditor from its liability to the extent permitted by laws and regulations in accordance with the provisions of the Investment Trust Act.

## Chapter VIII      Asset Manager, Asset Custodian and Administrative Agent

### Article 40      Entrustment of Management and Custody of Assets and Administrative Services

1. The Investment Corporation shall, in accordance with Articles 198 and 208 of the Investment Trust Act, entrust the management of its assets to an asset manager and the custody thereof to an asset custodian. The Investment Corporation shall entrust to a third party any administrative services other than the management and custody of its assets, which are set forth in Article 117 of the Investment Trust Act (hereinafter referred to as “General Administrative Services”).
2. Among the General Administrative Services to be entrusted following the incorporation of the Investment Corporation, (i) the administrative services relating to the offerings of any investment units and investment corporation bonds to be issued by the Investment Corporation for subscription, and the allotment without contribution of new investment unit options, (ii) the administrative services relating to the preparation and maintenance of a registry of new investment unit options, a registry of unitholders and a registry of investment corporation bonds, and other administrative services relating to the registry of new investment unit options, the registry of unitholders and the registry of investment corporation bonds, (iii) the administrative services relating to the issuance of new investment unit option certificates, investment unit certificates and investment corporation bonds certificates, (iv) the administrative services relating to the holders of new investment unit options and the holders of investment corporation bonds, and (v) the administrative services relating to the acquisition of its own investment units and other administrative services set forth in Article 169 of the Investment Trust Act Enforcement Ordinance shall be entrusted upon each offering to an administrative agent determined by the board of directors, and a relevant general administrative services agreement shall be executed.

### Article 41      Standards for Amount and Payment of Asset Management Fees to Asset Manager

The standards for the amounts of the asset management fees to be paid to the Asset Manager shall consist of a management fee, acquisition fee and disposition fee and the amounts or calculation methods thereof and time of payment of such fees shall be specifically stated below:

#### Asset Management Fee:

The Investment Corporation shall pay the amounts in (1) and the sum of the amounts in (2) below every half accounting period within six months after the last day of each of the relevant half accounting periods.

- (1) With respect to the period in and after January 2019 to December 2019, as the fees for every half accounting period (three months), an amount not exceeding the lower of either (A) the amount calculated by multiplying the total amount of the relevant assets recorded as of the end of the relevant half accounting period by 0.4%, and then dividing by 4 (disregarding any amounts less than one yen) or (B) 150,000,000 yen: and
- (2) With respect to the period in and after January 2020, as the monthly fees, the higher of

either (A) the amount calculated by multiplying the total amount of the relevant assets recorded as of the end of each relevant month by 0.4%, and then dividing by 12 (disregarding any amounts less than one yen) or (B) 25,000,000 yen.

**Acquisition Fee:**

If the Investment Corporation acquires any Real Estate, etc., and other assets, including trust beneficiary interests, which are backed by any Real Estate, etc., which are targeted for asset investment, the Investment Corporation shall pay an amount not exceeding 0.5% of the amount contributed by the Investment Corporation among the purchase price thereof (excluding an amount equivalent to the consumption tax thereon relevant to the building) within three months from the end of the month in which the date of acquisition of such assets falls.

**Disposition Fee:**

If the Investment Corporation disposes of any Real Estate, etc., and other assets, including trust beneficiary interests, which are backed by any Real Estate, etc., which are targeted for asset investment, the Investment Corporation shall pay an amount not exceeding 0.5% of the amount received by the Investment Corporation among disposition price thereof (excluding an amount equivalent to the consumption tax thereon relevant to the building) within three months from the end of the month in which the date of disposition of such assets falls.

Chapter IX            Other

Article 42            Payment of Miscellaneous Expenses

1. The Investment Corporation shall assume all taxes on the investment assets, miscellaneous expenses incurred by the administrative agent, the asset custodian or the Asset Manager in performing administrative work entrusted by the Investment Corporation and interest in arrears or damages pertaining to advances, upon request for the payment thereof.
2. In addition to the preceding paragraph, the Investment Corporation shall assume the following expenses:
  - (1) Expenses related to the issuance of investment units and investment corporation bonds, the acquisition of its own investment units, and the allotment without contribution of new investment unit options;
  - (2) Expenses for the preparation, printing and submission of securities registration statements, periodic securities reports and extraordinary reports;
  - (3) Expenses for the preparation, printing and distribution of prospectuses and the summarized (preliminary) prospectuses;
  - (4) Expenses for the preparation, printing and distribution of financial statements and asset management reports, as prescribed by laws and regulations (including expenses for the submission of those documents to supervising government agencies, etc.);
  - (5) Expenses for public notices and advertising, of the Investment Corporation;
  - (6) Fees and expenses paid to professionals (including legal counsels, real estate appraisals, asset inspection, judicial scriveners, etc.);
  - (7) Out-of pocket expenses, insurance premiums, advances, for Directors, and expenses for holding general unitholders meetings and board of directors meetings;



- (8) Expenses for the acquisition or management and operation of investment assets (including brokerage fees, administration service fees, insurance premiums, maintenance and repair expenses, utilities expenses);
- (9) Interest on loans and on investment corporation bonds;
- (10) Expenses for the operation of the Investment Corporation; and
- (11) Other expenses which the Investment Corporation shall assume.

#### Article 43 Attribution of Profit and Loss

Any and all profit and loss arising from the management of the investment assets of the Investment Corporation by Asset Manager shall be attributable to the Investment Corporation.

#### Article 44 National and Local Consumption Taxes

The amounts of asset management fees and other expenses or funds to be paid by the Investment Corporation, which are stated in these Articles of Incorporation, shall not include any consumption tax and local consumption tax (hereinafter referred to as the "Consumption Tax"). In the case where the aforementioned expenses or funds constitute items subject to taxation under the Consumption Tax Act, the Investment Corporation shall pay the amount obtained by adding the amount equal to the Consumption Tax to the amount of the aforementioned expenses and funds.

#### Supplementary Provision

The amendment concerning the asset management fee prescribed in Article 41 shall come into effect as of January 1, 2019.

Enacted:	January 8, 2002
Amended:	March 30, 2004
Amended:	April 14, 2004
Amended:	January 12, 2006
Amended:	May 2, 2006
Amended:	September 20, 2007
Amended:	September 25, 2009
Amended:	January 19, 2010
Amended:	September 22, 2011
Amended:	November 30, 2012
Amended:	June 28, 2013
Amended:	November 28, 2014
Amended:	December 18, 2015
Amended:	September 26, 2016
Amended:	December 21, 2017
Amended:	December 12, 2018