

**Articles of Incorporation
of
U.S.-Japan Council (Japan)**

CHAPTER I. GENERAL

Article 1. (Name)

The name of this general incorporated foundation (the “Foundation”) shall be “Ippan Zaidan Hojin Beinichi Council-Japan” and “U.S.-Japan Council (Japan)” in the English language.

Article 2. (Main Office)

2.1 The Foundation shall have its main office in Chiyoda-ku, Tokyo.

2.2 The Foundation may establish its branch office(s) in any other location(s) as necessary with a resolution of the Board of Directors. The foregoing shall apply to the relocation or closure of such branch office(s).

Article 3. (Purpose)

The purpose of the Foundation shall be promoting people-to-people relationships between Japanese and Americans of all generations as crucial to the Japan-U.S. relationship, strengthening educational, cultural, and economic ties, and deepening a long-term friendship between Japan and the United States.

Article 4. (Business for Public Interest Purposes)

4.1 The Foundation shall engage in the following business to achieve the public interest purposes set forth in the preceding Article:

- (1) Strengthen U.S.-Japan relations by providing opportunities to build networks that deepen ties between Japan and the United States.
- (2) Manage TOMODACHI, a public-private partnership that nurtures the next generation of Japanese and Americans through programs in educational and cultural exchange, entrepreneurship and leadership.
- (3) Explore issues benefiting communities, businesses and government entities of both Japan and the U.S., and execute programs and initiatives thereof.
- (4) Form strategic partnerships with other institutions and organizations to maximize the impact to achieve the purpose of this foundation, and provide opportunities for dialogue and communication between these organizations.
- (5) Cultivate networks between Japanese and American leaders who are committed to strengthening U.S.-Japan relations.
- (6) Develop educational programs and leadership programs to promote American and Japanese mutual understanding and exposure to each other’s culture.
- (7) When disasters or incidents impact Japan or the United States, the Foundation may accept donations from individuals, corporations and other foundations to provide financial support for relief and/or recovery activities.
- (8) Any activities or other business relating to or necessary to achieve the foregoing.

(Translation for Reference Purposes)

4.2 The business set forth in the preceding Paragraph shall be conducted in Japan and any other countries.

Article 5. (Fiscal Year)

The fiscal year of the Foundation shall commence on January 1 of each year and end on December 31 of the same year.

Article 6. (Discipline)

The Foundation shall endeavor to achieve its public interest purposes set forth in Article 3 hereof and to maintain and improve its social credibility by engaging in its business in a fair and proper manner in compliance with the philosophy and principle of the Code of Ethics (Voluntary Action Criteria) separately established by the Councilors Committee.

CHAPTER II. PROPERTIES AND ACCOUNTING

Article 7. (Founder and Contribution of Properties)

The name and address of the Founder of the Foundation and the properties to be contributed to the Foundation by the Founder are described in the List of Properties attached hereto.

Article 8 (Classification of Properties)

8.1 The properties of the Foundation shall be classified into two (2) categories, Basic Properties and Other Properties.

8.2 Basic Properties shall be those properties designated by the Board of Directors as necessary for the Foundation's business for public interest purposes.

8.3 Other Properties shall be those other than the Basic Properties.

8.4 Half or more of the property contributed (or the subsidy, etc., paid) to the Foundation on and after being authorized as a public interest incorporated foundation shall be used for its business for public interest purposes set forth in Article 4 hereof. Further, such property (or such subsidy, etc.) shall be handled in accordance with the Contribution Handling Regulations separately established with a resolution of the Board of Directors.

Article 9. (Maintenance and Disposal of Basic Properties)

9.1 The Foundation shall properly maintain and manage its Basic Properties.

9.2 If the Foundation disposes of, or creates a security interest in, part of its Basic Properties due to an unavoidable cause, a resolution thereon shall be adopted by the Board of Directors.

9.3 Any and all matters necessary for the maintenance and disposal of Basic Properties shall be as set forth in the Basic Property Management Regulations separately established by a resolution of the Board of Directors.

Article 10. (Management and Administration of Properties)

(Translation for Reference Purposes)

The properties of the Foundation shall be managed and administered by the President (*rijicho*) in accordance with the Property Management and Administration Regulations separately established by a resolution of the Board of Directors.

Article 11. (Business Plan and Budget)

11.1 The business plan, the budget plan and the documents specifying financing and capital investment plans of the Foundation shall be drafted by the President on or before the date immediately prior to the first day of each fiscal year and shall be approved by the Board of Directors, and the finalized version thereof shall be reported to the Councilors Committee. The foregoing shall apply to the amendment thereto.

11.2 After the Foundation is authorized as a public interest corporation, the finalized version of the business plan, the budget plan and the documents specifying financing and capital expenditure plans set forth in the preceding Paragraph shall be submitted to the administrative agency on or before the date immediately prior to the first day of each fiscal year.

Article 12. (Business Report and Financial Statements)

12.1 The business report, and the financial statements and their attachments, the list of properties, (for the purpose of this Article, collectively, the “List of Properties, Etc.”) of the Foundation shall be drafted by the President after the end of each fiscal year, shall be audited by the Auditors (*kanji*), and shall be approved by the Board of Directors, and the finalized version thereof shall also be approved by a general meeting of the Councilor Committee.

12.2 After the Foundation is authorized as a public interest corporation, the finalized version of the List of Properties, Etc. set forth in the preceding Paragraph shall be submitted to the administrative agency within three (3) months after the end of each fiscal year.

12.3 The Foundation shall publicly announce its balance sheet immediately after the general meeting of the Councilors Committee set forth in Article 12.1 above, as required by laws and regulations.

12.4 The Foundation shall distribute no dividends.

Article 13. (Accounting Principles, Etc.)

13.1 The Foundation shall perform its accounting procedures in accordance with generally accepted accounting principles applicable to public interest corporations.

13.2 Any and all matters necessary for the performance of accounting procedures shall be as set forth in the Accounting Regulations separately established with a resolution of the Board of Directors.

13.3 Any and all matters necessary for the handling of specified expense reserves, and funds retained for the acquisition or improvement of specified assets shall be separately determined with a resolution of the Board of Directors.

CHAPTER III. COUNCILORS AND COUNCILORS COMMITTEE

Section 1. Councilors

Article 14. (Number of Councilors)

14.1 This Foundation shall have at least 3 (three) Councilors.

Article 15 (Election of Councilors)

15.1 The Councilors shall be elected and removed by a resolution of the Councilors Committee.

15.2 In electing Councilors, all of the following requirements shall be satisfied:

- (1) With respect to each Councilor, no more than one-third (1/3) of all Councilors shall be composed of:
 - A. The Councilor's spouse, and/or his/her relative(s) within the third (3rd) degree of consanguinity;
 - B. A person who is in a de facto marriage with the Councilor but has not registered the marriage;
 - C. Any employee of the Councilor;
 - D. Any person other than those set forth in B and C above who maintains his/her livelihood with funds or other properties received from the Councilor;
 - E. The spouse of the person set forth in C or D above; and
 - F. Any relative within the third (3rd) degree of consanguinity of the person set forth in B to D above sharing livelihood with such person.
- (2) Director's relative(s), and/or any person who has a special relationship with a Director, or with respect to each Councilor, a Councilor and his or her relative(s), and/or any person who has a special relationship with such Councilor shall not respectively comprise more than one third of the total number of Councilors. Further, any Auditor, any of his/her relatives, and/or any person who has a special relationship with such Auditor may not be a Councilor.
- (3) The total number of Councilors who are composed of the following of other similar organization (excluding a public interest corporation) shall not exceed one third of the total number of the Councilors:
 - A. Director;
 - B. Employee;
 - C. Officer other than a director or a managing member (*gyomu shikko shain*) of such organization (or representative or manager of such organization if such organization is a non-judicial entity with a representative or manager); and
 - D. Employee of any of the following (excluding a member of the Diet and any local assembly):
 - (i) National institution;
 - (ii) Local government;
 - (iii) Independent Administrative Agency under Article 2, Paragraph 1 of the Act on General Rules for Independent Administrative Agency;
 - (iv) National University Corporation under Article 2, Paragraph 1 of the National University Corporation Act, or Inter-University Research Institute under Paragraph 3

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- thereof;
- (v) Local Independent Administrative Agency under Article 2, Paragraph 1 of the Local Independent Administrative Agency Act; or
- (vi) Special Corporation or Authorized Corporation.

15.3 Councilors may not be a Director, Auditor or employee of the Foundation.

15.4 After the Foundation is authorized as a public interest corporation, if any of the Councilors is replaced, the Foundation shall register such replacement within two (2) weeks, and shall notify the administrative agency to that effect (by attaching a certificate of registration) without delay.

Article 16. (Power and Authority of Councilors)

The Councilors shall constitute the Councilors Committee, and shall vote resolutions on the matters set forth in Article 19.2 hereof and shall exercise any other power and authority set forth in laws and regulations.

Article 17. (Term of Office)

17.1 The term of office of the Councilors shall continue until the conclusion of the last general meeting of the Councilors Committee for the fiscal year which ends within four (4) years after their election, and any of the Councilors may be re-elected.

17.2 The term of office of a Councilor elected to fill a vacancy of a Counselor during his/her term of office shall be the remaining term of his/her predecessor.

17.3 In the case of a deficiency in the number of Councilors set forth in Article 14 hereof after the resignation of a Councilor or the expiration of his/her term of office, such Councilor shall continue to have rights and obligations as a Councilor until his/her successor is elected and appointed.

Article 18. (Remuneration)

18.1 No remuneration shall be paid to any Councilor.

18.2 The Foundation may pay costs and expenses to Councilors incurred for the performance of their services.

18.3 Any and all necessary matters in connection with the preceding two (2) Paragraphs shall be as set forth in the Regulation of Remuneration and Expenses of Officers and Councilors separately established by a resolution of the Councilors Committee.

Section 2. Councilors Committee

Article 19. (Composition of, and Power and Authority of Councilors Committee)

19.1 The Councilors Committee shall be composed of all Councilors.

19.2 The Councilors Committee shall resolve the following matters:

- (1) The election and removal of any of the Officers;
- (2) The amount of the remuneration and expenses of the Officers, etc., and the rules and

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- regulations thereof;
- (3) The amendment of these Articles of Incorporation;
- (4) The approval of its business report and financial statements for each fiscal year;
- (5) The donation of its remaining properties acquired for public interest purposes, and the disposal of its residual assets;
- (6) The merger, the assignment of all or part of its businesses, or the discontinuance of all of its businesses for public interest purposes; and
- (7) Besides the foregoing, the matters set forth in the Act on General Incorporated Associations and General Incorporated Foundations, as well as in these Articles of Incorporation.

19.3 Notwithstanding the preceding Paragraph, no matter other than those specified in the notices of convocation set forth in Article 22. Paragraph 1 hereof shall be resolved at any meeting of the Councilors Committee.

Article 20. (Classification and Holding of Meetings of Councilors Committee)

20.1 Meetings of the Councilors Committee shall be classified into two (2) categories, general meetings and extraordinary meetings.

20.2 A general meeting of the Councilors Committee shall be held once in a year within three (3) months after the end of each fiscal year.

20.3 An extraordinary meeting of the Councilors Committee may be held at any time, if necessary.

Article 21. (Convocation of Meetings)

21.1 The President shall convene a meeting of the Councilors Committee based on a resolution of the Board of Directors.

21.2 Notwithstanding the preceding Paragraph, any Councilor may request the Directors to convene a meeting of the Councilors Committee by presenting the reason(s) thereof and the matter(s) to be resolved.

21.3 If requested pursuant to the preceding Paragraph, the President shall convene a meeting of the Councilors Committee without delay.

21.4 The Councilor who makes the request set forth in Article 21.2 above may convene a meeting of the Councilors Committee with approval of a court if:

- (1) the convocation procedures are not performed without delay after such request; or
- (2) a notice of convocation is not sent to hold the meeting of the Councilors Committee on a date within six (6) weeks after such request is made.

Article 22. (Notice of Convocation)

22.1 The President shall deliver a written notice of convocation of a meeting of the Councilors Committee specifying the date and time of, the venue for, and the matters to be resolved at, such meeting on or before one (1) week prior to the convocation date.

22.2 Notwithstanding the preceding Paragraph, if all Councilors agree, a meeting of the

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Councilors Committee may be held without any convocation procedures.

Article 23. (Chairperson)

The chairperson of each meeting of the Councilors Committee shall be appointed among the Councilors present at such meeting.

Article 24. (Quorum)

No meeting of the Councilors Committee shall be held unless a majority of all Councilors are present at such meeting.

Article 25. (Resolutions)

25.1 A resolution on any matter other than those set forth in Article 189, Paragraph 2 of the Act on General Incorporated Associations and General Incorporated Foundations as well as in this Articles of Incorporation shall be adopted at a meeting of the Councilors Committee by a majority of the votes of the Councilors present at such meeting at which a majority of all the Councilors who are entitled to cast their votes attend, and in the case of a tie vote, the chairperson of such meeting shall have the casting vote.

25.2 In the case of the first half of the preceding Paragraph, the chairperson of a meeting of the Councilors Committee shall not be entitled to cast his/her vote as a Councilor.

25.3 A resolution set forth in 25.1 to appoint a Director or Auditor shall be adopted for each Director or Auditor.

Article 26. (Omission of Resolution of Meetings of Councilors Committee)

If any Director proposes a matter to be resolved at a meeting of the Councilors Committee, and all Councilors entitled to cast their votes on such matter agree thereupon in writing or by electromagnetic means, the resolution thereon shall be deemed to have been adopted by the Councilors Committee.

Article 27. (Omission of Reporting at Meetings of Councilors Committee)

If any Director notifies all Councilors of a matter to be reported at a meeting of the Councilors Committee, and all Councilors agree in writing or by electromagnetic means that such matter needs not to be reported at such meeting, such matter shall be deemed to have been reported to the Councilors Committee.

Article 28. (Minutes)

The minutes of each meeting of the Councilors Committee shall be prepared as required by laws and regulations.

Article 29. (Operational Regulations of the Councilors Committee)

Any and all matters necessary for the operation of the Councilors Committee shall be as set forth in the Operational Regulations of the Councilors Committee established by a meeting of the Councilors Committee, as well as in laws and regulations, and in these Articles of Incorporation.

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CHAPTER IV. OFFICERS AND BOARD OF DIRECTORS

Section 1. Officers

Article 30. (Classification and Number of Officers)

30.1 This Foundation shall have the following officers:

- (1) At least 3 (three) Directors; and
- (2) At least 1 (one) Auditor.

30.2 This Foundation shall appoint one (1) of the Directors as the Representative Director (*daihyo riji*), and may appoint not more than 3 Directors as the Executive Directors (*shikko riji*) under Article 91, Paragraph 1, Item 2 of the Act on General Incorporated Associations and General Incorporated Foundations which shall apply *mutatis mutandis* pursuant to Article 197 thereof.

Article 31. (Election of Officers)

31.1 The Directors and the Auditors shall be elected by a resolution of the Councilors Committee.

31.2 The Representative Director and the Executive Directors shall be selected by a meeting of the Board of Directors.

31.3 The Representative Director selected pursuant to the preceding Paragraph shall serve as the President.

31.4 The Board of Directors may select, among the Executive Directors elected pursuant to Article 31.2 above, one (1) Vice President (*fuku rijicho*), one (1) Senior Director (*senmu riji*), and one (1) Managing Director (*jomu riji*), by a resolution of the Board of Directors.

31.5 The total number of Directors who are relatives of or who have special relationships with another Director shall not exceed one third of the total number of Directors.

31.6 An Auditor shall not be a Director (including any of his/her relatives and any person who has a special relationship with such Director), a Councilor (including any of his/her relatives and any person who has a special relationship with such Councilor), or employee of the Foundation. Further, Auditors shall not have a kinship or special relationship with any other Auditors.

31.7 Total number of Directors who are Director or employee of a similar organization, and/or any person who has a special relationship similar to the foregoing as defined in laws and regulations shall not exceed one third of the total number of Directors. The foregoing shall apply to the Auditors.

31.8 After the Foundation is authorized as a public interest corporation, if any of the Directors or Auditors is replaced, this Foundation shall register such replacement within two (2) weeks, and shall notify the administrative agency to that effect by attaching a certificate of registration without delay.

Article 32. (Power and Authority of the Directors)

32.1 The Directors shall constitute the Board of Directors, and shall make decisions on the

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execution of the businesses by the Foundation in accordance with this Articles of Incorporation.

32.2 The President shall represent the Foundation and execute the businesses of the Foundation.

32.3 The Vice President shall assist the President and execute the businesses of the Foundation. Further, in the event that the President is involved in an accident or is absent, the Vice President shall perform the duties of the President on his/her behalf in the order of priority predetermined by the Board of Directors.

32.4 The Senior Director shall assist the President and the Vice President and execute the businesses of this Foundation. Further, in the event that the President and the Vice President are involved in accident(s) or are absent, the Senior Director shall perform the duties of the President on his/her behalf.

32.5 The Managing Director shall share the execution of the businesses of the Foundation. Further, in the event that the Senior Director is involved in an accident or is absent, the Managing Directors shall perform the duties of the Senior Director on his/her behalf in the order of priority predetermined by the Board of Directors.

32.6 The power and authority of the President, the Vice President, the Senior Director and the Managing Director, as well as the power and authority of the Directors who execute other duties shall be as set forth in the Regulations of the Power and Authority of Directors separately established by the Board of Directors.

32.7 The President, the Vice President, the Senior Director and the Managing Director, as well as the Directors who perform the duties set forth in the preceding Paragraph shall report to the Board of Directors the status of the performance of their respective duties at least twice a fiscal year but once every four (4) months or longer.

Article 33. (Power and Authority of Auditors)

33.1 The Auditors shall perform the following:

- (1) Audit the performance by the Directors of their respective duties, and prepare audit reports as required by laws and regulations;
- (2) Inspect the business and financial conditions of the Foundation, and audit financial statements and business reports, etc., for each business year;
- (3) Attend meetings of the Councilors Committee and the Board of Directors, and express their opinions during such meetings (if deemed necessary);
- (4) Report to the Councilors Committee and the Board of Directors any or possible misconduct, violation of laws and regulations, breach of these Articles of Incorporation, or other materially improper conduct, by the Directors, if the foregoing is found;
- (5) Request the President to convene a meeting of the Board of Directors if necessary to report pursuant to preceding Item, or convene such meeting by themselves if a notice of convocation to have the meeting on a date within two (2) weeks after the request is not delivered within five (5) days after the date of such request;
- (6) Inspect proposals or documents to be submitted by the Directors to the Councilors Committee, or other materials required by laws and regulations, and report the result to the Councilors Committee if there is any violation of laws and regulations, breach of these Articles of Incorporation, or other materially improper misconduct;
- (7) Demand the Director cease his/her actions if the Director acts or possibly acts beyond the

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- purposes of the Foundation, or in violation of laws and regulations or these Articles of Incorporation and such actions may cause significant damage to the Foundation; and
- (8) Exercise other power and authority permitted to the Auditors under laws and regulations.

Article 34. (Term of Office)

34.1 The term of office of the Directors shall continue until the conclusion of the last general meeting of the Councilors Committee for the fiscal year which ends within two (2) years after their election, and any of the Directors may be re-elected.

34.2 The term of office of the Auditors shall continue until the conclusion of the last general meeting of the Councilors Committee for the business year which ends within four (4) years after their election, and any of the Auditors may be re-elected.

34.3 The term of office of any Officers elected to fill a vacancy shall be the remaining term of office of his/her predecessor.

34.4 In the case of a deficiency in the number of the Officers set forth in Article 30.1 hereof after the resignation of any Officer or the expiration of his/her term of office, such Officer shall continue to have rights and obligations as an Officer until his/her successor is elected and appointed.

Article 35. (Removal)

35.1 If any of the following events occurs to an Officer, such Officer may be removed with a resolution of the Councilors Committee; provided, however, that in the case of the removal of an Auditor, a resolution thereon shall be adopted with not less than two-thirds (2/3) of the votes of the Councilors who are entitled to cast their votes:

- (1) If such Officer breaches his/her obligations, or fails to perform his/her duties; or
- (2) If such Officer is not capable of performing his/her duties, due to his/her mental or physical disability.

Article 36. (Remuneration to Officers)

36.1 Remuneration shall be paid to the Officers in consideration for their services.

36.2 The Foundation may pay Officers costs and expenses incurred to perform their services.

36.3 Any and all necessary matters in connection with the preceding two (2) Paragraphs shall be as set forth in the Regulation of Remuneration and Expenses of Officers and Council Members separately established with a resolution by the Councilors Committee.

Article 37. (Restriction on Transactions)

37.1 If a Director intends to conduct any of the following transactions, such Director shall disclose material facts regarding such transaction, and shall obtain from the Board of Directors approval therefor:

- (1) A transaction in the same business field as that of the Foundation for the benefit of himself/herself or any third party;
- (2) A transaction with the Foundation for the benefit of himself/herself or any third party; or
- (3) A transaction to cause the Foundation to guarantee any obligation owed by such Director, or other transactions with third parties that cause a conflict of interest between the Foundation

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and such Director.

37.2 The Director who conducted any of the transactions set forth in the preceding Paragraph shall report to the Board of Directors material facts regarding such transaction without delay.

37.3 Any and all matters in connection with the preceding two (2) Paragraphs shall be as set forth in the Operational Regulations of the Board of Directors set forth in Article 49 hereof.

Article 38. (Exemption from, or Limitation on, Liabilities)

38.1 The Foundation may exempt the Officers from the liabilities set forth in Article 111, Paragraph 1 of the Act on General Incorporated Associations and General Incorporated Foundations which shall apply *mutatis mutandis* pursuant to Article 198 thereof, up to the actual liability amount, less the minimum liability amount under laws and regulations, by a resolution of the Board of Directors, provided all legal requirements therefor are satisfied.

38.2 The Foundation may execute with any of its external officers an agreement to limit the liabilities set forth in the preceding Paragraph by a resolution of the Board of Directors, provided all legal requirements therefor are satisfied; provided, however, that the limit of liabilities coverable under such agreement shall be the higher amount of a predetermined amount which is not less than JPY 100,000 or the minimum liability amount permitted under laws and regulations.

Section 2. Board of Directors

Article 39. (Board of Directors)

39.1 The Foundation shall have a Board of Directors.

39.2 The Board of Directors shall be composed of all Directors.

Article 40. (Power and Authority of Board of Directors)

40.1 In addition to those separately set forth in these Articles of Incorporation, the Board of Directors shall perform the following:

- (1) Decide the dates and times of, the venues for, and the matters to be resolved at, meetings of the Councilors Committee;
- (2) Establish, amend and abolish internal rules and regulations of the Foundation;
- (3) Besides the foregoing, decide the matters on the execution of business by the Foundation;
- (4) Supervise the performance of the duties of the Directors; and
- (5) Select and remove the Representative Director and the Executive Directors.

40.2 The Board of Directors shall not delegate to a Director any decision making on the following matters or any other material business matters:

- (1) Disposal and taking over of any material property;
- (2) Assumption of large debt;
- (3) Election and removal of important employees;
- (4) Establishment, relocation and closure of any branch or other material organ;
- (5) Formation of the internal control system (i.e., the system required by laws and regulations to

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ensure that the Directors will perform their duties in compliance with laws and regulations as well as these Articles of Incorporation, and that to ensure the Foundation will duly conduct its business); and

- (6) Exemption of liabilities set forth in Article 38.1 hereof (and the execution of a limited liability agreement set forth in Article 38.2 hereof).

40.3 In case of exercising the voting rights in the shares held by the Foundation which is subject to Article 40, Paragraph 1 of the Act on Special Measures Concerning Taxation, the consent of the Board of Directors shall be obtained in advance with not less than two-thirds (2/3) of the votes of all Directors.

Article 41. (Classification and Holding of Meetings of Board of Directors)

41.1 Meetings of the Board of Directors shall be classified into two (2) categories, namely general meetings and extraordinary meetings.

41.2 General meetings of the Board of Directors shall be held 3 time(s) a fiscal year.

41.3 An extraordinary meeting of the Board of Directors may be held if:

- (1) deemed by the President as necessary;
- (2) requested to the President by any Director other than the President for the convocation thereof with a document specifying the matter(s) to be resolved;
- (3) convened by the Director who made the request set forth in the preceding Item, if a notice of convocation thereof on a date within two (2) weeks after the date of request is not sent within five (5) days after the date of request; or
- (4) requested to the President by any Auditor for the convocation thereof, or convened by any Auditor, pursuant to Article 33.1, Item (5) hereof.

Article 42. (Convocation)

42.1 The President shall convene a meeting of the Board of Directors, unless convened by the Director pursuant to Article 41.3, Item (3) hereof, or by an Auditor pursuant to the latter half of Article 41.3, Item (4) hereof.

42.2 In the case of Article 41.3, Item (3) hereof, the Director shall convene a meeting of the Board of Directors, and in the case of the latter half of Article 41.3, Item (4) hereof, an Auditing Officer shall convene a meeting of the Board of Directors.

42.3 In the case of Article 41.3, Item (2) hereof or the first half of Article 41.3, Item (4) hereof, the President shall convene an extraordinary meeting of the Board of Directors on a date within two (2) weeks after the date of the request by delivering a notice of convocation thereof within five (5) days after the date of the request;

42.4 In the convocation of a meeting of the Board of Directors, a notice of convocation specifying the date and time of, the venue for, and the matter(s) to be resolved at, such meeting shall be delivered to each Director and each Auditor within one (1) week prior to the convocation date.

42.5 Notwithstanding the preceding Paragraph, if all Directors and all Auditors agree, a meeting of the Board of Directors may be held without any convocation procedures.

Article 43. (Chairperson)

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The President shall chair meetings of the Board of Directors.

Article 44. (Quorum)

No meeting of the Board of Directors shall be held unless a majority of all Directors are present at such meeting.

Article 45. (Resolutions)

45.1 Unless otherwise set forth in these Articles of Incorporation, a resolution shall be adopted at a meeting of the Board of Directors by a majority of the votes of the Directors present at such meeting at which a majority of the Directors who are entitled to cast their votes attend, and in the case of a tie vote, the chairperson of such meeting shall have the casting vote.

45.2 In the case of the first half of the preceding Paragraph, the chairperson of a meeting of the Board of Directors shall not be entitled to cast his/her vote as a Director.

Article 46. (Omission of Resolution)

If any of the Directors proposes a matter to be resolved at a meeting of the Board of Directors, and all Directors entitled to cast their votes on such matter agree thereupon in writing or by electromagnetic means, the resolution thereon shall be deemed to have been adopted by the Board of Directors, unless any Auditor raises an objection thereto.

Article 47. (Omission of Reporting)

47.1 If any Director or Auditor or notifies all other Directors and Auditors of a matter to be reported to the Board of Directors, there shall be no need to report such matter at any meeting of the Board of Directors.

47.2 The preceding Paragraph shall not be applied to the report set forth in Article 32.7 hereof.

Article 48. (Minutes)

The minutes of each meeting of the Board of Directors shall be prepared, as required by laws and regulations, and the President and the Auditors present at such meeting shall affix their signatures or printed names and seals thereon.

Article 49. (Operational Regulations of the Board of Directors)

Any and all matters necessary for the operation of the Board of Directors shall be as set forth in the Operational Regulations of the Board of Directors established at a meeting of the Board of Directors, as well as in laws and regulations and in these Articles of Incorporation.

CHAPTER V. AMENDMENT OF ARTICLES OF INCORPORATION, AND MERGER AND DISSOLUTION

Article 50. (Amendment of Articles of Incorporation)

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50.1 These Articles of Incorporation may be amended with the resolution of the Councilors Committee by not less than two-thirds (2/3) of the votes of the Councilors entitled to cast their votes; provided, however, that the purpose set forth in Article 3 hereof, the Business for Public Interest Purposes set forth in Article 4 hereof, the methods to elect and remove Councilors set forth in Article 15.1 hereof, and the donation of the remaining properties acquired for public interest purposes set forth in Article 53 hereof shall not be amended.

50.2 Notwithstanding the preceding Paragraph, the purpose set forth in Article 3 hereof, the businesses for public interest purposes set forth in Article 4 hereof, the methods to elect and remove any Council Member set forth in Article 15.1 hereof may be amended with resolution of Councilors Committee by not less than three-fourths (3/4) of the votes of the Councilors entitled to cast their votes.

50.3 After the Foundation is authorized as a public interest corporation, if the Foundation intends to amend these Articles of Incorporation on any matter set forth in Article 11, Paragraph 1 of the Public Interest Corporation Authorization Act (excluding minor amendments), the approval therefor shall be obtained from the administrative agency.

50.4 After the Foundation is authorized as a public interest corporation, if any matter other than the foregoing is amended in these Articles of Incorporation, the Foundation shall notify the administrative agency to that effect without delay.

Article 51. (Merger, Etc.)

51.1 The Foundation may merge with other corporations under the Act on General Incorporated Associations and General Incorporated Foundations, assign all or part of its business, or discontinue all of its business for public interest purposes, with a resolution passed by not less than two-thirds (2/3) of the votes of the Councilors entitled to cast their votes.

51.2 After the Foundation is authorized as a public interest corporation, if the Foundation intends to conduct any of the actions set forth in the preceding Paragraph, the Foundation shall notify the administrative agency thereof in advance.

Article 52. (Dissolution)

The Foundation shall dissolve if any of the events set forth in Article 202 of the Act on General Incorporated Associations and General Incorporated Foundations as well as those set forth in other laws and regulations occurs.

Article 53. (Donation of the Remaining Properties Acquired for Public Interest Purposes)

After authorized as a public interest corporation, if the authorization is cancelled, or the Foundation ceases to exist as a result of its merger (unless its rights and obligations are succeeded to a public interest corporation), and if there exist the Remaining of Properties Acquired for Public Interest Purposes set forth in Article 30, Paragraph 2 of the Public Interest Corporation Authorization Act, the amount equivalent to such remaining properties shall be donated by a resolution of the Councilors Committee to other public interest corporations having a similar purpose of business, any entity listed in Article 5, Item 17 of the Public Interest Corporation Authorization Act, or any national or local government, within one (1) month after such cancellation or merger.

(Translation for Reference Purposes)

Article 54. (Disposal of Residual Assets)

54 In the liquidation of the Foundation as a result of its dissolution, etc., its residual assets shall be donated by a resolution of the Councilors Committee to any national or local government, or to any other public interest corporation having a similar purpose of business, or any other public interest corporation, etc. stipulated in Article 5, Item 17 of the Public Interest Corporation Authorization Act and Article 40, Paragraph 1 of the Act on Special Measures Concerning Taxation.

CHAPTER VI. COMMITTEE

Article 55. (Committee)

55.1 If necessary to promote the business of the Foundation, the Board of Directors may establish a Committee by a resolution of the Board of Directors.

55.2 The Committee Members shall be elected from persons with academic backgrounds by the Board of Directors.

55.3 Any and all matters necessary for the duties, composition and operation of the Committee shall be separately determined by a resolution of the Board of Directors.

CHAPTER VII. ADMINISTRATIVE OFFICE

Article 56. (Administrative Office)

56.1 The Foundation shall have an Administrative Office for the purpose of handling its administrative work.

56.2 Necessary employees shall be assigned to the Administrative Office.

56.3 Important employees of the Administrative Office shall be appointed and removed by the President with approval of the Board of Directors.

56.4 Any and all matters necessary for the organizational structure and operation of the Administrative Office shall be separately determined by a resolution by the Board of Directors.

Article 57. (Maintenance of Books and Documents)

57.1 The following books and documents shall be maintained at all times in the Administrative Office:

- (1) These Articles of Incorporation;
- (2) A list of the Directors, Auditors and Councilors;
- (3) Documents in respect of official authorizations, licenses, permissions and registrations;
- (4) Minutes of meetings of the bodies set forth in these Articles of Incorporation (the Board of Directors and the Councilors Committee) ;
- (5) A List of Properties;
- (6) Regulations of Remunerations to Officers and Councilors;
- (7) Business plans and budget plans;

(Translation for Reference Purposes)

- (8) Business reports and financial statements;
- (9) Audit reports; and
- (10) Other books and documents as required by laws and regulations.

57.2 Books and documents set forth in the preceding Paragraph may be inspected in accordance with laws and regulations, as well as the Information Disclosure Regulations set forth in Article 59.2 hereof.

CHAPTER VIII. MEMBERSHIP

Article 58. (Membership of the Foundation)

58.1 Any individual who, or any organization which, agrees with and supports the purpose of the Foundation may become a member of the Foundation.

58.2 Any and all matters necessary for the membership of the Foundation shall be as set forth in the Membership Regulations separately established by a resolution of the Board of Directors.

CHAPTER IX. INFORMATION DISCLOSURE AND PERSONAL INFORMATION PROTECTION

Article 59. (Information Disclosure)

59.1 The Foundation shall proactively disclose information on its activities, operations and financial conditions, for the purpose of facilitating fair and open activities.

59.2 Any and all matters necessary for information disclosure shall be as set forth in the Information Disclosure Regulations separately established by a resolution of the Board of Directors.

Article 60. (Personal Information Protection)

60.1 The Foundation shall implement all necessary measures to protect personal information obtained in the course of its business.

60.2 Any and all matters necessary for personal information protection shall be separately determined by a resolution of the Board of Directors.

Article 61. (Public Notices)

61.1 All public notices of the Foundation shall be posted in the premises of the main office of the Foundation in a manner that is easily visible to the public.

[CHAPTER X. AUXILIARY PROVISIONS]

Article 62. (Delegation)

Besides those set forth in these Articles of Incorporation, any other matters necessary for the operation of the Foundation shall be separately determined with a resolution by the Board of Directors.

(Translation for Reference Purposes)

SUPPLEMENTARY PROVISIONS

1. The Directors and Councilors at the incorporation date of the Foundation shall be as described in the List of Officers prepared by its Founder, attached hereto.
2. Notwithstanding Article 11.1 hereof, the business plan and the budget plan for the initial business year of the Foundation shall be prepared by its Founder.
3. Notwithstanding Article 5 hereof, the initial fiscal year of the Foundation shall commence on the incorporation date of the Foundation and end on December 31, 2012.

(Translation for Reference Purposes)

These ARTICLES OF INCORPORATION have been prepared for the purpose of establishing U.S.-Japan Council (Japan), and the representative of the Founder has hereunto affixed her signature.

MM DD, YY

Founder:

U.S.-Japan Council

By: _____

President: Irene Hirano

List of Initial Offices of U.S.-Japan Council – Japan

Councilors

Name

1. Glen S. Fukushima
2. Daniel Okimoto
3. Paul Yonamine

Directors

Name

1. Irene Hirano
2. Ernest M. Higa
3. Laura Winthrop Abbot
4. Russell K. Kawahara
5. David Nishida
6. James Minamoto

Internal Auditor:

Name

1. Takayoshi Shinjo

List of Properties contributed by Founder

Founder: U.S.-JAPAN COUNCIL
Address: 2207 Colby Avenue, Los Angeles, CA 90064
Type of Property: Cash
Amount of Property: JPY 3,000,000