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Securities code: 7723

June 7, 2023

(Electronic provision measures commencement date: June 1, 2023)

**To Shareholders with Voting Rights:**

Kenji Kunishima  
President Representative Director  
President Executive Officer  
Aichi Tokei Denki Co., Ltd.  
1-2-70 Chitose, Atsuta-ku, Nagoya, Aichi,  
Japan

**NOTICE OF  
THE 100th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 100th Annual General Meeting of Shareholders of Aichi Tokei Denki Co., Ltd. (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken electronic provisioning measures for information that constitutes the contents of the Reference Documents for the General Meeting of Shareholders (Electronic Provision Measures Matters). Electronic Provision Measures Matters are posted on the Company’s website as “Convocation Notice of the 100th Annual General Meeting of Shareholders” and “Other Electronic Provision Measures Matters for the 100th Annual General Meeting of Shareholders (Matters Omitted in the Document for Delivery).”

The Company’s website: <https://www.aichitokei.co.jp/ir/library/soukai/>

Electronic Provision Measures Matters are posted on the website of Tokyo Stock Exchange (TSE), aside from the Company’s website. If you confirm Electronic Provision Measures Matters on TSE website, please access the TSE website (TSE Listed Company Search) described below, enter “Aichi Tokei Denki” in the field of issue name (company name), or the Company’s securities code “7723” in the field of “Code” to search, and select “Basic information” and “Documents for public inspection/PR information” in this order, and confirm “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” provided under “Filed information available for public inspection.”

Tokyo Stock Exchange website (TSE Listed Company Search):  
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

You may either attend the meeting in person or, if not, exercise your voting rights in writing or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders provided below and exercise your voting rights by no later than 5:15 p.m. on Thursday, June 22, 2023, Japan time.

- 1. Date and Time:** Friday, June 23, 2023 at 10:00 a.m. Japan time  
**2. Place:** Nagoya Chamber of Commerce & Industry  
(Third floor, Meeting Room 5)  
2-10-19 Sakae, Naka-ku, Nagoya, Aichi, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 100th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 100th Fiscal Year (April 1, 2022 - March 31, 2023)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Eight (8) Directors  
**Proposal 3:** Payment of Bonuses to Directors

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- ◎ When you attend the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception desk of the venue.
  - ◎ Any revisions to the Electronic Provision Measures Matters or paper-based documents that state Electronic Provision Measures Matters will be posted on each of the websites mentioned earlier.
  - ◎ The Reference Documents for the General Meeting of Shareholders have been sent to shareholders, regardless of whether there was a request for the delivery of paper-based documents.
  - ◎ Pursuant to the provisions of laws and regulations and Article 15 of the Company's Articles of Incorporation, the following items are not included in the paper-based documents delivered to shareholders who have requested delivery of the paper-based documents.
    - 1) "Matters Concerning the Company's Share Options, etc." in the Business Report
    - 2) "System to Ensure That Directors Execute Their Duties in Compliance with Laws and Regulations and the Articles of Incorporation, and Other Systems to Ensure Appropriate Business Operations" in the Business Report
    - 3) "Overview of the State of Operation of the System to Ensure Appropriate Business Operations" in the Business Report
    - 4) "Basic Policy on Control of the Company" in the Business Report
    - 5) "Consolidated Statement of Changes in Equity" in the Consolidated Financial Statements
    - 6) "Notes to the Consolidated Financial Statements" in the Consolidated Financial Statements
    - 7) "Statement of Changes in Equity" in the Non-consolidated Financial Statements
    - 8) "Notes to the Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Therefore, the paper-based documents are a part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing their respective audit reports.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

With regard to the appropriation of surplus, the Company proposes the following.

#### 1. Matters Concerning Year-end Dividends

The Company will mark the 125th anniversary of its foundation in July 2023 thanks to the support of shareholders and related parties.

With regard to the year-end dividend for the 100th fiscal year, the Company proposes the following to express its gratitude to shareholders for their continued support, while placing a high priority on maintaining stable dividends to shareholders and taking into account profit distribution commensurate with business performance of the fiscal year under review.

##### (1) Type of dividend property

The Company proposes to distribute cash dividends.

##### (2) Matters concerning allotment of dividend assets and the total amount thereof

The Company proposes the payment of an ordinary dividend of 31 yen per share and a commemorative dividend of 3 yen per share for the 125th anniversary of its foundation, for a total of 34 yen per share.

The total amount of dividends to be paid will be 519,988,656 yen.

##### (3) Effective date of dividends of surplus

June 26, 2023

#### 2. Other Matters Concerning Appropriation of Surplus

The Company proposes to appropriate internal reserves as follows in order to strengthen our management base for future proactive business development.

##### (1) Items of surplus to be increased and the amount thereof

General reserve: 2,000,000,000 yen

##### (2) Items of surplus to be decreased and the amount thereof

Retained earnings brought forward: 2,000,000,000 yen

**Proposal 2: Election of Eight (8) Directors**

The terms of office of all nine (9) Directors, including three (3) Outside Directors, will expire at the conclusion of this General Meeting of Shareholders. From the perspective of improving the efficiency of the management system and ensuring the independence of the Board of Directors, the Company proposes the election of eight (8) Directors including three (3) Outside Directors, by reducing the overall number of Directors by one (1).

The candidates for Directors are as follows.

No.		Name	Positions and responsibilities at the Company (Significant concurrent positions)	Attendance at the Board of Directors meetings (for the 100th fiscal year)
1	Reappointment	Toshiyuki Hoshika	Representative Director, Chairman	12/12 (100.0%)
2	Reappointment	Kenji Kunishima	President and Representative Director, President Executive Officer	12/12 (100.0%)
3	Reappointment	Yutaka Yoshida	Director, Managing Executive Officer, in charge of Technology	11/12 (91.6%)
4	Reappointment	Hiroshi Yasui	Director, Managing Executive Officer, General Manager of Sales Headquarters	12/12 (100.0%)
5	New	Kazuhisa Mori	Senior Executive Officer, General Manager of R&D Headquarters	–
6	Reappointment Outside Independent	Nobuyuki Matsui	Director (Significant concurrent positions) Outside Director of Rinnai Corporation President of International Professional University of Technology in Nagoya	12/12 (100.0%)
7	Reappointment Outside Independent	Chie Okada	Director (Significant concurrent positions) Partner, Kakura Law Office Corporate Auditor, M.G. Home Co., Ltd. Auditor, National University Corporation Aichi University of Education	10/10 (100.0%)
8	New Outside Independent	Masatsugu Kasano	(Significant concurrent positions) Member of the Board in charge of New Technology Promotion and Assistant to Head of Information & Electronics Segment of OKAYA & CO., LTD.	–

Reappointment: Candidate for a Director to be reappointed

New: Candidate for a Director to be newly appointed

Outside: Candidate for an Outside Director

Independent: Candidate for an independent director pursuant to the provisions of Tokyo Stock Exchange

No.	Name (Date of birth)	Career summary and positions and responsibilities at the Company	Number of shares of the Company held
1	<p>Toshiyuki Hoshika (November 25, 1955)</p> <p>[Reappointment]</p> <p>Attendance at the Board of Directors meetings: 12/12 (100.0%)</p>	<p>April 1978      Joined the Company</p> <p>April 2006      Head of Nagoya Branch Office</p> <p>June 2008      Executive Officer and Head of Osaka Branch Office</p> <p>April 2011      Executive Officer, General Manager of Public SS Sales Department, Sales Management Headquarters</p> <p>June 2014      Senior Executive Officer, Deputy General Manager of Production Management Headquarters, and General Manager of Gas Equipment Manufacturing Division</p> <p>April 2015      Senior Executive Officer, Deputy General Manager of Production Department, and General Manager of Gas Equipment Manufacturing Division</p> <p>June 2015      Director, Senior Executive Officer, General Manager of Production Department, and General Manager of Gas Equipment Manufacturing Division</p> <p>June 2016      Director, Managing Executive Officer in charge of Production, and General Manager of Production Department</p> <p>June 2017      President and Representative Director, President Executive Officer</p> <p>April 2022      Representative Director, Chairman (to present)</p> <hr/> <p>Reason for appointment as a candidate for Director Mr. Toshiyuki Hoshika has been in charge of management of the Group as Representative Director for the past six years, by serving as President and Representative Director, President Executive Officer from June 2017 to April 2022, and chairing the Board of Directors since April 2022 as Representative Director, Chairman. He has abundant experience in corporate management, and the Company expects that he will be in charge of management of the Company by leveraging his experience and achievements mentioned above. Therefore, the Company believes that he will appropriately perform his duties as Director, and proposes his reelection as Director.</p>	39,700

No.	Name (Date of birth)	Career summary and positions and responsibilities at the Company	Number of shares of the Company held
2	Kenji Kunishima (September 22, 1963)  [Reappointment]  Attendance at the Board of Directors meetings: 12/12 (100.0%)	<p>April 1986      Joined the Company</p> <p>June 2007      General Manager of Public Relations Secretary Office</p> <p>April 2008      General Manager of Secretary Office and Deputy General Manager of General Affairs Department</p> <p>June 2009      Executive Officer, General Manager of Public SS Sales Department, Sales Management Headquarters</p> <p>April 2010      Head of Nagoya Branch Office, Sales Management Headquarters</p> <p>April 2012      Deputy Head of Tokyo Branch Office, Sales Management Headquarters</p> <p>June 2013      Executive Officer, Head of Tokyo Branch Office, Sales Management Headquarters</p> <p>June 2017      Executive Officer, Head of Okazaki Plant, and General Manager of Gas Equipment Manufacturing Division, Production Department</p> <p>April 2019      Senior Executive Officer, Head of Okazaki Plant, and General Manager of Gas Equipment Manufacturing Division, Production Department</p> <p>April 2020      Senior Executive Officer, General Manager of Production Department</p> <p>June 2020      Director, Senior Executive Officer, and General Manager of Production Department</p> <p>April 2021      Director, Managing Executive Officer, General Manager of Production Headquarters</p> <p>April 2022      President and Representative Director, President Executive Officer (to present)</p>	13,100
		<p>Reason for appointment as a candidate for Director</p> <p>Mr. Kenji Kunishima has been in charge of management of the Group as President and Representative Director, President Executive Officer since April 2022 and has been leading the business of the Group by striving for business expansion based on the promotion of key initiatives laid out under the Medium-term Management Plan 2023. He has abundant experience in corporate management, and the Company expects that he will be in charge of management of the Company by leveraging his experience and achievements mentioned above. Therefore, the Company believes that he will appropriately perform his duties as Director, and proposes his reelection as Director.</p>	

No.	Name (Date of birth)	Career summary and positions and responsibilities at the Company	Number of shares of the Company held
3	Yutaka Yoshida (October 29, 1958)  [Reappointment]  Attendance at the Board of Directors meetings: 11/12 (91.6%)	<p>January 1987      Joined the Company</p> <p>April 2009      General Manager of Sales Development Department, Sales Management Headquarters</p> <p>April 2012      Deputy General Manager of R&amp;D Headquarters</p> <p>June 2013      Executive Officer and Deputy General Manager of R&amp;D Headquarters</p> <p>October 2013    Executive Officer and General Manager of Quality Assurance Department</p> <p>April 2014      Executive Officer and General Manager of International Sales Department, Sales Management Headquarters</p> <p>April 2015      Executive Officer and General Manager of International Sales Division, Sales Department</p> <p>June 2017      Director, Senior Executive Officer, General Manager of R&amp;D Headquarters</p> <p>April 2022      Director, Senior Executive Officer, in charge of Technology</p> <p>April 2023      Director, Managing Executive Officer, in charge of Technology (to present)</p> <hr/> <p>Reason for appointment as a candidate for Director Mr. Yutaka Yoshida has a wide range of experience and insight related particularly to development and quality departments, and is expected to make accurate and prompt decisions. Therefore, the Company believes that he will appropriately perform his duties as Director, and proposes his reelection as Director.</p>	11,900

No.	Name (Date of birth)	Career summary and positions and responsibilities at the Company	Number of shares of the Company held
4	Hiroshi Yasui (January 12, 1960)  [Reappointment]  Attendance at the Board of Directors meetings: 12/12 (100.0%)	<p>April 1985      Joined the Company</p> <p>June 2007      General Manager of Planning Coordination Office, Measuring Devices Sales Department and Deputy General Manager of Instrumentation Sales Department</p> <p>April 2008      General Manager of Sales Development Division, Sales Department</p> <p>April 2010      Deputy General Manager of Sales Development Department, Sales Management Headquarters and General Manager of Private-Demand Instrumentation Sales Division</p> <p>June 2014      Executive Officer, General Manager of Industry System Sales Department, Sales Management Headquarters</p> <p>April 2015      Executive Officer, Deputy General Manager of Sales Department, General Manager of Industry System Sales Department, and General Manager of Operation Promotion Office</p> <p>April 2017      Executive Officer, Deputy General Manager of Sales Department, and General Manager of Gas Sales Promotion Division</p> <p>June 2017      Senior Executive Officer, Deputy General Manager of Sales Department, and General Manager of Gas Sales Promotion Division</p> <p>April 2019      Senior Executive Officer and General Manager of Sales Department</p> <p>June 2019      Director, Senior Executive Officer, General Manager of Sales Headquarters</p> <p>April 2023      Director, Managing Executive Officer, General Manager of Sales Headquarters (to present)</p>	8,900
		<p>Reason for appointment as a candidate for Director Mr. Hiroshi Yasui has a wide range of experience and insight related particularly to sales departments, and is expected to make accurate and prompt decisions. Therefore, the Company believes that he will appropriately perform his duties as Director, and proposes his reelection as Director.</p>	



No.	Name (Date of birth)	Career summary and positions and responsibilities at the Company	Number of shares of the Company held
5	Kazuhiisa Mori (May 30, 1963)  [New]	<p>April 1986      Joined the Company</p> <p>April 2009      General Manager of Technology Development Office, Sales Development Department, Sales Management Headquarters</p> <p>October 2010    General Manager of Technology Development Department, R&amp;D Headquarters</p> <p>April 2014      Deputy General Manager of R&amp;D Headquarters</p> <p>April 2015      General Manager of R&amp;D Headquarters</p> <p>June 2015      Executive Officer and General Manager of R&amp;D Headquarters</p> <p>June 2017      Executive Officer and General Manager of International Sales Division, Sales Department</p> <p>April 2020      Senior Executive Officer and General Manager of International Sales Division, Sales Department</p> <p>April 2022      Senior Executive Officer, General Manager of R&amp;D Headquarters (to present)</p> <hr/> <p>Reason for appointment as a candidate for Director Mr. Kazuhisa Mori has been engaged mainly in operations related to development at the Company, and has a wide range of experience and insight, including a contribution that he made as General Manager of International Sales Division toward the Company's development in overseas markets in its endeavor for global business expansion. Therefore, the Company proposes his election as Director.</p>	2,500

No.	Name (Date of birth)	Career summary and positions and responsibilities at the Company	Number of shares of the Company held
6	<p>Nobuyuki Matsui (May 7, 1943)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>Attendance at the Board of Directors meetings: 12/12 (100.0%)</p>	<p>March 1968 Completed Master's degree of Electrical Engineering, Graduate School of Engineering, Nagoya Institute of Technology (current National University Corporation Nagoya Institute of Technology)</p> <p>July 1976 Doctor of Engineering, Tokyo Institute of Technology (current National University Corporation Tokyo Institute of Technology)</p> <p>April 1985 Professor at Department of Electrical Engineering in Nagoya Institute of Technology</p> <p>January 2004 President at Nagoya Institute of Technology</p> <p>April 2010 Auditor of Aichi University of Education, Adviser of Aichi Prefectural Government Office (Industrial Labor Section)</p> <p>April 2012 Specially Appointed Professor with Chairman at Chubu University</p> <p>June 2015 Director of the Company (to present)</p> <p>April 2021 President of International Professional University of Technology in Nagoya (to present)</p> <p>[Significant concurrent positions] Outside Director of Rinnai Corporation President of International Professional University of Technology in Nagoya</p> <hr/> <p>Reason for appointment as a candidate for Outside Director and summary of expected roles to be fulfilled in the event of election as Outside Director</p> <p>Although Mr. Nobuyuki Matsui has never been involved in corporate management other than as Outside Director, he has served as a professor and President of the Nagoya Institute of Technology, and was appointed President of International Professional University of Technology in Nagoya in April 2021, and therefore has a high level of knowledge as an academic. The Company expects that he will enhance the monitoring and supervisory functions of management from an independent standpoint by applying his insight as an academician, and therefore proposes his reelection as Outside Director.</p>	

No.	Name (Date of birth)	Career summary and positions and responsibilities at the Company	Number of shares of the Company held
7	<p>Chie Okada (October 3, 1970)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>Attendance at the Board of Directors meetings: 10/10 (100.0%)</p>	<p>April 1998 Registered as an attorney Joined Tsunehiko Nakane &amp; Associates</p> <p>October 2003 Partner, Kakura Law Office (to present)</p> <p>October 2006 Civil Mediator, Nagoya Summary Court (Part-time Justice)</p> <p>October 2015 Member, Dispute Adjustment Committee, Aichi Labor Bureau</p> <p>June 2022 Director, the Company (to present)</p> <p>[Significant concurrent positions] Partner, Kakura Law Office Corporate Auditor, M.G. Home Co., Ltd. Auditor, National University Corporation Aichi University of Education</p> <hr/> <p>Reason for appointment as a candidate for Outside Director and summary of expected roles to be fulfilled in the event of election as Outside Director</p> <p>Ms. Chie Okada works actively as a lawyer and has extensive experience and wide-ranging insight on governance, particularly from a legal perspective. The Company expects her to incorporate such experience and insight in its management and to enhance the monitoring and supervisory functions of its management from an independent standpoint, and therefore proposes her reelection as Outside Director.</p>	-

No.	Name (Date of birth)	Career summary and positions and responsibilities at the Company	Number of shares of the Company held
8	Masatsugu Kasano (November 7, 1960)  [New] [Outside] [Independent]	<p>April 1984      Joined OKAYA &amp; CO., LTD.</p> <p>March 2008      Deputy General Manager, Toyota Branch Office, Nagoya Head Office of OKAYA &amp; CO., LTD.</p> <p>March 2011      Senior General Manager, Toyota Division, Nagoya Head Office and Deputy General Manager, Toyota Branch Office of OKAYA &amp; CO., LTD.</p> <p>March 2015      Senior General Manager, Corporate Planning &amp; Coordination Division and Senior General Manager, Toyota Division, Nagoya Head Office of OKAYA &amp; CO., LTD.</p> <p>May 2016      General Manager, Kariya Branch Office, Toyota Division, Nagoya Head Office of OKAYA &amp; CO., LTD.</p> <p>May 2018      Member of the Board, Deputy General Manager of Nagoya Head Office and General Manager, Kariya Branch Office, Toyota Division of OKAYA &amp; CO., LTD.</p> <p>May 2021      Member of the Board in charge of New Technology Promotion of OKAYA &amp; CO., LTD.</p> <p>March 2022      Member of the Board in charge of New Technology Promotion and General Manager, Kariya Branch Office, Toyota Division of OKAYA &amp; CO., LTD.</p> <p>May 2022      Member of the Board in charge of New Technology Promotion and Assistant to Head of Information &amp; Electronics Segment of OKAYA &amp; CO., LTD. (to present)</p> <p>[Significant concurrent positions] Member of the Board in charge of New Technology Promotion and Assistant to Head of Information &amp; Electronics Segment of OKAYA &amp; CO., LTD.</p> <p>Reason for appointment as a candidate for Outside Director and summary of expected roles to be fulfilled in the event of election as Outside Director Mr. Masatsugu Kasano has broad insight cultivated in metal and machinery trading companies. The Company expects him to incorporate such experience and insight in its management and to enhance the monitoring and supervisory functions of its management from an independent standpoint, and therefore proposes his election as Outside Director.</p>	-

- Notes: 1. The Company engages in transactions with OKAYA & CO., LTD., where Mr. Masatsugu Kasano is Member of the Board, for the purchase of materials and goods and sales of products, etc., but the amount of said transactions in the fiscal year under review accounts for less than 1% of consolidated net sales of the Company and that of the said company. There is no other special interest between any of the candidates and the Company.
2. Mr. Nobuyuki Matsui, Ms. Chie Okada and Mr. Masatsugu Kasano are candidates for Outside Director.
3. Mr. Nobuyuki Matsui will have served as Outside Director for eight (8) years at the conclusion of this General Meeting of Shareholders. Ms. Chie Okada will have served as Outside Director for one (1) year at the conclusion of this General Meeting of Shareholders.

4. The Company has entered into a liability limitation agreement with Mr. Nobuyuki Matsui and Ms. Chie Okada to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act to the maximum amount provided for in laws and regulations. In the event that both of them are reelected, the Company will continue this agreement with them. If Mr. Masatsugu Kasano is elected, the Company will enter into such agreement with him.
5. The Company has registered Mr. Nobuyuki Matsui and Ms. Chie Okada with the Tokyo Stock Exchange and the Nagoya Stock Exchange as independent directors pursuant to the provisions of both exchanges. In the event that both candidates are reelected, the Company will continue to register them as independent directors with the exchanges. If Mr. Masatsugu Kasano is elected, the Company will register him as an independent director with the exchanges.
6. The Company has entered into a directors and officers liability insurance (D&O Insurance) contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers legal damages and legal costs incurred by the insured due to claims for damages arising from acts (including omissions of acts) committed by the insured in his or her capacity as a Director or Officer of the Company. Each of the candidates (except for Mr. Masatsugu Kasano) is included as an insured person under such insurance contract as a Director or Executive Officer of the Company, and if their reappointment is approved, they will continue to be included as an insured person under the insurance contract. If Mr. Masatsugu Kasano's appointment is approved, he will be included as an insured person under the insurance contract. The Company will renew the insurance contract during their terms of office of the Director under this proposal with the same terms and conditions.
7. Ms. Chie Okada's name in the family registry is Chie Kakura.

(Reference) Composition of the Board of Directors in the event that Proposal 2 is approved.

Based on the knowledge, experience, abilities, etc. of each candidate for Director, items that are particularly expected are marked with ●.

Name	Position and responsibilities	Management	Finance & Accounting	Sales & Marketing	Overseas businesses	Development & Quality	Manufacturing & Procurement	Legal affairs & Governance
Toshiyuki Hoshika	Representative Director, Chairman	●	●					●
Kenji Kunishima	President and Representative Director, President Executive Officer	●	●					●
Yutaka Yoshida	Director, Managing Executive Officer, in charge of Technology			●		●	●	
Hiroshi Yasui	Director, Managing Executive Officer, General Manager of Sales Headquarters			●	●			
Kazuhisa Mori	Director, Senior Executive Officer, General Manager of R&D Headquarters			●	●	●		
Nobuyuki Matsui	Outside Director	●				●	●	
Chie Okada	Outside Director	●	●					●
Masatsugu Kasano	Outside Director	●		●		●		

\*The table shown above does not represent all knowledge that each candidate for Director has.

### Proposal 3: Payment of Bonuses to Directors

The Company proposes to pay a total of 50,600,000 yen as bonuses to six (6) Directors (excluding Outside Directors) as of the end of the fiscal year under review, taking into account factors including past payments and the business performance of the fiscal year under review.

As described in the Business Report, the Company's Board of Directors has defined a basic policy regarding details of compensation, etc. for individual Directors. This proposal has been deemed to be appropriate as it is necessary and reasonable to grant individual compensation, etc. to each Director in accordance with such policy. In addition, the amount of compensation for Directors will not include the employee's salary for Directors who concurrently serve as employees, as has been the case to date.