

THE SHIZUOKA BANK, LTD.

The 2014 Tailored Resolution Plan

Section 1: Public Section

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(a) Public Section

Introduction

The Shizuoka Bank, Ltd. (“The Covered Company”) has developed a Tailored Resolution Plan (“TRP”) to address the requirements for a resolution under the joint Board of Governors of the Federal Reserve System (“FRB”) and Federal Deposit Insurance Corporation (“FDIC”) rule implementing Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (“the SIFI Rule”).

The primary goal of the TRP is to ensure a rapid and orderly resolution in a manner that would not pose any serious adverse effects on U.S. financial stability while maximizing the value of the Core Business Lines (“CBLs”), providing the continuity of the Critical Operations (“COs”), and facilitating the orderly wind-down of the relevant Material Legal Entities (“MEs”).

On August 14, 2014, the Covered Company received a letter from the FRB and the FDIC identifying information required for the U.S. Resolution Plan and focusing specifically on (1) material changes that require modifications to the Covered Company’s most recently filed TRP in 2013 and (2) any actions taken by the Covered Company since the 2013 TRP to improve the effectiveness of the 2014 TRP. In response to the letter, the Covered Company confirms that there has been no material changes that require modification to the 2013 TRP and no actions were taken since the 2013 TRP to improve the effectiveness of the TRP.

(1) The names of material entities

The Covered Company has identified the New York Branch as the only US ME in scope for the purpose of TRP, while the Covered Company has determined that the New York Branch does not perform any material CBL activities. In addition, the Covered Company does not believe that New York Branch performs any activities that would pose threat to the financial stability of the US.

Although the Covered Company operates two branches in the U.S. (New York Branch and Los Angeles Branch), for purposes of the TRP, the Covered Company has identified the New York Branch as the only US ME in scope because the vast majority of its US operations reside in New York Branch.

As of March 31, 2014, the New York Branch had total assets of approximately \$3.04 billion which consisted of corporate loans and securities investments. Corporate Loans are mostly comprised of loans to the U.S. subsidiaries or affiliates of customers of Headquarter or other domestic branches in Japan and securities investments comprised of GNMA floaters and corporate bonds.

(2) A description of core business lines

Pursuant to the analysis below, the Covered Company has determined that it does not have any operations or activities in the U.S. that would be a CBL as defined in the SIFI Rule.

As a part of its quantitative assessment, the Covered Company evaluated its business against the global totals in terms of revenue and asset size.

The New York Branch engages in corporate loan, securities businesses and due from banks (interbank). The New York Branch's corporate loan business had total revenue of approximately \$12.1 million for the year ended March 31, 2014 and total assets of approximately \$1.39 billion as of March 31, 2014. These figures represented 0.6% of the global revenue and 1.3% of the global assets for banking operations business. Moreover, the New York Branch reported securities business of \$1.6mm in revenue for the year ended March 31, 2014 and \$244mm in assets as of March 31, 2014. In addition, The New York Branch's due from banks business had total revenue of \$1.2mm in revenue for the year ended March 31, 2014 and \$652mm in assets as of March 31, 2014.

The below table details the New York Branch's revenues and assets in comparison to those of global. This shows the proportion of the revenue and asset of the New York Branch to the global total is relatively small:

Therefore, the Covered Company has determined that the New York Branch does not perform any material CBL activities. In addition, the Covered Company does not believe that New York Branch performs any activities that would pose threat to the financial stability of the US.

	Revenue (\$000)	% of Global Total	Assets Balance (\$000)	% of Global Total
NY Banking Operations	14,862	0.7%	2,291,792	2.2%
Global Total	2,148,496	100.0%	103,944,315	100.0%

(3) Consolidated or segment financial information regarding assets, liabilities, capital and major funding sources

The below presents the unconsolidated balance sheet of the Covered Company as of March 31, 2014:

The Shizuoka Bank, LTD.	
Balance Sheet	
31-Mar-14	
(Expressed in Thousands of U.S. Dollars)	
Assets:	
Cash and due from banks	6,554,421
Call loans and bills bought	1,222,800
Monetary claims bought	384,291
Trading assets	292,327
Money held in trust	30,121
Securities	23,107,056



The Shizuoka Bank, LTD.	
Balance Sheet	
31-Mar-14	
(Expressed in Thousands of U.S. Dollars)	
Loans and bills discounted	70,139,857
Foreign exchanges	66,004
Lease receivables and investment assets	455,141
Other assets	547,070
Tangible fixed assets	625,119
Intangible fixed assets	154,419
Asset for retirement benefits	7,603
Deferred tax assets	15,369
Customers' liabilities for acceptance and guarantees	901,213
Allowance for loan losses	(557,925)
Allowance for investment losses	(571)
Total Assets	103,944,315
Liabilities:	
Deposits	84,382,624
Call money and bills sold	3,311,711
Payables under securities lending transactions	3,046,733
Trading liabilities	173,292
Borrowed money	1,797,766
Foreign exchanges	1,103
Bonds payable	194,326
Bonds with stock acquisition rights	500,000
Other liabilities	1,151,700
Liability for retirement benefits	233,456
Provision for losses from reimbursement of inactive accounts	6,665
Provision for contingent losses	27,646
Provision for point program	2,322
Reserves under special laws	113
Deferred tax liabilities	278,317
Acceptances and guarantees	901,213
Total Liabilities	96,008,987
Equity:	
Capital stock	882,683
Capital surplus	533,269
Subscription rights to shares	3,358
Retained earnings	5,736,635
Treasury stock-at cost	(352,319)
Accumulated other comprehensive income	1,078,421
Minority interests	53,281
Total Equity	7,935,328
Total Liabilities and Equity	103,944,315

The above financial information was prepared in conformity with Japanese generally accepted accounting principles.

(4) A description of derivative activities and hedging activities

The Covered Company enters into derivative transactions for customer needs of hedging exchange rates or interest rates, and for asset and liability management (ALM) or hedging individual transactions to appropriately manage the market risks of the Covered Company. The Covered Company also conducts trading transactions for the short term. Derivative mainly include interest-rate swaps, currency swaps and bond futures and are exposed to market risk that could cause losses in association with changes in interest rate markets and foreign exchange markets as well as credit risk (counterparty risk), that is, the risk of default on the initial contract due to the bankruptcy of the counterparty or other factors.

All derivative transactions, except those entered into for hedging purposes, are recognized as either assets or liabilities and measured at fair value with gains or losses on derivative transactions recognized in the statement of income. The Covered Company applies hedge accounting to certain derivative transactions as per applicable accounting standard.

(5) A list of memberships in material payment, clearing and settlement systems

The below table highlights key memberships in material payment, clearing and settlements for the New York Branch:

Membership	Description of the Membership	Legal Entity Owner of the Membership	Membership Status
SWIFT	Confirmation correspondent only (not used for wire transfer)	New York Branch	Direct
DTC	Custody Settlement	New York Branch	Through agent bank (MUTU Trust account)
Fedwire	Fed fund transfer	New York Branch	Through agent bank (JP Morgan account)
CHIPS	Payments to third Parties	New York Branch	Through agent bank (JP Morgan account)
ACH	ACH fund transfer (Expense payment)	New York Branch	Through agent bank (BTMU account)

(6) A description of foreign operations

The Covered Company is a Japanese regional bank headquartered in Shizuoka, Shizuoka Prefecture. The Covered Company was established on March 1, 1943 and it operates in the prefecture that is

one of Japan's leading manufacturing areas. The Covered Company offers general banking services such as deposits, loans, and exchange transactions. Additionally, the Covered Company offers corporate and financial management advisory services, leasing services, credit cards, and securities related services.

As of July 1, 2014, the Covered Company operated 173 branches, 26 sub-branches and 11 subsidiaries in Japan, and 1 subsidiary in Belgium; 2 branches in New York and Los Angeles; and 1 branch in Hong Kong; and it has 2 representative offices in Shanghai and Singapore.

For resolution planning purposes, as of March 31, 2014, the New York Branch is the only US ME identified by the Covered Company and the New York Branch does not have any offices or operations outside of the U.S.

(7) The identities of material supervisory authorities

The Covered Company is supervised by the Japanese Financial Services Agency and the Tokai Local Finance Bureau, Ministry of Finance Japan.

(8) The identities of the principal officers

The principal officers for the Covered Company are as follows:

Name	Title
Katsunori Nakanishi	President & CEO
Akihiro Nakamura	Representative Director & Senior Managing Executive Officer COO (In charge of the International Department)
Mamoru Muramatsu	General Manager of the International Department
Yuji Unno	General Manager of the International Business Promotion Group

The principal officers for the New York Branch are as follows:

Name	Title
Takayoshi Otsuka	General Manager
Nobuyuki Takagi	Deputy General Manager

(9) A description of the corporate governance structure and processes related to resolution planning

The Covered Company recognizes that the resolution planning is a new process and will evolve over time based upon supervisory feedback and on-going enhancements. To ensure the effectiveness of the governance structure and processes, the Covered Company has embedded the resolution planning into its existing governance structure.

The TRP will be reviewed and updated on an annual basis, based on year-end figures of the previous financial year. Upon any event, occurrence, change in conditions or circumstances or other change

that result in, or could reasonably be foreseen to have, a material effect on the TRP of the Covered Company (e.g. divestment of a significant business), the Covered Company will, as set forth in the SIFI rule, file a simple notice with FRB/FDIC and address such material event in the next annual TRP or -- if jointly determined by FRB/FDIC -- in the more frequently updated TRP as appropriate.

The Covered Company's TRP has been developed and approved pursuant to and in accordance with a comprehensive system of policies, procedures, and internal controls and will be approved by the Board of Directors of the Covered Company prior to submission to the FRB/FDIC.

The 2013 TRP submitted to the FRB/FDIC was formally reviewed and was approved on December 25, 2013 by the Board of Directors. Also at the same Board meeting, the Board of Directors has resolved that it will delegate the authority, under the express authority of the Board of Directors, for final approval of the TRPs for the 2014 TRP and the following submissions to the Executive Committee in the presence of material changes or to the Senior Executive who is in charge of the International Department in the absence of such changes. The Covered Company does not identify any material change in the 2014 TRP compared to the 2013 TRP, therefore, the 2014 TRP has been reviewed and approved by the Senior Executive who is in charge of the International Department.

(10) A description of material management information systems

The primary responsibility of the New York Branch's Management Information Systems ("MIS") is to provide comprehensive information to the New York Branch's Senior Management to manage the branch in effective and efficient manners.

The New York Branch's MIS can be broadly categorized into internal reports and external reports, which consist of risk reporting, accounting/finance reporting, management reporting and regulatory reporting.

(11) A description, at a high level, of the covered company's resolution strategy, covering such items as the range of potential purchasers of the covered company, its material entities and core business lines

Upon resolution, the New York Banking Law would authorize the Superintendent of the New York State Department of Financial Services ("the Superintendent") to take possession of and liquidate the New York Branch. The Superintendent may also take possession of the New York Branch if the Covered Company is in liquidation or there is reason to believe that the New York Branch will not be able to meet its creditor's needs or obligations.

The Covered Company believes that the resolution of the New York Branch would be orderly, given the nature of its activities, high quality liquid assets on its books, and limited impact to the broader U.S. financial system.

(End)