

**ARTICLES OF INCORPORATION OF  
FUBON FINANCIAL HOLDING CO., LTD.  
[ENGLISH TRANSLATION]**

Chapter I - General provisions

- Article 1 - The Company is organized in accordance with the Company Law, the Financial Holding Company Law and other applicable laws to expand the economic scale of its operations and create overall operating benefits, and is named 富邦金融控股股份有限公司. (Fubon Financial Holding Co., Ltd.)
- Article 2 - The head office of the Company is established at Taipei and may, subject to business requirement, set up branch office(s) at other appropriate locations.
- Article 3 - Public notices to be given by the Company shall be handled in accordance with manners provided by applicable laws, regulations or placed in a daily circulating newspaper at the place of business of the head office.

Chapter II - Shares

- Article 4 - The total authorized capital of the Company shall be NT\$120 billion, divided into 12 billion shares with a par value of NT\$10 each. Subject to practical need, the Board is authorized to issue such shares by installments.  
Within the 12 billion shares stated above, 600 million shares shall be reserved for issuance of warrants.
- Article 5 - The share certificates of the Company shall all be in non-bearer form and shall be issued only after they have been signed and sealed by at least three directors, serially numbered, and duly certified by the issuing and certifying agency approved by the competent authority.  
The Company can be exempted from printing any share certificate for the newly issued shares. For new shares to be issued by the Company, the Company may print a consolidated share certificate representing the total number of the new shares to be issued, provided that the share certificates to be issued shall be recorded or placed under the custody of a centralized securities depository enterprise.
- Article 6 - For the co-owned shares of the Company, the co-owners shall designate a person to exercise such shareholder rights.

Article 7 - The Company shall handle share matters in accordance with the Guidelines Governing Stock Matters of Public Offering Companies.

### Chapter III – Business

Article 8 - The Company engages in financial holding business.

Article 9- The Company's scope of business is as follows:

1. The Company may invest in the following businesses:
  - (1) Financial Holding Company
  - (2) banking business
  - (3) bills finance
  - (4) credit card business
  - (5) trust
  - (6) insurance
  - (7) securities
  - (8) futures
  - (9) venture capital
  - (10) foreign banking institutions approved by the competent authority
  - (11) other banking related business which is approved by the competent authority
  - (12) other banking related businesses in which the Company may invest by law
2. Management of the above invested business entities
3. The Company may apply for approval of its investment in businesses other than as described in subparagraph (1) above.
4. Other relevant businesses approved by the competent authority.

Article 10 - The Company engages in investment business professionally. The total amount of investment in other businesses is not subject to the limitation of 40% of the Company's paid-in capital under Article 13 of the Company Law.

Article 11 [ Deleted ]

### Chapter IV - Shareholders' Meeting

Article 12 - Shareholders' meetings shall be of two types: regular shareholders' meeting and special shareholders' meeting, the former to be convened within six months of

the close of each business year by the Board, and the latter to be convened in accordance with the Company Law at such time as necessary.

Shareholders' meetings are convened by the Board unless otherwise regulated by Company Law or other regulations.

For regular shareholders' meeting, the notice of meeting shall be served to each shareholder at least thirty (30) days prior to the meeting; for special shareholders' meeting, a notice of meeting shall be served to each shareholder at least fifteen (15) days prior to the meeting. For the shareholders holding less than one thousand (1000) registered shares, the notice of meeting may be served through public announcement.

The notice and announcement for the meetings shall specify the reasons for the meeting and upon consent by the recipient; the notice may be served electronically.

Article 13 - If a shareholder appoints a proxy to attend a shareholders' meeting in his place, the shareholder shall issue a power of attorney in the form printed by the Company setting forth the scope of vested powers. Such power of attorney shall be received by the Company five days prior to the meeting. In the event of duplicate powers of attorney, the one first received shall govern. The above shall not apply to the cancellation of a power of attorney.

After the service of a proxy to the Company, in case the shareholder granting the said proxy intends to attend the shareholders' meeting in person, a proxy rescission notice shall be given in writing to the Company at least one day prior to the date of the shareholders' meeting, otherwise, the voting right exercised by the authorized proxy at the meeting shall prevail.

Save in trust business or the agent for stock affairs approved by competent authorities, if one person is appointed as proxy of two or more shareholders, the voting rights of the proxy shall not exceed 3% of the total number of votes attached to all the issued shares; any vote in excess of that amount shall not count.

Article 14 - Unless otherwise provided by the law, a shareholders' meeting shall be chaired by the chairman of the Board. Where the chairman of the Board is absent, the shareholders' meeting shall be proceeded in accordance with relevant provisions prescribed by the Company Law.

Article 15 - Except as otherwise provided by the legislation, resolutions of a shareholders' meeting shall be adopted at a meeting attended by shareholders representing a majority of the total number of issued shares and at which meeting a majority of the shareholders vote in favor of such resolutions.

Where the number of attending shareholders falls short of the above quorum but the meeting is attended by shareholders representing at least one-third of the total number of issued shares, such resolutions are quasi-resolutions. The abovementioned quasi-resolutions, if still adopted by a majority vote of the attending shareholders, shall be deemed resolutions under the first paragraph. Quasi-resolutions may be deemed as the resolution as the resolution made by paragraph one of this Article, provided that:

(a) the quasi-resolutions are sent to all shareholders

(b) A shareholders' meeting shall be re-convened within a month, in which meeting, if attended by shareholders representing at least one-third of the total number of issued shares, and the quasi-resolutions are adopted by a majority vote of the attending shareholders and shall be notified to each shareholder.

More than one person is allowed to represent a corporate shareholder, provided the voting rights of such representatives shall be exercised based on their combined shareholding. Where there are more than two representatives, such representatives shall jointly exercise their voting rights.

Article 16 - Except as otherwise provided by the legislation, matters subject to resolution and execution at a shareholders' meeting are as follows:

1. review/determine and amend these Articles of Incorporation
2. elect directors
3. inspect and accept statements and reports compiled by the Board and the Audit Committee.
4. resolve on adjustment to capital
5. resolve on the distribution of profit, dividend and bonus, and measures to cover losses
6. other matters subject by law to resolution at a shareholders' meeting

Article 17 - Minutes shall be prepared for all resolutions adopted at a shareholders' meeting specifying the time, date and place of the meeting, number of shares held and represented by attending shareholders, name of the chairman of the meeting, how the resolutions were adopted, and matters for resolution, and shall be signed and sealed by the chairman of the meeting. Such minutes shall be kept at the Company together with the shareholder attendance book and powers of attorney

of proxies appointed and distributed to all shareholders. Preparation and distribution of the above minutes may be made electronically. For the shareholders holding less than one thousand (1000) shares, the distribution of minutes aforementioned can be substituted by public announcement.

#### Chapter V - Directors and the Board of Directors

Article 18 - The Company shall have nine to fifteen directors. The Board meeting is authorized to approve the number of directors. The number of independent directors shall be no less than three, and shall be no less than one fifth of the total number of directors, all to be elected from persons having legal capacity at a shareholders' meeting.

Election of independent directors shall adopt the candidate nomination measure and independent directors shall be elected from among the list of candidates for independent directors by the shareholders' meeting. Matters regarding professional qualification, restrictions on shareholdings, concurrent positions held, determination of independency, method of nomination and election and other matters for compliance with respect to independent directors shall be subject to the rules prescribed by the securities governing authorities.

The total amount of shares of the non-bearer share certificates held by all directors shall conform to the Regulations Governing the Percentage Holdings, Inspection and Enforcement of the Directors and Supervisors of Public Offering Companies.

The election of directors and supervisors shall be made public, pursuant to the principle of equity, fairness. The shareholders' meeting should also approve the Procedures for Election of Directors.

Article 19 - Directors shall each hold office for a term of three years, and are eligible for re-election. However, when the term of directors shall be prolonged till the directors for next term take up such positions when the term is complete and those of next term cannot be elected in time.

Article 20 - Where the number of directors short covers up to one-third of all directors, a special shareholders' meeting shall be called immediately in sixty (60) days to have new directors elected to fill the vacancies until the incumbent term expires; provided that with respect to a director appointed by a corporate shareholder or its representative [but incapacitated *ex officio*], a new director may be appointed to replace the previous director to serve out the incumbent term.

Article 21 - The Board shall be formed by the directors. Three to five executive directors may be elected from among the directors by a majority vote of the shareholders present at a meeting attended by at least two-thirds of all directors. The chairman of the Board shall also be elected from among the executive directors in the same fashion as above. Where necessary, vice chairman of the Board may also be elected from among the executive directors. If the Board does not have an executive director, a chairman shall be elected from among the present directors at a meeting attended by over two-thirds of the directors, and by a majority vote of the attending directors. A vice chairman shall also be elected from among the present directors in the same fashion as above. The chairman of the Board shall chair all shareholders', directors' and executive directors' meetings internally and represent the Company externally. Where the chairman of the Board is on leave or unable to perform his duties, he shall designate the vice chairman of the Board to act on his behalf. If there is no vice chairman or vice chairman is also on leave or unable to perform his duties, the chairman shall designate an executive director to act on his behalf. If there is no executive director, the chairman shall designate one director to act on his behalf. In the absence of such designation, the executive directors or directors shall elect a person from among themselves to act on behalf of the chairman of the Board.

Article 22 - The Board shall perform the following functions:

- (1) determine business policies or operation plan;
- (2) review annual budgets;
- (3) prepare or review financial report;
- (4) decide on the distribution of profit;
- (5) decide on the adjustment to capital;
- (6) determine on major investment projects;
- (7) decide on offering, issuance, or private placement of any equity-type securities;
- (8) review and examine material assets transactions;
- (9) approve or amend internal control policy;
- (10) directors' remuneration structure and policy;
- (11) appoint and dismiss financial, accounting, risk management, legal compliance or internal auditing officers and managers; managerial officer's performance assessment standards and salary standards;
- (12) appoint and dismiss Certified Public Accountants, and decide their remuneration;
- (13) appoint directors and supervisors of subsidiaries;
- (14) approve the rules regulating the audit committee and other types of the functional committees ; and

(15) other matters requiring resolution of the board of directors meeting pursuant to law or the Articles of Incorporation; major issues prescribed by the competent authorities or matters authorized by the shareholders' meeting .

Article 23 - The notice for the directors' meeting shall specify the reasons for the meeting and shall be served to each director at least seven (7) days prior to the meeting. A directors' meeting may be held at any time in case of an emergency.

A directors' meeting of the Company shall be convened by the chairman unless otherwise stipulated by the legislation. Unless otherwise provided by laws and regulations, resolutions of a directors' meeting shall be adopted by a majority vote of the shareholders present at a meeting attended by a majority of all directors. In case a director cannot, for cause, attend a meeting, he may appoint another director in writing as his proxy to attend in his place. A director may act as the proxy of only one other director. The minutes book shall be prepared for all resolutions adopted at a directors' meeting, and kept after being duly signed and sealed by the chairman and recording secretary of the meeting. If the Board meeting is held in the form of video conference, those participated by video conference are deemed as participation in person. Preparation and distribution of notice of the directors' meeting and meeting minutes may be made electronically.

Article 24 - If the Company has an executive board of directors, during the Board recess period, the executive directors shall, by assembly, perform the functions of the Board on a regular basis, and the chairman of the Board shall convene meetings from time and time. Unless otherwise provided by legislation, resolutions of such meetings shall be adopted by a majority vote of the executive directors present at a meeting attended by a majority of all executive directors.

For matters substantially relating to the interest of the Company, during recess of the Board, the chairman of the Board and the executive directors shall perform their duties by the resolutions of the Board.

Article 25 - The Board of the Company shall set up the Audit Committee, which shall consist of the entire independent directors. It shall be no less than three in number, one of whom shall serve as the convener, and at least one of whom shall have accounting or finance expertise. Exercise of powers and other compliance matters of the Audit Committee shall be handled in accordance with relevant laws and regulations or provisions of the Articles of Incorporations of the Company.

Since the Company has the Audit Committee, the Company is not required to have supervisor pursuant to the applicable laws and regulations.

The Board of the Company may separately set up a Corporate Governance Committee and other functional committees. Rules regulating such committees shall be promulgated by the Board.

Article 26 - The remuneration of the directors of the Company (including independent directors) shall be determined by the Board, considering degrees of participation and value of contribution of said directors in business operation of the Company, as well as based on levels of remuneration generally adopted by the same industry. In addition, appropriate traveling fee and other compensation can be paid to the directors.

The Company may purchase liability insurance to cover indemnification obligations of directors and important officers arisen from performing their duties during tenure of their offices.

The Chairman of the Board is authorized to handle the above mentioned insurance and the continuation of such insurance.

Article 27 - The directors of the Company may act concurrently as directors and supervisors of subsidiaries.

#### Chapter VI - Managerial Officers

Article 28 - The Company shall have several managerial officers, who shall adhere to the policies of the Board of Directors, and have the authority to manage Company's affairs and sign documents on behalf of the Company in accordance with the Articles of Incorporations of the Company or within the scope of power stipulated under contract.

Article 29 - The appointment and dismissal of the managerial staff of the Company including the president shall be governed by the Company Law, Financial Holding Company Law and applicable laws and regulations.

#### Chapter VII - Accounting

Article 30 - Annual closing of books of the Company shall be made once a year on December 31 as the closing date.

Article 31 - After the closing of books of the Company each year, the following financial statements and documents shall be prepared which shall be reviewed by the Board and presented at a shareholders' meeting for acceptance pursuant to the legal procedures:

- (1) Business Report;
- (2) Balance Sheet;



(3) Proposal for allocation of profit or action to deal with losses.

Article 32 - If after the annual closing of books there is a profit, the Company shall, after having provided for taxes and covered the losses of previous years, appropriate 10% as the legal reserve. If there is still a balance, between 0.01 % and 0.05 % shall be distributed as staff bonus of the Company and subsidiaries; with respect to the rest, the Board shall present a proposal on the allocation of profit at a shareholders' meeting for resolution.

The Company shall set aside a special surplus reserve before the distribution of its stock dividends if its books show any net reduced shareholders' equity such as cumulative conversion reconciliations, unrealized gain or loss of financial assets and net loss not recognized as pension cost, with the reserve in the amount equal to the amount reduced. As soon as the net reduced shareholders' equity has been recovered later on, the reserve set aside shall be entered under the cumulative earnings.

The Company will distribute dividend according to the principle of stability and balance taking into account both shareholders' interest, accumulation of the Company's capital and impact of the distribution on the company's operations.

Pursuant to the Company's dividend distribution plan, an amount shall be reserved for the necessary funds, and the remainder may be distributed in cash, provided cash dividend shall not be less than 50 % of the total dividend. Subject to practical need, the above principles of distribution of dividend may be adjusted by resolution at a shareholders' meeting.

The stock dividend policy set forth above is a general principle for regulation purposes only. The Company may decide upon the most appropriate policy taking into account the actual operating condition of the current year and capital budgeting for the following year.

#### Chapter VIII - Supplemental Provisions

Article 33 - Matters not addressed by these Articles shall be governed by the Company Law, the Financial Holding Company Law and other applicable laws.

Article 34 - These Articles of Incorporation were created on March 16, 1961. Amendments were made at shareholders' meetings as follows: first amendment on June 24, 1951, second amendment on June 16, 1964, third amendment on August 28, 1964, fourth amendment on October 3, 1964, fifth amendment on March 26, 1965, sixth amendment on April 15, 1967, seventh amendment on April 30, 1968, eighth amendment on May 10, 1969, ninth amendment on April 24, 1973, tenth amendment on May 8, 1974, 11th amendment on May 9, 1975, 12th

amendment on April 27, 1976, 13th amendment on November 8, 1977, 14th amendment on May 26, 1978, 15th amendment on April 30, 1979, 16th amendment on June 6, 1980, 17th amendment on April 19, 1981, 18th amendment on April 15, 1982, 19th amendment on May 23, 1986, 20th amendment on April 27, 1987, 21st amendment on May 11, 1988, 22nd amendment on June 1, 1989, 23rd amendment on November 30, 1989, 24th amendment on June 26, 1990, 25th amendment on June 18, 1991, 26th amendment on April 30, 1992, 27th amendment on May 9, 1994, 28th amendment on May 17, 1995, 29th amendment on April 28, 1997, 30th amendment on May 11, 1998, 31st amendment on May 15, 2000, 32nd amendment on September 6, 2000, 33rd amendment on May 22, 2001, 34th amendment on October 26, 2001, 35th amendment on Feb 6, 2002, 36th amendment on June 6, 2003, 37th amendment on June 3, 2004, 38th amendment on June 9, 2006, 39th amendment on June 13, 2008 and 40th amendment on June 25, 2010.