

ARTICLES OF INCORPORATION OF  
FIRST COMMERCIAL BANK

Revised in Jun. 2021

69<sup>th</sup> EDITION



# TABLE OF CONTENTS

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CHAPTER I	GENERAL PROVISIONS .....	1
CHAPTER II	STOCK .....	1
CHAPTER III	SCOPE OF BUSINESS.....	2
CHAPTER IV	STOCKHOLDERS' MEETING.....	3
CHAPTER V	BOARD OF DIRECTORS .....	6
CHAPTER VI	SUPERVISORS .....	10
CHAPTER VII	MANAGERS .....	11
CHAPTER VIII	ACCOUNTING .....	12
CHAPTER IX	SUPPLEMENTARY PROVISIONS .....	13

CHAPTER I  
GENERAL PROVISIONS

- Article 1 This Bank is duly incorporated and operating for the purposes of helping boost economic construction, developing industries and commerce, providing complete financial services and creating the welfare of society.
- Article 2 The name of the Bank is First Commercial Bank, Ltd. (hereinafter the “Bank”). The Bank is organized as a limited liability stock company in accordance with the stipulations of the Banking Law, the Financial Holding Company Law, the Company Law and other laws pertaining to banks.
- Article 3 The Head Office of the Bank is located in Taipei City and may have branches, sub-branches, duly established in appropriate locations at home and abroad as the business requirement may justify.
- Article 4 All of the Bank’s public notices shall be published in the daily newspapers where the Bank’s Head Office is located.

CHAPTER II  
STOCK

- Article 5 The Bank has total capital amounting to New Taiwan Dollars Ninety Billion Eight Hundred Eighty Million, divided into 9,088,000,000 shares at New Taiwan Dollars Ten par value, issued in full.
- Article 6 The share certificates hereof, the registered ones, shall be duly signed or sealed by the director who represents for the company before issuance.
- Article 7 The stockholders hereof shall fill out and file the seal cards with the Bank. The stockholders shall rely on the seal of the seal cards for receiving bonus, dividends or claim privileges or make communications in writing with the Bank.

Article 8 The process and operation of stock transfer and related affairs shall be in accordance with the relevant laws and regulations by the authorized Board of Directors.

### CHAPTER III SCOPE OF BUSINESS

Article 9 Range of business operation : H101021 commercial banking.  
H601011 life insurance agency  
H601021 property insurance agency

Article 9-1 The operation of the Bank's businesses as follows:

- (1)Receiving checking account deposits.
- (2)Receiving demand deposits.
- (3)Receiving time deposits.
- (4)Extend short-term, medium-term and long-term loans.
- (5)Engage in discount negotiable instruments.
- (6)Invest in securities.
- (7)Engage in domestic remittances.
- (8)Engage in acceptance of commercial drafts.
- (9)Issue domestic letters of credit.
- (10)Engage in domestic guarantee business.
- (11)Act as collecting and paying agent.
- (12)Selling for issuing government bonds, treasury bills, corporate bonds, and company stocks.
- (13)Engage in credit card business.
- (14)Engage in custodies and warehousing business.
- (15)Engage in safe-deposit box rental services.
- (16)Engage in agency services business related to permitted business items listed on business license or approved by the central competent authorities.
- (17)Engage in derivative products business approved by the central competent authorities.

- (18) Engage in export and import foreign exchange, outward and inward foreign remittances, foreign currency deposits, foreign currency loans and guaranty business of foreign currency payment.
- (19) Engage in financial related advisory business.
- (20) Engage in business being accordance with Trust Business Law.
- (21) Engage in agency business of Charity Lottery Tickets approved by the central competent authorities.
- (22) Undertake underwriting and trading of securities on its own behalf .
- (23) Purchase and sale of government bonds.
- (24) Act as broker, dealer, certificate, and underwriter for short-term debt instruments.
- (25) Act as sales broker of gold bullion, gold and silver coins.
- (26) Guarantee the issuance of corporate bonds and securities.
- (27) Engage in issuing bank debentures.
- (28) Factoring-related business approved by the central competent authorities.
- (29) Other business concerned as approved by the central competent authorities.
- (30) Concurrently engage in life insurance agency business and property insurance agency business.

#### CHAPTER IV STOCKHOLDERS' MEETING

Article 10      The stockholders' meeting of the Bank hereof divides into two types which are regular and extraordinary. The regular meeting is held annually within six months from closing of each fiscal year. The latter, unless otherwise specified for in the Company Law, may be duly called by the board of directors or supervisors whenever necessary or when proposed in writing with proposals and reasons provided by stockholders who have continuously held the shares over one year and over 3% of the total issued ones.

Article 11      Notice of each stockholder's meeting, stating the date, place and the purpose thereof, shall be given to each stockholder no less than thirty

(30) days before the date of a regular meeting, or no less than fifteen (15) days before the date of an extraordinary meeting.

Notice of each stockholder's meeting to be given by the Bank to stockholders who own less than 1,000 shares of nominal stocks may be given in the form of a public announcement; for a regular stockholders' meeting, such public announcements shall be served with thirty days prior notice, and for an extraordinary stockholders' meeting with fifteen days prior notice.

Article 12 In case a stockholder is unable to attend the stockholders' meeting, he or she may submit the power of attorney which is signed or sealed by him or her to the Bank stating the scope of power delegated to entrust a proxy to attend the meeting on his or her behalf. However, a stockholder may only submit one power of attorney and entrust only one person to attend as his or her proxy. The power of attorney shall be delivered to the Bank no less than five (5) days before the date of the stockholders' meeting.

The exercising and restriction of the aforesaid power of attorney shall be in accordance with the regulations for the listed company to execute power of attorney in attending the stockholders' meeting.

Article 13 Except as otherwise prescribed in the Company Law, the chairman of the Board of Directors shall be chairman of stockholders' meetings. In case he or she is unable to attend a stockholders' meeting, the Chairman may designate one of the managing directors as acting chairman. If no one has been designated, the Managing Directors may elect a chairman among themselves.

Article 14 The matters that may be resolved at stockholders' meetings include the following:

1. To make and amend the Bank's Articles of Incorporation.
2. To elect and dismiss Directors and Supervisors.
3. To review the book of accounts submitted by the Board of Directors, and the report submitted by the Supervisors. Stockholders' meeting may appoint an inspector for this purpose.
4. To determine increases and decreases of the Bank's capital.
5. To decide the distribution of profits, make up losses incurred in previous years; and

6. To decide other important matters which shall be resolved at stockholders' meeting as prescribed in the regulations.

Article 15 Except as otherwise prescribed in the laws, a majority of the total issued shares entitled to vote shall constitute a quorum. Minutes are approved by the votes of a majority of the shares present at the meeting.

In case of lack of a quorum but in which the stockholders attending the meeting constitute one-third or more of the total issued shares, resolutions approved by one-half or more of the shares at the meeting shall be considered to have been approved as provisional resolutions, and notice shall be made to all stockholders of the provisional resolutions. The Board of Directors shall then convene another stockholders' meeting within one month of the date of the previous meeting.

If the subsequent meeting is attended by one-third or more of the total issued shares and the provisional resolutions from the previous meeting are approved by one-half or more of the shares in attendance at the meeting, they shall be considered to have been approved as formal resolutions.

Article 16 Each share of stock has one voting power. However, No voting power shall be given for shares held by the Bank.

Article 17 The minutes of the stockholders' meeting shall be duly recorded, signed or sealed by the Chairman, and transmitted to the stockholders within twenty (20) days after the meeting. The distribution of the minutes of the stockholders' meeting to stockholders may be effected by means of a public notice. The minutes shall record the year, month, date, place, name of the Chairman, method(s) of approval of the Resolution(s), a summary of the proceedings, and the results of the meeting. The minutes shall be kept permanently during the duration of the Bank. The attendance book for stockholders and the powers of attorney entrusting proxies to attend the meeting shall be kept no less than one year.

Article 18 Except as prescribed in the regulations concerned and these Articles and revisions hereof, the relevant matters of stockholders' meeting shall be complied with the otherwise regulated procedure.

Article 18-1 If the total number of outstanding shares issued by the Bank are held by a single government stockholder or a single juristic person stockholder, the functional duties and power of the stockholders' meeting of the Bank shall be exercised by its board of directors, to which the provisions governing the stockholders' meeting as set out in this article shall not apply.

## CHAPTER V BOARD OF DIRECTORS

Article 19 The Bank has fifteen directors who shall be elected from among the stockholders with disposing capacity to organize the board of directors, having the tenure of three years and eligible for reelection. If the total number of outstanding shares issued by the Bank is held by a single government stockholder or a single juristic person stockholder, the directors of the Bank shall be appointed by such government stockholder or juristic person stockholder.

The directors elected by the government or judicial person stockholders, however, may be reappointed at anytime in response to changes of their positions.

When the posts of directors are vacated by one-third, a stockholders' extraordinary meeting shall be called within sixty (60) days to hold supplemental election to elect the right ones to fill up the vacancies or appointed by the party referred to in the preceding first Paragraph. The directors reappointed or elected in the supplemental elections shall serve the tenure only to fill up their predecessors' remaining tenure.

The total numbers of shares held by the aforementioned directors shall conform with the requirements set forth by the competent authorities.

Article 19-1 The Bank shall appoint independent directors, not less than two in number and not less than one-fifth of the total number of directors in accordance with Article 14-2 of the Securities and Exchange Act effective from the 22<sup>nd</sup> term Board of Directors.

The professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination and selection, and other matters for compliance with respect to independent directors shall be in accordance with the



Company Law, the Securities and Exchange Act and other laws pertaining to banks.

Article 20 By attendance of two-thirds majority and by a majority vote of the attending directors, five managing directors shall be elected among directors themselves and by attendance of two-thirds majority of managing directors and by a majority vote of the attending managing directors, the chairman shall be elected among the managing directors themselves. The chairman shall be chaired the shareholders' meeting, boards of directors and managing directors internally and represent the Bank externally. The number of independent directors among managing directors shall be not less than one and not less than one-fifth of the total number of managing directors. In the chairman's absence, he shall appoint in advance one managing director to act in the place otherwise one managing director shall be elected among themselves to act in the place.

The calculation of chairman's pay is based on 1.25 times of president's total incomes.

The Bank's employee retirement plan and guideline shall apply to the Chairman of the Board for the entitlement of the severance pay after the duty discharged, while the computing of payment scale shall be subject to the Labor Standards Act without meeting the requirement of age or service year.

Article 21 After election of the Chairman of the Board, the Managing Directors, the Independent Directors and Directors, the Bank shall report their names to the competent authorities for the record.

Article 22 The duties and powers of the Board of Directors are as follows:

1. To examine and approve the Bank's important rules and by-laws.
2. To examine and approve important business and the plans for the operation of the Bank's businesses.
3. To propose increases or decreases of the Bank's capital.
4. To approve the establishment, termination or alteration of the foreign/domestic branches or sub-branches of the Bank.
5. To examine and approve important contracts.
6. To examine and approve the budget and final accounts.
7. To decide the purchase and sale of fixed assets.
8. To check and finalize decisions in investing in other companies.

9. To propose the distribution of profits, make up losses incurred in previous years.
10. To examine and approve the compensation of the Board of Directors, Supervisor and employees.
11. To examine and approve the appointment or removal of the President, Senior Advisor, Executive Vice President, Chief Auditor, Consultant, General Managers of Department/Center (Head Office) and Branches, and Senior Vice President.
12. To discuss matters referred to it by the Chairman of the Board; and
13. To perform other duties in accordance with relevant laws and regulations, the provisions of these Articles of Incorporation, or authorized by the stockholders' meeting.

The board of directors, when exercising the functions under Sec. 8 above, is free of the restriction set forth in Article 13, Sec. 1 of the Company Law that investment in another company shall not exceed 40% of the Bank's paid-in capital.

Article 23 Except as prescribed in the regulations concerned and these Articles and revisions hereof, the proceeding of the Board of Directors shall be complied with the otherwise procedure regulated by the authorized Board of Directors.

Article 24 The Board of Directors shall appoint one as Chief Auditor and establish an Auditing Division underneath. Chief Auditor shall discharge the overall responsibilities for the Bank's auditing business independently and objectively. The appointment and removal of the Chief Auditor shall be complied with related laws and be in effect upon the resolution by the Board of Directors.

The Auditing Division shall evaluate the Bank's internal control systems and the effectiveness of their implementation and maintain records of the evaluations. The Division shall periodically report the auditing business to the Board of Directors and the Supervisors.

Article 25 Regular meetings of the Board of Directors must be held at least once in every two months, and shall be held on a monthly basis. Extraordinary meetings may be called in case of urgent matters or upon the request of a majority of the Directors. Except as otherwise stipulated in the Company Law, all meeting shall be convened by the

Chairman of the Board in writing, electronic mail or facsimile, and personally presided over by the Chairman.

Article 26 If any member of the Board of Directors is unable to attend a meeting, he or she may entrust another Director to be his proxy. However, the proxy shall present the power of attorney each time stating the scope of his or her delegated authority.

A person may act as proxy for no more than one Director.

In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 27 Except as otherwise presented in the law, a majority of the Directors shall constitute a quorum. Resolutions are approved by the votes of a majority of the Director present at the meeting.

Article 28 The proceedings of meetings of the Board of Directors shall be recorded in the minutes, signed or sealed by the Chairman, and transmitted to all Directors within twenty (20) days after the meeting. The minutes shall record the year, month and date, place, name of the chairman, method(s) of approval of the resolution, a summary of the proceedings, and the results of the meeting. The minutes shall be kept permanently during the duration of the Bank.

The attendance book and the proxy, constituting part of the minutes, have to be kept permanently.

Article 29 At meetings of the Board of Directors, the Supervisors shall be invited to attend, and the President, the Executive Vice-Presidents, and the Chief Auditor may be invited to participate, but all of them shall have no voting power.

Article 30 When the Board of Directors is not in session, meetings of the Managing Directors may be convened by the Chairman of the Board to execute the duties of the Board of Directors in accordance with laws and regulations, the Bank's Articles of Incorporation and resolutions of the stockholders' meeting and the Board of Directors. The Chairman of the Board shall preside over said meetings. In case the Chairman of the Board is unable to attend, he or she may appoint a managing

director as acting Chairman. In case the Chairman of the Board does not designate an Acting Chairman, the Managing Directors shall elect an Acting Chairman among themselves.

While in the meeting of the Managing Directors, its duties shall not include the approval of the following proposal(s):

1. proposal(s), which has to be resolved by the presence of 2/3 of the Board of Directors and the approval of over a majority or of 3/4 of the Directors in attendance in accordance with the Banking Act, Financial Holding Company Act, and the Company Act, etc.
2. other(s), which has to be resolved by the meeting of the Board of Directors as per a specific regulation.

Article 31 Except as otherwise prescribed in the Company Law, a majority of the Managing Directors shall constitute a quorum. Resolutions are approved by the votes of a majority of the Managing Directors present at the meeting.

The minutes shall be signed or sealed by the Chairman.

Article 32 At meetings of the Managing Directors, the Standing Supervisor shall be invited to attend, and President, the Executive Vice Presidents, and the Chief Auditor may be invited to participate, but all of them shall not have voting power.

## CHAPTER VI SUPERVISORS

Article 33 The Bank has five Supervisors who shall be elected from among the stockholders with disposing capacity, having the tenure of three years and eligible for reelection. If the total number of outstanding shares issued by the Bank are held by a single government stockholder or a single juristic person stockholder, the supervisors of the Bank shall be appointed by such government stockholder or juristic person stockholder.

The supervisors elected by the government or judicial person stockholders, however, may be reappointed at anytime in response to changes of their positions and serve the tenure to fill up their predecessors' remaining tenure.

The total numbers of shares held by the aforementioned supervisors shall conform with the requirements set forth by the competent authorities.

Article 34 The Bank shall have a managing supervisor to represent all supervisors to reside in the Bank to supervise the operation of the Bank's businesses, to be elected from among the supervisors themselves.

Article 35 After the election of the Supervisors and of a Standing Supervisor, the Bank shall report their name to the competent authorities for the Record.

Article 36 The duties and powers of the Supervisors are as follows:

1. To examine and verify the conditions of the Bank's business and property.
2. To verify the book of accounts, documents, and final account report.
3. To examine cash on hand.
4. To supervise the staff on the execution of their duties, and to dismiss them for illegal actions or malfeasance of duties; and
5. To perform other duties in accordance with relevant laws and regulations.

Article 37 The Supervisors may attend meetings of the Board of Directors and the Standing Supervisor may attend the meetings of Managing Directors, but they shall not have voting power.

## CHAPTER VII MANAGERS

Article 38 The Bank shall have a President who shall take overall charge of the business under the direction of the Board of Directors, and some Executive Vice Presidents to assist the President in handling the Bank's work. Their appointment and removal shall be recommended by the Board of Directors and take effect upon the resolution of the approval of up to 50% of the Directors in attendance at the meeting of the Board of Directors. The President can hold this position after his/her qualified documents are approved by the competent authorities.

The appointment and removal of the Division, Office and Regional Center in Head Office and the General Managers of Branches and Sub-Branches shall be recommended by the Board of Directors and take effect upon the resolution of the approval of a majority of the Directors in attendance at the meeting of the Board of Directors.

The managers mentioned above have the rights to manage the business, sign the documents and file the lawsuit of the Bank. The scope of Managers' rights shall be complied with the regulations of the Bank.

Article 39 In case the President is unable to perform his or her duties, the Chairman of the Board may, subject to the approval of the Board of Directors, designate one of the Executive Vice Presidents to execute the President's duties.

## CHAPTER VIII ACCOUNTING

Article 40 The Bank's fiscal year shall start from January 1 and end on December 31 of the year. The name of the fiscal year shall be the current year of the age of the Republic of China. The Bank adopts December 31 as closing date each year. A final account shall be made at the end of the fiscal year.

Article 41 After the final account of the fiscal year has been closed, the Board of Directors shall compile the following statements and books to be ratified by the stockholders' meeting following the verification by the Supervisors thirty (30) days before the stockholders' meeting.

1. Statement of operations.
2. Financial statements.
3. Resolution concerning the distribution of profits and making up losses incurred in previous years.

Statements and books mentioned above which are ratified by the stockholders' meeting shall be submitted along with the annual report within fifteen (15) days respectively to the competent authorities and

the Central Bank of China for the record ,and the public notices shall be published in accordance with the laws.

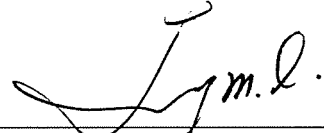
- Article 42 From the Profit before tax of current year earned by the bank, the sum shall be withdrawn 1% to 6% for staff's bonus-related allowance before distributing it except the preservation for the make-up of the accumulated loss in advance.
- When annual surplus exists, the sum shall deduct taxes and accumulated loss first, then withdraw 30% of the above balance for legal reserves, and then special reserves based on business needs. Any balance after the above procedure shall combine with the Undistributed Earnings from last year for the allocation of stockholder's dividend. Board of Directors shall consider the BIS ratio and demand for business development for presenting a proposal of distribution of stockholder's dividend as per conclusion of stockholders' meeting.
- Until either the total legal reserves in accumulation equal to the total capital or BIS ratio is in consistent with the rules in Banking Law, the profit allocated in cash shall be in accordance with the stipulations of Banking Law and the competent authorities.

#### CHAPTER IX SUPPLEMENTARY PROVISIONS

- Article 43 When the reputation of the Bank or its Director(s) is damaged by spread of a rumor or troubled by a misconduct involving fraud, the Director(s) shall immediately take a legal action against it by reporting to the Bureau of Investigation Ministry of Justice, or to the Prosecutors Office in accordance with the Criminal Law.
- Article 44 The regulation of the Bank's organization, detailed working procedures and other regulations shall be prescribed separately.
- Article 45 Matters not stipulated in this statute shall be performed in accordance with the stipulations of the Banking Act, Financial Holding Company Act, and Company Act, and other laws pertaining to banks.

Article 46 These Articles and revisions hereof shall become effective after being resolved by the stockholders' meeting, same procedures if it amended.

Certified True Copy  
First Commercial Bank, LTD.



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Grace M.L. Jeng  
President & Managing Director