

# Self-evaluation Form for the Investment Application from a Financial Holding Company

【The original copy of all the attached application documents shall be sent to the Banking Bureau of Financial Supervisory Commission; the copy of these documents should be sent to the relating bureaus according to the category in which the subsidiary company belongs to.】

Applicant Institute		Title					
		Responsible person					
		Paid-in Capital					
Title of the invested enterprise			Business scope		Paid-in Capital		
Proposed investment amount				The proportion of the investment amount to the issued shares or paid-in capital of the invested company			
Self-evaluation items for the investment	Item	Evaluation content			Actual fact	Matched (Please tick the box.)	Not matched (Please tick the box.)
	1	The investment should be passed by the board of directors of a financial holding company.					
	2	Make a statement that the company abides by Article 209, Article 206 of Company Act, and Article 178 of the same Act shall apply mutatis mutandis concerning the regulations on non-competition and conflict prevention of benefit.					
	3	The capital adequacy of a financial holding company after the investment should be over 100% while its subsidiary companies should meet the relating regulations in respective capital adequacy rules.					
	4	A financial holding company and its subsidiary companies have healthy operation and have not incurred any severe punishment or penalties over NT\$1 million by the competent authorities within the most recent one year. However, companies will not be subject to this restriction if they increase capital for or invest in its subsidiary of which amount of investment does not exceed NT\$ 50 million or the abovementioned circumstances have been improved and accepted by the competent authority.					
	5	The most recent combined financial report of a financial holding company in the most recent one year shows no cumulative losses.					

	6	A financial holding company has no event of having not completed the capital funding for its subsidiary company due to the punishment of capital increase imposed on Its subsidiary company by the competent authorities.			
	7	A financial holding company has no incomplete shareholdings disposal cases that are requested by the competent authorities in accordance with Article 55 of the Act.			
	8	Except for the investment in internet-only banks and unless otherwise regulated, the initial investment by the company according to Sub-paragraph 1 to 9, Paragraph 2, Article 36 of the Act should acquire more than 10% of shares with voting rights or paid-in capital of a financial holding company, bank, insurance company and securities firm. As for the other types of investments, the company should acquire the outstanding voting-right-shares or capital stocks more than 50%.			
	9	The double leverage ratio after the investment should not exceed 125%.			
	10	Investments in other financial holding companies or banks shall comply with the shareholder qualifications prescribed in Article 16 of the Act or Article 25 of Banking Act.			
	11	If the invested enterprise is an existing company and has cumulative losses within the recent one year, the company shall provide reasonable explanations on the losses to the investor.			
	12	The source of the investment shall be clarified. If the source is a loan, the company shall detail the source of payment and the debt-payment plan and, additionally, maintain the wellness of its capital structure.			
	13	Except for the investment in internet-only banks or otherwise stipulated by other regulations, the company shall promise to the competent authority to complete the consolidation within a certain period (up to three years) and propose a specific and clear plan to release shares if it does not complete the consolidation within the deadline.			
	14	Investing in financial holding companies, banks, insurance companies and securities firms is subject to obtaining a board meeting resolution from the invested company not opposing the investment or requiring the signing of an agreement or contract with the invested enterprise to acquire more than 25% of the shares to be sold in accordance with Sub-paragraph 1 of Paragraph 1 in Article 11 of the "Regulations Governing Information to be Published in Public Tender Offer Prospectuses." However, those who meet the conditions of capital adequacy, good management capability, global expansion capability and good corporate social responsibility will not be restricted by these requirements.			

Attached documents	<ol style="list-style-type: none"> <li>(1) Minute of the board of the directors.</li> <li>(2) Purpose and plan of investment (including the shareholder structure, members of management team of the invested enterprise, the business scope, principles and guidelines of business, business plans, financial evaluation status for the next three years, the investment efficiency feasibility analysis, the share acquisition plan and consolidation project, solid schedule of the investment plan that is to be executed and the measures when the plan fails to be performed as scheduled. If the subsidiary company is an insurance company, according to Article 146-1 of the Insurance Act, it should propose a handling scheme concerning whether to sell or keep the investment to the invested enterprise; the subsidiary company should also submit the application document referred to in Article 146-6 of the Insurance Act for the investment that is to be kept for the invested enterprise.)</li> <li>(3) Make a statement (Attachment 3) that the company abides by Article 209, Article 206 of Company Act, and Article 178 of the same Act shall apply mutatis mutandis concerning the regulations on non-competition, conflict prevention of benefit, and no advance investment.</li> <li>(4) Explanation on the capital adequacy ratio of the financial holding group and the capital adequacy of each of its subsidiary company.</li> <li>(5) The combined balance sheet and income sheet for a financial holding company and its subsidiary companies in the most recent period.</li> <li>(6) The double leverage ratio of a financial holding company after the addition of the investment and the detailed list of invested enterprise by the company.</li> <li>(7) Details of fund source. If the source is a loan, the company shall detail the source of payment and the debt-payment plan and, additionally, enlist the influences to its financial structure.</li> <li>(8) A performance evaluation on how the investment will affect the overall operation and development of a financial holding company and its subsidiary companies and the projected economic scale or synergies.</li> <li>(9) If the invested enterprise is an existing company, the company should attach with the balance sheet and income sheet of the most recent season of the invested enterprise. Further explanation shall be proposed if the invested enterprise has incurred cumulative losses.</li> <li>(10) For a enterprise that was invested by a financial holding company, if the securities issued by the invested enterprise have been bought by a financial holding company and/or its subsidiary companies, affiliate companies, and the responsible person, major shareholders or others or, the financial holding company or its subsidiary companies have signed with others a derivative financial product contract that is linked to the securities with share rights of the invested enterprise, then the related information of the buying activity or the contract should be presented.</li> <li>(11) If the company shareholder stocks of any invested enterprise within this application from a financial holding company, which have been bought by the company and its subsidiary companies, affiliate companies, and the responsible person, major shareholders or others of the above mentioned companies exceed 5%, and if the total stocks held by above mentioned company and its subsidiary companies, affiliate companies, and the responsible person, major shareholders or others have exceeded 50% of the issued shares by the company, it is necessary to propose the detailed list of purchased shares and its source of fund.</li> <li>(12) Managements and specific risk-control mechanisms by a financial holding company.</li> <li>(13) Investments in other financial holding companies or banks, the investment shall comply with Article 16 of the Act or Article 25 of Banking Act to propose the qualification documents of the shareholders.</li> <li>(14) For a financial holding company whose shareholding pledge ratio for all directors, supervisors, and major shareholders within the most recent six months before the application date is over 50% on the average, its individual directors, supervisors, or major shareholders with over 50% for its shareholding pledge ratio shall provide a statement claiming that they are willing perform any actual measure due to capital temporary revolution issue caused the increase in interest rate or decrease of stock price. A financial holding company should compile the preceding documents and analyze the influences to the company.</li> <li>(15) Double audit report that meet the regulations in Article 2 and 3 by an accountant.</li> <li>(16) Investments that are not exchanged by the centralized security exchange market or over-the-counter market should provide explanation on the reasonability of transaction prices.</li> <li>(17) In accordance with the provisions of the first half of Sub-paragraph 8 of Paragraph 1 in Article 2, the company shall propose a specific and clear plan to release shares of the financial holding firms, banks, insurance companies and securities firms if it does not complete the consolidation within a certain period approved by the competent authority, except for the investment in internet-only banks or otherwise stipulated by other regulations. Those who do not obtain the documents required by Paragraph 9 of the same Article shall provide descriptions that meet the requirements of Paragraph 10 of the same Article.</li> <li>(18) Other evaluation documents that should be provided based on the characteristics of the invested enterprise.</li> </ol>
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General Manager:

Chief Compliance Officer:

Department Manager: