


Content

Title :	Rules Governing the Conduct of Shareholders Meetings by Public Companies 
Date :	2012.05.15
Legislative :	<p>1. Promulgated by the Securities and Futures Commission of the Ministry of Finance on August 4, 1997 per letter Ref. No. (86)-Taiwan-Finance-Securities-(III)-04109</p> <p>2. Ceased from application per 15 May 2012 Letter No. Financial-Supervisory-Securities-Trading-1010022298 of the Financial Supervisory Commission, Executive Yuan</p>
Content :	<p>1 The shareholders meeting of a public company (the "Company") shall be proceeded with in accordance with these Rules, unless the law provides otherwise.</p> <p>2 The Company shall prepare an attendance book for shareholders to sign in, or the shareholder present may hand in an attendance card in lieu of signing on the attendance book.</p> <p>The number of shares representing shareholders present in the meeting shall be calculated in accordance with those indicated on the attendance book or the attendance cards .</p> <p>3 The presence of shareholders in a shareholders meeting and their voting thereof shall be calculated in accordance with the number of shares.</p> <p>4 The place for convening a shareholders meeting for a listed company or OTC company shall be held inside the premises of the Company, or any other place convenient for presence of shareholders, and suitable for holding of the said meeting. The time for commencing the said meeting shall not be earlier than 9 o'clock in the morning or later than 3 o'clock in the afternoon.</p> <p>5 If a shareholders meeting is called by the board of directors, the board chairman shall preside at the said shareholders meeting. In case the chairman is on leave of absence, or cannot exercise his powers and authority, the vice chairman shall act in lieu of him. there is no vice chairman, or the vice chairman is also on leave of absence, or cannot exercise his powers and authority, the chairman shall designate a managing director to act in lieu of him; if there is no managing director, the chairman shall designate a director to act in lieu of him. the chairman does not designate a director, the managing directors or directors shall elect one from among themselves to act in lieu of the chairman.</p> <p>If a shareholders meeting is called by any other person than the board of directors, who has the right to call the meeting, said person shall preside at that meeting.</p> <p>6 The Company may designate its lawyer, certified public accountant or other relevant persons to attend the shareholders meeting.</p> <p>Those handling the business of a shareholders meeting shall wear an identification card or a badge.</p> <p>7 The Company shall record with an audio or video tape the whole proceedings of the shareholders meeting, and said video tape or audio tape</p>

shall be kept for at least one year.

8 When it is time to convene a shareholders meeting, the chairman shall immediately convene the meeting, provided, however, that if the shareholders present do not represent a majority of the total amount of issued shares, the chairman may postpone the meeting, provided, however, that the postponement of the said meeting shall be limited to two times, and the total time postponed shall not exceed one hour. If the meeting has been postponed for two times, but the shareholders present still do not represent a majority of the total amount of issued shares, a tentative resolution may be adopted in accordance with Paragraph 1 of Article 175 of the Company Law by shareholders representing one-third of the total amount of issued shares.

Before the close of the said meeting if the shareholders present represent a majority of the total amount of issued shares, the chairman may present the tentative resolution so adopted to the meeting for resolution in accordance with the provisions of Article 174 of the Company Law.

9 If a shareholders meeting is called by the board of directors, the proceedings of the meeting shall be formulated by the board of directors, and the meeting shall be proceeded with in accordance with the said proceedings. The proceedings shall not be changed without a resolution made by the shareholders meeting.

If a shareholders meeting shall be called by any other person than the board of directors, the preceding provisions shall apply mutatis mutandis to the said meeting.

The chairman shall not adjourn a meeting without resolution adopted by shareholders if the motions (including extraordinary motions) covered in the proceedings so arranged in the above two Paragraphs shall not have been resolved.

After close of the said meeting, shareholders shall not elect another chairman to hold another meeting at the same place or at any other place.

10 A shareholder wishing to speak in a shareholders meeting shall first fill out a slip, specifying therein the major points of his speech, his serial number as a shareholder (or number of attendance) and his name, and the chairman shall determine his order of giving a speech.

A shareholder who submits his slip for a speech but does not actually speak shall be considered as not having given a speech. If the contents of his speech shall be different from those specified on the slip, the contents of his speech shall prevail.

When a shareholder is giving a speech, the other shareholders shall not interrupt unless they have obtained the prior consent from the chairman and the said shareholder, and the chairman may prevent others from interrupting.

11 A shareholder shall not speak more than two times for one motion, unless he has obtained the prior consent from the chairman, and each speech shall not exceed 5 minutes.

If a shareholder violates the above provisions or his speech exceeds the scope of the motion, the chairman may prevent him from doing so.

12 A corporate shareholder being entrusted to attend in a shareholders meeting may designate only one representative to represent it in the meeting.

If a corporate shareholder which designates two or more representatives to represent it at the shareholders meeting, only one of the representatives so designated may speak on any one motion.

13 After a shareholder has given a speech, the chairman may personally or designate relevant person to respond.

14 When the chairman considers that the discussion for a motion has reached the extent for making a resolution, he may announce discontinuance of the discussion and submit the motion for resolution.

15 The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder.

The results of resolution(s) shall be announced in the meeting, and recorded in the meeting minutes.

16 During the proceedings of a meeting, the chairman may consider the schedule and announce for a break.

17 Unless otherwise specifically provided for in the Company Law or the Articles of Incorporation of the Company, resolutions shall be adopted by a majority vote at a meeting attended by the shareholders.

18 If there shall be an amendment or alternative to one motion, the chairman may combine the amendment or alternative into the original motion, and determine their orders for resolution. any one of the above shall be resolved, the others shall be considered as rejected, upon which no further resolution shall be required.

19 The chairman may direct disciplinary personnel (or security personnel) to maintain the order of the meeting. For doing so they shall wear a badge bearing the words of "disciplinary personnel".