

Taishin Financial Holding Co., Ltd.

Share Ownership Policy

(Purpose and basis)

Article 1 This policy was established in accordance with Articles 5 and 8 of "Implementation Rules of Internal Audit and Internal Control System of Financial Holding Companies and Banking Industries" to facilitate governance over the company's share ownership, and to ensure that ownership information is reported as required by law.

(Scope of share ownership management)

Article 2 Unless elsewhere regulated by law or the articles of incorporation, ownership of the company's shares shall be governed by this policy.

(The share ownership manager)

Article 3 The Secretariat Division under the board of directors shall be the share ownership manager. The manager shall comply with the directives of the authority and any relevant regulations when managing and reporting share ownership. The manager may also engage a share administration agency to perform its tasks if required.

(Definition of insiders and related parties)

Article 4

1. Insiders: Refer to the company's directors, managers or shareholders with more than 10% of ownership interest.
2. Related parties:
 - (1) Refer to the spouse, underage children and nominee shareholders of a natural person insider, and those of the corporate director representative (including the representative, the representative's spouse, underage children and nominee shareholders).
 - (2) Nominee shareholders:
 - A. An arrangement whereby shares are directly or indirectly held by a third party, or where funds are given to the third party to purchase shares.
 - B. The actual shareholders have rights to manage, use or dispose shares held by the third party.
 - C. Gains and losses arising from shares held by the third party are entirely or partially attributable to the actual shareholders.
3. The abovementioned insiders and related parties shall also include insiders and related parties of the company's 100%-owned subsidiaries, acquired through "business transfer" or "share exchange" according to the Financial Holding Company Act.

(Insiders' and related parties' obligations)

Article 5 The company's insiders and related parties are bound to comply with the terms of the Securities and Exchange Act, including:

1. Declaration of shareholding transfer before and after taking place.
2. Pledge and removal of lien on shares (which can not be pledged to the company's

subsidiaries).

3. Prohibition against selling of shares during treasury stock buybacks and within the first six months of assuming office.
4. Prohibition against short-term trading and insider trading.

All directors shall commit to maintain the minimum shareholding level.

(Definition of individual party and aggregate related parties)

Article 6

1. Individual party: A single natural person or corporate entity.
2. Aggregate related parties: All related parties of a single natural person or corporate entity.
3. Affiliated enterprise: Refers to an enterprise governed by Articles 369-1 ~ 369-3, 369-9 and 369-11 of the Company Act.
4. Major shareholder: A shareholder with more than 5% voting interest or who has contributed more than 5% of share capital in the financial holding company or in any of its subsidiaries. Where the major shareholder is a natural person, the number of shares held by spouse and underage children are included in the calculation of aggregate shareholding.

Aggregate related parties of a single natural person include:

1. The natural person, the spouse and all blood relatives of second degree or closer.
2. Any enterprises in which the abovementioned parties hold more than one-third of voting rights or contributed more than one-third of capital.
3. Any corporation or non-profit organization in which the persons listed in Clause 1 serve as the Chairman, President, or represent more than half of the board of directors.

Aggregate related parties of a single corporate entity include:

1. The corporate entity itself, its Chairman, President, and the Chairman's and President's spouse and blood relatives of second degree or closer.
2. Any enterprises in which the corporate entity or the abovementioned natural persons hold more than one-third of voting rights or contributed more than one-third of capital, or any corporation or non-profit organization in which the abovementioned parties serve as the Chairman, President, or represent more than half of the board of directors.
3. All affiliated enterprises of the corporate entity.

Any third party shareholder that holds the company's shares on behalf of an individual party or the aggregate related parties in the form of trust, mandate or other agreements or authorizations shall also be added to the shareholding of the aggregate related parties.

(Obligations of the individual party and aggregate related parties)

Article 7

1. Individual party or aggregate related parties that solely or jointly hold more than 5% of the company's outstanding voting rights shall report to the authority and notify the company in the meantime within 10 days after gaining ownership. The same applies to every 1% change in ownership after reaching the 5% level. In addition, reports shall be made according to "Notes on Reporting Voting Rights in Compliance with Article 16, Paragraph 2 of Financial Holding Company Act."
2. Whenever an individual party or aggregate related parties intend to hold more than

10%, 25% or 50% of the company's voting rights on a sole or joint basis, an approval must be sought in advance from the authority and the company shall be notified. Furthermore, the request for approval shall proceed according to "Regulations Governing Significant Ownership of Voting Rights over Financial Holding Companies by Individual Parties and Aggregate Related Parties".

(Supplemental provisions)

Article 8 This policy is effected once approved by the board of directors. The same applies to all subsequent changes. The Share Ownership Policy previously approved by the President on 2006.03.06 and later amended on 2009.12.25 shall be abolished.

Note :

2010.08.05 Approved in the Fourth Meeting of the Fourth Board of Directors.

2015.06.25 Amendments made to Articles 4 and 5 during the 29th Meeting of the 5th term board of directors which will be effectively on 2015.07.01