

# Standard Terms & Conditions for Account Opening

(Applicable for Consumer Banking Customer Only)

SCB 201108

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## **GENERAL AGREEMENT FOR ACCOUNT OPENING**

**The review period of this agreement is seven (7) days.** The covenanter (hereinafter “You”) will be provided with a copy of this agreement for review when you apply to open an account. **You may also contact Standard Chartered Bank (Taiwan) Limited (hereinafter “the Bank”) directly for a copy. Prior to using the various services described in this agreement, please ensure that you have read this agreement carefully. Please do not use the various services described in this agreement until you have read this agreement carefully.** After you have opened a savings account, trust account and/or other account with branches of the Bank, the terms and conditions of this agreement will apply to your use of the following services, and you must comply with the following terms and conditions:

### **I. Terms and Conditions for Account Opening**

#### **(I) General Terms and Conditions**

Unless otherwise specifically provided in each relevant Terms and Conditions, the following general terms and conditions apply to all services provided under this agreement, and any service added and revised thereafter.

#### **1. Conditions and manner of account opening**

When opening each type of account, you must personally open the account in your name as registered to your household in accordance with the “Names Act”; where the account is to be in the name of a company, trade name or association, you must provide the name of the responsible person. You must produce two forms of personal identification documents (for individual account holders, you must provide your personal ID card as well as another document that evidences your identity, such as a national health insurance card, passport, driver’s license or student card; for non-individual account holders, you must provide the certificate of registration as well as the minutes of the board of directors meeting, articles of incorporation of the company, or financial statements and reports). A record of your signature or chop or both must be left with the Bank, together with other account opening documents required; the opening of the account will be permitted only if it conforms to all relevant laws and regulations. Where you are unable to complete the account opening procedures personally due to special circumstances, you may issue a power of attorney or proxy to authorize a third party to do so on your behalf. The Bank may allow such attorney or proxy to complete the account opening procedures after conducting a credit check that verifies the correctness of the authorized or proxied matters.

#### **2. Account opening application form**

As of the day that you reviewed this agreement and complete the relevant account opening application form and procedures, you may activate other accounts/services that you have not applied for in other manners agreed to by the Bank, to the extent permissible by law, unless otherwise expressly provided by the Bank. Such other accounts/services will enter into effect after the Bank has received the original of the account opening application form and completed the relevant internal procedures. You must comply with the various terms and conditions set out in each application form.

#### **3. Change of your information and signature**

Where there is a change to the information you have left with the Bank, you must notify the Bank in writing (using the signature or chop you have recorded with the Bank) or in another manner acceptable to the Bank at the time. However, you must visit the Bank personally to change the record of your signature or chop. In the event that you are unable to present

personally and must authorize another person to act on your behalf, such agent must present a power of attorney you have signed personally, so that the Bank may verify your identity as well as that of your agent. The aforementioned changes will be binding on the Bank only when they have been duly notified to the Bank.

#### 4. Account deductions

This agreement serves to evidence your authorization to the Bank to directly make deductions against any of your accounts (although the Bank is not obliged to do so) without prior notice to you, so as to offset any principal, interest, delay interest, processing fees, postal and remittance charges, default penalties, processing fees for cancellation of returned check records and other amounts payable by you to the Bank under this agreement and other agreements.

#### 5. Minimum average daily balance on account and processing fees

The Bank may set a minimum average daily balance on account (hereinafter "Average Balance") depending on the natures of different accounts, and the Bank may charge a nominal management fee depending on the natures of different accounts where the balance on account is less than the Average Balance. You will be notified of the Average Balance amount in the manner stipulated in this agreement. The Bank may directly deduct such account management fee from your respective accounts. The Bank may revise the amounts of the Average Balance and the account management fee from time to time, and publicly announce the revised contents and effective dates at the Bank's business places, on its website, on printed monthly statements, or notify you in some other form of writing. If you do not agree with any revision made by the Bank, you may terminate your account with the Bank and this agreement at any time.

#### 6. Monthly account statement and transaction statement

You understand that the Bank provides monthly account statements to customers who hold a passbook-free account, non-slip time deposit account, company term deposit account, VIP account, Mortgage One flexible home loan account, VISA debit card transaction account, and automated equipment usage account with the Bank, and customers who hold wealth management accounts with the Bank with outstanding positions. Unless otherwise agreed between the parties, the Bank will issue all of your accounts with a passbook. "Otherwise agreed between the parties" means that the Bank will provide a monthly account statement to you with regards to passbook-free and non-slip time deposits transactions. The Bank will also issue VIP customers with a combined monthly account statement in respect of all accounts (including savings account, trust investment account and mortgage account) of such customers. The monthly account statement may be presented in hardcopy or electronically. If you do not receive the monthly account statement for any month, you should notify the Bank immediately. If you find any discrepancy in a monthly account statement, you should notify the Bank to investigate within forty-five (45) days of receiving the statement; if you fail to do so, the contents of the monthly account statement will be deemed correct. The Bank retains originals and photocopies of all transaction documents, photographs or computer-stored information, which you agree may be used as valid evidence of transactions between you and the Bank, except where you prove the contents of such documents to be incorrect, in which case the Bank will rectify any errors.

#### 7. Foreign currency exchange and declaration

Where any transaction under this agreement involves an exchange of currencies, the Bank may proceed at the exchange rate published by the Bank as at the time of the transaction unless otherwise agreed between the parties, and you will bear any relevant exchange rate risks. Where it is necessary to declare a foreign currency purchase or sale to the Central Bank, you must truthfully declare the transaction and complete the declaration documents required by the competent authorities in accordance with the relevant regulations. You will be responsible for any inability to complete a foreign exchange settlement due to a statutory regulation, restriction imposed by a governmental policy, or the insufficiency of your foreign exchange settlement quota. If the Bank becomes aware that you have exceeded your foreign exchange settlement quota at the time of settlement, the Bank may refrain from executing the relevant transaction. You hereby declare and warrant that all of your sales and purchases of foreign exchange will be in conformity with relevant laws, regulations and governmental policies, and that you will be liable for indemnifying the Bank against any resultant damages (including, but not limit to, any sanctions imposed by the competent authorities).

## 8. Restrictions on claims, governmental regulations, and regulations of the Bank

- (1) Claims for payment / perform of deposits, trust assets and other transactions under this agreement shall be limited to the branch of the Bank within the Republic of China that is responsible for handling such business, and shall be governed by the laws and regulations of the Republic of China (including administrative orders and governmental acts).
- (2) Where the Bank is of the view that provision of any service under this agreement would cause the Bank to contravene a law, regulation or policy, the Bank is not obliged to provide such service. Where you have applied for an account with an offshore banking unit (OBU), you must also comply with the "Offshore Banking Act" and other relevant laws and regulations.
- (3) You agree to comply with the prevailing and any subsequently issued or amended regulations of the Bank that are applicable to any of your accounts, and agree to be bound by such regulations.
- (4) You agree to indemnify the Bank against any damages incurred as a result of your violation of the aforementioned restrictions and regulations.

## 9. The collection, the use, computer-processing, the international transmission of your personal information and outsourced services

- (1) In addition to special terms and conditions governing check deposits, you also agree that the Bank (or a third party commissioned by the Bank) may collect, computer-process or internationally transmit and use your personal information (such as name, address, telephone numbers, personal identification card numbers and so on) at any time, (a) for the purposes of handling transactions between you and the Bank, and to promote various businesses to you; (b) for the purpose of permitting third parties to promote and provide their products and services to you (you may notify the Bank in writing at any time to cancel your consent to subparagraphs (a) and (b) regarding promotions, which cancellation will become effective as of the day after the Bank receives such notice); (c) for the purpose of ordinary credit checks and exchange of financial information between financial institutions; (d) for the purpose of carrying out other transactions permitted by law, or as required in operational management (including, but not limit, to marketing, taxation, consulting services, administrative research, statistical research and analysis, and data management). You particularly agree that the Bank and its staff and agents may disclose information relating to you, your account/s and/or your transactional relationship with the Bank and parent company of the Bank (including all of its branches) (hereinafter "Parent Company"), including without limitation details of loans obtained by you from the Bank and its Parent Company, the collateral obtained, transactions already carried out, and balance of accounts and outstanding positions, to:
  - a. Head office of the Bank, any of its subsidiaries, or the subsidiaries, related enterprises, offices or branches in any area its holding company (hereinafter "Approved Parties.");
  - b. Professional consultants and service providers who provide services to the Approved Parties, and who are bound by confidentiality obligations to the Approved Parties;
  - c. Persons who factually or potentially participate in the rights and/or obligations under any agreements between you and the Bank, or who has succeeded to, acquired or been transferred with such rights and/or obligations (agents or consultants of any of the above persons);
  - d. Any credit rating institution, any insurance company or insurance agent of the Approved Parties, or any person who directly or indirectly provides credit protection to the Approved Parties;
  - e. Any court, arbitration tribunal, competent authority, supervisory authority, government or pseudo-governmental authority who has jurisdiction over the Approved Parties; and
  - f. The Joint Credit Information Center (hereinafter "JCIC"), third parties commissioned by or collaborating with the Bank, financial institutions transacting with the Bank, and other third parties stipulated by law. (You may notify the Bank in writing at any time to cancel your consent to subparagraphs

(a) and (d) regarding the provision of transaction information, which cancellation will become effective as of the day after the Bank receives such notice.)

- (2) You agree that the Bank may outsource all or part of the handling of transactions between you and the Bank to third parties, including without the limitation of marketing, taxation administration, telecommunications, computer system procedures, data entry, processing, output, back office operations, document scanning work, information capture, printing of statements, packaging and sealing, delivery for postage, remittance, deposit and payment to third parties, exchange, credit check, debt recovery and other matters relating to processing of transactions and procedures by the Bank. You also agree that the Bank may provide information relating to your various transactions to third parties commissioned by the Bank to handle various matters, to the extent necessary for handling such matters.
- (3) You confirm that all information provided by you to the Bank is truthful and correct, and agree that the Bank may verify such information with relevant third parties (including, but not limit to, the JCIC) at any time.

#### 10. Event of default

The occurrence of any of the following constitutes is an "Event of Default" under this agreement; with the exception of loans on pledged deposits, the Bank may terminate, at any time, the various accounts and/or transaction relationships under this agreement in accordance with the provisions of Article 15 regarding terminations, as well as suspend the provision of all or part of its services at any time, or terminate all or part of this agreement at any time by written notice:

- (1) You fail to pay or repay the Bank within the prescribed period the principal of any debt payable under this agreement or other agreements with the Bank;
- (2) You have no ability to repay, or have applied for a settlement under the Bankruptcy Act, a declaration of bankruptcy, a restructuring of the company, or have been blacklisted by a payments clearing system, have ceased business operations, or is clearing your debts;
- (3) You fail to provide supplemental collateral pursuant to the provisions of this agreement, or the financing or terms provided to you by the Bank are likely to become illegal due to a change of the law or interpretation by the competent authorities, and you fail to comply with the Bank's request to return all or part of the financing or to provide supplemental collateral within the prescribed period;
- (4) Your successor upon your death makes a declaration of limited succession or waiver of succession after commencement of succession;
- (5) You have lost the capacity to act, and have not appointed a statutory agent or custodian according to law;
- (6) You fail to pay any interest, fee or (other than principal) any other amount payable under this agreement or other agreements within the prescribed period, and fails to rectify the failure within the period notified by the Bank;
- (7) The collateral is seized, lost, subject to reduction in value, or is insufficient to guarantee the claim of the Bank, or you are subject to compulsory execution, provisional attachment, provisional execution or other preservation measures, resulting in likelihood that the Bank will not be able to recover its claim;
- (8) You fail to perform your obligations under this agreement, or violate any matter for compliance under the provisions of this agreement;
- (9) You use any account or service under this agreement to engage in any illegal, improper, abnormal or other similar transactions or act (including ,but not limit to, money laundering, fraud, or lending your account, passbook or bankcard to a third party for his/her use);
- (10) You engage in transaction or act that constitutes an abnormal or improper use of any account or service under this agreement (including, but not limit, to frequent inward or outward small remittances into or from your account), so that there is likelihood of affecting the normal operation of the Bank's services, systems and equipment, or there is a damage to the commercial reputation of the Bank;

- (11) Your exercise of a right or performance of an obligation under this agreement is contrary to principles of honesty and good faith.

## 11. Offsets

In the event that you fail to pay by the due date any debt due to the Bank and other domestic or overseas branches of the Bank under this agreement or other agreements, or where any Event of Default occurs, or where the Bank deems necessary (such as where you are involved in any illegal activities, or where the Bank is entitled to exercise a right of offset according to law or under any agreement), the Bank may terminate the various deposits (including time deposits, savings deposits and check deposits) and other agreements under this agreement (that is all of your deposits, rights and interests are deemed to fall due) with prior or simultaneous notice to you (but without the need to obtain your consent). In such case, the Bank shall be entitled to directly claim a right of offset or to take any other action according to law against the deposits within such accounts and your other rights and interests over the Bank, in payment of your various debts to the Bank, the head office of the Bank and other domestic and overseas branches of the Bank. Any time deposit slips or other evidentiary documents issued by the Bank to you shall be deemed cancelled to the extent of the offset or payment. Where the debts involve different currencies, the Bank may exchange such currencies at the market exchange rate determined by the Bank at the time of the exchange. The substance and order of the offset or payment of debts shall be determined by the Bank at its sole discretion, to the extent not contrary to the compulsory requirements of the law.

## 12. Amendments

The Bank may amend the relevant terms and conditions of this agreement at any time. Unless otherwise provided in this agreement or by law, the Bank must publicly announce an amendment to a term or condition of this agreement fifteen (15) days before such change on the Bank's website and business place, or notify you in writing of the amendments.

In the event that you do not agree to an amendment by the Bank, you may terminate your account transaction relationship with the Bank and this agreement by written notice before such amendment enters into effect, and provisions of this agreement regarding termination (Article 15) will apply. If you fail to notify the Bank of a termination of your account transaction relationship with the Bank and this agreement within the prescribed period, and continue to carry out the deposits, transactions or services under this agreement with the Bank, you will be deemed to have agreed to the amendment.

## 13. New products/services

You understand that the Bank may introduce new products/services at any time and may add to and amend this agreement as and when necessary. Before using such services/products, you must first submit to the Bank your written agreement to the terms and conditions governing such new services/products. However, notwithstanding the Bank has not received such written agreement, the Bank has full powers in deciding to allow you to use such new services/products upon your request; in such case, your use of such services/products will be deemed your agreement to the terms and conditions governing such services/products and/or the amendments to this agreement.

## 14. Notices

Where there is any change to your contact details (such as your address, telephone numbers, fax numbers and E-mail address), you should immediately notify the Bank in writing or in some other manner agreed to by the Bank. Until the Bank has received a notification of such change, the Bank will not be bound by such change. Unless otherwise agreed between the parties, all notices from the Bank to you will be sent to the last changed or last notified contact details left by you; such notice is deemed duly delivered to you according to this agreement when a normal period of postage has passed after sending. Unless otherwise agreed between the parties, the Bank may deliver all notices to you by ordinary post to the last changed or last notified contact details left by you; such notice is deemed duly delivered to you according to this agreement when a normal period of postage has passed after sending. Unless otherwise provided in this agreement, a notice from you to the Bank may be delivered personally to the Bank, made in writing and posted, or delivered in some other manner agreed to by the Bank.

## 15. Termination

Unless otherwise agreed between the parties, either you or the Bank may terminate the various accounts and/or transaction relationships under this agreement by written notice at any time, in which case the Bank will return the balance of the deposits in the accounts to you.

Where a check deposit account is terminated, you must also return the remaining blank checks to the Bank. Unless otherwise agreed between the parties, the provisions of this agreement will continue to apply to other transactions notwithstanding a certain transaction relationship has been terminated. Where the balance in your savings account is zero for twelve (12) consecutive months, the Bank may notify you in writing to terminate the various deposit relationships with you at any time and directly close such account. Where you have terminated various accounts and/or transaction relationships under this agreement, you should personally visit the Bank to settle and close such account, unless otherwise agreed with the Bank. Where you are unable to personally visit the Bank to settle and close the account, you may appoint an agent to do so on your behalf, provided that such agent must produce a power of attorney issued by you.

#### 16. Fees/litigation costs

The fees payable for various services under this agreement are set out in the Bank's "Consumer Finance Services Charges" that have been publicly announced at its business places or on its website. You have received a copy of the "Consumer Finance Services Charges" and agreed to its contents. Where there is an adjustment to the Bank's "Consumer Finance Services charges", the Bank must publicly announce such adjustment on its website or at its business places sixty (60) days before such adjustment enters into effect, and must notify you that you may indicate an objection and terminate this agreement before such adjustment enters into effect. In the event that litigation arises from your failure to perform your obligations under this agreement, you agree that you will be liable for any attorneys' fees and other necessary costs incurred by the Bank in the exercise or preservation of its claims against you.

#### 17. Execution of transactions

You must ensure that you have sufficient funds in your accounts before using the various services under this agreement. In the event that the funds are insufficient, the Bank may refrain from executing the transaction instructions given by you without obtaining your consent. You will be liable for any losses that arise as a result.

#### 18. Governing law and jurisdiction

This agreement is governed by the laws of the Republic of China. Any outstanding matters will be handled in accordance with the laws and regulations of the Republic of China, and the customs of the financial markets. In the event of litigation between you and the Bank arising from this agreement, you agree that the Taipei District Court of Taiwan or the district court having jurisdiction over the place where the branch of the Bank transacting with you will be the court in the first instance in such litigation; however, where the law provides for exclusive jurisdiction, such provision will apply. This provision may not exclude the jurisdiction of the small claims court under Article 47 of the Consumer Protection Act or Article 436-9 of the Code of Civil Procedure.

#### 19. International banking business

Where you hold an account with an OBU of the Bank, you must comply with all relevant laws and regulations of the Republic of China governing the international banking business, as well as all relevant regulations and procedures of the Bank. You also declare and warrant that your execution of this agreement does not contravene any relevant laws or regulations.

#### 20. Company accounts

Where you hold a company account, you must declare and warrant that you are a legally established and existing entity, and that your application to the Bank for opening of an account or your business transactions under this agreement have been resolved and authorized by the internal legal procedure of your company, and are in conformity with all relevant laws and regulations.

#### 21. Preparatory offices

Where you have opened a deposit account in the name of a "preparatory office", the name of your account should include the words "Preparatory Office". The seal record of the responsible person of the preparatory office must be left with the Bank as the seal used for transactions and withdrawals, and will be governed by those requirements applicable to a personal account. After the account holder obtains the license of legal registration, the Bank will process your application to change the seals and name of the account into that of the company or trade name. Where a flexible savings account is opened in the name of the preparatory office of the company, you must complete the procedures for change of name and

seals by presentation of the documentation of approval of establishment within three (3) months of opening of the account; or where the approval for establishment has not been obtained, you should visit the Bank to close the account.

## 22. Headings

Headings to the articles of this agreement are for the convenience of viewing, and do not affect the interpretation, explanation and understanding of relevant provisions of the agreement.

### (II) Terms and Conditions for Deposits and Remittances

#### 1. Terms and conditions for general deposits

The following terms and conditions for general deposits apply to any deposit account you open, unless specifically provided for each respective deposit account:

##### (1) Deposits

Where you make a cash deposit that the Bank is unable to count immediately, the deposit will be entered into the account only when the Bank has completed the counting; where there is any shortfall or discrepancy, you must immediately make correction or supplementation. The Bank is entitled to determine whether to accept the type and form of the cash and bills of exchange being deposited into a deposit account. Where the Bank accepts a deposit of a bill of exchange payable by another bank, withdrawals may be made on the deposited bill of exchange and interest will commence accruing only when the Bank has actually received the payment for such bill of exchange. The Bank is not obliged to handle any bill of exchange preservation procedures on your behalf in respect of any bills of exchange deposited by you with the Bank, and to the extent not violating any compulsory requirements of the law, the Bank is not liable for any deliberate or negligent act by virtue of being the collecting bank.

##### (2) Withdrawals

Unless otherwise agreed between the parties, when you make a withdrawal, you must first present a check (if a check deposit account) or withdrawal slip (if a current/current savings deposit account/time deposit account) signed or stamped with the seal identical with those recorded with the Bank and/or present the passbook and/or the withdrawal password for verification by the Bank. Where your check is subject to a fraud, the Bank may make payment upon presentation of such check until it receives any notice of a provisional execution or other enforcement order from a court, and the Bank shall not be liable for any compensation. Where the signature or seal on a check or withdrawal slip has been forged, counterfeited, changed or altered, and where the Bank is unable to distinguish it from the authentic signature or seal after exercising the care required of a good faith manager, the Bank shall not be liable for indemnifying you against the resultant loss.

##### (3) Mistaken accounting

Where there is a mistaken deposit or over-payment, due to a third party's error in writing the account number, account name or amount, or the Bank's error in operation, malfunction of computer equipment or other reasons, the Bank may directly make a correction of the account upon discovery of the error without prior notice to you. If you have already drawn upon the account, you must return the payment immediately.

##### (4) Loss or theft

In the event that your seals, withdrawal password, checks, passbook (deposit slips) and/or other evidentiary documents are lost, stolen or destroyed, you must immediately complete the written declaration of loss (stop of payments) procedures and/or apply for an invalidating judgment. If you fail to complete the relevant procedures in time and the Bank has exercised the care of a good faith manager, you will be liable for any resultant damages.

##### (5) Order of payments

The Bank will make payment on bills of exchange of which it is the payor, in the order that such bills are presented by the bill holders, irrespective of the issue dates of such bills. Where several bills are presented at the same time, the Bank may determine the order of payments at its discretion. In the event that the Bank receives a declaration of your bankruptcy, or an order or judgment of the court, or a notice for administrative compulsory execution, the Bank may refuse to make payment on a bill of exchange according to law, notwithstanding the balance in your account is sufficient to make payment on such bill of exchange.

(6) Late presentation of a bill of exchange

Where you have issued a bill of exchange stipulating the Bank as the payor, and where you have not revoked an instruction to make payment or where there are no other circumstances for non-payment before expiry of the statutory limitation period on such bill of exchange, the Bank may deem that you have instructed the Bank to make payment and may pay the bill holder out of the balance of your account, notwithstanding the bill is presented past the presentation period.

(7) Interest

- a. Explanation of method of interest accrual on deposits/loans: for interest on Taiwanese Dollar (TWD) deposits and deposits in other currencies, the interest rate will be accrued by simple interest on a daily basis based on a 365-day year, unless otherwise provided by law or the General Agreement for Account Opening. **Where the daily balance of a TWD current deposit account is less than TWD 10,000 (inclusive), interest will not be accrued on that day.** Interest rates applicable for each type of deposit will be in accordance with the rates published by the Bank, which the Bank may adjust based on market interest rates.
- b. Current/current savings deposits: interest is settled every 6 months (that is on June 20 and December 20) at the interest rate published by the Bank and rolled into the principal on the following day, provided that the "TWD Super Demand Deposit Account" and "eSaver TWD Deposit Account" are settled on the 20<sup>th</sup> day of each month, with interest paid on the following day and rolled into the principal.
- c. The maximum limits for the "Payroll Saving Account" and "Strategic Payroll Saving Account" are TWD 2,000,000, and interest is accrued to the maximum limits at the interest rates published by the Bank for the "Payroll Savings Account" or the "Strategic Payroll Saving Account"; interest on parts exceeding the maximum limits will be accrued at the current savings deposit interest rate published by the Bank, provided that interest on the deposits will be accrued at the current savings deposit interest rate published by the Bank, as of the day after you leave your employment or the day that you terminate the salary transfer service.
- d. Time deposits: interest on time deposits (TWD and foreign currencies) will be accrued at the interest rate applicable to the deposit term on the day of the deposit as published by the Bank. Unless the parties have entered into separate agreement regarding the method of interest calculation and collection, for time deposits with a designated expiry date, interest on periods of more than 1 month will be accrued based on the actual deposit period at the interest rate applicable to the one preceding shorter deposit period already published by the Bank; interest on periods of more than 1 month will be accrued monthly, while interest on periods of less than 1 month will be accrued daily. Interest can be transferred upon expiry to your current/current savings deposit or check deposit account in the same currency upon your request, or you may collect the interest upon expiry. Where a time deposit is prematurely terminated, interest on the actual period of deposit will be accrued at 80% of the published term deposit interest rate as on the time of entering into the agreement, and interest will not be accrued on periods of less than 1 month.
- e. Interest on transferable time deposits (TWD only) will be accrued based on the period of the deposit and at the prevailing negotiated market interest rate at simple interest. Interest is collected upon expiry. Interest will stop accruing after

the expiry date, except where the expiry date is a non-bank business day, in which case interest will be accrued in respect of such non-business day.

- f. Unless otherwise approved by the Bank, the Bank will first deduct a withholding tax in respect of all interest on deposits pursuant to the relevant taxation laws, before directly depositing the remainder into your account in accordance with this agreement.
- g. Interest on such foreign currencies as USD, AUD, CAD, CHF, JPY, EUR and NZD will be accrued on the basis of 360 days.

(8) Minimum deposit amount

The minimum amount for a TWD term deposit is TWD 10,000 (inclusive), provided that the minimum deposit amount for installment payments is TWD 5,000 (inclusive).

(9) Premature termination of a time deposit

Relevant regulations issued by the competent authorities apply to a premature termination of general time deposits. Unless otherwise agreed between the parties, you must give the Bank seven (7) days prior notice, provided that the Bank may agree to allow the premature termination notwithstanding you have not given the Bank seven (7) days prior notice. A transferable time deposit cannot be prematurely terminated. Accrual of interest on time deposit that is prematurely terminated will be as agreed between you and the Bank.

(10) Renewal of a time deposit

Except in the case of transferable time deposit slips, the following provisions apply to an automatic renewal of TWD time deposits and foreign currency general time deposits, and where the parties have not agreed to a renewal:

- a. Automatic renewal: The new period for the automatically transferred time deposit should be identical with the original deposit period. The interest rate applicable to the renewed deposit is the interest rate published by the Bank on the day of renewal for deposits of the same period (hereinafter "Time Deposit Interest Rate"). Automatic renewals may be once or more. Where you intend to terminate the agreement on automatic renewal, you should notify the Bank at least two (2) bank business days before the time deposit period expires. In the absence of such notice, the Bank may automatically renew the time deposit on your behalf for the same period at the prevailing interest rate published by the Bank.
- b. No agreement to renewal: Where the parties have not agreed to a renewal of the time deposit, interest from expiry of the general time deposit until you actually withdraw from the account will be accrued at the Bank's prevailing general current interest rate (hereinafter "Overdue Interest Rate"). Where a time deposit is renewed within one (1) month after the original expiry, interest may be accrued from the original expiry date and the interest not collected upon the original expiry may also be rolled into the renewed time deposit.
- c. Where a time savings deposit is renewed after expiry or transferred into a time deposit of one (1) year or more after expiry, interest may be accrued from the original expiry date if the renewal or transfer is within two (2) months after the original expiry, and the interest not collected upon the original expiry may also be rolled into the new time deposit.

(11) Dormant accounts

Except for accounts designated for receipt of stock payments from securities businesses or unless otherwise provided by the Bank, where any of your current (savings) deposit account is without any record of deposits or withdrawals for two (2) years or more, other than deposits of interest by the Bank, the Bank may automatically convert such account into a dormant account and cease accruing interest as of the date of conversion. Until you apply to activate such dormant account, the Bank may cease all withdrawal and outward remittance transactions and services in respect of such account. The Bank will not charge any account management fee or other processing fees in respect of dormant accounts. The Bank may also terminate the deposit relationship between you and the Bank and directly close such account at any time, after notifying you in writing. Where an account is without any record of

deposits or withdrawals for six (6) years or more, no further transactions may be carried out in respect of such account and such deposit account should be settled. In the event of any change or amendment to the above provisions, the Bank may publicly announce such change or amendment on its website and/or business places sixty (60) days before it enters into force.

(12) Restrictions on transfers and pledges

Except in the case of transferable time deposits, deposits with the Bank may not be transferred or pledged to another person except with the prior written consent of the Bank.

(13) Overdrafts

Except where the Bank has approved an overdraft facility and you have executed an overdraft agreement, the Bank may refuse to make payment or remittance from accounts with an insufficient balance, and you will be responsible for any consequences; the same applies where the overdraft facility is insufficient. In the event that the Bank makes a payment or remittance to you notwithstanding the insufficiency, you are liable for returning such payment or remittance to the Bank.

(14) Transactions not personally handled by you

Where a withdrawal, funds transfer or remittance transaction is not personally handled by you at a branch of the Bank, you agree that in addition to verifying the signature and seal records left by you, the Bank is entitled to take further measures that it deems appropriate to verify and examine the substance of the transaction.

## 2. Special terms and conditions governing joint accounts

The following special terms and conditions apply to joint accounts opened by all of you (hereinafter "All Co-holders") with the Bank; matters not specifically provided in these special terms and conditions will be governed by terms and conditions applicable to general deposits.

(1) Record of signatures and seals

Where All Co-holders have applied to the Bank for a current (term) deposit joint account as co-holders of the account, a record of the seals of All Co-holders of the joint account must be left with the Bank. All future business transactions such as withdrawals or relevant documentary applications will be based on such seal record.

(2) Restrictions on procedures for joint accounts

All Co-holders must be natural persons in order to open a joint account. The signatures/seals of All Co-holders are required in the opening or termination of the joint account, re-issue of a lost passbook (deposit slip), change of seals, pledge of term deposit slips, premature termination of deposits, change of seal record, address and other changes to the joint account as stipulated by the Bank.

(3) Attribution of rights and obligations

In order to clarify the relationship of rights and obligations of co-holders of the joint account, All Co-holders agree to comply with the following business regulations of the Bank:

- a. Interest income from the joint account (including withholding taxes) is attributed to the designated representative (All Co-holders have agreed that one from amongst you will be the representative for purposes of the joint account), without any objection from All Co-holders. Any future disputes will not concern the Bank in any way.
- b. Where the designated representative for attribution of rights and obligations of the joint account is to be changed, the original account must be settled and a new account must be opened.
- c. Where a bill of exchange or remittance has designated any co-holder of a current (savings) deposit joint account as the payee or beneficiary, and is

designated to be deposited into said joint account, the Bank may deposit such monies into said joint account.

- d. Where any co-holder of the joint account is subject to a court order for attachment or execution of said deposits, or the taxation authorities have restricted disposal of said deposits, All Co-holders agree that the Bank may suspend transactions in respect of all deposits within the joint account to the scope of the attachment, execution or restriction on disposal order, without any objection from All Co-holders.
- e. Where any co-holder of the joint account is liable to the Bank for an unperformed debt, the Bank is entitled to make a direct offset against the balance of deposits in the joint account to the extent of the debt owing to the Bank, without any objection from All Co-holders.
- f. In the event of death of any co-holder of the joint account, the survivors must notify the Bank immediately, and the joint account agreement is terminated as of the time that the Bank receives such notice. All successors of the deceased co-holder should collect the deposits jointly with the other survivors, provided that they may not interfere with the Bank's exercise of its mortgage and pledge claims against such deposits.

(4) Restrictions on automated services

Except with the consent of the Bank, the joint account may not apply for bankcard, telephone voicemail, online banking, trust business or other automatic services.

(5) Joint liability

All Co-holders agree to be individually as well as joint and severally liable for indemnifying the Bank against any debts, losses and liabilities incurred by the Bank as a result of a claim, dispute or disagreement arising from the joint account. All Co-holders also agree to waive the right to claim for division of such joint account.

(6) Notices

Unless otherwise agreed, all notices to All Co-holders will be deemed duly notified to All Co-holders when they have been sent to the address of the designated representative.

(7) Joint marital account: refers to a joint account with a husband and wife as co-holders.

- a. TWD or foreign currency transaction based on the withdrawal seal record: Where the account is a joint marital account, and the permitted seal for withdrawals may be one of either seal records left with the Bank, the account may apply for a bankcard (the husband and wife may each apply for a bankcard linked to the same account), telephone voicemail and trust business services.
- b. Each co-holder of the joint account (ID) may separately agree as to the approved account numbers for funds transfers. The co-holders must personally visit the branch of the Bank to open this account or to enter into an agreement as to approved account numbers for funds transfers.
- c. Limits governing bankcard services will be determined on the basis of individual bankcards. Limits for voicemail services will be determined on the basis of the joint marital account.
- d. Any other outstanding matters will be governed by the terms and conditions for general joint accounts.

3. Special terms and conditions governing foreign currency deposit accounts.

These terms and conditions apply to a foreign currency deposit account (hereinafter "the Account") opened by you on a priority basis. Matters not stipulated in these terms and conditions will be governed by terms and conditions for general deposits.

- (1) Types of the Account include foreign currency current deposits and foreign currency term deposits.

- (2) Deposits to and withdrawals from the Account must be in the form of foreign currency bank notes, bills of exchange and travelers check, or other forms approved by the Bank. You must pay the transaction fee required by the Bank with regards to any deposit or withdrawal of cash in a foreign currency (including a minimum fee for each transaction). The Bank may revise and adjust the transaction fee at any time, and notify you of such adjustment in the manner stipulated under this agreement.
- (3) Foreign currency transactions that may be carried out under the Account are limited to those currencies offered by the Bank as published. You may elect one or more currencies and carry out conversions between from at any time, to the extent permissible by law. The Bank may update the available currencies from time to time.
- (4) Where it is necessary to convert funds from one currency to another for a transaction under this Account, the conversion will be carried out at the spot exchange rate published by the Bank as at the time of the transaction. You will bear all risks in respect of exchange rate fluctuations, conversion restrictions and conversion losses with regards to deposits and transactions under the Account.
- (5) You understand that all transactions made under the Account must be based on your own knowledge, experience and independent judgment. The Bank has no obligation to provide any information; any such information provided by the Bank or its staff is for reference only, and you must still exercise your own judgment in any transaction. You may not require the Bank to be responsible in any way on the ground of the Bank or its staff having provided information to you.
- (6) You must carry out transactions and currency conversions under the Account in accordance with the relevant foreign exchange laws and regulations.
- (7) You understand that these deposits are not covered by the deposit insurance offered by the Central Deposit Insurance Corporation, and that they are subject to the possible risks of exchange rate fluctuations and suspension of conversion by issuing countries. You are aware of these risks and agree to be responsible for any consequences.

#### 4. Terms and conditions governing check deposits

- (1) General terms and conditions governing check deposits
  - a. Definitions
    - (a) "Dishonors a bill": means a financial institution refuses to make payment on a bill of exchange presented, and the bill is returned to the holder of the bill together with a memo stating the reasons for the rejection.
    - (b) "Redeems with payment": means where a bill of exchange has been rejected with a memo stating the reasons for the rejection, for reasons such as insufficient balance on account, discrepancy in signature or seal of the issuer, unauthorized designation of a financial institution as designated payor of a promissory note, or where the instruction to make payment has been revoked in respect of the presentation period for a promissory note, and the check deposit account holder redeems such bill of exchange by making payment on the note or by some other means of discharging the debt in respect of a bill of exchange.
    - (c) "Escrow fund securing payment": means after a bill has been dishonored due to insufficient balance in the account, the check deposit account holder deposits funds with the financial institution handling the dishonored note and applies for payment as "other accounts payable."
    - (d) "Re-presented and paid": means a bill is re-presented after being dishonored, and paid out of a check deposit account or other accounts payable.
    - (e) "Annotate": means where a check deposit account holder has a record of dishonored bill, redemption with payment or other facts involving the credit of his/her bills of exchange, the clearance house will annotate such fact for future inquiry.

- (f) "Terminate instruction to serve as designated payor": means a financial institution terminates the instruction to serve as designated payor of promissory notes issued by a check deposit account holder.
- (g) "Blacklist": means financial institutions refuse to enter into check deposit transactions with a check deposit account holder who has an apparently poor bills of exchange credit record.

b. Inspection on opening of account and change of account opening information

When you open an account, you must complete and deliver to the Bank the seal record and the bills of exchange collection certification. After the Bank has inquired with the clearing house regarding your bills of exchange credit record to its satisfaction, the Bank will issue you with blank bills of exchange. Where there is any change to the information on the seal record, you must notify the Bank in writing immediately; you must complete a new seal record if you propose to change your seal. **Where you hold a juristic person account, and you have changed your name or your responsible person without complying with the preceding provision, and you fail to complete the change procedures within one (1) month of the Bank's discovery of the change and notifying you to complete the change procedures, the Bank may terminate the check deposit transaction agreement and notify you to settle the account.**

c. Promissory notes

When you issue a promissory note provided by the Bank that stipulates the Bank as the designated payor, the Bank will make payment out of the check deposit account in your name. The Bank may make payment on a promissory note referred to above, notwithstanding the presentation period has already expired when the note is presented by the note holder for payment, if it is less than three (3) years after the expiry date of such note (or after the issue date of the note, for promissory notes that are payable at sight), and you have not revoked your instruction to make payment, nor are there any other circumstances to prevent payment by the Bank.

In the event that a promissory note issued by you is dishonored due to insufficient balance in your account or inconsistency of the issuer's signature or seal, such record of dishonored promissory notes will be counted together with the record of dishonored checks.

d. Fees

- (a) Where a bill of exchange issued by you is dishonored due to insufficient balance in your account, you are responsible for paying the penalties imposed by the clearance house and the Bank. The Bank may directly deduct such penalties from your check deposit account or other accounts.
- (b) The aforementioned fee may not exceed 150% of the fee charged by the clearance house from the Bank.

e. Annotations

Where you have redeemed a check you issued or a promissory note stipulating the Bank as the designated payor with payment, made deposit in an escrow fund for payment, re-presented such check and note and made payment, or there are other circumstances involving the credit of your bills of exchange within three (3) years of the day after such check or promissory note is dishonored, you may apply to the Bank to request that the clearance house make an annotation in accordance with the "Guidelines Governing Annotations of Credit Status of Check Deposit Accounts."

f. Restriction from or suspension on issue of blank checks and promissory notes

Where any of the following applies to you, the Bank may refuse to issue you with blank checks and blank promissory notes:

- (a) Your bill has already been dishonored due to insufficient balance on account, or you frequently apply to redeem with payment, deposit in an escrow fund for payment, or re-present and pay dishonored bills.
  - (b) There are other irregularities in your use of bills of exchange.
  - (c) Where the Bank imposes the aforementioned restriction, it must notify you in writing of its grounds for the restriction; you may lodge an objection with the Bank if you believe that the Bank's grounds are unreasonable.
  - (d) Where your deposit account with the Bank is subject to a seizure, the Bank may suspend the issue of blank checks and blank promissory notes, provided that this does not apply where the amount subject to seizure has been placed in an escrow fund for payment by the Bank.
- g. Terminating the instruction to act as designated payor
- (a) Where you have issued promissory notes with financial institutions as the designated payor in respect of check deposit accounts opened with various financial institutions, and revokes the instruction to make payment prior to expiry of the presentation period, and fails to redeem with payment, deposit in escrow account for payment or re-present and pay any dishonored notes arising from presentation by the note holders up to three (3) notes within one (1) year, the Bank may terminate your instruction to the Bank to act as the designated payor for three (3) years as of the date that such circumstance is notified by the clearance house.
  - (b) Where the Bank terminates your instruction to act as designated payor for the aforementioned circumstance, you must return all remaining blank promissory notes within one (1) month of being notified by the Bank.
- h. Blacklist

Where you have opened check deposit accounts with various financial institutions and such checks are dishonored due to any of the following, and where you have not completed annotations of redemption with payment, deposit in escrow account for payment or re-presented and paid, up to three (3) checks in one (1) year, or where you are guilty of offenses involving the use of bills of exchange and your sentence has been affirmed, the Bank may blacklist you for three (3) years as of the date that such circumstance is notified by the clearance house.

- (a) Insufficient deposits;
- (b) The signature or seal of the check issuer is non-conforming;
- (c) Unauthorized designation of financial institutions as designated payors of promissory notes.

Records of dishonored checks described in each subparagraph above will be counted separately and will not be aggregated.

i. Termination of check deposit transaction agreement

Where you have been blacklisted or where the check deposit transaction agreement has been terminated for other circumstances, you must settle the account and return all remaining blank checks and promissory notes within one (1) month of being notified by the Bank.

j. Request to resume transactions

Where you have been blacklisted but any of the following applies, you may resume transactions with the Bank and open a new account subject to the consent of the Bank:

- (a) The blacklisting period has expired;
- (b) All dishonored bills of exchange that had resulted in the blacklisting and any subsequent dishonored bills of exchange have been duly annotated

with redemption with payment, deposit in an escrow fund for payment, or re-presented and paid.

Where you are a company organization and is subject to a court order allowing your reorganization, you may apply to the Bank to request that the clearance house make an annotation of your reorganization prior to expiry of the blacklisting period. Where the reorganization has been annotated, the Bank may temporarily resume transacting with you.

Where any bills of exchange issued by the aforementioned company are dishonored once more after the temporary resumption of transactions and before expiry of the original blacklisting period, the Bank may further blacklist such company for three (3) years as of the date that such circumstance is notified by the clearance house.

k. Compilation of information and provision of information for inquiries

You agree that the clearance house may be the Bank's center for compiling information about dishonored bills of exchange and for processing information about blacklisting. You also agree that said clearance house may provide information about your dishonored bills record, blacklisting, and other information regarding the credit of your bills for inquiry by other persons.

l. Compilation, computer-processing and use of personal information

You agree that the Bank may provide the date of opening of your check deposit account, record of dishonored bills due to insufficient balance, record of revocation of instruction to make payment, whether you have been blacklisted by a clearance house and other information relating to the credit of your bills of exchange to other financial institutions, the JCIC, relevant credit checking organizations and governmental authorities for their inquiries or building of databases, to the extent permissible by law, and agree that such institutions may provide the information on their databases for inquiries by other persons to the extent permissible by law.

m. Dormant accounts

Where your check deposit account is without any record of deposits or withdrawals for one (1) year or more, the Bank may automatically convert such account into a dormant account. Until you apply to activate such dormant account, the Bank may cease all withdrawal and outward remittance transactions and services in respect of such account. Where any payment is to be made on checks issued out of said check deposit account, the restrictions upon dormant accounts may temporarily be lifted. Where you wish to apply for collection of blank checks, the Bank may first inquire with the clearance house regarding the credit of your bills of exchange, and allow such collection only when the Bank has approved the application and activated the dormant account. The Bank will not charge any account management fee or other processing fees in respect of dormant accounts. The Bank may also terminate the various deposit relationships between you and the Bank and directly close such account at any time, after notifying you in writing. Where an account is without any record of deposits or withdrawals for six (6) years or more, no further transactions may be carried out in respect of such account and such deposit account should be settled. In the event of any change or amendment to the above provisions, the Bank may publicly announce such change or amendment on its website and/or business places sixty (60) days before it enters into force.

n. Supplementation of outstanding matters

Where there are any outstanding matters to these terms and conditions, you and the Bank will separately agree as to such matters or proceed in accordance with the relevant laws and regulations.

(2) Terms and conditions governing check deposits

- a. Except as agreed by the Bank, you must present a check provided by the Bank when you make a withdrawal, and you must sign or stamp your seal on the check in the form recorded with the Bank. Where you have given the Bank written instructions to make direct deductions against the account in payment of specific items, the effect of such instructions is equivalent to the issue of checks.

Check deposits are payable by presentation of checks; therefore no bankcard services will be provided in respect of such accounts (except where the account is linked to loan facilities).

- b. The promissory notes you issue must be limited to promissory notes issued by the Bank, provided that you may print and issue your own commercial notes to be guaranteed by short-term securities brokers or other financial institutions. Where you fail to comply with the above, you agree that the Bank may refuse to honor such promissory notes without any objection from you.
  - c. You will be solely responsible for any dispute arising from any difficulty in identifying your handwriting or any other circumstance in respect of the amount stated on bills of exchange issued by you.
  - d. The Bank will make payment on bills of exchange on the basis of the order in which they are presented by bill holders, irrespective of the issue date of such bills. Where bill holders present several bills for payment at the same time, the Bank may make payment in the order it determines at its sole discretion.
  - e. Where you have more than three (3) annotated records of dishonored bills of exchange, or where less than fifty percent (50%) of checks have been returned, the Bank may refuse to issue blank checks.
  - f. Where your aforementioned account is subject to one record of dishonored bill of exchange, except due to a major cause of force majeure such as natural or man-made disaster that is verified by the Bank, the Bank may directly rescind this agreement and extinguish the relationship of mandate with you without separate notice.
  - g. Where you have collected blank checks or promissory notes from the Bank, you agree that the Bank may charge a nominal bill preparation fee if the average balance in your account fail to meet the amount required by the Bank, without any objection from you. The Bank may adjust the aforementioned provisions and standard of fees, and publicly announce them on its website or at its business places.
  - h. Where you are required be pay any penalties imposed by the clearance house and the Bank, the Bank may directly deduct such penalties from your account.
  - i. Either you or the Bank may rescind this deposit agreement at any time. Upon a rescission, you must immediately return any remaining blank checks/promissory notes to the Bank. The rescission enters into effect immediately upon the issue of the rescission notice, provided that the Bank may continue to make payments in accordance with this Agreement before it receives your notice of rescission.
  - j. You agree that the Bank may destroy any checks or other evidentiary vouchers relating to the account after recording them on microfilm.
- (3) Terms and conditions governing promissory notes and acceptance bills
- a. You concurrently instruct the Bank to be the designated payor for promissory notes or acceptance bills you have issued, and payment will be made out of this check deposit account based on the signature or seal originally recorded with the Bank.
  - b. Matters not stipulated in these terms and conditions will be handled in accordance with the "General Terms and Conditions Governing Check Deposits" and the relevant laws and regulations.

#### 5. Terms and conditions governing loans on pledged deposits

- (1) You grant a pledge to the Bank in respect of all or part of the TWD term deposits, or other foreign currency term deposits as agreed by the Bank, now deposited with the Bank or in the future, and apply to the Bank for TWD loans on pledged term deposits to the extent of the principal amount and subsisting term of each pledged term deposit. The Bank has the final right of approval in respect of each loan.
- (2) The term, proportion of loan, loan interest rate and method of interest calculation in respect of loans on pledged deposits will be in accordance with the stipulations of the Bank's "application form for loans on term deposits."

- (3) In the event of a change (reduction) to the current value of the foreign currency deposits being pledged, resulting in the loan proportion after the change becoming higher than the aforementioned limit on the loan proportion, the Bank may terminate this agreement and use the pledged deposits to pay the principal and interest of the full amount of the loan, or require you to immediately supplement deposits in the same amount (or to provide other collateral whose form and substance are approved by the Bank) to the Bank, or immediately repay a part of the balance of the loan, so that the loan proportion can be maintained under the aforementioned loan proportion limit at all times. You must proceed in accordance with this agreement as soon as possible after you receive the Bank's notice for supplementation of collateral. In the event that you are unable to complete the procedures for supplementation of collateral as stipulated above or repay early a part of the loan balance within five (5) bank business days of receiving the Bank's notice, so that the loan proportion can be maintained under originally agreed limit, the Bank is entitled to give you notice at any time that the full amount of the loan under this paragraph has fallen due immediately. In such event, you must immediately repay the full balance of the loan, and the Bank may also directly exercise its rights against the pledged deposits, dispose of the pledged deposits and claim against you, in accordance with relevant laws and regulations as well as the provisions of this agreement without any further or prior notice to you. The order in which the Bank exercises its rights over the pledged deposits is as determined by the Bank in its discretion.
- (4) Nature of loans/matters relating to foreign exchange
- a. TWD loans: You understand that the loans under this subparagraph are TWD loans, and all drawdowns, repayments of principal and interest, and payments of fees will be made in TWD. Notwithstanding the Bank has received foreign currency from you by virtue of its exercise of the pledge or other reasons, your debt obligations will persist until such foreign currency has actually been converted into TWD to pay the instant loan.
- b. Authority to make foreign exchange settlements: Unless otherwise provided by law, you hereby agree and grant authority to the Bank that the Bank may carry out foreign exchange settlements in your name and on your behalf, where the Bank has received foreign currency from you by virtue of its exercise of the pledge or other reasons, and use the TWD proceeds from conversion of such foreign currency to pay the guaranteed debts. You agree that this agreement is the evidence of such authority, and that you will not revoke such authority without the consent of the Bank.
- c. Your undertaking: You undertake to reserve sufficient quota for foreign exchange settlements at all times, so that the Bank may carry out any necessary foreign exchange settlements in your name and on your behalf, in accordance with the provisions of this agreement.
- (5) Drawdowns on loans and order of repayment
- Where you have pledged more than one (1) deposit in your application to the Bank for a revolving facility, the applicable interest rate, order of drawdowns and order of repayments will be governed by the agreement executed upon your application.
- (6) Agreed term
- The loans under this subparagraph are valid for the effective term of the pledges, and will automatically terminate upon expiry of such pledges. However, where you have agreed when making the application for loans on pledged deposits that the deposits will be automatically renewed upon expiry, and if the parties do not terminate this agreement in writing with more than one (1) month written notice before expiry, the parties will be deemed to have agreed that this agreement with the same provisions and term will continue to be extended without a change of agreement; the same applies thereafter. In the event that this agreement is not extended upon expiry, you must immediately repay the full balance of the outstanding loans.
- (7) Pledging of deposits
- a. Subject to the Bank's consent, you may obtain a loan by pledging a term deposit that is not subject to a term deposit slip, and you will not be required to separately deliver a deposit slip or to execute a pledge or endorsement; where

it is a term deposit subject to a deposit slip, such deposit slip must be endorsed and delivered to the Bank. Where a pledged deposit is automatically renewed by the Bank upon its expiry, no further procedures will be required. You also agree that matters relating to the registration, discharge, enforcement and collection of accrued interest on such pledge on deposits will be governed by the relevant laws and regulations, and the various agreement documents executed between you and the Bank regarding such deposits, as well as relevant provisions of this agreement.

- b. Except with the consent of the Bank, a pledged deposit may not be transferred, withdrawn, terminated or subject to any other form of disposal. Upon expiry of the deposit term of such deposit, it may be automatically renewed in accordance with the agreement executed upon your application.
- c. You faithfully declare that you are the legal and full owner of the pledged deposits that you provide as collateral, that no other person has any rights over such pledged deposits, and that you have the rights to carry out the various disposals.

(8) Scope of guarantee

The pledged collateral provided by you guarantees all of your debts owing to the Bank, including your obligations to repay all principal and interest on the debts, payment of costs (including attorneys' fees), and any compensatory liabilities for damages arising from your failure to perform your obligations. The Bank may use all collateral provided by you to guarantee all existing (including past and unpaid) and future debts owing by you to the Bank, irrespective of the order in which such collateral is provided.

(9) Events of default/exercise against the pledge

- a. Where any of the following applies, the Bank may reduce the loan facility or reduce the loan term of any or all loans, or deem that all loans will fall due immediately.
  - (a) You are unable to pay or repay promptly the principal of any debt payable under this agreement;
  - (b) You have applied for settlement, a declaration of bankruptcy, reorganization of the company, suspension of business operations or settlement of debts under the Bankruptcy Act, or have been blacklisted by the clearance house;
  - (c) Your successor upon your death has made a declaration of limited succession or waiver of succession;
  - (d) You are subject to a declaration of confiscation of principal assets due to criminal proceedings;
  - (e) You were originally under the obligation to provide collateral under an agreement, and failed to provide such collateral;
  - (f) You fail to pay promptly any interest payable under this agreement, and fails to rectify such failure within five (5) days of being notified by the Bank (hereinafter "Rectification Period");
  - (g) The collateral is subject to seizure, is lost or destroyed, is subject to reduction in value or is insufficient to guarantee the debts owing to the Bank, and you fail to rectify within the Rectification Period; or
  - (h) The collateral for the loan under this subparagraph or your assets are subject to compulsory execution, provisional attachment, provisional disposal or other preservation measures, so that there is likelihood that the Bank will not be able to recover its claims, and you fail to rectify such circumstance within the Rectification Period.
- b. You agree that in the event paragraph a of this Article applies, the Bank may exercise its rights over the pledged deposits and may prematurely terminate the agreement on the term of the pledged deposits, in which case the pledged deposits will be deemed to expire immediately, and the Bank may immediately

collect the principal and interest on such deposits in payment of any amounts owing and unpaid by you.

- c. You also agree that the Bank, prior to exercising its rights over a pledged deposit, may first offset the balance in any of your aforementioned current deposit or check deposit accounts or other accounts with the Bank against your debts under this agreement.

**(10) Liquidated damages**

In the event that you violate any provision of this Agreement or violate the special provisions governing restriction on premature repayment, the Bank may calculate liquidated damages in accordance with the provisions of your term deposit loan application, and collect such payment of liquidated damages from you.

**6. Matters relating to domestic and overseas remittance transactions**

Where you carry out a domestic or overseas remittance transaction via any channel acceptable to the Bank at the time (such as via telephone banking financial management services, online banking or bankcards), the provisions of this agreement as well as the following terms and conditions will apply:

- (1) The Bank may charge a processing fee based on the usual monetary transfer/remittance service standards (the relevant fees are based on the rates publicly announced by the Bank at the time). You agree and authorize the Bank to directly deduct the fee from your transfer out account.
- (2) Where you wish to apply for or change to a pre-determined inward remittance/transfer account, you may personally visit a branch of the Bank to complete the application or change procedures in writing, or in some other manner approved by the Bank. Irrespective of the status of the account at the time of the remittance/transfer or pre-agreed transfer, where the deposits in an outward remittance/transfer account is insufficient for the amount of the remittance/transfer after aggregating the amounts of the remittance and/or other processing fees, the Bank is entitled to refuse to process the remittance/transfer. The same applies where you personally visit the Bank to make the remittance/transfer.
- (3) You are aware that the domestic intra-bank remittance procedure involves the Financial Information Service Co., Ltd. transferring the funds to other financial institutions, while an overseas remittance involves a computer-processed remittance to an overseas bank. The Bank will not be responsible in any way for any loss arising from a stayed remittance due to a computer malfunction or interruption to connections, except where such loss is attributable to the fault of the Bank.
- (4) You agree that the Bank may freely commission an overseas transacting bank or agency institution to handle the remittances under this paragraph. The Bank will not be responsible for any errors, oversight or late payment on the part of such transacting bank or agency institution.
- (5) You agree that the Bank may directly deposit funds into your foreign exchange current deposit account, in accordance with the instructions of the overseas inward remittance bank; however, in the event of an error in the remittance instructions or a duplicated remittance, you agree that the Bank may directly make a deduction from your account in accordance with the instructions of the overseas remittance bank.

**7. Terms and conditions governing the assets and liabilities management account (ALMA)**

- (1) Where you have designated any current savings deposit account you open with the Bank to be your management account (hereinafter the "Designated Account"), you authorize the Bank to provide various investment and financial management services under this agreement in respect of the Designated Account. This agreement applies on a priority basis to all transactions involving the Designated Account. The Designated Account must also comply with all relevant laws and regulations, as well as the provisions of any agreements executed in respect of the various financial management services.
- (2) Financial management services
  - a. The Bank agrees to provide the following financial management services in accordance with this agreement:

- (a) Transfer of the balances of your current accounts with the Bank into the ALMA for centralized management;
  - (b) Transfer to term deposits;
  - (c) Transfer of securities transaction settlement funds;
  - (d) Transfer of futures margin payments;
  - (e) Payment instruction service for transfers to check deposit accounts;
  - (f) Conversion service in respect of designated transfer accounts;
  - (g) loan facility on pledged deposit slips;
  - (h) Revolving drawdown facility on financial management-type home loans;
  - (i) convenient consumer loans;
  - (j) Loan facilities;
  - (k) ALMA financing (credit card cash advance facility);
  - (l) Agreement on regular or irregular instructions to make monetary transfers to accounts not held by you.
- b. The drawdown facility on financial management-type home loans and convenient consumer loans in subparagraphs (h), (i) and (j) above are available only where you have previously entered into a financial management-type home loan, loan facility or convenient consumer loan with a revolving facility agreement with the Bank. Except as otherwise provided in this agreement, all remaining matters will be governed by the provisions of the relevant home loan agreement or consumer loan agreement.
- (3) When the Bank makes a transfer to a term deposit under this agreement, or transfer from the Designated Account to a financial service item referred to in subparagraph a of the preceding paragraph, the Bank is not required to obtain a transaction instruction document for each transfer.
- (4) Terms and conditions governing financial management services for the Designated Account
- a. You agree that when the Bank transfers the balances of your current accounts with the Bank into the Designated Account for centralized management, no balances will be preserved in such linked current accounts, except for check deposit and securities transaction settlement accounts. In addition, the Bank may refrain from providing counter deposit and withdrawal, voicemail transfer, ATM deposit, withdrawal or transfer, and online banking transfer services.
  - b. You agree that when the Bank transfers the balances of your current accounts with the Bank into the Designated Account for centralized management, where the linked accounts include check deposit and securities transaction settlement accounts, the balances in such accounts will not be transferred into the Designated Account for centralized management.
  - c. You agree that when the Bank transfers the balances of your current accounts with the Bank into the Designated Account for centralized management, the Bank may directly cancel the bankcards in respect of such linked current accounts, except in respect of securities transaction settlement accounts.
  - d. When providing financial management services to the Designated Account, the Bank may first use the funds deposited by you in accordance with Article (12) below regarding offsets against debts, and then carrying out the automatic account deduction transactions for pledged loan facilities, repayment of loans and various other agreements in respect of the Designated Account, before transferring the balance of the Designated Account into the subject matters you designate.
- (5) Termination of the Designated Account agreement and its effect

- a. Where this Designated Account agreement is terminated by you or the Bank in accordance with the agreement, the relevant financial management agreement is also terminated simultaneously.
  - b. The Bank may immediately liquidate the Designated Account upon a termination of this agreement. However, where you and the Bank have agreed otherwise, the validity of such other agreement will not be affected by the termination of this agreement.
- (6) Securities transaction settlement account inward and outward transfer services
- a. When engaging in securities and related transactions, you should open a current savings deposit account (hereinafter "Designated Settlement Account") to be the account for receiving and paying funds in respect of securities and related transactions.
  - b. You agree that in the event the balance in the Designated Settlement Account on the stipulated securities settlement date is insufficient for making the net payment, you authorize the Bank to deduct the amount of insufficiency directly from the Designated Account and transfer such amount into the Designated Settlement Account in readiness for making the payment. Where the balance in the Designated Account is insufficient for making the net payment, and you have obtained a loan in the nature of a facility from the Bank, you authorize the Bank to make a drawdown upon the revolving facility of such loan in the nature of a facility to make the payment. However, where the net payment to be made is greater than the balance of the drawable funds in the Designated Account, the Bank will not make the transfer payment.
  - c. The Bank is not obliged to notify you of any insufficiency in your Designated Settlement Account by virtue of offering this service.
- (7) Check deposit account transfer instruction service
- a. When you wish to make payment on bills of exchange issued from your check deposit account, you may designate that in the event that the balance in your check deposit account is sufficient for making a payment on a bill of exchange, the face value of the check may be transferred from the Designated Account into the check deposit account for making the payment.
  - b. The transfer instruction service for the instant check deposit account is limited to transfer instructions transaction-by-transaction; it may not be a general authorization.
  - c. Where there is balance in your check deposit account but such balance is insufficient to pay the face value of the bill of exchange, you agree that the Bank is not obliged to make any transfers from the Designated Account to pay the shortfall.
  - d. Where the balances in your check deposit account and your ALMA account are both insufficient for making payment on a bill of exchange, you agree that where you have a drawable balance on your pledged loan facility, you authorize the Bank to draw upon such facility on your behalf in payment of the bill of exchange. You agree to pay any interest or other costs arising from drawing of the facility without objection.
  - e. You agree that where there is any balance in your check deposit account upon the daily settlement, the Bank is not required to transfer such balance into the Designated Account.
  - f. The Bank is not obliged to notify you of any insufficient balance in your check deposit account by virtue of providing this service.
- (8) Designated fund transfer service
- a. Where you have already registered account information for voicemail and ATM fund transfers in respect of any of your transaction accounts, you agree that such account information will also be transferred to the Designated Account for future use.

- b. Where you have verified the correctness of the designated fund transfer account details transferred to the Designated Account, you agree that the Bank will not be liable for any erroneous fund transfer by you.
- c. You agree that where the Designated Account is linked to a current account centralized fund management agreement, deductions may be made from the Designated Account automatically where the balance in such linked account is insufficient to pay any deduction items made on your behalf (such as water, electricity and gas charges of public enterprises, fixed contribution funds, insurance or interest payments on loans).
- d. Service items that you apply for (including instructing fund transfers to accounts not belonging to you) enter into effect as of the day after the Bank accepts your application, and will not become ineffective by virtue of a loss or change of the seal to the Designated Account.
- e. Where you have applied for an outward transfer or inward transfer account, you will be responsible for any losses arising from the settlement of either the outward or inward transfer account that is deemed a termination of the fund transfer agreement, where the Bank is not obliged to issue notice of such termination; or where the balance in your transfer account is insufficient and the Bank is unable to carry out this agreement.
- f. You may terminate this agreement on fund transfer instructions by written notice at any time. Where you wish to terminate such instructions, you must complete an application form and submit it to the Bank; the termination becomes effective as of the application date.

(9) Transfers from ALMA revolving fund

- a. The ALMA revolving fund means the balance of the cash advance facility from your (that is the card holder's) credit card (primary card only) with the Bank, which constitutes the working fund of the ALMA account (hereinafter "Designated Account").
- b. You agree that every drawdown on the ALMA revolving fund constitutes an instruction to draw upon the cash advance of the credit card, without separate notice or entry of the credit card cash advance password. The drawdown amount must not exceed the available balance of your credit card cash advance facility, and the Bank will transfer the cash advance amount into your Designated Account with the Bank, which is deemed a transaction carried out by you.
- c. Where you engage in transactions in the following manner, and where the amount you require is greater than TWD 1,000 (inclusive) more than the balance in your Designated Account, you may draw on the credit card cash advance in accordance with the terms and conditions of this agreement, provided that the Bank reserves the right to determine whether to make said advance; the Bank may adjust the amount of the aforementioned cash advance depending on the circumstances:
  - (a) An ATM withdrawal or fund transfer using the bankcard of the Designated Account;
  - (b) A withdrawal or fund transfer at a branch counter by presentation of the seal originally recorded with the Bank and/or the passbook for the Designated Account;
  - (c) A transaction via such automated service channels as telephone/PC banking or online banking;
  - (d) Engaging in a consumer transaction with fund transfer at a MESTRO designated store, using the bankcard for the Designated Account;
  - (e) Automatic account deductions from the Designated Account (applicable only to shortfalls of your securities settlement payments or insufficiency for your check payments).

- d. The drawdown period for drawing on the instant revolving fund is identical with the valid period of your credit card with the Bank. Where you wish to terminate drawdown on the ALMA revolving fund, you should apply to the Bank in writing.
- e. Where the Bank has verified your password for such automated services as bankcard, telephone/PC banking and online banking via the ATM or other system equipment, and proceeds with the transaction because it believes that such password is consistent with the password you recorded with the Bank, you will be liable for any losses notwithstanding such transaction arises from a theft, forgery or alteration of the drawdown password for such transaction, provided that the Bank has exercised the care of a good faith manager.
- f. In the event of loss due to theft, forgery or alteration of the specimen chop or signature on a passbook deposit withdrawal slip, you will not deny that said amount has been drawn by virtue of such theft, forgery or alteration of the specimen chop or signature on the aforementioned document, where the Bank proves that the drawn amount has been paid to you. You will still be liable for repayment of said amount.
- g. You agree to pay an ALMA revolving fund drawdown processing fee (calculated in the manner of processing fees for cash advances on credit cards of the Bank), payable with your monthly payment of credit card transaction charges. Where the amount previously drawn is not fully repaid by the deadline for the payment in the relevant period, the Bank is entitled to charge a revolving credit interest or penalty.
- h. You agree that where your credit card has become invalid or is not the designated card because: (a) you do not hold a credit card with the Bank; (b) your credit card application has been rejected; (c) your credit card is not entitled to the cash advance function; (d) your credit card has not been activated; (e) there is a change to the credit card number; (f) the credit card has been reported lost, which report is currently being processed; or (g) the credit card has been terminated (including a compulsory termination), the Bank may refrain from permitting or may at any time cease permitting your drawdown on the ALMA revolving fund.
- i. You (that is, the cardholder) agree that the Bank, after amending the contents of this agreement, may make available such amendments at its business places for your inquiry and viewing, in place of personal notification. Where this application form or the Bank's credit card agreement and relevant credit card membership regulations stipulate otherwise, such other stipulations will prevail.
- j. You agree that any drawdown on the ALMA revolving fund via the channels described in Paragraph c above will be deemed debts arising from your credit card account with the Bank. You agree that performances in respect of the aforementioned claim and debt are governed by the relevant credit card regulations of the Bank, without any objection from you.

(10) Drawdown on funds in the Designated Account

Drawdowns of your funds with the Bank are made on the balance in your Designated Account on a priority basis; where the balance in the Designated Account is insufficient for meeting a payable item, drawdowns will be made on the following financing items that you have already agreed with the Bank, in the following order:

- a. Where the Designated Account is subject to a transfer to term deposits, the facility available for pledged loan based on the pledged term deposit loan agreement and your credit class;
- b. Where the Designated Account is linked to a revolving drawdown facility on a financial management-type home loan, an automatic transfer into the Designated Account will be made to the extent of such available facility;
- c. Where the Designated Account is linked to a revolving drawdown facility, an automatic transfer into the Designated Account will be made to the extent of such available facility;
- d. Where the Designated Account is linked to a revolving drawdown facility on a convenient consumer loan, an automatic transfer into the Designated Account will be made to the extent of such available facility;

- e. Where the Designated Account is linked to the ALMA revolving fund (being linked to cash advances on a credit card), an automatic transfer into the Designated Account will be made to the extent of such available fund;

The instant drawdown on financing fund may not be used in transfers to term deposits, payment of principal or interest on loans from the Bank, or payment of transaction charges, revolving interest or cash advances on credit cards.

- (11) Where any of the following applies, the Bank may directly carry out procedures for termination of the agreement and you may not object in any way:

- a. Where this agreement is terminated by the Bank in accordance with relevant laws/agreement;
- b. Where you are required to make payment to the Bank by virtue of this agreement, any other contractual agreement between you and the Bank, or any statutory provisions;

- (12) Provisions governing use of the Designated Account for priority offset of debts

Where there are funds deposited into the Designated Account or proceeds from a premature termination of a financial management subject matter, the Bank may make the following deductions in the following order in offset of your debts:

- a. All debts arising from outstanding drawdowns on the ALMA revolving fund (cash advances on credit card);
- b. All debts arising from outstanding drawdowns on the convenient consumer loan facility;
- c. All debts arising from outstanding drawdowns on loan facilities;
- d. All debts arising from outstanding drawdowns on the financial management-type home loan revolving facility;
- e. All debts arising from outstanding drawdowns on the pledged term deposits loan facility.

- (13) Upon opening of this Designated Account, you agree that the Bank may select the appropriate account class based on the average balance of your deposits. In addition to being entitled to services designated for the relevant account class of the Designated Account, you also agree to comply with the regulations governing such account class.

- (14) The number of fee-free inter-bank withdrawals and inter-bank fund transfers available to your Designated Account is calculated in respect of the period from the 21<sup>st</sup> day of each month until the 20<sup>th</sup> day of the following month. Such period re-commences on the 21<sup>st</sup> day of each month.

- (15) You must provide the account details in respect of outward/inward transfer accounts that you apply for in respect of fund transfer services of the Designated Account.

### (III) Agreement on Third Party Payments

- 1. Where you have opened a deposit account with the Bank, you may issue a mandate to the Bank to pay out of your designated account any Bank and public enterprises charges that are payable by you or your designated third parties.
- 2. The Bank will begin providing third party payment services only when it has received your mandate instructions and the consent of the organization subject to the instructions. Until the Bank has obtained such consent, you must continue to pay the third party charges payable each month.
- 3. The Bank will directly make third party payments out of your designated deposit account, in accordance with the deadlines and payable amounts stipulated on the relevant evidentiary document of claim (agreement) or notice of public enterprise charges. You are not required to separately produce withdrawal vouchers. The record of transfer will be subsequently supplemented to your passbook.

4. Where the balance in your designated deposit account is insufficient to meet the various charges falling due, or where there is loss due to late payment of a charge due to other reasons not attributable to the fault of the Bank, you will be responsible for all resultant liabilities. Where you subsequently make up the shortfall to the balance in your designated deposit account, you should notify the Bank; the Bank will then add the penalty or delay interest payable on delay in accordance with the stipulations of the relevant evidentiary document of claim (agreement) and so on, and make the third party payment from your designated deposit account together with such penalty or delay interest.
5. Where you are making any payment on behalf of a third party, said third party agrees that the effectiveness of the agreement between you and the organization instructed by you and the Bank extends to such third party, and that you will be the fully authorized agent for the interests of such third party without any objection. Any dispute will not involve the Bank in any way.
6. The relationship of mandate is deemed automatically terminated when all of the various charges have been fully paid.
7. Where you settle the deposit account designated for your mandate to the Bank to make third party payments, prior to termination of such mandate, you are deemed to automatically terminate the agreement to make third party payments on your behalf. You are responsible for any losses and default liabilities arising from such termination.
8. Except in the case of Article 6, either you or the Bank may issue a written notice to rescind or terminate the agreement on third party payments at any time. When you wish to terminate the mandate, you should complete an application form (the signature on the form must conform to the account name and the original specimen chop of the designated deposit account left with the Bank) and complete the termination procedure two (2) months before the scheduled date for termination of third party payments mandate.
9. Where you have any queries regarding the calculation of public enterprise charge rates and any refunds or additional payments, you should inquire directly with the relevant public enterprise.

(IV) Mandate for Fund Transfer Services

1. You issue a mandate to the Bank to handle any amounts for collection or payment as between you and securities companies collaborating and transacting with the Bank (hereinafter "Securities Companies"), in respect of purchases or sales of business products offered by such Securities Companies that they are now and in the future approved for operating by the competent authorities, including without limitation securities proceeds in respect of purchase or sale of securities, subscription payments, processing fees, handling fees and any other relevant expenses arising from such businesses or products.
2. You agree to grant the Bank the authority to directly remit or transfer on your behalf all amounts or costs for collection or payment between you and the Securities Companies (based on the amounts stipulated on the sale or purchase report or other evidentiary documents provided to the Bank by the Securities Companies) from the designated account stipulated in the preceding article, without the need for your passbook, withdrawal slip or your signature. Any amounts payable by you to the Securities Companies (based on the amounts stipulated on the statements or itemized lists prepared by the Securities Companies) will be directly remitted to the securities Companies from the current deposit account that you have opened with the Bank (hereinafter "Settlement Account"). Even if the balance in your account on that day is insufficient for making the payment to the Securities Companies, the Bank may still directly remit such balance in the account to the Securities Companies, in accordance with the instructions of the Securities Companies.
3. When any payments collectible by you from Securities Companies (based on the amounts stipulated on the statements or itemized lists prepared by the Securities Companies) are remitted by such Securities Companies to the Bank on the prescribed settlement and payment date, the Bank will directly transfer such payments into your aforementioned deposit account.
4. In the event of any error on the itemized lists or statements prepared by the Securities Companies, or where you dispute the amount payable or receivable in respect of the purchase or sale of securities, you should resolve such dispute with the Securities Companies, which will not involve the Bank in any way.

5. You authorize and issue a mandate to the Bank to complete application forms for class 1 dishonored bill of exchange information on your behalf and to make any other inquiries, and you agree that the Bank may directly provide the information received in respect of such inquiries to the Securities Companies.
6. You agree and authorize that the Securities Companies and their employees or designated agents may make written inquiries with the Bank, or require the Bank to provide information required for audit work of competent authorities, including the balance in your Settlement Account with the Bank, transaction details, and your financial management facilities.

(V) Articles Governing the Use of Bankcards (ATM Card) – General Terms and Conditions

**Where you require a Combo Card (ATM + Credit Card), you should execute a separate credit card agreement.**

1. The application, possession and use of the bankcard issued by the Bank (hereinafter "the Card") are governed by these Articles. Where any matters are not fully stipulated in these terms and conditions, the general terms and conditions governing opening of accounts and the terms and conditions governing deposits and transmittances will apply.
2. Collection, activation, use and cancellation
  - (1) You may use the functions of the Card only in respect of valid transaction accounts you have opened with the Bank. You may activate the Card in accordance with these Articles only when you have executed the application form and obtained the approval of the Bank. The same applies to a re-application where the Card is canceled, lost or stolen.
  - (2) Records of withdrawals and fund transfer transactions using the Card will be governed by the transaction details and balances recorded by the Bank, until such records have been added to the passbook.
  - (3) When collecting the Card, password letter, and completing the activation and registration procedures, you should do so at the original account opening branch or some other branch designated by the Bank by presenting your personal identification documents and the specimen chop originally recorded with the Bank. However, subject to consent of the Bank, the Card and its password letter may be separately delivered to you by mail or in some other appropriate manner. Where the Card and/or its password is delivered by mail, the Bank will mail them to your last notified address as recorded by the Bank, and they are deemed duly delivered after the usual mailing period. You will be liable for all responsibilities arising from any failure to receive the password letter or the Card, or losses arising from theft of such Card or the password letter due to their being so mailed. Where you fail to collect the Card and the password letter within three (3) months after the application date, the Bank may directly cancel them. Where the bankcard (with its password) is pre-made, you may collect the Card and the password letter as well as carry out the activation procedure, immediately after completing the account opening procedure and reviewing the instant terms and conditions.
3. Bankcard password
  - (1) You understand that your use of the Card must be based on the valid password prevailing at the time.
  - (2) You must memorize your own password and store it secretly and safely, separate from the Card. You may not allow any third party to know or use the password; you will be liable for all responsibilities in the event of a violation of the above provision. Where you wish to change the password, you may use automated service equipment to do so at your own convenience. There is no limitation on the number of times that the password may be changed.
4. Number of erroneous entries of bankcard password, and retention and locking of the Card

Where you use the Card for any transaction and enter the wrong password for four (4) consecutive times (inclusive), forget to retrieve the Card, carry out a transaction using a Card that has already been reported as being lost, or there are other reasons resulting in the Card being locked or retained by an automated service equipment, you must personally do the following by presentation of your personal identification documents and the specimen chop originally recorded with the Bank:

- (1) When the Card is locked, you may apply to the original account opening branch or any other branch designated by the Bank to unlock the Card.
  - (2) When the Card is being retained, you must visit the original account opening branch or any other branch designated by the Bank within fourteen (14) business days from the day after the retention to retrieve the Card or apply for a new Card. Where you fail to retrieve the Card within the prescribed period, the Bank may cancel the Card.
5. Prohibition against lending, transfer, pledge, duplication or alteration of the Card
  - (1) Transactions using the Card is limited to the account that you have agreed with the Bank.
  - (2) You understand that the Bank remains owner of the Card, and that the Bank is entitled to determine whether the Card will be issued. You should keep the Card safe in an appropriate manner after collecting the Card. In the event that you duplicate or alter the Card, you will be responsible for the relevant criminal sanctions and other legal liabilities, as well as for indemnifying the Card against any resultant losses.
  - (3) The Card may only be used by you, and you may not lend, transfer, pledge or donate the Card, or in any other way allow a third party to use the Card. In the event that you lend, transfer, pledge, donate, or in any other way allow a third party to use the Card or engage in any other similar conduct, you are liable for all resultant losses and consequences.
6. Loss, destruction, theft, or loss of possession of the Card in any other manner
  - (1) You must keep the Card safe in an appropriate manner. In the event of loss, destruction, theft or loss of possession of the Card in any other manner, or where your Card number or password becomes known to any other person, you must immediately apply to register loss of the Card in the agreed manner approved by the Bank, and personally visit the Bank or in some other agreed manner approved by the Bank to apply for issue of a new Card. Where the Bank has already made payment on any fraudulent use (fraudulent withdrawal or transfer) of the Card before you apply to register loss of the Card, the Bank is deemed to have made payment to you. However, where the Bank or the financial institution owning the relevant automated service equipment has not exercised the care of a good faith manager in monitoring and controlling the relevant information systems, or where there are any other circumstances for attribution of fault to the Bank or such financial institutions, resulting in your password being fraudulently used or stolen, the Bank will remain liable for such losses.
  - (2) Where you use the Card to make a withdrawal, transfer or consumer transfer transaction, you do so as a passbook-free transaction recording, which is equal in effect to a withdrawal by presentation of the passbook, and completing a withdrawal slip with the specimen chop originally recorded with the Bank. After completing each withdrawal, the automatic teller machine will print out a "transaction statement" for your reference. After you have made a certain number of withdrawals on your account, you must take your passbook to a Bank counter or an automatic teller machine with a passbook registration function to have the withdrawals registered, before you may continue using the Card to make withdrawals, transfers or consumer transfer transactions. The number of withdrawals permitted on the Card is governed by regulations of the Bank.
7. Replacement of the Card
  - (1) Where the Card is damaged or cannot be used, you should return the Card to the Bank and apply for issue of a new Card.
  - (2) Where the Card is retrieved by an automatic teller machine, you may also apply to the Bank for issue of a new Card.
  - (3) When you apply for issue of a new Card, you must personally visit any branch of the Bank or complete the required forms or in any agreed manner approved by the Bank, and pay the replacement fee for issue of the new Card. The amount of the replacement fee is as stipulated in the standard of charges publicly announced by the Bank from time to time.
  - (4) The old Card becomes ineffective as soon as the new Card is issued.

8. Suspension from use

In the event that the Card cannot be operated or used due to a power outage, malfunction of the computer systems or automatic teller machine, or any other technical reason, the Bank may suspend services in respect of the Card at any time. You may not make any claims on or exert any rights against the Bank on the ground of such suspension.

9. Restrictions on amount of deposits

Where you use the Card to make a cash deposit via automatic service equipment of the Bank into an account not belonging to you, you are subject to restrictions on the amount of transfers to non-designated accounts. Such restrictions do not apply to deposits into your own accounts.

10. Cash withdrawals

You must immediately count any cash withdrawals you make. Where there is any transaction discrepancy when you use the Card to carry out any transaction at an automatic teller machine, you must immediately lodge an audit application with the Bank in accordance with the procedures stipulated by the Bank. The results of the audit will be based on the records and investigation results of the Bank, except where you are able to provide any substantive evidence to the contrary. Any declarations or statements made by you when lodging the application for audit must be truthful and correct; in the event of a violation, you must indemnify the Bank against any costs, expenses and losses incurred by the Bank by virtue of such untruthful information or statement.

11. Effectiveness of transaction act

Where you carry out a transaction at the automated service equipment of the Bank or a financial institution participating in the inter-bank connection of the financial information system, using the Card and its password, such transaction has equal effect with a transaction made by presentation of the passbook and seal.

12. Determining time of transaction

Accounting time-periods for inter-bank transactions: 3:30PM on Mondays to Fridays is the dividing point for accounting time-periods. Any transaction carried out after such dividing point would not be a transaction carried out on that business day, and would be classified and treated as a transaction carried out on the following business day. Whether a transaction is carried out after the dividing point is determined by the time that the Bank receives the relevant files or information.

13. Domestic fund transfers and assistance for fund transfer errors

(1) You can only use automatic teller machines for fund transfers when the bank owning the machine and the inward-transmitting bank both allow the inter-bank fund transfer service. When you use the Card to carry out a fund transfer, you must first verify the accuracy of the bank code, account number and amount you enter into the machine before pressing the "confirm" button. Once you press the "confirm" button, the transaction is completed, and you may not subsequently require the Bank to correct or recover the transferred payment. You are liable for any losses arising as a result. In the event of any error in the inward-remittance bank code, deposit account number or amount you apply for or enter, resulting in a transfer to the account of another person or transfer of the wrong amount, you may notify the Bank and obtain the Bank's assistance with the following according to law:

- a. Provide details of such transaction;
- b. Notify the inward-remittance bank for their assistance in handling the transaction.

(2) When you use automatic teller machines to make fund transfers to designated accounts, you must first enter into an agreement with the Bank regarding such designated accounts; the Card does not automatically allow fund transfers to non-designated accounts. If you intend to use automatic teller machines to make fund transfers to non-designated accounts, you must first apply in writing to the Bank for such function. You may apply to the Bank to cancel such function at any time.

(3) When the Bank has received the fund transfer instructions you input, the Bank may directly make the deduction against your outward-remittance account, and (a) where

you are using this service during the normal business hours of the Bank (other than extended business hours), said transferred amount will be entered into the designated account on the same business day; (2) where you are using this service outside the normal business hours of the Bank, said transferred amount will be entered into the account on the following bank business day.

- (4) Where you wish to change the designated inward-transfer account numbers for the Card, you must complete a new application form and enter the changed information, so that the Bank may register your application.

**14. Restrictions on amounts of withdrawals and fund transfers with the Bank**

- (1) **When you use the Card to make a withdrawal at the automated service equipment of the Bank, the transaction limits are as follows:**  
The maximum withdrawal amount of per transaction is NTD 60,000; the maximum withdraw amount per day is NTD 200,000 (aggregate of domestic and overseas withdrawals in one day may not exceed NTD 200,000).

- (2) **When you make a fund transfer to a designated account, the limits are as follows:**

The maximum transfer amount of per transaction is NTD 1,000,000; there is no maximum limit on fund transfers to designated accounts per day.

- (3) **When you make a fund transfer to a non-designated account, the limits are as follows:**

The maximum transfer amount of per transaction is NTD 30,000; the maximum transfer amount per day is NTD 30,000 (aggregating all fund transfers with the Bank and inter-bank transfers).

**15. Restrictions on amounts of inter-bank withdrawals and fund transfers**

- (1) **When you use the Card to make withdrawals using the Card via automated service equipment installed by a financial institution with the inter-bank connection of the financial service system, the transaction limits are as follows:**

The maximum withdrawal amount of per inter-bank transaction is NTD 20,000; the maximum withdrawal amount for inter-bank transaction per day is NTD 200,000 (aggregate of domestic and overseas withdrawals in one day may not exceed NTD 200,000).

- (2) **When you make a fund transfer to a designated account, the limits are as follows:**

The maximum transfer amount of per inter-bank transfer is NTD 1,000,000; the maximum transfer amount for inter-bank transaction per day is NTD 3,000,000 (aggregating transfers to designated and non-designated accounts).

- (3) **When you make a fund transfer to a non-designated account, the limits are as follows:**

The maximum transfer amount of per inter-bank transaction is NTD 30,000; the maximum transfer amount for inter-bank transaction per day is NTD 30,000 (aggregating all fund transfers with the Bank and inter-bank transfers).

**16. Supplementation of passbook records**

When you have used the Card to make withdrawals and fund transfers thirty (30) times consecutively, you must first supplement the passbook records before you may continue using the Card, unless otherwise agreed.

**17. Adjustment to restrictions on withdrawal and fund transfer amounts and times, and announcement**

Unless otherwise provided by law, the Bank may adjust the amounts and times stipulated in the preceding three articles as actually required. The Bank must publicly announce such adjustment at its business places and its website fifteen (15) days prior to such adjustment enters into effect.

**18. Imposition, adjustment and announcement of fees**

Working fees arising from the various transactions carried out or services used by you using the Card are as follows:

- (1) Transaction fees:
  - a. Domestic inter-bank withdrawal: NTD 6 on each occasion.
  - b. Domestic inter-bank fund transfer: NTD 17 on each occasion.
- (2) Service charges:
  - a. Unlocking of the Card: NTD 50 on each occasion.
  - b. Replacement/re-issue of the Card: NTD 100 on each occasion.

The parties agree that the Bank may directly deduct the aforementioned fees and charges from your account, or payment may be made in any other agreed manner approved by the Bank. In the event of an adjustment to such fees or charges, the Bank must publicly announce such adjustment at its businesses places and its website.

You are exempted from paying the charge stipulated in Paragraph 1, Subparagraph (2) above where your Card needs to be unlocked and a new Card needs to be replaced or re-issued for reasons not attributable to you, if you return the old Card. Where it is attributable to the fault of the Bank, the Bank is liable for indemnifying you for any damages.

The Bank bears the burden of proving the aforementioned apportionment of liabilities.

**19. Special terms and conditions governing international bankcards**

- (1) Upon your application, and after the Bank has completed its internal procedures and notified you, the Card will become equipped with international bankcard functions. You may use the Card overseas at automatic teller machines provided by overseas financial institutions connected to the system to which the Card is connected, and may carry out cash withdrawals or inquiry of balances in accordance with regulations of the Bank and the financial institutions providing such automatic teller machines. You may cancel this service by personally visiting the Bank, using the telephone banking financial management service, or by some other manner approved by the Bank.
- (2) The Bank may suspend the international bankcard functions for the Card at any time, due to foreign exchange controls and restrictions imposed by the competent authorities.
- (3) Overseas withdrawals using the Card may be made only from balances and financing facilities of your NTD current deposit account with the Bank. Where the account you propose to use has a zero balance, an insufficient balance, or the NTD financing facility provided to you by the Bank is insufficient, the Bank may refuse to make the payment.
- (4) When you make an overseas withdrawal using the Card, the Bank will make payment in the equivalent local (place of withdrawal) currency via the local automatic teller machine. The currency conversion will be based on the exchange rate provided by the international clearance center to the Bank on the day of your withdrawal.
- (5) When you make an overseas withdrawal using the Card, you must pay the network transaction fee in accordance with the regulations of the relevant international network institution (fees charged by each network institution may differ; please make your own investigation of these charges before carrying out the transaction). The Bank will directly deduct the network transaction fee from your withdrawal account when you carry out the withdrawal transaction.
- (6) When you use the Card to carry out a foreign currency transaction, you authorize the Bank to be your exchange settlement agent in the Republic of China and to complete the relevant exchange settlement and declaration procedures in accordance with the

relevant regulations of the Central Bank as well as the agreement between you and the Bank.

20. Termination of agreement, or suspension of bankcard function

You may terminate this agreement at any time, provided that you must personally visit the Bank to do so, or appoint a power of attorney in writing to do so on your behalf. Except where the Card has been lost, you must also return the Card to the Bank.

Where any of the following applies, the Bank may terminate this agreement or suspension the provision of bankcard functions for the Card at any time:

- (1) The Card has been forged, altered, or used for illegal purposes such as money laundering or fraud.
- (2) Your account has been listed as a suspended or warning account according to law.
- (3) You have violated the provisions of the law, injured the rights or interests of the Bank, or engaged in any other illegal acts.

21. Use of personal information

Where you use the Card to make use of such inter-bank services as withdrawals, fund transfers, currency exchanges, tax payments, fee payments, and financial account inquiries, you agree that the Bank, the transacting financial institution, the JCIC, the Financial Information Service Co., Ltd., and any other institutions designated by the Financial Supervisory Commission of the Executive Yuan may collect, computer-process, internationally transmit and use your personal information according to law, to the extent required for completing provision of the aforementioned inter-bank services. The Bank may not provide your personal information for use by third parties other than the aforementioned institutions, except with your consent, where the parties have agreed otherwise, or pursuant to other laws and regulations.

22. Channels for complaints

Complaint hotline: 4058-0088 (please add "02" if calling from a cell phone)

23. The Bank's bankcard debit terms and conditions apply to use of the bankcard debit functions.

(VI) Phone Banking Service Policy

Unless otherwise stated by the Bank, this service policy shall apply to a person who has opened a savings account with the Bank in processing fund transfers from designated account and non-designated account at the Bank, fund remittances to another local bank account, fund remittance to overseas bank account, scheduled funds transfers, and other phone banking services the Bank has agreed to provide. With regard to phone banking services not available through the Bank, the Bank may publish a notice of when these service may be available on its website. Before any of such notice is published, the Bank's inclusion of relevant terms in the service policy does not mean the Bank is liable to provide such services:

1. Application restrictions and preparatory procedure

- (1) You are aware that phone banking services are not available to joint accounts, individual accounts held by person without legal I.D. number or register number, savings accounts opened by company or firm or group, an OBU (overseas banking unit) account with AUM (assets under management) less than NTD 3 million. For a natural person under the age of 20, his/her legal representative's signature/chop is required for his/her application for phone banking service may be accepted.
- (2) You shall complete and sign the application form or file an application through the Bank's banking service center, subject to the Bank's approval, provided, however, that for joint marital account, corporate account, OBU account, and account owned by minor, the applicant shall visit the branch to submit an application in person.

2. Method and scope of use

After completion of application for Telephone Identification Number (hereinafter the "phone banking "TIN"), you may call the Bank's phone banking service number and enter your

information as instructed by the recorded message and your phone banking TIN and start to use the Bank's phone banking services. The services include: (1) funds transfers/bill payments/remittances (as applied for); (2) report of loss; (3) inquiry and request (for check book, monthly statement, etc.); (4) change of phone banking TIN; and (5) other services the Bank agrees to provide. For an OBU account with AUM over NTD 3 million, only phone banking representative services are available; the services enabled by interactive voice response (IVR) are currently not available.

### 3. TIN

In applying for phone banking services, you shall visit the Bank personally or use the method requested by the Bank to create your phone banking TIN. For personal visit, you shall present your I.D. document and chop to the Bank to receive your phone banking TIN notice. The TIN notice may be mailed or otherwise properly delivered to you upon the Bank's approval. If delivered by mail, the notice shall be deemed delivered if sent to the last address recorded at the Bank after regular mailing time. In such case, you shall be solely liable for any and all losses arising from unauthorized use of your TIN notice caused by failed delivery. Upon receipt of the phone banking TIN notice, you shall access the phone banking service system to change your phone banking TIN. Your new phone banking TIN will be immediately effective once confirmed by the Bank's system. You shall be fully responsible for keeping your TIN in strict confidentiality and shall not disclose it or have it to be used by third party. You shall be solely liable for any and all risks and responsibilities in the event of breach. Due to the security concerns, you agree if you have entered an incorrect TIN for a certain number of times consecutively or a new TIN should be created for any other reason, the Bank may suspend its provision of phone banking services to you, and you shall visit the Bank personally or use the method requested by the Bank to reset your TIN. **If you visit the Bank personally to apply for your phone banking TIN, once your TIN is created, we suggest you immediately change your TIN for better security protection.**

### 4. Restrictions on funds transfers/transactions operation

- (1) Effective on August 18, 2008 for phone banking services, when you file a new application for phone banking services or request changes to designated transfer account number, all your NTD and foreign currency accounts will be automatically become your designated transfer accounts, "except general joint account and joint marital account (applicable only to a joint account for which two specimen chops are required)."
- (2) For new designated transfer in account receiving "phone baking services," the new designated account always becomes valid on the day following the application date. In the case of expedited account opening service, the account will take effect on the second business day after its application.
- (3) As part of the Bank's funds remittance/transfer services (limited to those currently available by the Bank), you are allowed to use the phone banking service system to instruct the Bank to:
  - a. directly remit or transfer funds deposited in the NTD account registered in your name to another local bank account or to a third party's or your account with the Bank (if you apply for phone banking services through phone banking service center, you are required to visit the Bank personally to complete the procedure for account designation, or you may be able to transfer the funds in your NTD account to your other NTD account with the Bank);
  - b. directly transfer funds between your NTD current account and foreign currency account with the Bank;
  - c. directly transfer funds between different currency specific foreign currency accounts with the Bank; and/or
  - d. directly remit funds from the foreign currency account with the Bank to an account of the same currency for outward remittance (if you apply for phone banking services through phone banking service center, you are required to visit the Bank personally to complete the procedure for account designation before the service may be available).
- (4) a. In case the designated NTD transfer out and in accounts are not registered with the same account holder (NTD funds transfer initiated by account holder combined with NTD inter-bank transfer), each transfer for an individual transfer out account shall not exceed NTD 1 million, and daily maximum transfer limit is NTD 3 million,

except otherwise specified for phone banking services. In case the designated foreign currency transfer out and in account are not registered with the same account holder (foreign currency funds transfer initiated by account holder combined with foreign currency remittance transfer), each transfer shall not exceed the foreign currency equivalent to NTD 3 million, and daily maximum transfer limit is the foreign currency equivalent to NTD 10 million.

- b. In the case of NTD/foreign exchange swap and funds transfer between different foreign currencies initiated by account holder, an individual transaction shall not be less than the value equivalent NTD 500 and the daily maximum transaction limit is 50 transactions (NTD/foreign exchange swap combined with funds transfer between different foreign currencies initiated by account holder). In the case of NTD/foreign exchange swap, the daily maximum transfer limit per person (including all transactions performed by bank teller and through other automated transaction channels) shall not exceed the amount for which no declaration is required as provided by the Central Bank (currently less than NTD 500,000, not including NTD 500) or the maximum amount limit for individual transfer otherwise notified by the Bank, whichever is lower/
- c. With regard to funds transfers between your accounts with the Bank, currently the Bank imposes no maximum limit.
- d. Subject to the Bank's approval, you shall visit the Bank in person to submit a written application to activate non-designated small amount transfers through phone banking services. Unless otherwise specified by you upon application, the following transfer restrictions shall apply:
  - (a) for repayment of account holder's loans received from the Bank
  - (b) for payment of account holder's/a third party's credit card bills
  - (c) for payment of account holder's/a third party's Chunghwa Telecom bills

For NTD non-designated small amount transfers, each transfer for an individual transfer out account shall not exceed NTD 50,000 and the daily maximum transfer limit is NTD 100,000 and monthly maximum transfer limit is NTD 200,000. (The non-designated small amount transfer maximum limit does not apply to payment of account holder's loans received from the bank in paragraph (a) and payment of account holder's credit card bills in paragraph (b) above.)

- e. The Bank may at any time adjust or establish the individual or daily transfers/remittance maximum limit described above and notify you or publish a notice at the Bank's business premises. You may also call the phone banking service number to learn about the change.
- (5) You may use phone banking services to receive various paperless regular deposit services and the Bank will not issue a deposit statement. Upon completion of a transfer, you may at any time use the Bank's phone banking service to inquire about or apply for transaction records and the Bank will send a statement. Upon maturity of term deposit, the Bank will automatically transfer the amount your current account. If you wish to renew your term deposit upon maturity of term deposit, you may further transfer the funds from your current account to term deposit account. The term deposit may be terminated through the phone services or by going to a bank teller. When you go to a bank teller to terminate your term deposit, you are required to present your personal chop designated for funds withdrawal from current account.
  - (6) As term deposits arising from transferring funds from current account as term deposit at the "ALMA Account" have the characteristics of pledged deposit receipt and overdraft, they will be deemed as printed deposit receipt and early termination and renewal of such term deposits may only be performed by bank teller and cannot be performed at phone banking service system.
  - (7) Subject to the Bank's approval, you may apply to carry out trust investment transactions through phone banking service. How funds may be deducted may be established at your choice from the methods available at the Bank's system when you carry out the transactions. If you agree to receive this service, you need to have a trust account to be able to carry out trust investment transactions through phone banking service. When you use your credit card account with the Bank for small amount transfer for purpose of trust fund investment, your credit card must be activated or changes to your credit card

functions must be completed two (2) business days before the scheduled transfer date to make sure funds transfer will work.

- (8) After the Bank receives the correct phone banking PIN and verify accuracy of the information the Bank has requested (for designated account remittances/transfers, you shall also provide the same information as in your application), the Bank will directly perform services of funds remittances and transfers or other transactions as instructed. Funds remittances, transfers and other transactions performed through phone banking services will be reflected in your monthly statement. You may also inquire or apply for a copy of transaction statement through the Bank's phone banking services. If you wish to change designated accounts, you need to submit your application in writing personally to the Bank. When the Bank receives your funds transfer instructions and currency conversion is required for the transfer, the Bank will convert the funds at the exchange rate of the spot exchange rate of the applicable currency effective when the Bank performs the transaction as instructed.
- (9) Services of fund remittances to local bank account, fund remittance to overseas bank account as instructed may be performed during the business hours of Financial Information Service Co., Ltd. (FISC) or other financial institutions.
- (10) Upon receipt your specific funds transfer instruction, the Bank will perform the transaction within a certain period of time. In case of incorrect information or where the sum of amount to be transferred/remitted and handling fee exceeds the account balance, or if the bank has any questions about the particular transfer instruction, the Bank shall have the right not to perform the transfer and you shall always accept the decision.
- (11) You may instruct the Bank to transfer funds at a scheduled time through the Bank's phone banking services (i.e. effective date of funds transfer is a future bank business day within a specific timeframe, and the Bank will further advise such timeframe). You may cancel your instruction not later than one day before the effective date. If the Bank does not receive your cancellation request before the above period of time, the Bank may directly perform the scheduled funds transfer on the effective date without further confirming the transfer with you. However, in case of incorrect information or where the sum of amount to be transferred exceeds the account balance on the effective date, or if the bank has any questions about the particular scheduled transfer instruction, the Bank shall have the right not to perform the transfer and you shall always accept the decision.

5. You understand and agree:

- (1) The Bank has the discretion in deciding whether or not to perform funds remittance/transfer you have instructed the Bank through phone banking service. If the Bank decides not to perform the service, you will immediately receive a notice from the Bank;
- (2) If you fail to comply with the Bank's policies on transactions relating to funds remittance/transfer, the Bank may immediately terminate the service without notice;
- (3) The Bank reserves the right to increase services available at phone banking services or stop all or part of the service at an time by giving you a notice or posting a notice in a conspicuous manner at the Bank business premises; and
- (4) Unless otherwise agreed to by the Bank, when a transaction you have requested through phone banking services is completed, you shall deliver all required documents, original or photocopy as required by the Bank, necessary for the transaction after completion of the transaction. If you fail to provide these documents, the Bank shall have the right to cancel the transaction and you shall be solely responsible for any and all possible risks and losses.

6. Exchange

If a service you request through phone banking services relates to foreign exchange, and the Bank perform the service in accordance with paragraph (8), Article 4 above, you shall be solely responsible for any exchange risk. A service involving settlement of purchase/sale of foreign exchange shall not exceed the maximum limit under which no declaration is required according to the Central Bank's policy. You further authorize the Bank to handle matters relating to relating to exchange transaction declaration according to law. You shall comply with all foreign exchange laws and agree to sign and provide required documents as required by applicable laws and regulations.

7. **Fee**

The English version is provided for reference only. In case of inconsistency with the Chinese version, the Chinese version shall prevail for all intent and purposes

You understand and agree you shall pay a fee to the Bank for funds transfer/remittance completed via phone banking services. You further agree and authorize the Bank may deduct such fee directly from your bank account. The amount of fee as well as any change to the amount will be published by the Bank.

8. Government regulations

The Bank will perform services after receipt of an instruction accompanied with correct phone banking PIN; provided, however, that the Bank does not have the obligation to perform a service if it believes provision of the service will constitute the Bank's violation of law or authority's policy.

9. Responsibility and Obligation

- (1) The Bank may accept and perform a service proven by correct phone banking PIN. However, the Bank, when deemed necessary, has the right, without obligation, to further confirm the service so instructed through phone banking service until satisfaction of the Bank. Also, if the Bank has a reasonable doubt over truthfulness or accuracy of a phone request, the Bank may decide not to perform the requested service and the Bank will not be responsible for any loss arising therefrom.
- (2) For all requests accompanied with phone banking PIN received through phone banking services, whether or not known or authorized by you, the Bank shall have the right to believe an instruction accompanied with accurate PIN is given by you or authorized person granted with the PIN. The Bank may perform the requested service without any liability for whether or not the PIN is being used by you or authorized person. You shall be solely liable for such a request. The Bank shall not be held liable for loss to you caused by fraud or unauthorized use of your PIN.
- (3) In the event the Bank becomes subject to any legal claim, demand, loss, damage or any liability or responsibility or any costs or expenses due to any and all requests given by you or authorized person, or a third party claiming to be you or authorized person via the phone banking service, you agree to be solely liable to the Bank for any and all damages, except that the above loss is caused due to willful act or gross negligence of the Bank or its staff.
- (4) Except due to a circumstance to which the Bank is attributable, the Bank shall in no circumstance be liable for error or delay caused by computer or telecommunication connection failure or a third party's act or omission, for any error or delay caused by any service behavior or a third party, or for direct, indirect or other losses arising from any service behavior.
- (5) In the event a service is unavailable due to temporary shutoff of computer system or for other services, you may have to pay a personal visit to the Bank's branch to receive the service or have the service to be performed in other agreed manner.
- (6) For a service that may only be performed during the business hours of FISC and/or other financial institution, the Bank is not liable for loss to you caused by unavailability of the service.
- (7) Any and all records relating to the service kept by the Bank, such as method of transaction, currency, amount, time and date of application, and status, shall be final and binding on your relevant accounts.
- (8) You understand and agree that when you call the phone banking service center and speak to a representative, the Bank may record all your telephone conversations and may submit the recording to court and other competent authorities as evidence in the event of a dispute.

10. Other provisions

For other banking services or matters not provided for under the service policy, the Bank's general terms and conditions for deposit account and relevant banking practice shall apply.

11. Notice

The Bank will separately notify you of the effective date for activation, change or termination of all its services.

12. For application for joint account, please refer to the specific terms and conditions governing joint account under the general terms and conditions.

(VII) Personal Online Banking Services

1. Scope of application of contract

This agreement generally applies to personal only banking services. Unless otherwise provided for under individual contract, this agreement shall always govern. For matters not provided for under this agreement, the general terms and conditions and relevant bank policies shall apply; provided, however, that an individual contract that provides you with better protection shall prevail.

2. Definition

- (1) "Personal online banking" means the financial services directly available by the Bank to you through the connection of your computer with the Bank's computer without going to a bank teller.
- (2) "Electronic message" means a message transmitted via computer or network connection between you and the Bank.
- (3) "Breakpoint" means the time when the Bank closes business with third party on a business day, currently being 3:30 PM Monday through Friday, or other time as published by the Bankers Association of the Republic of China from time to time. Transactions before the breakpoint are recorded as transactions on the current day and transactions after the breakpoint are recorded as transactions on the next business day.
- (4) "Service hours" is 24 hours a day for personal banking. For special services, the Bank may separately agree to or publish different service hours. In addition, the Bank may suspend its services due to certain reasons such as maintenance, malfunctioning or unexpected connection failure of the Bank's information system. However, the Bank shall publish a notice on its web site for suspension of service due to foreseeable circumstance.
- (5) "Account" means a bank account of various type for your payment and receipt of funds as agreed to by the parties in writing or otherwise agreed to in a manner accepted by the Bank.
- (6) "SSL" or "Secure Socket Layer" is the most common security communication protocol used on the Internet that protects the security of transmission of data and information between website server and browser. Through the use of the protocol, data transmitted on the Internet will be encrypted according to various security level based on the type of certification (40 bit, 128 bit). The protocol examines integrity of information. In addition, through an encryption technology called "key" and strict procedure for SSL certification, SSL verifies the server identity in order for a website browser to validate the identity of a website.
- (7) "User name" means a name made up of 6~12 English letters and Arabic numerals (containing at least one English letter) created by you. The English letters used are case sensitive. The combination shall not be identical with your ID number and cannot be composed of the same English letter or Arabic numeral. User name is used as part of the identification verification information when you log in to access your personal online banking.
- (8) "OTP Token" means the hardware device provided by the Bank to you to generate the OTPs.
- (9) "OTP" or "One Time Password" means a group of password composed of numbers generated by the OTP Token. Each individual OTP is valid for one time use. Whenever you need an OTP to perform an online transaction, you have to use your OTP Token to generate a new password for use.
- (10) "SSL Password" means a password made up of 6~12 English letters and Arabic numerals (containing at least one English letter) created by you. The English letters used are case sensitive. The combination shall not be identical with your ID number and cannot be composed of the same English letter or Arabic numeral. SSL Password is used as part of the identification verification information when you log in to access your personal online banking, and used as the password for low risk transaction.

- (11) "SMS OTP" or "Short Message Service One Time Password" means the "SMS password" containing transaction ID code, OTP and transaction message automatically generated by the system and sent to the mobile phone number designated by you when you perform a non-designated account's transaction or personal information setup, to ensure the security of online transaction. (Each and every transaction code and OTP transmitted is randomly generated and is valid only for one time use.) The OTP Transaction method shall be governed by the rules contained on the Bank's website.

### 3. Verification of website

Prior to your use of personal online banking service, make sure you use the correct website address for personal online banking and use personal online banking services by accessing our official website ([www.standardchaetered.com.tw](http://www.standardchaetered.com.tw)). If you have a question, please call the Bank's customer service number (24-hour customer service number is 4058-0088 if calling from a fixed line or 02-4058-0088 if calling from mobile phone). The Bank shall always exercise the duty of care of a good faith manager in making sure there is no phony webpage.

### 4. Use of personal online banking

- (1) "Apply for personal online banking service": You may apply for use of personal online banking services in the following way:
- a. At all branches island wide: You shall visit any of the Bank's branches personally to file your application. Upon the Bank's approval, you need to go to the log-on page of the personal online banking/online ATM portal for online registration to complete your application before you may use the services you have agreed with the Bank. For natural persons under the age of 20, their legal representative's consent is required for application for personal online banking service.
  - b. Customer service center: If you are 20 or above and you are an R.O.C. citizen and have opened a NTD current account, you may call the Bank's customer service center to apply for personal online banking. Upon the Bank's approval, you need to go to the log-on page of the personal online banking/online ATM portal for online registration to complete your application before you may use the services. If you have applied for personal online banking in the above manner, availability of online services is subject to the Bank's policy.
  - c. Online registration for personal online banking/online ATM: If you are 20 or above and you are an R.O.C. citizen and have opened a NTD current account and have the Bank's debit card or phone banking PIN, you may apply for personal online banking services through online registration for personal online banking/online ATM. If you have applied for personal online banking in the above manner, availability of online services is subject to the Bank's policy.
  - d. Apply for personal online banking in any other manners agreed to by the Bank.
- (2) "Change/cancellation of personal online banking agreement": You need to go to any of the Bank's branches to apply for change to personal online banking agreement. Upon the Bank's approval, the change to the service you have agreed with the Bank will be effective. You may also apply for change/cancellation of personal online banking agreement in a manner agreed to by the Bank.
- (3) "Access and use of personal online banking"

You may access and use your personal online banking services in any of the following manners:

- a. With the OTP Token: When you go to the log on page of personal online banking, you need to enter your ID number, user name and OTP. You will be granted access to your page when the Bank's information system verifies accuracy of the above information. After you access your page, you may perform the services you have agreed to with the Bank. When you perform an account's transaction, you are required to enter a new OTP for verification purpose to ensure transaction security.
- b. With the SMS OTP: When you go to the log on page of personal online banking, you need to enter your ID number, user name and SSL Password. You will be granted access to your page when the Bank's information system verifies accuracy of the above information. After you access your page, you may perform the services you have agreed to with the Bank. Depending on the nature of transaction,

you will be directed to enter an SSL Password or SMS STP to ensure transaction security.

If you have not provided your mobile phone number to the Bank, and agreed to access/use the Bank's personal online banking services in this manner, transactions will be enabled only with SSL Password and are limited to designated account's transactions. Transactions enabled with SMS OTP will not be available. If you provide a mobile phone number to the Bank for receipt of SMS Password in the future, you will have to act in accordance with the policy on removal of suspension of SMS OTP service.

(4) "Suspension of personal online banking services"

- a. To protect your security, if you use the OTP Token to access your personal online banking services and you have entered an incorrect user name or OTP for four (4) consecutive times, the Bank will immediately suspend your use of personal online banking services. If you wish to continue your use of personal online banking services, you need to go to any of the Bank's branches to apply for resumption of services or remove the suspension of personal online banking services in a manner agreed to by the Bank.
- b. If you use the SSL Password to access your personal online banking services and you have entered an incorrect user name or SSL Password as instructed for three (3) consecutive times, the Bank will immediately suspend your use of personal online banking services. If you wish to continue your use of user name and SSL Password, you need to remove the suspension in the manner agreed to by the Bank.
- c. If you use the SMS OTP to access your personal online banking service and you have entered an incorrect SMS OTP for three (3) consecutive times, the Bank may immediately suspend the personal online banking services enabled with SMS OTP; provided, however, that suspension of the SMS OTP service does not effect your right to access and inquiry with SSL Password and use the personal online banking services enabled with SSL Password. If you wish to continue your use of SMS OTP, you need to go to any of the Bank's branches to apply for resumption of services or remove the suspension of personal online banking services enabled with SMS OTP in a manner agreed to by the Bank.

(5) "Loss of OTP Token"

If you lose your OTP Token, you need to go to one of the branches or call the customer service number to inform the Bank of the loss. Upon your notification, the system will be automatically locked up and use of personal online banking services will be suspended. To cancel your notification of loss, you need to go to any of the Bank's branches to apply for cancellation of notification of loss, or cancel the notification of loss of OTP Token in a manner agreed to by the Bank. You acknowledge any and all transactions performed by using personal online banking service prior to completion of the procedure to notify the Bank of loss of OTP Token shall be valid transactions.

(6) "Loss of mobile phone used for receipt of SMS OTP"

In the event of loss, damage, destruction and theft of your mobile phone or the SIM card for such phone used for receipt of SMS OTP you need to go to one of the branches or call the customer service number to notify the Bank of the incident and suspend the SMS OTP service to disable the personal online banking services enabled with SMS OTP. You acknowledge any and all transactions performed by using personal online banking service prior to completion of the procedure to notify the Bank of the above SMS OTP incident shall be valid transactions.

5. Network used for online services

You agree that the parties shall use the Internet for transmission of electronic messages. For use of the Internet service provider as agreed to by either party, the parties shall enter into an Internet service contract with respect to their rights and obligations respectively with their own service provider and be responsible for the cost of use of network.

6. Receipt and reply of electronic messages

Upon receipt of the digital signature or an electronic message used for identity verification agreed to by you and the Bank, the Bank will promptly perform verification or handle the matter and notify you of the result of verification or outcome of the matter.

If the Bank receives an electronic message from you (and vice versa) and the contents of the message is illegible, the message shall be deemed to have been never sent by the sender. However, if the Bank receives an illegible message but the identity of the sender can be verified, the Bank shall immediately notify you of the fact that you have sent an illegible message to the Bank.

If you send an electronic message for matter not required to be immediately handled on the same day, you agree the matter may be handled in a manner as agreed to with the Bank at the time of the message.

#### 7. Invalid electronic message

In any of the following circumstances, the Bank will not perform a request contained in the electronic message received:

- (1) The Bank has a concern over authenticity of an electronic message or accuracy of the requested stated therein for a specific reason;
- (2) The Bank will violate applicable laws and regulations if performing a request according to the electronic message;
- (3) The Bank is unable to deduct an amount payable by you from the account for a reason attributable to you; or
- (4) One of the circumstances described in paragraph (2) of Article 22 applies to you.

If the Bank decides not to perform a request contained in an electronic message describe above, it shall at the same time notify you of the reason why it will not perform the request and status of the matter. Upon notification, you may call the Bank to confirm the matter.

#### 8. Electronic message exchange timeframe

Personal online banking electronic messages are processed automatically by the Bank's information system. Once you have sent an electronic message to the Bank, you may not withdraw, cancel or revise your message; provided, however, that you may withdraw, cancel or revise your message regarding scheduled transaction within the timeframe set forth by the Bank. If an electronic message is transmitted to the Bank via the Internet and the message is automatically processed by the Bank's information system after the breakpoint, the Bank shall immediately sent an electronic message to you and the particular transaction will not be processed or be automatically postponed to the next business day for processing as agreed to.

If the Bank is unable to provide services in certain circumstance (e.g. regular maintenance of information system), the Bank shall post an advance notice in a conspicuous manner on the Bank's webpage. However, in the event of an unexpected situation, the Bank may suspend services at any time in order to protect your rights and benefits and remove the situation; provided, however, that the Bank shall post a notice in a conspicuous manner on the Bank's webpage.

#### 9. Expenses

You agree to pay the service charge, handling fee, and postage and telecommunication fees according to the fee schedule as agreed from the first day of your use of services under the contract, and authorize the Bank to automatically deduct such fees from your account.

In the event of an adjustment to the fee schedule mentioned above after the contract is entered into, the Bank shall publish the details of the change in a conspicuously manner on the Bank's website sixty (60) days before the adjustment and issue a notice by email to inform you of the adjusted fees. At the same time, the Bank shall inform you that you may terminate the contract within the same period of time. If you do not terminate the contract within the timeframe, you shall be deemed to have accepted the adjustment. If you agree to participate in promotional activities offered by the Bank to be eligible for discount price, a notice may be posted after the activities start.

You shall be liable for tax payment in accordance with tax laws and regulations governing the transaction under the contract and you shall authorize the Bank to deduct the tax payment from your account.

## 10. Your responsibility for connection

- (1) When you apply for use of services under the contract, you shall be responsible for install computer software, hardware and other related security device as required. In case that the Bank has a special agreement with you, you are required to perform necessary tests with the Bank before the connection may be enabled.
- (2) You shall have the responsibility for keeping the user name, OTP Token (or SSL Password or SMS OTP), hardware and software of mobile phone or the SIM card for such phone used for receipt of SMS OTP, and relating documents provided or authorized for use by the Bank. You shall be solely liable for any and all losses caused by loss, damage or destruction or unauthorized use by third party of the above due to negligence and the Bank shall not be liable for any such damage.

In case the hardware/software and relating documents in the preceding paragraph are provided by the Bank, the Bank only agrees you may use them to the extent they are required to enable the agreed services and you shall not assign, lease or deliver any of the above to third party. If your act infringes the Bank's or a third party's intellectual property rights or other rights, or damage is caused due to improper operation, you shall take the full responsibility. You shall also return all the equipment and relating documents upon termination of contract. If installation of other hardware and software is required for computer operation, and the installed hardware/software needs to be used together with the hardware/software supplied by the Bank, you shall be solely liable for the costs and risks.

## 11. Services

After approval of your application, the personal online banking services available from the Bank shall be based on the notices post on the Bank's website and personal online bank.

If new types of business are available from the Bank or there is a change to the personal online banking services (including addition, adjustment, change or cancellation) in the future, except for designated account's transactions or those for which a separate contract shall be signed (in the electronic or written form), the Bank may disclose the information by posting a notice at the Bank's website and personal online bank before relevant services may be available.

You agree that when applying to activate personal online banking, you need to apply for "Non-designated NTD account for transfer" and "remittance in foreign currency" and obtain the Bank's approval before these services will be available by the Bank. These services are also subject to the Bank's operational regulations and account's restrictions. You need to open a trust account with the Bank before you may subscribe, transfer, redeem or change your local and overseas mutual funds through personal online banking services.

## 12. Account designation and maximum transaction limit

All your NTD and foreign currency current accounts with the Bank will be automatically set as designated accounts for transfer, except for joint accounts (only joint marital account for which two specimen chops are required). Checking accounts will be automatically set as designated transfer in account without you filing an application and become valid on the day following the day of completion of activation or online application.

A new designated transfer account will become valid on the day following the application for designation of this account, or the second business day after its application in the case of expedited account opening service.

If you wish to apply for personal online banking "designated transfer account" feature (a third party account with the Bank as transfer in account and interbank transfer service), you need to file a written application to the Bank and act as required by the Bank. Also, transfer transactions include two types of transfers, i.e. "designated account transfers" and "non-designated account transfers." Transfers to designated transfer in account will not be available until completion of written application, while transfers to non-designated transfer in account are always available without prior designation.

You agree to the transfer restrictions and maximum transaction limit imposed by the Bank as follows:

- (1) Transfer to designated account:

- a. Transfer to designated NTD account: Maximum transfer amount for a transfer out account in each transfer is NT\$1 million and the maximum daily transfer amount is limited to NT\$3 million.
  - b. NTD-foreign currency exchange swap: Maximum daily transfer amount is the value equivalent to NT\$500,000 each person (including all transactions performed by bank teller and through other automated transaction channels).
  - c. Cross currency transfer and same currency remittance for foreign currency: Daily maximum transfer amount for a transfer out account is the value equivalent to NT\$3 million (including all transactions of foreign currency remittance and cross currency transfer).
  - d. NTD-foreign currency exchange swap and foreign currency transfer (exchange between different currencies): Value of each transaction shall not be less than NT\$500 and daily maximum number of transfers is 50 transfers (including all transactions of NTD-foreign currency exchange swap and foreign currency transfer (exchange between different currencies)).
  - e. No maximum amount limit applies to NTD/foreign currency transfer from current account to term deposit account and subscription of NTD/foreign currency trust funds and these transactions are not applied to daily maximum transfer limit.
- (2) Transfer to non-designated account:
- a. Transfer to non-designated NTD account: Maximum transfer amount for a transfer out account in each transfer is NT\$50,000 and the maximum daily transfer amount is limited to NT\$100,000 and maximum monthly transfer amount is limited to NT\$200,000.
- (3) Others:
- a. For online tax payment services, payment for account holder's credit card bills, and payment for Chunghwa Telecom bills, maximum transfer limit is the same as the maximum limit on transfer to designated NTD account. For payment for bills of a third party's credit card issued by the Bank, payment for bill of credit card issued by another bank, payment for other telecom company's bills, and payment for bills based on collection code, for which you need to apply for "transfer to non-designated NTD account" feature, maximum transfer limit is the same as maximum limit on small amount transfer to non-designated NTD account, including all transactions in this category.
  - b. The personal online banking term deposit service is limited to various term deposits account opened via phone banking and personal online banking services, except change services to term deposit accounts opened with Dunbei, Taichung and Kaohsiung branches via phone banking service before August 17, 2008. For any change to the term deposit account you have opened with the Bank through bank teller, including but not limited to "printed certificate of deposit" and scripless/paperless term deposit, you need to go to the account opening bank to request changes in person.
  - c. If you have deposited funds in an "ALMA deposit account" or "comprehensive deposit account," as the term deposits arising from transferring funds from current account as term deposits have the characteristics of pledged deposit receipts and overdraft, they shall be deemed as printed deposit receipt and early termination and renewal of such term deposits may only be performed by bank teller and cannot be performed at personal online banking service system.
  - d. As "ALMA deposits" and "comprehensive deposits" are special deposits, transfer of funds to term deposit account is subject to certain restrictions established by the Bank.
- (4) For transactions performed by the Bank as instructed by you, you shall be solely responsible for transfer of funds to a wrong account or payment of more money than the billed amount due to your own fault.
- (5) In the event that funds are incorrectly deposited in your account or more money is paid than the billed amount due to the Bank's error in providing services or computer system breakdown or other circumstances, the Bank upon discovery of the event may directly deduct funds from your account without giving you a prior notice. If you have withdrawn such funds, you shall be liable to return the funds.

- (6) Fund remittances to another local bank account or foreign currency remittance to local/overseas bank account may only be performed during the business hours of FISC or the financial institution to which funds will be transferred.
- (7) Upon receipt your specific foreign currency remittance instruction, the Bank will perform the transaction within a certain period of time. In case of incorrect information or where the sum of amount to be remitted and handling fee exceeds the account balance, or if the bank has any questions about the particular remittance instruction, the Bank shall have the right not to perform the remittance and you shall always accept the decision.
- (8) You may cancel your instruction on scheduled transaction not later than one day before the effective date of remittance. If the Bank does not receive your cancellation request before the above period of time, the Bank may directly perform the scheduled transaction on the effective date without further confirming the remittance with you. However, in case of incorrect information or where the sum of amount to be transferred exceeds the account balance on the effective date, or if the bank has any questions about the particular scheduled transaction, the Bank shall have the right not to perform the scheduled transaction and you shall always accept the decision.

### 13. Transaction verification

Upon completed performance of service requested in a transaction instruction, the Bank will send an electronic message to you or otherwise notify you in a manner agreed to by you and the Bank. You shall verify the accuracy of outcome of the transaction. If the event of any discrepancy, you shall give a notice to the Bank within forty-five (45) days after completion of the transaction.

The Bank shall send a month statement for previous month (no statement will be sent if no transaction during the statement cycle) by regular mail or in the manner in the preceding paragraph on a monthly basis. Upon verification, if you believe there is an error in the monthly statement, you shall give a notice to the Bank within forty-five (45) days after receipt of the statement.

With regard to your notice, the Bank shall promptly conduct an investigation and notify you of the status or outcome of investigation within thirty (30) days after receipt of your notice.

### 14. Handling of errors in electronic messages

When you use the services under the contract, if there is an error in electronic message due to a circumstance for which you are not liable, the Bank shall assist you in making the correction and furnish other necessary assistance.

If an error occurs to the above services due to a circumstance for which the Bank is liable, the Bank shall immediately make the correction upon discovery of the error and at the same send an electronic message to you or otherwise notify you in a manner agreed to by you and the Bank.

### 15. Authorization and precaution

The parties agree to ensure that electronic messages sent to the other party are all legally authorized messages.

The parties agree that in the event of discovery of unauthorized use by third party or theft of legally authorized user name and OTP Token, or any other circumstances where legal authorization is not obtained, the party discovering the violation shall immediately call or notify in writing the other party to stop using the service and take precautionary measures.

The Bank shall remain liable for use of the services by third party that has taken effect prior to the Bank's receipt of notice, unless the Bank is able to prove you have had such an intention or committed negligence.

### 16. Information security

The parties shall ensure security of electronic messages and prevent illegal access to the system, theft, unauthorized modification or damage or destruction of business records and information.

In the event of a dispute over third party's removal of protection measure for use of computer or use of a loophole in computer system, the Bank shall bear the burden of proof with regard to

non-existence of such event. The Bank shall bear the risks of damage arising from third party's unauthorized access to the Bank's network system (hacking).

#### 17. Confidentiality obligation

Unless otherwise provided for by law, the parties shall ensure not to disclose to third party any electronic messages exchanged between the parties or a party's information received by the other party in its use or performance of services under the contract and not to use such messages and information for purpose unrelated to the contract or for illegal purpose. If a third party is to be informed of such messages and information, subject to the other party's consent, the disclosing party shall cause the third party to be bound by confidentiality obligation hereunder.

In the event of a violation of the confidentiality obligation hereunder by third party in the preceding paragraph, the disclosing party shall be deemed in breach of its obligation.

#### 18. Damage liability

The parties agree that in the event of damage to either party caused by delay, omission or mistake in sending or receiving electronic messages under the contract or paying money according to the request in the instruction due to a circumstance for which the other party is liable, the party shall be liable only for damage sustained by the other party and interest accrued thereon. However, in case of willful act or gross negligence by the Bank or a party assisting in its performance, the Bank shall be liable to compensate you for damage of lost profits.

In the event the delay, omission or mistake in the preceding paragraph is beyond the reasonable control of either party due to, directly or indirectly, failure to obtain, malfunctioning or breakdown of computers and relating equipment, telephone lines, telecommunication devices, or network, neither party shall be liable for such delay, omission or mistake.

#### 19. Force majeure

Either party shall be liable to compensate the other party for damage sustained from nonperformance or delayed performance of obligations arising from the contract, except due to a force majeure event.

#### 20. Recordkeeping

The parties shall keep all records relating to electronic messages sent through the services and shall ensure the truthfulness and integrity of the records. In case you do need keep these records, it is presumed that the records kept by the Bank are true records.

The Bank shall exercise the duty of care of a good faith manager in keeping the records in the preceding paragraphs for at least seven (7) years.

#### 21. Validity of electronic messages

The parties agree electronic messages exchanged under the contract shall be as valid as written document.

#### 22. Termination of contract

You may terminate the contract at any time by visiting the premises of the Bank to request such termination.

To terminate the contract, the Bank needs to notify you in writing with a thirty (30) day advance notice; provided, however, the Bank may terminate the contract at any time by issuing a written notice to you if you have any of the following circumstances:

- (1) You assign your rights or obligations under the contract to third party without consent or authorization of the Bank;
- (2) You are subject to adjudication of bankruptcy or adjustment of debts by court;
- (3) You breach the provisions under Articles 15 to 18 of the contract; and
- (4) You breach any other provisions under the contract and fail to make a correction upon request or fail to perform your obligation within a certain period of time.

23. Headings

All headings and titles used in the contract are for the convenience only and shall in no circumstances affect interpretation, explanation and understanding of applicable provisions of the contract.

## II. Agreement on Trust Account

### Introduction to trust services

To the extent permitted by law and pursuant to the Bank's policy, you may go to the Bank to instruct the Bank to activate the trust account you have opened. Upon the Bank's receipt of your instruction on activating your trust account, your trust account will be immediately activated and available for use.

You have been given a reasonable period of time to review this agreement and policy on trust services. Prior to your application for trust services, you shall carefully review the agreement on the trust account and the Bank's Regulations of Investment in Domestic and Foreign Securities with Funds in Non-Discretionary Money Trust and other requirements on trust services.

### (I) General Terms and Conditions on All Trust Accounts (Trust Agreement on Investment in Domestic and Foreign Securities with Non-Discretionary Money Trust)

#### 1. Trustor, trustee and beneficiary

- (1) You are the beneficiary and trustor under the trust at the same time. All the trust agreement shall insure to the benefits of the trustor.
- (2) The Bank is the trustee under the trust.
- (3) Unless otherwise provided for by law, no change to the beneficiary in the preceding paragraph may be allowed without the trustee's consent and unless the change is made in a manner established by the trustee.

#### 2. No assignment of rights or creation of pledge

The trustor/beneficiary's rights and obligations arising from each applicable trust agreement shall not be assigned or pledged to third parties except for inheritance, gratuitous transfer by the beneficiary, auction conducted pursuant to law, or unless each individual beneficiary assigns only beneficial interest to one person, otherwise provided for by law or agreed by the trustee in writing. In addition, assignment of beneficial interest shall be subject to the following requirements (except otherwise provided for by law):

- (1) The assignee of beneficial interest shall be a professional investor;
- (2) The unit dollar amount represented by the beneficial interest held by each individual beneficiary after division and assignment by the trustee shall not be less than NTD 10 million and there shall not be more than thirty-five (35) beneficiaries in total.
- (3) Prior to assignment of its beneficial interest, the beneficiary shall provide relevant information such as identification of the assignee, number of units of beneficial rights to be assigned, and assignment agreement to the trustee for approval. No assignment by the beneficiary shall be made without the trustee's approval.

#### 3. Keeping of chop used for operating the trust and suspension of payment due to loss of such chop

- (1) The trustor shall in a manner instructed by the trustee handle the procedure for keeping the chop used for operating the trust as the basis of trust business with the trustee. However, in the case that transactions are performed through online/phone banking and redemption is made through service provided by bank teller, if the universal chop specimen is filed with the Bank, the chop identical to the chop specimen shall be used for redemption at any of the Bank's branches. If no such universal chop specimen is filed with the Bank, and a chop specimen used for operating the trust has been filed with the branch performing trust business, the chop identical to the chop specimen shall be used. If no such chop specimen is filed with the branch performing trust business, the signature/chop specimen used for opening of the designated account to which redeemed funds shall be deposited shall be used for redemption.
- (2) In the event of loss, theft or destruction of chop used for operating the trust or trust certificate, if any, the trustor shall immediately notify the trustee of such loss to suspend payment; provided, however, the trustee shall not be held liable if payment has been made or funds have been redeemed by unauthorized person before the trustee's receipt of a written application.

#### 4. Use of personal information and outsourcing

- (1) The trustee may collect, computer process and use the personal information and transaction information relating to the trustor/beneficiary for the following purpose, and allow the third parties listed below, only for the following purposes, to disclose the above information to the trustee's other departments, or its parent company, local and overseas branches or subsidiaries, affiliated or third parties appointed by or partnered with the trustee or its parent company.
  - a. To the extent as necessary for performing trust business and for purpose of administration, management, data management, research, analysis and co-marketing;
  - b. To be provided to Joint Credit Information Center or other similar institutions, or financial institutions with business relationship with the trustor/beneficiary, and to be used for specific purposes consistent with registered scope of business or business activities described in the articles of incorporation (including supply of information to other third parties);
  - c. For purpose of credit checking and exchange of financial information between financial institutions;
  - d. To inquire about the bearer holding a check issued by the trustor/beneficiary;
  - e. To provide the trustee's products and services;
  - f. To allow third parties to provide their products and services to the trustor/beneficiary;
  - g. In case that the trustee appoints a third party to handle matters by law, to the extent the third party handles matters as authorized; and
  - h. For other purposes as permitted by law.
- (2) The trustee may provide/disclose the information relating to its business with the trustor/beneficiary to the following parties or organizations:
  - a. Regulatory authorities, judicial authorities, or other government agencies with authority; or
  - b. A party authorized by the trustee to handle matters by law.
- (3) The trustor hereby agrees the trustee may outsource part or all of the trustee's business with the trustor, including but not limited to marketing, tax, administration, telecommunication, computer system operation, information registration, handling, output, logistics, document scanning, information input, printing of forms, packaging, postal mail delivery, remittance, deposit of funds, payment, exchange, credit checking, collection, and other matters relating to the trustee's handling of transaction and business to third parties, and further agrees the trustee may provide information relating to business with the trustor, to the extent as necessary, third parties appointed by the trustee in handling matters.
- (4) While the trustor/beneficiary agrees to the above special terms and conditions, he/she may send a written notice to the trustee at any time to withdraw the consent and the withdrawal takes effect on the following day of the trustee's receipt of the notice.

#### 5. Confidentiality obligation

Unless otherwise agreed to or provided by law, the trustee shall keep all the information relating to the trust business and transactions with the trustor/beneficiary in confidentiality.

#### 6. Ownership of trust assets and delivery upon termination of trust relationship

Upon termination of trust relationship, the trustee shall return trust assets to the person entitled to the trust, and prepare a statement and report with regard to management and utilization of trust assets to be recognized by each person entitled to the trust.

#### 7. Governing law and jurisdiction

- (1) In the event of a dispute arising from trust agreement, the parties agree to resolve the dispute in accordance with the business dispute mediation and resolution regulations established by the Trust Association of R.O.C.
- (2) All trust agreements shall be governed by the law of the Republic of China. In case of litigation, the parties agree to submit themselves to the jurisdiction of the Taiwan Taipei District Court in the first instance unless the law otherwise provides regarding exclusive jurisdiction.
- (3) For matters not provided for in trust agreement, the laws of the Republic of China and the practice prevalent in the financial market shall be referred to.

## 8. Tax

In dealing with tax matters relating to trust business, the trustor/beneficiary shall always act in compliance with the tax laws of the Republic of China and other applicable laws, as amended. In case that a trust fund in foreign currency that will be converted to NTD, conversion shall be made in accordance with the tax laws of the Republic of China and other applicable laws, or the trustee's regulations.

## 9. Other special provisions

- (1) The trustor/beneficiary also agrees that if the trustor fails to perform any of his/her obligations to the trustee under the agreement, the trustee shall have the right to freeze any the trustor's/beneficiary's accounts, deposits or assets with the trustee, and deduct an amount equivalent to the debts owed by the trustor/beneficiary to be used for paying off the trustor's debts to the trustee.
- (2) Unless otherwise provided by the Bank, the trustee may establish or amend operation policies on trust business to be posted or displayed in the trustee's business premises or on its website and the trustee/beneficiary shall agree to comply with these policies.
- (3) For purpose of trust agreements, the business days and business hours of financial institutions shall exclude the holidays on which the trustee is open for business.
- (4) With regard to return of all or part of trust assets, the trustee/beneficiary shall act in accordance with the policies and methods established the trustee.

## (II) Trust Agreement on Investment in Domestic and Foreign Securities with Non-Discretionary Money Trust

### 1. Purpose of trust

Under the trust, the trustor trusts his/her trust funds to the trustee and the trustee uses the trust funds in the beneficiary certificate, securities, bonds, exchange-traded funds (ETF) or other underlying investments issued by local and/or foreign fund institution and issuer approved by regulatory authority (collectively as the "Domestic and Foreign Securities") for the benefit of the beneficiary and according to specific instructions given by the trustor, and manage and dispose of the trust assets.

### 2. Investment by trust funds

The trustor's trust funds may be invested in the Domestic and Foreign Securities as specified by the trustor and may only be invested in those securities approved by regulatory authorities and elected by the trustor for which investment is permitted.

### 3. Term of trust and validity of agreement

The trust is for an indefinite term but either the trustor and the trustee may terminate the trust relationship between themselves at any time according to Article 11 of the Agreement.

### 4. Management and method of use of trust assets

- (1) The trustee shall not have the discretion to use the trust assets and only the trustor shall have the discretion to use the trust assets. The trustee performs investment transactions

with trading counterpart in the trustor's name on his/her behalf. The trust is a non-discretionary individually managed money trust.

- (2) The trustor shall in no circumstance give an instruction in violation of law. Unless the trustor's instruction is illegal or unreasonable, the trustee shall always manage and dispose of the trust assets according to the purpose of the trust and the trustor's instruction. When giving an instruction on transaction of the trust funds, the trustor shall be governed by the Regulations of Investment in Domestic and Foreign Securities with Funds in Non-Discretionary Money Trust established by the trustee.
- (3) According to the purpose of the trust and the trustor's instruction, the trustee shall have the right to perform purchases, sales, settlements, remittances for the underlying investments and other actions relating to use of the trust funds and dispose of the trust assets as instructed by the trustor. The trustee shall be fully authorized to act on behalf of the trustor to be involved in the exercise of rights and obligations relating to underlying investments, including but not limited to attending a shareholders' meeting or meeting of fund beneficiaries to exercise voting rights or other shareholder's or beneficiary's rights.
- (4) The trustee will not issue a trust certificate to the trustor, but the trustee will send a written statement to the trustor, listing the Domestic and Foreign Securities in which the trust funds are invested as instructed by the trustor, and number of units and net value of beneficial interest in the Domestic and Foreign Securities purchased. The written statement issued by the trustee to the trustor is evidence for the trustee's receipt of applicable trust funds and underlying investments, not a certificate representing the dollar amount on the trustor's account or details of investments or value of investment in the Domestic and Foreign Securities or other rights.
- (5) Both the trustor/beneficiary and the trustee shall comply with the regulations governing the trust services or underlying investment or object of use and all applicable laws. In case the object of use is local or overseas mutual funds, the parties shall also comply with the investment requirements established by the fund manager on price, time and method of subscription, buyback and transfer, calculation of net value, allocation of income, share of expenses, net asset value of an investment unit or beneficial interest unit, method of calculation of relevant fees, and other matters relating to fund operation as well as all other matters. The trustor/beneficiary also agrees to act in accordance with the trustee's internal policy or procedure. If transfer is prohibited by the requirements of fund manager, trading counterpart, custodian or other relevant institution, these requirements shall be complied with. The above regulation applies to all other similar circumstances where the object of use is other financial products.
- (6) For funds being directly transferred to the account designated by the trustor prior to the trustee's appropriation of trust funds to the account designated by the party as trading counterpart of the underlying investment, or during the time when trust funds are returned to the trustor/beneficiary upon rescission or termination of the agreement, liquidation of underlying investment, or in any other circumstances where funds, after being deducted trust and other relevant fees (including but not limited to trust management fee), are to be delivered, or for funds being delivered in accordance with Article 12 of the agreement, the trustor/beneficiary shall not demand interest from the trustee.
- (7) To the extent permitted by law, the trustor hereby specifically agrees that in all circumstances prior to investment of trust funds in the Domestic and Foreign Securities selected by the trustor, and for trust funds received upon redemption of the Domestic and Foreign Securities as instructed by the trustor, and for trust assets that exist in the form of money for any cause, such funds may be deposited with the trustee or a third party as savings.
- (8) The trustee shall exercise the duty of care of a good faith manager and does not guarantee a successful consummation of the trustor's investment. In the event of failure of consummation of investment, the trustor agrees that the trustee may return the trust funds in the original dollar amount and handling fee to the trustor without interest.

#### 5. Instruction on use, modification and change

- (1) The trust funds delivered by the trustor shall be in the currency required for underlying investment or object of use or accepted by the trustee. Also, for return of principal and income of the trust, the trust funds shall be in the same currency as when trust funds are delivered by the trustor or another currency designated by the trustee, unless otherwise provided by the law. In addition, if the currency accepted by the trustor or required by law for receipt is different from the currency required for underlying investment, the trustor

agrees to grant the trustee full power and authority in dealing with the exchange transaction between different currencies.

- (2) In investing in the Domestic and Foreign Securities with non-discretionary money trust, the trustor agrees to designate one of the (including but not limited to) deposit accounts with the trustee as the account for automatic bank draft (ABD) for payment and fees relating to the trustor's investment in the Domestic and Foreign Securities with non-discretionary money trust; provided, however, the trustor shall specify the account number for ABD when giving instructions on the specific money trust investment. The trustor further agrees:
  - a. In the event of change, loss, theft or destruction of the chop used for the ABD account as instructed above, the trustor shall complete the relevant procedure with the trustee and shall accept and not object to any and all withdrawals of funds prior to completion of the procedure.
  - b. After funds have been withdrawn, the trustor shall promptly update his/her passbook at the trustor. The trustor shall accept and not object to any and all withdrawals of funds prior to such update.
  - c. The trustor shall be fully responsible for loss caused by delayed withdrawal due to insufficient balance in the ABD account or other circumstances for which the Bank is not liable.
- (3) The trustor may designate his/her own or a third party's (NTD/foreign currency) current (savings) account with the trustee, or authorize credit card payment (only for trust investment in small amount; the trustor shall agree that the trustee may deduct funds from the ABD account designated by the trustor in case of failed credit card payment) to be used for receipt and payment of trust funds and relating fees. If the deposit account as designated above is in a third party's name, the third party's written consent is required and the chop consistent with the chop specimen used for the account holder's deposit account shall be affixed on the relevant ABD authorization form. Where the trustor designate a third party's deposit account for payment, the trustor shall be solely responsible for any and all disputes without concern to the trustee.
- (4) The trustor's request for change in the trust funds, including but not limited to use, investment amount, underlying investment, ABD account, change of deduction date, suspension/resumption of ABD services, the trustor's personal information, specimen chop kept with the trustee and other matters, shall be handled in a manner instructed by the trustee. Such change request must be properly submitted to and accepted by the trustee no later than two financial institution's business days before the scheduled withdrawal date to be valid for the current withdrawal.
- (5) The trustee will take necessary action for identity verification upon receipt of the trustor's instruction. If the trustor believes a request is made by the trustor by exercising the duty of care of a good faith manager and it turns out such request is made by authorized third party in the name of the trustor or is not an authorized request, the transaction performed by the trustee according to the request shall be binding on the trustor. If the trustee agrees the trustor may authorize a third party (hereinafter the "Authorized Party") to handle the matter, the Authorized Party shall act in accordance with the trustor's requirements. The trustor further agrees to the following:
  - a. For matters authorized to be done, the Authorized Party shall strictly comply with the policies and procedures established by the trustor with regard to these matters, and these matters shall be deemed to have been done as instructed by the trustor/beneficiary and are fully binding on the trustor/beneficiary. The trustor/beneficiary shall be solely liable for any and all damages or disputes arising from matters authorized to be done by the Authorized Party.
  - b. If there is any loss to the trustee due to a dispute arising from matters authorized to be done, the trustor/beneficiary and the Authorized Party shall be jointly and severally liable to compensate or reimburse the trustee for the loss.
  - c. The trustor/beneficiary also understands that in the event the trust products, structured account in foreign currency or other products handled by the Authorized Party on behalf of the trustor/beneficiary are inconsistent with the category of products suitable for investment as indicated in the personal investment risk tolerance analysis for the trustor/beneficiary kept by the trustee, the trustee shall have the right to decline the transaction request. Whether or not the trustee accepts

the transaction request, the trustor/beneficiary shall always agree to bear the risks arising from transaction or failure to transact.

- d. For protection of the trustor/beneficiary's right and interest, when the trustee has any concern about requests received, it may (but is not obligated to) confirm the requests with the trustor/beneficiary, and may decline such requests until receiving a confirmation from the trustor/beneficiary.
  - e. Any dispute between the trustor and the Authorized Party shall have no concern with the trustee and shall not be used against the trustee. The trustor understands and agrees the trustee may decline to provide any service to the Authorized Party without any liability if the Authorized Party refuses to comply with the relating regulations established by the trustee, or the trustee has any concern about a request or details of a request received.
- (6) If the trustee believes an instruction given by the trustor is ambiguous or in violation of law or applicable requirements under the Regulations of Investment in Domestic and Foreign Securities with Funds in Non-Discretionary Money Trust, the trustor may decline such a request given by the trustor and in such case the trustee shall promptly notify the trustor of the failure to comply with the request.
  - (7) If the trustee receives a notice with respect to increase/decrease of capital, liquidation, change (including name, base currency, method of evaluation, and amount of investment), merger, dissolution, suspension of trading or suspension of settlement, operational difficulty of the object of use, or any other circumstance making it impossible to make an investment, or if the trustee is unable to use the object of use due to legal restriction or the regulations of the issuer of the object of use (including restriction on user, cancellation due to failure to meet the minimum amount to be offered as provided by law, no further investment as the maximum amount to be offered as provided by law has been met, or any other circumstances in which investment is prohibited by law), the trustor/beneficiary agrees to work with the trustee to handle relating matters or terminate the use and the trustor/beneficiary shall bear any and all profits or losses arising therefrom.

## 6. Transaction cost and compensation for trustee

- (1) In the trustee's investment in funds or securities as instructed by the trustor, costs to be collected by fund manager or trading counterpart (including but not limited to issuer, securities dealer, securities broker, underwriter or agent) for investor's purchase, redemption or transfer of funds or securities shall be borne by the trustor. (Fund manager or trading counterpart may directly deduct such cost from the trust funds invested by the trustor in a manner consistent with their own regulation.)
- (2) In addition to the fees and taxes under Article 5 of the Bank's Regulations of Investment in Domestic and Foreign Securities with Funds in Non-Discretionary Money Trust, the trustor shall separately pay the custodian fee for trust transactions according to the trustee's regulation. Matters such as dollar amount or rate of such fees and when fees are due shall be in accordance with the trustee's regulation. The trustor hereby acknowledges receipt or thorough review of the fee charge description delivered by the Bank upon opening of trust account or trust investment or posted on the Bank's website. In the event of a change to such fee charge, the trustee shall notify the trustor in writing or otherwise in a manner described in Article 11 of the Bank's Regulations of Investment in Domestic and Foreign Securities with Funds in Non-Discretionary Money Trust at least sixty (60) days before the effective date of the change. If the trustor disagrees to the change, he/she shall clear his/her trust account before the effective date or will be deemed to have accepted the change. If the trustor fails to pay fees when due according to the schedule of the trustee, the trustee shall have the right to decline or stop provision of trust services and shall have the right to charge interest on default payment according to the effective formula of base rate set forth by the trustee.
- (3) In the event of litigation, arbitration, decision by impartial party or any other dealings with third party due to a circumstance not attributable to the trustee in transaction involving trust funds, the trustor agrees to authorize the trustee to handle the matter in the trustor's name. The trustor also agrees to be liable for any and all costs arising therefrom, including handling fee, attorney fee and court cost.
- (4) The trustor understands and agrees when performing transactions relating to trust services (non-discretionary money trust) under the agreement, the trustee may be able to receive a compensation, to the extent permitted by law, with regard to any compensation, fees, discounts and other benefits received by trading counterpart.

Standards, types and calculation method of the compensation and when it is due and the method of payment will be separately stated in individual product description or provided in special terms and conditions to be deemed an integral part of the trust agreement.

7. Allocation of income

In general, the calculation, cycles and method of allocation of income from the trustor's trust funds shall be consistent with the calculation, cycle and method of allocation for income from applicable Domestic and Foreign Securities described in the prospectus of the Domestic and Foreign Securities in which the trustor's trust funds are invested. The incomes received by the trustee from fund manager or trading counterpart are the income of the trust funds. The trustor hereby agrees and authorizes the trustee to receive cash incomes from investments invested with trust funds and handle the net balance (deducting relevant fees) after allocation of these incomes in accordance with the trustee's operation policy.

8. Calculation of exchange rate

In the event of conversion of NTD to foreign currency and vice versa in the trust funds, conversion shall be made based on the exchange rate for foreign exchange adopted by the trustee or fund manager/trading counterpart during a reasonable handling time. The trustor agrees the trustee may perform transactions involving currency exchange for the trust funds with its banking unit. The trustor further understands he/she shall be solely liable for any and all exchange rate risks arising from transactions involving currency exchange for the trust funds.

9. Trustee's responsibility

- (1) The trustee shall manage and use the trust assets by exercising the duty of care of a good faith manager in accordance with the trustor's instruction and is liable for duty of loyalty.
- (2) The trustee does not guarantee the principal of the trust and minimum return. Profits or losses and risks arising from use of the trust assets shall be the sole responsibility of the trustor.
- (3) Except for the circumstances for which the trustee is liable, the trustor shall not claim the trustor shall be held severally and jointly liable or claim for damage compensation from the trustor based on the act or omission of the issuer, manager, settlement institution, custodian of the underlying investment or any other third party, or profits or losses of underlying investment.
- (4) The trustee shall perform trust services on its own. The trustee may appoint a third party to perform trust services only in a circumstance where it is impossible for the trustee to perform the services or when approved by the trustor; provided, however, that the trustee is only responsible for selection of the third party and supervision of performance of the third party's duties. Any cost arising therefrom shall be borne by the trustor and may be deducted in advance by the trustee from the trust assets.
- (5) In the event the trustee becomes unable to or delays performance of its obligations under the agreement due to natural disaster, act of war, terrorist activities, or any other circumstances for which the trustee is not attributable or beyond the trustee's control, or a force majeure event not caused by human activities, therefore causing losses, destruction or freeze of trust assets, the trustee shall not be liable for damage to the trustor.
- (6) The staff at various levels of the trustee shall not make a recommendation on Domestic and Foreign Securities, or give a projection on fluctuation of unit price of Domestic and Foreign Securities or exchange rates in the future. Notwithstanding the above, according to law, where the trustee may be requested by the trustor to provide information on underlying investment, the trustee may provide information on underlying investment; provided, however, that the trustor shall make the judgment on his/her own and be responsible for profits and losses.
- (7) To serve the trustor, the trustee may provide information such as net value (price), reference exchange rate, and reference current value of underlying investment only for the trustor's reference. The above information shall always be based on the information published by the institutions of Domestic and Foreign Securities or available in the

market. The trustor shall not claim any right or demand damage compensation based on the information provided by the trustee for reference.

- (8) The trustor shall understand and make the judgment on his/her own with regard to the fact an effective date of a transaction such as subscription, transfer, sale or redemption of the Domestic and Foreign Securities may be postponed due to local or foreign holidays or non business days or operational circumstance such as requirements on underlying investment. In no circumstance shall the trustee be responsible for the above circumstances causing postponement or to inform any of the above.
- (9) Unless otherwise provided by law, after using the trust assets in transaction, the trustee shall deliver the trustor and beneficiary a transaction report and produce statements on a regular basis to be delivered to the trustor and beneficiary.

#### 10. Disclosure of related parties

According to paragraph 2 of Article 27 and paragraph 2 of Article 27 of the Trust Enterprise Act, a trust company not entitled to the right to utilize the trust assets are exempt from the restrictions under paragraph 1 of Article 25 and paragraph 1 of Article 27 of the Trust Enterprise Act. However, it is required the status of transactions involving related parties under the agreement shall be fully disclosed on the Bank's public website – Matters to be publicly disclosed by law – "List of transactions involving related parties under Articles 25 and 27 of the Trust Enterprise Act" and such information shall be specified in the transaction report and statement.

#### 11. Amendment, rescission and termination of agreement

- (1) Except for amendment to the agreement due to change of law or order issued by court or regulatory authority, any change to the agreement shall be publicly disclosed at the trustee's website and/or business place or notified to the trustor in writing with changes shown in a conspicuously manner. The trustor will be deemed to have agreed to the changes to the general agreement unless he/she sends a written notice to the trustee within thirty (30) days, indicating his/her dissent and terminating his/her dealings with the account with the trustee and this agreement. Notwithstanding the above, for any change or adjustment to fees relating to trust, the trustee shall at least sixty (60) days before the effective date notify the trustor in writing or otherwise in a manner consistent with Article 11 of the Bank's Regulations of Investment in Domestic and Foreign Securities with Funds in Non-Discretionary Money Trust.
- (2) After signing of this agreement and the trustor's delivery of trust funds, if the trustee becomes unable to begin its management and use of trust assets due to new legislation or amendment to law or order issued by regulatory authority or a circumstance for which the trustee is not liable, either party may notify the other party in writing or otherwise in a manner agreed to by the parties to rescind the agreement.
- (3) Unless otherwise agreed to by the parties, the agreement terminates in any of the following circumstances:
  - a. purpose of the trust cannot be met;
  - b. the court or regulatory authority issues an order to terminate the agreement;
  - c. where either party becomes incapacitated, dissolved, reorganized, bankrupted, or suspends business, the other party may issue a notice in writing or otherwise in a manner agreed to by the parties to terminate the agreement; or
  - d. during the term of the agreement, the trustor may terminate the agreement in a manner consistent with what is provided by the trustee by giving an advance notice reasonably beforehand.

#### 12. Delivery of trust assets after termination of trust relationship

Upon termination of trust relationship, the trustor hereby agree to waive the ownership of such incomes (including yields) belonging to the trustor, except the dollar amount is insufficient for payment of handling fee or administrative fee. The trustor agrees the trustee may act in the following way:

- (1) In case of cash: Deposit incomes to the account designated for redemption or allocation of income in respect of the trust. If the account for allocation is cleared, or redeemed amount or income in another currency is generated due to transfer of underlying

investment in foreign currency trust or change of base currency, it is agreed the trustee may deposit the money in any deposit account in the same currency as redeemed amount or income opened by the trustor with the trustee's banking unit. If the trustor does not have any deposit account in the same currency with the trustee, either the trustor may go to the bank to withdraw cash, or the trustee may mail the check stating an equivalent dollar amount by regular mail delivered to the mailing information last provided by the trustor.

- (2) In case of stock: Unless physical delivery is permitted according to the regulatory authority's regulation and specifically agreed with respect to individual underlying investment, the trustor agrees to authorize the trustee to sell the stock at the market price at the time of disposing of the stock and the money received shall be handled as cash income in accordance with the preceding paragraph.
- (3) In case of units of funds: The trustor agrees the number of units of funds allocated is subject to mandatory redemption and the money received shall be handled as cash income in accordance with above paragraph.

### 13. Short-term trading

The trustor fully understands the trading counterpart's policy on short-term trading, or known by other names, and understands if the trustor is involved in short-term trading, the trading counterpart may restrict, decline or cancel the right to redemption or transfer (including redemption or transfer requests accepted by the trustee); provided, however, that if the trustor is charged a higher subscription rate for being determined by fund company as a party involving in short-term trading, calculation of investment return shall be subject to notice of the fund company.

### 14. Other provisions

- (1) If the trustor has separately entered into a similar money trust funds agreement with the trustee prior to execution of this agreement, the transaction under the other agreement continues, the trustor agrees that such prior agreement shall be replaced and superseded by this agreement and its ancillary terms and conditions on signing of this agreement.
- (2) Upon establishment or amendment to operation regulations on the trust services, the trustee may notify send a notice to the trustor or include the information on the account statement or post a notice at all of the trustee's business locations or website with regard to the regulations and amendment thereof, and the trustor shall always accept and agree to abide by the regulations and/or amendment thereof. Notwithstanding the above, the trustor/beneficiary may terminate the agreement and clear his/her trust account if he/she disagrees to the regulations or amendment thereof.
- (3) As the trust may be governed by the US law or the law of other jurisdictions, if the trustor is a citizen of the US or any other foreign country, he/she shall have the responsibility to give the trustor a written notice on his/her citizenship upon opening of a trust account or other accounts, or when he/she obtains the citizenship of a foreign country at a later time, and provide necessary proof or documents requested by the trustee. The trustor shall be fully liable for any failure to perform the above obligation and in such circumstance the trustee may terminate the trust relationship and take actions in accordance with this agreement. If the trustee sustains any damage as a result, including but not limited to penalty imposed by regulatory authority, the trustor agrees to be held solely liable for any and all damages, including but not limited to any fees, losses, penalties or other similar costs.
- (4) When being advised of he/she is required by law to provide relevant information for identification purpose for cash trading, the trustor insists on not to provide information necessary for completion of cash trading, or forces or attempts to force the trustee not to keep a copy of his/her trading record or declaration form for filing purpose, the trustee may report the case to the regulatory authority.

### 15. Identification disclosure statement for Non-US citizen

- (1) a. The trustor/beneficiary's main address is outside the US.
- b. The trustor/beneficiary resides outside of the US when receiving an offer for purchase of securities and giving a trading instruction.

- c. The trustor/beneficiary is a US citizen as defined under Rule 902(k) of the Securities Act of 1933, as amended (hereinafter as the "Securities Act")(such person hereinafter as "non-US citizen");<sup>1</sup>
  - d. Funds used for purchase of securities come from an offshore account outside the US.
- (2) The trustor/beneficiary receives an offer for purchase of securities and gives a trading instruction for him/herself currently residing outside of the US or for another non-US citizen.
  - (3) The main purpose of purchase of securities with respect to all accounts owned or represented by the trustor/beneficiary is for investment, and not to be used for sale or offer in violation of the Securities Act or for sale of any securities.
  - (4) Whenever the trustor/beneficiary makes a representation or guarantee with respect to securities or under the purchase and sale regulations on "transfer restriction," the trustor/beneficiary agrees to abide by these restrictions.
  - (5) The trustor/beneficiary is not an affiliate (as defined in Rule 144 of the Securities Act) of the Bank or a party representing the affiliate of the Bank.
  - (6) The trustor/beneficiary will not involve in hedge transactions in securities unless they are legal transactions under the Securities Act.
  - (7) The trustor/beneficiary understands if securities are issued in the form of beneficiary certificate, these securities will not be publicly issued in the US according to the regulations of the US Securities Act. These securities are not registered pursuant to the Securities Act and shall be governed by the following provision: The securities represented by the beneficiary certificate are registered in accordance with the Securities Act of 1933, as amended (hereinafter as the "Securities Act") and the issue of these securities is exempt from registration according to Regulation S under the Securities Act. These securities shall not be directly or indirectly sold, transferred or offered in any manner to US citizen or for the benefit of US citizen (as defined in Regulation S) within the boundary of the US, or in the homeland, territories or colonies of the US. Unless otherwise provided in Regulation S, these securities are either registered or exempt from registration in accordance with law. These securities may not be offered or sold to US citizen. No hedge transactions in these securities may be permitted unless as provided under the Securities Act.
  - (8) The trustor/beneficiary agrees to pay taxes and fees relating to transaction of securities, including but not limited to taxes on capital gains.
  - (9) The trustor/beneficiary understands the Bank or third party will reply on the confirmation, acknowledgement and agreement made herein by the trustor/beneficiary. If any of the representations and guarantees made herein by the trustor/beneficiary is no longer accurate or complete, the trustor/beneficiary further agrees to timely notify the Bank. [The trustor/beneficiary also agrees unless otherwise notified in writing by him/herself, the Bank or third party be deemed to receive the same confirmation, acknowledgement and agreement made herein by the trustor/beneficiary each time he/she purchases securities from the Bank.]
  - (10) The Bank has the right to reply on this document and the trustor/beneficiary irrevocably authorize the Bank to provide the document or produce its photocopy to any related party upon administrative, judicial or government authority's inquiry about the contents of the document.

Note 1: For purpose of the agreement, non-US citizens include US citizens and green card holders residing outside of the US.

### (III) Trust Funds Investment Risk Disclosure

1. Prior to his/her decision on investment in the domestic/Foreign Securities, the trustor has been given a reasonable time to review information and regulations of the securities (including but not limited to prospectus), and understands the investment risks, including but not limited to loss of investment principal, exchange rate fluctuations, price fluctuations, political risks, and the possibility of loss of all investment capital in the worst scenario. The past performance of underlying investment is not indicative of future results. The trustor makes this investment choice based on his/her own independent judgment. Any and all capital gains and interest

generated from investment of the trust funds in the Domestic and Foreign Securities shall inure to the benefit of the trustor. Any and all investment risks, losses, expenses and taxes shall also be borne by the trustor. The trustor shall not ask the trustee to share losses for any reason. The trustee's branches in Taiwan and other countries and head office are not responsible for managing or operating the Domestic and Foreign Securities, and are not responsible for profits and/or losses of the Domestic and Foreign Securities, and do not guarantee the principal of the Domestic and Foreign Securities or their income and minimum return on investment, and shall in no circumstance be liable for act or omission of fund manager, trading counterpart, custodian, other brokers or their agents and employee. The trust funds delivered by the trustor to the trustee are for subscription of the Domestic and Foreign Securities and not deposits and do not constitute savings or debts in the trustee's branches in Taiwan and other countries or head office. Non-discretionary money trust funds are not covered by the insurance provided by Central Deposit Insurance Corporation.

2. As trading of Foreign Securities means purchase and sale of stock, subscription warrants, beneficiary certificates, bonds, exchange-traded funds (ETF), among other investment instruments, in Foreign Securities exchange markets and therefore is governed by the law and regulation of applicable jurisdiction, the trustor shall understand the potential risks that may arise from investment in Foreign Securities with funds from the investment account he/she opens, and shall review and study the following:
  - (1) Investment risks in trading of Foreign Securities vary depending on the underlying investment and relevant exchanges market. The trustor is advised to understand the characteristics and risks associated with stock, subscription warrant, beneficiary certificate, bonds and ETF as underlying investment.
  - (2) For investment in Foreign Securities, securities are traded in foreign securities markets and therefore trading is governed by the law and regulation of the local country and the policy of local exchange market, which may differ from the securities and exchange laws in Taiwan.
  - (3) When you invest in Foreign Securities, you trade in foreign currency and therefore should bear exchange rate risks in addition to loss incurred by transaction itself.
  - (4) For investment in Foreign Securities, the information or research report on securities market or industry in general or on individual stock provided by fund manager or trading counterpart, or notice delivered by securities issuer, or other information relating to the trustor's right and benefit are all prepared and provided in accordance with the law of the applicable jurisdiction. The trustor shall exercise his/her own judgment in understanding such information and making an investment decision.
  - (5) The trustor shall fully understand the terms and conditions on currency used for settlement and payment, exchange rate and calculation under the agreement with respect to accepting orders to trade foreign securities required to be executed for trading foreign securities.
  - (6) The risk disclosure is only a summary and does not provide detailed descriptions on all investment risks and circumstances that may influence market conditions. Prior to any transaction, in addition to a careful review of the risk disclosure, the trustor is advised to carefully consider all other circumstances that may affect your investment and diligently evaluate risks to prevent any substantial loss arising from transaction.
  - (7) The trustor's investment in securities may be subject to certain sale restrictions imposed by local or foreign law, fund manager or trading counterpart, including but not limited to restriction on to which securities may be sold and territory restriction. Before making an investment decision, the trustor is advised to make an effort to understand and become aware of these restrictions. The trustor shall be solely liable for any and all possible liabilities, risks and losses for failing to exercise the care as advised.