

Hotai Finance Corporation
Rules for Election of Directors

2021.07.22

Article 1

The directors of this Company shall be elected in accordance with the rules specified herein.

Article 2

In the election of directors of the Company, the directors shall be elected through cumulative voting, the names of voters may be represented by shareholders' numbers. When electing the Company's directors, each share shall be entitled to one vote for each director to be elected. The holder of the shares may cast all votes for one candidate, or may distribute the votes among several candidates.

Article 3

In the election of directors of the Company, the Company adopts the candidate nomination system due to Article 192-1 of Company Law of Republic of China.

The election of independent directors and non-independent directors shall be held together; provided, however, that the number of independent directors and non-independent directors elected shall be calculated separately. Candidates who acquire more votes (electronic votes included) should win the seats of directors. If two or more persons acquire the same number of votes and the number of such persons exceeds the specified seats available, such persons acquiring the same votes shall draw lots to decide who should win the seats available, and the chairman shall draw lots on behalf of the candidate who is not present.

Article 4

At the beginning of the election, the chairman shall appoint several persons each to check, tell and record the ballots.

Article 5

Ballots shall be prepared by the Company and note the number of voting rights by represented shareholders' numbers. The one who elect electronically do not use ballots.

Article 6

(Deleted)

Article 7

Ballots shall be deemed void under the following conditions:

1. Not follow the rules specified herein;
2. Blank ballots not completed by the voter;
3. Illegible writing;
4. The candidate whose name is entered in the ballot does not conform to the director candidate list;
5. Ballots with other written characters or symbols in addition to the number of voting rights allotted.

Article 8

The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

Article 9

The Company shall issue notifications to the directors elected.

Article 10

Others provided in Company Law or relevant regulation of Republic of China shall be followed as the Rules for Election of Directors has no related regulation.

Article 11

The Rules for Election of Directors and any revision thereof shall become effective with an approval at the shareholders' meeting.